

**GEORGIA MOUNTAINS
REGIONAL COMMISSION
GAINESVILLE, GEORGIA**

ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2013**

GEORGIA MOUNTAINS
REGIONAL COMMISSION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the RC's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the RC as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information and the schedule of pension funding progress on pages 4 through 10 and page 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the RC'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. The 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.

The combining nonmajor fund financial statements, individual nonmajor fund budgetary comparison schedules, supplemental schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, individual nonmajor fund budgetary comparison schedules, supplemental schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2013, on our consideration of the RC'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* in considering Georgia Mountains Regional Commission's internal control over financial reporting and compliance.

Clifton, Lipford, Hardison & Parker, LLC

Macon, Georgia
October 22, 2013



MANAGEMENT'S DISCUSSION & ANALYSIS

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2013

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, 2013. 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 position exceeded its liabilities by \$3,299,382 for the fiscal year reported.
- There was an increase in the RC's General Fund balance of \$238,841.
- As of June 30, 2013, the RC's governmental funds reported combined ending fund balances of \$1,039,377 an increase of \$238,841 from the prior year. Of this amount \$965,802 (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 position was \$1.6 million, which increased by \$20,830 in fiscal year 2013.

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 Position* 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 position or the difference between the RC's assets and liabilities. Monitoring fluctuations in net position 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. Governmental activities include general government, planning services, information/ GIS services, economic development services and Workforce Development services.

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2013

(CONTINUED)

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

The government-wide financial statements are presented on pages 11 and 12 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 Position* and the *Statement of Activities*) and governmental funds is reconciled at the bottom of the financial statements. Also, the budgetary comparison schedules for the *General Fund and Major Special Revenue Funds* are included in the basic financial statements.

The basic governmental fund financial statements are presented on pages 13 through 25 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 \$1,661,922 in net position at fiscal year end June 30, 2013.

The basic business-type fund financial statements are presented on pages 26 through 29 of this report.

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2013

(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 52.

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 104.

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2013

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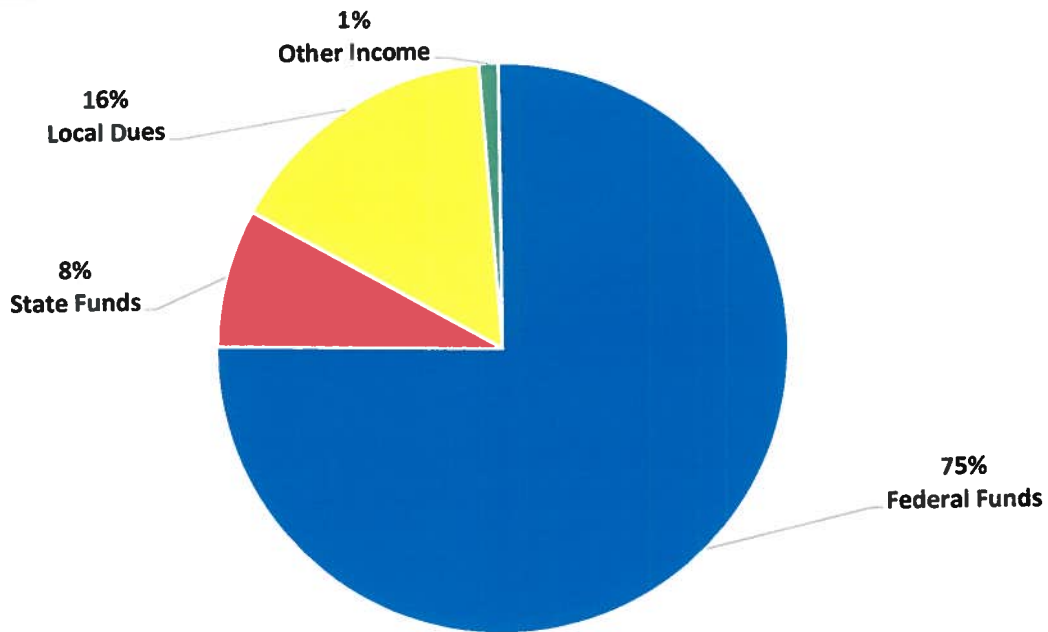
Government-wide Financial Analysis

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

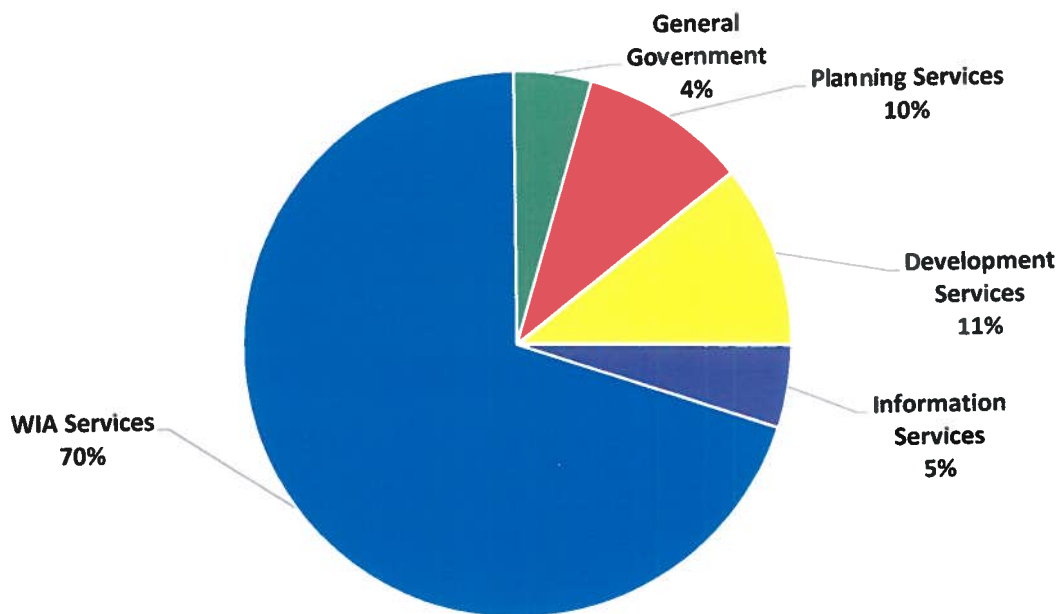
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 1,445,992	\$ 1,792,980	\$ 919,178	\$ 1,098,137	\$ 2,365,170	\$ 2,891,117
Capital Assets	518,399	675,289	-	-	518,399	675,289
Other long-term assets	123,782	119,147	743,259	543,468	867,041	662,615
Total Assets	<u>2,088,173</u>	<u>2,587,416</u>	<u>1,662,437</u>	<u>1,641,605</u>	<u>3,750,610</u>	<u>4,229,021</u>
Current liabilities	374,326	973,392	515	513	374,841	973,905
Noncurrent liabilities	76,387	61,191	-	-	76,387	61,191
Total liabilities	<u>450,713</u>	<u>1,034,583</u>	<u>515</u>	<u>513</u>	<u>451,228</u>	<u>1,035,096</u>
Net position:						
Net investment in capital assets	518,399	675,289	-	-	518,399	675,289
Restricted	-	-	1,661,922	1,641,092	1,661,922	1,641,092
Unrestricted	1,119,061	877,544	-	-	1,119,061	877,544
Total net position	<u>\$ 1,637,460</u>	<u>\$ 1,552,833</u>	<u>\$ 1,661,922</u>	<u>\$ 1,641,092</u>	<u>\$ 3,299,382</u>	<u>\$ 3,193,925</u>
Program revenues						
Charges for services	\$ 18,637	\$ 47,779	\$ 37,724	\$ 34,929	\$ 56,361	\$ 82,708
Operating grants	3,685,217	3,090,027	-	-	3,685,217	3,090,027
General Revenues						
Local City / County Dues	679,411	680,284			679,411	680,284
Interest	1,254	162	1,165	1,197	2,419	1,359
Miscellaneous Income	46,800	30,018	593	1,946	47,393	31,964
Total revenues	<u>4,431,319</u>	<u>3,848,270</u>	<u>39,482</u>	<u>38,072</u>	<u>4,470,801</u>	<u>3,886,342</u>
Program expenses						
General government	224,217	252,206	-	-	224,217	252,206
Planning services	414,328	398,782	-	-	414,328	398,782
Information / GIS services	205,888	147,177	-	-	205,888	147,177
Economic & Development services	454,231	359,535	-	-	454,231	359,535
Workforce Development	3,048,028	1,820,838	-	-	3,048,028	1,820,838
Loans	-	-	18,652	16,111	18,652	16,111
Total program expenses	<u>4,346,692</u>	<u>2,978,538</u>	<u>18,652</u>	<u>16,111</u>	<u>4,365,344</u>	<u>2,994,649</u>
Change in net position	84,627	869,732	20,830	21,961	105,457	891,693
Net position, beginning 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>
Net position, end of year	<u>\$ 1,637,460</u>	<u>\$ 1,552,833</u>	<u>\$ 1,661,922</u>	<u>\$ 1,641,092</u>	<u>\$ 3,299,382</u>	<u>\$ 3,193,925</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013
(CONTINUED)

Fiscal Year 2013 Revenues



Fiscal Year 2013 Expenses



GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2013

(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 93% 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 7% of the combined fund balance.

The RC's governmental funds reported a combined fund balance of \$1,039,377.

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 \$80,759.

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

Capital Assets

The RC's net investment in capital assets for governmental activities as of June 30, 2013 was \$518,399. 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, 2013</u>	<u>June 30, 2012</u>
Vehicles, net	\$ 518,399	\$ 675,289
Total Capital Assets	<u>\$ 518,399</u>	<u>\$ 675,289</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2013

(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 2013. The RC's dues are based on the most current Census estimates from the Georgia Department of Community Affairs.

