

Financial Statements and
Independent Auditors' Report



120 North Hill Street
Griffin, Georgia 30224

June 30, 2015

Metcalfe **Davis**

CPAs | ADVISORS

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

THREE RIVERS REGIONAL COMMISSION

June 30, 2015

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Financial Section

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Independent Auditors' Report

The Council Members
Three Rivers Regional Commission

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 Three Rivers Regional Commission (the "Commission"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the 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.

Auditors' 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 standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Commission, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages B-4 through B-10 and B-33 through B-35, respectively, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Government 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 Commission's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying financial information listed under the heading "state compliance section" in the accompanying table of contents, as well as the accompanying schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, are presented for purposes of additional analysis, and are also not a required part of the basic financial statements.

The combining nonmajor fund financial statements, state compliance section and the schedule of expenditures of federal awards are the responsibility of management and were derived directly 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, state compliance section 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 16, 2015, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Metcalf Dewis

Atlanta, Georgia
December 16, 2015

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Management's Discussion and Analysis

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Management's Discussion and Analysis

As mandated by House Bill 1216, Three Rivers Regional Commission (the "Commission") was formed from the merger of the McIntosh Trail Regional Development Centers and the Chattahoochee-Flint Regional Development Center. The Commission brings together the experience and knowledge of both former organizations to enable us to better serve the needs of those within our 10 county region. As management of the Commission, we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission's year of operation, fiscal year ended June 30, 2015. This law further changed the make-up of our governing entity from a Board of Directors to a Council. The Council's member governments are Butts, Carroll, Coweta, Heard, Lamar, Meriwether, Pike, Spalding, Troup and Upson Counties.

Financial Highlights

The assets of the Commission exceeded its liabilities at the close of the most recent fiscal year by \$2,385,955 (net position). Of this amount \$1,943,802 (unrestricted net position) may be used to meet the Commission's ongoing obligations to the member local governments, vendors and creditors.

The Commission's total net position were increased by \$209,145 during this fiscal year. As of June 30, 2015, total net position consisted of \$442,153 net investment in capital assets and \$1,943,802 unrestricted.

General Fund revenues for the year were \$499,205. Of this amount, \$232,968 was transferred to other funds to cover matching requirements and unfunded expenses. The General Fund's balance increased by \$171,715.

The Special Revenue Funds' fund balance was increased by \$37,390.

At the end of the fiscal year, unassigned fund balance for the general fund was \$1,202,681 or nine percent of total governmental fund expenditures. The Commission has \$65,665 restricted for debt service (buildings) residing in the Internal Service Fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements - The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The Commission has no business-types activities; therefore, both of the government-wide financial statements reflect only governmental activities that are generally financed through dues, intergovernmental revenues, grants and other non-exchange transactions. The governmental activities of the Commission include general government; all grant funded activities; and one proprietary fund, the Internal Service Fund. The Internal Service Fund is used to account for pooled costs, which are allocated to various grants and contracts as determined by the Commission's cost allocation plan. The government-wide financial statements can be found on pages B-11 and B-12 of this report.

The Commission has no component units.

Fund Financial Statements - A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other similar governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Commission are primarily governmental funds with one proprietary fund, which is the Internal Service Fund. The emphasis of fund financial statements is on major funds: the General Fund, the Georgia Department of Human Services ("DHS") Transportation Program Fund, and the Community Care Services Program Fund. All remaining funds are aggregated and reported as nonmajor funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

The Commission had approximately 46 governmental funds for fiscal year 2015. Three of these funds are considered major: General Fund, Transportation Program Fund and the Community Care Services Program Fund. All other funds are combined and reported as nonmajor funds in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance.

The Commission adopts an annual budget for its funds. Budgetary comparison statements have been provided within the Commission's financial statements to demonstrate compliance with this budget. The Commission's budgetary comparison statements for its major funds can be found on page B-35 of this report.

Proprietary Funds - The Commission has one Proprietary Fund. The Commission's Internal Service Fund is an accounting device used to accumulate and allocate costs to grants and contracts in accordance with the Commission's cost allocation plan. Because these costs are allocated to and benefit governmental functions, they are included within governmental activities in the government-wide financial statements.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Commission. This information is supplied to meet certain state requirements and to provide individual grantors information pertaining to their grant/contract.

Government-wide Financial Analysis

Net position may over time serve as a useful indicator of a government's financial position. Comparative information is provided for two years. As of June 30, 2015, the Commission's assets exceeded liabilities by \$2,385,955. Approximately 18.5 percent, or \$442,153, of the Commission's net position reflects its investment in capital assets net of accumulated depreciation and related debt. The Commission uses these capital assets to operate and to provide services; consequently, these assets are not available for future spending.

There is an outstanding debt of \$60,000 remaining on the capital lease of the Griffin location building, which when paid off, the building may be purchased for one dollar. Additionally, there is an outstanding debt of \$239,182 for the addition to the Franklin office location, which when paid off, may be purchased for 10 dollars. For more information, you may refer to Note 10, Long-Term Liabilities, and Compensated Absences, A Capital Leases.

The following table reflects the condensed statement of net position for the years ended June 30, 2015 and 2014:

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Current and other assets	\$ 3,267,478	\$ 3,351,746
Capital assets, net	<u>741,335</u>	<u>778,687</u>
Total Assets	<u>\$ 4,008,813</u>	<u>\$ 4,130,433</u>
Current Liabilities	\$ 1,389,341	\$ 1,644,653
Noncurrent Liabilities	<u>233,517</u>	<u>308,930</u>
Total Liabilities	<u>\$ 1,622,858</u>	<u>\$ 1,953,583</u>
Net Position:		
Invested in capital assets net of related debt	442,153	416,461
Unrestricted	<u>1,943,802</u>	<u>1,760,389</u>
Total Net Position	<u>\$ 2,385,955</u>	<u>\$ 2,176,850</u>

The balance of unrestricted net position of \$1,943,802 may be used to meet the Commission's ongoing obligations.

At the end of the current fiscal year, the Commission is able to report a positive balance in all categories of net position.

Governmental Activities - The Commission has no business type activities; therefore, the Commission's increase in net position of \$209,105 is completely from governmental activities.

The following table illustrates the key elements of this increase for the years ended June 30, 2015 and 2014:

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Program revenues		
Operating grants	\$ 11,513,235	\$ 11,295,829
General revenues		
Regional appropriations	496,889	493,769
Interest income	1,596	2,227
Miscellaneous income	<u>720</u>	<u>357</u>
Total revenues	<u>12,012,440</u>	<u>11,792,182</u>
Program expenses		
General government	94,522	87,500
Aging programs	5,833,808	5,576,535
Transportation programs	2,648,107	2,878,377
Workforce programs	2,773,575	2,532,815
Economic development	291,613	278,074
Planning development	123,157	193,085
Community service	34,126	26,580
Historic preservation	<u>4,427</u>	<u>4,470</u>
Total expenses	<u>11,803,335</u>	<u>11,577,436</u>
Change in net position	209,105	214,746
Net position - Beginning of year	<u>2,176,850</u>	<u>1,962,104</u>
Net position - End of year	<u>\$ 2,385,955</u>	<u>\$ 2,176,850</u>

The Commission operates primarily from grant revenues; therefore, expenses closely parallel grant funding for services.

Financial Analysis of the Government's Funds

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds - The focus of the Commission's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, fund balance may serve as a useful measure of the Commission's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Commission's governmental funds reported an ending fund balance of \$1,775,214, an increase of \$209,105 for the current year.

The Commission experienced an increase in its General Fund's fund balance of \$171,715. This increase is attributable to more expenditures being charged to specific Special Revenue Funds.

During the current fiscal year, the Commission also experienced an increase in the Special Revenue Funds' fund balance of \$37,390. When added to the previous year's fund balance, total fund balance in the Special Revenue Funds for the year ending June 30, 2015 was \$506,868. This amount is attributable to the Commission's Transportation Programs Funds. The total balance of \$506,868 is assigned for the Transportation Program Funds that remain within the fund, but may be used at the Commission's discretion.

Proprietary Funds - As stated previously, the Commission only maintains one proprietary fund, the Internal Service Fund. The Internal Service Fund is used to accumulate and allocate costs that benefit two or more programs. The expenses are allocated to the Special Revenue Funds' programs (minus income received from office rent) 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.

The Internal Service Fund had \$610,741 in net position at June 30, 2015.

Budgetary Highlights

The Commission is mandated by state law to adopt its next year's budget before the end of the current year. Due to contracts and grants not being finalized or due to amendments during the year, the Commission's Council adopts the original budget using known and best available information. During the fiscal year the Council adopts revisions to incorporate new grants entered into during the year, and delete contracts/grants that never materialized.

The General Fund received \$22 more in revenue than was budgeted. The General Fund expenditures were over budget by \$314 but this was offset by transfers going over budget by \$27,589 due mainly to an increase in match and/or overage amount to grants.

A review of the Transportation Program Fund shows a difference between budgeted and actual expenditures. Expenditures were over by \$44,079; revenue of \$48,889 over the budget was earned resulting in an increase in fund balance of \$29,291.

The Community Care Services Program Fund met both its revenue and expenditures budgets exactly during the year so there was no variance between budget and actual.

Capital Asset Administration

Capital Assets - The Commission's investment in capital assets for its governmental type activities as of June 30, 2015, amounts to \$741,335 (net of accumulated depreciation). This investment in capital assets includes equipment and buildings.

Capital assets of the Commission as of June 30, 2015 and 2014:

	June 30, 2015			
	Building- Griffin	Building - Franklin	Equipment	Total
Capital assets	\$ 600,000	\$ 781,029	\$ 208,446	\$ 1,589,475
Less accumulated depreciation	<u>(270,000)</u>	<u>(408,666)</u>	<u>(169,474)</u>	<u>(848,140)</u>
Net capital assets	<u>\$ 330,000</u>	<u>\$ 372,363</u>	<u>\$ 38,972</u>	<u>\$ 741,335</u>

	June 30, 2014			
	Building- Griffin	Building - Franklin	Equipment	Total
Capital assets	\$ 600,000	\$ 781,029	\$ 186,530	\$ 1,567,559
Less accumulated depreciation	<u>(255,000)</u>	<u>(375,268)</u>	<u>(158,604)</u>	<u>(788,872)</u>
Net capital assets	<u>\$ 345,000</u>	<u>\$ 405,761</u>	<u>\$ 27,926</u>	<u>\$ 778,687</u>

For more information, you may refer to Note 8, Changes in Capital Assets.

Long-Term Liabilities and Compensated Absences

At the end of the current fiscal year, the Commission had a total long-term liabilities and compensated absences outstanding of \$412,408. The majority of this amount, \$239,182, is owed to the Heard County Development Authority (using Regions Bank) for renovations and a building addition at the Franklin office. This is a 12 year loan agreement with a six percent interest rate. When the final loan payment is made, the building may be purchased for 10 dollars.

The City of Griffin is owed \$60,000 for the lease/purchase of the Griffin office with four years remaining under the original agreement. Under the terms of the agreement with the City of Griffin, when the final lease payment is made, the building may be purchased for one dollar. Under the terms of the agreement, if the Commission for some reason needed or wanted to break the lease; the Commission is obligated for payments of rent for one calendar year from the date written notice of intent to surrender the premises.

The remaining \$113,326 is owed to pay employees accrued annual leave. During the year capital leases decreased by \$63,044 and compensated absences decreased by \$10,321.

The Commission has no authority to issue bonds or collect taxes; therefore, payments of debts are made from the revenues generated by the dues, grants, and fund balances.

	June 30, 2015	June 30, 2014
Capital leases	\$ 299,182	\$ 362,226
Compensated absences	<u>113,326</u>	<u>123,647</u>
Total	<u>\$ 412,508</u>	<u>\$ 485,873</u>

Compensated absences accounted for 28 percent of total long-term liabilities, and capital leases made up 72 percent. For more information, you may refer to Note 10, Long-Term Liabilities and Compensated Absences, C - Changes in Long-term Liabilities and Compensated Absences.

Economic Factors and Next Year's Budget

Mandatory funding by the 10 member counties and their municipalities helps to support and maintain the Commission's funding. Funding stability is also maintained by the fact that a member county is not allowed to withdraw from the Commission unless it first receives prior approval by the Georgia General Assembly.

