

**GEORGIA MOUNTAINS
REGIONAL COMMISSION
GAINESVILLE, GEORGIA**

ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2012**



RECEIVED

DEC 14 2012

December 12, 2012

Mr. Mike Beatty, Commissioner
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329-2231

Dear Mr. Beatty:

Please find enclosed two (2) copies of the audit for Georgia Mountains Regional Commission for fiscal year ended June 30, 2012.

If you need any further information, please contact me at (770) 538-2626 or dlewis@gmrc.ga.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Danny Lewis", is written over a circular blue stamp.

W. Danny Lewis
Executive Director

Enclosures

cc: Becky Sievers, Finance Director

GEORGIA MOUNTAINS
REGIONAL COMMISSION

TABLE OF CONTENTS
JUNE 30, 2012

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	3-9
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements	
<u>Governmental Funds</u>	
Balance Sheet	12-13
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Assets	14
Statement of Revenues, Expenditures, and Changes in Fund Balance	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Funds to the Statement of Activities	16
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>General Fund</i>	17
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>Planning Programs Fund</i>	18
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>DCA Programs Fund</i>	19
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>DOT Programs Fund</i>	20
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>ARC Programs Fund</i>	21
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>EDA Programs Fund</i>	22
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>Information/GIS Programs Fund</i>	23
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – <i>WIA Programs Fund</i>	24
<u>Proprietary Funds</u>	
Statement of Net Assets	25
Statement of Revenues, Expenses, and Changes in Fund Net Assets	26
Statement of Cash Flows	27
Notes to the Basic Financial Statements	28-48

GEORGIA MOUNTAINS
REGIONAL COMMISSION

TABLE OF CONTENTS
JUNE 30, 2012
(CONTINUED)

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress	49
SUPPLEMENTARY INFORMATION	
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES	
Governmental Funds	
<u>General Fund</u>	
Balance Sheet.....	50
Statement of Revenues, Expenditures and Changes in Fund Balance.....	51
Major Special Revenue Funds	
<u>Planning Programs Fund</u>	
Balance Sheet.....	52
Statement of Revenues, Expenditures and Changes in Fund Balance.....	53
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	53
Planning Administration	54
Planning Special Services.....	55
<u>DCA Programs Fund</u>	
Balance Sheet.....	56
Statement of Revenues, Expenditures and Changes in Fund Balance.....	57
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	58
<u>DOT Programs Fund</u>	
Balance Sheet.....	59
Statement of Revenues, Expenditures and Changes in Fund Balance.....	60
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	61
Transportation Related Services — FY12 — No. STP-0009-00(326)	62

GEORGIA MOUNTAINS
REGIONAL COMMISSION

TABLE OF CONTENTS
JUNE 30, 2012
(CONTINUED)

	<u>Page</u>
Major Special Revenue Funds, Continued	
<u>ARC Programs Fund</u>	
Balance Sheet.....	63
Statement of Revenues, Expenditures and Changes in Fund Balance.....	64
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	65
Appalachian Regional Commission — FY11 — No. GA-0701B-C42.....	66
Appalachian Regional Commission — FY12 — No. GA-0701B-C43.....	67
<u>EDA Programs Fund</u>	
Balance Sheet.....	69
Statement of Revenues, Expenditures and Changes in Fund Balance.....	70
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	71
Economic Development Administration — FY12 — No. 04-83-06498.....	72
EDA Administration — City of Lavonia.....	73
<u>Information/GIS Programs Fund</u>	
Balance Sheet.....	74
Statement of Revenues, Expenditures and Changes in Fund Balance.....	75
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	76
Information/GIS Programs.....	77
<u>WIA Programs Fund</u>	
Balance Sheet.....	78
Statement of Revenues, Expenditures and Changes in Fund Balance.....	79
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.....	80
WIA Adult.....	81
WIA Youth.....	82
WIA Dislocated Worker.....	83
Nonmajor Special Revenue Funds	
Combining Balance Sheet.....	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	85

GEORGIA MOUNTAINS
REGIONAL COMMISSION

TABLE OF CONTENTS
JUNE 30, 2012
(CONTINUED)

	<u>Page</u>
Nonmajor Special Revenue Funds, Continued	
<u>GDNR Historic Preservation Fund</u>	
Balance Sheet.....	86
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	87
<u>EPD TMDL Section 106 Fund</u>	
Balance Sheet.....	88
Schedule of Revenues, Expenditures and Changes in Fund Balance — Budget and Actual	89
Total Maximum Daily Load Planning Grant – FY12	90
<u>Economic Development Special Services</u>	
Balance Sheet.....	91
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	92
<u>CDBG Programs Fund</u>	
Balance Sheet.....	93
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	94
Community Development Block Grant — EIP — City of Blairsville.....	95
Community Development Block Grant — EIP — City of Royston.....	96
Community Development Block Grant — EIP — City of Cornelia	97
Community Development Block Grant — EIP — Lumpkin County	98
Community Development Block Grant — EIP — Towns County	99
Community Development Block Grant — EIP — Lumpkin County-Health Dept ..	100
Community Development Block Grant — EIP — Hart County	101
Community Development Block Grant — EIP — Franklin County	102
Community Development Block Grant — EIP — White County-Senior Center	103
Community Development Block Grant — EIP — City of Cornelia-Phase 2	104
 STATE COMPLIANCE SECTION	
Schedule of Federal, State and Local Contractual Assistance	105-106
Schedule of Indirect Cost Pool — Provisional and Actual Rates	107
Schedule of Employee Benefit Cost Pool — Provisional and Actual Rates.....	108
Schedule of Fleet Cost Pool — Provisional and Actual Rates.....	109
Schedule of City and County Dues and Assessments.....	110-111

GEORGIA MOUNTAINS
REGIONAL COMMISSION

TABLE OF CONTENTS
JUNE 30, 2012
(CONTINUED)

	<u>Page</u>
SINGLE AUDIT SECTION	
Schedule of Expenditures of Federal Awards.....	112-114
Notes to Schedule of Expenditures of Federal Awards	115
Summary Schedule of Prior Audit Findings and Questioned Costs	116
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	117-118
Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.....	119-120
Schedule of Findings and Questioned Costs.....	121



J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

INDEPENDENT AUDITOR'S REPORT

To the Council
Georgia Mountains Regional Commission
1310 W. Ridge Rd.
Gainesville, Georgia 30501

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 Georgia Mountains Regional Commission (the "RC") as of and for the fiscal year ended June 30, 2012, which collectively comprise the RC's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the RC's management. Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, business-type activities, each major fund, and the aggregate remaining fund information of the RC as of June 30, 2012, and the respective changes in financial position, cash flows, where applicable, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds thereof for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2012, on our consideration of Georgia Mountains Regional Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 9 and the schedule of funding progress on page 49 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Georgia Mountains Regional Commission's basic financial statements. The combining nonmajor fund financial statements, individual nonmajor fund budgetary comparison schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of Georgia Mountains Regional Commission. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Georgia Mountains Regional Commission. The combining nonmajor fund financial statements, the individual nonmajor fund budgetary comparison schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The supplemental schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clifton, Lippford, Henderson & Parker, LLC

Macon, Georgia
October 25, 2012



MANAGEMENT'S DISCUSSION & ANALYSIS

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2012

As management of the Georgia Mountains Regional Commission, we are pleased to provide this narrative discussion and analysis of the Georgia Mountains Regional Commission's (GMRC) financial performance, providing an overview of the Regional Commission's (RC) financial activities for the fiscal year ended June 30, 2012. Please read the information presented here in conjunction with the additional information that we have furnished in the RC's financial statements, which follow this narrative.

Financial Highlights

- The RC's total net assets exceeded its liabilities by \$3,193,925 for the fiscal year reported.
- There was an increase in the RC's General Fund balance of \$246,027.
- As of June 30, 2012, the RC's governmental funds reported combined ending fund balances of \$800,536, an increase of \$246,027 from the prior year. Of this amount \$730,332 (unassigned funds) may be used to meet the RC's ongoing obligations to the member local governments and creditors.

The RC continues servicing the Economic Development Administration's (EDA) Revolving Loan Fund (RLF) which consists of twelve (12) active loans. The RLF program's net assets are \$1.6 million, which increased by \$21,961 in fiscal year 2012.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the RC's basic financial statements. The basic financial statements include: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. The RC also includes other supplementary information.

The RC's financial reporting entity includes the funds of the Georgia Mountains Regional Commission (primary government).

Government-wide Financial Statements

The government-wide statements report information about the RC as a whole, similar to those utilized by companies within the private sector. The *Statement of Net Assets* combines all of the assets and liabilities of the RC. In the same manner, the *Statement of Activities* presents all of the revenues and expenses of the RC, regardless of when cash is received or paid.

These two statements report the changes in net assets or the difference between the RC's assets and liabilities. Monitoring fluctuations in net assets is one way to evaluate the RC's financial position.

The government-wide financial statements reflect only governmental activities that are generally funded through member government dues, federal, state and contracts with local governments. The RC does maintain an internal service fund, which is utilized to aggregate pooled costs, which are allocated to various grants and contracts based upon the RC's cost allocation plan, which is reported as a governmental fund at the government-wide financial reporting level. Government activities include general government, planning services, information/ GIS services and economic development services.

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012
(CONTINUED)

The Statement of Net Assets and the Statement of Activities distinguish functions of the Georgia Mountains RC that are principally supported by Local Government Dues and Contracts/Grants (Governmental activity) from the RLF Loan Program (business-type activities).

The government-wide financial statements are presented on pages 10 and 11 of this report.

Fund Financial Statements

For our analysis of the RC's funds, the Fund Financial Statements provide more detailed information about individual funds and individual funds sources, rather than the RC as a whole. Some funds are required to be established by grant providers, federal and state laws, regulations, or other policies. Some funds are established for the RC's management and control purposes. The funds of the RC can be divided into two categories: governmental funds and proprietary funds.

Governmental funds – The RC's basic services are reported in governmental funds. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the RC's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources available. The relationship and differences between governmental activities (reported in the *Statement of Net Assets* and the *Statement of Activities*) and governmental funds is reconciled at the bottom of the financial statements. Also, the budgetary comparison schedule for the *General Fund* is included in the basic financial statement.

The basic governmental fund financial statements are presented on pages 12 through 24 of this report.

The RC maintains the following governmental funds, the General Fund, Special Revenue funds and Internal Service Fund. The RC's Council approves an annual budget for its funds.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

Proprietary funds – The *Internal Service Fund* is used to accumulate and allocate cost among the grants and contracts in accordance with the RC's cost allocation plan. Because these costs are allocated to and benefit governmental functions, they are presented in governmental activities in the government-wide financial statements.

Enterprise funds – The RC Revolving Loan Fund was originally capitalized with a \$500,000 grant to the former GMRDC from the Economic Development Administration (EDA) and \$250,000 local governments match from the former GMRDC in March 1987. The EDA Revolving Loan Fund (RLF) has \$1,641,092 in net assets at fiscal year end June 30, 2012.

The basic business-type fund financial statements are presented on pages 25 through 27 of this report.

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

(CONTINUED)

Notes to the Financial Statements

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

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents supplementary information concerning the RC's comparative balance sheets, comparative statements of revenues, expenditures and changes in fund balances and budget presentations. This information is included in order to meet certain state requirements as well as to provide individual grantors information pertaining to their grant or contract. As discussed, the RC reports major funds in the basic financial statements. Combining statements and individual comparative statements and schedules for some major funds and non-major funds are presented in this section of this report beginning on page 50.

Additional Supplementary Information

In addition to the basic financial statements, accompanying notes, and supplementary information this report also presents additional supplementary information concerning the RC's state compliance presentations. This information is included in order to meet certain state requirements as well as to provide individual grantors information pertaining to their grant or contract. As discussed, the RC reports major funds in the basic financial statements. State compliance schedules are presented in this section of this report beginning on page 105.

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2012
 (CONTINUED)

Government-wide Financial Analysis

The following table presents a comparison between the current and preceding years' Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 1,792,980	\$ 829,091	\$ 1,098,137	\$ 1,097,585	\$ 2,891,117	\$ 1,926,676
Capital assets	675,289	8,794	543,468	524,873	1,218,757	533,667
Other long-term assets	119,147	110,810	-	-	119,147	110,810
Total assets	<u>2,587,416</u>	<u>948,695</u>	<u>1,641,605</u>	<u>1,622,458</u>	<u>4,229,021</u>	<u>2,571,153</u>
Current liabilities	973,392	222,896	513	3,327	973,905	226,223
Noncurrent liabilities	61,191	42,698	-	-	61,191	42,698
Total liabilities	<u>1,034,583</u>	<u>265,594</u>	<u>513</u>	<u>3,327</u>	<u>1,035,096</u>	<u>268,921</u>
Net assets:						
Invested in capital assets	675,289	8,794	-	-	675,289	8,794
Restricted	-	-	1,641,092	1,619,131	1,641,092	1,619,131
Unrestricted	877,544	674,307	-	-	877,544	674,307
Total net assets	<u>\$1,552,833</u>	<u>\$ 683,101</u>	<u>\$1,641,092</u>	<u>\$ 1,619,131</u>	<u>\$ 3,193,925</u>	<u>\$ 2,302,232</u>
Program revenues						
Charges for services	\$47,779	\$ 57,525	\$34,929	\$42,120	\$82,708	\$99,645
Operating grants	3,090,027	656,225	-	-	3,090,027	656,225
General Revenues						
Local City / County Dues	680,284	668,308	-	-	680,284	668,308
Interest	162	356	1,197	1,062	1,359	1,418
Miscellaneous Income	30,018	14,676	1,946	2,674	31,964	17,350
Total revenues	<u>3,848,270</u>	<u>1,397,090</u>	<u>38,072</u>	<u>45,856</u>	<u>3,886,342</u>	<u>1,442,946</u>
Program expenses						
General government	252,206	197,128	-	-	252,206	197,128
Planning services	398,782	431,230	-	-	398,782	431,230
Information / GIS services	147,177	126,100	-	-	147,177	126,100
Economic & Development services	359,535	440,623	-	-	359,535	440,623
Workforce Development	1,820,838	-	-	-	1,820,838	-
Loans	-	-	16,111	17,636	16,111	17,636
Total program expenses	<u>2,978,538</u>	<u>1,195,081</u>	<u>16,111</u>	<u>17,636</u>	<u>2,994,649</u>	<u>1,212,717</u>
Change in net assets	869,732	202,009	21,961	28,220	891,693	230,229
Net assets, beginning of year, restated	683,101	481,092	1,619,131	1,590,911	2,302,232	2,072,003
Net assets, end of year	<u>\$1,552,833</u>	<u>\$683,101</u>	<u>\$1,641,092</u>	<u>\$1,619,131</u>	<u>\$3,193,925</u>	<u>\$2,302,232</u>

