AUDIT REPORT

Georgia Mountains Regional Commission

PRESENTED BY: Clay L. Pilgrim, CPA, CFE, CFF

For the fiscal year ended June 30, 2025

Georgia Mountains Regional Commission

November 13, 2025

RUSHTON

ACCOUNTING & BUSINESS ADVISORS | CERTIFIED PUBLIC ACCOUNTANTS

Audit Opinion – P. 1-3

Unmodified Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Georgia Mountains Regional Commission as of June 30, 2025, and the respective changes in financial position for the year then ended.

Auditing Standards

We audited the Commission’s financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.

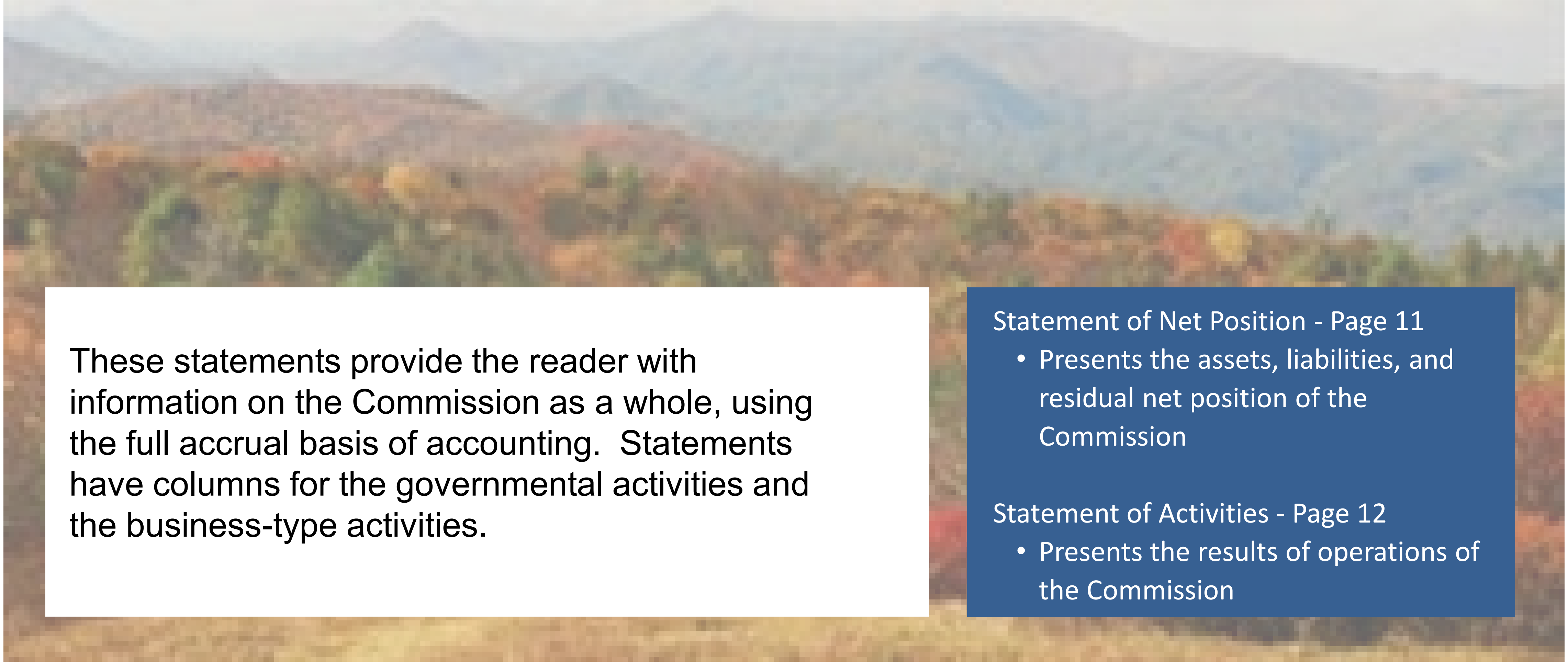
Georgia Mountains Regional Commission’s Responsibilities

The financial statements are the responsibility of Georgia Mountains Regional Commission’s management.