The RC received over 75% of its income in FY2013 from Federal grants of which 85% was Workforce Development funds. In addition to the Federal grants, the RC received 15% 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 POSITION

JUNE 30, 2013

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Current Assets:			
Cash and cash equivalents	\$ 1,125,819	\$ 201,913	\$ 1,327,732
Receivables:			
Federal	221,122	-	221,122
State	77,096	-	77,096
City/County	15,250	-	15,250
Other	1,780	2,491	4,271
Interfund	256	(256)	-
Prepaid expenses	4,669	-	4,669
Current portion of loans receivable	-	133,528	133,528
Restricted cash	-	581,502	581,502
Total current assets	<u>1,445,992</u>	<u>919,178</u>	<u>2,365,170</u>
Long-term assets:			
Other assets	123,782	-	123,782
Capital assets net of accumulated depreciation:			
Vehicles	518,399	-	518,399
Loans receivable	-	743,259	743,259
Total Long-term assets	<u>642,181</u>	<u>743,259</u>	<u>1,385,440</u>
Total Assets	<u>2,088,173</u>	<u>1,662,437</u>	<u>3,750,610</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	196,005	515	196,520
Accrued liabilities	119,634	-	119,634
Compensated absences payable	13,480	-	13,480
Unearned revenue	45,207	-	45,207
Total current liabilities	<u>374,326</u>	<u>515</u>	<u>374,841</u>
Long-term Liabilities:			
Compensated absences payable	<u>76,387</u>	-	<u>76,387</u>
Total long-term liabilities	<u>76,387</u>	-	<u>76,387</u>
Total Liabilities	<u>450,713</u>	<u>515</u>	<u>451,228</u>
<u>NET POSITION</u>			
Net investment in capital assets	518,399	-	518,399
Restricted net assets:			
Loans	-	1,661,922	1,661,922
Unrestricted	<u>1,119,061</u>	-	<u>1,119,061</u>
Total Net Position	<u>\$ 1,637,460</u>	<u>\$ 1,661,922</u>	<u>\$ 3,299,382</u>

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, 2013

Functions/Programs	Program Revenues				Net (Expense)/Revenue and Changes in Net Position			
	Expenses	Operating		Capital	Governmental Activities	Primary Government Business-Type Activities		Total
		Charges for Services	Grants and Contributions	Grants and Contributions		Governmental Activities	Business-Type Activities	
Primary Government								
Governmental Activities								
General government	\$ 224,217	\$ -	\$ 5,734	\$ -	\$ (218,483)	\$ -	\$ -	\$ (218,483)
Planning Services	414,328	3,107	342,947	-	(68,274)	-	-	(68,274)
Development Services	454,231	10,046	307,531	-	(136,654)	-	-	(136,654)
Information / GIS services	205,888	5,484	112,972	-	(87,432)	-	-	(87,432)
Workforce development	3,048,028	-	2,916,033	-	(131,995)	-	-	(131,995)
Total governmental services	4,346,692	18,637	3,685,217	-	(642,838)	-	-	(642,838)
Business-Type Activities								
Loans	18,652	37,724	-	-	-	19,072	-	19,072
Total business-type activities	18,652	37,724	-	-	-	19,072	-	19,072
Total Primary Government	\$ 4,365,344	\$ 56,361	\$ 3,685,217	\$ -	\$ (642,838)	\$ 19,072	\$ -	\$ (623,766)
General Revenues								
Regional appropriations					679,411	-	-	679,411
Interest income					1,254	1,165	-	2,419
Miscellaneous Income					46,800	593	-	47,393
Total General Revenues					727,465	1,758	-	729,223
Change in Net Position					84,627	20,830	-	105,457
Net Position - Beginning of year					1,552,833	1,641,092	-	3,193,925
Net Position - End of year					\$ 1,637,460	\$ 1,661,922	\$ -	\$ 3,299,382

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

GEORGIA MOUNTAINS REGIONAL COMMISSION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

<u>ASSETS AND OTHER DEBITS</u>	General Fund	Planning Programs	DCA Programs	DOT Programs
Cash and cash equivalents	\$ 1,066,717	\$ -	\$ -	\$ -
Receivables				
Federal	-	12,093	-	13,360
State	-	-	56,001	-
City and County	-	5,395	-	-
Other	1,780	-	-	-
Interfund	167,218	-	-	-
Prepays	1,719	-	-	-
Total Assets	\$ 1,237,434	\$ 17,488	\$ 56,001	\$ 13,360
 <u>LIABILITIES AND FUND BALANCE</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 7,894	\$ -	\$ -	\$ -
Accrued liabilities	119,634	-	-	-
Unearned revenue	5,504	15,400	-	-
Interfund payables	65,025	2,088	56,001	13,360
Total Liabilities	198,057	17,488	56,001	13,360
<u>Fund Balance:</u>				
Nonspendable	1,719	-	-	-
Assigned	71,856	-	-	-
Unassigned	965,802	-	-	-
Total Fund Balance	1,039,377	-	-	-
Total Liabilities and Fund Balance	\$ 1,237,434	\$ 17,488	\$ 56,001	\$ 13,360

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

GEORGIA MOUNTAINS REGIONAL COMMISSION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

ARC Programs	EDA Programs	Information/ GIS Services	WIA Programs	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 59,102	\$ -	\$ 1,125,819
-	23,625	-	161,036	11,008	221,122
-	-	18,231	-	2,864	77,096
-	-	971	-	8,884	15,250
-	-	-	-	-	1,780
6,541	-	-	-	3,259	177,018
-	-	-	-	-	1,719
<u>\$ 6,541</u>	<u>\$ 23,625</u>	<u>\$ 19,202</u>	<u>\$ 220,138</u>	<u>\$ 26,015</u>	<u>\$ 1,619,804</u>
\$ -	\$ -	\$ -	\$ 175,705	\$ -	\$ 183,599
-	-	-	-	-	119,634
6,541	640	3,180	1,030	12,912	45,207
-	22,985	16,022	43,403	13,103	231,987
<u>6,541</u>	<u>23,625</u>	<u>19,202</u>	<u>220,138</u>	<u>26,015</u>	<u>580,427</u>
-	-	-	-	-	1,719
-	-	-	-	-	71,856
-	-	-	-	-	965,802
-	-	-	-	-	1,039,377
<u>\$ 6,541</u>	<u>\$ 23,625</u>	<u>\$ 19,202</u>	<u>\$ 220,138</u>	<u>\$ 26,015</u>	<u>\$ 1,619,804</u>

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

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GEORGIA MOUNTAINS REGIONAL COMMISSION

RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total Fund Equity per Balance Sheet of Governmental Funds \$ 1,039,377

Amounts reported for governmental activities in the Statement of Net Position differ from amounts reported in the Balance Sheet of Governmental funds due to the following:

Capital Assets

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of the assets - not included in the internal service fund 610,618
Accumulated depreciation - not included in the internal service fund (122,837)

Internal Service

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 position.

76,387

Net pension asset is not available during the current period and therefore, is not reported in the funds.

Other assets 123,782

Compensated Absences

Compensated absences payable are not due and payable in the current period and therefore are not reported in the funds.

(89,867)

Total Adjustments 598,083

Total Net Position of Governmental Activities \$ 1,637,460

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, 2013

	Information /										Total
	General Fund	Planning Programs	DCA Programs	DOT Programs	ARC Programs	EDA Programs	GIS Services	WIA Programs	Other Governmental Funds	Governmental Funds	
<u>Revenues:</u>											
Federal sources	\$ -	\$ 52,300	\$ -	\$ 66,644	\$ 171,553	\$ 53,172	\$ -	\$ 2,916,033	\$ 78,715	\$ 3,338,417	
State sources	5,734	-	224,003	-	-	-	112,972	-	4,091	346,800	
City and county	679,411	3,107	-	-	140	13	5,484	-	9,893	698,048	
Other income	37,023	500	-	-	-	-	160	9,871	500	48,054	
Total Revenues	722,168	55,907	224,003	66,644	171,693	53,185	118,616	2,925,904	93,199	4,431,319	
<u>Expenditures:</u>											
Current:											
General government	192,127	-	-	-	-	-	-	-	-	192,127	
Planning services	-	71,678	237,970	83,304	17,761	-	-	-	3,615	414,328	
Development services	-	-	-	-	261,485	103,074	-	-	89,672	454,231	
GIS planning services	-	-	-	-	65,264	-	140,624	-	-	205,888	
WIA services	-	-	-	-	-	-	-	2,925,904	-	2,925,904	
Total Expenditures	192,127	71,678	237,970	83,304	344,510	103,074	140,624	2,925,904	93,287	4,192,478	
Excess (deficiency) of Revenues Over (Under) Expenditures	530,041	(15,771)	(13,967)	(16,660)	(172,817)	(49,889)	(22,008)	-	(88)	238,841	
<u>Other Financing Sources and Uses:</u>											
Transfers from other funds	476	15,771	13,967	16,660	172,817	49,889	22,008	-	564	292,152	
Transfers to other funds	(291,676)	-	-	-	-	-	-	-	(476)	(292,152)	
Total Other Financing Sources and Uses	(291,200)	15,771	13,967	16,660	172,817	49,889	22,008	-	88	-	
Net Changes in Fund Balance	238,841	-	-	-	-	-	-	-	-	238,841	
Fund Balances - Beginning of Year	800,536	-	-	-	-	-	-	-	-	800,536	
Fund Balances - End of Year	\$ 1,039,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,039,377	

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, 2013

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	\$ 238,841
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:	
<u>Internal Service</u>	
Internal service funds are used by management to charge the costs of administration to individual funds. The change in net position is included in governmental activities in the statement of activities.	(23,347)
Net pension asset is not available during the current period and therefore, is not reported in the funds.	
Other assets	4,635
<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 depreciation - not included in the internal service fund	(122,124)
<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>(13,378)</u>
Change in Net Position of Governmental Activities	<u>\$ 84,627</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, 2013

	General Fund			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
State revenues	\$ -	\$ -	\$ 5,734	\$ 5,734
City and county	679,411	679,411	679,411	-
Other	1,000	1,000	37,023	36,023
Total revenues	680,411	680,411	722,168	41,757
Expenditures				
Current:				
General government				
Salaries and wages	97,580	97,580	62,805	34,775
Fringe benefits	33,236	33,236	29,417	3,819
Supplies and materials	5,500	5,500	5,389	111
Real estate rental	16,308	16,308	15,709	599
Travel	8,100	8,100	5,040	3,060
Contracts	15,000	15,000	-	15,000
Other	36,450	36,450	27,351	9,099
Indirect costs	60,712	60,712	46,416	14,296
Total expenditures	272,886	272,886	192,127	80,759
Excess (deficit) of revenues over (under) expenditures	407,525	407,525	530,041	122,516
Other financing sources (uses)				
Transfers in (out)	(366,933)	(366,933)	(291,200)	75,733
Total other financing sources (uses)	(366,933)	(366,933)	(291,200)	75,733
Net change in fund balance	40,592	40,592	238,841	198,249
Fund balance - beginning of year	800,836	800,536	800,536	-
Fund balance - end of year	\$ 841,428	\$ 841,128	\$ 1,039,377	\$ 198,249

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, 2013

	Plannning Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
Federal revenues	\$ 131,334	\$ 131,334	\$ 52,300	\$ (79,034)
City and county	4,574	4,574	3,107	(1,467)
Other	-	-	500	500
Total revenues	135,908	135,908	55,907	(80,001)
Expenditures				
Current:				
Planning services	118,473	118,473	56,620	61,853
Indirect costs	45,289	45,289	15,058	30,231
Total expenditures	163,762	163,762	71,678	92,084
Excess (deficiency) of Revenues Over (Under) Expenditures	(27,854)	(27,854)	(15,771)	12,083
Other financing sources				
Transfers in	27,854	27,854	15,771	(12,083)
Total other financing sources	27,854	27,854	15,771	(12,083)
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, 2013

	DCA Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
State	\$ 224,003	\$ 224,003	\$ 224,003	\$ -
Total revenues	224,003	224,003	224,003	-
Expenditures				
Current:				
Planning services	174,001	174,001	165,699	8,302
Indirect costs	74,891	74,891	72,271	2,620
Total expenditures	248,892	248,892	237,970	10,922
Excess (deficiency) of Revenues Over (Under) Expenditures	(24,889)	(24,889)	(13,967)	10,922
Other financing sources				
Transfers in/(out)	24,889	24,889	13,967	(10,922)
Total other financing sources	24,889	24,889	13,967	(10,922)
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, 2013