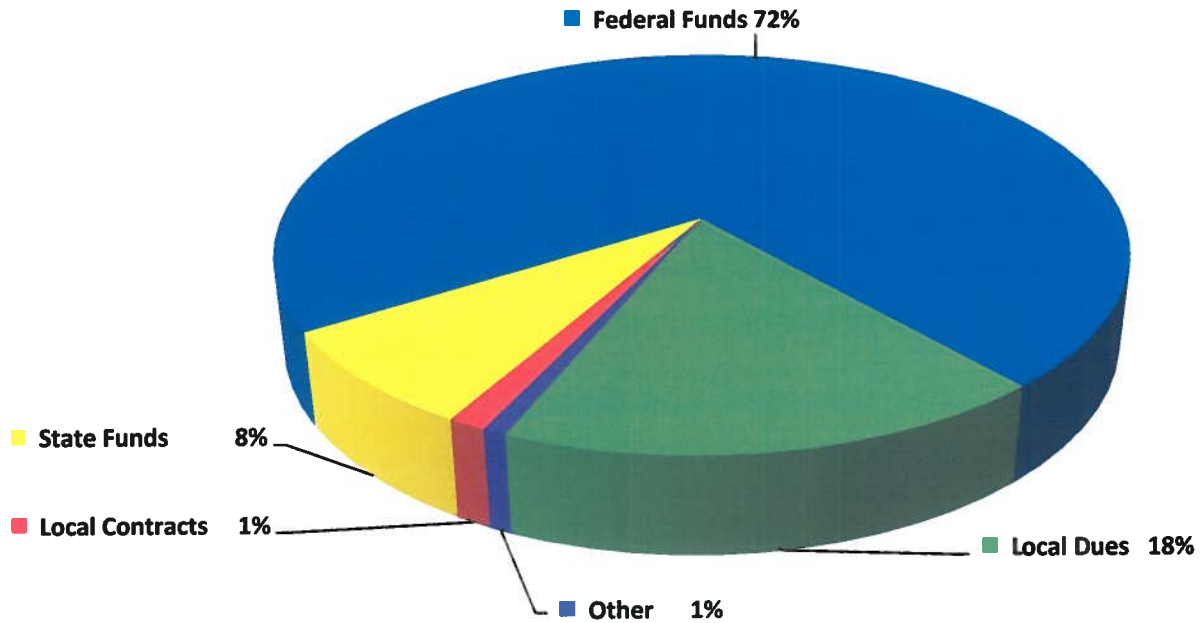
GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

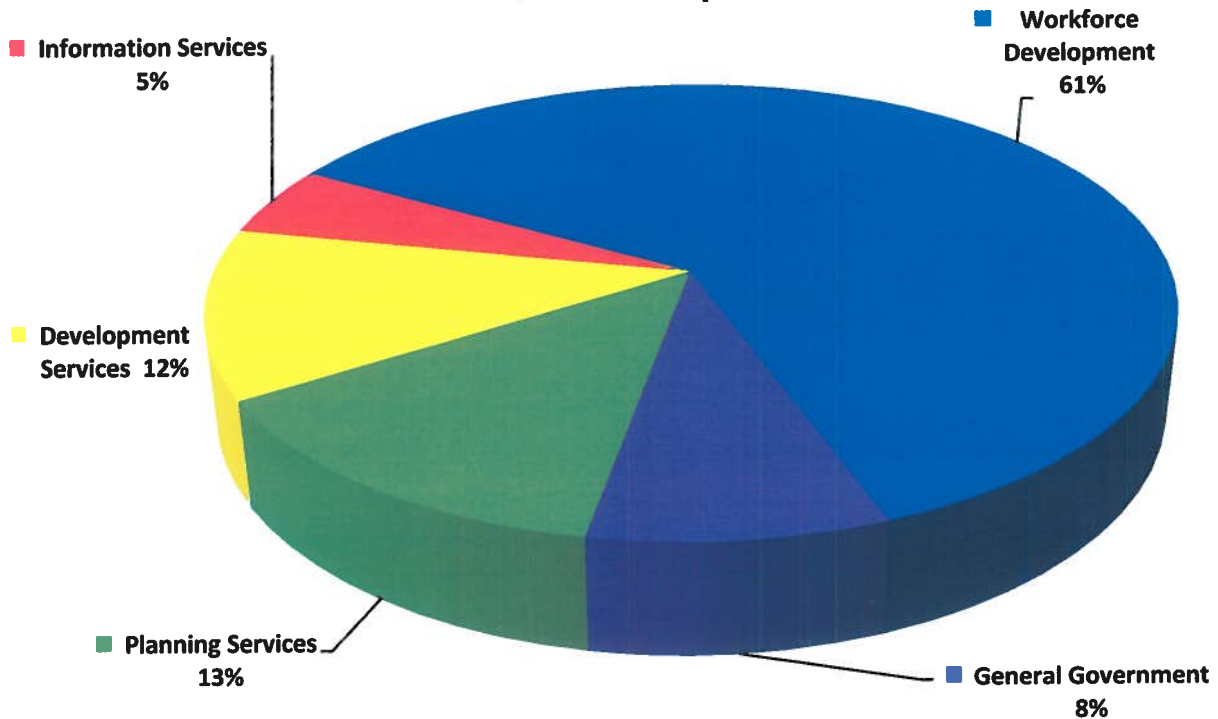
JUNE 30, 2012

(CONTINUED)

Fiscal Year 2012 Revenues



Fiscal Year 2012 Expenses



GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

(CONTINUED)

Governmental funds

The RC's governmental funds provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the RC's financing requirements. Specifically, unassigned fund balance may serve as a useful measure of the RC's net resources available for spending at the end of the fiscal year.

Of the total combined fund balance, approximately 91% consists of unassigned fund balance which serves as a measure of current available financial resources.

The assigned and nonspendable fund balances represents resources not available for spending. The RC's assigned and nonspendable fund balances represents 9% of the combined fund balance.

The RC's governmental funds reported a combined fund balance of \$800,536.

Proprietary Funds

As previously discussed, the RC maintains two proprietary funds, the Internal Service Fund and the RLF Fund. The Internal Service Fund is used to accumulate and allocate costs benefiting grants and contracts. The expenses are allocated based on an indirect cost allocation plan approved by the cognizant oversight agency, U.S. Department of Commerce. Indirect costs are allocated on the basis of direct salaries plus fringe benefits. The RLF Fund is used to accumulate and report the activities of the loan program.

Budgetary Highlights

Due to the fact that the RC is mandated by State law to adopt its next year's budget before the end of the current year, the wide range of programs and services, the variety of grant start and end dates, and additional funding cuts or additional funding obtained by the RC, the original budget is adopted using known and conservative estimates. During the current fiscal year, the RC did not amend the General Fund budget, which was underspent by \$2,655. The RC did not officially adopt a budget for the Workforce Development funds but took over the budgets that had been established by the Department of Labor prior to the RC taking these programs over on October 1, 2011.

The General Fund budget complied with financial policies approved by the RC.

Capital Assets

The RC's investment in capital assets, net of accumulated depreciation, for government activities as of June 30, 2012 was \$675,289. The RC generally capitalizes assets with cost of \$5,000 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. See Note 4.D. for additional information about changes in capital assets during the fiscal year.

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Vehicles, net	\$ 675,289	\$ 8,794
Total Capital Assets	<u>\$ 675,289</u>	<u>\$ 8,794</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

(CONTINUED)

Economic Factors and Next Year's Budget

The RC's funding level continues to change due to the level of Federal and State funding or appropriations for the services offered by the RC to assist its member governments. The dues assessment approved by the RC's Council remained at \$1.10 per capita for fiscal year 2012. The RC's dues are based on the most current Census estimates from the Georgia Department of Community Affairs.

The RC received over 80% of its income in FY2012 from Federal and State grants. The Workforce Development funds accounted for approximately 80% of the total Federal and State grants. The RC took over these funds during FY 2012. In addition to the Federal and State grants, the RC received 18% of its income from local dues assessments. The RC continues to search for new funding opportunities to assist the cities and counties in our region.

Contacting the RC's Financial Management

This financial report is designed to provide a general overview of the RC's finances and to show the RC's accountability for the money it receives. If you have questions about this report or need additional information, contact the W. Danny Lewis, Executive Director at the Georgia Mountains Regional Commission, 1310 W. Ridge Rd., P.O. Box 1720, Gainesville, Georgia 30503.



BASIC FINANCIAL STATEMENTS

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF NET ASSETS

JUNE 30, 2012

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Current Assets:			
Cash and cash equivalents	\$ 1,017,728	\$ 381,185	\$ 1,398,913
Receivables:			
Federal	671,536	-	671,536
State	75,354	-	75,354
City/County	19,691	-	19,691
Other	618	1,922	2,540
Prepaid expenses	8,053	-	8,053
Current portion of loans receivable	-	133,528	133,528
Restricted cash	-	581,502	581,502
Total current assets	1,792,980	1,098,137	2,891,117
Long-term assets:			
Other assets	119,147	-	119,147
Capital assets net of accumulated depreciation:			
Vehicles	675,289	-	675,289
Loans receivable	-	543,468	543,468
Total Long-term assets	794,436	543,468	1,337,904
Total Assets	2,587,416	1,641,605	4,229,021
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	738,854	513	739,367
Accrued liabilities	119,634	-	119,634
Compensated absences payable	15,298	-	15,298
Unearned revenue	99,606	-	99,606
Total current liabilities	973,392	513	973,905
Long-term Liabilities:			
Compensated absences payable	61,191	-	61,191
Total long-term liabilities	61,191	-	61,191
Total Liabilities	1,034,583	513	1,035,096
<u>NET ASSETS</u>			
Invested in capital assets	675,289	-	675,289
Restricted net assets:			
Loans	-	1,641,092	1,641,092
Unrestricted	877,544	-	877,544
Total Net Assets	\$ 1,552,833	\$ 1,641,092	\$ 3,193,925

The accompanying notes are an integral part of these financial statements

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Functions/Programs	Program Revenues						Net (Expense)/Revenue and Changes in Net Assets		
	Expenses	Operating		Capital		Governmental Activities	Primary Government		Total
		Charges for Services	Grants and Contributions	Grants and Contributions	Grants and Contributions		Business-Type Activities		
Primary Government									
Governmental Activities									
General government	\$ 252,206	\$ -	\$ -	\$ -	\$ (252,206)	\$ -	\$ -	\$ -	(252,206)
Planning Services	398,782	18,353	339,419	-	(41,010)	-	-	-	(41,010)
Development Services	359,535	17,755	269,284	-	(72,496)	-	-	-	(72,496)
Information / GIS services	147,177	11,671	50,581	-	(84,925)	-	-	-	(84,925)
Workforce development	1,820,838	-	2,430,743	-	609,905	-	-	-	609,905
Total governmental services	2,978,538	47,779	3,090,027	-	159,268	-	-	-	159,268
Business-Type Activities									
Loans	16,111	34,929	-	-	-	18,818	-	18,818	18,818
Total business-type activities	16,111	34,929	-	-	-	18,818	-	18,818	18,818
Total Primary Government	\$ 2,994,649	\$ 82,708	\$ 3,090,027	\$ -	\$ 159,268	\$ 18,818	\$ -	\$ 178,086	
General Revenues									
Regional appropriations					680,284	-	-	680,284	
Interest income					162	1,197	-	1,359	
Miscellaneous Income					30,018	1,946	-	31,964	
Total General Revenues					710,464	3,143	-	713,607	
Change in Net Assets					869,732	21,961	-	891,693	
Net Assets - Beginning of year					683,101	1,619,131	-	2,302,232	
Net Assets - End of year					\$ 1,552,833	\$ 1,641,092	\$ -	\$ 3,193,925	

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

<u>ASSETS AND OTHER DEBITS</u>	General Fund	Planning Programs	DCA Programs	DOT Programs
Cash and cash equivalents	\$ 1,014,219	\$ -	\$ -	\$ -
Receivables				
Federal	-	2,689	-	-
State	-	-	56,040	-
City and County	-	15,837	-	-
Other	593	-	-	-
Interfund	94,048	-	-	1,025
Prepays	4,597	-	-	-
Total Assets	<u>\$ 1,113,457</u>	<u>\$ 18,526</u>	<u>\$ 56,040</u>	<u>\$ 1,025</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 9,614	\$ 1,099	\$ 4,593	\$ 1,025
Accrued liabilities	119,634	-	-	-
Deferred revenue	2,393	7,378	-	-
Interfund payables	181,280	10,049	51,447	-
Total Liabilities	<u>312,921</u>	<u>18,526</u>	<u>56,040</u>	<u>1,025</u>
 <u>Fund Balance:</u>				
Nonspendable	4,597	-	-	-
Assigned	65,607	-	-	-
Unassigned	730,332	-	-	-
Total Fund Balance	<u>800,536</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 1,113,457</u>	<u>\$ 18,526</u>	<u>\$ 56,040</u>	<u>\$ 1,025</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

ARC Programs	EDA Programs	Information/ GIS Services	WIA Programs	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 3,509	\$ -	\$ 1,017,728
-	1,615	-	653,417	13,815	671,536
-	-	19,314	-	-	75,354
-	-	1,621	-	2,233	19,691
-	-	25	-	-	618
59,039	24,183	-	47,132	6,134	231,561
-	-	-	-	-	4,597
<u>\$ 59,039</u>	<u>\$ 25,798</u>	<u>\$ 20,960</u>	<u>\$ 704,058</u>	<u>\$ 22,182</u>	<u>\$ 2,021,085</u>
\$ 2,553	\$ 2,046	\$ 32	\$ 704,058	\$ 961	\$ 725,981
-	-	-	-	-	119,634
56,486	23,752	3,474	-	6,123	99,606
-	-	17,454	-	15,098	275,328
<u>59,039</u>	<u>25,798</u>	<u>20,960</u>	<u>704,058</u>	<u>22,182</u>	<u>1,220,549</u>
-	-	-	-	-	4,597
-	-	-	-	-	65,607
-	-	-	-	-	730,332
-	-	-	-	-	800,536
<u>\$ 59,039</u>	<u>\$ 25,798</u>	<u>\$ 20,960</u>	<u>\$ 704,058</u>	<u>\$ 22,182</u>	<u>\$ 2,021,085</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012

Total Fund Equity per Balance Sheet of Governmental Funds	\$ 800,536
<p>Amounts reported for governmental activities in the Statement of Net Assets differ from amounts reported in the Balance Sheet of Governmental funds due to the following:</p>	
<u>Capital Assets</u>	
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>	
Cost of the assets - not included in the internal service fund	610,618
Accumulated depreciation - not included in the internal service fund	(713)
<u>Internal Service</u>	
<p>Internal service funds are used by management to charge the costs of administration to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.</p>	
	99,734
<p>Net pension asset is not available during the current period and therefore, is not reported in the funds.</p>	
Other assets	119,147
<u>Compensated Absences</u>	
<p>Compensated absences payable are not due and payable in the current period and therefore are not reported in the funds.</p>	
	<u>(76,489)</u>
Total Adjustments	<u>752,297</u>
Total Net Assets of Governmental Activities	<u><u>\$ 1,552,833</u></u>

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General Fund	Information /							Total	
		Planning Programs	DCA Programs	DOT Programs	ARC Programs	EDA Programs	GIS Services	WIA Programs		Other Governmental Funds
<u>Revenues:</u>										
Federal sources	\$ -	\$ 29,434	\$ -	\$ 57,534	\$ 149,031	\$ 39,080	\$ -	\$ 2,430,743	\$ 79,681	\$ 2,785,503
State sources	-	-	252,451	-	-	-	50,581	-	1,492	304,524
City and county	680,284	18,353	-	-	-	459	11,671	-	17,296	728,063
Other income	29,625	250	-	-	-	-	305	-	-	30,180
Total Revenues	709,909	48,037	252,451	57,534	149,031	39,539	62,557	2,430,743	98,469	3,848,270
<u>Expenditures:</u>										
Current:										
General government	264,261	-	-	-	-	-	-	-	-	264,261
Planning services	-	60,580	228,908	71,918	17,761	-	-	-	19,615	398,782
Development services	-	-	-	-	215,402	73,611	-	-	70,522	359,535
GIS planning services	-	-	-	-	65,264	-	81,913	-	-	147,177
WIA services	-	-	-	-	-	-	-	1,820,125	-	1,820,125
Capital outlay	-	-	-	-	-	-	-	610,618	-	610,618
Total Expenditures	264,261	60,580	228,908	71,918	298,427	73,611	81,913	2,430,743	90,137	3,600,498
Excess (deficiency) of Revenues Over (Under) Expenditures	445,648	(12,543)	23,543	(14,384)	(149,396)	(34,072)	(19,356)	-	8,332	247,772
<u>Other Financing Sources and Uses:</u>										
Transfers from other funds	32,459	12,543	-	14,384	149,396	34,072	19,356	-	584	262,794
Transfers to other funds	(232,080)	-	(23,543)	-	-	-	-	-	(8,916)	(264,539)
Total Other Financing Sources and Uses	(199,621)	12,543	(23,543)	14,384	149,396	34,072	19,356	-	(8,332)	(1,745)
Net Changes in Fund Balance	246,027	-	-	-	-	-	-	-	-	246,027
Fund Balances - Beginning of Year	554,509	-	-	-	-	-	-	-	-	554,509
Fund Balances - End of Year	\$ 800,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,536