Rushton’s Responsibilities

As independent auditors for the Commission, our responsibility is to express opinions on the fair presentation of the financial statements.

Government-Wide Statements



These statements provide the reader with information on the Commission as a whole, using the full accrual basis of accounting. Statements have columns for the governmental activities and the business-type activities.

Statement of Net Position - Page 11

- Presents the assets, liabilities, and residual net position of the Commission

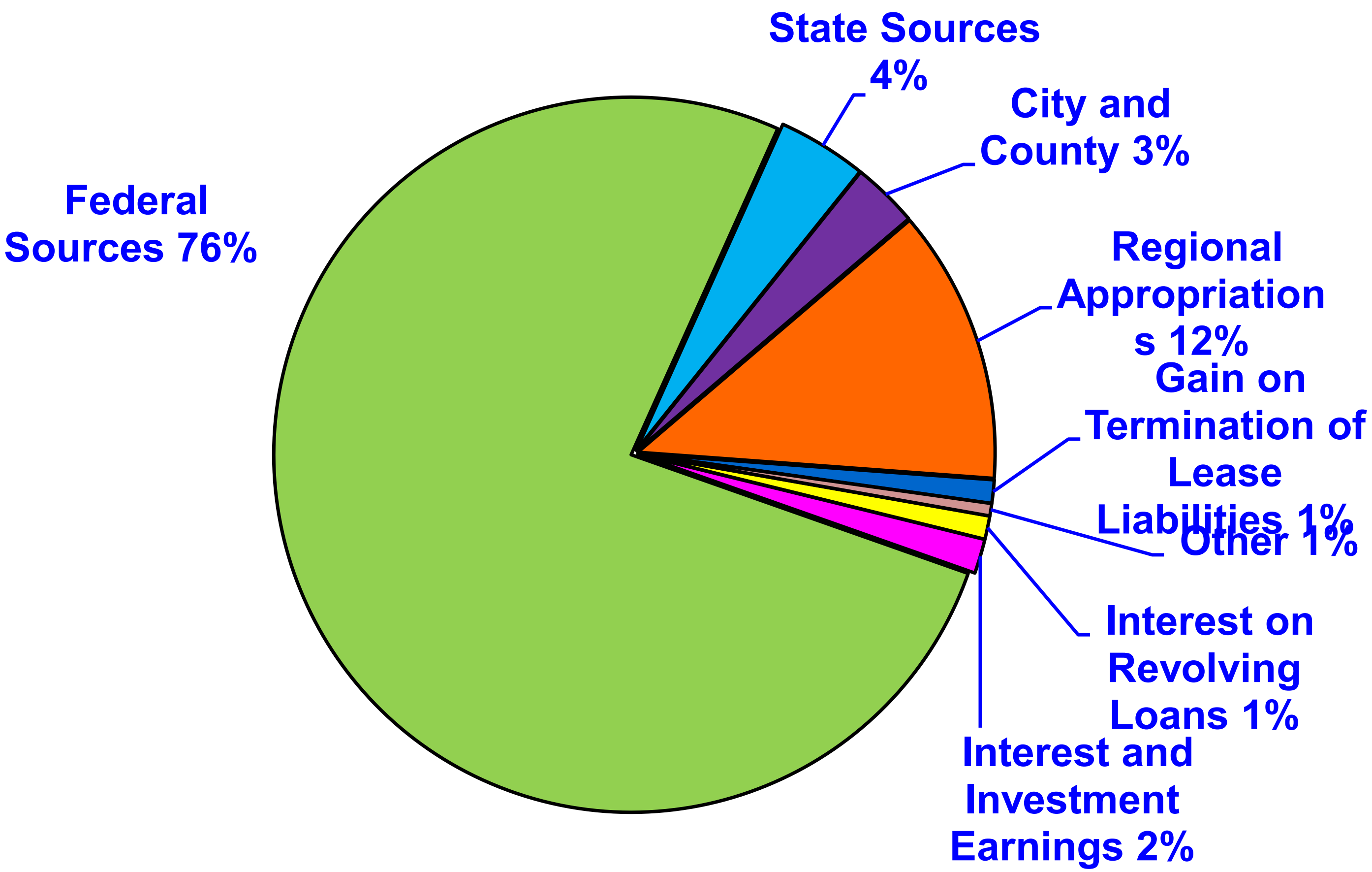
Statement of Activities - Page 12

- Presents the results of operations of the Commission

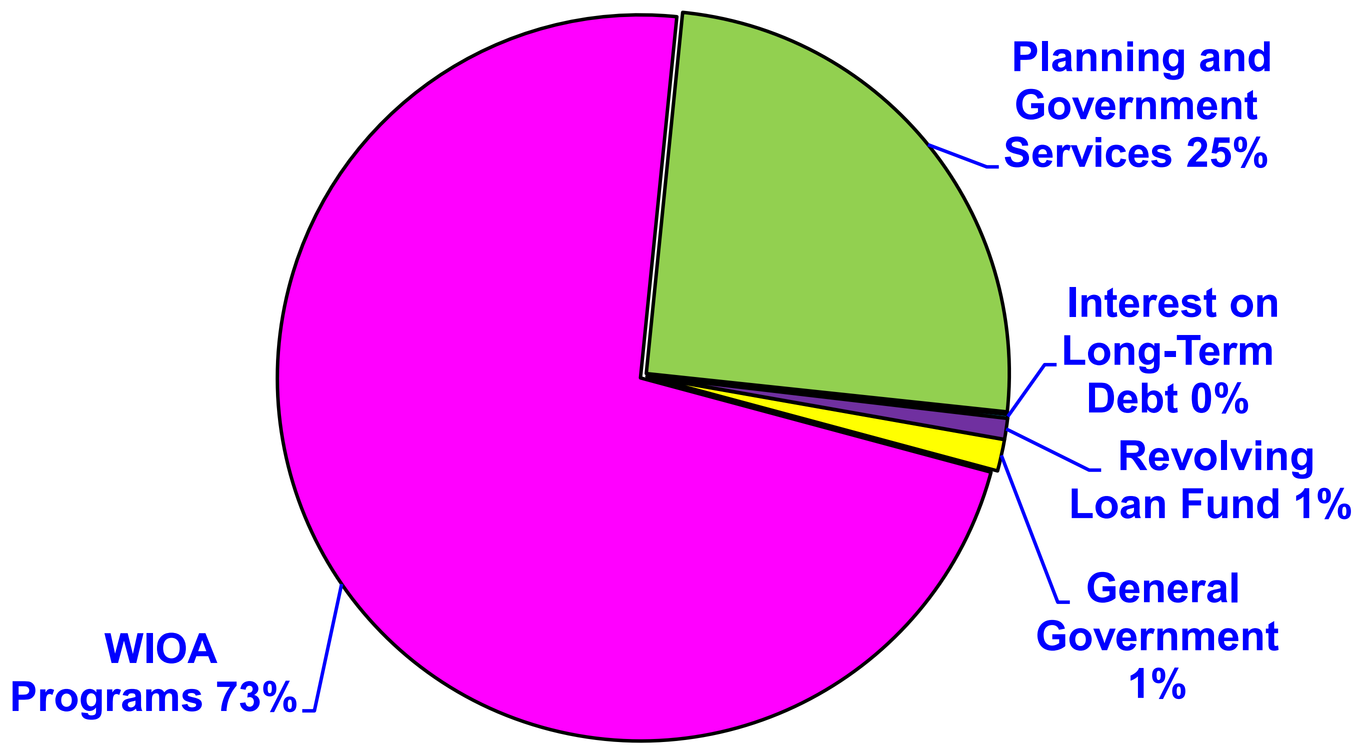
Government Wide Net Position – Last 3 Fiscal Years