	DOT Program Funds			Variance with Final Budget Positive / (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Federal	\$ 72,800	\$ 72,800	\$ 66,644	\$ (6,156)
Total revenues	72,800	72,800	66,644	(6,156)
Expenditures				
Current:				
Planning services	62,617	62,617	58,337	4,280
Indirect costs	28,383	28,383	24,967	3,416
Total expenditures	91,000	91,000	83,304	7,696
Excess (deficiency) of Revenues Over (Under) Expenditures	(18,200)	(18,200)	(16,660)	1,540
Other financing sources				
Transfers in	18,200	18,200	16,660	(1,540)
Total other financing sources	18,200	18,200	16,660	(1,540)
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, 2013

	ARC Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
Federal	\$ 162,144	\$ 162,144	\$ 171,553	\$ 9,409
City and county	-	-	140	140
Total revenues	<u>162,144</u>	<u>162,144</u>	<u>171,693</u>	<u>9,549</u>
Expenditures				
Current:				
Development services	228,364	228,364	249,712	(21,348)
Indirect costs	95,924	95,924	94,798	1,126
Total expenditures	<u>324,288</u>	<u>324,288</u>	<u>344,510</u>	<u>(20,222)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(162,144)</u>	<u>(162,144)</u>	<u>(172,817)</u>	<u>(10,673)</u>
Other financing sources				
Transfers in	162,144	162,144	172,817	10,673
Total other financing sources	<u>162,144</u>	<u>162,144</u>	<u>172,817</u>	<u>10,673</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
 EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	EDA Program Funds			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive / (Negative)
Revenues				
Federal	\$ 96,165	\$ 96,165	\$ 53,172	\$ (42,993)
City and county	-	-	13	13
Total revenues	96,165	96,165	53,185	(42,980)
Expenditures				
Current:				
Development services	130,398	130,398	75,479	54,919
Indirect costs	57,105	57,105	27,595	29,510
Total expenditures	187,503	187,503	103,074	84,429
Excess (deficiency) of Revenues Over (Under) Expenditures	(91,338)	(91,338)	(49,889)	41,449
Other financing sources				
Transfers in	91,338	91,338	49,889	(41,449)
Total other financing sources	91,338	91,338	49,889	(41,449)
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, 2013

	Information/GIS Program Funds			Variance with Final Budget Positive / (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
State revenue	\$ 162,459	\$ 162,459	\$ 112,972	\$ (49,487)
City and county	-	-	5,484	5,484
Other	-	-	160	160
Total revenues	<u>162,459</u>	<u>162,459</u>	<u>118,616</u>	<u>(43,843)</u>
Expenditures				
Current:				
Information / GIS services	136,821	136,821	130,770	6,051
Indirect costs	25,638	25,638	9,854	15,784
Total expenditures	<u>162,459</u>	<u>162,459</u>	<u>140,624</u>	<u>21,835</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(22,008)</u>	<u>(22,008)</u>
Other financing sources				
Transfers in	-	-	22,008	22,008
Total other financing sources	<u>-</u>	<u>-</u>	<u>22,008</u>	<u>22,008</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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, 2013

	WIA Program Funds			Variance with Final Budget Positive / (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Federal revenue	\$ 3,249,047	\$ 3,249,047	\$ 2,916,033	\$ (333,014)
Other	-	-	9,871	9,871
Total revenues	3,249,047	3,249,047	2,925,904	(323,143)
Expenditures				
Current:				
WIA services	3,207,212	3,207,212	2,878,735	328,477
Indirect costs	41,835	41,835	47,169	(5,334)
Total expenditures	3,249,047	3,249,047	2,925,904	323,143
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 NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2013

<u>ASSETS</u>	Business-Type Activities	Governmental
	Enterprise Funds	Activities
	Revolving	Internal
	Loan Fund	Service Fund
Current Assets		
Cash and cash equivalents	\$ 201,913	\$ -
Receivables		
Other	2,491	-
Interfund	-	55,225
Prepaid expenses	-	2,950
Loans receivable, current portion	133,528	-
Restricted cash	581,502	-
Total Current Assets	<u>919,434</u>	<u>58,175</u>
Long-term Assets		
Loans receivable	743,259	-
Capital Assets, net of accumulated depreciation	-	30,618
Total Assets	<u>1,662,693</u>	<u>88,793</u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts payable	515	12,092
Bank overdraft	-	314
Interfund payables	256	-
Total Liabilities	<u>771</u>	<u>12,406</u>
<u>NET POSITION</u>		
Net investment in capital assets	-	30,618
Restricted:		
Loans	1,661,922	-
Unrestricted	-	45,769
Total Net Position	<u>\$ 1,661,922</u>	<u>\$ 76,387</u>

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

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds	Governmental Activities
	Revolving Loan Fund	Internal Service Fund
Operating Revenues:		
Charges to other funds	\$ -	\$ 369,504
Interest from loans	37,724	-
Other	593	18,909
Total Operating Revenues	38,317	388,413
Operating Expenses:		
Salaries and wages	7,717	189,763
Fringe benefits	2,914	71,821
Supplies and materials	-	13,797
Postage and freight	-	2,172
Publication and printing	-	2,191
Per diem and fees	-	21,813
Repairs and maintenance	-	11,892
Utilities	-	12,051
Depreciation	-	7,363
Facility operation	-	7,563
Rentals	-	8,948
Travel	314	6,962
Insurance and bonding	-	3,044
Other	7,707	52,380
Total Operating Expenses	18,652	411,760
Operating Income (Loss)	19,665	(23,347)
Non-Operating Revenues and Expenses:		
Interest income	1,165	-
Total Non-Operating Revenues and Expenses	1,165	-
Change in Net Position	20,830	(23,347)
Net Position - Beginning of Year	1,641,092	99,734
Net Position - End of Year	\$ 1,661,922	\$ 76,387

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

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds	Governmental Activities
	Revolving Loan Fund	Internal Service Fund
<u>Cash Flow from Operating Activities:</u>		
Receipts for allocated expenses	\$ -	\$ 369,504
Receipts from other operating activities	(162,043)	18,909
Payments for salaries and fringe benefits	(10,631)	(261,584)
Payments for direct operating expenses	(7,763)	(142,774)
Net Cash Provided by (Used for) Operating Activities	<u>(180,437)</u>	<u>(15,945)</u>
<u>Cash Flows from Capital Financing Activities:</u>		
Disposal of capital asset	-	27,403
Net Cash Provided by (Used for) Capital Financing Activities	<u>-</u>	<u>27,403</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Advances from other funds	-	(11,458)
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>-</u>	<u>(11,458)</u>
<u>Cash flows from Investing Activities:</u>		
Interest received	1,165	-
Net Cash Provided by (Used for) Investing Activities	<u>1,165</u>	<u>-</u>
Net Increase (Decrease) in Cash and Equivalents	(179,272)	-
Cash and Cash Equivalents - Beginning of Year	962,687	-
Cash and Cash Equivalents - End of Year	<u>\$ 783,415</u>	<u>\$ -</u>
Reconciliation of Cash Equivalents:		
Cash	\$ 201,913	\$ -
Restricted Cash	581,502	-
Total Cash and Cash Equivalents	<u>\$ 783,415</u>	<u>\$ -</u>

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

GEORGIA MOUNTAINS REGIONAL COMMISSION

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013
 (CONTINUED)

	Business-Type Activities Enterprise Funds	Governmental Activities
	Revolving Loan Fund	Internal Service Fund
<u>Reconciliation of Net Operating Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Net Operating Income (Loss)	\$ 19,665	\$ (23,347)
<u>Adjustments to Reconcile Net Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Depreciation expense	-	7,363
<u>Changes in Assets and Liabilities:</u>		
(Increase) decrease in prepaids	-	506
(Increase) decrease in accounts receivable	(569)	-
(Increase) decrease in loans receivable	(199,791)	-
Increase (decrease) in accounts payable	2	(467)
Increase (decrease) in interfund payable	256	
Total Adjustments	(200,102)	7,402
Net Cash Provided by Operating Activities	\$ (180,437)	\$ (15,945)

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



NOTES TO THE BASIC FINANCIAL STATEMENTS

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013

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, 2013

(CONTINUED)

Government-wide Financial Statements

The government-wide financial statements are the Statement of Net Position 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 Position* 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.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

B. Basis of Accounting and Measurement Focus

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 position 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.H.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(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 position, 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.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

Additionally, the Commission reports the following fund types:

- *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.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

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.

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.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

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."

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

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

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

The following is a summary of the fund balance classifications as of June 30, 2013:

	General Fund	Planning Programs	DCA Programs	DOT Programs	ARC Programs	EDA Programs	WIA Programs	Information GIS Services	Nonmajor Governmental	Total
Fund Balances										
Nonspendable:										
Prepays	\$ 1,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,719
Assigned for:										
Capital outlay	71,856	-	-	-	-	-	-	-	-	71,856
Unassigned	965,802	-	-	-	-	-	-	-	-	965,802
Total fund balances	\$ 1,039,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,039,377

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, 2013, totaled \$546,966. Using total salaries and wages of \$1,457,694 as the allocation base, the actual employee benefit rate for the year ended June 30, 2013, was 38 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, 2013. Payroll taxes paid by the Commission were \$24,027 for the year ended June 30, 2013. 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 from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

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, 2013, was forty six percent (46%). 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, 2013, was \$370,585. Using total governmental funds personal services expenditures (direct salaries plus employee benefits less amounts not utilized in computation), \$825,720 as the allocation base; the actual indirect cost rate for the year ended June 30, 2013, was forty-five percent (45%).

R. Unearned Revenue

Unearned 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 unearned 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 unearned revenue.