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses Per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 246,027
<p>Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:</p>	
<u>Internal Service</u>	
Internal service funds are used by management to charge the costs of administration to individual funds. The change in net assets is included in governmental activities in the statement of activities.	28,580
Net pension asset is not available during the current period and therefore, is not reported in the funds.	
Other assets	8,337
<u>Capital Assets</u>	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.	
Total capital outlays - not included in the internal service fund	610,618
Total depreciation - not included in the internal service fund	(713)
<u>Long-term Debt</u>	
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:	
Compensated absences	<u>(23,117)</u>
Change in Net Assets of Governmental Activities	<u>\$ 869,732</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	Positive / (Negative)
Revenues				
State revenues	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
City and county	680,284	680,284	680,284	-
Other	1,000	1,000	29,625	28,625
Total revenues	683,284	683,284	709,909	28,625
Expenditures				
Current:				
General government				
Salaries and wages	85,424	85,424	61,294	24,130
Fringe benefits	40,467	40,467	90,940	(50,473)
Supplies and materials	5,500	5,500	2,969	2,531
Real estate rental	16,308	16,308	15,618	690
Travel	7,100	7,100	3,852	3,248
Contracts	25,000	25,000	-	25,000
Other	28,125	28,125	37,547	(9,422)
Indirect costs	58,992	58,992	52,041	6,951
Total expenditures	266,916	266,916	264,261	2,655
Excess (deficit) of revenues over (under) expenditures	416,368	416,368	445,648	29,280
Other financing sources (uses)				
Transfers in (out)	(416,368)	(416,368)	(199,621)	216,747
Total other financing sources (uses)	(416,368)	(416,368)	(199,621)	216,747
Net change in fund balance	-	-	246,027	246,027
Fund balance - beginning of year	-	-	554,509	554,509
Fund balance - end of year	\$ -	\$ -	\$ 800,536	\$ 800,536

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 PLANNING PROGRAMS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Planning Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
Federal revenues	\$ 38,554	\$ 38,554	\$ 29,434	\$ (9,120)
City and county	-	-	18,353	18,353
Other	-	-	250	250
Total revenues	38,554	38,554	48,037	9,483
Expenditures				
Current:				
Planning services	36,372	36,372	42,204	(5,832)
Indirect costs	14,426	14,426	18,376	(3,950)
Total expenditures	50,798	50,798	60,580	(9,782)
Excess (deficiency) of Revenues Over (Under) Expenditures	(12,244)	(12,244)	(12,543)	(299)
Other financing sources				
Transfers in	12,244	12,244	12,543	299
Total other financing sources	12,244	12,244	12,543	299
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 DCA PROGRAMS FUND
 GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	DCA Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
State	\$ 235,492	\$ 235,492	\$ 252,451	\$ 16,959
Total revenues	235,492	235,492	252,451	16,959
Expenditures				
Current:				
Planning services	184,011	184,011	163,561	20,450
Indirect costs	77,649	77,649	65,347	12,302
Total expenditures	261,660	261,660	228,908	32,752
Excess (deficiency) of Revenues Over (Under) Expenditures	(26,168)	(26,168)	23,543	49,711
Other financing sources				
Transfers in/(out)	26,168	26,168	(23,543)	(49,711)
Total other financing sources	26,168	26,168	(23,543)	(49,711)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 DOT PROGRAMS FUND
 GEORGIA DEPARTMENT OF TRANSPORTATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	DOT Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
Federal	\$ 91,347	\$ 91,347	\$ 57,534	\$ (33,813)
Total revenues	91,347	91,347	57,534	(33,813)
Expenditures				
Current:				
Planning services	79,353	79,353	48,723	30,630
Indirect costs	34,831	34,831	23,195	11,636
Total expenditures	114,184	114,184	71,918	42,266
Excess (deficiency) of Revenues Over (Under) Expenditures	(22,837)	(22,837)	(14,384)	8,453
Other financing sources				
Transfers in	22,837	22,837	14,384	(8,453)
Total other financing sources	22,837	22,837	14,384	(8,453)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 ARC PROGRAMS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ARC Program Funds			Variance with Final Budget Positive / (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Federal	\$ 166,481	\$ 166,481	\$ 149,031	\$ (17,450)
Total revenues	166,481	166,481	149,031	(17,450)
Expenditures				
Current:				
Development services	233,410	233,410	206,335	27,075
Indirect costs	99,552	99,552	92,092	7,460
Total expenditures	332,962	332,962	298,427	34,535
Excess (Deficiency) of Revenues Over (Under) Expenditures	(166,481)	(166,481)	(149,396)	17,085
Other financing sources				
Transfers in	166,481	166,481	149,396	(17,085)
Total other financing sources	166,481	166,481	149,396	(17,085)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	EDA Program Funds			Variance with Final Budget Positive / (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Federal	\$ 52,320	\$ 52,320	\$ 39,080	\$ (13,240)
City and county	-	-	459	459
Total revenues	52,320	52,320	39,539	(12,781)
Expenditures				
Current:				
Development services	69,917	69,917	52,114	17,803
Indirect costs	30,103	30,103	21,497	8,606
Total expenditures	100,020	100,020	73,611	26,409
Excess (deficiency) of Revenues Over (Under) Expenditures	(47,700)	(47,700)	(34,072)	13,628
Other financing sources				
Transfers in	47,700	47,700	34,072	(13,628)
Total other financing sources	47,700	47,700	34,072	(13,628)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 INFORMATION/GIS PROGRAMS FUND
 INFORMATION/GIS ADMINISTRATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Information/GIS Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
State revenue	\$ 50,581	\$ 50,581	\$ 50,581	\$ -
City and county	5,204	5,204	11,671	6,467
Other	-	-	305	305
Total revenues	<u>55,785</u>	<u>55,785</u>	<u>62,557</u>	<u>6,772</u>
Expenditures				
Current:				
Information / GIS services	53,381	53,381	72,208	(18,827)
Indirect costs	2,404	2,404	9,705	(7,301)
Total expenditures	<u>55,785</u>	<u>55,785</u>	<u>81,913</u>	<u>(26,128)</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(19,356)</u>	<u>(19,356)</u>
Other financing sources				
Transfers in	-	-	19,356	19,356
Total other financing sources	<u>-</u>	<u>-</u>	<u>19,356</u>	<u>19,356</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 WIA PROGRAMS FUND
 WORKFORCE DEVELOPMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	WIA Program Funds			Variance with Final Budget Positive / (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Federal revenue	\$ -	\$ 2,887,032	\$ 2,430,743	\$ (456,289)
Total revenues	-	2,887,032	2,430,743	(456,289)
Expenditures				
Current:				
WIA services	-	2,282,522	1,783,618	498,904
Capital outlay	-	604,510	610,618	(6,108)
Indirect costs	-	-	36,507	(36,507)
Total expenditures	-	2,887,032	2,430,743	456,289
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL DEVELOPMENT CENTER

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2012

<u>ASSETS</u>	Business-Type Activities Enterprise Funds Revolving Loan Fund	Governmental Activities Internal Service Fund
Current Assets		
Cash and cash equivalents	\$ 381,185	\$ -
Receivables		
Other	1,922	-
Interfund	-	43,767
Prepaid expenses	-	3,456
Loans receivable, current portion	133,528	-
Restricted cash	581,502	-
Total Current Assets	<u>1,098,137</u>	<u>47,223</u>
Long-term Assets		
Loans receivable	543,468	-
Capital Assets, net of accumulated depreciation	-	65,384
Total Assets	<u>1,641,605</u>	<u>112,607</u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts payable	513	12,559
Bank overdraft	-	314
Total Liabilities	<u>513</u>	<u>12,873</u>
<u>NET ASSETS</u>		
Invested in capital assets	-	65,384
Restricted:		
Loans	1,641,092	-
Unrestricted	-	34,350
Total Net Assets	<u>\$ 1,641,092</u>	<u>\$ 99,734</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL DEVELOPMENT CENTER

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Business-Type Activities Enterprise Funds	Governmental Activities
	Revolving Loan Fund	Internal Service Fund
Operating Revenues:		
Charges to other funds	\$ -	\$ 350,964
Interest from loans	34,929	-
Other	1,946	38,246
Total Operating Revenues	36,875	389,210
Operating Expenses:		
Salaries and wages	5,632	187,912
Fringe benefits	2,115	67,685
Bad debt expense	2,192	-
Supplies and materials	-	7,208
Postage and freight	-	2,795
Publication and printing	-	2,256
Per diem and fees	-	23,958
Repairs and maintenance	-	11,993
Utilities	-	11,803
Depreciation	-	1,271
Facility operation	-	7,859
Rentals	-	8,908
Travel	-	4,215
Insurance and bonding	-	2,975
Other	6,172	21,537
Total Operating Expenses	16,111	362,375
Operating Income (Loss)	20,764	26,835
Non-Operating Revenues and Expenses:		
Transfer from other fund	-	1,745
Interest income	1,197	-
Total Non-Operating Revenues and Expenses	1,197	1,745
Change in Fund Net Assets	21,961	28,580
Net Assets - Beginning of Year	1,619,131	71,154
Net Assets - End of Year	\$ 1,641,092	\$ 99,734

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL DEVELOPMENT CENTER

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Business-Type Activities Enterprise Funds	Governmental Activities
	Revolving Loan Fund	Internal Service Fund
<u>Cash Flow from Operating Activities:</u>		
Receipts for allocated expenses	\$ -	\$ 350,964
Receipts from other operating activities	19,385	38,560
Payments for salaries and fringe benefits	(7,747)	(255,597)
Payments for direct operating expenses	(11,178)	(101,206)
Net Cash Provided by (Used for) Operating Activities	<u>460</u>	<u>32,721</u>
<u>Cash Flows from Capital Financing Activities:</u>		
Purchase of capital asset	-	(57,861)
Net Cash Provided by (Used for) Capital Financing Activities	<u>-</u>	<u>(57,861)</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Advances from other funds	-	25,140
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>-</u>	<u>25,140</u>
<u>Cash flows from Investing Activities:</u>		
Interest received	1,197	-
Net Cash Provided by (Used for) Investing Activities	<u>1,197</u>	<u>-</u>
Net Increase (Decrease) in Cash and Equivalents	1,657	-
Cash and Cash Equivalents - Beginning of Year	961,030	-
Cash and Cash Equivalents - End of Year	<u>\$ 962,687</u>	<u>\$ -</u>
<u>Reconciliation of Net Operating Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Net Operating Income (Loss)	<u>\$ 20,764</u>	<u>\$ 26,835</u>
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities:		
Depreciation expense	-	1,271
Changes in Assets and Liabilities:		
(Increase) decrease in prepaids	-	(861)
(Increase) decrease in accounts receivable	1,105	-
(Increase) decrease in loans receivable	(18,595)	-
Increase (decrease) in accounts payable	(2,814)	5,162
Increase (decrease) in bank overdraft	-	314
Total Adjustments	<u>(20,304)</u>	<u>5,886</u>
Net Cash Provided by Operating Activities	<u>\$ 460</u>	<u>\$ 32,721</u>

The accompanying notes are an integral part of these financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 1 – DESCRIPTION OF COMMISSION AND REPORTING ENTITY

Reporting Entity

The Georgia Mountains Regional Commission (the "Commission") succeeded the former Georgia Mountains Regional Development Commission, effective July 1, 2009. The Official Code of Georgia Annotated ("OCGA") Section 50-8-41 provided for this succession. The responsibilities and authority of the regional development commissions are contained in Sections 50-8-30 through 50-8-46 of OCGA. The Commission assists local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. Membership dues, federal, state, local, and other income finance operations of the Commission. Grants from federal, state, and other sources permit the Commission to undertake specific programs.

County members of the Commission are Banks, Dawson, Forsyth, Franklin, Habersham, Hall, Hart, Lumpkin, Rabun, Stephens, Towns, Union, and White. Municipalities which are members are: Alto, Avalon, Baldwin, Blairsville, Bowersville, Canon, Carnesville, Clarkesville, Clayton, Clermont, Cleveland, Cornelia, Cumming, Dahlonega, Dawsonville, Demorest, Dillard, Flowery Branch, Franklin Springs, Gainesville, Gillsville, Hartwell, Helen, Hiawassee, Homer, Lavonia, Lula, Martin, Maysville, Mountain City, Mt. Airy, Oakwood, Royston, Sky Valley, Tallulah Falls, Tiger, Toccoa and Young Harris.

Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity* requires the financial statements of the reporting entity to include the primary government and any component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14 *The Financial Reporting Entity*, the RC's relationship with other governments and agencies have been examined. As a result, no component units were identified which should be included in the reporting entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The Commission's basic financial statements are collectively comprised of the government-wide financial statements, fund financial statements and notes to the basic financial statements of the reporting entity.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

(CONTINUED)

Government-wide Financial Statements

The government-wide financial statements are the Statement of Net Assets and the Statement of Activities. These statements report financial information for the Commission as a whole excluding fiduciary activities such as employee pension plans. The primary government is presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements reflect governmental activities, which are generally supported by intergovernmental revenues, regional dues and assessments, grants, contributions and other nonexchange transactions. Eliminations have been made to minimize the double counting of internal activities.

The *Statement of Net Assets* presents the financial position of the governmental activities of the Commission at year-end. This statement is presented in a classified format.

The *Statement of Activities* presents a comparison between direct expenses and program revenues for each function of the Commission's governmental activities:

- *Direct Expenses* – Expenses that are specifically associated with a program or function, therefore clearly identifiable to a particular function.
- *Indirect expenses allocation* – Pooled costs, which are allocated to specific programs or functions as determined by the Commission's cost allocation plans. See Note 2.Q.
- *Program Revenues* – Include (a) charges for services, which report fees and other charges to recipients for goods, or services offered by the programs and (b) operating grants and contributions, which are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including grants and contributions not restricted to specific programs, are presented as general revenues.

Fund Financial Statements

The fund financial statements consist of a series of statements that focus on information about the government's governmental funds. Major governmental funds are reported in separate columns with a composite column for the nonmajor funds in the aggregate.

B. Basis of Accounting and Measurement Focus

The financial statements of the Commission are prepared in accordance with generally accepted accounting principles (GAAP). The Commission's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

The basis of accounting determines when transactions are reported on the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include regional dues and assessments, grants and contributions. Regional dues and assessments are recognized in the fiscal year for which they are levied. Revenue from grants and contributions are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Commission uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Commission considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred. Capital asset acquisitions, if any are reported as expenditures in governmental funds.

Major revenue sources susceptible to accrual include: intergovernmental revenues, regional dues and assessments and grants. In general, other revenues are recognized when cash is received. See Note 4.B.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

The Commission funds certain programs by a combination of specific cost-reimbursement grants, categorical grants, and general revenues. Thus, when program costs are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the Commission's policy to use restricted resources first, and then unrestricted resources as needed. See Note 4.I.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

(CONTINUED)

C. **Fund Types and Major Funds**

Governmental Funds

The Commission reports the following major governmental funds:

- ***General Fund*** – reports as the primary fund of the Commission. This fund is used to account for all financial resources not reported in other funds.
- ***Planning Programs Fund*** – used to account for activities such as general technical assistance, etc.
- ***DCA Programs Fund*** – used to account for the work scope as designated in the major contracts with the Georgia Department of Community Affairs.
- ***DOT Programs Fund*** – used to account for the work scope as designated in the major contracts with the Georgia Department of Transportation.
- ***ARC Programs Fund*** – used to account for Local Development District Administrative Grant with the Appalachian Regional Commission.
- ***EDA Programs Fund*** – used to account for the Section 203 District Planning Assistance Program with the Economic Development Administration, Atlanta Regional Office and EDA administrative grants.
- ***Information / GIS Service Fund*** – used to account for activities as Field Data collection using Global Positioning System.
- ***WIA Programs Fund*** – used to account for Workforce Investment Act contracts with the Georgia Department of Labor.