The Commission's dues for its member governments are one dollar per capita based on the most current Census estimates. There are no plans to increase this amount in the near future unless unforeseen circumstances regarding grants/contracts appear. The Council has the sole authority to increase this amount if such circumstances warrant it.

The Commission is constantly changing. Both programmatic and financial requirements for state and federal programs are being updated or replaced; therefore, the Commission staff has to stay informed and meet the challenge to always be in compliance. As more of the aging programs focus on helping the elderly stay in their homes, and the workforce grants focus on helping people to train and/or find new jobs, staff must work together within the appropriate guidelines to help our member governments meet the needs of the population they serve. Staff must remain up-to-date on regulations or requirements of our local governments to help them plan for the present and future generations for housing, zoning, infrastructure and transportation needs.

Accounting staff must continue to work within the budget limits of grants and contracts to ensure that local government needs for services are met.

The Commission does not see any significant funding changes for fiscal year 2016.

Requests for Information

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Three Rivers Regional Commission, 120 North Hill Street, P. O. Box 818, Griffin, GA 30224.

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Basic Financial Statements

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Three Rivers Regional Commission

STATEMENT OF NET POSITION

June 30, 2015

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 1,367,350
Due from other governments	1,816,057
Prepaid expenses	<u>84,071</u>
Total current assets	3,267,478
Noncurrent assets	
Capital assets, net	<u>741,335</u>
Total assets	<u>\$ 4,008,813</u>
LIABILITIES	
Current liabilities	
Accounts payable	\$ 1,030,674
Accrued liabilities	51,236
Unearned revenue	128,440
Compensated absences	113,326
Capital lease payable, current portion	<u>65,665</u>
Total current liabilities	1,389,341
Noncurrent liabilities	
Capital lease payable	<u>233,517</u>
Total liabilities	<u>1,622,858</u>
NET POSITION	
Net investment in capital assets	442,153
Unrestricted	<u>1,943,802</u>
Total net position	<u>2,385,955</u>
Total liabilities and net position	<u>\$ 4,008,813</u>

The accompanying notes are an integral part of this statement.

Three Rivers Regional Commission

STATEMENT OF ACTIVITIES

For the fiscal year ended June 30, 2015

	Program Revenues			Total Governmental Activities	
	Expenses	Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
<u>Functions/Programs</u>					
Primary Government					
Governmental Activities:					
General government	\$ 94,522	\$ -	\$ -	\$ -	\$ (94,522)
Aging programs	5,833,808	-	5,767,007	-	(66,801)
Transportation programs	2,648,107	-	2,661,354	-	13,247
Workforce Investment Act	2,773,575	-	2,773,580	-	5
Economic development	291,613	-	166,966	-	(124,647)
Planning development	123,157	-	110,840	-	(12,317)
Community service	34,126	-	29,397	-	(4,729)
Historic preservation	4,427	-	4,091	-	(336)
Total primary government	<u>\$ 11,803,335</u>	<u>\$ -</u>	<u>\$ 11,513,235</u>	<u>\$ -</u>	(290,100)
General Revenues:					
Regional appropriations					496,889
Interest income					1,596
Miscellaneous income					720
Change in net position					209,105
Net position, beginning of year					<u>2,176,850</u>
Net position, end of year					<u>\$ 2,385,955</u>

The accompanying notes are an integral part of this statement.

Three Rivers Regional Commission

BALANCE SHEET
Governmental Funds

June 30, 2015

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Transportation Program Fund	Community Care Services Program Fund		
ASSETS					
Cash and cash equivalents	\$ 649,344	\$ -	\$ -	\$ -	\$ 649,344
Due from other governments	6,025	186,683	137,687	1,485,662	1,816,057
Prepaid expenses	750	-	-	400	1,150
Due from other funds	<u>612,227</u>	<u>304,129</u>	<u>-</u>	<u>-</u>	<u>916,356</u>
Total assets	<u>\$ 1,268,346</u>	<u>\$ 490,812</u>	<u>\$ 137,687</u>	<u>\$ 1,486,062</u>	<u>\$ 3,382,907</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 171	\$ -	\$ -	\$ 171
Accrued liabilities	-	-	-	43,420	43,420
Unearned revenue	-	-	-	128,440	128,440
Due to other funds	<u>-</u>	<u>-</u>	<u>137,687</u>	<u>1,297,975</u>	<u>1,435,662</u>
Total liabilities	<u>-</u>	<u>171</u>	<u>137,687</u>	<u>1,469,835</u>	<u>1,607,693</u>
Fund balances					
Restricted for debt service	65,665	-	-	-	65,665
Assigned for transportation programs	-	490,641	-	16,227	506,868
Unassigned	<u>1,202,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,202,681</u>
	<u>1,268,346</u>	<u>490,641</u>	<u>-</u>	<u>16,227</u>	<u>1,775,214</u>
Total liabilities and fund balances	<u>\$ 1,268,346</u>	<u>\$ 490,812</u>	<u>\$ 137,687</u>	<u>\$ 1,486,062</u>	<u>\$ 3,382,907</u>
Reconciliation of fund balance as reported in the balance sheet - governmental funds with net position - governmental activities:					
Fund balances as reported in the balance sheet - governmental funds					\$ 1,775,214
Assets and liabilities of the Internal Service Fund used by management to account for indirect costs which are those that are incurred for a common or joint purpose are included in governmental activities in the statement of net position					<u>610,741</u>
Net position - governmental activities					<u>\$ 2,385,955</u>

The accompanying notes are an integral part of this statement.

Three Rivers Regional Commission

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Governmental Funds

For the fiscal year ended June 30, 2015

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Transportation Program Fund	Community Care Services Program Fund		
REVENUES					
Local governmental dues	\$ 496,889	\$ -	\$ -	\$ -	\$ 496,889
Grant contracts					
Federal	-	960,322	654,233	6,168,871	7,783,426
State	-	1,231,203	654,233	1,523,351	3,408,787
Local grants	-	-	-	72,856	72,856
Program income	-	44,464	-	-	44,464
Other revenues					
Interest income	1,596	-	-	-	1,596
Miscellaneous	720	-	-	203,702	204,422
Total revenues	<u>499,205</u>	<u>2,235,989</u>	<u>1,308,466</u>	<u>7,968,780</u>	<u>12,012,440</u>
EXPENDITURES					
Current					
Direct					
General government	79,679	-	-	-	79,679
Transportation programs	-	2,187,341	-	375,501	2,562,842
Aging programs	-	-	1,265,519	4,082,142	5,347,661
Workforce Investment Act	-	-	-	2,773,575	2,773,575
Economic development	-	-	-	204,478	204,478
Planning development	-	-	-	85,987	85,987
Community service	-	-	-	23,787	23,787
Historic preservation	-	-	-	3,299	3,299
Indirect					
Cost allocation plan	14,843	19,357	42,947	644,880	722,027
Total expenditures	<u>94,522</u>	<u>2,206,698</u>	<u>1,308,466</u>	<u>8,193,649</u>	<u>11,803,335</u>
Excess (deficiency) of revenues over (under) expenditures	<u>404,683</u>	<u>29,291</u>	<u>-</u>	<u>(224,869)</u>	<u>209,105</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	232,968	232,968
Transfers out	(232,968)	-	-	-	(232,968)
Total other financing sources (uses)	<u>(232,968)</u>	<u>-</u>	<u>-</u>	<u>232,968</u>	<u>-</u>
Net change in fund balances	171,715	29,291	-	8,099	209,105
Fund balances, beginning of year	<u>1,096,631</u>	<u>461,350</u>	<u>-</u>	<u>8,128</u>	<u>1,566,109</u>
Fund balances, end of year	<u>\$ 1,268,346</u>	<u>\$ 490,641</u>	<u>\$ -</u>	<u>\$ 16,227</u>	<u>\$ 1,775,214</u>

The accompanying notes are an integral part of this statement.

Three Rivers Regional Commission

STATEMENT OF NET POSITION - PROPRIETARY FUND
Governmental Activities - Internal Service Fund

June 30, 2015

ASSETS

Current assets

Cash and cash equivalents	\$ 718,006
Interfund receivable	577,618
Prepaid expenses	<u>82,921</u>
Total current assets	1,378,545

Noncurrent assets

Capital assets

Building	1,381,029
Equipment	208,446
Less accumulated depreciation	<u>(848,140)</u>
Capital assets, net	<u>741,335</u>

Total assets	<u><u>\$ 2,119,880</u></u>
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LIABILITIES

Current liabilities

Accounts payable, operating	\$ 1,030,503
Accrued liabilities	7,816
Compensated absences, current portion	113,326
Current maturities of capital leases payable	65,665
Interfund payable	<u>58,312</u>
Total current liabilities	1,275,622

Noncurrent liabilities

Capital leases payable	<u>233,517</u>
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Total liabilities	1,509,139
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NET POSITION

Net investment in capital assets	442,153
Unrestricted	<u>168,588</u>
	<u>610,741</u>

Total liabilities and net position	<u><u>\$ 2,119,880</u></u>
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The accompanying notes are an integral part of this statement.

Three Rivers Regional Commission

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUND
Governmental Activities - Internal Service Fund**

For the fiscal year ended June 30, 2015

Operating revenues	
Indirect cost recovery	\$ 1,772,924
Operating expenses	
Indirect cost pool	
Personnel costs	492,278
Travel	10,811
Per diem and fees	18,200
Telecommunications	36,237
Office repairs and maintenance	23,328
Membership and subscription	1,877
Supplies and materials	23,826
Utilities	23,377
Depreciation	41,304
Insurance and bonding	24,602
Other	26,187
	<u>722,027</u>
Fringe benefit cost pool	<u>1,050,897</u>
Total operating expenses	<u>1,772,924</u>
Operating income	<u>-</u>
Change in fund net position	-
Total net position, beginning of year	<u>610,741</u>
Total net position, end of year	<u>\$ 610,741</u>

The accompanying notes are an integral part of this statement.

Three Rivers Regional Commission

STATEMENT OF CASH FLOWS - PROPRIETARY FUND
Governmental Activities - Internal Service Fund

For the fiscal year ended June 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from interfund services provided	\$ 1,772,923
Cash payments to employees for services	(1,543,175)
Cash payments to other suppliers of goods or services	<u>(437,046)</u>
Net cash used in operating activities	(207,298)

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Purchase of capital assets	(25,916)
Principal reduction on capital lease	<u>(63,044)</u>
Net cash used in capital and related financing activities	<u>(88,960)</u>

Net decrease in cash and cash equivalents	(296,258)
Cash and cash equivalents - beginning of year	<u>1,014,264</u>
Cash and cash equivalents - end of year	<u>\$ 718,006</u>

**Reconciliation of expenses in excess of revenue
to net cash used in operating activities**

Adjustments to reconcile expenses over revenue to net cash used in operating activities:	
Depreciation - direct expense to Aging program (Note 8)	\$ 20,564
Depreciation - allocated through indirect cost pool (Note 8)	41,304
Loss on disposal of capital assets	1,400
Changes in assets and liabilities:	
Prepaid expenses	(55,436)
Interfund payable	277
Compensated absences	(10,321)
Accrued liabilities	(1,219)
Accounts payable	<u>(203,867)</u>
Net cash used in operating activities	<u>\$ (207,298)</u>

The accompanying notes are an integral part of this statement.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Three Rivers Regional Commission (the "Commission") was formed on July 1, 2009 from the merger of McIntosh Trail Regional Development Center and Chattahoochee-Flint Regional Development Center as provided in House Bill 1216. The Commission is one of 12 Regional Commissions ("RCs") in Georgia. The responsibilities and authority of the Commission are contained in Sections 50-8-30 through 50-8-67 of the Official Code of Georgia Annotated ("OCGA").

Under Georgia law, cities and counties located in the 10 county west central Georgia region are members of the Commission. Membership in an RC is required by OCGA Section 50-8-34 which provides for the organizational structure of RC's in Georgia. The RC Council membership includes an elected official of each county and municipality of the area and private sector individuals. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC beyond its resources.

The Commission's offices located in Griffin, Georgia serve the west central Georgia region comprised of Butts, Carroll, Coweta, Heard, Lamar, Meriwether, Pike, Spalding, Troup and Upson counties. Municipalities located within the 10 county region, which are members include Flovilla, Villa Rica, Newnan, Ephesus, Barnesville, Woodbury, Zebulon, Griffin, Hogansville and Thomaston.