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, 2013

(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 fund:

ARC Programs	\$	20,222
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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, 2013 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.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

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, 2013, are as follows:

	<u>Governmental Funds</u>		<u>Total</u>
	<u>Major Funds</u>	<u>Nonmajor Funds</u>	
Federal			
Planning Programs Fund			
FEMA	\$ 12,093	\$ -	\$ 12,093
DOT Programs Fund			
Georgia Department of Transportation	13,360	-	13,360
EDA Programs Fund			
Economic Development Administration	23,625	-	23,625
WIA Programs Fund			
Georgia Department of Labor	161,036	-	161,036
CDBG Programs Fund			
Various Cities and Counties - CDBG	-	11,008	11,008
Total Federal	<u>\$210,114</u>	<u>\$ 11,008</u>	<u>\$221,122</u>
State			
DCA Programs Fund			
Georgia Department of Community Affairs	\$ 56,001	\$ -	\$ 56,001
Information/GIS Services Fund			
Georgia Department of Highway Safety	18,231	-	18,231
GDNR Historic Preservation Fund			
Georgia Department of Natural Resources	-	2,864	2,864
Total State	<u>\$ 74,232</u>	<u>\$ 2,864</u>	<u>\$ 77,096</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013
(CONTINUED)

City and County

Total amounts due the Commission from city and county governments at June 30, 2013, are as follows:

	Major Governmental Funds				Total
	General Fund	Information/			
		Planning Programs	GIS Services	Nonmajor Governmental Funds	
		Fund	Fund	Fund	
City and County					
Various Cities and Counties	\$ -	\$ 5,395	\$ 971	\$ 8,884	\$ 15,250
Total City and County	\$ -	\$ 5,395	\$ 971	\$ 8,884	\$ 15,250

C. Interfund Receivables, Payables and Transfers

Interfund balances at June 30, 2013, 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	ARC Programs	Nonmajor Governmental	Internal Service Fund	
Governmental Activities:					
Major Governmental Funds					
General Fund	\$ -	\$ 6,541	\$ 3,259	\$ 55,225	\$ 65,025
Planning Programs	2,088	-	-	-	2,088
DCA Programs	56,001	-	-	-	56,001
DOT Programs	13,360	-	-	-	13,360
Information / GIS Services	16,022	-	-	-	16,022
EDA Programs	22,985	-	-	-	22,985
WIA Programs	43,403	-	-	-	43,403
Nonmajor Governmental Funds	13,103	-	-	-	13,103
Revolving Loan Fund	256	-	-	-	256
	<u>\$ 167,218</u>	<u>\$ 6,541</u>	<u>\$ 3,259</u>	<u>\$ 55,225</u>	<u>\$ 232,243</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2013
 (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>Nonmajor Governmental</u>	
Governmental Activities:			
Major Governmental Funds			
General Fund	\$ -	\$ 476	\$ 476
Planning Programs	15,771	-	15,771
DCA Programs	13,967	-	13,967
DOT Programs	16,660	-	16,660
ARC Programs	172,817	-	172,817
EDA Programs	49,889	-	49,889
Information / GIS Services	22,008	-	22,008
Nonmajor Governmental Funds	564	-	564
Total Transfer Out	\$ 291,676	\$ 476	\$ 292,152

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(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, 2012	Additions	Deductions	Balance June 30, 2013
Depreciable capital assets:				
Equipment	\$ 116,930	\$ -	\$ (27,403)	\$ 89,527
Vehicles	124,775	-	-	124,775
Total depreciable capital assets	<u>241,705</u>	<u>-</u>	<u>(27,403)</u>	<u>214,302</u>
Total capital assets	<u>241,705</u>	<u>-</u>	<u>(27,403)</u>	<u>214,302</u>
Program capital assets, being depreciated				
Equipment	6,108	-	-	6,108
Vehicles	604,510	-	-	604,510
Total program capital assets, being depreciated	<u>610,618</u>	<u>-</u>	<u>-</u>	<u>610,618</u>
Accumulated depreciation:				
Equipment	(73,481)	(2,976)	-	(76,457)
Vehicles	(102,840)	(4,387)	-	(107,227)
Total Accumulated depreciation	<u>(176,321)</u>	<u>(7,363)</u>	<u>-</u>	<u>(183,684)</u>
Accumulated depreciation-program assets				
Equipment	(713)	(1,222)	-	(1,935)
Vehicles	-	(120,902)	-	(120,902)
Total accumulated depreciation-program assets	<u>(713)</u>	<u>(122,124)</u>	<u>-</u>	<u>(122,837)</u>
Total capital assets, net	<u>\$ 675,289</u>	<u>\$ (129,487)</u>	<u>\$ (27,403)</u>	<u>\$ 518,399</u>

Depreciation expense was charged to functions, as follows:

General government	\$ 7,363
WIA Programs	122,124

E. Accrued Liabilities

Accrued liabilities consist of the following at year-end:

Primary Government

Rent settlement	<u>\$ 119,634</u>
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GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(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, 2013, on this reserve was \$0.

F. Long-term Debt

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

	Balance July 1, 2012	Issued	Retired	Balance June 30, 2013	Due Within One Year
Governmental Activities					
Compensated Absences	\$ 76,489	\$ 99,351	\$ 85,973	\$ 89,867	\$ 13,480

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. Restricted Net Positions

Restrictions of net assets show amounts that are legally reserved for specific uses. The reporting entity's restricted net positions (reserves) at June 30, 2013, consist of the following:

Primary Government	Proprietary Funds	Total
	Enterprise Revolving Loan Fund	
Governmental Activities Restricted for loans	\$ 1,661,922	\$ 1,661,922
	<u>\$ 1,661,922</u>	<u>\$ 1,661,922</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

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 \$737 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.

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.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

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, 2013, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	20
Terminated plan members entitled to but not yet receiving benefits	18
Active plan members	<u>29</u>
Total	<u><u>67</u></u>
Number of participating employers	1

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.

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013
(CONTINUED)

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.

3. Funded Status and Funding Progress – Pension Plans

The funded status of the plan as of January 1, 2013, 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, 2013	\$ 5,099,907	\$ 5,294,457	\$ 194,550	96.33%	\$ 1,263,372	15.40%

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)
2013	\$ 158,216	23.09%	101%	\$ 123,782
2012	160,448	23.09%	105%	119,147
2011	170,452	23.09%	115%	110,810

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2013
(CONTINUED)

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 AAI's for benefits.

Derivation of Annual Pension Cost:

Annual required contribution	\$	158,216
Interest on Net Pension Asset		<u>(2,775)</u>
Annual Pension Cost	\$	<u>155,441</u>

Derivation of Net Pension Obligation:

Annual Pension Cost for Current Year	\$	155,441
Actual Contributions to Plan for Current Year		<u>160,076</u>
Increase in Net Pension Obligation/(Asset)		(4,635)
Net Pension Obligation/(Asset), as of June 30, 2012		<u>(119,147)</u>
Net Pension Obligation/(Asset), as of June 30, 2013	\$	<u>(123,782)</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

(CONTINUED)

Additional information as of the last actuarial valuation follows:

Valuation date	January 1, 2013
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, 2013

(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, 2013, were \$67,069 and \$101,145, 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 2013 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, 2013, 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, 2013

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
2013	\$ 5,099,907	\$ 5,294,457	96.33%	\$ 194,550	\$ 1,263,372	15.40%
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%

SUPPLEMENTARY INFORMATION

GEORGIA MOUNTAINS REGIONAL COMMISSION

GENERAL FUND
BALANCE SHEET
JUNE 30, 2013

ASSETS

Cash and cash equivalents	\$ 1,066,717
Receivables	
Other	1,780
Interfund receivable	167,218
Prepays	<u>1,719</u>
 Total assets	 <u><u>\$ 1,237,434</u></u>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts payable	\$ 7,894
Accrued liabilities	119,634
Interfund payable	65,025
Unearned revenue	<u>5,504</u>
 Total liabilities	 <u>198,057</u>

FUND BALANCE

Nonspendable	1,719
Assigned	71,856
Unassigned	<u>965,802</u>

Total fund balance 1,039,377

Total liabilities and fund balance \$ 1,237,434

GEORGIA MOUNTAINS REGIONAL COMMISSION

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Revenues	
State revenue	\$ 5,734
City and county	679,411
Interest income	89
Other	<u>36,934</u>
Total revenues	<u>722,168</u>
Expenditures	
Current:	
General government	
Salaries and wages	62,805
Fringe benefits	29,417
Supplies and materials	5,389
Repairs and maintenance	2,178
Real estate rental	15,709
Travel	5,040
Other	25,173
Indirect costs	<u>46,416</u>
Total expenditures	<u>192,127</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>530,041</u>
Other financing (uses)	
Transfers in	195,560
Transfers out	<u>(486,760)</u>
Total other financing (uses)	<u>(291,200)</u>
Net change in fund balance	238,841
Fund balance - beginning of year	<u>800,536</u>
Fund balance - end of year	<u>\$ 1,039,377</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

PLANNING PROGRAMS FUND
BALANCE SHEET
JUNE 30, 2013

ASSETS

Receivables	
Federal	\$ 12,093
City and county	<u>5,395</u>
Total assets	<u>\$ 17,488</u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Unearned revenue	\$ 15,400
Interfund payable	<u>2,088</u>
Total liabilities	<u>17,488</u>
FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 17,488</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

PLANNING PROGRAMS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Revenues	
Federal	\$ 52,300
City and county	3,107
Other	500
	<hr/>
Total revenues	55,907
	<hr/>
Expenditures	
Current:	
Planning services	
Salaries and wages	38,443
Fringe benefits	14,333
Supplies and materials	69
Travel	2,776
Other	999
Indirect costs	15,058
	<hr/>
Total expenditures	71,678
	<hr/>
Excess/(deficiency) of revenues over/(under) expenditures	(15,771)
	<hr/>
Other financing sources	
Transfers in	15,771
	<hr/>
Total other financing sources	15,771
	<hr/>
Net change in fund balance	-
	<hr/>
Fund balance - beginning of year	-
	<hr/>
Fund balance - end of year	\$ -
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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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 131,334	\$ 52,300	\$ (79,034)
City and county	4,574	3,107	(1,467)
Other	-	500	500
Total revenues	135,908	55,907	(80,001)
Expenditures			
Current:			
Planning services			
Salaries and wages	77,220	38,443	38,777
Fringe benefits	20,075	14,333	5,742
Supplies and materials	588	69	519
Travel	17,716	2,776	14,940
Other	2,874	999	1,875
Indirect costs	45,289	15,058	30,231
Total expenditures	163,762	71,678	92,084
Excess (deficiency) of revenues over (under) expenditures	(27,854)	(15,771)	12,083
Other financing sources			
Transfers in	27,854	15,771	(12,083)
Total other financing sources	27,854	15,771	(12,083)
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 ADMINISTRATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Other	\$ -	\$ 500	\$ 500
Total revenues	-	500	500
Expenditures			
Current:			
Planning services			
Salaries and wages	4,041	6,573	(2,532)
Fringe benefits	1,208	2,658	(1,450)
Supplies and materials	80	56	24
Travel	1,648	1,888	(240)
Other	1,310	947	363
Indirect costs	2,204	4,145	(1,941)
Total expenditures	10,491	16,267	(5,776)
Excess (deficiency) of revenues over (under) expenditures	(10,491)	(15,767)	(5,276)
Other financing sources			
Transfers in	10,491	15,767	5,276
Total other financing sources	10,491	15,767	5,276
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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 131,334	\$ 52,300	\$ (79,034)
City and county	4,574	3,107	(1,467)
Total revenues	<u>135,908</u>	<u>55,407</u>	<u>(80,501)</u>
Expenditures			
Current:			
Planning services			
Salaries and wages	73,179	31,870	41,309
Fringe benefits	18,867	11,675	7,192
Supplies and materials	508	13	495
Travel	16,068	888	15,180
Other	1,564	52	1,512
Indirect costs	43,085	10,913	32,172
Total expenditures	<u>153,271</u>	<u>55,411</u>	<u>97,860</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>(17,363)</u>	<u>(4)</u>	<u>17,359</u>
Other financing sources			
Transfers in	<u>17,363</u>	4	<u>(17,359)</u>
Total other financing sources	<u>17,363</u>	4	<u>(17,359)</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>

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GEORGIA MOUNTAINS REGIONAL COMMISSION
DCA PROGRAMS FUND
GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
BALANCE SHEET
JUNE 30, 2013

ASSETS

Receivables	
State	<u>\$ 56,001</u>
Total assets	<u><u>\$ 56,001</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Interfund payable	<u>\$ 56,001</u>
Total liabilities	<u>56,001</u>
FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 56,001</u></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, 2013

