

GATEWAY COMMUNITY SERVICE BOARD  
REPORT ON AUDIT OF FINANCIAL STATEMENTS  
AND REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

GATEWAY COMMUNITY SERVICE BOARD

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
FINANCIAL STATEMENTS:	
STATEMENTS OF NET POSITION	9-10
STATEMENTS OF ACTIVITIES	11
BALANCE SHEETS - GOVERNMENTAL FUNDS	12
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION	13
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS	14-15
STATEMENT OF CHANGES IN FUND BALANCE	16
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	17-18
NOTES TO THE FINANCIAL STATEMENTS	19-48
REQUIRED SUPPLEMENTARY INFORMATION:	
ERS EMPLOYER AGENCY - SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	49
ERS EMPLOYER AGENCY - SCHEDULE OF CONTRIBUTIONS	50
ERS EMPLOYER AGENCY - NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	51
SEAD-OPEB EMPLOYER - SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB ASSET	52
SEAD-OPEB EMPLOYER - SCHEDULE OF CONTRIBUTIONS	53
SEAD-OPEB EMPLOYER - NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	54
SHBP - OPEB EMPLOYER - SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY	55
SHBP - OPEB EMPLOYER - SCHEDULE OF CONTRIBUTIONS	56
SHBP - OPEB EMPLOYER - NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	57

GATEWAY COMMUNITY SERVICE BOARD

TABLE OF CONTENTS - CONTINUED

PAGE

SUPPLEMENTARY INFORMATION:

COMPARATIVE STATEMENTS OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET:

MENTAL HEALTH SERVICES - ADULT - 100	58
MENTAL HEALTH SERVICES - CHILDREN - 200	59
CRISIS STABILIZATION UNIT - 203	60
CSU WORKFORCE SUPPORT (MHBH COVID-19) - 305	61
INTELLECTUAL/DEVELOPMENTAL DISABILITIES COMMUNITY SERVICES - 400	62
SPECIAL APPROPRIATION - IDD - 502	63
SPECIAL APPROPRIATION - CYBER SECURITY INSURANCE - 503	64
HIV EARLY INTERVENTION SERVICES - 602	65
WTRS - OUTPATIENT - SSBG- 619	66
WTRS - RESIDENTIAL SUBSTANCE ABUSE TREATMENT - SAPTBG - 624	67
WTRS - RESIDENTIAL SUBSTANCE ABUSE TREATMENT - TANF - 625	68
WTRS - RESIDENTIAL SUBSTANCE ABUSE TREATMENT - STATE - 626	69
WTRS - TRANSITIONAL HOUSING SERVICES - 630	70
WTRS - RESIDENTIAL - SSBG - 632	71
WTRS - SAPT COVID-19 - 643	72
SUBSTANCE ABUSE SERVICES - ADULT - 700	73
SUBSTANCE ABUSE SERVICES - CHILDREN - 800	74
BHCC #44100-026-CMA00003116	75
ACT SERVICES #44100-906-0000183640	76
INTENSIVE CASE MANAGEMENT #44100-026-CMA00003103	77
ADOLESCENT ADDICTIVE DISEASES CLUBHOUSE SERVICES #44100-026-0000172568	78
CRISIS RESPITE APARTMENTS #44100-026-0000165681	79
SYSTEM OF CARE #44100-026-0000171082	80
GEORGIA APEX PROJECT (GAP) #44100-026-CMA00003079	81
SUPPORTED EMPLOYMENT/SUPPORTED EDUCATION #44100-026-0000126657	82
BRIDGE FUNDING - RE-ENTRY PILOT #44100-026-0000180936	83

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE 84-87

SCHEDULE OF CASH FLOWS 88-89

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS 90-91

OTHER REPORTS:

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* 92-93

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE 94-96

SCHEDULE OF FINDINGS AND QUESTIONED COSTS 97-98

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 99



ROBERT BAKER  
— & ASSOCIATES, CPAs —

## INDEPENDENT AUDITOR'S REPORT

To The Community Service Board  
Gateway Community Service Board  
Brunswick, Georgia

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Gateway Community Service Board, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Gateway Community Service Board's basic financial statements as listed in the table of contents.