The Commission's primary mission is to offer community and economic development planning, mapping assistance, and requested services to local county and municipal governments. The Commission also acts as an interface between local, regional and state agencies for planning and public information initiatives like the U.S. Census. The Commission administers the spending of various federal, state and local grants in the 10 county region comprising its membership.

The accounting policies and financial reporting practices of the Commission conform in all material respects to accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units issued by the Government Accounting Standards Board ("GASB").

A. Reporting Entity

Governmental accounting standards require the financial statements of the Commission to include its primary government and any component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Commission is not a component unit of any other primary government. Additionally, no component units have been identified, which should be included in the reporting entity.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (statement of net position and statement of activities) report information on all nonfiduciary 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. The Commission has no business-type activities. The Commission had no significant transactions that resulted in deferred inflows or outflows.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 segments 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 the Internal Service Fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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.

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

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Fund financial statements - 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 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 the obligations are expected to be liquidated with expendable available financial resources out of the General Fund.

Interest associated with the current fiscal period is considered susceptible to accrual and as such has been recognized as revenue of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the government.

The Internal Service Fund consists of only operating items. Operating revenues and expenses generally result from providing services in connection with the Internal Service Fund's principal ongoing operations. The principal operating revenues of the Commission's Internal Service Fund are charges for the allocation of indirect costs. Operating expenses for Internal Service Funds include personnel and administrative expenses. All revenues and expenses not meeting this definition would be reported as nonoperating.

The fund financial statements provide more detailed information about the government's most significant funds, not the government as a whole. The activities of the government are organized on the basis of funds and accounts, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The government reports the following major governmental funds:

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

Transportation Program Fund – A Special Revenue Fund was established to account for federal and state grants used to support the Commission's transportation programs.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Community Care Services Program Fund – A Special Revenue Fund was established to account for federal and state grants used to provide a variety of services to functionally impaired individuals in order to enable them to continue living in their own homes, as an alternative to nursing homes.

Additionally, the government reports the following fund type:

Internal Service Fund – The Internal Service Fund is used to account for the financing of goods and services provided by one organizational unit to other organizational units of the Commission on a cost reimbursement basis. The expenses are allocated to the various programs based on an indirect cost allocation plan. The plan allocates these costs on the basis of direct salaries plus fringe benefits.

D. Deposits and Investments

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

The Commission pools its unrestricted cash resources from several funds to facilitate disbursements and investments and to maximize investment income.

When interest earned as a result of pooling cash and cash equivalents is material, it is distributed to the appropriate funds utilizing a formula based on the average monthly balance of cash and investments of each fund.

E. Inventories

Materials (supplies) purchased are shown as expenditures/expenses when acquired and are not inventoried at year end as the balance is immaterial.

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.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. Unearned Revenues

Unearned revenues consist of advances received from the DHS Aging and Transportation grants.

I. Capital Assets and Long-Term Liabilities

Capital assets include property and equipment. Such assets, which are accounted for in the Internal Service Fund, are used in the provision of services to other funds of the Commission. The government defines capital assets as assets with an initial, individual cost of more than \$1,000 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 market value at the date of donation. No public domain or infrastructure assets (e.g. roads, bridges, sidewalks and similar items) are owned by the Commission.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. There was no interest incurred by the Commission during the current fiscal year. No interest expense was applicable to construction of capital assets.

Depreciation is computed using the straight-line method over the estimated useful life of each type of asset. Depreciation is recognized in the indirect cost allocation plan as an allowable cost. The cost of depreciation is recovered as a reimbursable cost from grants, contracts, and local projects in the Commission's Internal Service Fund. Capital assets are reported in the Commission's basic financial statements net of accumulated depreciation.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Building	40 years
Equipment	3 – 15 years

Land is not subject to depreciation.

J. In-kind Services and Other Donations

In-kind services and other donations used in federal programs are accounted for as revenues and expenditures and are valued in accordance with OMB Circular A-102. In-kind services for the Commission consist entirely of services contributed by the Commission's subcontractors for transportation, aging-directed services provided to participants and advertising.

K. Budgets

An annual operating budget is prepared for the General and Special Revenue Funds. Legal provisions govern the budgetary process. The Commission follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Executive Director submits to the Council Members a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. The budget is formally adopted on an agency-wide, functional expense level, which is the legal level of the Commission's budgetary controls.
- The budget so adopted may be revised during the year only by formal action of the Council in a regular meeting. The Commission's Finance Director does not have authority to revise the budget without Council approval. The Council will make any changes necessary to adopt the budget.
- Budgets for the funds are adopted on a basis consistent with GAAP.
- Budgeted amounts, as presented in the accompanying financial statements, are as originally adopted or as amended by the Council. Unobligated appropriations in the annual operating budget lapsed at fiscal year end.
- There are no differences between Budgetary basis and GAAP basis expenditures; therefore, no reconciliation is necessary.
- Internal Service Fund budgets are prepared and utilized as a management tool to assess the operations of the Internal Service Fund.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

L. Indirect Cost Rates

Commission-wide central support costs are recorded in the Internal Service Fund as indirect costs in the Commission's accounting system and recovered using either the internal cost rate or employee benefit rate (described in note 1, M). Costs are defined by U.S. Office of Management and Budget OMB Circular A-87, Attachment A, as follows: "costs are (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved." Pursuant to OMB Circular A-87, the U.S. Department of Commerce is designated as the cognizant agency for the federal government with responsibility for negotiation, approval and audit of the Commission's central support services cost allocation plan.

The indirect cost rate is computed as a ratio of indirect costs (including indirect salaries and fringe benefits related to those indirect salaries) to total direct salaries and fringe benefits related to those direct salaries. The percentage determined is then applied to the direct salaries and fringe benefits within the General Fund and each Special Revenue Fund to determine indirect cost recovery for each fund. Additional details regarding the indirect expenses that are available for allocation and how the indirect cost rate is calculated are available in the Schedule of Indirect Cost Pool – Provisional and Actual Rates in the State Compliance Section.

During the year, a provisional indirect cost rate is used which is negotiated with the Commission's federal cognizant agency based upon a cost allocation plan. At the end of each month, adjustments were made to allocate the difference between the provisional and actual employee benefits to the General Fund and Special Revenue Funds.

The actual indirect cost allocation rate for the fiscal year ended June 30, 2015 was 47.24 percent.

M. Employee Benefits and Compensated Absences

The Commission charges employee benefits and compensated absences in accordance with its employee benefit rate, as an allowable reimbursable cost. The compensated absences and employee benefits are recorded in the Internal Service Fund, and are pooled and allocated to the governmental funds based upon a predetermined provisional rate approved by the Commission's designated cognizant agency. Recoveries of these costs are transferred to the Internal Service Fund and recognized as another financing source. The Commission's provisional rate for its employee benefit rate for the year ended June 30, 2015 was 56.69 percent.

Total compensated absences and employee benefits incurred by the Commission for the year ended June 30, 2015 totaled \$1,050,897.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Using total chargeable salaries of \$1,911,202 as the allocation base, the actual employee benefit rate for the year ended June 30, 2015 was 54.99 percent. Total chargeable salaries equals the total salaries less the amount of released time incurred by the Commission. Additional details regarding the employee benefits that are available for allocation and how the employee benefit rate is calculated are available on the Schedule of Employee Benefit Cost Pool – Provisional and Actual Rates in the State Compliance Section. At the end of each month, adjustments were made to allocate the difference between provisional and actual employee benefits to the Special Revenue Fund.

The Commission provides compensated absences and employee benefits as follows:

Vacation Leave - Each employee with fewer than three years of service shall earn annual leave at a rate of 10 days per year. Employees earn an additional day per year for each additional year of service up to 15 years of service. Employees may earn a maximum of 25 working days of annual leave per year after 15 years. At the end of each fiscal year, employees may accrue a maximum of and maintain 30 days. Accumulated leave at June 30, 2015, for which employees could be reimbursed, amounted to \$113,326. Per GASB 34, the entire amount of compensated absences is considered to be a current liability at June 30, 2015. Vested or accumulated vacation leave that is expected to be liquidated with available financial resources is reported as an expenditure and a fund liability of the governmental fund.

Sick Leave - Employees are awarded 15 days per year of sick leave and may accumulate up to 60 days. The cost of sick leave is recognized as the employee takes it. It is not expected that any unrecorded sick leave benefits will exceed a normal year's accumulation. Employees are not reimbursed for sick leave upon separation.

Holidays - Employees are awarded 10 days per year as holidays. The cost of holiday leave is recorded when it is taken by the employee.

Insurance - The Commission maintains a contributory group health insurance plan as well as workers compensation coverage for all employees.

Defined Contribution Plan - The Commission maintains a defined contribution retirement plan (the "Plan") administered by a Trustee (a member of the Commission's management) that is appointed by the Commission's Council Members. All full-time employees are eligible to join the Plan upon completion of six months continuous service.

Payroll Taxes - The Commission's employees are covered under the federal social security system. Payroll tax payments are made to the Internal Revenue Service ("IRS") in accordance with IRS regulations.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

N. Long-Term Obligations

The Commission has acquired property under capital lease agreements. The capital lease agreements are recorded in the applicable column of the government-wide and Internal Service Fund financial statements. The debt service requirements for long-term obligations are appropriated annually.

O. Fund Balance and Net Position

Net position in government-wide and Internal Service Fund financial statements are classified as net investment in capital assets, restricted and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

In accordance with this professional standard, the Commission presents governmental fund balances in the financial statements based on classifications that comprise a hierarchy that is based primarily on the extent to which the Commission is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in governmental fund financial statements are as follows:

- Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) are legally or contractually required to be maintained intact. The Commission has not reported any amounts to be nonspendable as of June 30, 2015.
- Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The Commission has classified amounts for the debt service as being restricted. Debt service resources are restricted by federal statute to be used for lease maturities in the 2015-2016 year.

- Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Commission. These amounts cannot be used for any other purpose unless the Commission removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Commission did not have any committed resources as of June 30, 2015.

- Assigned - This classification includes amounts that are constrained by the Commission's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commission or through the Commission's budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Commission has assigned funds for the transportation programs in the amount of the remaining positive fund balance at June 30, 2015.
- Unassigned - This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The Commission uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balance, such as grant agreements that require a dollar match. Additionally, the Commission would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

P. Use of Estimates

In preparing financial statements in conformity with GAAP, management is required 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.

Q. Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and natural disasters for which the Commission carries insurance. The Commission is a member of the Georgia Interlock Risk Management Agency ("GIRMA"). This agency functions as an unincorporated nonprofit instrumentality of its members and is administered by the Georgia Municipal Association. The purpose of GIRMA is to establish and administer one or more group self-insurance funds; to establish and administer a risk management service; and to prevent or lessen the incidence or severity of casualty and property losses. Each member pays an annual contribution established by the Board of GIRMA. For the fiscal year ended June 30, 2015, the Commission's total contribution was \$12,072. GIRMA may develop and issue such self-insurance coverage descriptions, as it deems necessary. The current coverage provides a \$1,000,000 general liability limit with a \$1,000 per occurrence deductible.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

A. Budget Process

The Executive Director submits annual budgets to the Council for the General and Special Revenue Fund. 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. The Council Members approve budget amendments if total expenditures exceed budgeted expenditures at the individual grant funded program level.

All expenditures in excess of budgeted amounts are the responsibility of the Commission through local funds. Unobligated appropriations in the annual operating budget lapse at fiscal year-end.

B. Budget to GAAP Reconciliation

All budgets are adopted on a basis consistent with GAAP. No reconciliation of budget basis to GAAP basis is necessary.

C. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. There are no encumbrances reported by the Commission at June 30, 2015.

NOTE 3 – DEPOSITS

Custodial Credit Risk - Demand Deposits and Certificates of Deposits

The custodial credit risk of deposits is the risk that in the event of the failure of a bank, the government will not be able to recover deposits. The Commission's bank balances of deposits as of June 30, 2015 are entirely insured or collateralized with securities held by the Commission's agent in the Commission's name. The Georgia Code requires banks holding public funds to secure these funds with insurance from the Federal Deposit Insurance Corporation ("FDIC"), securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held. At June 30, 2015, the Commission had approximately \$1,583,000 in deposits with local banks. Of the bank balances, \$500,000 was insured by the FDIC and the remaining \$1,083,000 was collateralized with securities (at market value) held by the financial institution's Trust Department or agent in the name of the Commission.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 4 – 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 that have been requested but not yet received.