Revenues		
State		<u>\$ 224,003</u>
Total revenues		<u>224,003</u>
Expenditures		
Current:		
Planning services		
Salaries and wages		109,096
Fringe benefits		41,401
Supplies and materials		10
Repairs and maintenance		9,095
Travel		5,984
Other		113
Indirect costs		<u>72,271</u>
Total expenditures		<u>237,970</u>
Excess/(deficiency) of revenues over/(under) expenditures		<u>(13,967)</u>
Other financing sources		
Transfers out		<u>13,967</u>
Total other financing sources		<u>13,967</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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
State	\$ 224,003	\$ 224,003	\$ -
Total revenues	<u>224,003</u>	<u>224,003</u>	<u>-</u>
Expenditures			
Current:			
Planning services			
Salaries and wages	122,882	109,096	13,786
Fringe benefits	40,961	41,401	(440)
Supplies and materials	99	10	89
Repairs and maintenance	8,400	9,095	(695)
Travel	1,531	5,984	(4,453)
Other	128	113	15
Indirect costs	74,891	72,271	2,620
Total expenditures	<u>248,892</u>	<u>237,970</u>	<u>10,922</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(24,889)</u>	<u>(13,967)</u>	<u>10,922</u>
Other financing sources			
Transfers in/(out)	24,889	13,967	(10,922)
Total other financing sources	<u>24,889</u>	<u>13,967</u>	<u>(10,922)</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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GEORGIA MOUNTAINS REGIONAL COMMISSION

DOT PROGRAMS FUND
GEORGIA DEPARTMENT OF TRANSPORTATION
BALANCE SHEET
JUNE 30, 2013

ASSETS

Receivables	
Federal	<u>\$ 13,360</u>
Total assets	<u><u>\$ 13,360</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Interfund payable	<u>\$ 13,360</u>
Total liabilities	<u>13,360</u>
 FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
 Total liabilities and fund balance	<u><u>\$ 13,360</u></u>

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, 2013

Revenues		
Federal		\$ 66,644
		<u>66,644</u>
Total revenues		<u>66,644</u>
Expenditures		
Current:		
Planning services		
Salaries and wages		42,248
Fringe benefits		15,734
Travel		348
Other		7
Indirect costs		24,967
		<u>83,304</u>
Total expenditures		<u>83,304</u>
Excess/(deficiency) of revenues over/(under) expenditures		<u>(16,660)</u>
Other financing sources		
Transfers in		16,660
		<u>16,660</u>
Total other financing sources		<u>16,660</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
 DOT PROGRAMS FUND
 GEORGIA DEPARTMENT OF TRANSPORTATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 72,800	\$ 66,644	\$ (6,156)
Total revenues	<u>72,800</u>	<u>66,644</u>	<u>(6,156)</u>
Expenditures			
Current:			
Planning services			
Salaries and wages	45,641	42,248	3,393
Fringe benefits	15,517	15,734	(217)
Supplies and materials	46	-	46
Travel	1,256	348	908
Other	157	7	150
Indirect costs	<u>28,383</u>	<u>24,967</u>	<u>3,416</u>
Total expenditures	<u>91,000</u>	<u>83,304</u>	<u>7,696</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(18,200)</u>	<u>(16,660)</u>	<u>1,540</u>
Other financing sources			
Transfers in	<u>18,200</u>	<u>16,660</u>	<u>(1,540)</u>
Total other financing sources	<u>18,200</u>	<u>16,660</u>	<u>(1,540)</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
 FUND BALANCE - BUDGET AND ACTUAL
 DOT PROGRAMS FUND
 GEORGIA DEPARTMENT OF TRANSPORTATION
 TRANSPORTATION RELATED SERVICES - FY13
 PROJECT ID STP-0010949
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 72,800	\$ 66,644	\$ (6,156)
Total revenues	<u>72,800</u>	<u>66,644</u>	<u>(6,156)</u>
Expenditures			
Current:			
Planning services			
Salaries and wages	45,641	42,248	3,393
Fringe benefits	15,517	15,734	(217)
Supplies and materials	46	-	46
Travel	1,256	348	908
Other	157	7	150
Indirect costs	28,383	24,967	3,416
Total expenditures	<u>91,000</u>	<u>83,304</u>	<u>7,696</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(18,200)</u>	<u>(16,660)</u>	<u>1,540</u>
Other financing sources			
Transfers in	<u>18,200</u>	<u>16,660</u>	<u>(1,540)</u>
Total other financing sources	<u>18,200</u>	<u>16,660</u>	<u>(1,540)</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

ARC PROGRAMS FUND
APPALACHIAN REGIONAL COMMISSION
BALANCE SHEET
JUNE 30, 2013

ASSETS

Receivables	
Interfund	<u>\$ 6,541</u>
Total assets	<u><u>\$ 6,541</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Unearned revenue	<u>\$ 6,541</u>
Total liabilities	<u>6,541</u>
FUND BALANCE	
Assigned	<u>-</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 6,541</u></u>

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, 2013

Revenues		
Federal		\$ 171,553
Other		140
		<hr/>
Total revenues		171,693
		<hr/>
Expenditures		
Current:		
Development services		
Salaries and wages		169,847
Fringe benefits		61,344
Travel		15,922
Other		2,599
Indirect costs		94,798
		<hr/>
Total expenditures		344,510
		<hr/>
Excess/(deficiency) of revenues over/(under) expenditures		(172,817)
		<hr/>
Other financing sources		
Transfers in		172,817
		<hr/>
Total other financing sources		172,817
		<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
 ARC PROGRAMS FUND
 APPALACHIAN REGIONAL COMMISSION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 162,144	\$ 171,553	\$ 9,409
Other	-	140	140
Total revenues	<u>162,144</u>	<u>171,693</u>	<u>9,549</u>
Expenditures			
Current:			
Development services			
Salaries and wages	154,176	169,847	(15,671)
Fringe benefits	52,512	61,344	(8,832)
Supplies and materials	651	-	651
Travel	17,000	15,922	1,078
Other	4,025	2,599	1,426
Indirect costs	95,924	94,798	1,126
Total expenditures	<u>324,288</u>	<u>344,510</u>	<u>(20,222)</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(162,144)</u>	<u>(172,817)</u>	<u>(10,673)</u>
Other financing sources			
Transfers in	162,144	172,817	10,673
Total other financing sources	<u>162,144</u>	<u>172,817</u>	<u>10,673</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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 81,072	\$ 97,022	\$ 15,950
Other	-	13	13
Total revenues	81,072	97,035	15,963
Expenditures			
Current:			
Development services			
Salaries and wages	77,088	95,848	(18,760)
Fringe benefits	26,256	36,167	(9,911)
Supplies and materials	326	-	326
Travel	8,500	4,800	3,700
Other	2,013	2,283	(271)
Indirect costs	47,962	56,350	(8,388)
Total expenditures	162,144	195,448	(33,304)
Excess/(deficiency) of revenues over/(under) expenditures	(81,072)	(98,413)	(17,341)
Other financing sources			
Transfers in	81,072	98,413	17,341
Total other financing sources	81,072	98,413	17,341
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 - FY13
 NO. GA-0701B-C44
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 81,072	\$ 74,531	\$ (6,541)
Other	-	127	127
Total revenues	<u>81,072</u>	<u>74,658</u>	<u>(6,414)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	77,088	73,999	3,089
Fringe benefits	26,256	25,177	1,079
Supplies and materials	326	-	326
Travel	8,500	11,122	(2,622)
Other	2,013	316	1,697
Indirect costs	47,962	38,448	9,514
Total expenditures	<u>162,144</u>	<u>149,062</u>	<u>13,082</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(81,072)</u>	<u>(74,404)</u>	<u>6,668</u>
Other financing sources			
Transfers in	81,072	74,404	(6,668)
Total other financing sources	<u>81,072</u>	<u>74,404</u>	<u>(6,668)</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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GEORGIA MOUNTAINS REGIONAL COMMISSION

EDA PROGRAMS FUND
ECONOMIC DEVELOPMENT ADMINISTRATION
BALANCE SHEET
JUNE 30, 2013

ASSETS

Receivables	
Federal	\$ 23,625
	<hr/>
Total assets	\$ 23,625
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Unearned revenue	\$ 640
Interfund payable	22,985
	<hr/>
Total liabilities	23,625
	<hr/>
FUND BALANCE	
Assigned	-
	<hr/>
Total fund balance	-
	<hr/>
Total liabilities and fund balance	\$ 23,625
	<hr/> <hr/>

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, 2013

Revenues		
Federal		\$ 53,172
Local revenue		<u>13</u>
Total revenues		<u>53,185</u>
Expenditures		
Current:		
Development services		
Salaries and wages		51,245
Fringe benefits		18,091
Travel		4,741
Other		1,402
Indirect costs		<u>27,595</u>
Total expenditures		<u>103,074</u>
Excess/(deficiency) of revenues over/(under) expenditures		<u>(49,889)</u>
Other financing sources		
Transfers in		<u>49,889</u>
Total other financing sources		<u>49,889</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
 EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 96,165	\$ 53,172	\$ (42,993)
Local revenue	-	13	13
	<u>96,165</u>	<u>53,185</u>	<u>(42,980)</u>
Total revenues	<u>96,165</u>	<u>53,185</u>	<u>(42,980)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	92,202	51,245	40,957
Fringe benefits	30,843	18,091	12,752
Supplies and materials	157	-	157
Travel	2,234	4,741	(2,507)
Other	4,962	1,402	3,560
Indirect costs	57,105	27,595	29,510
	<u>187,503</u>	<u>103,074</u>	<u>84,429</u>
Total expenditures	<u>187,503</u>	<u>103,074</u>	<u>84,429</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(91,338)</u>	<u>(49,889)</u>	<u>41,449</u>
Other financing sources			
Transfers in	91,338	49,889	(41,449)
	<u>91,338</u>	<u>49,889</u>	<u>(41,449)</u>
Total other financing sources	<u>91,338</u>	<u>49,889</u>	<u>(41,449)</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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 91,998	\$ 49,877	\$ (42,121)
Other	-	13	13
Total revenues	<u>91,998</u>	<u>49,890</u>	<u>(42,108)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	89,620	49,779	39,841
Fringe benefits	30,755	17,505	13,250
Supplies and materials	147	-	147
Travel	2,000	4,564	(2,564)
Other	4,948	1,246	3,702
Indirect costs	55,866	26,685	29,181
Total expenditures	<u>183,336</u>	<u>99,779</u>	<u>83,557</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(91,338)</u>	<u>(49,889)</u>	<u>41,449</u>
Other financing sources			
Transfers in	<u>91,338</u>	<u>49,889</u>	<u>(41,449)</u>
Total other financing sources	<u>91,338</u>	<u>49,889</u>	<u>(41,449)</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
 EDA PROGRAMS FUND
 ECONOMIC DEVELOPMENT ADMINISTRATION
 CITY OF LAVONIA
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 4,167	\$ 3,295	\$ (872)
Total revenues	4,167	3,295	(872)
Expenditures			
Current:			
Development services			
Salaries and wages	2,582	1,466	1,116
Fringe benefits	88	586	(498)
Supplies and materials	10	-	10
Travel	234	177	57
Other	14	156	(142)
Indirect costs	1,239	910	329
Total expenditures	4,167	3,295	872
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