The Commission reports all governmental fund financial resources not reported within major funds as nonmajor funds.

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income changes in net assets, financial position and cash flows.

The Commission reports the following major proprietary fund:

- ***Revolving Loan Fund*** – used to account for the issuance and repayment of loans made to customers.

Additionally, the Commission reports the following fund types:

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

(CONTINUED)

- **Internal Service Fund** – used to account for pooled costs, which are allocated to various grants and contracts as determined by the Commission's cost allocation plans within the primary government.

D. Cash and Cash Equivalents

Cash and cash equivalents consist of deposits in authorized financial institutions. Georgia Laws authorize the Commission's reporting entity to deposit its funds in one or more solvent banks, insured Federal savings and loan associations, or insured State chartered building and loan associations. The Commission's reporting entity considers highly liquid investments with an original maturity of three months or less *when* purchased to be cash equivalents. See Note 4.A.

E. Investments

The Commission has adopted SFAS No. 124, "*Accounting for Certain Investments Held by Not-for-Profit Organizations.*" Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net *assets* if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

F. Receivables

Receivables consist of grant reimbursements due on Federal, State or other grants for expenditures made but not reimbursed, assessments and dues from participating local governments, and other receivables disclosed from information available. Receivables are recorded when either the asset or revenue recognition criteria has been met. Receivables recorded on the basic financial statements do not include any amounts that would necessitate the need for an allowance for uncollectible receivables. See Note 4.B.

G. Inventories and Prepaid Items

Inventories

The reporting entity does not show inventory in its governmental fund or proprietary fund type balance sheets. The costs of governmental fund and proprietary fund type inventory are recorded as an expenditure or expense when purchased rather than when consumed.

Prepaid Items

Payments made to vendors that benefit future reporting periods are recorded as prepaid items. They are recorded at cost at the time of payment then recorded as expenditure or expense at the time the item is used. Prepaid items are reported in government-wide and fund financial statements, as applicable.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

(CONTINUED)

H. Capital Assets and Depreciation

Property, plant, and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. Proprietary capital assets are also reported in their respective fund and combining financial statements. Donated capital assets, if any, are stated at their fair value on the date donated. The Commission generally capitalizes assets with cost of \$5,000 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Primary Government

Leasehold improvements	25-30
Equipment, vehicles	5-10

I. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental activities column of the statement of net assets.

J. Compensated Absences

Compensated absences represent obligations of the Commission relating to employees' rights to receive compensation for future absences based upon services already rendered. This obligation relates only to vesting accumulating leave in which payment is probable and can be reasonably estimated. Commission employees with tenure of five years or less are awarded 144 hours per year of personal leave. Commission employees with five to ten years of tenure are awarded 192 hours per year of personal leave. Commission employees with tenure of more than ten years are awarded 240 hours per year of personal leave. The maximum number of hours that may be accrued is 195 hours; however, personal leave may not be carried forward from one fiscal year to another in excess of 195 hours. Upon termination of employment, employees of the Commission are allowed to be reimbursed for accumulated personal leave at year-end plus personal leave accumulated during the current year up to a maximum of 195 hours.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absences liability at the fund reporting level only "when due."

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

K. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Capital leases and notes payable are recognized as a liability in the governmental fund financial statements "when due."

L. Fund Equity

In the financial statements, governmental funds report the following classifications of fund balance in accordance with Governmental Accounting Standards Board Statement No. 54:

- Nonspendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Council. The Council approves committed resources through a motion and vote during the voting session of Council meetings.
- Assigned – amounts that are constrained by the Commission's intent to be used for specific purposes, but are neither restricted nor committed. By motion, the Council has authorized the Executive Director or Finance Director or designee to assign fund balances.
- Unassigned – amounts that have not been assigned to other funds, and that are not restricted, committed, or assigned to specific purposes within the General Fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Commission's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Commission's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

The Commission does not have a formal minimum fund balance policy.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2012
 (CONTINUED)

The following is a summary of the fund balance classifications as of June 30, 2012:

	General Fund	Planning Programs	DCA Programs	DOT Programs	ARC Programs	EDA Programs	WIA Programs	Information GIS Services	Nonmajor Governmental	Total
Fund Balances										
Nonspendable:										
Prepays	\$ 4,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,597
Assigned for:										
Capital outlay	65,607	-	-	-	-	-	-	-	-	65,607
Unassigned	730,332	-	-	-	-	-	-	-	-	730,332
Total fund balances	\$ 800,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,536

M. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the internal service fund. For the Commission, these revenues are charges to various funds (grants and contracts) as determined by the Commission's cost allocation plans. Operating expenses are necessary costs incurred to provide administrative services and depreciation on capital assets.

N. Employee Benefits

Employee benefits are pooled and allocated to the respective funds based upon a predetermined rate applied against the respective funds salaries and wages.

Total employee benefits utilized for allocation by the Commission for the year ended June 30, 2012, totaled \$422,253. Using total salaries and wages of \$929,934 as the allocation base, the actual employee benefit rate for the year ended June 30, 2012, was 45 percent.

O. Payroll Taxes

Payroll tax payments are made to the State of Georgia for unemployment and Internal Revenue Service for Medicare. The Commission did have one employee who received unemployment during the fiscal year ended June 30, 2012. Payroll taxes paid by the Commission were \$17,054 for the year ended June 30, 2012. The Commission and its employees are exempt from Social Security Tax.

P. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between funds reported in the governmental activities column are eliminated.

Q. Allocation of Indirect Expenses

Expenses that are incurred for a common or joint purpose benefiting more than one cost objective or expenses that are not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved are considered indirect costs. These indirect costs are recorded in the Internal Service Fund by the Commission accounting system and allocated to elements of the respective funds based upon a provisional indirect cost rate. The Commission's provisional indirect cost rate is based upon prior cost experience, documented by a cost allocation plan, and is approved by the Commission's Federal oversight agency (United States Department of Commerce, Office of Audits) in accordance with the provisions of U.S. Office of Management and Budget Circular A-87. The provisional rate for the year ended June 30, 2012, was forty seven percent (47%). At the end of each month during the year, actual indirect cost rate is determined and adjustments are made to allocate the difference between provisional and actual indirect costs to the respective funds. These charges are separately reported in the Statement of Activities. Total indirect costs incurred by the Commission for the year ended June 30, 2012, was \$353,496. Using total governmental funds personal services expenditures (direct salaries plus employee benefits less amounts not utilized in computation), \$840,727 as the allocation base; the actual indirect cost rate for the year ended June 30, 2012, was forty-two percent (42%).

R. Deferred/Unearned Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Grant and contract entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Deferred revenue is reclassified as "unearned revenue" on the government-wide statement of net assets.

S. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budget Policy, Practice and Basis

The Executive Director submits annual budgets to the Council for the General and Special Revenue Funds. Legal provisions govern the budgetary process. These budgets are formally adopted on an individual grant-funded program level, which is the legal level of budgetary control. The Council may amend the budget annually or as directed by the Council. The Council approves budget amendments if total expenditures exceed budgeted expenditures at the individual grant funded program level. All expenditures in excess of budgeted amounts are the responsibility of the RC through local funds. Unobligated appropriations in the annual operating budget lapse at fiscal year end.

B. Budget to GAAP Reconciliation

All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

C. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the RC.

D. Excess of Expenditures Over Appropriations in Individual Funds

Expenditures exceeded budget in the following major funds:

Planning Programs	\$	9,782
Information/GIS Programs		26,128

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2012
 (CONTINUED)

NOTE 4 – DETAILED NOTES ON FUNDS

A. Cash and Investment

Custodial Credit Risk – Deposits

The custodial credit risk of deposits is the risk that in the event of the failure of a bank, the government will not be able to recover deposits. The RC's bank balances of deposits as of June 30, 2012 are entirely insured or collateralized with securities held by the RC's agent in the RC's name. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

B. Receivables

Federal receivables include amounts earned on approved Federal grant contracts (includes Federal grants which may be passed through state and local agencies). State receivables include amounts earned on grant contracts that do not contain Federal fund participation. City and county receivables include amounts due from city and county governments for dues and assessments. Other receivables include any other amounts due from debtors including grant contracts with local governments. The Commission's receivables relating to Federal and state grants, local governments, loans and other at June 30, 2012, are as follows:

	<u>Governmental Funds</u>		
	<u>Major Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Federal			
Planning Programs Fund			
FEMA	\$ 2,689	\$ -	\$ 2,689
ARC Programs Fund			
Appalachian Regional Commission	1,615	-	1,615
WIA Programs Fund			
Georgia Department of Labor	653,417	-	653,417
CDBG Programs Fund			
Various Cities and Counties - CDBG	-	13,815	13,815
Total Federal	<u>\$657,721</u>	<u>\$ 13,815</u>	<u>\$671,536</u>
State			
DCA Programs Fund			
Georgia Department of Community Affairs	\$ 56,040	\$ -	\$ 56,040
Information/GIS Services Fund			
Georgia Department of Highway Safety	19,314	-	19,314
Total State	<u>\$ 75,354</u>	<u>\$ -</u>	<u>\$ 75,354</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2012
 (CONTINUED)

City and County

Total amounts due the Commission from city and county governments at June 30, 2012, are as follows:

	Major Governmental Funds				
	General Fund	Planning Programs Fund	Information/		Total
			GIS Services Fund	Nonmajor Governmental Funds	
City and County					
Various Cities and Counties	\$ -	\$ 15,837	\$ 1,621	\$ 2,233	\$ 19,691
Total City and County	\$ -	\$ 15,837	\$ 1,621	\$ 2,233	\$ 19,691

C. Interfund Receivables, Payables and Transfers

Interfund balances at June 30, 2012, consisted of the following amounts and represent charges by one fund to another for services or goods, subsidy commitments outstanding at year end, or reimbursable expenses.

The Commission's transfers are for operating expenses reimbursed to the major and nonmajor governmental funds paid out of the general fund.

The following schedules report the interfund receivables and payables within the reporting entity at fiscal year-end: The following schedules report transfers within the reporting entity:

Payable	Receivable							Total Payable From
	General Fund	DOT Programs	ARC Programs	EDA Programs	WIA Programs	Nonmajor Governmental	Internal Service Fund	
Governmental Activities								
Major Governmental Funds								
General Fund	\$ -	\$ 1,025	\$ 59,039	\$ 24,183	\$ 47,132	\$ 6,134	\$ 43,767	\$ 181,280
Planning Programs	10,049	-	-	-	-	-	-	10,049
DCA Programs	51,447	-	-	-	-	-	-	51,447
Information / GIS Services	17,454	-	-	-	-	-	-	17,454
Nonmajor Governmental Funds	15,098	-	-	-	-	-	-	15,098
	<u>\$ 94,048</u>	<u>\$ 1,025</u>	<u>\$ 59,039</u>	<u>\$ 24,183</u>	<u>\$ 47,132</u>	<u>\$ 6,134</u>	<u>\$ 43,767</u>	<u>\$ 275,328</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2012
 (CONTINUED)

The following schedules report transfers within the reporting entity:

<u>Transfer In</u>	<u>Transfer Out</u>			<u>Total Transfer In</u>
	<u>General Fund</u>	<u>DCA Programs</u>	<u>Nonmajor Governmental</u>	
Governmental Activities:				
Major Governmental Funds				
General Fund	\$ -	\$ 23,543	\$ 8,916	\$ 32,459
Planning Programs	12,543	-	-	12,543
DOT Programs	14,384	-	-	14,384
ARC Programs	149,396	-	-	149,396
EDA Programs	34,072	-	-	34,072
Information / GIS Services	19,356	-	-	19,356
Nonmajor Governmental Funds	584	-	-	584
Internal Service Fund	1,745	-	-	1,745
Total Transfer Out	\$ 232,080	\$ 23,543	\$ 8,916	\$ 264,539

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2012
(CONTINUED)

D. Capital Assets

Changes in Capital Assets

The following schedule provides a summary of changes in capital assets within the reporting entity:

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Depreciable capital assets:				
Equipment	\$ 160,473	\$ 35,926	\$ (79,469)	\$ 116,930
Vehicles	102,840	21,935	-	124,775
Total depreciable capital assets	<u>263,313</u>	<u>57,861</u>	<u>(79,469)</u>	<u>241,705</u>
Total capital assets	<u>263,313</u>	<u>57,861</u>	<u>(79,469)</u>	<u>241,705</u>
Program capital assets, being depreciated				
Equipment	-	6,108		6,108
Vehicles	-	604,510		604,510
Total program capital assets, being depreciated	<u>-</u>	<u>610,618</u>	<u>-</u>	<u>610,618</u>
Accumulated depreciation:				
Equipment	(150,551)	(1,271)	78,341	(73,481)
Vehicles	(103,968)	-	1,128	(102,840)
Total Accumulated depreciation	<u>(254,519)</u>	<u>(1,271)</u>	<u>79,469</u>	<u>(176,321)</u>
Accumulated depreciation-program assets				
Equipment	-	(713)	-	(713)
Vehicles	-	-	-	-
Total accumulated depreciation-program assets	<u>-</u>	<u>(713)</u>	<u>-</u>	<u>(713)</u>
Total capital assets, net	<u>\$ 8,794</u>	<u>\$ 666,495</u>	<u>\$ -</u>	<u>\$ 675,289</u>

Depreciation expense was charged to the Commission's indirect cost plan and allocated to the applicable programs in accordance with these approved plans from their respective internal service funds.

E. Accrued Liabilities

Accrued liabilities consist of the following at year-end:

Primary Government

Rent settlement \$ 119,634

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2012
 (CONTINUED)

Rent Settlement

An audit report issued by the Georgia Department of Community Affairs ("DCA") on June 19, 1996, raised certain issues regarding expenditures made by the Commission. The report was reviewed by the U.S. Department of Commerce ("DOC"), the Commission's cognizant agency, which issued a letter dated October 3, 1997, summarizing findings for fiscal years 1984 through 1992. The Commission provided responses to both the DCA and the DOC. On September 1998 the DOC, Economic Development Administration ("EDA") issued a letter resolving the issues. As a result, the Commission will return \$119,634 to various agencies participating in charges based upon the Commission's indirect cost pool during the years 1984 through 1992. The Commission will earmark \$100,000 as a reserve for future building repairs for a period of ten years or until such amount in uncharged cost allocations is attained in full. The balance remaining at June 30, 2012, on this reserve was \$0. See Note 4.I.

F. Long-term Debt

The following is a summary of changes in long-term debt:

	Balance			Balance	Due Within
	July 1, 2011	Issued	Retired	June 30, 2012	One Year
Governmental Activities					
Compensated Absences	\$ 53,372	\$ 86,789	\$ 63,672	\$ 76,489	\$ 15,298

For governmental activities, compensated absences are generally liquidated by the General Fund.

Operating Leases

The reporting entity is committed under various building, machinery and equipment leases. For the reporting period, rent expenditures approximated \$11,446 for the Commission. Outstanding obligations for the year were not significant.