The detail of accounts receivable for contracts are due to the following funds at June 30, 2015 as follows:

General Fund	\$ 6,025
Transportation Program Fund	186,683
Community Care Services Program Fund	137,687
Nonmajor Governmental Funds	<u>1,485,662</u>
Due from other governments	<u>\$ 1,816,057</u>

NOTE 5 – CONTINGENCIES

Uses of federal and state grant funds is subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based upon prior experience and audit results, management believes that the Commission will not incur significant losses on possible grant disallowances.

NOTE 6 – FRINGE BENEFIT COSTS

Fringe benefit costs are recorded in the Internal Service Fund and recovered in part from the Special Revenue Fund based upon a fringe benefits allocation rate as determined by a ratio of fringe benefits to total salary costs.

NOTE 7 – INTER-FUND RECEIVABLES AND PAYABLES

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.

The composition of inter-fund balances as of June 30, 2015 is as follows:

<u>Receivable Fund</u>		<u>Payable Fund</u>	
General Fund	\$ 137,687	Community Care Services Program Fund	\$ (137,687)
General Fund	416,228	Nonmajor Governmental Fund	(416,228)
General Fund	58,312	Internal Service Fund	(58,312)
Transportation Program Fund	304,129	Nonmajor Governmental Fund	(304,129)
Internal Service Fund	<u>577,618</u>	Nonmajor Governmental Fund	<u>(577,618)</u>
	<u>\$ 1,493,974</u>		<u>\$ (1,493,974)</u>

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 7 – INTER-FUND RECEIVABLES AND PAYABLES - Continued

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service. Resources are accumulated in a fund to support and simplify the administration of various projects or programs. The government-wide statement of activities eliminates transfers as reported within the segregated fund statements.

A reconciliation of transfers for the year ended June 30, 2015 is as follows:

	<u>Transfer In:</u>
	Nonmajor
	Governmental
	<u>Fund</u>
Transfer out:	
General Fund	<u>\$ 232,968</u>

NOTE 8 – CHANGES IN CAPITAL ASSETS

Capital asset activity for the government for the fiscal year ended June 30, 2015 was as follows:

	<u>Beginning</u>		<u>Additions</u>		<u>Deletions</u>		<u>Ending</u>
	Balance						Balance
Governmental activities:							
Capital assets, being depreciated:							
Building	\$ 1,381,029	\$ -	\$ -		\$ 1,381,029		
Equipment	<u>186,530</u>	<u>25,916</u>	<u>(4,000)</u>		<u>208,446</u>		
Total capital assets being depreciated	1,567,559	25,916	(4,000)		1,589,475		
Less accumulated depreciation:							
Building	(630,268)	(48,398)	-		(678,666)		
Equipment	<u>(158,604)</u>	<u>(13,470)</u>	<u>2,600</u>		<u>(169,474)</u>		
Total accumulated depreciation	<u>(788,872)</u>	<u>(61,868)</u>	<u>2,600</u>		<u>(848,140)</u>		
Governmental activities capital assets, net	<u>\$ 778,687</u>	<u>\$ (35,952)</u>	<u>\$ (1,400)</u>		<u>\$ 741,335</u>		

Depreciation expense of \$20,564 is charged to the Aging program as the related building is used exclusively for aging services. The remaining \$41,304 of depreciation expense is allocated to every function as part of the Commission’s indirect cost pool.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 9 – RETIREMENT PLAN

Money Purchase Pension Plan

The Commission maintains a defined contribution retirement plan (the “Plan”) administered by a Trustee (a member of the Commission's management) that is appointed by the Commission's Council Members. All full-time employees are eligible to join the Plan upon completion of six months continuous service.

The Plan was formed under the authority of the Commission's Council Members, and the Council has the authority to amend and/or terminate the Plan at any time. Employer contributions to the Plan are based on six percent of the employee's annual salary as of June 30, 2015. Employee contributions are not allowed. Normal retirement age is considered to be 65 years of age.

The Trustee maintains contributions to the Plan in individual accounts for each eligible and participating employee. For the year ended June 30, 2015, the Commission contributed \$116,000 to the Plan. Total covered payroll for the year ended June 30, 2015, was \$1,911,202 with a total organization payroll of \$2,258,598. The vesting schedule is as follows:

One year	10%
Two years	20%
Three years	40%
Four years	60%
Five years	80%
Six or more years	100%

Deferred Compensation Plan (457(a) Plan)

The Commission provides employees the opportunity to defer current compensation under a 457(a) plan. Employees are eligible to participate in the Plan as of their first day of employment, and participants may elect to defer 100 percent of their compensation not to exceed the annual 457(a) contribution limits set by the IRS. The Commission does not match employee contributions. Normal retirement age is considered to be 65 years of age.

NOTE 10 – LONG-TERM LIABILITIES AND COMPENSATED ABSENCES

A. Capital Leases

In July 1996, the Commission (formerly McIntosh Trail Regional Development Center) and the City of Griffin entered into a 20-year capital lease for office space located at 120 North Hill Street, Griffin, Georgia. An amendment modified the terms of the 120 North Hill Street lease to be: 20 year term beginning July 1, 1997, with payments of \$7,500 due quarterly. The Commission may purchase the building for the sum of one dollar upon completion of the lease. The asset value under this capital lease (net of accumulated depreciation of \$270,000) at June 30, 2015 was \$330,000. Current year amortization of capital lease assets, included in depreciation expense, was \$15,000. This lease is not subject to imputed interest.

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 10 – LONG-TERM LIABILITIES AND COMPENSATED ABSENCES - Continued

On July 30, 2008, the Commission (formerly Chattahoochee-Flint Regional Development Center) and the Development Authority of Heard County entered into a capital lease for office space located at 13273 Georgia Highway 34 E, Franklin, Georgia. The lease calls for 144 monthly payments of \$4,059. At the end of the lease, the Commission may purchase the building for \$10. The asset value under this capital lease (net of accumulated depreciation of \$408,668) at June 30, 2015 was \$372,361. Current year amortization of capital lease assets, included in depreciation expense, was \$33,399. This lease carries an interest rate of six percent. Related interest expense for the year ended June 30, 2015 was \$15,659.

The Commission has reported \$65,665 of the governmental fund balance as restricted for debt service to cover the fiscal year 2016 lease payments.

The present values of future maturities under these capital leases are as follows:

<u>Year ending June 30,</u>	
2016	\$ 78,703
2017	78,703
2018	48,703
2019	48,703
2020	48,703
2021	<u>40,574</u>
Total minimum payments	344,089
Less: Amount representing interest	<u>(44,907)</u>
Present value of capital lease	<u>\$ 299,182</u>

B. Operating Leases

The Commission has entered into several operating leases for office equipment. Lease expense during the year ended June 30, 2015 was \$30,143. Future obligations under these operating leases are as follows:

<u>Year ending June 30,</u>	
2016	\$ 16,277
2017	5,424
2018	5,064
2019	5,064
2020	<u>422</u>
Total minimum payments	<u>\$ 32,251</u>

Three Rivers Regional Commission

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE 10 – LONG-TERM LIABILITIES AND COMPENSATED ABSENCES - Continued

C. Changes in Long-term Liabilities and Compensated Absences

Long-term liability and compensated absences activity for the fiscal year ended June 30, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 123,647	\$ 138,333	\$ (148,654)	\$ 113,326	\$ 113,326
Capital lease - buildings	<u>362,226</u>	<u>-</u>	<u>(63,044)</u>	<u>299,182</u>	<u>65,665</u>
Total long-term liabilities and compensated absences	<u>\$ 485,873</u>	<u>\$ 138,333</u>	<u>\$ (211,698)</u>	<u>\$ 412,508</u>	<u>\$ 178,991</u>

For the governmental activities, compensated absences are generally liquidated in the Internal Service Fund.

NOTE 11 – LITIGATION

The Commission is involved in one pending claim which has arisen in the ordinary course of its business and has not been fully adjudicated. In the opinion of management, this claim and legal action are covered by insurance and the ultimate resolution of this matter will not have a material effect on the Commission's financial position or change in net position/fund balance.

NOTE 12 – CONCENTRATION OF RISK

The Commission received approximately 45 percent and 42 percent of its federal funding from the U.S. Department of Health & Human Services relating to their transportation and aging programs and the Department of Labor relating to their workforce investment act programs in 2015, respectively. A significant reduction in the level of funding, if this were to occur, may have an effect on the Commission's programs and activities.

Required Supplementary Information

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Three Rivers Regional Commission

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND, TRANSPORTATION PROGRAM FUND AND
COMMUNITY CARE SERVICES PROGRAM FUND**

For the fiscal year ended June 30, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Local sources	\$ 493,769	\$ 496,889	\$ 496,889	\$ -
Interest income	2,450	1,624	1,596	(28)
Miscellaneous	300	670	720	50
Total revenues	<u>496,519</u>	<u>499,183</u>	<u>499,205</u>	<u>22</u>
EXPENDITURES				
Current				
Personnel services	7,148	31,765	35,930	(4,165)
Operating expenditures	62,652	47,063	43,749	3,314
Indirect expenditures	<u>3,430</u>	<u>15,380</u>	<u>14,843</u>	<u>537</u>
Total expenditures	<u>73,230</u>	<u>94,208</u>	<u>94,522</u>	<u>(314)</u>
Excess of revenues over expenditures	423,289	404,975	404,683	(292)
OTHER FINANCING USES				
Transfers out	<u>(223,585)</u>	<u>(205,379)</u>	<u>(232,968)</u>	<u>(27,589)</u>
Total other financing uses	<u>(223,585)</u>	<u>(205,379)</u>	<u>(232,968)</u>	<u>(27,589)</u>
Net change in fund balances	<u>\$ 199,704</u>	<u>\$ 199,596</u>	171,715	<u>\$ (27,881)</u>
Fund balance - beginning			<u>1,096,631</u>	
Fund balance - ending			<u>\$ 1,268,346</u>	

Continued...

Three Rivers Regional Commission

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND, TRANSPORTATION PROGRAM FUND AND
COMMUNITY CARE SERVICES PROGRAM FUND - Continued**

For the fiscal year ended June 30, 2015

	Transportation Program Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Federal sources	\$ 1,374,087	\$ 941,132	\$ 960,322	\$ 19,190
State sources	1,203,135	1,203,135	1,231,203	28,068
Program income	42,833	42,833	44,464	1,631
Total revenues	<u>2,620,055</u>	<u>2,187,100</u>	<u>2,235,989</u>	<u>48,889</u>
EXPENDITURES				
Current				
Personnel services	57,762	41,657	26,436	15,221
Operating expenditures	2,534,575	2,100,793	2,160,905	(60,112)
Indirect expenditures	<u>27,718</u>	<u>20,169</u>	<u>19,357</u>	<u>812</u>
Total expenditures	<u>2,620,055</u>	<u>2,162,619</u>	<u>2,206,698</u>	<u>(44,079)</u>
Excess of revenues over expenditures	<u>-</u>	<u>24,481</u>	<u>29,291</u>	<u>4,810</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 24,481</u>	<u>29,291</u>	<u>\$ 4,810</u>
Fund balance - beginning			<u>461,350</u>	
Fund balance - ending			<u>\$ 490,641</u>	

Continued...

Three Rivers Regional Commission

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND, TRANSPORTATION PROGRAM FUND AND
COMMUNITY CARE SERVICES PROGRAM FUND - Continued**

For the fiscal year ended June 30, 2015

	Community Care Services Program Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Federal sources	\$ 590,615	\$ 654,233	\$ 654,233	\$ -
State sources	590,615	654,233	654,233	-
Total revenues	<u>1,181,230</u>	<u>1,308,466</u>	<u>1,308,466</u>	<u>-</u>
EXPENDITURES				
Current				
Personnel services	64,266	91,247	58,654	32,593
Operating expenditures	1,086,125	1,173,039	1,206,865	(33,826)
Indirect expenditures	<u>30,839</u>	<u>44,180</u>	<u>42,947</u>	<u>1,233</u>
Total expenditures	<u>1,181,230</u>	<u>1,308,466</u>	<u>1,308,466</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning			<u>-</u>	
Fund balance - ending			<u>\$ -</u>	

Continued...