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GEORGIA MOUNTAINS REGIONAL COMMISSION

INFORMATION/GIS PROGRAMS FUND
BALANCE SHEET
JUNE 30, 2013

ASSETS

Receivables	
State	\$ 18,231
City and county	971
	<hr/>
Total assets	\$ 19,202
	<hr/> <hr/>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Unearned revenue	\$ 3,180
Interfund payable	16,022
	<hr/>
Total liabilities	19,202
	<hr/>
FUND BALANCE	
Assigned	-
	<hr/>
Total fund balance	-
	<hr/>
Total liabilities and fund balance	\$ 19,202
	<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, 2013

Revenues	
State	\$ 112,972
City and county	5,484
Other	<u>160</u>
Total revenues	<u>118,616</u>
Expenditures	
Current:	
Information / GIS services	
Salaries and wages	16,913
Fringe benefits	6,176
Supplies and materials	1,200
Contractual	103,935
Travel	2,470
Other	76
Indirect costs	<u>9,854</u>
Total expenditures	<u>140,624</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(22,008)</u>
Other financing sources	
Transfers in	<u>22,008</u>
Total other financing sources	<u>22,008</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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
State	\$ 81,891	\$ 112,972	\$ 31,081
City and county	80,568	5,484	(75,084)
Other	-	160	160
Total revenues	162,459	118,616	(43,843)
Expenditures			
Current:			
Information / GIS services			
Salaries and wages	41,203	16,913	24,290
Fringe benefits	14,034	6,176	7,858
Supplies and materials	800	1,200	(400)
Contractual	74,997	103,935	(28,938)
Travel	4,194	2,470	1,724
Other	1,593	76	1,517
Indirect costs	25,638	9,854	15,784
Total expenditures	162,459	140,624	21,835
Excess/(deficiency) of revenues over/(under) expenditures	-	(22,008)	(22,008)
Other financing sources			
Transfers in	-	22,008	22,008
Total other financing sources	-	22,008	22,008
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
 INFORMATION / GIS PROGRAMS FUND
 INFORMATION/GIS PROGRAMS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
State	\$ 81,891	\$ 112,972	\$ 31,081
City and county	80,568	5,484	(75,084)
Other	-	160	160
Total revenues	162,459	118,616	(43,843)
Expenditures			
Current:			
Information / GIS services			
Salaries and wages	41,203	16,913	24,290
Fringe benefits	14,034	6,176	7,858
Supplies and materials	800	1,200	(400)
Travel	4,194	2,470	1,724
Contractual	74,997	103,935	(28,938)
Other	1,593	76	1,517
Indirect costs	25,638	9,854	15,784
Total expenditures	162,459	140,624	21,835
Excess/(deficiency) of revenues over/(under) expenditures	-	(22,008)	(22,008)
Other financing sources			
Transfers in	-	22,008	22,008
Total other financing sources	-	22,008	22,008
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, 2013

ASSETS

Cash	\$ 59,102
Receivables	
Federal	<u>161,036</u>
Total assets	<u>\$ 220,138</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 175,705
Unearned revenue	1,030
Interfund payable	<u>43,403</u>
Total liabilities	<u>220,138</u>

FUND BALANCE

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

Total liabilities and fund balance	<u>\$ 220,138</u>
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GEORGIA MOUNTAINS REGIONAL COMMISSION

WIA PROGRAMS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Revenues		
Federal		\$ 2,916,033
Other		9,871
		<hr/>
Total revenues		2,925,904
		<hr/>
Expenditures		
Current:		
WIA services		
Salaries and wages		925,989
Fringe benefits		268,924
Supplies and materials		21,728
Travel		395,632
Other		1,266,462
Indirect costs		47,169
		<hr/>
Total expenditures		2,925,904
		<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
 WIA PROGRAMS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 3,249,047	\$ 2,916,033	\$ (333,014)
Other	-	9,871	9,871
Total revenues	<u>3,249,047</u>	<u>2,925,904</u>	<u>(323,143)</u>
Expenditures			
Current:			
WIA services			
Salaries and wages	640,013	925,989	(285,976)
Fringe benefits	217,988	268,924	(50,936)
Supplies and materials	80,876	21,728	59,148
Travel	17,468	395,632	(378,164)
Other	2,250,867	1,266,462	984,405
Indirect costs	41,835	47,169	(5,334)
Total expenditures	<u>3,249,047</u>	<u>2,925,904</u>	<u>323,143</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 ADULT PROGRAMS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 1,004,796	\$ 1,086,523	\$ 81,727
Other	-	348	348
Total revenues	<u>1,004,796</u>	<u>1,086,871</u>	<u>82,075</u>
Expenditures			
Current:			
WIA services			
Salaries and wages	223,002	218,140	4,862
Fringe benefits	75,954	82,360	(6,406)
Supplies and materials	20,200	5,966	14,234
Travel	5,156	163,534	(158,378)
Other	666,539	604,892	61,647
Indirect costs	13,945	11,979	1,966
Total expenditures	<u>1,004,796</u>	<u>1,086,871</u>	<u>(82,075)</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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 1,045,562	\$ 891,925	\$ (153,637)
Other	-	5,946	5,946
Total revenues	1,045,562	897,871	(147,691)
Expenditures			
Current:			
WIA services			
Salaries and wages	197,384	470,991	(273,607)
Fringe benefits	67,229	97,324	(30,095)
Supplies and materials	40,476	8,799	31,677
Travel	5,542	77,416	(71,874)
Other	720,986	220,078	500,908
Indirect costs	13,945	23,263	(9,318)
Total expenditures	1,045,562	897,871	147,691
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
 WIA PROGRAMS FUND
 WIA DISLOCATED WORKER PROGRAMS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ 1,198,688	\$ 921,563	\$ (277,125)
Other	-	3,577	3,577
Total revenues	1,198,688	925,140	(273,548)
Expenditures			
Current:			
WIA services			
Salaries and wages	219,627	236,858	(17,231)
Fringe benefits	74,805	89,240	(14,435)
Supplies and materials	20,200	6,288	13,912
Travel	6,770	154,682	(147,912)
Other	863,341	426,145	437,196
Indirect costs	13,945	11,927	2,018
Total expenditures	1,198,688	925,140	273,548
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
 WIA PROGRAMS FUND
 WIA OTHER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
Revenues			
Federal	\$ -	\$ 16,022	\$ 16,022
Total revenues	-	16,022	16,022
Expenditures			
Current:			
WIA services			
Supplies and materials	-	675	(675)
Other	-	15,347	(15,347)
Total expenditures	-	16,022	(16,022)
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

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GEORGIA MOUNTAINS REGIONAL COMMISSION

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	GDNR			Economic		CDBG	Total
	Historic	Development	Special Services	Programs	Nonmajor		
	Preservation	Special Services	Programs	Special Revenue	Funds		
ASSETS							
Receivables							
Federal	\$ -	\$ 157	\$ 10,851	\$	11,008		
State	2,864	-	-		2,864		
Local	-	8,884	-		8,884		
Interfund receivable	3,259	-	-		3,259		
Total assets	\$ 6,123	\$ 9,041	\$ 10,851	\$	26,015		

LIABILITIES AND FUND BALANCE

LIABILITIES							
Unearned revenue	\$ 6,123	\$ 5,366	\$ 1,423	\$	12,912		
Interfund payable	-	3,675	9,428		13,103		
Total liabilities	6,123	9,041	10,851		26,015		
FUND BALANCE							
Assigned	-	-	-		-		
Total fund balance	-	-	-		-		
Total liabilities and fund balance	\$ 6,123	\$ 9,041	\$ 10,851	\$	26,015		

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, 2013

	GDNR Historic Preservation	Economic Development Special Services	CDBG Programs	Total Nonmajor Special Revenue Funds
Revenues				
Federal	\$ -	\$ 151	\$ 78,564	\$ 78,715
State	4,091	-	-	4,091
City and county	-	9,893	-	9,893
Other	-	500	-	500
Total revenues	4,091	10,544	78,564	93,199
Expenditures				
Current:				
Planning services	3,615	-	-	3,615
Development services	-	10,544	79,128	89,672
Total expenditures	3,615	10,544	79,128	93,287
Excess/(Deficiency) of revenues over/(under) expenditures	476	-	(564)	(88)
Other financing sources				
Transfers in	-	-	564	564
Transfers out	(476)	-	-	(476)
Total other financing sources	(476)	-	564	88
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, 2013

ASSETS

Receivables		
State	\$	2,864
Interfund receivable		<u>3,259</u>
Total assets	\$	<u><u>6,123</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Unearned revenue	\$	<u>6,123</u>
Total liabilities		<u>6,123</u>

FUND BALANCE

Assigned		<u>-</u>
Total fund balance		<u>-</u>
Total liabilities and fund balance	\$	<u><u>6,123</u></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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
State	\$ 4,926	\$ 4,091	\$ (835)
Total revenues	4,926	4,091	(835)
Expenditures			
Current:			
Planning services			
Salaries and wages	2,440	1,849	591
Fringe benefits	829	649	180
Supplies and materials	50	-	50
Travel	50	-	50
Other	40	-	40
Indirect costs	1,517	1,117	400
Total expenditures	4,926	3,615	1,311
Excess/(Deficiency) of revenues over/(under) expenditures	-	476	476
Other financing sources			
Transfers Out	-	(476)	(476)
Total other financing sources	-	(476)	(476)
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

ECONOMIC DEVELOPMENT SPECIAL SERVICES

BALANCE SHEET

JUNE 30, 2013

ASSETS

Receivables	
Federal	\$ 157
Local	<u>8,884</u>
Total assets	<u>\$ 9,041</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Unearned revenue	\$ 5,366
Interfund	<u>3,675</u>
Total liabilities	<u>9,041</u>

FUND BALANCE

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

Total liabilities and fund balance	<u>\$ 9,041</u>
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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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ -	\$ 151	\$ 151
City and county	16,863	9,893	(6,970)
Other income	-	500	500
Total revenues	16,863	10,544	(6,319)
Expenditures			
Current:			
Planning services			
Salaries and wages	8,829	4,805	4,024
Fringe benefits	1,644	1,790	(146)
Supplies and materials	319	-	319
Travel	832	753	79
Other	346	157	189
Indirect costs	4,893	3,039	1,854
Total expenditures	16,863	10,544	6,319
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, 2013