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 Gateway Community Service Board, as of June 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gateway Community Service Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Gateway Community Service Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that include our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Gateway Community Service Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gateway Community Service Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 4 through 8), ERS Schedule of Proportionate Share of the Net Pension Liability (page 49), ERS Schedule of Contributions (page 50), SEAD-OPEB Schedule of Proportionate Share of the Net OPEB Asset (page 52), SEAD-OPEB Schedule of Contributions (page 53), SHBP-OPEB Schedule of Proportionate Share of the Net OPEB Liability (page 55), and SHPB-OPEB Schedule of Contributions (page 56) be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

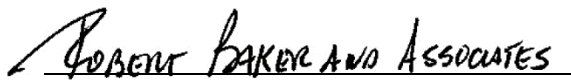
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gateway Community Service Board's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Comparative Statements of Actual Revenues and Expenditures to Budget, the Schedule of State Contractual Assistance, the Schedule of Cash Flows and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Comparative Statements of Actual Revenues and Expenditures to Budget, the Schedule of State

Contractual Assistance, the Schedule of Cash Flows 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 our report dated November 21, 2023, on our consideration of Gateway Community Service Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Gateway Community Service Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Gateway Community Service Board's internal control over financial reporting and compliance.

ROBERT BAKER & ASSOCIATES, CPAs

A handwritten signature in black ink that reads "ROBERT BAKER AND ASSOCIATES". The signature is written in a cursive, slightly stylized font. Below the signature is a horizontal line.

Certified Public Accountants

Albany, Georgia

November 21, 2023

GATEWAY COMMUNITY SERVICE BOARD  
MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2023

The management of Gateway Community Service Board presents the following Management's discussion and analysis to provide an objective and easily readable analysis of Gateway Community Service Board's financial activities. The analysis provides summary financial information for Gateway Community Service Board and should be read in conjunction with Gateway Community Service Board's financial statements.

Gateway Community Service Board (Gateway) provides comprehensive mental health, developmental disabilities, and addictive diseases services (MH/DD/AD) to Bryan, Camden, Chatham, Effingham, Glynn, Liberty, Long, and McIntosh counties in the State of Georgia. Gateway is a public agency and instrumentality of the State of Georgia organized under section 37-2-6 of the Official Code of Georgia Annotated (OCGA), originally created by Georgia House Bill 100 in 1994 and recreated by Georgia House Bill 498 in 2002.

Community Service Boards, such as Gateway, are created by state statute as public agencies to govern publicly funded programs for mental health, developmental disabilities, and addictive diseases services. (OCGA Section 37-2-6 (a)).

Gateway's administrative offices are co-located in Brunswick, Georgia (Glynn County) and Savannah, Georgia (Chatham County) with services provided at over 40 different service sites in the 4,000 square mile, eight county service area. Services include, but are not limited to, outpatient, peer support, clubhouse programs, community outreach, crisis stabilization, residential, and supported employment. Approximately 55% of Gateway's funding comes in the form of State Contracted Services through DBHDD, and 36% comes in the form of Fee-For-Service. Other sources of income include County government support (2%), Federal grants (3%), other contracts (3%), and other fees (1%).

For fiscal year 2023, Gateway was under the management of DBHDD which assumed such responsibility in 2013. The Commissioner of the Department of Behavioral Health and Developmental Disabilities (DBHDD), with the concurrence of the Governor, has chosen to continue the appointment of the Manager that is acting as Gateway's CEO without a local governing board.

## OVERVIEW OF THE FINANCIAL STATEMENTS

Gateway Community Service Board's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to the financial statements*. The *Government-wide financial statements* present an overall picture of Gateway Community Service Board's financial position and results of operations. The *Fund financial statements* present financial information for Gateway Community Service Board's major funds. The *Notes to the financial statements* provide additional information concerning Gateway Community Service Board's finances that are not disclosed in the Government-wide or Fund financial statements.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Gateway Community Service Board only operates Governmental Activities which are supported by federal and state grants, Medicaid, and other revenues.

The **statement of net position** presents information on all assets and liabilities of Gateway Community Service Board, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental Activities.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The **statement of activities** presents information on all revenues and expenses of Gateway Community Service Board and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by Gateway Community Service Board. Governmental Activities provided by Gateway Community Service Board include Mental Health Programs, Intellectual/Developmental Disabilities Services Programs, Addictive Disease Programs, WTRS Programs and all other related programs administered by the Community Service Board.