G. Invested in Capital Assets

Amounts recognized in "Invested in capital assets" for the reporting entity were as follows:

	Government-Wide Governmental Activities	Internal Service Fund
Historical cost	\$ 852,323	\$ 241,705
Accumulated depreciation	(177,034)	(176,321)
Invested in capital asset	\$ 675,289	\$ 65,384

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

(CONTINUED)

H. Restricted Net Assets

Restrictions of net assets show amounts that are legally reserved for specific uses. The reporting entity's restricted net assets (reserves) at June 30, 2012, consist of the following:

Primary Government	Proprietary Funds Enterprise Revolving Loan Fund	Total
Governmental Activities		
Restricted for loans	<u>\$ 1,641,092</u>	<u>\$ 1,641,092</u>
	<u>\$ 1,641,092</u>	<u>\$ 1,641,092</u>

NOTE 5 – RISK MANAGEMENT

The reporting entity is exposed to various risks of loss related to torts; theft of, damage to, and distinction of assets; errors and omissions; injuries to employees; natural disaster; and unemployment compensation. The Commission carries commercial insurance for risks of loss with the exception of health insurance. The Commission has neither significantly reduced coverage for these risks nor incurred losses (settlements) that exceeded the Commission's insurance coverage in any of the past three years. Currently, the Commission participates in the Georgia Municipal Association ("GMA") Health Insurance Plan, a risk pool, and is not required to maintain additional self-insurance. Coverage includes medical and dental insurance with per person \$500 and \$50 deductibles, respectively and \$50,000 life insurance. The Commission pays a monthly premium of \$658 per employee. Employee health claims are submitted to and paid by GMA and the Commission is not liable for any medical costs not covered by the plan.

The Commission is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Government has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund ("GIRMA") and the Georgia Municipal Association Workers Compensation Self-Insurance Fund ("WCSIF"), public entity risk pools currently operating as common risk management and insurance programs for member local governments.

Administered by GMA, the GIRMA was created in 1987 to provide property and liability coverage to local government entities in Georgia. The membership owns and controls the fund requiring annual contributions based on individual loss experience and underwriting which are pooled to pay property and liability claim defense, claim losses, insurance to limit exposure, and administrative expenses. The WCSIF was created in 1982 by state statute and administered by GMA. The membership owns and controls the fund requiring contributions based on individual loss experience and underwriting which are pooled to pay workers' compensation statutory coverage for municipal governments in Georgia.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

As part of these risk pools, the Commission is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The Commission is also to allow the pool's agents and attorneys to represent the Commission in investigation, settlement discussions and all levels of litigation arising out of any claim made against the Commission within the scope of loss protection furnished by the funds.

NOTE 6 – RETIREMENT PLANS

A. Defined Benefit Pension Plan

The RC is a participating member of the Georgia Municipal Employees Benefit System, a State-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association.

1. Summary of Significant Accounting Policies

Basis of Accounting. The RC's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. The sum of actuarial value at the beginning of the year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

2. Plan Description and Contribution Information

Membership of the plan consisted of the following as of January 1, 2012, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	18
Terminated plan members entitled to but not yet receiving benefits	17
Active plan members	<u>12</u>
Total	<u>47</u>
Number of participating employers	1

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

(CONTINUED)

Plan Description. The Georgia Municipal Employees Benefit System (GMEBS), a State-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association (GMA). This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The RC has established provisions, which assign the authority to the RC council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the RC has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the RC but shall be allocated to employees.

There are no loans to any of the RC officials or other "party-in-interest", and there are no prohibited transactions. The plan assets do not include any securities or investments in the Georgia Mountains Regional Commission (GMRC). The funds are managed by independent money managers.

The annual report and more detailed information regarding the plan can be obtained from the Plan Administrator, the Georgia Municipal Employees Benefit System.

Contributions. Employees make no contributions to the plan. The RC is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

The Board of Trustees of the GMEBS has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability (initial unfunded accrued liability over 30 years from 1982 and changes in the unfunded actuarial accrued liabilities over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods from the end of the year which such changes arise), and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The total level dollar amortization must be within a corridor of the 10-year and the 30-year amortization of the unfunded / (surplus) actuarial accrued liability.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2012
 (CONTINUED)

3. Funded Status and Funding Progress – Pension Plans

The funded status of the plan as of January 1, 2012, the most recent actuarial valuation date, is as follows:

	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL, as a Percentage of Covered Payroll ((b-a) / c)
January 1, 2012	\$ 4,960,202	\$ 4,914,525	\$ (45,677)	100.93%	\$ 673,531	-6.78%

Historical trend information designed to provide information about the RC's progress made in accumulating significant assets to pay pension benefits when due is presented below:

Fiscal Year	Annual Pension Cost	Percentage of Annual Covered Payroll	Percentage of APC Contributed	Net Pension Benefit/ Obligation
2012	\$ 160,448	23.09%	105%	119,147
2011	170,452	23.09%	115%	110,810
2010	223,799	29.39%	64%	85,004

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AAL's for benefits.

Derivation of Annual Pension Cost:

Annual required contribution	\$ 169,675
Interest on Net Pension Asset	(9,227)
Annual Pension Cost	<u>\$ 160,448</u>

Derivation of Net Pension Obligation:

Annual Pension Cost for Current Year	\$ 160,448
Actual Contributions to Plan for Current Year	<u>168,785</u>
Increase in Net Pension Obligation/(Asset)	(8,337)
Net Pension Obligation/(Asset), as of June 30, 2011	<u>(110,810)</u>
Net Pension Obligation/(Asset), as of June 30, 2012	<u>\$ (119,147)</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

Additional information as of the last actuarial valuation follows:

Valuation date	January 1, 2012
Actuarial cost method	Projected Unit Credit
Amortization method	The amortization of the unfunded actuarial liability is level dollar over 30 years for the initial unfunded actuarial liability, 15 years for actuarial gains and losses, 20 years for plan provisions, and 30 years for actuarial assumptions and cost methods.
Remaining amortization period	Remaining amortization period varies for the bases
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Investment rate of return	7.75%
Projected salary increases	3.50%
COLAs	3.50%

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2012
(CONTINUED)

B. Defined Contribution Plan

Primary Government

The Commission participates in a 401(k) defined contribution plan, administered by Edward Jones & Company, respectively, established and amended by the Board of Directors. The Commission, prior to establishing an earlier 403(b) retirement plan, which was replaced with the 401(k) plans, elected not to participate in the Social Security System. Each employee is required to participate upon employment and makes mandatory contributions of 6.20 percent of his/her gross salary, paired with 1.45 percent for Medicare. The Commission contributes a match of 6.20 percent less the cost of long-term disability insurance. Contributions are 100 percent vested. Employer and employee contributions for the year ended June 30, 2012, were \$45,011 and \$68,760, respectively.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS

In addition to pension benefits described in Note 6, the Regional Commission may provide post-employment benefit options for health care and dental insurance for eligible employees. The benefits are provided in accordance with the Commission's By-Laws and The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The criteria to determine eligibility may include: years of service, employee age and whether the employee has vested in the respective retirement plan. The RC funds the benefits on a pay-as-you-go basis. Eligible employees are required to pay 100% of the premium cost. During fiscal year 2012 no expenses were recognized for post-employment benefits and there are no participants currently eligible.

NOTE 8 – JOINT VENTURE

Under Georgia law, cities and counties in the 13 county Georgia Mountains region are members of Georgia Mountains Regional Commission ("RC"). Membership in a Regional Commission ("RC") is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Council membership includes the chief elected official of each county or his/her appointed elected county official and mayor of the municipality of the area and one private sector individual. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC beyond its resources.

NOTE 9 – RESTRICTED CASH

During the fiscal year ended June 30, 2012, the RC was notified by the Economic Development Administration (EDA) that the RC needed to sequester excess loan funds held for two or more consecutive reporting periods in the amount of \$581,502. The RC has to also pay interest to EDA on these sequestered funds on a quarterly basis. The sequestered funds will only be released once the RC's underutilized base capital rate falls below the threshold.



REQUIRED SUPPLEMENTARY INFORMATION

GEORGIA MOUNTAINS REGIONAL COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded (Assets in Excess of AAL) (b-a)	Annual Covered Payroll (c)	Ratio of Unfunded to Annual Covered Payroll
2012	\$ 4,960,202	\$ 4,914,525	100.93%	\$ (45,677)	\$ 673,531	-6.78%
2011	4,933,276	4,810,878	102.54%	(122,398)	683,030	-17.92%
2010	4,738,638	4,653,634	101.83%	(85,004)	725,619	-11.71%
2009	3,690,732	5,041,041	73.21%	1,350,309	761,463	177.33%
2008	4,502,257	4,793,458	93.93%	291,201	714,514	40.76%
2007	4,296,592	4,440,624	96.76%	144,032	667,921	21.56%

GEORGIA MOUNTAINS REGIONAL COMMISSION

GENERAL FUND
BALANCE SHEET
JUNE 30, 2012

ASSETS

Cash and cash equivalents	\$ 1,014,219
Receivables	
Other	593
Interfund receivable	94,048
Prepays	<u>4,597</u>
Total assets	<u>\$ 1,113,457</u>

LIABILITIES AND FUND BALANCES

LIABILITIES	
Accounts payable	\$ 9,614
Accrued liabilities	119,634
Interfund payable	181,280
Deferred revenue	<u>2,393</u>
Total liabilities	<u>312,921</u>
FUND BALANCE	
Nonspendable	4,597
Assigned	65,607
Unassigned	<u>730,332</u>
Total fund balance	<u>800,536</u>
Total liabilities and fund balance	<u>\$ 1,113,457</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
City and county		\$ 680,284
Interest income		162
Other		29,463
		<hr/>
Total revenues		709,909
		<hr/>
Expenditures		
Current:		
General government		
Salaries and wages		61,294
Fringe benefits		90,940
Supplies and materials		2,969
Repairs and maintenance		1,830
Real estate rental		15,618
Travel		3,852
Other		35,717
Indirect costs		52,041
		<hr/>
Total expenditures		264,261
		<hr/>
Excess/(deficiency) of revenues over/(under) expenditures		445,648
		<hr/>
Other financing (uses)		
Transfers in		32,459
Transfers out		(232,080)
		<hr/>
Total other financing (uses)		(199,621)
		<hr/>
Net change in fund balance		246,027
Fund balance - beginning of year		554,509
		<hr/>
Fund balance - end of year		\$ 800,536
		<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

PLANNING PROGRAMS FUND
BALANCE SHEET
JUNE 30, 2012

ASSETS

Receivables	
Federal	\$ 2,689
City and county	<u>15,837</u>
Total assets	<u>\$ 18,526</u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 1,099
Deferred revenue	7,378
Interfund payable	<u>10,049</u>
Total liabilities	<u>18,526</u>
FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 18,526</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

PLANNING PROGRAMS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
Federal		\$ 29,434
City and county		18,353
Other		250
		<hr/>
Total revenues		48,037
		<hr/>
Expenditures		
Current:		
Planning services		
Salaries and wages		27,650
Fringe benefits		11,053
Supplies and materials		684
Travel		2,405
Other		412
Indirect costs		18,376
		<hr/>
Total expenditures		60,580
		<hr/>
Excess/(deficiency) of revenues over/(under) expenditures		(12,543)
		<hr/>
Other financing sources		
Transfers in		12,543
		<hr/>
Total other financing sources		12,543
		<hr/>
Net change in fund balance		-
Fund balance - beginning of year		-
		<hr/>
Fund balance - end of year		\$ -
		<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 PLANNING PROGRAMS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues				
Federal	\$ 38,554	\$ 38,554	\$ 29,434	\$ (9,120)
City and county	-	-	18,353	18,353
Other	-	-	250	250
Total revenues	<u>38,554</u>	<u>38,554</u>	<u>48,037</u>	<u>9,483</u>
Expenditures				
Current:				
Planning services				
Salaries and wages	20,670	20,670	27,650	(6,980)
Fringe benefits	9,318	9,318	11,053	(1,735)
Supplies and materials	1,286	1,286	684	602
Travel	3,734	3,734	2,405	1,329
Other	1,364	1,364	412	952
Indirect costs	14,426	14,426	18,376	(3,950)
Total expenditures	<u>50,798</u>	<u>50,798</u>	<u>60,580</u>	<u>(9,782)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,244)</u>	<u>(12,244)</u>	<u>(12,543)</u>	<u>(299)</u>
Other financing sources				
Transfers in	12,244	12,244	12,543	299
Total other financing sources	<u>12,244</u>	<u>12,244</u>	<u>12,543</u>	<u>299</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 PLANNING PROGRAMS FUND
 PLANNING ADMINISTRATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues				
City and county	\$ -	\$ -	\$ 1,000	\$ 1,000
Other	-	-	250	250
Total revenues	-	-	1,250	1,250
Expenditures				
Current:				
Planning services				
Salaries and wages	4,552	4,552	4,553	(1)
Fringe benefits	1,799	1,799	1,799	-
Supplies and materials	684	684	684	-
Travel	1,490	1,490	1,755	(265)
Other	668	668	403	265
Indirect costs	3,051	3,051	3,051	-
Total expenditures	12,244	12,244	12,245	(1)
Excess (deficiency) of revenues over (under) expenditures	(12,244)	(12,244)	(10,995)	1,249
Other financing sources				
Transfers in	12,244	12,244	10,995	(1,249)
Total other financing sources	12,244	12,244	10,995	(1,249)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 PLANNING PROGRAMS FUND
 PLANNING SPECIAL SERVICES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues				
Federal	\$ 38,554	\$ 38,554	\$ 29,434	\$ (9,120)
City and county	-	-	17,353	17,353
Total revenues	38,554	38,554	46,787	8,233
Expenditures				
Current:				
Planning services				
Salaries and wages	16,118	16,118	23,097	(6,979)
Fringe benefits	7,519	7,519	9,254	(1,735)
Supplies and materials	602	602	-	602
Travel	2,244	2,244	650	1,594
Other	696	696	9	687
Indirect costs	11,375	11,375	15,325	(3,950)
Total expenditures	38,554	38,554	48,335	(9,781)
Excess (deficiency) of Revenues over (under) Expenditures	-	-	(1,548)	(1,548)
Other financing sources				
Transfers in	-	-	1,548	1,548
Total other financing sources	-	-	1,548	1,548
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

(THIS PAGE INTENTIONALLY LEFT BLANK)

GEORGIA MOUNTAINS REGIONAL COMMISSION
DCA PROGRAMS FUND
GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
BALANCE SHEET
JUNE 30, 2012

ASSETS

Receivables	
State	\$ 56,040
	<u>56,040</u>
Total assets	<u>\$ 56,040</u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 4,593
Interfund payable	51,447
	<u>56,040</u>
Total liabilities	<u>56,040</u>
 FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 56,040</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

DCA PROGRAMS FUND
 GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
State		\$ 252,451
		<u>252,451</u>
Total revenues		<u>252,451</u>
Expenditures		
Current:		
Planning services		
Salaries and wages		96,995
Fringe benefits		36,536
Repairs and maintenance		7,428
Travel		1,515
Capital outlay		21,006
Other		81
Indirect costs		65,347
		<u>228,908</u>
Total expenditures		<u>228,908</u>
Excess/(deficiency) of revenues over/(under) expenditures		<u>23,543</u>
Other financing sources		
Transfers out		<u>(23,543)</u>
Total other financing sources		<u>(23,543)</u>
Net change in fund balance		-
Fund balance - beginning of year		<u>-</u>
Fund balance - end of year		<u><u>\$ -</u></u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 DCA PROGRAMS FUND
 GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues				
State	\$ 235,492	\$ 235,492	\$ 252,451	\$ 16,959
Total revenues	235,492	235,492	252,451	16,959
Expenditures				
Current:				
Planning services				
Salaries and wages	114,753	114,753	96,995	17,758
Fringe benefits	53,901	53,901	36,536	17,365
Supplies and materials	3,171	3,171	-	3,171
Repairs and maintenance	7,800	7,800	7,428	372
Travel	3,203	3,203	1,515	1,688
Other	1,183	1,183	21,087	(19,904)
Indirect costs	77,649	77,649	65,347	12,302
Total expenditures	261,660	261,660	228,908	32,752
Excess/(deficiency) of revenues over/(under) expenditures	(26,168)	(26,168)	23,543	49,711
Other financing sources				
Transfers in/(out)	26,168	26,168	(23,543)	(49,711)
Total other financing sources	26,168	26,168	(23,543)	(49,711)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