ASSETS

Receivables	
Federal	\$ 10,851
	<u> </u>
Total assets	<u><u> </u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES	
Unearned revenue	\$ 1,423
Interfund payable	9,428
	<u> </u>
Total liabilities	<u> </u>
FUND BALANCE	
Assigned	<u> </u>
Total fund balance	<u> </u>
Total liabilities and fund balance	<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
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 86,875	\$ 78,564	\$ (8,311)
Total revenues	86,875	78,564	(8,311)
Expenditures			
Current:			
Development services			
Salaries and wages	54,457	37,900	16,557
Fringe benefits	1,799	14,371	(12,572)
Supplies and materials	474	-	474
Travel	4,281	3,448	833
Other	475	689	(214)
Indirect costs	25,389	22,720	2,669
Total expenditures	86,875	79,128	7,747
Excess/(Deficiency) of revenues over/(under) expenditures	-	(564)	(564)
Other financing sources			
Transfers in	-	564	564
Total other financing sources	-	564	564
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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 7,692	\$ 8,398	\$ 706
Total revenues	<u>7,692</u>	<u>8,398</u>	<u>706</u>
Expenditures			
Current:			
Development services			
Salaries and wages	4,766	3,919	847
Fringe benefits	162	1,493	(1,331)
Supplies and materials	43	-	43
Travel	391	447	(56)
Other	43	75	(32)
Indirect costs	2,287	2,464	(177)
Total expenditures	<u>7,692</u>	<u>8,398</u>	<u>(706)</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 CORNELIA
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 5,000	\$ 18,438	\$ 13,438
Total revenues	5,000	18,438	13,438
Expenditures			
Current:			
Development services			
Salaries and wages	3,098	9,110	(6,012)
Fringe benefits	105	3,363	(3,258)
Supplies and materials	28	-	28
Travel	254	492	(238)
Other	28	93	(65)
Indirect costs	1,487	5,380	(3,893)
Total expenditures	5,000	18,438	(13,438)
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
 LUMPKIN COUNTY SENIOR CENTER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 6,063	\$ 5,534	\$ (529)
Total revenues	<u>6,063</u>	<u>5,534</u>	<u>(529)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	3,756	2,780	976
Fringe benefits	128	1,074	(946)
Supplies and materials	34	-	34
Travel	308	449	(141)
Other	34	79	(45)
Indirect costs	1,803	1,716	87
Total expenditures	<u>6,063</u>	<u>6,098</u>	<u>(35)</u>
(Deficit) of revenues (under) expenditures	-	(564)	(564)
Other financing sources			
Transfers in	-	564	564
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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 16,272	\$ 15,226	\$ (1,046)
Total revenues	16,272	15,226	(1,046)
Expenditures			
Current:			
Development services			
Salaries and wages	10,080	7,205	2,875
Fringe benefits	343	2,884	(2,541)
Supplies and materials	92	-	92
Travel	827	657	170
Other	92	77	15
Indirect costs	4,838	4,403	435
Total expenditures	16,272	15,226	1,046
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
 UNION COUNTY SENIOR CENTER
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 7,439	\$ 3,194	\$ (4,245)
Total revenues	<u>7,439</u>	<u>3,194</u>	<u>(4,245)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	4,653	1,562	3,091
Fringe benefits	158	551	(393)
Supplies and materials	35	-	35
Travel	324	167	157
Other	36	29	7
Indirect costs	2,233	885	1,348
Total expenditures	<u>7,439</u>	<u>3,194</u>	<u>4,245</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
 FUND BALANCE - BUDGET AND ACTUAL
 CDBG PROGRAMS FUND
 COMMUNITY DEVELOPMENT BLOCK GRANT - EIP
 CITY OF CORNELIA - WATER IMPROVEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ -	\$ 2,494	\$ 2,494
Total revenues	-	2,494	2,494
Expenditures			
Current:			
Development services			
Salaries and wages	-	1,250	(1,250)
Fringe benefits	-	455	(455)
Travel	-	62	(62)
Indirect costs	-	727	(727)
Total expenditures	-	2,494	(2,494)
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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 16,816	\$ 8,911	\$ (7,905)
Total revenues	<u>16,816</u>	<u>8,911</u>	<u>(7,905)</u>
Expenditures			
Current:			
Development services			
Salaries and wages	10,418	4,127	6,291
Fringe benefits	354	1,558	(1,204)
Supplies and materials	95	-	95
Travel	855	570	285
Other	95	156	(61)
Indirect costs	4,999	2,500	2,499
Total expenditures	<u>16,816</u>	<u>8,911</u>	<u>7,905</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 CORNELIA - PHASE 2 INFRASTRUCTURE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 23,291	\$ 9,329	\$ (13,962)
Total revenues	23,291	9,329	(13,962)
Expenditures			
Current:			
Development services			
Salaries and wages	15,021	4,637	10,384
Fringe benefits	458	1,743	(1,285)
Supplies and materials	123	-	123
Travel	1,103	156	947
Other	123	102	21
Indirect costs	6,463	2,691	3,772
Total expenditures	23,291	9,329	13,962
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, 2013

	Final Budget	Actual	Variance with Final Budget Positive / Negative
Revenues			
Federal	\$ 4,302	\$ 7,040	\$ 2,738
Total revenues	<u>4,302</u>	<u>7,040</u>	<u>2,738</u>
Expenditures			
Current:			
Development services			
Salaries and wages	2,665	3,310	(645)
Fringe benefits	91	1,250	(1,159)
Supplies and materials	24	-	24
Travel	219	448	(229)
Other	24	78	(54)
Indirect costs	1,279	1,954	(675)
Total expenditures	<u>4,302</u>	<u>7,040</u>	<u>(2,738)</u>
Net change in fund balance	-	-	-
Fund balance - beginning of year	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE COMPLIANCE SECTION

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF FEDERAL, STATE, AND LOCAL
CONTRACTUAL ASSISTANCE SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2013

FUNDING AGENCY PROGRAM/GRANT	Entity ID NUMBER	GRANT AWARD PERIOD	REVENUES RECEIVED FY2013	EXPENDITURES AS OF 06/30/13	RECEIVABLES AS OF 06/30/13
FEDERAL GRANTS					
Appalachian Regional Commission - 2012 (237)	GA-0701B-C43	01/01/12 - 12/31/12	\$ 40,536	\$ 195,450	\$ -
Appalachian Regional Commission - 2013 (230)	GA-0701B-C44	01/01/13 - 06/30/13	81,072	149,063	-
U.S. Dept. of Commerce (211) Economic Development Administration Planning Grant	04-83-06498	01/01/11 - 12/31/13	2,500	49,877	23,637
Pass-Through From City of Lavonia (627)	04-01-06456	01/15/10 - 12/31/13	3,295	3,295	-
U.S. Dept. of Transportation Georgia Department of Transportation Transportation Related Services Agreement	STP-0010949	07/01/12- 06/30/13	42,743	83,304	23,901
FEMA					
Georgia Emergency Management Agency Pass through					
Towns County (319)	HHM8580072	08/01/11 - 04/30/14		385	385
Franklin County (324)	HHM8330046	01/01/11 - 09/30/13	719	595	-
Stephens County (325)	HHM8580024	01/01/11 - 09/30/13	468	468	-
Banks County (326)	HHM8580026	01/01/11 - 09/30/13	10,696	5,250	-
Rabun County (327)	HHM8580030	01/01/11 - 09/30/13	7,348	6,977	-
Dawson County (328)	HHM8580022	01/01/11 - 09/30/13	6,042	5,633	-
			25,273	19,308	385
Mud Creek - Section 319(h) Grant (380)	66.46	02/09/12 - 10/31/12	12,394	16,962	4,568
Coldwater Creek - Section 319(h) Grant (381)	66.46	06/28/12 - 05/31/14	8,890	16,030	7,140
			21,284	32,992	11,708
U.S. Dept of Housing & Urban Development Community Block Pass through					
City of Royston (270)	12i-x-059-2-5538	05/01/13 - 05/04/14	-	151	151
City of Royston (628)	10p-x-059-2-5225	03/09/10 - 12/09/12	8,398	8,398	-
City of Cornelia (629)	10p-x-068-2-5224	02/02/10 - 03/01/13	18,814	18,438	-
Lumpkin County - Sr. Ctr. (631)	10p-y-093-1-5232	03/23/10 - 03/23/13	3,424	5,534	2,109
Towns County (632)	10p-y-139-1-5249	03/23/10 - 03/23/13	16,272	15,256	-
Union County - Sr. Ctr. Exp. (636)	129-y-144-1-5449	02/02/12 - 09/30/14	2,261	3,194	933
City of Cornelia - Phase 3 (637)	12p-x-068-2-5448	04/10/12 - 09/30/14	1,737	2,494	757
Franklin County (661)	10q-y-059-1-5335	06/07/10 - 11/18/13	8,646	8,911	265
City of Cornelia Phase 2 (663)	11p-x-068-2-5347	02/02/11 - 09/15/13	5,488	9,329	3,841
White County (664)	11p-y-154-1-5398	04/09/11 - 09/01/14	6,008	7,040	1,032
			71,047	78,745	9,089

(Continued on next page)

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF FEDERAL, STATE, AND LOCAL
 CONTRACTUAL ASSISTANCE SCHEDULE
 FISCAL YEAR ENDED JUNE 30, 2013
 (CONTINUED)

FUNDING AGENCY PROGRAM/GRANT	Entity ID NUMBER	GRANT AWARD PERIOD	REVENUES RECEIVED FY2013	EXPENDITURES AS OF 06/30/13	RECEIVABLES AS OF 06/30/13
WIA	11-12-12-02-022	07/01/12-06/30/14	\$ 82,619	89,254	6,635
	11-12-13-02-022	10/1/12-06/30/14	920,738	1,001,089	80,351
	31-12-11-02-022	10/01/11-06/30/13	-	5,052	5,052
	31-12-12-02-022	07/01/12-06/30/14	80,604	86,850	6,246
	31-12-13-02-022	10/01/12-06/30/14	791,351	869,335	77,984
	15-11-CO-02-022	10/01/11-06/30/13	544,861	576,998	32,137
			161,180	180,511	19,331
			46,069	76,121	30,052
	15-12-11-02-022	04/01/12-06/30/14	59,578	70,746	11,168
			2,687,000	2,955,956	268,956
Total Federal Grants			\$ 2,974,750	\$ 3,567,990	\$ 337,676
STATE GRANTS					
Georgia Dept of Community Affairs Coordinated Planning Work Program	N/A	7/1/2011 - 06/30/12	\$ 46,536		
		7/1/2012 - 06/30/13	168,003	237,970	
Governor's Office of Highway Safety (CarFit)	GA-2012-000-00491	01/01/12 - 09/30/12	30,840	30,942	
Governor's Office of Highway Safety (CarFit)	GA-2013-000-00450	10/01/12 - 09/30/13	63,891	82,030	18,231
Georgia Dept. of Natural Resources Historic Preservation Division	46200-341-130102	07/01/12 - 06/30/13	1,227	3,615	2,387
GMA Wellness Grant (121)	N/A	07/01/12 - 06/30/13	2,623	2,623	-
Total State Grants			313,120	119,210	20,618
TOTAL			\$ 3,383,828	\$ 3,803,786	\$ 378,912

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF INDIRECT COST POOL -
PROVISIONAL AND ACTUAL RATES
FISCAL YEAR ENDED JUNE 30, 2013

	Provisional	Actual
Salaries and wages	\$ 194,500	\$ 189,763
Allocated fringe benefits	67,635	71,821
Consultants	2,400	2,713
Supplies and materials	13,479	13,584
Travel	4,800	5,244
Utilities - electric and gas	12,200	12,051
Repairs and maintenance	18,160	23,502
Publications and printing	3,000	2,191
User charges/depreciation equipment	1,000	4,255
Facility operation expense	9,075	7,751
Rentals - other	8,923	8,948
Per diem and fees	21,500	19,100
Postage and freight	3,000	2,172
Other expenses	4,035	4,446
Insurance and bonding	3,200	3,044
	<u>\$ 366,907</u>	<u>\$ 370,585</u>
Indirect expenses available for allocation	<u>\$ 366,907</u>	<u>\$ 370,585</u>

