

**HEART OF GEORGIA ALTAMAHA  
REGIONAL COMMISSION**

**FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2018**

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

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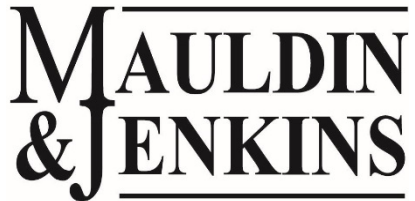
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## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

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**To the Council Members  
Heart of Georgia Altamaha  
Regional Commission  
Eastman, Georgia**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Heart of Georgia Altamaha Regional Commission** (the "Regional Commission"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Regional Commission'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 from 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.

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## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Heart of Georgia Altamaha Regional Commission, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and major special revenue funds 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 on pages 4 – 9, and the schedule of changes in the Regional Commission's net pension liability and related ratios on page 45 and the schedule of Regional Commission contributions on page 46 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 Heart of Georgia Altamaha Regional Commission's basic financial statements. The combining and individual nonmajor fund financial statements and the state compliance 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 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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The combining and individual nonmajor fund financial statements, the state compliance 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 and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole. The state compliance schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2018, on our consideration of the Heart of Georgia Altamaha Regional Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the Regional Commission's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Macon, Georgia  
November 9, 2018

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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Within this section of the Heart of Georgia Altamaha Regional Commission's annual financial report, the RC's management is pleased to provide this narrative discussion and analysis of the financial activities of the RC for the fiscal year ended June 30, 2018. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the RC's basic financial statements which follow this section.

### **Financial Highlights**

The net position of the RC exceeded its liabilities at the close of the most recent fiscal year by \$815,361. Of this amount, \$492,656 represented unrestricted net position and may be used to meet the RC's ongoing obligations to the member local governments.

Overall, there was an increase in the RC's General Fund's fund balance of \$140,909. The General Fund's revenues over expenditures were \$255,428; however, \$114,519 was transferred to other funds in order to cover unfunded expenses and matching requirements.

At the close of the fiscal year, the unassigned fund balance for the General Fund was \$845,891; this amount is 5.98 percent of total governmental fund expenditures.

### **Overview of the Financial Statements**

This narrative serves as an introduction to the RC's basic financial statements. These financial statements are comprised of three components: (1) Government-wide financial statements, (2) Fund financial statements, and (3) Notes to the financial statements. In addition, supplementary information is also included.

### **Government-wide Financial Statements**

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



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-wide Financial Statements (Continued)

The following tables present a comparison between the current and preceding year's Statement of Net Position and Statement of Activities.

#### STATEMENT OF NET POSITION

	<b>June 30, 2018</b>	June 30, 2017
Current and other assets	<b>\$ 2,573,608</b>	\$ 2,158,006
Capital assets	<b>212,247</b>	224,551
Total assets	<b>2,785,855</b>	2,382,557
Deferred Outflows of Resources		
Pension related items	<b>166,512</b>	128,966
Total assets and deferred outflows of resources	<b>2,952,367</b>	2,511,523
Current liabilities	<b>1,599,645</b>	1,347,141
Net pension liability	<b>312,464</b>	512,378
Total liabilities	<b>1,912,109</b>	1,859,519
Deferred Inflows of Resources		
Pension related items	<b>224,897</b>	20,688
Total liabilities and deferred inflows of resources	<b>2,137,006</b>	1,880,207
Net position		
Investment in capital assets	<b>212,247</b>	224,551
Restricted for grant programs	<b>111,287</b>	143,470
Unrestricted	<b>491,827</b>	263,295
Total net position	<b>\$ 815,361</b>	\$ 631,316

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-wide Financial Statements (Continued)

#### STATEMENT OF ACTIVITIES

	June 30, 2018	June 30, 2017
Program Revenues -		
Charges for services	\$ 344,226	\$ 5,361
Operating grants and contributions	13,613,368	12,795,014
General Revenues -		
Regional appropriations	303,199	303,199
Miscellaneous income	27,600	27,504
Total Revenues	14,288,393	13,131,078
Expenses:		
General government	377,007	373,474
Economic development	82,794	55,516
Aging services	5,173,149	5,272,991
Transportation development	1,601,212	1,689,804
Workforce development	6,605,582	5,382,640
Historic preservation	4,094	4,091
Planning and development	260,510	275,756
Total Expenses	14,104,348	13,054,272
Increase in net position	184,045	76,806
Net position - beginning of year	631,316	554,510
Net position - end of year	\$ 815,361	\$ 631,316

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.

There are no business-type activities within the RC. As a result, the government-wide financial statements reflect only governmental activities that are generally funded through dues, intergovernmental revenues, grants, and other non-exchange transactions. 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.

The RC has no component units.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Fund Financial Statements

The fund financial statements provide more detailed information regarding the RC's most significant funds-not the RC as a whole. Funds are similar accounts that are maintained collectively in order to keep track of specific sources of funding and their related expenses. Essentially, the RC employs fund accounting to comply with requirements of its various grants and contracts. The funds of the RC can be divided into two categories: governmental funds and proprietary funds.

### Governmental Funds

Basically, the governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. In contrast to the government-wide financial statements, though, the governmental fund financial statements provide a detailed short-term view, assisting in determinations of whether resources can be spent in the near future to finance the RC's programs.

Because of this difference in focus between the government-wide financial statements and the governmental fund financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. As a result, users may be better aware of the long-term implications of the government's short-term decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to allow comparisons between governmental funds and governmental activities.

For the year ended June 30, 2018, the RC had twenty-four (24) governmental funds, the General Fund and twenty-three (23) special revenue funds.

The Regional Commission Council approves an annual budget for its funds. The statements within this report present actual results against budgeted results in order to demonstrate compliance with the RC's approved budget.

### Proprietary Funds

The RC's Internal Service Fund is the only proprietary fund employed by the RC. Its purpose is to aggregate costs which are then allocated to 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.

### Notes to the Financial Statements

These statements also include notes offering additional information and explanation on the data presented in the financial statements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents supplementary information concerning the RC. This information is included in order to meet certain state requirements as well as to provide individual grantor information pertaining to its grant or contract.

### Governmental Funds

The focus of the RC's governmental funds is to 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.

At the end of this fiscal year, the RC's governmental funds reported an ending fund balance of \$957,178, a net increase of \$154,870 for the current year.

### Proprietary Funds

As discussed previously, the RC only maintains one proprietary fund, the Internal Service Fund. It is used to aggregate and distribute costs benefiting two or more programs. The expenses are allocated based on an indirect cost allocation plan approved by our cognizant agency, the U.S. Department of Commerce. Indirect costs are allocated on the basis of direct salaries plus fringe benefits.

### Budgetary Highlights

The RC is mandated by state law to adopt its next year's budget before the end of the current year. Due to the fact that contracts and grants are not finalized as well as amendments may occur, the Regional Commission Council adopts the original budget using known and conservative estimates. The original budget was amended to update the DHS Coordinated Transportation and the Workforce Innovation and Opportunity Act line items. Also, the Area Agency on Aging contract was amended and The Community Care Services Program (CCSP) was removed and a new contract issued through the Department of Community Health for this fund source.

The RC administered the Coordinated Transportation Program of the Georgia Department of Human Services for our Region for FY2018 with the contract awarded totaling \$2,304,708. This contract was decreased by \$557,906 during the fiscal year to a total contract of \$1,746,802. The initial RC funding through the Workforce Innovation and Opportunity Act for FY2018 amounted to \$5,068,383. Due to the employment needs in our geographical region of Georgia, grants were modified and Rapid Response grants added during the fiscal year in the amount of \$260,065, resulting in a total for this fund source of \$5,328,448. The Area Agency on Aging contract with the RC for FY2018 was initially a total of \$4,893,956. This contract was amended during the fiscal year to total \$3,461,335, which is a decrease of \$1,432,621. A Department of Community Health CCSP contract was issued in the amount of \$1,633,444 for this fund source.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Capital Assets

The RC's investment in capital assets for its governmental activities as of June 30, 2018, amounts to \$212,247, net of accumulated depreciation. The investment in capital assets consists primarily of the RC's buildings and furniture, fixtures, and equipment.

The net decrease of \$12,304 is the result of current year depreciation expense and the purchase of a new air conditioning system.

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Land	\$ 25,834	\$ 25,834
Building	344,166	344,166
Furniture, Fixtures and Equipment	68,720	62,920
Improvements	17,570	17,570
Vehicles	121,441	121,441
Accumulated Depreciation	<u>(365,484)</u>	<u>(347,380)</u>
Total	<u>\$ 212,247</u>	<u>\$ 224,551</u>

Additional information on Heart of Georgia Altamaha Regional Commission's capital assets can be found in Note 5 in the Notes to Financial Statements in the report.

### Economic Factors and Next Year's Budget

Mandatory funding by the 17 member counties and their municipalities as well as prior approval by the Georgia General Assembly before a county may withdraw from the Commission helps to support and maintain the RC's funding.

The RC dues for its member governments are \$1.00 per capita based on the most current U. S. Census estimates. There are no plans to increase this amount in the near future unless unforeseen circumstances regarding grants and contracts appear. The Regional Commission Council has the sole responsibility to increase this amount if such circumstances warrant it.

The Regional Commission council considered many factors when setting the FY2019 budget. Some of the economic factors pertaining to revenues taken into consideration included member dues, state and Federal funding, local grant administration fees, and charges for services. Expenditure factors considered for the coming year were possible telecommunication and technology upgrades as well as the need to repave the parking lot at our Baxley location.

### Requests for Information

This financial report is designed to provide a general overview of the RC's finances for interested parties. Questions concerning any of the information presented in this report or requests for additional information should be directed to the Executive Director, Heart of Georgia Altamaha Regional Commission, 5405 Oak Street, Eastman, GA 31023.