DOT PROGRAMS FUND
GEORGIA DEPARTMENT OF TRANSPORTATION
BALANCE SHEET
JUNE 30, 2012

ASSETS

Receivables	
Interfund receivable	\$ 1,025
	<hr/>
Total assets	\$ 1,025
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 1,025
	<hr/>
Total liabilities	1,025
	<hr/>
FUND BALANCE	
Assigned	-
	<hr/>
Total fund balance	-
	<hr/>
Total liabilities and fund balance	\$ 1,025
	<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

DOT PROGRAMS FUND
 GEORGIA DEPARTMENT OF TRANSPORTATION
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
Federal		\$ 57,534
		<u>57,534</u>
Total revenues		<u>57,534</u>
Expenditures		
Current:		
Planning services		
Salaries and wages		34,666
Fringe benefits		13,620
Travel		307
Other		130
Indirect costs		23,195
		<u>71,918</u>
Total expenditures		<u>71,918</u>
Excess/(deficiency) of revenues over/(under) expenditures		<u>(14,384)</u>
Other financing sources		
Transfers in		<u>14,384</u>
Total other financing sources		<u>14,384</u>
Net change in fund balance		-
Fund balance - beginning of year		<u>-</u>
Fund balance - end of year		<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 DOT PROGRAMS FUND
 GEORGIA DEPARTMENT OF TRANSPORTATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues				
Federal	\$ 91,347	\$ 91,347	\$ 57,534	\$ (33,813)
Total revenues	<u>91,347</u>	<u>91,347</u>	<u>57,534</u>	<u>(33,813)</u>
Expenditures				
Current:				
Planning services				
Salaries and wages	51,499	51,499	34,666	16,833
Fringe benefits	24,221	24,221	13,620	10,601
Supplies and materials	500	500	-	500
Travel	2,181	2,181	307	1,874
Other	952	952	130	822
Indirect costs	34,831	34,831	23,195	11,636
Total expenditures	<u>114,184</u>	<u>114,184</u>	<u>71,918</u>	<u>42,266</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(22,837)</u>	<u>(22,837)</u>	<u>(14,384)</u>	<u>8,453</u>
Other financing sources				
Transfers in	22,837	22,837	14,384	(8,453)
Total other financing sources	<u>22,837</u>	<u>22,837</u>	<u>14,384</u>	<u>(8,453)</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 DOT PROGRAMS FUND
 GEORGIA DEPARTMENT OF TRANSPORTATION
 TRANSPORTATION RELATED SERVICES - FY12
 PROJECT ID STP-0009-00(326)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues				
Federal	\$ 91,347	\$ 91,347	\$ 57,534	\$ (33,813)
Total revenues	91,347	91,347	57,534	(33,813)
Expenditures				
Current:				
Planning services				
Salaries and wages	51,499	51,499	34,666	16,833
Fringe benefits	24,221	24,221	13,620	10,601
Supplies and materials	500	500	-	500
Travel	2,181	2,181	307	1,874
Other	952	952	130	822
Indirect costs	34,831	34,831	23,195	11,636
Total expenditures	114,184	114,184	71,918	42,266
Excess/(deficiency) of revenues over/(under) expenditures	(22,837)	(22,837)	(14,384)	8,453
Other financing sources				
Transfers in	22,837	22,837	14,384	(8,453)
Total other financing sources	22,837	22,837	14,384	(8,453)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

ARC PROGRAMS FUND
APPALACHIAN REGIONAL COMMISSION
BALANCE SHEET
JUNE 30, 2012

ASSETS

Receivables	
Interfund	\$ 59,039
	<hr/>
Total assets	\$ 59,039
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 2,553
Deferred revenue	56,486
	<hr/>
Total liabilities	59,039
	<hr/>
FUND BALANCE	
Assigned	-
	<hr/>
Total fund balance	-
	<hr/>
Total liabilities and fund balance	\$ 59,039
	<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

ARC PROGRAMS FUND
 APPALACHIAN REGIONAL COMMISSION
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
Federal		\$ 149,031
		<u>149,031</u>
Total revenues		<u>149,031</u>
Expenditures		
Current:		
Development services		
Salaries and wages		139,081
Fringe benefits		56,003
Travel		9,200
Other		2,026
Indirect costs		92,092
		<u>298,427</u>
Total expenditures		<u>298,427</u>
Excess/(deficiency) of revenues over/(under) expenditures		<u>(149,396)</u>
Other financing sources		
Transfers in		<u>149,396</u>
Total other financing sources		<u>149,396</u>
Net change in fund balance		-
Fund balance - beginning of year		<u>-</u>
Fund balance - end of year		<u><u>\$ -</u></u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 ARC PROGRAMS FUND
 APPALACHIAN REGIONAL COMMISSION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 166,481	\$ 149,031	\$ (17,450)
Total revenues	166,481	149,031	(17,450)
Expenditures			
Current:			
Development services			
Salaries and wages	151,671	139,081	12,590
Fringe benefits	65,933	56,003	9,930
Supplies and materials	300	25	275
Travel	11,234	9,200	2,034
Other	4,272	2,026	2,246
Indirect costs	99,552	92,092	7,460
Total expenditures	332,962	298,427	34,535
Excess/(deficiency) of revenues over/(under) expenditures	(166,481)	(149,396)	17,085
Other financing sources			
Transfers in	166,481	149,396	(17,085)
Total other financing sources	166,481	149,396	(17,085)
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 ARC PROGRAMS FUND
 APPALACHIAN REGIONAL COMMISSION - FY11
 NO. GA-0701B-C42
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 83,909	\$ 83,909	\$ -
Total revenues	<u>83,909</u>	<u>83,909</u>	<u>-</u>
Expenditures			
Current:			
Development services			
Salaries and wages	75,621	77,078	(1,457)
Fringe benefits	34,075	33,665	410
Supplies and materials	300	25	275
Travel	4,475	2,929	1,546
Other	3,672	1,851	1,821
Indirect costs	49,675	52,635	(2,960)
Total expenditures	<u>167,818</u>	<u>168,183</u>	<u>(365)</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(83,909)</u>	<u>(84,274)</u>	<u>(365)</u>
Other financing sources			
Transfers in	<u>83,909</u>	<u>84,274</u>	<u>365</u>
Total other financing sources	<u>83,909</u>	<u>84,274</u>	<u>365</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 ARC PROGRAMS FUND
 APPALACHIAN REGIONAL COMMISSION - FY12
 NO. GA-0701B-C43
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 82,572	\$ 65,122	\$ (17,450)
Total revenues	<u>82,572</u>	<u>65,122</u>	<u>(17,450)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	76,050	62,003	14,047
Fringe benefits	31,858	22,338	9,520
Travel	6,759	6,271	488
Other	600	175	425
Indirect costs	49,877	39,457	10,420
Total expenditures	<u>165,144</u>	<u>130,244</u>	<u>34,900</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(82,572)</u>	<u>(65,122)</u>	<u>17,450</u>
Other financing sources			
Transfers in	<u>82,572</u>	<u>65,122</u>	<u>(17,450)</u>
Total other financing sources	<u>82,572</u>	<u>65,122</u>	<u>(17,450)</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

GEORGIA MOUNTAINS REGIONAL COMMISSION

EDA PROGRAMS FUND
ECONOMIC DEVELOPMENT ADMINISTRATION
BALANCE SHEET
JUNE 30, 2012

ASSETS

Receivables	
Federal	\$ 1,615
Interfund receivable	<u>24,183</u>
Total assets	<u>\$ 25,798</u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 2,046
Deferred revenue	<u>23,752</u>
Total liabilities	<u>25,798</u>
FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 25,798</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
Federal		\$ 39,080
Local revenue		459
		<hr/>
Total revenues		39,539
		<hr/>
Expenditures		
Current:		
Development services		
Salaries and wages		38,724
Fringe benefits		7,742
Supplies and materials		25
Travel		4,408
Other		1,215
Indirect costs		21,497
		<hr/>
Total expenditures		73,611
		<hr/>
Excess/(deficiency) of revenues over/(under) expenditures		(34,072)
		<hr/>
Other financing sources		
Transfers in		34,072
		<hr/>
Total other financing sources		34,072
		<hr/>
Net change in fund balance		-
Fund balance - beginning of year		-
		<hr/>
Fund balance - end of year		\$ -
		<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 52,320	\$ 39,080	\$ (13,240)
Local revenue	-	459	459
Total revenues	<u>52,320</u>	<u>39,539</u>	<u>(12,781)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	44,937	38,724	6,213
Fringe benefits	20,651	7,742	12,909
Supplies and materials	7	25	(18)
Travel	3,751	4,408	(657)
Other	571	1,215	(644)
Indirect costs	30,103	21,497	8,606
Total expenditures	<u>100,020</u>	<u>73,611</u>	<u>26,409</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(47,700)</u>	<u>(34,072)</u>	<u>13,628</u>
Other financing sources			
Transfers in	<u>47,700</u>	<u>34,072</u>	<u>(13,628)</u>
Total other financing sources	<u>47,700</u>	<u>34,072</u>	<u>(13,628)</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 NO. 04-83-06498
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 47,700	\$ 34,072	\$ (13,628)
Total revenues	47,700	34,072	(13,628)
Expenditures			
Current:			
Development services			
Salaries and wages	42,916	36,209	6,707
Fringe benefits	1,907	6,698	(4,791)
Supplies and materials	-	25	(25)
Travel	3,500	4,206	(706)
Other	564	1,215	(651)
Indirect costs	28,719	19,791	8,928
Total expenditures	77,606	68,144	9,462
Excess/(deficiency) of revenues over/(under) expenditures	(29,906)	(34,072)	(4,166)
Other financing sources			
Transfers in	29,906	34,072	4,166
Total other financing sources	29,906	34,072	4,166
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 CITY OF LAVONIA
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 4,620	\$ 5,008	\$ 388
Local revenue	-	459	459
Total revenues	<u>4,620</u>	<u>5,467</u>	<u>847</u>
Expenditures			
Current:			
Development services			
Salaries and wages	2,021	2,515	(494)
Fringe benefits	950	1,044	(94)
Supplies and materials	7	-	7
Travel	251	202	49
Other	7	-	7
Indirect costs	1,384	1,706	(322)
Total expenditures	<u>4,620</u>	<u>5,467</u>	<u>(847)</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

GEORGIA MOUNTAINS REGIONAL COMMISSION

INFORMATION/GIS PROGRAMS FUND

BALANCE SHEET

JUNE 30, 2012

ASSETS

Receivables	
State	\$ 19,314
City and county	1,621
Other	25
	<hr/>
Total assets	\$ 20,960
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 32
Deferred revenue	3,474
Interfund payable	17,454
	<hr/>
Total liabilities	20,960
	<hr/>
FUND BALANCE	
Assigned	-
	<hr/>
Total fund balance	-
	<hr/>
Total liabilities and fund balance	\$ 20,960
	<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

INFORMATION/GIS PROGRAMS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues	
State	\$ 50,581
City and county	11,671
Other	<u>305</u>
Total revenues	<u>62,557</u>
Expenditures	
Current:	
Information / GIS services	
Salaries and wages	15,737
Fringe benefits	5,541
Supplies and materials	1,192
Contractual	46,900
Travel	2,595
Other	243
Indirect costs	<u>9,705</u>
Total expenditures	<u>81,913</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(19,356)</u>
Other financing sources	
Transfers in	<u>19,356</u>
Total other financing sources	<u>19,356</u>
Net change in fund balance	-
Fund balance - beginning of year	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 INFORMATION / GIS PROGRAMS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 50,581	\$ 50,581	\$ -
City and county	5,204	11,671	6,467
Other	-	305	305
Total revenues	<u>55,785</u>	<u>62,557</u>	<u>6,772</u>
Expenditures			
Current:			
Information / GIS services			
Salaries and wages	3,497	15,737	(12,240)
Fringe benefits	1,507	5,541	(4,034)
Supplies and materials	897	1,192	(295)
Contractual	46,900	46,900	-
Travel	477	2,595	(2,118)
Other	103	243	(140)
Indirect costs	2,404	9,705	(7,301)
Total expenditures	<u>55,785</u>	<u>81,913</u>	<u>(26,128)</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>-</u>	<u>(19,356)</u>	<u>(19,356)</u>
Other financing sources			
Transfers in	-	19,356	19,356
Total other financing sources	<u>-</u>	<u>19,356</u>	<u>19,356</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 INFORMATION / GIS PROGRAMS FUND
 INFORMATION/GIS PROGRAMS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
State	\$ 50,581	\$ 50,581	\$ -
City and county	5,204	11,671	6,467
Other	-	305	305
Total revenues	55,785	62,557	6,772
Expenditures			
Current:			
Information / GIS services			
Salaries and wages	3,497	15,737	(12,240)
Fringe benefits	1,507	5,541	(4,034)
Supplies and materials	897	1,192	(295)
Travel	477	2,595	(2,118)
Repairs and maintenance	46,900	46,900	-
Other	103	243	(140)
Indirect costs	2,404	9,705	(7,301)
Total expenditures	55,785	81,913	(26,128)
Excess/(deficiency) of revenues over/(under) expenditures	-	(19,356)	(19,356)
Other financing sources			
Transfers in	-	19,356	19,356
Total other financing sources	-	19,356	19,356
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

WIA PROGRAMS FUND
BALANCE SHEET
JUNE 30, 2012

ASSETS

Cash	\$ 3,509
Receivables	
Federal	653,417
Interfund	<u>47,132</u>
Total assets	<u>\$ 704,058</u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	<u>\$ 704,058</u>
Total liabilities	<u>704,058</u>
FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 704,058</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

WIA PROGRAMS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
Federal		\$ 2,430,743
		<u>2,430,743</u>
Total revenues		<u>2,430,743</u>
Expenditures		
Current:		
WIA services		
Salaries and wages		554,025
Fringe benefits		113,801
Supplies and materials		52,819
Travel		214,553
Capital outlay		610,618
Other		848,420
Indirect costs		36,507
		<u>2,430,743</u>
Total expenditures		<u>2,430,743</u>
Net change in fund balance		-
Fund balance - beginning of year		<u>-</u>
Fund balance - end of year		<u><u>\$ -</u></u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 WIA PROGRAMS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 2,887,032	\$ 2,430,743	\$ (456,289)
Total revenues	<u>2,887,032</u>	<u>2,430,743</u>	<u>(456,289)</u>
Expenditures			
Current:			
WIA services			
Salaries and wages	707,697	554,025	153,672
Fringe benefits	-	113,801	(113,801)
Supplies and materials	30,600	52,819	(22,219)
Travel	7,854	214,553	(206,699)
Capital outlay	604,510	610,618	(6,108)
Other	1,536,371	848,420	687,951
Indirect costs	-	36,507	(36,507)
Total expenditures	<u>2,887,032</u>	<u>2,430,743</u>	<u>456,289</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
WIA PROGRAMS FUND
WIA ADULT PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 642,910	\$ 723,821	\$ 80,911
Total revenues	<u>642,910</u>	<u>723,821</u>	<u>80,911</u>
Expenditures			
Current:			
WIA services			
Salaries and wages	190,874	138,740	52,134
Fringe benefits	-	29,054	(29,054)
Supplies and materials	8,400	14,344	(5,944)
Travel	2,156	72,808	(70,652)
Capital outlay	134,204	135,731	(1,527)
Other	307,276	323,671	(16,395)
Indirect costs	-	9,473	(9,473)
Total expenditures	<u>642,910</u>	<u>723,821</u>	<u>(80,911)</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
WIA PROGRAMS FUND
WIA YOUTH PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 1,412,041	\$ 862,674	\$ (549,367)
Total revenues	<u>1,412,041</u>	<u>862,674</u>	<u>(549,367)</u>
Expenditures			
Current:			
WIA services			
Salaries and wages	323,715	253,149	70,566
Fringe benefits	-	37,877	(37,877)
Supplies and materials	13,800	23,973	(10,173)
Travel	3,542	30,638	(27,096)
Capital outlay	327,895	330,949	(3,054)
Other	743,089	168,925	574,164
Indirect costs	-	17,163	(17,163)
Total expenditures	<u>1,412,041</u>	<u>862,674</u>	<u>549,367</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 WIA PROGRAMS FUND
 WIA DISLOCATED WORKER PROGRAMS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 832,081	\$ 844,248	\$ 12,167
Total revenues	832,081	844,248	12,167
Expenditures			
Current:			
WIA services			
Salaries and wages	193,108	162,136	30,972
Fringe benefits	-	46,870	(46,870)
Supplies and materials	8,400	14,502	(6,102)
Travel	2,156	111,107	(108,951)
Capital outlay	142,411	143,938	(1,527)
Other	486,006	355,824	130,182
Indirect costs	-	9,871	(9,871)
Total expenditures	832,081	844,248	(12,167)
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2012