COMPUTATION OF INDIRECT COST RATES

Direct salaries	\$ 586,343	\$ 602,715
Employee fringe benefits	<u>204,165</u>	<u>223,005</u>
Allocation base - direct personnel costs	<u>\$ 790,508</u>	<u>\$ 825,720</u>
Indirect cost rates	<u>46.41%</u>	<u>44.88%</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF EMPLOYEE BENEFIT COST POOL -
 PROVISIONAL AND ACTUAL RATES
 FISCAL YEAR ENDED JUNE 30, 2013

	<u>Provisional</u>	<u>Actual</u>
Fringe benefits		
Retirement benefits	\$ 158,216	\$ 158,216
Payroll taxes	20,597	24,027
Group insurance	254,100	265,774
Workers compensation	10,226	10,248
Other benefits including TSA	<u>86,958</u>	<u>88,701</u>
Employee benefits available for allocation	<u>\$ 530,097</u>	<u>\$ 546,966</u>

COMPUTATION OF EMPLOYEE BENEFIT RATES

Total salaries and wages	<u>\$ 1,375,532</u>	<u>\$ 1,457,694</u>
Allocation base - salaries and wages	<u>\$ 1,375,532</u>	<u>\$ 1,457,694</u>
Employee benefit rates	<u>38.54%</u>	<u>37.52%</u>

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF FLEET COST POOL -
PROVISIONAL AND ACTUAL RATES
FISCAL YEAR ENDED JUNE 30, 2013

	<u>Provisional</u>	<u>Actual</u>
Gasoline expense	\$ 4,500	\$ 4,341
Depreciation	4,500	4,387
Vehicle repairs and maintenance	7,200	7,169
Vehicle insurance	<u>2,600</u>	<u>2,589</u>
Indirect expenses available for allocation	<u>\$ 18,800</u>	<u>\$ 18,486</u>

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GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF CITY/COUNTY DUES AND ASSESSMENTS
FISCAL YEAR ENDED JUNE 30, 2013

	Balance due 06/30/12	FY '13 dues amount	Total billed for FY '13	Amount collected for FY '13	Balance due 06/30/13
GOVERNMENT					
Banks County	\$ -	\$ 20,235	\$ 20,235	\$ 20,235	\$ -
City of Homer	-	-	-	-	-
City of Maysville	-	-	-	-	-
Dawson County	-	24,563	24,563	24,563	-
City of Dawsonville	-	-	-	-	-
Forsyth County	-	193,062	193,062	193,062	-
City of Cumming	-	-	-	-	-
Franklin County	-	17,278	17,278	17,278	-
City of Canon	-	837	837	837	-
City of Carnesville	-	635	635	635	-
City of Franklin Springs	-	1,047	1,047	1,047	-
City of Lavonia	-	2,372	2,372	2,372	-
City of Royston	-	2,124	2,124	2,124	-
Habersham County	-	33,825	33,825	33,825	-
Town of Alto	-	722	722	722	-
City of Baldwin	-	2,792	2,792	2,792	-
City of Clarkesville	-	1,906	1,906	1,906	-
City of Cornelia	-	4,576	4,576	4,576	-
City of Demorest	-	2,005	2,005	2,005	-
Town of Mount Airy	-	1,412	1,412	1,412	-
Town of Tallulah Falls	-	108	108	108	-
Hall County	-	145,804	145,804	145,804	-
Town of Clermont	-	963	963	963	-
City of Flowery Branch	-	6,247	6,247	6,247	-
City of Gainesville	-	37,184	37,184	37,184	-
City of Gillsville	-	228	228	228	-
City of Lula	-	2,860	2,860	2,860	-
City of Oakwood	-	4,367	4,367	4,367	-
Hart County	-	22,818	22,818	22,818	-
City of Bowersville	-	-	-	-	-
City of Hartwell	-	4,916	4,916	4,916	-
Lumpkin County	-	27,196	27,196	27,196	-
City of Dahlonega	-	5,766	5,766	5,766	-
Subtotal	\$ -	\$ 567,848	\$ 567,848	\$ 567,848	\$ -

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF CITY/COUNTY DUES AND ASSESSMENTS
 FISCAL YEAR ENDED JUNE 30, 2013
 (CONTINUED)

	Balance due 06/30/12	FY '13 dues amount	Total billed for FY '13	Amount collected for FY '13	Balance due 06/30/13
GOVERNMENT					
Rabun County	\$ -	\$ 14,830	\$ 14,830	\$ 14,830	\$ -
City of Clayton	-	2,252	2,252	2,252	-
City of Dillard	-	373	373	373	-
City of Mountain City	-	-	-	-	-
City of Sky Valley	-	-	-	-	-
City of Tiger	-	449	449	449	-
Stephens County	-	19,452	19,452	19,452	-
City of Avalon	-	-	-	-	-
City of Martin	-	-	-	-	-
City of Toccoa	-	9,340	9,340	9,340	-
Towns County	-	11,518	11,518	11,518	-
City of Hiawassee	-	-	-	-	-
City of Young Harris	-	-	-	-	-
Union County	-	22,774	22,774	22,774	-
City of Blairsville	-	717	717	717	-
White County	-	25,546	25,546	25,546	-
City of Cleveland	-	3,751	3,751	3,751	-
City of Helen	-	561	561	561	-
Subtotal	-	111,563	111,563	111,563	-
Total	\$ -	\$ 679,411	\$ 679,411	\$ 679,411	\$ -

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SINGLE AUDIT SECTION

GEORGIA MOUNTAINS REGIONAL COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Federal/Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Appalachian Regional Commission			
Direct Programs:			
Appalachial Local Development District Assistance	23.009	GA-0701B-C43	\$ 97,022
Appalachial Local Development District Assistance	23.009	GA-0701B-C44	74,531
Subtotal for CFDA 23.009			<u>171,553</u>
Total Direct Programs			<u>171,553</u>
Total Appalachian Regional Commission			<u>171,553</u>
U.S. Department of Commerce			
Direct Programs:			
Economic Development Administration Planning	11.302	04-83-06498	<u>49,877</u>
Total Direct Programs			<u>49,877</u>
Passed through City of Lavonia, Georgia:			
Economic Development Administration Planning	11.302	04-01-06456	<u>3,295</u>
Total Pass-through Programs			<u>3,295</u>
Total U.S. Department of Commerce			<u>53,172</u>
U.S. Department of Transportation			
Passed through Georgia Department of Transportation:			
Transportation Highway Planning	20.205	STP-0010949	<u>66,644</u>
Total Pass-through Programs			<u>66,644</u>
Total U.S. Department of Transportation			<u>66,644</u>
U.S. Department of Housing and Urban Development			
Direct Programs:			
Community Development Block Grants	14.219	10p-x-059-2-5225	8,398
Community Development Block Grants	14.219	10p-x-068-2-5224	18,438
Community Development Block Grants	14.219	10p-y-093-1-5232	5,534
Community Development Block Grants	14.219	10p-y-139-1-5249	15,226
Community Development Block Grants	14.219	129-y-144-1-5449	3,194
Community Development Block Grants	14.219	12p-x-068-2-5448	2,494
Community Development Block Grants	14.219	10q-y-059-1-5335	8,911
Community Development Block Grants	14.219	11p-x-068-2-5347	9,329
Community Development Block Grants	14.219	11p-y-154-1-5398	7,040
Community Development Block Grants	14.219	12i-x-059-2-5538	151
Total Direct Programs			<u>78,715</u>
Total U.S. Department of Housing and Urban Development			<u>78,715</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, 2013
(CONTINUED)

Federal/Grantor/Pass-Through Grantor/Program Title or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Federal Emergency Management Agency			
Passed through Georgia Emergency Management Agency			
Predisaster Mitigation	97.047	HHM 8580072	\$ 385
Predisaster Mitigation	97.047	HHM 8330046	595
Predisaster Mitigation	97.047	HHM 8580024	468
Predisaster Mitigation	97.047	HHM 8580026	5,250
Predisaster Mitigation	97.047	HHM 8580030	6,977
Predisaster Mitigation	97.047	HHM08580022	5,633
Total Pass-through Programs			<u>19,308</u>
Total Federal Emergency Management Agency			<u>19,308</u>
Environmental Protection Division			
Direct Programs			
Mud Creek Section 319(h)	66.460	N/A	16,962
Coldwater Creek Section 319(h)	66.460	N/A	16,030
Total Direct Programs			<u>32,992</u>
Total Environmental Protection Division			<u>\$ 32,992</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, 2013
(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	11-12-12-02-022	1,086,523
WIA Youth	17.259	15-11-11-02-022	891,925
WIA Dislocated Worker	17.278	31-12-11-02-022	921,563
WIA OJT Program	17.278	31-12-11-02-022	5,052
WIA	17.278	34-12-11-02-022	10,970
Total WIA Cluster			<u>2,916,033</u>
Total Pass-through Programs			<u>2,916,033</u>
Total U.S. Department of Labor			<u>2,916,033</u>
Total Expenditures of Federal Awards - General Fund/Special Revenue Funds			<u>3,338,417</u>
Economic Development Administration			
Direct Programs:			
Revolving Loan	11.307	04-39-03469	1,118,933
Total Direct Programs			<u>1,118,933</u>
Total Economic Development Administration			<u>1,118,933</u>
Total Expenditures of Federal Awards -Proprietary Fund			<u>1,118,933</u>
Total Expenditures of Federal Awards			<u><u>\$ 4,457,350</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, 2013

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, 2013. 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 position 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, 2013.

GEORGIA MOUNTAINS REGIONAL COMMISSION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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)

**INDEPENDENT AUDITOR'S 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, in accordance with the 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, 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, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Georgia Mountains Regional Commission's basic financial statements, and have issued our report thereon dated October 22, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Georgia Mountains Regional Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Georgia Mountains Regional Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Georgia Mountains Regional Commission's internal control.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Georgia Mountains Regional Commission's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clifton, Lippford, Hardison & Parker, LLC

Macon, Georgia
October 22, 2013



J. Russell Lipford, Jr., CPA
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Kevin E. Lipford, CPA

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**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

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

Report on Compliance for Each Major Federal Program

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 Georgia Mountains Regional Commission's major federal programs for the year ended June 30, 2013. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Georgia Mountains Regional Commission's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Georgia Mountains Regional Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, Georgia Mountains Regional Commission's, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Georgia Mountains Regional Commission, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Georgia Mountains Regional Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of Georgia Mountains Regional Commission as of and for the fiscal year ended June 30, 2013, and have issued our report thereon dated October 22, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Clifton, Lippford, Harrison & Parker, LLC

Macon, Georgia
October 22, 2013

GEORGIA MOUNTAINS REGIONAL COMMISSION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	Unmodified
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:	Unmodified
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>
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>
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Auditee qualified as a low-risk auditee?	Yes
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Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.