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## STATEMENT OF NET POSITION JUNE 30, 2018

	<u>Governmental Activities</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 457,127
Due from other governments	1,675,457
Prepaid items	441,024
Total current assets	<u>2,573,608</u>
<b>Noncurrent Assets</b>	
Capital assets, non-depreciable	25,834
Capital assets, depreciable (net of accumulated depreciation)	186,413
Total noncurrent assets	<u>212,247</u>
Total assets	<u>2,785,855</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension assumption changes	58,222
Pension experience differences	24,621
Pension contributions subsequent to measurement date	83,669
Total deferred outflows of resources	<u>166,512</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts payable	997,950
Accrued liabilities	23,342
Unearned revenue	489,708
Compensated absences due within one year	88,645
Total current liabilities	<u>1,599,645</u>
<b>Noncurrent Liabilities</b>	
Net pension liability	<u>312,464</u>
Total liabilities	<u>1,912,109</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension investment return	224,897
Total deferred inflows of resources	<u>224,897</u>
<b>NET POSITION</b>	
Investment in capital assets	212,247
Restricted for grant projects	110,458
Unrestricted	492,656
Total net position	<u>\$ 815,361</u>

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

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
<b>Primary government:</b>					
<b>Governmental activities</b>					
General government	\$ 377,007	\$ 344,226	\$ -	\$ -	\$ (32,781)
Economic development	82,794	-	66,235	-	(16,559)
Aging services	5,173,149	-	5,092,632	-	(80,517)
Transportation development	1,601,212	-	1,604,591	-	3,379
Workforce development	6,605,582	-	6,601,506	-	(4,076)
Historic preservation	4,094	-	4,091	-	(3)
Planning and development	260,510	-	244,313	-	(16,197)
Total governmental activities	\$ 14,104,348	\$ 344,226	\$ 13,613,368	\$ -	(146,754)
General revenues:					
Regional appropriations					
Miscellaneous					
Total general revenues					
Change in net position					
Net position, beginning of year					
Net position, end of year					
<u>\$ 815,361</u>					

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

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2018

	General Fund	Community Care Fund	Workforce Development Fund	DHS Coordinated Transportation Fund
<b>ASSETS</b>				
Cash and cash equivalents	\$ 800	\$ -	\$ 30	\$ -
Due from other governments	468,422	273,923	28,779	273,520
Advance to JTU	-	-	411,624	-
Due from other funds	397,586	38,428	2,818	-
Total assets	<u>\$ 866,808</u>	<u>\$ 312,351</u>	<u>\$ 443,251</u>	<u>\$ 273,520</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 20,917	\$ 311,522	\$ 31,597	\$ 133,413
Due to other funds	-	-	-	78,604
Unearned revenues	-	-	411,654	-
Total liabilities	<u>20,917</u>	<u>311,522</u>	<u>443,251</u>	<u>212,017</u>
<b>FUND BALANCES</b>				
Restricted - grant projects	-	829	-	61,503
Unassigned - General Fund	845,891	-	-	-
Total fund balances	<u>845,891</u>	<u>829</u>	<u>-</u>	<u>61,503</u>
Total liabilities and fund balances	<u>\$ 866,808</u>	<u>\$ 312,351</u>	<u>\$ 443,251</u>	<u>\$ 273,520</u>

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



<b>Community Based Services Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
\$ -	\$ 77,317	\$ 78,147
171,963	458,850	1,675,457
-	-	411,624
-	54,251	493,083
<u>\$ 171,963</u>	<u>\$ 590,418</u>	<u>\$ 2,658,311</u>
\$ 135,406	\$ 365,095	\$ 997,950
36,557	98,314	213,475
-	78,054	489,708
<u>171,963</u>	<u>541,463</u>	<u>1,701,133</u>
-	48,955	111,287
-	-	845,891
<u>-</u>	<u>48,955</u>	<u>957,178</u>
<u>\$ 171,963</u>	<u>\$ 590,418</u>	<u>\$ 2,658,311</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION  
RECONCILIATION OF THE BALANCE SHEET  
OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE  
STATEMENT OF NET POSITION  
JUNE 30, 2018**

Amounts reported for governmental activities in the statement of net position are different from amounts reported in the balance sheet of governmental funds due to the following:

Fund balances - total governmental funds	\$	957,178
<b>Capital assets</b>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the assets		121,441
Accumulated depreciation		(111,251)
<b>Long-term liabilities</b>		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability		(312,464)
Deferred outflows of resources - pension experience differences		24,621
Deferred outflows of resources - pension contributions subsequent to measurement date		83,669
Deferred outflows of resources - assumption changes		58,222
Deferred inflows of resources - pension investment return		(224,897)
<b>Internal service funds</b>		
Internal service funds are used by management to allocate pooled costs among the various programs of the regional commission. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.		
		218,842
	<b>\$</b>	<b>815,361</b>

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

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Community Care Fund	Workforce Development Fund	DHS Coordinated Transportation Fund
<b>REVENUES</b>				
Federal sources	\$ -	\$ 808,356	\$ 6,601,506	\$ 822,463
State sources	-	808,356	-	772,994
Local sources	647,425	-	-	9,134
Miscellaneous income	18,261	-	-	-
Total revenues	665,686	1,616,712	6,601,506	1,604,591
<b>EXPENDITURES</b>				
Current:				
Direct:				
Personnel services				
Salaries	140,549	121,460	80,252	14,656
Fringe benefits	92,384	83,649	55,259	10,278
Total personnel services	232,933	205,109	135,511	24,934
Operating expenditures				
Contract services	-	1,315,918	6,384,669	1,543,275
Supplies and materials	980	-	540	18,226
Motor vehicle	4,779	1,309	4,341	994
Per diem and fees	3,749	798	2,179	160
Training and education	7,650	559	915	268
Membership and subscriptions	525	-	-	-
Telecommunications	-	-	-	-
Repairs and maintenance	16,056	-	-	-
Miscellaneous	19,822	60	1,350	107
Total operating expenditures	53,561	1,318,644	6,393,994	1,563,030
Total direct expenditures	286,494	1,523,753	6,529,505	1,587,964
Indirect expenditures	123,764	108,981	72,001	13,248
Total expenditures	410,258	1,632,734	6,601,506	1,601,212
Excess (deficiency) of revenues over expenditures	255,428	(16,022)	-	3,379
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	16,851	-	-
Transfers out	(114,519)	-	-	-
Total other financing sources (uses)	(114,519)	16,851	-	-
Net change in fund balances	140,909	829	-	3,379
<b>FUND BALANCES (deficit), beginning of year</b>	704,982	-	-	58,124
<b>FUND BALANCES, end of year</b>	\$ 845,891	\$ 829	\$ -	\$ 61,503

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

<b>Community Based Services Fund</b>	<b>Other Governmental Funds</b>	<b>Totals</b>
\$ -	\$ 2,008,096	\$ 10,240,421
1,015,819	636,295	3,233,464
-	130,349	786,908
-	9,339	27,600
<u>1,015,819</u>	<u>2,784,079</u>	<u>14,288,393</u>
85,419	265,111	707,447
58,020	175,917	475,507
<u>143,439</u>	<u>441,028</u>	<u>1,182,954</u>
783,157	2,039,075	12,066,094
3,693	33,393	56,832
1,445	8,240	21,108
3,080	13,238	23,204
2,100	25,963	37,455
2,640	5,192	8,357
-	176	176
54	-	16,110
-	71,354	92,693
<u>796,169</u>	<u>2,196,631</u>	<u>12,322,029</u>
939,608	2,637,659	13,504,983
76,213	234,333	628,540
<u>1,015,821</u>	<u>2,871,992</u>	<u>14,133,523</u>
<u>(2)</u>	<u>(87,913)</u>	<u>154,870</u>
3,220	94,448	114,519
-	-	(114,519)
<u>3,220</u>	<u>94,448</u>	<u>-</u>
3,218	6,535	154,870
(3,218)	42,420	802,308
<u>\$ -</u>	<u>\$ 48,955</u>	<u>\$ 957,178</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 154,870
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation expense	(4,076)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Pension expense	<u>33,251</u>
	<u>\$ 184,045</u>

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

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Local sources	\$ 303,199	\$ 303,199	\$ 303,199	\$ -
Local government contracts	392,630	392,630	344,226	(48,404)
Miscellaneous revenue	-	-	18,261	18,261
Total revenues	<u>695,829</u>	<u>695,829</u>	<u>665,686</u>	<u>(30,143)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel services	407,730	407,730	232,933	174,797
Operating expenditures	48,396	48,396	53,561	(5,165)
Indirect expenditures	218,216	218,216	123,764	94,452
Total expenditures	<u>674,342</u>	<u>674,342</u>	<u>410,258</u>	<u>264,084</u>
Excess of revenues over expenditures	<u>21,487</u>	<u>21,487</u>	<u>255,428</u>	<u>233,941</u>
<b>OTHER FINANCING USES</b>				
Transfers out	(21,487)	(21,487)	(114,519)	(93,032)
Total other financing uses	<u>(21,487)</u>	<u>(21,487)</u>	<u>(114,519)</u>	<u>(93,032)</u>
Net change in fund balances	-	-	140,909	140,909
<b>FUND BALANCES, beginning of year</b>	<u>704,982</u>	<u>704,982</u>	<u>704,982</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 704,982</u>	<u>\$ 704,982</u>	<u>\$ 845,891</u>	<u>\$ 140,909</u>

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

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - COMMUNITY CARE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental				
Federal sources	\$ 816,722	\$ 816,722	\$ 808,356	\$ (8,366)
State sources	816,722	816,722	808,356	(8,366)
Total revenues	<u>1,633,444</u>	<u>1,633,444</u>	<u>1,616,712</u>	<u>(16,732)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel services	224,268	224,268	205,109	19,159
Operating expenditures	1,289,148	1,289,148	1,318,644	(29,496)
Indirect expenditures	120,028	120,028	108,981	11,047
Total expenditures	<u>1,633,444</u>	<u>1,633,444</u>	<u>1,632,734</u>	<u>710</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(16,022)</u>	<u>(16,022)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	16,851	16,851
Total other financing sources	<u>-</u>	<u>-</u>	<u>16,851</u>	<u>16,851</u>
Net change in fund balances	-	-	829	829
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 829</u>	<u>\$ 829</u>

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

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - WORKFORCE DEVELOPMENT FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental				
Federal sources	\$ 5,364,635	\$ 8,390,803	\$ 6,601,506	\$ (1,789,297)
Total revenues	<u>5,364,635</u>	<u>8,390,803</u>	<u>6,601,506</u>	<u>(1,789,297)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel services	154,637	154,367	135,511	18,856
Operating expenditures	5,127,381	8,153,819	6,393,994	1,759,825
Indirect expenditures	82,617	82,617	72,001	10,616
Total expenditures	<u>5,364,635</u>	<u>8,390,803</u>	<u>6,601,506</u>	<u>1,789,297</u>
Net change in fund balances	-	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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



**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - DHS COORDINATED TRANSPORTATION FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental				
Federal sources	\$ 880,097	\$ 904,804	\$ 822,463	\$ (82,341)
State sources	861,744	907,937	772,994	(134,943)
Local sources	-	-	9,134	9,134
Total revenues	<u>1,741,841</u>	<u>1,812,741</u>	<u>1,604,591</u>	<u>(208,150)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel services	41,729	41,729	24,934	16,795
Operating expenditures	1,691,412	1,762,312	1,563,030	199,282
Indirect expenditures	22,333	22,333	13,248	9,085
Total expenditures	<u>1,755,474</u>	<u>1,826,374</u>	<u>1,601,212</u>	<u>225,162</u>
Excess (deficiency) of revenues over expenditures	<u>(13,633)</u>	<u>(13,633)</u>	<u>3,379</u>	<u>17,012</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	13,633	13,633	-	(13,633)
Total other financing sources	<u>13,633</u>	<u>13,633</u>	<u>-</u>	<u>(13,633)</u>
Net change in fund balances	-	-	3,379	3,379
<b>FUND BALANCES, beginning of year</b>	<u>58,124</u>	<u>58,124</u>	<u>58,124</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 58,124</u>	<u>\$ 58,124</u>	<u>\$ 61,503</u>	<u>\$ 3,379</u>