Supplementary Information

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Nonmajor Governmental Funds

Three Rivers Regional Commission

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2015

	<u>ARC FY 2015-2016</u>	<u>DNR Historic Preservation</u>	<u>Economic Development Administration</u>	<u>DOT Planning Grant</u>	<u>DOT 5311 Public Transportation</u>
ASSETS					
Due from other governments	\$ 10,003	\$ 4,092	\$ 70,278	\$ 18,882	\$ 51,627
Prepaid expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 10,003</u>	<u>\$ 4,092</u>	<u>\$ 70,278</u>	<u>\$ 18,882</u>	<u>\$ 51,627</u>
LIABILITIES					
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-
Due to other funds	<u>10,003</u>	<u>4,092</u>	<u>70,278</u>	<u>18,882</u>	<u>43,548</u>
Total liabilities	<u>10,003</u>	<u>4,092</u>	<u>70,278</u>	<u>18,882</u>	<u>43,548</u>
FUND BALANCE					
Assigned for transportation programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,079</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,079</u>
Total liabilities and fund balance	<u>\$ 10,003</u>	<u>\$ 4,092</u>	<u>\$ 70,278</u>	<u>\$ 18,882</u>	<u>\$ 51,627</u>

<u>DHR Title III Admin</u>	<u>DHR Title III B Homemaker</u>	<u>DHR Title III B Legal Services</u>	<u>DHR Title III B LTCO</u>	<u>DHR Title III B Coordination</u>	<u>DHR Title III B Program Development</u>	<u>DHR Title III B Respite</u>	<u>DHR Title III B Personal Care</u>	<u>DHR Title III B ADC Mobile</u>
\$ 7,006	\$ 11,495	\$ 13,239	\$ 5,927	\$ 999	\$ 375	\$ 438	\$ 14,098	\$ 949
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,006</u>	<u>\$ 11,495</u>	<u>\$ 13,239</u>	<u>\$ 5,927</u>	<u>\$ 999</u>	<u>\$ 375</u>	<u>\$ 438</u>	<u>\$ 14,098</u>	<u>\$ 949</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
126,756	-	-	-	-	-	-	-	-
<u>(119,750)</u>	<u>11,495</u>	<u>13,239</u>	<u>5,927</u>	<u>999</u>	<u>375</u>	<u>438</u>	<u>14,098</u>	<u>949</u>
<u>7,006</u>	<u>11,495</u>	<u>13,239</u>	<u>5,927</u>	<u>999</u>	<u>375</u>	<u>438</u>	<u>14,098</u>	<u>949</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,006</u>	<u>\$ 11,495</u>	<u>\$ 13,239</u>	<u>\$ 5,927</u>	<u>\$ 999</u>	<u>\$ 375</u>	<u>\$ 438</u>	<u>\$ 14,098</u>	<u>\$ 949</u>

Continued...

Three Rivers Regional Commission

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - Continued

June 30, 2015

	CCSP Gateway I & A	DHR Title III C1 Congregate Meals	DHR Title III C2 Home Delivered Meals	DHR SSBG NSIP	DHR LTCO State Supplement	DHR SSBG LTCO Activity
ASSETS						
Due from other governments	\$ 8,613	\$ 112,447	\$ 82,532	\$ 3,927	\$ 8,481	\$ 1,687
Prepaid expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 8,613</u>	<u>\$ 112,447</u>	<u>\$ 82,532</u>	<u>\$ 3,927</u>	<u>\$ 8,481</u>	<u>\$ 1,687</u>
LIABILITIES						
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-
Due to other funds	<u>8,613</u>	<u>112,447</u>	<u>82,532</u>	<u>3,927</u>	<u>8,481</u>	<u>1,687</u>
Total liabilities	<u>8,613</u>	<u>112,447</u>	<u>82,532</u>	<u>3,927</u>	<u>8,481</u>	<u>1,687</u>
FUND BALANCE						
Assigned for transportation programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 8,613</u>	<u>\$ 112,447</u>	<u>\$ 82,532</u>	<u>\$ 3,927</u>	<u>\$ 8,481</u>	<u>\$ 1,687</u>

<u>DHR Title III D Health Related</u>	<u>DHR Title III D Nutrition Counseling</u>	<u>DHR Title III D Health & Wellness</u>	<u>DHR Title V Senior Emp. Services</u>	<u>DHR Title III E Caregiver</u>	<u>DHR Title III E Administration</u>	<u>DHR Title III E Respite Care</u>	<u>DHR Title III E Kinship Care</u>
\$ 7,096	\$ 99	\$ 5,458	\$ 33,876	\$ 5,330	\$ 2,649	\$ 12,314	\$ 8,314
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,096</u>	<u>\$ 99</u>	<u>\$ 5,458</u>	<u>\$ 33,876</u>	<u>\$ 5,330</u>	<u>\$ 2,649</u>	<u>\$ 12,314</u>	<u>\$ 8,314</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,096</u>	<u>99</u>	<u>5,458</u>	<u>33,876</u>	<u>5,330</u>	<u>2,649</u>	<u>12,314</u>	<u>8,314</u>
<u>7,096</u>	<u>99</u>	<u>5,458</u>	<u>33,876</u>	<u>5,330</u>	<u>2,649</u>	<u>12,314</u>	<u>8,314</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,096</u>	<u>\$ 99</u>	<u>\$ 5,458</u>	<u>\$ 33,876</u>	<u>\$ 5,330</u>	<u>\$ 2,649</u>	<u>\$ 12,314</u>	<u>\$ 8,314</u>

Continued...

Three Rivers Regional Commission

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - Continued

June 30, 2015

	DHR Title III E Caregiver Gateway	DHR SHIP GA Cares	DHR CBS Case Mgt.	DHR CBS Admin	DHR CBS Intake & Referral	DHR CBS Respite Care
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS						
Due from other governments	\$ 3,605	\$ 779	\$ 42,725	\$ 50,565	\$ 54,682	\$ 11,540
Prepaid expenses	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>
Total assets	<u>\$ 3,605</u>	<u>\$ 779</u>	<u>\$ 42,725</u>	<u>\$ 50,565</u>	<u>\$ 54,682</u>	<u>\$ 11,540</u>
LIABILITIES						
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-
Due to other funds	<u>3,605</u>	<u>779</u>	<u>42,725</u>	<u>50,565</u>	<u>54,682</u>	<u>11,540</u>
Total liabilities	<u>3,605</u>	<u>779</u>	<u>42,725</u>	<u>50,565</u>	<u>54,682</u>	<u>11,540</u>
FUND BALANCE						
Assigned for transportation programs	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>
Total fund balance	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>
Total liabilities and fund balance	<u>\$ 3,605</u>	<u>\$ 779</u>	<u>\$ 42,725</u>	<u>\$ 50,565</u>	<u>\$ 54,682</u>	<u>\$ 11,540</u>

DHR CBS Health Promotion	DHR CBS Alzheimers	DHR CBS ELAP	DHR ADRC Coordination	DHR ADRC BIP OC	DHR NSIP	DHR MIPPA SHIP	DHR MIPPA Gateway	DHR Alzheimers
\$ 97	\$ 1,831	\$ 2,557	\$ 662	\$ 10,682	\$ 50,797	\$ 2,279	\$ 8,955	\$ 15,486
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 97</u>	<u>\$ 1,831</u>	<u>\$ 2,557</u>	<u>\$ 662</u>	<u>\$ 10,682</u>	<u>\$ 50,797</u>	<u>\$ 2,279</u>	<u>\$ 8,955</u>	<u>\$ 15,486</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>97</u>	<u>1,831</u>	<u>2,557</u>	<u>662</u>	<u>10,682</u>	<u>50,797</u>	<u>2,279</u>	<u>8,955</u>	<u>15,486</u>
<u>97</u>	<u>1,831</u>	<u>2,557</u>	<u>662</u>	<u>10,682</u>	<u>50,797</u>	<u>2,279</u>	<u>8,955</u>	<u>15,486</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 97</u>	<u>\$ 1,831</u>	<u>\$ 2,557</u>	<u>\$ 662</u>	<u>\$ 10,682</u>	<u>\$ 50,797</u>	<u>\$ 2,279</u>	<u>\$ 8,955</u>	<u>\$ 15,486</u>

Continued...

Three Rivers Regional Commission

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - Continued

June 30, 2015

	<u>MDSQ</u>	<u>Money Follows the Person</u>	<u>Money Follows the Person Direct</u>	<u>Moreland TE</u>	<u>Troup County Recreation Trails</u>	<u>Fall Prevention</u>
ASSETS						
Due from other governments	\$ 12,502	\$ 8,589	\$ 86,694	\$ 422	\$ 6,000	\$ 2,160
Prepaid expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 12,502</u>	<u>\$ 8,589</u>	<u>\$ 86,694</u>	<u>\$ 422</u>	<u>\$ 6,000</u>	<u>\$ 2,160</u>
LIABILITIES						
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-
Due to other funds	<u>12,502</u>	<u>8,589</u>	<u>86,694</u>	<u>422</u>	<u>6,000</u>	<u>2,160</u>
Total liabilities	<u>12,502</u>	<u>8,589</u>	<u>86,694</u>	<u>422</u>	<u>6,000</u>	<u>2,160</u>
FUND BALANCE						
Assigned for transportation programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 12,502</u>	<u>\$ 8,589</u>	<u>\$ 86,694</u>	<u>\$ 422</u>	<u>\$ 6,000</u>	<u>\$ 2,160</u>

<u>GDOT JARC</u>	<u>CDSMP</u>	<u>Lamar PDM</u>	<u>PY13 WIA Adult</u>	<u>FY14 WIA Adult</u>	<u>FY15 WIA Adult</u>	<u>FY14 WIA D/W</u>	<u>PY14 WIA D/W</u>
\$ 32,477	\$ 7,157	\$ 5,013	\$ 15	\$ -	\$ 284,757	\$ 123,026	\$ 1,563
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 32,477</u>	<u>\$ 7,157</u>	<u>\$ 5,013</u>	<u>\$ 15</u>	<u>\$ 400</u>	<u>\$ 284,757</u>	<u>\$ 123,026</u>	<u>\$ 1,563</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>32,477</u>	<u>7,157</u>	<u>5,013</u>	<u>15</u>	<u>400</u>	<u>284,757</u>	<u>123,026</u>	<u>1,563</u>
<u>32,477</u>	<u>7,157</u>	<u>5,013</u>	<u>15</u>	<u>400</u>	<u>284,757</u>	<u>123,026</u>	<u>1,563</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 32,477</u>	<u>\$ 7,157</u>	<u>\$ 5,013</u>	<u>\$ 15</u>	<u>\$ 400</u>	<u>\$ 284,757</u>	<u>\$ 123,026</u>	<u>\$ 1,563</u>

Three Rivers Regional Commission

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2015

	PY13 Youth	PY14 Youth	Other	Total
ASSETS				
Due from other governments	\$ 24,686	\$ 149,677	\$ (18,549)	\$ 1,485,662
Prepaid expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>400</u>
Total assets	<u>\$ 24,686</u>	<u>\$ 149,677</u>	<u>\$ (18,549)</u>	<u>\$ 1,486,062</u>
LIABILITIES				
Accrued liabilities	\$ -	\$ -	\$ 43,420	\$ 43,420
Unearned revenue	-	-	1,684	128,440
Due to other funds	<u>24,686</u>	<u>149,677</u>	<u>(71,801)</u>	<u>1,297,975</u>
Total liabilities	<u>24,686</u>	<u>149,677</u>	<u>(26,697)</u>	<u>1,469,835</u>
FUND BALANCE				
Assigned for transportation programs	<u>-</u>	<u>-</u>	<u>8,148</u>	<u>16,227</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>8,148</u>	<u>16,227</u>
Total liabilities and fund balance	<u>\$ 24,686</u>	<u>\$ 149,677</u>	<u>\$ (18,549)</u>	<u>\$ 1,486,062</u>

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Three Rivers Regional Commission