	GDNR Historic Preservation	EPA TMDL Section 106	Economic Development Special Services	CDBG Programs	Total Nonmajor Special Revenue Funds
ASSETS					
Receivables					
Federal	\$ -	\$ -	\$ -	\$ 13,815	\$ 13,815
Local	-	-	2,233	-	2,233
Interfund receivable	6,134	-	-	-	6,134
Total assets	\$ 6,134	\$ -	\$ 2,233	\$ 13,815	\$ 22,182
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 11	\$ -	\$ 65	\$ 885	\$ 961
Deferred revenue	6,123	-	-	-	6,123
Interfund payable	-	-	2,168	12,930	15,098
Total liabilities	6,134	-	2,233	13,815	22,182
FUND BALANCE					
Assigned	-	-	-	-	-
Total fund balance	-	-	-	-	-
Total liabilities and fund balance	\$ 6,134	\$ -	\$ 2,233	\$ 13,815	\$ 22,182

GEORGIA MOUNTAINS REGIONAL COMMISSION

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	GDNR Historic Preservation	EPA TMDL Section 106	Economic Development Special Services	CDBG Programs	Total Nonmajor Special Revenue Funds
Revenues					
Federal	\$ -	\$ 17,757	\$ 2,963	\$ 58,961	\$ 79,681
State	1,492	-	-	-	1,492
City and county	-	-	17,296	-	17,296
Total revenues	1,492	17,757	20,259	58,961	98,469
Expenditures					
Current:					
Planning services	1,492	18,123	-	-	19,615
Development services	-	-	11,343	59,179	70,522
Total expenditures	1,492	18,123	11,343	59,179	90,137
Excess/(Deficiency) of revenues over/(under) expenditures	-	(366)	8,916	(218)	8,332
Other financing sources					
Transfers in	-	366	-	218	584
Transfers out	-	-	(8,916)	-	(8,916)
Total other financing sources	-	366	(8,916)	218	(8,332)
Net change in fund balance	-	-	-	-	-
Fund balance - beginning of year	-	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION
 GEORGIA DEPARTMENT OF NATURAL RESOURCES
 GDNR HISTORIC PRESERVATION FUND
 HISTORIC PRESERVATION DIVISION
 BALANCE SHEET
 JUNE 30, 2012

ASSETS

Receivables	
Interfund receivable	\$ 6,134
Total assets	<u>\$ 6,134</u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 11
Deferred revenue	<u>6,123</u>
Total liabilities	<u>6,134</u>
 FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 6,134</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 GDNR HISTORIC PRESERVATION FUND
 GEORGIA DEPARTMENT OF NATURAL RESOURCES
 HISTORIC PRESERVATION DIVISION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
State	\$ 4,909	\$ 1,492	\$ (3,417)
Total revenues	4,909	1,492	(3,417)
Expenditures			
Current:			
Planning services			
Salaries and wages	2,000	604	1,396
Fringe benefits	940	406	534
Supplies and materials	50	-	50
Travel	500	-	500
Other	49	-	49
Indirect costs	1,370	482	888
Total expenditures	4,909	1,492	3,417
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION
 EPD TMDL
 GEORGIA DEPARTMENT OF NATURAL RESOURCES
 ENVIRONMENTAL PROTECTION DIVISION
 TOTAL MAXIMUM DAILY LOAD PLANNING GRANT
 BALANCE SHEET
 JUNE 30, 2012

ASSETS

Receivables		
Federal	\$	-
Total assets	\$	-

LIABILITIES AND FUND BALANCE

LIABILITIES		
Accounts payable	\$	-
Total liabilities		-
 FUND BALANCE		
Assigned		-
Total fund balance		-
Total liabilities and fund balance	\$	-

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
EPD TMDL

GEORGIA DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION DIVISION
TOTAL MAXIMUM DAILY LOAD PLANNING GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 18,059	\$ 17,757	\$ (302)
Total revenues	18,059	17,757	(302)
Expenditures			
Current:			
Planning services			
Salaries and wages	8,000	8,245	(245)
Fringe benefits	3,760	3,863	(103)
Supplies and materials	700	-	700
Travel	190	102	88
Indirect costs	5,409	5,913	(504)
Total expenditures	18,059	18,123	(64)
Excess/(Deficiency) of revenues over/(under) expenditures	-	(366)	(366)
Other financing sources			
Transfers in	-	366	366
Total other financing sources	-	366	366
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 GEORGIA DEPARTMENT OF NATURAL RESOURCES
 ENVIRONMENTAL PROTECTION DIVISION
 TOTAL MAXIMUM DAILY LOAD PLANNING GRANT - SECTION 106 - FY12
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 18,059	\$ 17,757	\$ (302)
Total revenues	<u>18,059</u>	<u>17,757</u>	<u>(302)</u>
Expenditures			
Current:			
Planning services			
Salaries and wages	8,000	8,245	(245)
Fringe benefits	3,760	3,863	(103)
Supplies and materials	700	-	700
Travel	190	102	88
Indirect costs	5,409	5,913	(504)
Total expenditures	<u>18,059</u>	<u>18,123</u>	<u>(64)</u>
Excess/(Deficiency) of revenues over/(under) expenditures	<u>-</u>	<u>(366)</u>	<u>(366)</u>
Other financing sources			
Transfers in	-	366	366
Total other financing sources	<u>-</u>	<u>366</u>	<u>366</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

GEORGIA MOUNTAINS REGIONAL COMMISSION

ECONOMIC DEVELOPMENT SPECIAL SERVICES

BALANCE SHEET

JUNE 30, 2012

ASSETS

Receivables	
Local	\$ 2,233
	<hr/>
Total assets	\$ 2,233
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 65
Interfund	2,168
	<hr/>
Total liabilities	2,233
	<hr/>

FUND BALANCE

Assigned	-
	<hr/>
Total fund balance	-
	<hr/>

Total liabilities and fund balance	\$ 2,233
	<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 ECONOMIC DEVELOPMENT SPECIAL SERVICES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ -	\$ 2,963	\$ 2,963
City and county	8,541	17,296	8,755
Total revenues	8,541	20,259	11,718
Expenditures			
Current:			
Planning services			
Salaries and wages	3,613	5,152	(1,539)
Fringe benefits	1,698	2,280	(582)
Supplies and materials	30	-	30
Travel	708	298	410
Other	30	49	(19)
Indirect costs	2,462	3,564	(1,102)
Total expenditures	8,541	11,343	(2,802)
Excess/(Deficiency) of revenues over/(under) expenditures	-	8,916	8,916
Other financing sources			
Transfers out	-	(8,916)	(8,916)
Total other financing sources	-	(8,916)	(8,916)
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

CDBG PROGRAM FUND
BALANCE SHEET
JUNE 30, 2012

ASSETS

Receivables	
Federal	\$ 13,815
	<hr/>
Total assets	\$ 13,815
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 885
Interfund payable	12,930
	<hr/>
Total liabilities	13,815
	<hr/>

FUND BALANCE

Assigned	-
	<hr/>
Total fund balance	-
	<hr/>

Total liabilities and fund balance	\$ 13,815
	<hr/> <hr/>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 104,810	\$ 58,961	\$ (45,849)
Total revenues	<u>104,810</u>	<u>58,961</u>	<u>(45,849)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	46,557	27,919	18,638
Fringe benefits	19,706	10,852	8,854
Supplies and materials	135	-	135
Travel	5,609	1,619	3,990
Other	140	-	140
Indirect costs	32,779	18,789	13,990
Total expenditures	<u>104,926</u>	<u>59,179</u>	<u>45,747</u>
Excess/(Deficiency) of revenues over/(under) expenditures	<u>(116)</u>	<u>(218)</u>	<u>(102)</u>
Other financing sources			
Transfers in	<u>116</u>	<u>218</u>	<u>102</u>
Total other financing sources	<u>116</u>	<u>218</u>	<u>102</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CDBG PROGRAMS FUND

COMMUNITY DEVELOPMENT BLOCK GRANT - EIP

CITY OF BLAIRSVILLE

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 938	\$ 6,203	\$ 5,265
Total revenues	938	6,203	5,265
Expenditures			
Current:			
Development services			
Salaries and wages	410	2,696	(2,286)
Fringe benefits	193	1,040	(847)
Supplies and materials	1	-	1
Travel	51	315	(264)
Other	2	-	2
Indirect costs	281	1,787	(1,506)
Total expenditures	938	5,838	(4,900)
(Deficit) of revenues (under) expenditures	-	365	365
Other financing sources			
Transfers out	-	(365)	(365)
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 CITY OF ROYSTON
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 15,218	\$ 9,770	\$ (5,448)
Total revenues	15,218	9,770	(5,448)
Expenditures			
Current:			
Development services			
Salaries and wages	6,656	4,707	1,949
Fringe benefits	3,128	1,811	1,317
Supplies and materials	25	-	25
Travel	824	201	623
Other	25	-	25
Indirect costs	4,560	3,051	1,509
Total expenditures	15,218	9,770	5,448
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 CITY OF CORNELIA
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 19,068	\$ 5,071	\$ (13,997)
Total revenues	<u>19,068</u>	<u>5,071</u>	<u>(13,997)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	8,340	2,474	5,866
Fringe benefits	3,920	901	3,019
Supplies and materials	28	-	28
Travel	1,037	72	965
Other	30	-	30
Indirect costs	5,713	1,624	4,089
Total expenditures	<u>19,068</u>	<u>5,071</u>	<u>13,997</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 LUMPKIN COUNTY
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 7,167	\$ 6,480	\$ (687)
Total revenues	<u>7,167</u>	<u>6,480</u>	<u>(687)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	3,135	3,060	75
Fringe benefits	1,473	1,170	303
Supplies and materials	11	-	11
Travel	390	144	246
Other	11	-	11
Indirect costs	2,147	2,106	41
Total expenditures	<u>7,167</u>	<u>6,480</u>	<u>687</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 TOWNS COUNTY
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 14,297	\$ 8,748	\$ (5,549)
Total revenues	<u>14,297</u>	<u>8,748</u>	<u>(5,549)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	6,253	4,150	2,103
Fringe benefits	2,939	1,539	1,400
Supplies and materials	22	-	22
Travel	777	304	473
Other	22	-	22
Indirect costs	4,284	2,755	1,529
Total expenditures	<u>14,297</u>	<u>8,748</u>	<u>5,549</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 LUMPKIN COUNTY - HEALTH DEPARTMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 9,281	\$ 665	\$ (8,616)
Total revenues	9,281	665	(8,616)
Expenditures			
Current:			
Development services			
Salaries and wages	4,304	569	3,735
Fringe benefits	281	188	93
Supplies and materials	14	-	14
Travel	891	11	880
Other	14	-	14
Indirect costs	3,777	363	3,414
Total expenditures	9,281	1,131	8,150
(Deficit) of revenues (under) expenditures	-	(466)	(466)
Other financing sources			
Transfers in	-	466	466
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 HART COUNTY
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 4,133	\$ 4,133	\$ -
Total revenues	4,133	4,133	-
Expenditures			
Current:			
Development services			
Salaries and wages	1,924	1,924	-
Fringe benefits	916	916	-
Travel	75	75	-
Indirect costs	1,335	1,335	-
Total expenditures	4,250	4,250	-
(Deficit) of revenues (under) expenditures	(117)	(117)	-
Other financing sources			
Transfers in	117	117	-
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 FRANKLIN COUNTY
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 23,202	\$ 6,386	\$ (16,816)
Total revenues	23,202	6,386	(16,816)
Expenditures			
Current:			
Development services			
Salaries and wages	10,148	2,951	7,197
Fringe benefits	4,770	1,202	3,568
Supplies and materials	34	-	34
Travel	1,262	195	1,067
Other	36	-	36
Indirect costs	6,952	2,038	4,914
Total expenditures	23,202	6,386	16,816
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 WHITE COUNTY - SENIOR CENTER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 8,679	\$ 8,678	\$ (1)
Total revenues	<u>8,679</u>	<u>8,678</u>	<u>(1)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	4,084	4,084	-
Fringe benefits	1,594	1,594	-
Travel	163	162	1
Indirect costs	2,838	2,838	-
Total expenditures	<u>8,679</u>	<u>8,678</u>	<u>1</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 CITY OF CORNELIA - PHASE 2 INFRASTRUCTURE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 2,827	\$ 2,827	\$ -
Total revenues	2,827	2,827	-
Expenditures			
Current:			
Development services			
Salaries and wages	1,304	1,304	-
Fringe benefits	491	491	-
Travel	140	140	-
Indirect costs	892	892	-
Total expenditures	2,827	2,827	-
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

(THIS PAGE INTENTIONALLY LEFT BLANK)

STATE COMPLIANCE SECTION

GEORGIA MOUNTAINS RC.