Fiscal Year	Net Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position	Total Net Position	Revenues Over (Under) Expenses
2023	2,480	3,002,456	3,220,467	6,225,403	131,917
2024	58,939	3,047,383	3,161,283	6,267,605	42,202
2025	60,318	3,110,789	3,420,541	6,591,648	324,043

Revenues by Source



Expenses by Function



Revolving Loan Fund – P. 20 - 22

Loans Receivable
- June 30, 2025 = $1,367,199 (12 loans, no allowance)
- June 30, 2024 = $1,362,061 (12 loans, no allowance)

Loan Interest Revenue
- FY2025 = $53,762
- FY2024 = $66,363

Change in Net Position
- FY2025 = $63,406
- FY2024 = $44,927

Report on Internal Control, Compliance and Other Matters – P. 58 - 59

In accordance with *Government Auditing Standards*, we have issued our report on our consideration of Georgia Mountains Regional Commission's internal controls and our tests of compliance.

This report describes the scope of our testing of internal control and compliance, and the results of that testing, but is not intended to provide an opinion on the internal control or compliance.

No material weaknesses or significant deficiencies were noted in the internal controls of Georgia Mountains Regional Commission. No instances of material noncompliance or other matters were noted.

Report on Compliance and Internal Controls over Compliance for Major Programs – P. 60 - 62

In accordance with Uniform Guidance, we have issued our report on our consideration of Georgia Mountains Regional Commission's compliance with requirements applicable to each major program and on internal control over compliance.

This report describes the scope of our testing of compliance requirements and internal controls over major programs, and the results of that testing. We are required to express an opinion on the Commission's compliance with requirements; our opinion is unmodified. This report is not intended to provide an opinion on the internal control.

No material weaknesses or significant deficiencies were noted in the internal controls of Georgia Mountains Regional Commission over the compliance requirements applicable to the major programs.

Current Reporting Changes

GASB 101

The Governmental Accounting Standards Board (GASB) has issued Statement No. 101, *Compensated Absences*. Effective for Georgia Mountains Regional Commission for fiscal year ending June 30, 2025.

This statement replaces GASB Statement No. 16, *Accounting for Compensated Absences*. The goal of the standard is to create a more consistent model for accounting for compensated absences that can be applied to all types of compensated absence arrangements. The new standard also removes the current requirement to disclose both the gross additions and deductions to the liability.

Current Reporting Changes

GASB 102

The Governmental Accounting Standards Board (GASB) has issued Statement No. 102, *Certain Risk Disclosures*. Effective for Georgia Mountains Regional Commission for fiscal year ending June 30, 2025.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Statement requires disclosure in the notes to the financial statements to describe:

- The concentration or constraint
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

Future Reporting Changes

GASB 103

The Governmental Accounting Standards Board (GASB) has issued Statement No. 103, *Financial Reporting Model Improvements*. Effective for Georgia Mountains Regional Commission for the fiscal year ending June 30, 2026.

This statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions.

This statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

Future Reporting Changes

GASB 104

The Governmental Accounting Standards Board (GASB) has issued Statement No. 104, *Disclosure of Certain Capital Assets*. Effective for Georgia Mountains Regional Commission for the fiscal year ending June 30, 2026.

This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures.

This statement also requires additional disclosures for capital assets held for sale.

Contact Information

Clay L. Pilgrim, CPA, CFE, CFF

cpilgrim@rushton.cpa

Website: www.Rushton.cpa

Phone: 770-287-7800

Address: 726 South Enota Drive, Suite A Gainesville, GA 30501

RUSHTON

ACCOUNTING & BUSINESS ADVISORS | CERTIFIED PUBLIC ACCOUNTANTS