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

For the fiscal year ended June 30, 2015

	ARC FY 2015 - 2016	ARC FY 2014 - 2015	DNR Historic Preservation	Economic Development Administration	DOT Planning Grant	DOT 5311 Public Transportation	DCA
REVENUES							
Federal	\$ 18,617	\$ 16,347	\$ -	\$ 131,483	\$ 33,549	\$ 258,741	\$ -
State	-	-	4,091	-	668	-	110,840
Local	-	-	-	-	-	30,000	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>18,617</u>	<u>16,347</u>	<u>4,091</u>	<u>131,483</u>	<u>34,217</u>	<u>288,741</u>	<u>110,840</u>
EXPENDITURES							
Personnel services							
Direct salaries	15,456	13,982	1,545	88,492	18,152	21,993	50,763
Fringe benefits	<u>8,498</u>	<u>7,687</u>	<u>849</u>	<u>48,655</u>	<u>9,981</u>	<u>12,092</u>	<u>27,912</u>
Total personnel services	23,954	21,669	2,394	137,147	28,133	34,085	78,675
Operating expenditures	1,965	788	902	17,196	1,348	230,473	7,311
Indirect cost							
Cost allocation plan	<u>11,317</u>	<u>10,237</u>	<u>1,131</u>	<u>64,795</u>	<u>13,290</u>	<u>16,104</u>	<u>37,170</u>
Total expenditures	<u>37,236</u>	<u>32,694</u>	<u>4,427</u>	<u>219,138</u>	<u>42,771</u>	<u>280,662</u>	<u>123,156</u>
Excess (deficiency) of revenues over (under) expenditures	(18,619)	(16,347)	(336)	(87,655)	(8,554)	8,079	(12,316)
OTHER FINANCING SOURCES							
Transfers	<u>18,619</u>	<u>16,347</u>	<u>336</u>	<u>87,655</u>	<u>8,554</u>	-	<u>12,316</u>
Net change in fund balances	-	-	-	-	-	8,079	-
Fund balances - beginning	-	-	-	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,079</u>	<u>\$ -</u>

DHR Title III Admin	DHR Title III B Homemaker	DHR Title III B Legal Services	DHR Title III B LTCO	DHR Title III B Advocacy	DHR Title III B Respite	DHR Title III B Coordination	DHR Title III B Program Development	DHR Title III B I & A
\$ 101,435	\$ 62,243	\$ 48,761	\$ 49,390	\$ 8,326	\$ 2,975	\$ 4,645	\$ 1,828	\$ 34,500
-	3,661	2,868	2,905	490	175	270	107	2,029
-	-	-	-	-	-	-	-	-
-	<u>7,323</u>	<u>5,737</u>	<u>5,810</u>	-	<u>350</u>	-	-	-
<u>101,435</u>	<u>73,227</u>	<u>57,366</u>	<u>58,105</u>	<u>8,816</u>	<u>3,500</u>	<u>4,915</u>	<u>1,935</u>	<u>36,529</u>
49,772	-	-	-	-	-	-	-	-
<u>27,366</u>	-	-	-	-	-	-	-	-
77,138	-	-	-	-	-	-	-	-
21,665	73,227	57,366	58,105	9,870	3,500	5,508	2,150	40,588
<u>36,444</u>	-	-	-	-	-	-	-	-
<u>135,247</u>	<u>73,227</u>	<u>57,366</u>	<u>58,105</u>	<u>9,870</u>	<u>3,500</u>	<u>5,508</u>	<u>2,150</u>	<u>40,588</u>
(33,812)	-	-	-	(1,054)	-	(593)	(215)	(4,059)
<u>33,812</u>	-	-	-	<u>1,054</u>	-	<u>593</u>	<u>215</u>	<u>4,059</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued...

Three Rivers Regional Commission

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - Continued**

For the fiscal year ended June 30, 2015

	DHR Title III B Personal Care	DHR Title III B ADC Mobile	CCSP DSCM/ PHQ9	CCSP Gateway I & A	DHR Title III C1 Congregate Meals	DHR Title III C2 Home Delivered Meals	DHR SSBG MFP
REVENUES							
Federal	\$ 73,386	\$ 7,432	\$ 20,000	\$ 108,043	\$ 520,100	\$ 416,887	\$ 35,000
State	4,316	437	-	108,043	30,594	24,523	-
Local	-	-	-	-	-	-	-
Miscellaneous	<u>8,634</u>	<u>874</u>	<u>-</u>	<u>-</u>	<u>61,188</u>	<u>49,046</u>	<u>-</u>
Total revenues	<u>86,336</u>	<u>8,743</u>	<u>20,000</u>	<u>216,086</u>	<u>611,882</u>	<u>490,456</u>	<u>35,000</u>
EXPENDITURES							
Personnel services							
Direct salaries	-	-	-	88,982	-	-	11,210
Fringe benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,925</u>	<u>-</u>	<u>-</u>	<u>6,163</u>
Total personnel services	-	-	-	137,907	-	-	17,373
Operating expenditures							
Indirect cost	86,336	8,743	20,000	13,206	611,882	490,456	17,627
Cost allocation plan	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,154</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>86,336</u>	<u>8,743</u>	<u>20,000</u>	<u>216,267</u>	<u>611,882</u>	<u>490,456</u>	<u>35,000</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(181)	-	-	-
OTHER FINANCING SOURCES							
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>181</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>DHR SSBG NSIP</u>	<u>DHR LTCO State Supplement</u>	<u>DHR SSBG LTCO Activity</u>	<u>Crescent Village</u>	<u>DHR Title III D Health Related</u>	<u>DHR Title III D Nutrition Counseling</u>	<u>DHR Title III D Health & Wellness</u>	<u>DHR Title V Senior Emp. Services</u>	<u>DHR Title III E Caregiver</u>	<u>DHR Title III E Administration</u>
\$ 48,499	\$ -	\$ 14,302	\$ 8,432	\$ 11,832	\$ 638	\$ 18,069	\$ 450,570	\$ 23,025	\$ 42,739
-	60,887	769	-	696	38	1,063	-	4,605	-
-	-	-	-	-	-	-	-	-	-
-	-	1,706	1,200	-	-	-	50,063	3,070	-
<u>48,499</u>	<u>60,887</u>	<u>16,777</u>	<u>9,632</u>	<u>12,528</u>	<u>676</u>	<u>19,132</u>	<u>500,633</u>	<u>30,700</u>	<u>42,739</u>
-	-	-	3,066	-	-	-	360,549	-	24,584
-	-	-	1,686	-	-	-	20,532	-	13,517
-	-	-	4,752	-	-	-	381,081	-	38,101
48,499	60,887	16,777	2,635	13,920	751	21,258	92,252	30,700	886
-	-	-	2,245	-	-	-	27,342	-	18,001
<u>48,499</u>	<u>60,887</u>	<u>16,777</u>	<u>9,632</u>	<u>13,920</u>	<u>751</u>	<u>21,258</u>	<u>500,675</u>	<u>30,700</u>	<u>56,988</u>
-	-	-	-	(1,392)	(75)	(2,126)	(42)	-	(14,249)
-	-	-	-	1,392	75	2,126	42	-	14,249
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued...

Three Rivers Regional Commission

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - Continued**

For the year ended June 30, 2015

	DHR Title III E Respite Care	DHR Title III E Kinship Care	DHR Title III E Caregiver Gateway	DHR SHIP GA Cares	DHR CBS Case Mgt.	DHR CBS Admin	DHR CBS Intake & Referral	DHR CBS Respite Care
REVENUES								
Federal	\$ 64,959	\$ 15,753	\$ 47,824	\$ 52,392	\$ -	\$ -	\$ -	\$ -
State	12,992	3,150	9,566	9,057	123,206	191,347	353,646	83,140
Local	-	-	-	-	-	-	-	-
Miscellaneous	<u>8,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>86,612</u>	<u>18,903</u>	<u>57,390</u>	<u>61,449</u>	<u>123,206</u>	<u>191,347</u>	<u>353,646</u>	<u>83,140</u>
EXPENDITURES								
Personnel services								
Direct salaries	-	-	-	25,867	48,430	80,067	151,730	-
Fringe benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,223</u>	<u>26,628</u>	<u>44,023</u>	<u>83,426</u>	<u>-</u>
Total personnel services	-	-	-	40,090	75,058	124,090	235,156	-
Operating expenditures								
Indirect cost	86,612	21,003	63,767	2,418	12,687	8,631	7,392	83,140
Cost allocation plan	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,941</u>	<u>35,461</u>	<u>58,626</u>	<u>111,098</u>	<u>-</u>
Total expenditures	<u>86,612</u>	<u>21,003</u>	<u>63,767</u>	<u>61,449</u>	<u>123,206</u>	<u>191,347</u>	<u>353,646</u>	<u>83,140</u>
Excess (deficiency) of revenues over (under) expenditures								
	-	(2,100)	(6,377)	-	-	-	-	-
OTHER FINANCING SOURCES								
Transfers								
	<u>-</u>	<u>2,100</u>	<u>6,377</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances								
	-	-	-	-	-	-	-	-
Fund balances - beginning								
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending								
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DHR CBS Health Promotion	DHR CBS Alzheimers	DHR CBS ELAP	DHR ADRC Coordination	DHR ADRC BIP OC	DHR Income Tax Checkoff	DHR NSIP	DHR MIPPA SHIP	DHR MIPPA Gateway	DHR MIPPA Outreach	DHR Alzheimers
\$ -	\$ -	\$ -	\$ -	\$ 71,028	\$ -	\$ 166,438	\$ 36,922	\$ 13,771	\$ 14,003	\$ -
15,423	13,001	11,239	36,997	-	4,307	116,074	-	-	-	136,346
-	-	-	-	-	-	-	-	-	-	-
<u>15,423</u>	<u>13,001</u>	<u>11,239</u>	<u>36,997</u>	<u>71,028</u>	<u>4,307</u>	<u>282,512</u>	<u>36,922</u>	<u>13,771</u>	<u>14,003</u>	<u>136,346</u>
6,421	-	-	15,326	31,077	-	-	14,236	5,618	5,583	-
<u>3,530</u>	<u>-</u>	<u>-</u>	<u>8,427</u>	<u>17,087</u>	<u>-</u>	<u>-</u>	<u>7,828</u>	<u>3,089</u>	<u>3,070</u>	<u>-</u>
9,951	-	-	23,753	48,164	-	-	22,064	8,707	8,653	-
771	13,001	11,239	2,023	226	4,307	282,512	4,434	951	1,262	136,346
<u>4,701</u>	<u>-</u>	<u>-</u>	<u>11,222</u>	<u>22,755</u>	<u>-</u>	<u>-</u>	<u>10,424</u>	<u>4,113</u>	<u>4,088</u>	<u>-</u>
<u>15,423</u>	<u>13,001</u>	<u>11,239</u>	<u>36,998</u>	<u>71,145</u>	<u>4,307</u>	<u>282,512</u>	<u>36,922</u>	<u>13,771</u>	<u>14,003</u>	<u>136,346</u>
-	-	-	(1)	(117)	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>117</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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Three Rivers Regional Commission

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - Continued**

For the fiscal year ended June 30, 2015

	Lamar PDM	NW GA GA Cares	MDSQ	Money Follows the Person	Money Follows the Person Direct	GDOT JARC	CDSMP
REVENUES							
Federal	\$ 5,013	\$ -	\$ 63,299	\$ 48,841	\$ 120,415	\$ 83,451	\$ 17,897
State	-	27,982	-	-	-	5,199	-
Local	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>5,013</u>	<u>27,982</u>	<u>63,299</u>	<u>48,841</u>	<u>120,415</u>	<u>88,650</u>	<u>17,897</u>
EXPENDITURES							
Personnel services							
Direct salaries	2,028	7,930	34,831	22,720	-	43,983	6,536
Fringe benefits	<u>1,115</u>	<u>4,360</u>	<u>19,151</u>	<u>12,492</u>	-	<u>24,183</u>	<u>3,594</u>
Total personnel services	3,143	12,290	53,982	35,212	-	68,166	10,130
Operating expenditures							
Indirect cost	385	9,885	9,317	13,687	120,415	3,876	2,981
Cost allocation plan	<u>1,485</u>	<u>5,807</u>	-	-	-	<u>32,205</u>	<u>4,786</u>
Total expenditures	<u>5,013</u>	<u>27,982</u>	<u>63,299</u>	<u>48,899</u>	<u>120,415</u>	<u>104,247</u>	<u>17,897</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(58)	-	(15,597)	-
OTHER FINANCING SOURCES							
Transfers	-	-	-	58	-	15,597	-
Net change in fund balances	-	-	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Fall Prevention</u>	<u>Powerful Tools</u>	<u>GTA Broadband</u>	<u>PY13 WIA Adult</u>	<u>FY14 WIA Adult</u>	<u>PY14 WIA Adult</u>	<u>FY15 WIA Adult</u>	<u>PY13 WIA D/W</u>	<u>FY14 WIA D/W</u>
\$ -	\$ 972	\$ 519	\$ 25	\$ 768,875	\$ 75,413	\$ 394,387	\$ 12,753	\$ 513,814
2,160	151	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	40	-	-	-	-	-	-	-
<u>2,160</u>	<u>1,163</u>	<u>519</u>	<u>25</u>	<u>768,875</u>	<u>75,413</u>	<u>394,387</u>	<u>12,753</u>	<u>513,814</u>
925	-	1,073	-	176,968	18,089	101,816	-	168,909
<u>508</u>	<u>-</u>	<u>590</u>	<u>-</u>	<u>97,300</u>	<u>9,945</u>	<u>55,982</u>	<u>-</u>	<u>92,871</u>
1,433	-	1,663	-	274,268	28,034	157,798	-	261,780
50	1,501	96	25	494,607	47,379	236,589	12,753	252,034
<u>677</u>	<u>-</u>	<u>786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,160</u>	<u>1,501</u>	<u>2,545</u>	<u>25</u>	<u>768,875</u>	<u>75,413</u>	<u>394,387</u>	<u>12,753</u>	<u>513,814</u>
-	(338)	(2,026)	-	-	-	-	-	-
<u>-</u>	<u>338</u>	<u>2,026</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued...