*Fund financial statements* present financial information for governmental funds, proprietary funds, and fiduciary funds. These financial statements provide financial information for the major funds of Gateway Community Service Board. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

*Fund financial statements* include a **balance sheet** and a **statement of revenues, expenditures, and changes in Fund Balance** for all governmental funds. **Comparative statements of revenues and expenditures to budget** are provided in the required supplementary information for Gateway Community Service Board's Grants and Contracts that ended during the Fiscal Year. *Fund financial statements* provide more detailed information about Gateway Community Service Board's activities. Individual funds are established by Gateway Community Service Board to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of State and Federal grants.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of Gateway Community Service Board. The government-wide financial statements provide an overall picture of Gateway Community Service Board's financial standing. These statements are comparable to private-sector companies and give a good understanding of Gateway Community Service Board's overall financial health and how Gateway Community Service Board paid for the various activities, or functions, provided by Gateway Community Service Board. All assets of Gateway Community Service Board are reported in the **statement of net position**. All liabilities, including future employee benefits obligated but not paid by Gateway Community Service Board, are included.

The **statement of activities** includes depreciation and amortization on all long-lived assets of Gateway Community Service Board, but transactions between the different functions of Gateway Community Service Board have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of Gateway Community Service Board. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

*Notes to the Financial Statements* provide additional detail concerning the financial activities and financial balances of Gateway Community Service Board. Additional information about the accounting practices of Gateway Community Service Board is included in the *Notes to the Financial Statements*.

### **FINANCIAL HIGHLIGHTS OF GATEWAY COMMUNITY SERVICE BOARD**

Total Assets and Deferred Outflows of Resources of Gateway Community Service Board exceeded Total Liabilities and Deferred Inflows of Resources by \$20,297,031. Unrestricted Net Position for Governmental Activities was \$8,795,592. The Net Investment in Capital Assets was \$11,501,439. Total Liabilities were \$22,671,154, which includes Total Non-Current Liabilities of \$18,052,825, which are Notes Payable of \$12,200,300, Financed Purchase Arrangement of \$4,420,189, Right of Use Liability of \$375,876, Due to DBHDD-Special Operating Advance of \$659,999, Compensated Absences of \$34,309, Net Pension Liability of \$301,800, and Net OPEB Liability of \$60,352.



MANAGEMENT'S DISCUSSION AND ANALYSIS

**FINANCIAL ANALYSIS OF GATEWAY COMMUNITY SERVICE BOARD**

The following schedule provides a summary of the Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position of Gateway Community Service Board:

	Net Position Governmental Activities		Total Percentage Change
	2023	2022	
Current Assets	\$ 13,290,604	\$ 11,801,354	12.62 %
Capital Assets, Net of Accumulated Depreciation	28,869,970	22,370,054	29.06 %
Right of Use Assets, Net of Accumulated Amortization	790,268	1,099,759	(28.14)%
Net OPEB Asset	39,703	64,323	(38.28)%
Deferred Outflows of Resources	316,170	334,260	(5.41)%
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 43,306,715</b>	<b>\$ 35,669,750</b>	<b>21.41 %</b>
Current Liabilities	\$ 4,618,329	\$ 5,527,402	(16.45)%
Non-Current Liabilities	18,052,825	15,974,310	13.01 %
Deferred Inflows of Resources	338,530	952,750	(64.47)%
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 23,009,684</b>	<b>\$ 22,454,462</b>	<b>2.47 %</b>
<b>Net Position:</b>			
Investment in Capital Assets	\$ 11,501,439	\$ 7,083,776	62.36 %
Net Position - Unrestricted	8,795,592	6,131,512	43.45 %
<b>Total Net Position</b>	<b>\$ 20,297,031</b>	<b>\$ 13,215,288</b>	<b>53.59 %</b>

Total Net Position for Governmental Activities increased \$6,008,417 for the year ended June 30, 2023.