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

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - DHS AGING COMMUNITY BASED SERVICES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental				
State sources	\$ 792,153	\$ 927,462	\$ 1,015,819	\$ 88,357
Total revenues	<u>792,153</u>	<u>927,462</u>	<u>1,015,819</u>	<u>88,357</u>
<b>EXPENDITURES</b>				
Current:				
Personnel services	73,995	142,622	143,439	(817)
Operating expenditures	678,556	708,509	796,169	(87,660)
Indirect expenditures	39,602	76,331	76,213	118
Total expenditures	<u>792,153</u>	<u>927,462</u>	<u>1,015,821</u>	<u>(88,359)</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(2)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	3,220	3,220
Total other financing sources	<u>-</u>	<u>-</u>	<u>3,220</u>	<u>3,220</u>
Net change in fund balances	-	-	3,218	3,218
<b>FUND BALANCES (DEFICIT), beginning of year</b>	<u>-</u>	<u>-</u>	<u>(3,218)</u>	<u>3,218</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,436</u>

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

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2018

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	<b>Governmental Activities - Internal Service Funds</b>
<b>Assets</b>	
Current assets:	
Cash	\$ 378,980
Prepaid items	29,400
Total current assets	<u>408,380</u>
Noncurrent assets:	
Capital assets:	
Nondepreciable assets	25,834
Depreciable assets	430,456
Less accumulated depreciation	<u>(254,233)</u>
Total noncurrent assets	<u>202,057</u>
Total assets	<u>610,437</u>
<b>Liabilities</b>	
Current liabilities:	
Accrued payroll deductions	23,342
Due to other funds	279,608
Compensated absences	88,645
Total liabilities	<u>391,595</u>
<b>Net Position</b>	
Invested in capital assets	202,057
Unrestricted	16,785
Total net position	<u>\$ 218,842</u>

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

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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	<b>Governmental Activities - Internal Service Funds</b>
<b>Operating revenues</b>	
Charges to other funds	
Indirect cost recovery	\$ 628,538
Total operating revenues	<u>628,538</u>
<b>Operating expenses</b>	
Personnel services	240,820
Employee benefits	162,178
Operating expenses	211,512
Depreciation	14,028
Total operating expenses	<u>628,538</u>
Change in net position	-
<b>Net position, beginning of year</b>	<u>218,842</u>
<b>Net position, end of year</b>	<u>\$ 218,842</u>

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

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<b>Governmental Activities - Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from interfund services provided	\$ 628,538
Cash paid to employees	(408,580)
Cash paid to suppliers for goods and services	(120,305)
Net cash provided by operating activities	<u>99,653</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(5,800)
Net cash used by capital and related financing activities	<u>(5,800)</u>
Net increase in cash and cash equivalents	93,853
Cash and cash equivalents, beginning of year	<u>285,127</u>
Cash and cash equivalents, end of year	<u>\$ 378,980</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	14,028
Decrease in prepaid items	14,676
Decrease in compensated absences	(5,298)
Decrease in accrued liabilities	(284)
Increase in due to other funds	76,531
Net cash provided by operating activities	<u>\$ 99,653</u>

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

## **NOTES TO FINANCIAL STATEMENTS**

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. The Financial Reporting Entity

The Heart of Georgia Altamaha Regional Commission (the “Regional Commission”), formerly the Heart of Georgia Altamaha Regional Development Center, was a result of a merger between Heart of Georgia Regional Development Center and Altamaha Georgia Southern Regional Development Center on July 1, 1989. On May 6, 2008, the Governor of Georgia signed into law a new bill concerning regional development centers in Georgia. This law required that regional development centers change their name from “regional development centers” to “regional commissions”; that the make-up of the governing entity be changed from a “Board of Directors” to a “Council”; and that the jurisdictional boundaries of eight of Georgia’s regional development centers be realigned effective July 1, 2009. However, the legal boundaries of Heart of Georgia Altamaha Regional Commission were not affected by the new law.

County members of the Regional Commission are as follows: Appling, Bleckley, Candler, Dodge, Emanuel, Evans, Jeff Davis, Johnson, Laurens, Montgomery, Tattnall, Telfair, Toombs, Treutlan, Wayne, Wheeler and Wilcox. Municipalities which are members are as follows: Abbeville, Adrian, Ailey, Alamo, Alston, Baxley, Bellville, Cadwell, Chauncey, Chester, Claxton, Cobbtown, Cochran, Collins, Daisy, Denton, Dexter, Dublin, Dudley, East Dublin, Eastman, Garfield, Glennville, Glenwood, Graham, Hagan, Hazlehurst, Helena, Higgston, Jacksonville, Jesup, Kite, Lumber City, Lyons, Manassas, McRae, Metter, Milan, Montrose, Mount Vernon, Oak Park, Nunez, Odom, Pineview, Pitts, Pulaski, Reidsville, Rentz, Rhine, Rochelle, Santa Claus, Scotland, Screven, Soperton, Stillmore, Summertown, Surrency, Swainsboro, Tarrytown, Twin City, Uvalda, Vidalia, and Wrightsville.

Governmental Accounting Standards Board (GASB) Statement No 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, defines the reporting entity for determining which potential component units should be included in a primary government’s financial statements. Inclusion is based on financial accountability or the fact that exclusion would make the financial statements misleading or incomplete. No component units have been identified which should be included in the reporting entity.

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. *Governmental activities*, which normally are supported by regional appropriations and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Regional Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Interest income associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Regional Commission.



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The Regional Commission reports the following major governmental funds:

The **General fund** is the Regional Commission's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Community Care fund** is used to account for the proceeds of grants received for aging services provided.

The **Workforce Development fund** is used to account for grants received for workforce development services provided to counties serviced by the Regional Commission.

The **DHS Coordinated Transportation fund** is used to account for federal and state grants used to support the Regional Commission's transportation programs.

The **Community Based Services fund** is used to account for state grants used to support the Regional Commission's community programs.

Additionally, the Regional Commission reports the following fund type:

The **Internal Service fund** is used by management to account for the financing of goods and services provided by one organizational unit to other organizational units of the Regional Commission on a cost reimbursement basis.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Regional Commission's internal service fund are charges for the allocation of indirect costs. Operating expenses for the internal service funds include the personnel expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### D. Budgets and Budgetary Accounting

##### Budget Process

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 amends the budget once annually. Budget amendments are approved by the Council if total expenditures exceed budgeted expenditures at the individual grant funded program level. All previously unbudgeted items exceeding \$5,000 require specific Council approval. All expenditures in excess of budgeted amounts are the responsibility of the Regional Commission through local funds. Unobligated appropriations in the annual operating budget lapse at fiscal year-end.

##### Budget to GAAP Reconciliation

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

##### 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 appropriations, is not employed by the Regional Commission.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### E. Cash and Investments

The Regional Commission's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with a maturity date within three months of the date of acquisition. For purposes of the statement of cash flows, the Regional Commission considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Statutes authorize the Regional Commission to invest in obligations of the United States Government, State of Georgia, other states, prime bankers' acceptances, repurchase agreements, other political subdivisions of Georgia, and the State of Georgia Local Government Investment Pool (Georgia Fund 1). The local government investment pool "Georgia Fund 1", created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the Regional Commission's investment in the Georgia Fund 1 is reported at fair value. At June 30, 2018, the Regional Commission had no investments.

#### F. Receivables

Receivables and Due from Other Governments represent funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

#### G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Activity between funds that are representative of lending/borrowing arrangement outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances."

#### H. Prepaid Items

Payments made to vendors for goods or services that will benefit periods beyond June 30, 2018, are recorded as prepaid items.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### I. Deferred Outflows/Inflows

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Other than the items related to the changes in the net pension liability as discussed below, the Regional Commission did not have any items that qualified for reporting in this category for the year ended June 30, 2018.

In addition to liabilities, the statement of net position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Other than the items related to the changes in the net pension liability as discussed below, the Regional Commission did not have any items that qualified for reporting in this category for the year ended June 30, 2018.

The Regional Commission has deferred inflows and outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the Regional Commission's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the Regional Commission to the pension plan before year end but subsequent to the measurement date of the Regional Commission's net pension liability are reported as deferred outflows of resources.

#### J. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Heart of Georgia Altamaha Regional Commission Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Regional Commission as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. No public domain or infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are owned by the Regional Commission.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. No interest was capitalized during the fiscal year ended June 30, 2018.

Depreciation is provided on the straight-line method over the following estimated useful lives:

Land improvements	7 - 15 years
Buildings	30 years
Furniture and equipment	5 - 15 years
Vehicles	3 years

#### L. Long-Term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The Regional Commission had no long-term debt at June 30, 2018.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### M. Compensated Absences

Regional Commission policies allow an employee to accumulate 225 hours of earned but unused annual leave. Vacation hours accumulate at 7.5 hours per month depending on the employee's years of service. The liability for earned but unused vacation pay has been recorded in the internal service fund. In the event that an employee terminates employment, the employee is compensated for the annual leave not taken. At June 30, 2018, the Regional Commission was liable for \$88,645 in unused compensation.

#### N. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

**Fund Balance** – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Regional Commission is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash, such as inventory or prepaid items) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Regional Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments (e.g., grants or donations).
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Council of the Regional Commission through the adoption of a resolution. Only the Council of the Regional Commission may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the Regional Commission's intent to be used for specific purposes. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. The Executive Director of the Regional Commission is authorized to assign fund balance.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### N. Fund Equity (Continued)

##### *Fund Balance (Continued)*

- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Regional Commission reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

**Flow Assumptions** – When multiple categories of fund balance are available for expenditure, the Regional Commission will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

**Net Position** – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the Regional Commission has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

When both restricted and unrestricted resources are available for use, it is the Regional Commission's policy to use restricted resources first, then unrestricted resources as they are needed.

#### O. Risk Management

The Regional Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Commission carries commercial insurance coverage for these risks to the extent deemed prudent by management. Settled claims in the past three years have not exceeded the coverage. The Regional Commission had no significant reduction in insurance coverage from coverage in the prior year.

#### P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. CASH AND INVESTMENTS

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2018, all of the Regional Commission's bank balances were covered by either federal depository insurance or by collateral held by the Regional Commission's agent in the Regional Commission's name.

**Credit Risk.** State statutes authorize the Regional Commission to invest in obligations of the United States Government, the State of Georgia, other states, prime bankers' acceptances, repurchase agreements, other political subdivisions of Georgia, and the State of Georgia Local Government Investment Pool (Georgia Fund 1). At June 30, 2018, the Regional Commission had no investments.

**Custodial Credit Risk – Investments.** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Regional Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. The Regional Commission had no investments at June 30, 2018.