Three Rivers Regional Commission

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

For the fiscal year ended June 30, 2015

	<u>PY14 WIA D/W</u>	<u>PY13 Youth</u>	<u>PY14 Youth</u>	<u>Ex-Offender Re-entry</u>	<u>Other</u>	<u>Total</u>
REVENUES						
Federal	\$ 1,563	\$ 421,742	\$ 560,924	\$ 24,084	\$ -	\$ 6,168,871
State	-	-	-	-	4,293	1,523,351
Local	-	-	-	-	42,856	72,856
Miscellaneous	-	-	-	-	-	<u>203,702</u>
Total revenues	<u>1,563</u>	<u>421,742</u>	<u>560,924</u>	<u>24,084</u>	<u>47,149</u>	<u>7,968,780</u>
EXPENDITURES						
Personnel services						
Direct salaries	-	50,744	18,716	15,177	19,773	1,823,119
Fringe benefits	-	<u>21,531</u>	<u>10,290</u>	<u>8,344</u>	<u>10,871</u>	<u>818,321</u>
Total personnel services	-	72,275	29,006	23,521	30,644	2,641,440
Operating expenditures	1,563	349,467	531,918	563	6,739	4,907,329
Indirect cost						
Cost allocation plan	-	-	-	-	<u>14,475</u>	<u>644,880</u>
Total expenditures	<u>1,563</u>	<u>421,742</u>	<u>560,924</u>	<u>24,084</u>	<u>51,858</u>	<u>8,193,649</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(4,709)	(224,869)
OTHER FINANCING SOURCES						
Transfers	-	-	-	-	<u>4,729</u>	<u>232,968</u>
Net change in fund balances	-	-	-	-	20	8,099
Fund balances - beginning	-	-	-	-	<u>8,128</u>	<u>8,128</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,148</u>	<u>\$ 16,227</u>

State Compliance Section

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Three Rivers Regional Commission

**SCHEDULE OF EMPLOYEE BENEFIT COST POOL -
PROVISIONAL AND ACTUAL RATES**

For the fiscal year ended June 30, 2015

	<u>Provisional</u>	<u>Actual</u>
Released time	\$ 366,918	\$ 347,396
Fringe benefits		
Retirement benefits	119,339	116,000
Payroll taxes	173,648	169,165
Group insurance and workers compensation	<u>418,925</u>	<u>418,336</u>
Total fringe benefits	<u>711,912</u>	<u>703,501</u>
Employee benefits available for allocation	<u>\$ 1,078,830</u>	<u>\$ 1,050,897</u>

COMPUTATION OF EMPLOYEE BENEFIT RATES

Gross salaries	\$ 2,269,911	\$ 2,258,598
Less: released time	<u>(366,918)</u>	<u>(347,396)</u>
Allocation base - chargeable salaries	<u>\$ 1,902,993</u>	<u>\$ 1,911,202</u>
Employee benefit rates	<u>56.69%</u>	<u>54.99%</u>

Three Rivers Regional Commission

**SCHEDULE OF INDIRECT COST POOL -
PROVISIONAL AND ACTUAL RATES**

For the fiscal year ended June 30, 2015

	<u>Provisional</u>	<u>Actual</u>
Salaries and wages	\$ 313,065	\$ 317,634
Released time and fringe benefits	177,480	174,644
Travel	10,439	10,811
Per diem and fees	40,000	18,200
Utilities	21,850	23,377
Telecommunications	39,750	36,237
Membership and subscription	1,890	1,877
Insurance and bonding	28,771	24,602
Repairs and maintenance	23,500	23,328
Supplies and materials	21,000	23,826
Rentals	8,590	8,555
Unemployment benefits	7,600	5,940
Depreciation	41,304	41,304
Other	8,985	11,692
Total indirect expenses	<u>744,224</u>	<u>722,027</u>
Indirect expenses available for allocation	<u>\$ 744,224</u>	<u>\$ 722,027</u>

COMPUTATION OF INDIRECT COST RATES

Direct chargeable salaries	\$ 980,973	\$ 986,092
Direct fringe and release time	<u>556,126</u>	<u>542,214</u>
Allocation base - direct personnel costs	<u>\$ 1,537,099</u>	<u>\$ 1,528,306</u>
Indirect cost rates	<u>48.42%</u>	<u>47.24%</u>

Three Rivers Regional Commission

SCHEDULE OF CITY/COUNTY DUES AND ASSESSMENTS

For the fiscal year ended June 30, 2015

	Balance due June 30, 2014	FY' 15 dues amount	Total billed for FY' 15	Amount collected for FY' 15	Balance due June 30, 2015
GOVERNMENT					
Butts County	\$ -	\$17,430	\$17,430	\$17,430	\$ -
Jackson	-	4,936	4,936	4,936	-
Jenkinsburg	-	358	358	358	-
Flouvilla	-	637	637	637	-
Carroll County	-	112,355	112,355	112,355	-
Coweta County	-	90,238	90,238	90,238	-
Grantville	-	3,126	3,126	3,126	-
Haralson	-	170	170	170	-
Moreland	-	406	406	406	-
Newnan	-	34,847	34,847	34,847	-
Senoia	-	3,751	3,751	3,751	-
Sharpsburg	-	351	351	351	-
Turin	-	291	291	291	-
Heard County	-	9,765	9,765	9,765	-
Centralhatchee	-	400	400	400	-
Ephesus	-	417	417	417	-
Franklin	-	976	976	976	-
Lamar County	-	10,750	10,750	10,750	-
Aldora	-	103	103	103	-
Barnesville	-	6,512	6,512	6,512	-
Milner	-	594	594	594	-
Meriwether County	-	13,919	13,919	13,919	-
Gay	-	87	87	87	-
Greenville	-	865	865	865	-
Lone Oak	-	90	90	90	-
Luthersville	-	831	831	831	-
Manchester	-	4,113	4,113	4,113	-
Warm Springs	-	413	413	413	-
Woodbury	-	914	914	914	-
Pike County	-	17,796	17,796	17,796	-
Spalding County	-	40,485	40,485	40,485	-
Griffin	-	23,344	23,344	23,344	-
Troup County	(211)	31,822	31,822	31,258	353
Hogansville	-	3,078	3,078	3,078	-
LaGrange	-	30,452	30,452	30,452	-
West Point	-	3,701	3,701	3,701	-
Upson County	-	17,485	17,485	17,485	-
Thomaston	-	9,081	9,081	9,081	-
	<u>\$ (211)</u>	<u>\$ 496,889</u>	<u>\$ 496,889</u>	<u>\$ 496,325</u>	<u>\$ 353</u>

Three Rivers Regional Commission

SCHEDULE OF REVENUES EARNED AND MATCHING FUNDS APPLIED

For the fiscal year ended June 30, 2015

	Contract Balance as of July 1, 2014	Current Year Grant Awards	Total Funds Available	Matching Percent	Total Program Costs Current Year	Revenue Earned	Required Match Applied	Other	Contract Balance as of June 30, 2015
ARC #GA-0701C-C39	\$ -	\$ 32,184	\$ 32,184	50%	\$ 37,235	\$ 18,617	\$ 18,619	\$ -	\$ 13,568
ARC #GA-0701H-1	16,915	-	16,915	50%	32,694	16,347	16,347	-	568
EDA Planning	155,705	-	155,705	40%	219,138	131,483	87,655	-	24,222
DOT Planning	118,640	-	118,640	20%	42,772	34,217	8,554	-	84,422
Digital Economy Plan Broadband	519	-	519	0%	2,545	519	-	2,026	-
DOT 5311	-	338,388	338,388	50%	280,662	258,741	30,000	(8,079)	79,647
JARC Mobility	-	229,500	229,500	15%	104,247	88,650	15,597	-	140,850
DHS - Aging Contract	-	5,316,426	5,316,426	varies	5,584,799	5,315,885	268,557	357	541
Crescent Village	27,528	-	27,528	5%	9,632	8,432	-	1,200	19,096
Powerful Tools	1,123	-	1,123	25%	1,501	1,123	378	-	-
NW GA RC GA Cares	-	30,000	30,000	0%	27,982	27,982	-	-	2,018
MIPPA Ship Ga Cares	5,718	31,205	36,923	0%	36,922	36,922	-	-	1
MIPP ADRC	-	15,602	15,602	0%	13,771	13,771	-	-	1,831
MIPPA Outreach	938	15,603	16,541	0%	14,003	14,003	-	-	2,538
Cronic Disease Self Mgmt	-	17,899	17,899	0%	17,897	17,897	-	-	2
Evidenced Based Falls Prevention	-	4,500	4,500	0%	2,160	2,160	-	-	2,340
DHS - Transportation	-	2,962,925	2,962,925	varies	2,206,699	2,191,525	44,464	(29,290)	771,400
Meriwether 5311	-	10,000	10,000	0%	3,595	3,595	-	-	6,405
Coweta 5311 Grant Administration	-	12,000	12,000	0%	10,162	12,000	-	-	1,838
DCA State	-	174,688	174,688	10%	123,155	110,840	12,316	-	63,849
DNR Historic Preservation	4,091	-	4,091	0%	4,427	4,091	-	336	-
FY 14 Adult 10/1/13-6/30/15	768,886	-	768,886	0%	768,875	768,875	-	-	11
FY14 Dislocated Worker	1,149,797	-	1,149,797	0%	513,814	513,814	-	-	635,983
FY15 Adult 10/1/14-6/30/16	-	1,199,676	1,199,676	0%	394,388	394,388	-	-	805,288
PY14 Adult 07/01/14-06/30/16	-	91,392	91,392	0%	75,413	75,413	-	-	15,979
PY13 Adult 9/1/13 - 06/30/15	47	-	47	0%	25	25	-	-	22
PY13 Dislocated Worker 09/01/13-06/30/15	14,334	-	14,334	0%	12,752	12,752	-	-	1,582
PY 14 Dislocated Worker 7/1/14-6/30/16	-	223,738	223,738	0%	1,563	1,563	-	-	222,175
PY14 Youth 7/1/14-6/30/16	-	1,326,666	1,326,666	0%	560,925	560,925	-	-	765,741
PY 13 Youth 01/1/14-06/30/15	-	-	-	0%	421,742	421,742	-	-	(421,742)
FY 14 Ex-Offender Re-Entry Pilot Program	25,000	-	25,000	0%	24,084	24,084	-	-	916
	<u>\$ 2,289,241</u>	<u>\$ 12,032,392</u>	<u>\$ 14,321,633</u>		<u>\$ 11,549,579</u>	<u>\$ 11,082,381</u>	<u>\$ 502,487</u>	<u>\$ (33,450)</u>	<u>\$ 3,241,091</u>

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Three Rivers Regional Commission