FEDERAL, STATE, AND LOCAL CONTRACTUAL ASSISTANCE SCHEDULE

FY2012

July 1, 2011 - June 30, 2012

FUNDING AGENCY PROGRAM/GRANT	Entity ID NUMBER	GRANT AWARD PERIOD	REVENUES RECEIVED FY2012	EXPENDITURES AS OF 06/30/12	RECEIVABLES AS OF 06/30/12
Appalachian Regional Commission 2011 2012	GA-0701B-C42 GA-0701B-C43	01/01/11 - 12/31/11 01/01/12 - 12/31/12	41,286 121,608	168,182 130,245	
Total Appalachian Regional Commission			162,894	298,427	
U.S. Dept. of Commerce Economic Development Administration Planning Grant	04-83-06498	01/01/11 - 12/31/13	48,750	68,145	
Pass-Through From City of Lavonia (627)	04-01-06456	01/15/10 - 12/31/13	4,134	5,467	1,333
Total U.S. Department of Commerce			52,884	73,612	
U.S. Dept. of Transportation Georgia Department of Transportation Transportation Related Services Agreement	STP-0009-00(326)	07/01/11 - 06/30/12	46,993	71,918	10,541
FEMA Georgia Emergency Management Agency Pass through Habersham County (318) Towns County (319) Banks County (326) Dawson County (328) Franklin County (324) Rabun County (327) Stephens County (325)	N/A N/A N/A N/A N/A N/A N/A	08/01/11 - 04/30/14 01/01/11 - 09/30/13 01/01/11 - 09/30/13 01/01/11 - 09/30/13 01/01/11 - 09/30/13 01/01/11 - 09/30/13 01/01/11 - 09/30/13	1,681 - 4,047 5,463 1,636 5,529 2,036 20,392	1,749 1,913 2,925 5,463 1,673 7,504 3,252 24,479	68 1,848 - - - 770 - 2,686

U.S. Dept of Housing & Urban Development Community Block Pass through									
Blairsville CDBG (615)	08p-x-144-2-5027	03/23/08 - 12/31/11	6,202	5,837	-				
Lumpkin County - Health Ctr. (652)	07p-y-093-1-3295	03/23/07 - 03/23/11	665	1,131	-				
Hart County - RITZ (653)	08q-y-073-1-5113	09/02/08 - 09/02/11	4,133	4,250	-				
City of Royston (628)	10p-x-059-2-5225	02/02/10 - 09/15/12	7,092	9,770	1,250				
City of Cornelia (629)	10p-x-068-2-5224	03/23/10 - 03/23/13	3,716	5,071	1,355				
Lumpkin County - Sr. Ctr. (631)	10p-y-093-1-5232	03/23/10 - 03/23/13	3,427	6,480	3,053				
Towns County (632)	10p-y-139-1-5249	06/07/10 - 05/18/13	6,516	8,748	2,232				
Franklin County (661)	10q-y-059-1-5335	02/02/11 - 09/15/13	4,443	6,386	1,942				
City of Cornelia Phase 2 (663)	11p-x-068-2-5347	04/09/11 - 09/01/14	2,086	2,827	741				
White County (664)	11p-y-154-1-5398	04/09/11 - 09/01/14	5,410	8,679	3,269				
			43,690	59,179	13,842				
Environmental Protection Division									
Georgia Dept. of Natural Resources									
TMDL - FFY 2011 Section 604(b) Grant	751-110060	10/01/10 - 09/30/11	17,757	18,123					
American Recovery & Reinvestment Act Grant (ARRA) pass through									
City of Lula (241) - General Adm Services Wastewater Treatment Plant Expansion	CWSRF 09-014	11/02/09 - 10/31/11	2,963	2,963	-				
State Grants									
Georgia Dept. of Community Affairs Coordinated Planning Work Program	N/A								
			168,123	228,908	37,894				
Governor's Office of Highway Safety (CarFit)	GA-2012-000-00491	01/01/12 - 09/30/12	31,267	50,581	19,314				
Georgia Dept. of Natural Resources Historic Preservation Services	N/A	07/01/11 - 06/30/12	4,090	1,492					
GMA Wellness Grant (121)	N/A	07/01/11 - 06/30/12	2,000	2,000	-				
Total State Grants			205,480	779,101	64,963				
TOTAL			\$ 725,266	\$ 779,101	\$ 64,963				

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF INDIRECT COST POOL -
PROVISIONAL AND ACTUAL RATES
FISCAL YEAR ENDED JUNE 30, 2012

	<u>Provisional</u>	<u>Actual</u>
Salaries and wages	\$ 176,344	\$ 187,912
Allocated fringe benefits	82,882	67,685
Consultants	-	2,358
Supplies and materials	10,100	5,799
Travel	5,000	3,757
Utilities - electric and gas	11,350	11,803
Repairs and maintenance	19,163	23,216
Publications and printing	3,000	2,256
User charges/depreciation equipment	1,000	1,271
Facility operation expense	9,075	8,422
Rentals - other	8,923	8,908
Per diem and fees	21,500	21,600
Postage and freight	3,000	2,795
Other expenses	3,735	2,739
Insurance and bonding	3,200	2,975
	<u>\$ 358,272</u>	<u>\$ 353,496</u>
Indirect expenses available for allocation		

COMPUTATION OF INDIRECT COST RATES

Direct salaries	\$ 522,916	\$ 486,159
Employee fringe benefits	<u>245,771</u>	<u>354,568</u>
Allocation base - direct personnel costs	<u>\$ 768,687</u>	<u>\$ 840,727</u>
Indirect cost rates	<u>46.61%</u>	<u>42.05%</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF EMPLOYEE BENEFIT COST POOL -
 PROVISIONAL AND ACTUAL RATES
 FISCAL YEAR ENDED JUNE 30, 2012

	<u>Provisional</u>	<u>Actual</u>
Fringe benefits		
Retirement benefits	\$ 160,448	\$ 160,448
Payroll taxes	11,138	17,054
Group insurance	106,203	185,203
Workers compensation	5,452	7,944
Other benefits including TSA	<u>44,163</u>	<u>51,604</u>
Employee benefits available for allocation	<u>\$ 327,404</u>	<u>\$ 422,253</u>

COMPUTATION OF EMPLOYEE BENEFIT RATES

Total salaries and wages	<u>\$ 699,260</u>	<u>\$ 929,934</u>
Allocation base - salaries and wages	<u>\$ 699,260</u>	<u>\$ 929,934</u>
Employee benefit rates	<u>46.82%</u>	<u>45.41%</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF FLEET COST POOL -
PROVISIONAL AND ACTUAL RATES
FISCAL YEAR ENDED JUNE 30, 2012

	<u>Provisional</u>	<u>Actual</u>
Gasoline expense	\$ 4,900	\$ 5,704
Depreciation	-	-
Vehicle repairs and maintenance	3,000	1,812
Vehicle insurance	<u>2,988</u>	<u>2,976</u>
Indirect expenses available for allocation	<u>\$ 10,888</u>	<u>\$ 10,492</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF CITY/COUNTY DUES AND ASSESSMENTS
FISCAL YEAR ENDED JUNE 30, 2012

	Balance due 06/30/11	FY '12 dues amount	Total billed for FY '12	Amount collected for FY '12	Balance due 06/30/12
GOVERNMENT					
Banks County	\$ -	\$ 18,479	\$ 18,479	\$ 18,479	\$ -
City of Homer	-	-	-	-	-
City of Maysville	-	-	-	-	-
Dawson County	-	24,811	24,811	24,811	-
City of Dawsonville	-	-	-	-	-
Forsyth County	-	191,972	191,972	191,972	-
City of Cumming	-	-	-	-	-
Franklin County	-	17,087	17,087	17,087	-
City of Canon	-	820	820	820	-
City of Carnesville	-	710	710	710	-
City of Franklin Springs	-	807	807	807	-
City of Lavonia	-	2,262	2,262	2,262	-
City of Royston	-	2,237	2,237	2,237	-
Habersham County	-	35,127	35,127	35,127	-
Town of Alto	-	603	603	603	-
City of Baldwin	-	2,660	2,660	2,660	-
City of Clarkesville	-	1,894	1,894	1,894	-
City of Cornelia	-	4,217	4,217	4,217	-
City of Demorest	-	2,013	2,013	2,013	-
Town of Mount Airy	-	1,385	1,385	1,385	-
Town of Tallulah Falls	-	75	75	75	-
Hall County	-	153,176	153,176	153,176	-
Town of Clermont	-	861	861	861	-
City of Flowery Branch	-	4,527	4,527	4,527	-
City of Gainesville	-	39,325	39,325	39,325	-
City of Gillsville	-	202	202	202	-
City of Lula	-	2,538	2,538	2,538	-
City of Oakwood	-	5,888	5,888	5,888	-
Hart County	-	21,758	21,758	21,758	-
City of Bowersville	-	-	-	-	-
City of Hartwell	-	4,716	4,716	4,716	-
Lumpkin County	-	24,652	24,652	24,652	-
City of Dahlonega	-	5,629	5,629	5,629	-
Subtotal	\$ -	\$ 570,431	\$ 570,431	\$ 570,431	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF CITY/COUNTY DUES AND ASSESSMENTS
 FISCAL YEAR ENDED JUNE 30, 2012
 (CONTINUED)

	Balance due 06/30/11	FY '12 dues amount	Total billed for FY '12	Amount collected for FY '12	Balance due 06/30/12
GOVERNMENT					
Rabun County	\$ -	\$ 15,249	\$ 15,249	\$ 15,249	\$ -
City of Clayton	-	2,418	2,418	2,418	-
City of Dillard	-	257	257	257	-
City of Mountain City	-	-	-	-	-
City of Sky Valley	-	-	-	-	-
City of Tiger	-	348	348	348	-
Stephens County	-	18,298	18,298	18,298	-
City of Avalon	-	-	-	-	-
City of Martin	-	-	-	-	-
City of Toccoa	-	9,971	9,971	9,971	-
Towns County	-	12,111	12,111	12,111	-
City of Hiawassee	-	-	-	-	-
City of Young Harris	-	-	-	-	-
Union County	-	22,591	22,591	22,591	-
City of Blairsville	-	787	787	787	-
White County	-	23,743	23,743	23,743	-
City of Cleveland	-	3,143	3,143	3,143	-
City of Helen	-	937	937	937	-
Subtotal	-	109,853	109,853	109,853	-
Total	\$ -	\$ 680,284	\$ 680,284	\$ 680,284	\$ -



SINGLE AUDIT SECTION

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Federal/Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Appalachian Regional Commission			
Appalachial Local Development District Assistance	23.009	GA-0701B-C42	\$ 83,909
Appalachial Local Development District Assistance	23.009	GA-0701B-C43	65,122
Subtotal for CFDA 23.009			<u>149,031</u>
Total Direct Programs			<u>149,031</u>
Total Appalachian Regional Commission			<u>149,031</u>
U.S. Department of Commerce			
Direct Programs:			
Economic Development Administration Planning	11.302	04-83-06498	<u>34,072</u>
Total Direct Programs			<u>34,072</u>
Passed through City of Lavonia, Georgia:			
Economic Development Administration Planning	11.302	04-01-06456	<u>5,008</u>
Total Pass-through Programs			<u>5,008</u>
Total U.S. Department of Commerce			<u>39,080</u>
U.S. Department of Transportation			
Passed through Georgia Department of Transportation:			
Transportation Highway Planning	20.205	STP-0009-00(326)	<u>57,534</u>
Total Pass-through Programs			<u>57,534</u>
Total U.S. Department of Transportation			<u>57,534</u>
U.S. Department of Housing and Urban Development			
Direct Programs:			
Community Development Block Grants	14.219	08p-x-144-2-5027	6,203
Community Development Block Grants	14.219	10p-x-059-2-5225	9,770
Community Development Block Grants	14.219	10p-x-068-2-5224	5,071
Community Development Block Grants	14.219	10p-y-093-1-5232	6,480
Community Development Block Grants	14.219	10p-y-139-1-5249	8,748
Community Development Block Grants	14.219	07p-y-093-1-3295	665
Community Development Block Grants	14.219	08q-y-073-1-5113	4,133
Community Development Block Grants	14.219	10q-y-059-1-5335	6,386
Community Development Block Grants	14.219	11p-y-154-1-5398	8,678
Community Development Block Grants	14.219	11p-x-068-2-5347	2,827
Total Direct Programs			<u>58,961</u>
Total U.S. Department of Housing and Urban Development			<u>58,961</u>

See accompanying notes to schedule of expenditures of federal awards.

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(CONTINUED)

Federal/Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Environmental Protection Division			
Passed through Georgia Department of Natural Resources TMDL - FFY 2010 Section 106	66.454	751-100091	\$ 17,757
Total Passed through Georgia Department of Natural Resources			17,757
Passed through City of Lula ARRA-Wastewater Treatment Plant Expansion	66.458	CWSRF 09-014	2,963
Total Pass-through Programs			2,963
Total Environmental Protection Division			20,720
Federal Emergency Management Agency			
Passed through Georgia Emergency Management Agency Predisaster Mitigation	97.047	N/A	1,749
Predisaster Mitigation	97.047	N/A	1,913
Predisaster Mitigation	97.047	HHM 833046	1,673
Predisaster Mitigation	97.047	HHM 858024	3,252
Predisaster Mitigation	97.047	HHM 858026	2,925
Predisaster Mitigation	97.047	HHM 858030	7,504
Predisaster Mitigation	97.047	HHM 858022	5,464
Predisaster Mitigation	97.047	N/A	4,954
Total Pass-through Programs			29,434
Total Federal Emergency Management Agency			\$ 29,434

See accompanying notes to schedule of expenditures of federal awards.

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(CONTINUED)

Federal/Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Labor			
Passed through Georgia Department of Labor			
WIA Adult	17.258	10-10-CO-02-022	72,492
WIA Adult	17.258	11-11-TF-02-022	8,134
WIA Adult	17.258	11-11-CO-02-022	594,139
WIA Adult	17.258	10-11-CO-02-022	16,872
WIA Adult	17.258	11-12-11-02-022	32,184
WIA Youth	17.259	15-10-CO-02-022	740,609
WIA Youth	17.259	15-10-TF-02-022	10,550
WIA Youth	17.259	15-11-CO-02-022	111,343
WIA Youth	17.259	15-12-11-02-022	172
WIA Dislocated Worker	17.278	30-10-CO-02-022	95,110
WIA Dislocated Worker	17.278	31-11-TF-02-022	9,654
WIA Dislocated Worker	17.278	31-11-CO-02-022	640,406
WIA Dislocated Worker	17.278	30-11-CO-02-022	99,078
Total WIA Cluster			<u>2,430,743</u>
Total Pass-through Programs			<u>2,430,743</u>
Total U.S. Department of Labor			<u>2,430,743</u>
Total Expenditures of Federal Awards - General Fund/Special Revenue Funds			<u>2,785,503</u>
Economic Development Administration			
Direct Programs:			
Revolving Loan	11.307	04-39-03469	<u>1,101,546</u>
Total Direct Programs			<u>1,101,546</u>
Total Economic Development Administration			<u>1,101,546</u>
Total Expenditures of Federal Awards -Proprietary Fund			<u>1,101,546</u>
Total Expenditures of Federal Awards			<u><u>\$ 3,887,049</u></u>

See accompanying notes to schedule of expenditures of federal awards.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Georgia Mountains Regional Commission under programs of the federal government for the fiscal year ended June 30, 2012. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Because the schedule presents only a selected portion of the operations of Georgia Mountains Regional Commission, it is not intended to and does not present the financial position, changes in net assets or cash flows of Georgia Mountains Regional Commission.

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for States, Local and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurs.

Program Type Determination

Type A programs are defined as Federal programs with Federal expenditures exceeding the larger of \$300,000 or three percent of total Federal expenditures. The threshold of \$300,000 was used in distinguishing between Type A and Type B programs.

Method of Major Program Selection

The risk-based approach was used in the selection of Federal programs to be tested as major programs. The RC did qualify as a low-risk auditee for the fiscal year ended June 30, 2012.

GEORGIA MOUNTAINS REGIONAL COMMISSION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FEDERAL AWARD FINDINGS

Findings Noted on the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133:

NONE REPORTED



J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Council
Georgia Mountains Regional Commission
1310 W. Ridge Rd.
Gainesville, Georgia 30501

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Georgia Mountains Regional Commission (the "RC"), as of and for the fiscal year ended June 30, 2012, which collectively comprise the RC's basic financial statements and have issued our report thereon dated November 12, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Georgia Mountains Regional Commission is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the RC's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the RC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the RC's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the RC's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the RC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the RC in a separate letter dated October 25, 2012.

This report is intended solely for the information and use of management, the audit committee, the Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton, Lippford, Hardwin & Parker, LLC

Macon, Georgia
October 25, 2012



J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Council
Georgia Mountains Regional Commission
1310 W. Ridge Rd.
Gainesville, Georgia 30501

Compliance

We have audited Georgia Mountains Regional Commission's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the RC's major federal programs for the fiscal year ended June 30, 2012. Georgia Mountains Regional Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Georgia Mountains Regional Commission's management. Our responsibility is to express an opinion on Georgia Mountains Regional Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Georgia Mountains Regional Commission's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Georgia Mountains Regional Commission's compliance with those requirements.

In our opinion, Georgia Mountains Regional Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2012.

Internal Control Over Compliance

Management of Georgia Mountains Regional Commission is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Georgia Mountains Regional Commission's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Georgia Mountains Regional Commission's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the audit committee, the Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Clifton, Lippford, Hardwin & Parker, LLC

Macon, Georgia
October 25, 2012

GEORGIA MOUNTAINS REGIONAL COMMISSION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None Reported
Type of auditor’s report issued on compliance to major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	No

Identification of Major Programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
11.307	Economic Development Administration-Revolving Loan
17.258	WIA Adult
17.259	WIA Youth
17.278	WIA Dislocated Worker

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 300,000</u>
Auditee qualified as a low-risk auditee?	Yes

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.