**Interest Rate Risk.** The Regional Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.



## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DUE FROM OTHER GOVERNMENTS

Revenues from grant contracts are recognized when the qualifying expenditures have been incurred and all other grant requirements have been met. Amounts shown on the balance sheet represent the unpaid portion of amounts, which have been requested but not yet received. A detail of accounts receivable and contracts follows:

<b>Accounts</b>	<b>Receivable</b>
Regional Appropriation Dues	
City of Hagan	\$ 249
City of Jacksonville	175
City of Lumber City	332
City of Milan	350
City of Mount Vernon	613
	1,719
Federal Grants and Contracts	
DOT	16,160
DHS - Coordinated Transportation	273,520
DAS - Aging Programs	619,998
DHS - Aging Programs	273,923
Workforce Development Fund	28,779
	1,212,380
State Grants and Contracts	
DCA - LUCA	400
One Georgia	20,000
Income Tax Check Off	66
	20,466
Local Grants and Contracts	
CDBG Local Contracts	161,051
Other	279,841
	440,892
Total Due from Other Governments	\$ 1,675,457

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. INTERFUND BALANCES AND TRANSFERS

Generally, outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding, and other miscellaneous receivables and payables between funds. Interfund receivable and payable balances as of June 30, 2018, are as follows:

**Due to/from other funds:**

Receivable Fund	Payable Fund	Amount
General Fund	Internal Service Fund	\$ 279,608
General Fund	Nonmajor governmental funds	2,817
General Fund	DHS Coordinated Transportation Fund	78,604
General Fund	Community Based Services	36,557
Workforce Development Fund	Nonmajor governmental funds	2,818
Nonmajor governmental funds	Nonmajor governmental funds	54,251
Community Care Fund	Nonmajor governmental funds	38,428
		\$ 493,083
Total		\$ 493,083

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and assets acquisitions, or maintaining debt service. Resources are accumulated in a fund to support and simplify the administration of various projects or programs. Transfers as of June 30, 2018, are as follows:

**Interfund transfers:**

Transfer In	Transfers Out General Fund
Community Care Fund	\$ 16,851
Community Based Services Fund	3,220
Nonmajor governmental funds	94,448
	\$ 114,519
Total	\$ 114,519

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 25,834	\$ -	\$ -	\$ 25,834
Total capital assets, not being depreciated	<u>25,834</u>	<u>-</u>	<u>-</u>	<u>25,834</u>
Capital assets, being depreciated:				
Buildings	344,166	-	-	344,166
Furniture and equipment	62,920	5,800	-	68,720
Improvements	17,570	-	-	17,570
Total capital assets, being depreciated	<u>424,656</u>	<u>5,800</u>	<u>-</u>	<u>430,456</u>
Program capital assets, being depreciated:				
Vehicles	121,441	-	-	121,441
Total program capital assets, being depreciated	<u>121,441</u>	<u>-</u>	<u>-</u>	<u>121,441</u>
Less accumulated depreciation for:				
Buildings	(161,110)	(11,472)	-	(172,582)
Furniture and equipment	(61,525)	(2,556)	-	(64,081)
Improvements	(17,570)	-	-	(17,570)
Total accumulated depreciation	<u>(240,205)</u>	<u>(14,028)</u>	<u>-</u>	<u>(254,233)</u>
Less accumulated depreciation for:				
Vehicles - program capital assets	(107,175)	(4,076)	-	(111,251)
Total accumulated depreciation	<u>(107,175)</u>	<u>(4,076)</u>	<u>-</u>	<u>(111,251)</u>
Total capital assets, being depreciated, net	<u>198,717</u>	<u>(12,304)</u>	<u>-</u>	<u>186,413</u>
Total capital assets, net	<u>\$ 224,551</u>	<u>\$ (12,304)</u>	<u>\$ -</u>	<u>\$ 212,247</u>

Included above are capital assets of the Internal Service fund with a net book value of \$202,056.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Internal service	\$ 14,028
Workforce development	4,076
Total depreciation expense	<u>\$ 18,104</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. DEFINED BENEFIT PENSION PLAN

#### Plan Description

The Heart of Georgia Altamaha Regional Commission, has established a non-contributory defined benefit pension plan (The Heart of Georgia Altamaha Regional Commission Retirement Plan), covering substantially all of the Regional Commission's employees. The Regional Commission's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive 2% multiplied by the average of the three highest years of regular earnings multiplied by the total credited years of service. The Regional Commission Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the Regional Commission and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at [www.gmanet.com](http://www.gmanet.com) or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

*Plan membership.* As of January 1, 2018, pension plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	14
Terminated employees entitled to benefits but not yet receiving them	29
Active plan members	<u>26</u>
Total membership in the plan	<u><u>69</u></u>

*Contributions.* The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the Council of the Regional Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. Employees make no contributions to the Plan. The Regional Commission is required to contribute at an actuarially determined rate. For the year ended June 30, 2018, the Regional Commission's contribution rate was 9.95% of annual payroll. Regional Commission contributions to the Plan were \$111,558 for the year ended June 30, 2018.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### Net Pension Liability of the Regional Commission

Effective July 1, 2014, the Regional Commission implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the Regional Commission’s accounting for pension amounts. The information disclosed below is presented in accordance with these new standards.

The Regional Commission’s net pension liability was measured as of September 30, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2017.

*Actuarial assumptions.* The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Projected salary increases	2.75% plus service based merit increases
Net Investment rate of return	7.50%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with gender-distinct rates, set forward two years for males and one year for females.

The actuarial assumptions used in the January 1, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010–June 30, 2014.

The cost of living adjustment is assumed to be 0.00%

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### Net Pension Liability of the Regional Commission (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Domestic equity	45%	6.71%
International equity	20%	7.71
Global fixed income	5%	3.36
Domestic fixed income	20%	2.11
Real estate	10%	5.21
Cash	—%	
Total	100%	

\* Rates shown are net of the 2.75% assumed rate of inflation.

*Discount rate.* The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that Regional Commission contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### Net Pension Liability of the Regional Commission (Continued)

*Changes in the Net Pension Liability of the Regional Commission.* The changes in the components of the net pension liability of the Regional Commission for the year ended June 30, 2018, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2017	\$ 4,329,399	\$ 3,817,021	\$ 512,378
<i>Changes for the year:</i>			
Service cost	47,356	-	47,356
Interest	328,679	-	328,679
Differences between expected and actual experience	53	-	53
Contributions - employer	-	107,685	(107,685)
Net investment income	-	570,026	(570,026)
Benefit payments, including refunds of employee contributions	(176,764)	(176,764)	-
Administrative expense	-	(14,377)	14,377
Other	87,332	-	87,332
<i>Net changes</i>	<u>286,656</u>	<u>486,570</u>	<u>(199,914)</u>
Balances at June 30, 2018	<u>\$ 4,616,055</u>	<u>\$ 4,303,591</u>	<u>\$ 312,464</u>

The required schedule of changes in the Regional Commission's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the Regional Commission, calculated using the discount rate of 7.50%, as well as what the Regional Commission's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Regional Commission's net pension liability	\$ 852,368	\$ 312,464	\$ 139,082

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### Net Pension Liability of the Regional Commission (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2017, and the current sharing pattern of costs between employer and employee.

#### Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the Regional Commission recognized a pension expense of \$78,307. At June 30, 2018, the Regional Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 24,621	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(224,897)
Changes of assumptions	58,222	-
Regional Commission contributions subsequent to the measurement date	83,669	-
Total	\$ 166,512	\$ (224,897)

Regional Commission contributions subsequent to the measurement date of \$83,669 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2019	\$ (2,648)
2020	(4,787)
2021	(79,129)
2022	(55,490)
Total	\$ (142,054)



## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 7. COMMITMENTS AND CONTINGENCIES**

Use of federal, state and other grant funds is subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. To the extent such disallowances involve expenditures under subcontracted arrangements, the Regional Commission generally has the right of recovery from such subcontractors. Based upon prior experience, management believes that no significant liability exists for possible grant disallowances.

The Regional Commission obtains a substantial portion of its funding for operations from federal and state grants. Management anticipates that this funding will continue; however, these grants are subject to annual appropriations by the funding agencies.

### **NOTE 8. RISK MANAGEMENT**

The Regional Commission is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Regional Commission carries commercial insurance coverage for these risks to the extent deemed prudent by management. Settlements of insurable risks did not exceed insurance coverage during the last three fiscal years.

### **NOTE 9. CHANGE IN FUND PRESENTATION**

For the fiscal year ended June 30, 2018, the following funds, previously reflected as nonmajor governmental funds, were combined with the General Fund: Local Projects 2009 – 2010, Local Projects 2011 – 2012, Local Projects 2013, Local Projects 2014, and Local Projects 2015 – 2017.

## **REQUIRED SUPPLEMENTARY INFORMATION**

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	Fiscal Year Ended			
	2018	2017	2016	2015
<b>Total pension liability</b>				
Service cost	\$ 47,356	\$ 50,064	\$ 59,598	\$ 61,646
Interest on total pension liability	328,679	306,781	292,357	280,556
Differences between expected and actual experience	53	73,755	(50,608)	4,519
Changes of assumptions	87,332	-	-	(85,965)
Benefit payments, including refunds of employee contributions	<u>(176,764)</u>	<u>(119,338)</u>	<u>(111,129)</u>	<u>(105,833)</u>
<b>Net change in total pension liability</b>	<b>286,656</b>	311,262	190,218	154,923
<b>Total pension liability - beginning</b>	<b>4,329,399</b>	4,018,137	3,827,919	3,672,996
<b>Total pension liability - ending (a)</b>	<b><u>\$ 4,616,055</u></b>	<b><u>\$ 4,329,399</u></b>	<b><u>\$ 4,018,137</u></b>	<b><u>\$ 3,827,919</u></b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 107,685	\$ 108,883	\$ 116,944	\$ 117,480
Net investment income	570,026	384,921	38,536	349,705
Benefit payments, including refunds of employee contributions	(176,764)	(119,338)	(111,129)	(105,833)
Administrative expenses	<u>(14,377)</u>	<u>(8,375)</u>	<u>(9,405)</u>	<u>(7,536)</u>
<b>Net change in plan fiduciary net position</b>	<b>486,570</b>	366,091	34,946	353,816
<b>Plan fiduciary net position - beginning</b>	<b>3,817,021</b>	3,450,930	3,415,984	3,062,168
<b>Plan fiduciary net position - ending (b)</b>	<b><u>\$ 4,303,591</u></b>	<b><u>\$ 3,817,021</u></b>	<b><u>\$ 3,450,930</u></b>	<b><u>\$ 3,415,984</u></b>
<b>Regional Commission's net pension liability - ending (a) - (b)</b>	<b><u>\$ 312,464</u></b>	<b><u>\$ 512,378</u></b>	<b><u>\$ 567,207</u></b>	<b><u>\$ 411,935</u></b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>93.23%</b>	88.17%	85.88%	89.24%
<b>Covered-employee payroll</b>	<b>\$ 1,129,212</b>	\$ 1,103,578	\$ 1,136,897	\$ 1,226,354
<b>Regional Commission's net pension liability as a percentage of covered employee payroll</b>	<b>27.67%</b>	46.43%	49.89%	33.59%

### Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS

	Fiscal Year Ended			
	2018	2017	2016	2015
Actuarially determined contribution	\$ 111,558	\$ 106,394	\$ 109,712	\$ 119,355
Contributions in relation to the actuarially determined contribution	<u>111,558</u>	<u>106,394</u>	<u>109,712</u>	<u>119,355</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,103,578	\$ 1,136,897	\$ 1,226,354	\$ 1,145,281
Contributions as a percentage of covered-employee payroll	10.1%	9.2%	8.8%	10.4%

### Notes to the Schedule

Valuation Date	January 1, 2018
Cost Method	Projected Unit Credit
Actuarial 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 amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.50%
Projected Salary Increases	2.75% plus service based merit increases
Cost-of-living Adjustment	0.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 20 years

The schedule will present 10 years of information once it is accumulated.