SCHEDULE OF REVENUES EARNED AND MATCHING FUNDS APPLIED

For fiscal year ended June 30, 2015

	<u>Contract Balance as of July 1, 2014</u>	<u>Current Year Grant Awards</u>	<u>Total Funds Available</u>	<u>Matching Percent</u>	<u>Total Program Costs Current Year</u>	<u>Revenue Earned</u>	<u>Required Match Applied</u>	<u>Other</u>	<u>Contract Balance as of June 30, 2015</u>
<u>Local</u>									
Villa Rica EIP Admin	\$ 2,478	\$ -	\$ 2,478	0%	\$ -	\$ -	\$ -	\$ -	\$ 2,478
Hogansville TE	3,294	-	3,294	0%	-	-	-	-	3,294
Moreland TE	13,383	-	13,383	0%	-	-	-	-	13,383
Hogansville Rec Trail	121	-	121	0%	-	-	-	-	121
Thanks Mom and Pop	4,837	-	4,837	0%	3,403	3,403	-	-	1,434
Contributions for Elderly Serv.	-	1,312	1,312	0%	1,312	1,312	-	-	-
Troup Co. PDM Admin	-	-	-	0%	-	-	-	-	-
Lamar Co. PDM Admin	-	20,000	20,000	0%	5,013	-	-	-	14,987
Spalding CSBG 12/13	-	4,626	4,626	0%	9,355	4,626	-	4,729	-
Spalding CSBG 13/14	-	20,578	20,578	0%	19,758	-	-	-	820
	<u>\$ 24,113</u>	<u>\$ 46,516</u>	<u>\$ 70,629</u>		<u>\$ 38,841</u>	<u>\$ 9,341</u>	<u>\$ -</u>	<u>\$ 4,729</u>	<u>\$ 36,517</u>

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Three Rivers Regional Commission

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE

(Including Federal Pass Through Amounts)

For the fiscal year ended June 30, 2015

Program	Contract number	Revenue	Expenditures	Amount Due From State
Department of Community Affairs	N/A	\$ 110,840	\$ 123,155	\$ (21,173)
DOT 5311	T005099	258,741	280,662	44,792
DOT Planning	PI 0013921	34,217	42,772	19,205
DHS Aging contract	42700-373-0000031505	5,315,885	5,584,799	753,700
DHS Village contract	42700-373-0000014552	8,432	9,632	(19,096)
DHS Powerful Tools	42700-373-0000014560	1,123	1,501	-
DHS CDSMNE/MIPPA	42700-373-0000037101	84,753	84,753	20,551
DHR Coordinated Transportation	42700-362-0000023681.01	2,191,525	2,206,699	186,683
JARC Mobility	T005113	88,650	104,247	32,477
DNR Historic Preservation	46200-341-150085A	4,427	4,091	4,092
Governor's Office of Workforce Development				
FY 14 Adult 10/1/13-6/30/15	11-13-14-04-009	768,875	768,785	(13)
FY14 Dislocated Worker	31-13-14-04-008	513,814	513,814	124,612
PY13 Adult 9/1/13 - 06/30/15	11-13-13-04-08	12,752	12,752	25
PY13 Dislocated Worker 09/01/13-06/30/15	31-13-13-04-008	25	25	(1,581)
PY13 Youth 01/1/14-06/30/15	15-13-11-04-008	421,742	421,742	24,686
FY 15 Adult 10/1/14-6/30/16	11-14-15-04-008	394,388	394,388	289,631
PY14 Adult 07/01/14-06/30/16	11-14-174-04-080	75,413	75,413	(4,861)
FY15 Dislocated Worker	31-14-15-04-008	-	-	-
PY14 Dislocated Worker	31-14-14-04-080	1,563	1,563	1,563
PY14 Youth	15-14-14-04-008	560,925	560,925	149,678
FY14 Ex-Offender Re-Entry Pilot Program		<u>24,084</u>	<u>24,084</u>	<u>(916)</u>
		<u>\$ 10,872,174</u>	<u>\$ 11,215,802</u>	<u>\$ 1,604,055</u>

OMB Circular A-133 Section

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**INDEPENDENT AUDITORS' 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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Independent Auditors' 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*

The Council Members
Three Rivers Regional Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Three Rivers Regional Commission (the "Commission") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 16, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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



Atlanta, Georgia
December 16, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

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Independent Auditors' Report on Compliance for
Each Major Program and on Internal Control Over
Compliance Required by OMB Circular A-133

The Council Members
Three Rivers Regional Commission

Report on Compliance for Each Major Federal Program

We have audited Three Rivers Regional Commission's (the "Commission") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2015. The Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 Commission's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, the 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, 2015.

Report on Internal Control Over Compliance

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

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

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

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

Metcalf Dewis

Atlanta, Georgia
December 16, 2015

Three Rivers Regional Commission

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the fiscal year ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	CFDA Number			Federal Expenditures
U.S. Department of Commerce					
Economic Development Support for Planning Organizations	04-83-06895	11.302			\$ 131,483
Federal Transit Administration					
Formula Grants for Rural Areas	T005099	20.509	\$	272,497	
JARC Mobility	T005113	20.516		83,451	355,948
Federal Highway Administration					
Highway Planning and Construction Cluster Passed through State Department of Transportation Highway Research and Development Program	PI 0013291	20.205			34,217
U.S. Department of Health and Human Services					
Passed through State Department of Human Resources					
Coordinated Transportation					
Transit Services Programs Cluster					
Enhanced Mobility of Seniors and Individuals with Disabilities					
	42700-362-0000023681	20.513	**	272,673	
Job Access and Reverse Commute	42700-362-0000023681	20.516	**	36,354	
New Freedom Program	42700-362-0000023681	20.521	**	131,598	440,625
Vocational Rehabilitation for Disable Veterans	42700-362-0000023681	84.126		42,659	
Social Services Block Grant	42700-362-0000023681	*	93.667	355,020	
Special Programs for the Aging - Title III Part B	42700-362-0000023681	*	93.044	82,788	
Temporary Assistance for Needy Families	42700-362-0000023681	93.558		39,230	519,697
Total Coordinated Transportation					960,322
Aging Services					
Aging Cluster					
Special Programs for the Aging - Title III Part B	42700-373-0000030515	*	93.044	345,531	
Special Programs for the Aging - Title III Part C	42700-373-0000030515		93.045	936,987	
Nutrition Services Incentive Program	42700-373-0000030515		93.053	166,438	1,448,956
Medical Assistance Program	42700-373-0000030515		93.778	782,275	
Social Services Block Grant	42700-373-0000030515	*	93.667	84,720	
Special Programs for the Aging - Title VII	42700-373-0000030515		93.042	62,471	
Special Programs for the Aging - Title III Part D	42700-373-0000030515		93.043	30,539	
Senior Community Service Employment Program	42700-373-0000030515		17.235	450,570	
National Family Caregiver Support - Title III Part E	42700-373-0000030515		93.052	194,300	
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	42700-373-0000030515		93.779	52,392	
Affordable Care Act - Medicare Improvements for Patients and Providers	42700-373-0000030515		93.518	135,724	
Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management					

Continued

Three Rivers Regional Commission

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued

For the fiscal year ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	CFDA Number		Federal Expenditures
Prevention and Public Health Special Programs for the Aging - Title IV and II Discretionary Projects	42700-373-0000030515	93.761	\$ 2,160	
Money Follows the Person	42700-373-0000030515	93.048	9,404	
	42700-373-0000030515	93.791	<u>112,140</u>	\$ <u>1,934,592</u>
Total Aging Services				<u>3,383,548</u>
Total U.S. Department of Health and Human Services				4,343,870
<u>U.S. Department of Labor</u>				
Workforce Investment Act Cluster				
WIA Adult Program	11-13-14-04-009	17.258	** 768,875	
WIA Adult Program	11-13-13-04-008	17.258	** 25	
WIA Adult Program	11-14-14-04-080	17.258	** 75,413	
WIA Adult Program	11-14-15-04-008	17.258	** 394,388	
WIA Adult Program	55-13-14-04-008	17.258	** 24,084	
WIA Youth Activities	15-13-11-04-008	17.259	** 421,742	
WIA Youth Activities	15-14-14-04-080	17.259	** 560,925	
WIA Dislocated Worker Formula Grants	31-13-14-04-008	17.278	** 1,563	
WIA Dislocated Worker Formula Grants	31-13-13-04-008	17.278	** 12,752	
WIA Dislocated Worker Formula Grants	31-14-14-04-080	17.278	** <u>513,814</u>	2,773,581
<u>U.S. Department of Homeland Security</u>				
Contract with Lamar County for Pre-Disaster Mitigation Plan	N/A	97.047		5,013
<u>Appalachian Regional Commission</u>				
Appalachian Local Evelopment District Assistance	GA-0701-H-C4	23.009	16,347	
Appalachian Local Evelopment District Assistance	GA-0701-H-C5-15	23.009	<u>18,617</u>	<u>34,964</u>
				<u>\$ 7,679,076</u>

* - See Note 1, C - Funding Sources in the Notes to Schedule of Expenditures of Federal Awards

** - Denotes major program

The accompanying notes are an integral part of this schedule.

Three Rivers Regional Commission

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30,

NOTE 1 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of Three Rivers Regional Commission (the “Commission”) is presented using the accrual basis of accounting. Expenditures of federal awards are recognized as incurred. The reporting entity is defined in Note 1, A to the Commission’s basic financial statements. Federal financial assistance received directly from federal agencies and federal assistance passed through other government agencies are included on this schedule.

The information reported on this schedule is presented in accordance with the requirements of OMB Circular A-133. Therefore, some amounts presented in this schedule may differ from amounts present in, or used in the preparation of, the basic financial statements.

B. Subrecipients

Of the federal expenditures presented in the schedule, the Commission provides federal awards to subrecipients as follows:

CFDA Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Amount Awarded
20.513, 20.516 and 20.521	Transit Services Program Cluster	\$ 397,203
84.126	Coordinated Transportation	42,659
93.667	Coordinated Transportation	352,272
93.558	Coordinated Transportation	39,230
93.044	Coordinated Transportation	82,788
93.044, 93.045 and 93.053	Aging Cluster	1,374,680
93.778	Aging Services	600,286
93.667	Aging Services	60,136
93.042	Aging Services	13,851
93.052	Aging Services	120,823
93.791	Aging Services - Money Follows the Person	11,773
93.048	Powerful Tools & The Village	2,141
93.518	MIPPA	503

C. Funding Sources

Special Programs for the Aging - Title III Part B and the Social Services Block Grant within the Coordinated Transportation and Aging Services contracts were combined for major program determination. For major program determination, total expenditures for the Special Programs for the Aging - Title III Part B and the Social Services Block Grant are \$428,319 and \$439,740, respectively.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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Three Rivers Regional Commission

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2015

SECTION I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiency identified that is not considered to be a material weakness?	None reported
• Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness identified?	No
• Significant deficiency identified that is not considered to be a material weakness?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	No

Identification of Major Programs

<u>CFDA Number</u>	<u>Name of Federal Program</u>	
20.513, 20.516 and 20.521	Transit Services Programs Cluster	
93.778	Medical Assistance Program	
17.235	Senior Community Service Employment Program	
17.258, 17.259 and 17.278	Workforce Investment Act Cluster	
Dollar threshold used to distinguish between type A and type B programs:		\$ 300,000
Auditee qualified as low-risk auditee?		No

SECTION II – Financial Statement Findings

No matters are reported as financial statement findings or questioned costs related to the financial statements reported in accordance with *Government Auditing Standards* for the year ended June 30, 2015.

SECTION III – Federal Award Findings and Questioned Costs

No matters are reported as A-133 findings or questioned costs related to the financial statements reported in accordance with *Government Auditing Standards* for the year ended June 30, 2015.

Three Rivers Regional Commission

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2015

2014-001	Recertification of Eligibility for Participants Senior Community Service Employment Program CFDA 17.235
Criteria	In accordance with Title 20 of the Code of Federal Regulations, Section 641.505, participants in the Senior Community Service Employment Program, (“SCSEP”) must have their eligibility verified through certification upon initial enrollment and then recertified once every 12 calendar months.
Condition	During the prior year audit, we selected 10 participants in SCSEP to determine if recertifications were completed within the required 12 month timeframe from initial certification or the most recent recertification. Of the 10 participants selected for testing, we noted one participant whose recertification was not completed within the required 12 month timeframe.
Status	Resolved.