Amounts reported for the fiscal year ending in 2018 reflect the following assumption changes based on an actuarial study conducted in September 2017:

The investment return assumption was decreased from 7.75% to 7.50%.

The inflation assumption was decreased from 3.25% to 2.75%.

**COMBINING STATEMENTS  
AND SCHEDULES**

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2018

	<u>Economic Development Administration</u>	<u>Historic Preservation</u>	<u>GA CARES</u>	<u>Department of Community Affairs</u>	<u>ADRC</u>
<b>ASSETS</b>					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	2,049
Due from other funds	3,765	-	-	-	237
Total assets	<u>\$ 3,765</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,286</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,286
Due to other funds	-	-	-	-	-
Unearned revenues	3,765	-	-	-	-
Total liabilities	<u>3,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,286</u>
<b>FUND BALANCES</b>					
Restricted for grant projects	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 3,765</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,286</u>

<u>Department of Transportation</u>	<u>Title III-A</u>	<u>Title III-B</u>	<u>Title III-C1</u>	<u>Title III-C2</u>	<u>Title XX SSBG</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,072	14,104	44,055	97,025	35,825	54,824
-	-	-	-	-	-
<u>\$ 15,072</u>	<u>\$ 14,104</u>	<u>\$ 44,055</u>	<u>\$ 97,025</u>	<u>\$ 35,825</u>	<u>\$ 54,824</u>
\$ -	\$ 1,477	\$ 44,055	\$ 97,025	\$ 35,825	\$ 14,677
15,072	12,627	-	-	-	40,147
-	-	-	-	-	-
<u>15,072</u>	<u>14,104</u>	<u>44,055</u>	<u>97,025</u>	<u>35,825</u>	<u>54,824</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 15,072</u>	<u>\$ 14,104</u>	<u>\$ 44,055</u>	<u>\$ 97,025</u>	<u>\$ 35,825</u>	<u>\$ 54,824</u>

(Continued)

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2018

	<u>Title III-D Health Promotion</u>	<u>Title III-E</u>	<u>Income Tax Check-Off</u>	<u>Alzheimer's</u>	<u>USDA</u>
<b>ASSETS</b>					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	26,332	46,913	66	12,233	63,417
Due from other funds	-	-	-	8,500	-
<b>Total assets</b>	<b>\$ 26,332</b>	<b>\$ 46,913</b>	<b>\$ 66</b>	<b>\$ 20,733</b>	<b>\$ 63,417</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 13,023	\$ 29,754	\$ 66	\$ 12,233	\$ 63,417
Due to other funds	13,309	17,159	-	-	-
Unearned revenues	-	-	-	-	-
<b>Total liabilities</b>	<b>26,332</b>	<b>46,913</b>	<b>66</b>	<b>12,233</b>	<b>63,417</b>
<b>FUND BALANCES</b>					
Restricted for grant projects	-	-	-	8,500	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,500</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 26,332</b>	<b>\$ 46,913</b>	<b>\$ 66</b>	<b>\$ 20,733</b>	<b>\$ 63,417</b>



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<b>NHT Aging</b>	<b>MFP Fund</b>	<b>Aging Fund</b>	<b>Total</b>
\$ -	\$ -	\$ 77,317	\$ 77,317
-	46,935	-	458,850
<u>4,322</u>	<u>-</u>	<u>37,427</u>	<u>54,251</u>
<u>\$ 4,322</u>	<u>\$ 46,935</u>	<u>\$ 114,744</u>	<u>\$ 590,418</u>
\$ 4,322	\$ 46,935	\$ -	\$ 365,095
-	-	-	98,314
<u>-</u>	<u>-</u>	<u>74,289</u>	<u>78,054</u>
<u>4,322</u>	<u>46,935</u>	<u>74,289</u>	<u>541,463</u>
<u>-</u>	<u>-</u>	<u>40,455</u>	<u>48,955</u>
<u>-</u>	<u>-</u>	<u>40,455</u>	<u>48,955</u>
<u>\$ 4,322</u>	<u>\$ 46,935</u>	<u>\$ 114,744</u>	<u>\$ 590,418</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Economic Development Administration</u>	<u>Historic Preservation</u>	<u>GA CARES</u>	<u>Department of Community Affairs</u>	<u>ADRC</u>
<b>REVENUES</b>					
Federal sources	\$ 66,235	\$ -	\$ -	\$ -	\$ -
State sources	-	4,091	-	182,550	36,253
Local sources	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	<u>66,235</u>	<u>4,091</u>	<u>-</u>	<u>182,550</u>	<u>36,253</u>
<b>EXPENDITURES</b>					
Current:					
Direct:					
Personnel services					
Salaries	31,233	1,545	-	71,689	11,931
Fringe benefits	19,289	1,083	-	47,270	7,777
Total personnel services	<u>50,522</u>	<u>2,628</u>	<u>-</u>	<u>118,959</u>	<u>19,708</u>
Operating expenditures					
Contract services	-	-	-	-	-
Supplies and materials	-	-	-	91	2,286
Motor vehicle	2,080	69	-	2,649	207
Per diem and fees	2,068	-	-	1,230	542
Training and education	1,280	-	-	665	3,038
Membership and subscriptions	-	-	-	250	-
Telecommunications	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total operating expenditures	<u>5,428</u>	<u>69</u>	<u>-</u>	<u>4,885</u>	<u>6,073</u>
Total direct expenditures	55,950	2,697	-	123,844	25,781
Indirect expenditures	<u>26,844</u>	<u>1,397</u>	<u>-</u>	<u>63,206</u>	<u>10,472</u>
Total expenditures	<u>82,794</u>	<u>4,094</u>	<u>-</u>	<u>187,050</u>	<u>36,253</u>
Excess (deficiency) of revenues over expenditures	<u>(16,559)</u>	<u>(3)</u>	<u>-</u>	<u>(4,500)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (out)	16,559	3	(3,217)	(548)	-
Total other financing sources (uses)	<u>16,559</u>	<u>3</u>	<u>(3,217)</u>	<u>(548)</u>	<u>-</u>
Net change in fund balances	-	-	(3,217)	(5,048)	-
<b>FUND BALANCES,</b> beginning of year	<u>-</u>	<u>-</u>	<u>3,217</u>	<u>5,048</u>	<u>-</u>
<b>FUND BALANCES,</b> end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<b>Department of Transportation</b>	<b>Title III-A</b>	<b>Title III-B</b>	<b>Title III-C1</b>	<b>Title III-C2</b>	<b>Title XX SSBG</b>
\$ 50,168	\$ 79,207	\$ 249,880	\$ 513,726	\$ 184,017	\$ 219,272
1,932	-	14,699	30,219	10,825	-
9,663	-	29,398	60,384	21,639	-
-	-	-	-	-	-
<u>61,763</u>	<u>79,207</u>	<u>293,977</u>	<u>604,329</u>	<u>216,481</u>	<u>219,272</u>
27,097	35,932	-	-	-	68,490
18,684	23,814	-	-	-	46,031
<u>45,781</u>	<u>59,746</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,521</u>
-	-	293,977	604,329	216,481	53,781
-	110	-	-	-	6,255
583	1,206	-	-	-	811
1,531	5,500	-	-	-	500
1,240	2,000	-	-	-	2,800
-	4,242	-	-	-	700
-	176	-	-	-	-
-	884	-	-	-	269
<u>3,354</u>	<u>14,118</u>	<u>293,977</u>	<u>604,329</u>	<u>216,481</u>	<u>65,116</u>
49,135	73,864	293,977	604,329	216,481	179,637
24,325	31,745	-	-	-	60,848
<u>73,460</u>	<u>105,609</u>	<u>293,977</u>	<u>604,329</u>	<u>216,481</u>	<u>240,485</u>
(11,697)	(26,402)	-	-	-	(21,213)
11,658	26,402	-	-	-	21,213
<u>11,658</u>	<u>26,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,213</u>
(39)	-	-	-	-	-
<u>39</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Title III-D Health Promotion	Title III-E	Income Tax Check-Off	Alzheimer's	USDA
<b>REVENUES</b>					
Federal sources	\$ 31,620	\$ 157,049	\$ -	\$ 4,675	\$ 166,956
State sources	1,860	24,427	1,865	98,014	178,140
Local sources	-	9,265	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	<u>33,480</u>	<u>190,741</u>	<u>1,865</u>	<u>102,689</u>	<u>345,096</u>
<b>EXPENDITURES</b>					
Current:					
Direct:					
Personnel services					
Salaries	-	17,194	-	-	-
Fringe benefits	-	11,969	-	-	-
Total personnel services	<u>-</u>	<u>29,163</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating expenditures					
Contract services	-	92,646	1,865	94,189	345,096
Supplies and materials	23,176	1,475	-	-	-
Motor vehicle	568	67	-	-	-
Per diem and fees	1,516	351	-	-	-
Training and education	11,940	-	-	-	-
Membership and subscriptions	-	-	-	-	-
Telecommunications	-	-	-	-	-
Miscellaneous	-	70,201	-	-	-
Total operating expenditures	<u>37,200</u>	<u>164,740</u>	<u>1,865</u>	<u>94,189</u>	<u>345,096</u>
Total direct expenditures	37,200	193,903	1,865	94,189	345,096
Indirect expenditures	<u>-</u>	<u>15,496</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>37,200</u>	<u>209,399</u>	<u>1,865</u>	<u>94,189</u>	<u>345,096</u>
Excess (deficiency) of revenues over expenditures	<u>(3,720)</u>	<u>(18,658)</u>	<u>-</u>	<u>8,500</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (out)	3,720	18,658	-	-	-
Total other financing sources (uses)	<u>3,720</u>	<u>18,658</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	8,500	-
<b>FUND BALANCES,</b>					
<b>beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES,</b>					
<b>end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,500</u>	<u>\$ -</u>

<u>NHT Aging</u>	<u>MFP Fund</u>	<u>Aging Fund</u>	<u>Total</u>
\$ -	\$ 285,291	\$ -	\$ 2,008,096
51,420	-	-	636,295
-	-	-	130,349
-	-	9,339	9,339
<u>51,420</u>	<u>285,291</u>	<u>9,339</u>	<u>2,784,079</u>
-	-	-	265,111
-	-	-	175,917
<u>-</u>	<u>-</u>	<u>-</u>	<u>441,028</u>
51,420	285,291	-	2,039,075
-	-	-	33,393
-	-	-	8,240
-	-	-	13,238
-	-	3,000	25,963
-	-	-	5,192
-	-	-	176
-	-	-	71,354
<u>51,420</u>	<u>285,291</u>	<u>3,000</u>	<u>2,196,631</u>
51,420	285,291	3,000	2,637,659
<u>-</u>	<u>-</u>	<u>-</u>	<u>234,333</u>
<u>51,420</u>	<u>285,291</u>	<u>3,000</u>	<u>2,871,992</u>
<u>-</u>	<u>-</u>	<u>6,339</u>	<u>(87,913)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>94,448</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>94,448</u>
-	-	6,339	6,535
<u>-</u>	<u>-</u>	<u>34,116</u>	<u>42,420</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,455</u>	<u>\$ 48,955</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION  
ECONOMIC DEVELOPMENT ADMINISTRATION  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 70,000	\$ 66,235	\$ (3,765)
Total revenues	<u>70,000</u>	<u>66,235</u>	<u>(3,765)</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	32,508	31,233	1,275
Fringe benefits	22,037	19,289	2,748
Total personnel services	<u>54,545</u>	<u>50,522</u>	<u>4,023</u>
Operating expenditures			
Motor vehicle	1,233	2,080	(847)
Per diem and fees	1,383	2,068	(685)
Training and education	1,146	1,280	(134)
Total operating expenditures	<u>3,762</u>	<u>5,428</u>	<u>(1,666)</u>
Total direct expenditures	58,307	55,950	2,357
Indirect expenditures	<u>29,193</u>	<u>26,844</u>	<u>2,349</u>
Total expenditures	<u>87,500</u>	<u>82,794</u>	<u>4,706</u>
Deficiency of revenues over expenditures	<u>(17,500)</u>	<u>(16,559)</u>	<u>941</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	17,500	16,559	(941)
Total other financing sources	<u>17,500</u>	<u>16,559</u>	<u>(941)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION  
HISTORIC PRESERVATION  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
State sources	\$ 4,091	\$ 4,091	\$ -
Total revenues	<u>4,091</u>	<u>4,091</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	1,518	1,545	(27)
Fringe benefits	1,029	1,083	(54)
Total personnel services	<u>2,547</u>	<u>2,628</u>	<u>(81)</u>
Operating expenditures			
Motor vehicle	180	69	111
Total operating expenditures	<u>180</u>	<u>69</u>	<u>111</u>
Total direct expenditures	2,727	2,697	30
Indirect expenditures	<u>1,364</u>	<u>1,397</u>	<u>(33)</u>
Total expenditures	<u>4,091</u>	<u>4,094</u>	<u>(3)</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>(3)</u>	<u>(3)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	-	3	3
Total other financing sources	<u>-</u>	<u>3</u>	<u>3</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING GEORGIA CARES**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ -	\$ -	\$ -
State sources	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	-	-	-
Total operating expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total direct expenditures	-	-	-
Indirect expenditures	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues over expenditures		-	
<b>OTHER FINANCING USES</b>			
Transfers out	-	(3,217)	(3,217)
Total other financing uses	<u>-</u>	<u>(3,217)</u>	<u>(3,217)</u>
Net change in fund balances	-	(3,217)	(3,217)
<b>FUND BALANCES, beginning of year</b>	<u>3,217</u>	<u>3,217</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ 3,217</u>	<u>\$ -</u>	<u>\$ (3,217)</u>



**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DEPARTMENT OF COMMUNITY AFFAIRS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
State sources	\$ 240,387	\$ 182,550	\$ (57,837)
Total revenues	<u>240,387</u>	<u>182,550</u>	<u>(57,837)</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	90,100	71,689	18,411
Fringe benefits	61,079	47,270	13,809
Total personnel services	<u>151,179</u>	<u>118,959</u>	<u>32,220</u>
Operating expenditures			
Supplies and materials	150	91	59
Motor vehicle	4,085	2,649	1,436
Per diem and fees	2,005	1,230	775
Training and education	3,457	665	2,792
Membership and subscriptions	350	250	100
Total operating expenditures	<u>10,047</u>	<u>4,885</u>	<u>5,162</u>
Total direct expenditures	161,226	123,844	37,382
Indirect expenditures	<u>80,911</u>	<u>63,206</u>	<u>17,705</u>
Total expenditures	<u>242,137</u>	<u>187,050</u>	<u>55,087</u>
Deficiency of revenues over expenditures	<u>(1,750)</u>	<u>(4,500)</u>	<u>(2,750)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	1,750	(548)	(2,298)
Total other financing sources	<u>1,750</u>	<u>(548)</u>	<u>(2,298)</u>
Net change in fund balances	-	(5,048)	5,048
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>5,048</u>	<u>5,048</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,096</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING ADRC**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 149,000	\$ -	\$ (149,000)
State sources	37,000	36,253	(747)
Total revenues	<u>186,000</u>	<u>36,253</u>	<u>(149,747)</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	11,932	11,931	1
Fringe benefits	8,089	7,777	312
Total personnel services	<u>20,021</u>	<u>19,708</u>	<u>313</u>
Operating expenditures			
Contract services	149,000	-	149,000
Supplies and materials	2,286	2,286	-
Motor vehicle	335	207	128
Per diem and fees	605	542	63
Training and education	3,038	3,038	-
Total operating expenditures	<u>155,264</u>	<u>6,073</u>	<u>149,191</u>
Total direct expenditures	175,285	25,781	149,504
Indirect expenditures	<u>10,715</u>	<u>10,472</u>	<u>243</u>
Total expenditures	<u>186,000</u>	<u>36,253</u>	<u>149,747</u>
Excess of revenues over expenditures	-	-	-
<b>OTHER FINANCING SOURCES</b>			
Transfers in	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DEPARTMENT OF TRANSPORTATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 93,855	\$ 50,168	\$ (43,687)
State sources	-	1,932	1,932
Local sources	-	9,663	9,663
Total revenues	<u>93,855</u>	<u>61,763</u>	<u>(32,092)</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	40,000	27,097	12,903
Fringe benefits	27,116	18,684	8,432
Total personnel services	<u>67,116</u>	<u>45,781</u>	<u>21,335</u>
Operating expenditures			
Supplies and materials	490	-	490
Motor vehicle	3,767	583	3,184
Per diem and fees	3,000	1,531	1,469
Training and education	1,525	1,240	285
Membership and subscriptions	500	-	500
Total operating expenditures	<u>9,282</u>	<u>3,354</u>	<u>5,928</u>
Total direct expenditures	76,398	49,135	27,263
Indirect expenditures	<u>35,921</u>	<u>24,325</u>	<u>11,596</u>
Total expenditures	<u>112,319</u>	<u>73,460</u>	<u>38,859</u>
Deficiency of revenues over expenditures	<u>(18,464)</u>	<u>(11,697)</u>	<u>6,767</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	18,464	11,658	(6,806)
Total other financing sources	<u>18,464</u>	<u>11,658</u>	<u>(6,806)</u>
Net change in fund balances	-	(39)	(39)
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>39</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (39)</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING TITLE III-A AREA PLANNING ADMINISTRATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 79,224	\$ 79,207	\$ (17)
Total revenues	<u>79,224</u>	<u>79,207</u>	<u>(17)</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	38,115	35,932	2,183
Fringe benefits	25,838	23,814	2,024
Total personnel services	<u>63,953</u>	<u>59,746</u>	<u>4,207</u>
Operating expenditures			
Supplies and materials	200	110	90
Motor vehicle	1,435	1,206	229
Per diem and fees	2,164	5,500	(3,336)
Training and education	1,900	2,000	(100)
Membership and subscriptions	875	4,242	(3,367)
Telecommunications	250	176	74
Repairs and maintenance	150	-	150
Miscellaneous	477	884	(407)
Total operating expenditures	<u>7,451</u>	<u>14,118</u>	<u>(6,667)</u>
Total direct expenditures	71,404	73,864	(2,460)
Indirect expenditures	<u>34,228</u>	<u>31,745</u>	<u>2,483</u>
Total expenditures	<u>105,632</u>	<u>105,609</u>	<u>23</u>
Deficiency of revenues over expenditures	<u>(26,408)</u>	<u>(26,402)</u>	<u>6</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	26,408	26,402	(6)
Total other financing sources	<u>26,408</u>	<u>26,402</u>	<u>(6)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING TITLE III-B SUPPORTIVE SERVICES**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 258,301	\$ 249,880	\$ (8,421)
State sources	15,194	14,699	(495)
Local sources	-	29,398	29,398
Total revenues	<u>273,495</u>	<u>293,977</u>	<u>20,482</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	303,884	293,977	9,907
Total operating expenditures	<u>303,884</u>	<u>293,977</u>	<u>9,907</u>
Total direct expenditures	303,884	293,977	9,907
Indirect expenditures	-	-	-
Total expenditures	<u>303,884</u>	<u>293,977</u>	<u>9,907</u>
Deficiency of revenues over expenditures	<u>(30,389)</u>	<u>-</u>	<u>30,389</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	30,389	-	(30,389)
Total other financing sources	<u>30,389</u>	<u>-</u>	<u>(30,389)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING TITLE III-C1 CONGREGATE MEALS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 432,730	\$ 513,726	\$ 80,996
State sources	30,219	30,219	-
Local sources	-	60,384	60,384
Total revenues	<u>462,949</u>	<u>604,329</u>	<u>141,380</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	523,386	604,329	(80,943)
Total operating expenditures	<u>523,386</u>	<u>604,329</u>	<u>(80,943)</u>
Total direct expenditures	523,386	604,329	(80,943)
Indirect expenditures	-	-	-
Total expenditures	<u>523,386</u>	<u>604,329</u>	<u>(80,943)</u>
Deficiency of revenues over expenditures	<u>(60,437)</u>	-	<u>60,437</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	60,437	-	(60,437)
Total other financing sources	<u>60,437</u>	<u>-</u>	<u>(60,437)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION  
DHS AGING TITLE III-C2 HOME DELIVERED MEALS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 184,017	\$ 184,017	\$ -
State sources	10,825	10,825	-
Local sources	-	21,639	21,639
Total revenues	<u>194,842</u>	<u>216,481</u>	<u>21,639</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	216,490	216,481	9
Total operating expenditures	<u>216,490</u>	<u>216,481</u>	<u>9</u>
Total direct expenditures	216,490	216,481	9
Indirect expenditures	-	-	-
Total expenditures	<u>216,490</u>	<u>216,481</u>	<u>9</u>
Deficiency of revenues over expenditures	<u>(21,648)</u>	<u>-</u>	<u>21,648</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	21,648	-	(21,648)
Total other financing sources	<u>21,648</u>	<u>-</u>	<u>(21,648)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING TITLE XX SSBG**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 175,503	\$ 219,272	\$ 43,769
Total revenues	<u>175,503</u>	<u>219,272</u>	<u>43,769</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	67,630	68,490	(860)
Fringe benefits	45,846	46,031	(185)
Total personnel services	<u>113,476</u>	<u>114,521</u>	<u>(1,045)</u>
Operating expenditures			
Contract services	10,000	53,781	(43,781)
Supplies and materials	6,000	6,255	(255)
Motor vehicle	1,581	811	770
Per diem and fees	918	500	418
Training and education	3,000	2,800	200
Membership and subscriptions	700	700	-
Repair and maintenance	300	269	31
Total operating expenditures	<u>22,499</u>	<u>65,116</u>	<u>(42,617)</u>
Total direct expenditures	135,975	179,637	(43,662)
Indirect expenditures	<u>60,733</u>	<u>60,848</u>	<u>(115)</u>
Total expenditures	<u>196,708</u>	<u>240,485</u>	<u>(43,777)</u>
Deficiency of revenues over expenditures	<u>(21,205)</u>	<u>(21,213)</u>	<u>(8)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	21,205	21,213	8
Total other financing sources	<u>21,205</u>	<u>21,213</u>	<u>8</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING TITLE III-D HEALTH PROMOTION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 28,154	\$ 31,620	\$ 3,466
State sources	1,656	1,860	204
Total revenues	<u>29,810</u>	<u>33,480</u>	<u>3,670</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Supplies and materials	12,116	23,176	(11,060)
Motor vehicle	568	568	-
Per diem and fees	1,520	1,516	4
Training and education	12,000	11,940	60
Repairs and maintenance	6,918	-	6,918
Total operating expenditures	<u>33,122</u>	<u>37,200</u>	<u>(4,078)</u>
Total direct expenditures	33,122	37,200	(4,078)
Indirect expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>33,122</u>	<u>37,200</u>	<u>(4,078)</u>
Deficiency of revenues over expenditures	<u>(3,312)</u>	<u>(3,720)</u>	<u>(408)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	3,312	3,720	408
Total other financing sources	<u>3,312</u>	<u>3,720</u>	<u>408</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING TITLE III-E**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 167,891	\$ 157,049	\$ (10,842)
State sources	26,896	24,427	(2,469)
Local sources	-	9,265	9,265
Total revenues	<u>194,787</u>	<u>190,741</u>	<u>(4,046)</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Personnel services			
Salaries	17,353	17,194	159
Fringe benefits	11,764	11,969	(205)
Total personnel services	<u>29,117</u>	<u>29,163</u>	<u>(46)</u>
Operating expenditures			
Contract services	183,268	92,646	90,622
Supplies and materials	847	1,475	(628)
Motor vehicle	500	67	433
Per diem and fees	500	351	149
Miscellaneous	-	70,201	(70,201)
Total operating expenditures	<u>185,115</u>	<u>164,740</u>	<u>20,375</u>
Total direct expenditures	214,232	193,903	20,329
Indirect expenditures	<u>15,583</u>	<u>15,496</u>	<u>87</u>
Total expenditures	<u>229,815</u>	<u>209,399</u>	<u>20,416</u>
Deficiency of revenues over expenditures	<u>(35,028)</u>	<u>(18,658)</u>	<u>16,370</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	35,028	18,658	(16,370)
Total other financing sources	<u>35,028</u>	<u>18,658</u>	<u>(16,370)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING INCOME TAX CHECK OFF**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
State sources	\$ -	\$ 1,865	\$ 1,865
Total revenues	<u>-</u>	<u>1,865</u>	<u>1,865</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	-	1,865	(1,865)
Total operating expenditures	<u>-</u>	<u>1,865</u>	<u>(1,865)</u>
Total direct expenditures	-	1,865	(1,865)
Indirect expenditures	-	-	-
Total expenditures	<u>-</u>	<u>1,865</u>	<u>(1,865)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING ALZHEIMER'S**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ -	\$ 4,675	\$ 4,675
State sources	94,760	98,014	3,254
Total revenues	<u>94,760</u>	<u>102,689</u>	<u>7,929</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	94,760	94,189	571
Total operating expenditures	<u>94,760</u>	<u>94,189</u>	<u>571</u>
Total direct expenditures	94,760	94,189	571
Indirect expenditures	-	-	-
Total expenditures	<u>94,760</u>	<u>94,189</u>	<u>571</u>
Net change in fund balances	-	8,500	8,500
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ 8,500</u>	<u>\$ 8,500</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING USDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 157,552	\$ 166,956	\$ 9,404
State sources	134,330	178,140	43,810
Total revenues	<u>291,882</u>	<u>345,096</u>	<u>53,214</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	291,882	345,096	(53,214)
Total operating expenditures	<u>291,882</u>	<u>345,096</u>	<u>(53,214)</u>
Total direct expenditures	291,882	345,096	(53,214)
Indirect expenditures	-	-	-
Total expenditures	<u>291,882</u>	<u>345,096</u>	<u>(53,214)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING NHT AGING**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
State sources	\$ 50,600	\$ 51,420	\$ 820
Total revenues	<u>50,600</u>	<u>51,420</u>	<u>820</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	50,600	51,420	(820)
Total operating expenditures	<u>50,600</u>	<u>51,420</u>	<u>(820)</u>
Total direct expenditures	50,600	51,420	(820)
Indirect expenditures	-	-	-
Total expenditures	<u>50,600</u>	<u>51,420</u>	<u>(820)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS AGING MFP**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Federal sources	\$ 258,512	\$ 285,291	\$ 26,779
Total revenues	<u>258,512</u>	<u>285,291</u>	<u>26,779</u>
<b>EXPENDITURES</b>			
Current:			
Direct:			
Operating expenditures			
Contract services	258,512	285,291	(26,779)
Total operating expenditures	<u>258,512</u>	<u>285,291</u>	<u>(26,779)</u>
Total direct expenditures	258,512	285,291	(26,779)
Indirect expenditures	-	-	-
Total expenditures	<u>258,512</u>	<u>285,291</u>	<u>(26,779)</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## **STATE COMPLIANCE SECTION**



# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE TO COMPUTE FRINGE BENEFITS RATE FOR THE FISCAL YEAR ENDED JUNE 30, 2018 (UNAUDITED)

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### Fringe Benefits:

FICA	\$	86,449
Unemployment		170
Group insurance		263,065
Retirement fund contributions		111,558
Release time		176,444
		<hr/>
Total Fringe Benefits		637,686

### Basis:

Indirect salaries		240,820
Direct salaries		707,447
Less: Comp time earned		(24,623)
		<hr/>

Total Basis	\$	923,644
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### Ratio:

Fringe Benefits/Basis		<hr/> <hr/> 69.04%
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# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE TO COMPUTE INDIRECT COST RATE FOR THE FISCAL YEAR ENDED JUNE 30, 2018 (UNAUDITED)

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<u>Indirect Costs:</u>	
Indirect salaries	\$ 240,820
Fringe benefits	162,178
	<hr/>
Subtotal	402,998
	<hr/>
Per diem and fees	2,921
Motor vehicle expenditures	6,410
Supplies and materials	13,886
Office repairs and maintenance	61,196
Utilities	25,360
Rentals - other	12,148
Insurance and bonding	12,118
Postage and freight	6,238
Professional fees	31,794
Computer charges	7,835
Telecommunications	17,201
Miscellaneous	253
Training and education	2,440
Depreciation	14,028
Advertising	388
Membership and subscriptions	11,323
	<hr/>
Total Indirect Costs	\$ 628,537
	<hr/>
Direct salary costs	\$ 707,447
Fringe benefits	475,512
	<hr/>
Total Basis	\$ 1,182,959
	<hr/>
<u>Ratio:</u>	
Indirect-Costs/Basis	53.13%
	<hr/>

**HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION**  
**DHS CONTRACT #42700-373-0000060375**  
**AREA AGENCY ON AGING - SUMMARY SCHEDULE OF SERVICES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**  
**(UNAUDITED)**

	<u>Units Provided</u>	<u>Persons Served</u>
Access Services		
Transportation	25,430	85
Total	<u>25,430</u>	<u>85</u>
In Home Services		
Homemaker and personal care	14,368	99
Respite care - In home	13,955	40
Total	<u>28,323</u>	<u>139</u>
Nutrition		
Congregate meals	106,356	621
Home delivered meals	140,840	622
Total	<u>247,196</u>	<u>1,243</u>
Other Services		
Case management	3,737	557
Information and assistance	5,225	3,544
Adult daycare	3,547	10
Total	<u>12,509</u>	<u>4,111</u>
Grand Total	<u><u>313,458</u></u>	<u><u>5,578</u></u>

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF STATE CONTRACTUAL ASSISTANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2018 (UNAUDITED)

	<u>State Assistance</u>	<u>Total Expenditures</u>	<u>Settlements Receivable</u>
<b>DHS Contract #42700-373-0000060375</b>			
Aging FY 18 Title III-B	\$ 15,194	\$ 14,699	\$ -
Aging FY 18 Title III-C1	30,219	30,219	-
Aging FY 18 Title III-C2	10,825	10,825	-
Aging FY 18 Title III-D Health Promotion	1,860	1,860	-
Aging FY 18 Title III-E	24,557	24,427	-
Aging FY 18 Alzheimer's	94,760	94,189	-
Aging FY 18 CBS	1,040,079	1,015,819	-
Aging FY 18 CKOFF	1,865	1,865	-
Aging FY 18 USDA	178,290	178,140	-
Aging FY 18 Nursing Home Transitions	51,420	51,420	-
Aging FY 18 ADRC MIPPA	37,000	36,253	-
	<hr/>	<hr/>	<hr/>
Total DHS Contract 42700-373-0000060375	1,486,069	1,459,716	-
<b>Alzheimer's Disease Supportive Service Program (ADSSP), Contract #42700-373-0000065537</b>	3,825	3,825	-
<b>DCH Contract 2017007-2</b>			
Special Programs for Aging - Title XIX CCSP	816,722	820,194	-
<b>GDOT-TIA Contract #IGATIA 1600851</b>			
Transportation Investment Act Support	5,000	1,932	1,932
<b>DHS Contract 427-362-0000061415</b>			
Coordinated Transportation	907,737	772,994	-
<b>DCA Contract #16-008</b>			
DCA Coordinated Planning & Work Program FY18	166,743	166,743	-
DCA LUCA Census 7/1/2017 - 6/30/2019	73,644	15,807	-
<b>DNR Contract FY 17</b>			
Historic Preservation	4,091	4,091	-
	<hr/>	<hr/>	<hr/>
Total State Contractual Assistance	<u>\$ 3,463,831</u>	<u>\$ 3,245,302</u>	<u>\$ 1,932</u>

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF CITY/COUNTY ASSESSMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018 (UNAUDITED)

<u>City/County Government</u>	<u>Amount Due 6/30/2017</u>	<u>FY18 Assessment Billed</u>	<u>FY18 Assessment Collections/ Adjustments</u>	<u>Amount Due 6/30/2018</u>
Abbeville	\$ -	\$ 2,908	\$ 2,908	\$ -
Appling County	-	13,344	13,344	-
Bleckley County	-	7,913	7,913	-
Candler County	-	6,868	6,868	-
City of Adrian	-	664	664	-
City of Ailey	-	432	432	-
City of Alamo	-	2,797	2,797	-
City of Alston	-	159	159	-
City of Baxley	-	4,400	4,400	-
City of Bellville	-	123	123	-
City of Cadwell	-	528	528	-
City of Chauncey	-	342	342	-
City of Chester	-	1,596	1,596	-
City of Claxton	-	2,746	2,746	-
City of Cochran	-	5,150	5,150	-
City of Daisy	-	129	129	-
City of Dexter	-	575	575	-
City of Dublin	-	16,201	16,201	-
City of Dudley	-	571	571	-
City of East Dublin	-	2,441	2,441	-
City of Eastman	-	5,525	5,525	-
City of Garfield	-	201	201	-
City of Glennville	-	5,173	5,173	-
City of Glenwood	-	747	747	-
City of Graham	-	291	291	-
City of Hagan	-	996	747	249
City of Hazlehurst	-	4,226	4,226	-
City of Higgston	-	323	323	-
City of Jacksonville	35	140	-	175
City of Jesup	-	10,214	10,214	-
City of Kite	-	241	241	-
City of Lumber City	-	1,328	996	332
City of Lyons	-	4,367	4,367	-
City of McRae	-	8,623	8,623	-
City of Metter	-	4,130	4,130	-
City of Milan	175	700	525	350
City of Montrose	-	215	215	-
City of Mount Vernon	-	2,451	1,838	613

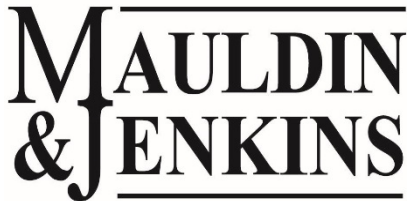
(Continued)

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF CITY/COUNTY ASSESSMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018 (UNAUDITED)

<u>City/County Government</u>	<u>Amount Due 6/30/2017</u>	<u>FY18 Assessment Billed</u>	<u>FY18 Assessment Collections/ Adjustments</u>	<u>Amount Due 6/30/2018</u>
City of Nunez	\$ -	\$ 147	\$ 147	\$ -
City of Oak Park	605	484	1,089	-
City of Odum	-	504	504	-
City of Pineview	-	523	523	-
City of Pitts	-	320	320	-
City of Reidsville	-	2,594	2,594	-
City of Rentz	-	295	295	-
City of Rhine	-	394	394	-
City of Rochelle	-	1,174	1,174	-
City of Santa Claus	-	165	165	-
City of Scotland	-	366	366	-
City of Screven	575	766	1,341	-
City of Soperton	-	3,115	3,115	-
City of Stillmore	-	532	532	-
City of Summertown	-	160	160	-
City of Surrency	-	201	201	-
City of Swainsboro	-	7,277	7,277	-
City of Tarrytown	22	87	109	-
City of Twin City	-	1,742	1,742	-
City of Uvalda	-	598	598	-
City of Vidalia	-	10,473	10,473	-
City of Wrightsville	-	2,195	2,195	-
Dodge County	-	13,239	13,239	-
Emanuel County	-	11,391	11,391	-
Evans County	-	7,006	7,006	-
Jeff Davis County	-	10,842	10,842	-
Johnson County	-	7,544	7,544	-
Laurens County	-	27,608	27,608	-
Montgomery County	-	5,073	5,073	-
Tattnall County	-	17,753	17,753	-
Telfair County	-	6,043	6,043	-
Toombs County	-	12,218	12,218	-
Treutlen County	-	3,770	3,770	-
Wayne County	-	18,615	18,615	-
Wheeler County	-	3,877	3,877	-
Wilcox County	-	4,330	4,330	-
Total	<u>\$ 1,412</u>	<u>\$ 303,199</u>	<u>\$ 302,892</u>	<u>\$ 1,719</u>

## **SINGLE AUDIT SECTION**



**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***

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**To the Council Members  
Heart of Georgia Altamaha  
Regional Commission  
Eastman, Georgia**

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Heart of Georgia Altamaha Regional Commission (the "Regional Commission"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Regional Commission's basic financial statements and have issued our report thereon dated November 9, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Heart of Georgia Altamaha 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 the Regional Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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.



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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Heart of Georgia Altamaha 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**

This 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.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Macon, Georgia  
November 9, 2018



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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**To the Council Members  
Heart of Georgia Altamaha  
Regional Commission  
Eastman, Georgia**

**Report on Compliance for Each Major Federal Program**

We have audited the Heart of Georgia Altamaha Regional Commission's (the "Regional Commission") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Regional Commission's major federal programs for the year ended June 30, 2018. The Regional Commission's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the 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 the Regional Commission's compliance.

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### ***Opinion on Each Major Federal Program***

In our opinion, the Heart of Georgia Altamaha Regional Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

### **Report on Internal Control Over Compliance**

Management of the 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 the 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 deficiency in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Mauldin & Jenkins, LLC*

Macon, Georgia  
November 9, 2018

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identification Number	Program or Award Amount	Federal Expenditures	Amount Awarded to Subrecipients
<b><u>U.S. Department of Health and Human Services</u></b>					
<b>Passed through Georgia Department of Human Services:</b>					
Special Programs for Aging - Title III, Part B	93.044	42700-373-0000060375	\$ 258,301	\$ 249,880	\$ 249,880
Special Programs for Aging - Title III, Part C (1)	93.045	42700-373-0000060375	513,726	513,726	513,726
Special Programs for Aging - Title III, Part C (2)	93.045	42700-373-0000060375	184,017	184,017	184,017
				<u>697,743</u>	<u>697,743</u>
Special Programs for Aging - Title III NSIP Congregate Meals	93.053	42700-373-0000060375	166,956	166,956	166,956
Subtotal Aging Cluster Programs				<u>1,114,579</u>	<u>1,114,579</u>
Special Programs for Aging - Title III, Part D Health Prom	93.043	42700-373-0000060375	31,624	31,620	-
Special Programs for Aging - Title III, Part A	93.047	42700-373-0000060375	79,224	79,207	-
Special Programs for Aging - Title III, Part E	93.052	42700-373-0000060375	158,401	157,049	83,381
Social Services Block Grant- Title XX	93.667	42700-373-0000060375	219,417	219,272	53,781
MFP-(Transition-MDSQ Options)	93.791	42700-373-0000060375	285,291	285,291	285,291
ADRC-Balancing Incentive Program (BIP)	93.051	42700-373-0000065537	4,675	4,675	-
Total passed through Georgia Department of Human Services				<u>1,891,693</u>	<u>1,537,032</u>
<b>Passed through Georgia Department of Community Health:</b>					
Special Programs for Aging - Title XIX	93.778	42700-373-0000060375	816,722	808,356	808,356
Subtotal Medicaid Cluster Programs				<u>808,356</u>	<u>808,356</u>
Total U.S. Department of Health and Human Services				2,700,049	2,345,388
<b><u>U.S. Department of Commerce</u></b>					
<b>Passed through Georgia EDA</b>					
EDA Funding FY17 (1/17-12/19)	11.302	ED17ATL3020022	210,000	66,235	-
Total U.S. Department of Commerce				<u>66,235</u>	<u>-</u>
<b><u>U.S. Department of Transportation</u></b>					
<b>Passed through Georgia Department of Transportation</b>					
Highway Planning and Construction	20.205	PI 0015270	52,500	16,705	-
Highway Planning and Construction	20.205	PI 0015579	53,000	33,463	-
Subtotal Highway Planning and Construction Cluster				<u>50,168</u>	<u>-</u>
Total U.S. Department of Transportation				<u>50,168</u>	<u>-</u>

(Continued)

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identification Number	Program or Award Amount	Federal Expenditures	Amount Awarded to Subrecipients
<b>U.S. Department of Labor</b>					
Passed through Georgia Department of Economic Development - Workforce Division					
WIOA Adult	17.258	11-16-17-09-016	\$ 1,243,767	\$ 474,302	
	17.258	11-17-17-09-016	128,708	128,708	
	17.258	11-17-18-09-016	882,028	819,728	
	17.258	OJT-16-16-09-016	82,000	82,000	
	17.258	35-17-18-09-016	140,000	73,502	
	17.258	DIS-A-16-17-09-016	150,000	135,781	
WIOA Youth	17.259	15-16-16-09-016	1,224,103	451,082	
	17.259	15-17-17-09-016	987,616	826,090	
	17.259	OSY-16-16-09-016	205,000	205,000	
	17.259	DIS-Y-16-16-09-016	200,000	180,912	
	17.259	YOUTH-15-15-09-016	209,000	209,000	
WIOA Dislocated Worker	17.278	36-17-18-09-016	575,000	79,300	
	17.278	TRANE-15-16-09-016	270,000	189,732	
	17.278	25-15-16-09-016	1,395,000	729,448	
	17.278	31-16-16-09-016	192,371	-	
	17.278	31-16-17-09-016	1,324,991	880,844	
	17.278	31-17-17-09-016	169,315	166,326	
	17.278	31-17-18-09-016	677,118	541,985	
	17.278	HDCL-16-17-09-016	250,000	86,138	
	17.278	DIS-DW-16-17-09-016	150,000	2,870	
Rapid Response DLW	17.278	44-16-17-09-016	40,657	38,618	
	17.278	44-17-18-09-016	37,401	718	
	17.278	RR-16-17-09-016	455,000	221,769	
Subtotal WIOA Cluster Programs				6,523,853	
National Dislocated Worker Grant	17.277	NDWG-17-18-09-016	210,000	77,653	
Total U.S. Department of Labor				6,601,506	\$ 6,384,670
<b>Total Expenditures of Federal Awards</b>				\$ 9,417,958	\$ 8,730,058

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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### **NOTE 1. SIGNIFICANT ACCOUNTING POLICIES**

#### **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Heart of Georgia Altamaha Regional Commission and is presented on the modified accrual basis of accounting in accordance with the requirements of 2 CFR part 200, OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### **NOTE 2. NON-CASH ASSISTANCE AND LOANS**

There were no federal awards expended in the form of noncash assistance during the year. There were also no loans or loan guarantees outstanding at year end.

### **NOTE 3. DE MINIMIS INDIRECT COST RATE**

The Heart of Georgia Altamaha Regional Commission did not use the 10% de minimis indirect cost rate.

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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### SECTION I SUMMARY OF AUDIT RESULTS

#### **Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:  
Material weaknesses identified?  Yes  No

Significant deficiencies identified not considered  
to be material weaknesses?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

#### **Federal Awards**

Internal control over major programs:  
Material weaknesses identified?  Yes  No

Significant deficiencies identified not considered  
to be material weaknesses?  Yes  None Reported

Type of auditor's report issued on compliance for  
major programs Unmodified

Any audit findings disclosed that are required to be  
reported in accordance with the Uniform Guidance?  Yes  No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.044 / 93.045 / 93.053	U.S. Dept. of Health and Human Services
93.778	Aging Cluster
	Medicaid Cluster

Dollar threshold used to distinguish between  
Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  Yes  No



# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

### SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

# HEART OF GEORGIA ALTAMAHA REGIONAL COMMISSION

## SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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### U.S. Department of Labor

Passed through the Georgia Department of Workforce Development

Program Name: WIOA Cluster – WIOA Youth Activities

CFDA # 17.259

Grant Number: 15-15-15-09-016

### 2017-001

**Criteria:** *Workforce Innovation and Opportunity Act Section 129(c)(4)* states that not less than 20% of the funds allocated to the local area as described in paragraph (1) shall be used to provide in-school youth and out-of-school youth with activities under paragraph (2)(C).

Training and Employment Guidance letter WIOA No. 23-14, Section 7: Expanded Work Experience Focus. WIOA Section 129(c)(4) prioritizes work experience with the requirement that local areas must spend a minimum of 20% of non-administrative local area funds on work experience.

**Cause:** Internal controls were not in place at the Regional Commission to ensure subrecipient compliance with the earmarking requirement that not less than 20% of non-administrative local funds be spent on work experience activities.

**Effect:** The subrecipient did not comply with WIOA requirements to serve youth participants, and the Regional Commission's internal controls did not detect the noncompliance. Failure to meet federal expenditure requirements can lead to reduction of grant awards and potential over expenditure of available funds.

**Auditee Response/Status:** Resolved