MANAGEMENT’S DISCUSSION AND ANALYSIS

**FINANCIAL ANALYSIS OF GATEWAY COMMUNITY SERVICE BOARD - CONTINUED**

The following is a schedule of the Changes in Net Position of Gateway Community Service Board:

	Changes in Net Position Governmental Activities		Total Percentage Change
	2023	2022	
Revenues:			
Operating Grants and Contributions	\$ 28,051,387	\$ 28,145,761	(0.34)%
Charges for Services	37,091,793	30,116,422	23.16%
Total Operating Revenues	\$ 65,143,180	\$ 58,262,183	11.81%
Expenses:			
Mental Health Programs	\$ 39,651,175	\$ 38,254,868	3.65%
Intellectual/Development Disabilities Services Programs	9,326,954	8,467,745	10.15%
Addictive Disease Programs	6,677,670	6,202,339	7.66%
WTRS Programs	1,627,286	1,664,506	(2.24)%
Other Programs	1,851,678	1,604,509	15.40%
Total Operating Expenses	\$ 59,134,763	\$ 56,193,967	5.23%
Increase in Net Position	\$ 6,008,417	\$ 2,068,216	190.51%

**FUND FINANCIAL INFORMATION**

**Governmental Funds**

**General Fund**

Gateway Community Service Board’s General Fund is the main operating fund of Gateway Community Service Board. It is used to account for all financial resources that are not restricted by externally imposed requirements. As of June 30, 2023, Total Assets were \$13,290,604 and Total Liabilities were \$3,600,168. The ending Unassigned Fund Balance, excluding the Nonspendable Fund Balance of \$218,193 was \$9,472,243. The Total Source of Funds of \$58,570,576 exceeded the Total Use of Funds of \$57,533,365 by \$1,037,211.

**BUDGETS**

Annual budgets for all programs are prepared on the modified accrual basis of accounting. The budgets are amended during the fiscal year to reflect changes in operations. Expenditures are monitored on a monthly basis to comply with funding limits and programmatic intent. Most DBHDD Contracts and one State Contracted Services budget (the HIV 602) fall under the “expense reimbursement” category and budget revisions are done as changes in operational categories of expenses exceed budgeted line items.

**RIGHT OF USE ACTIVITY**

Gateway Community Service Board’s Right of Use Assets include Buildings, Equipment, and Vehicles. Additional information on the Community Service Board’s Right of Use activity can be found in Notes 1 and 7 to the Financial Statements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### LONG-TERM LIABILITY MANAGEMENT

#### Governmental Activities Long-Term Liabilities

The Long-Term Liabilities listed on the Governmental Financial statement includes Notes Payable of \$12,200,300, Financed Purchase Arrangement of \$4,420,189, Right of Use Liability of \$375,876, Due to DBHDD-Special Operating Advance of \$659,999, Compensated Absences of \$34,309, Net Pension Liability of \$301,800, and Net OPEB Liability of \$60,352.

### OTHER FINANCIAL INFORMATION

Gateway's financial position has improved remarkably over the past eight fiscal years. Total Net Position has increased by \$18.8 million with the unrestricted portion increasing \$11.7 million. Total Revenues have increased to \$65 million annually from \$29 million in fiscal year 2015. The 124% increase has mainly been the result of expanded services and improved funding by the Department of Behavioral Health and Developmental Disabilities (DBHDD). That funding increased from \$12.4 million in FY 2015 to \$34.2 million in FY 2023.

One factor contributing to the FY2023 Net Position improvement was the transfer of ten (10) properties from Gateway's 501(c)3, Distinctive Health Solutions, to Gateway Community Service Board. Distinctive Health Solutions recorded a \$1,881,826 loss on sale of properties as a result. Previously, Gateway CSB leased the properties from the non-profit.

Fiscal year 2023 strategic initiatives were recovery focused, fiscally sound, and centered on quality of care with measured outcomes. Despite challenges with recruitment and retention of staff and higher labor costs, Gateway was able to continue to provide a broad array of services with nearly 600 staff located in six counties.

In November 2021, Gateway purchased a 3.5 acre site in the City of Savannah for approximately \$1 million with funding from DBHDD. The site will be used to construct a replacement facility for the current Child and Adolescent Crisis Stabilization Unit located in Bloomingdale, west of Savannah. With FY2023 funding from DBHDD and the Chatham County Board of Commissioners, the site preparation has been completed and construction plans are being developed with a building construction start targeted for the summer of 2024.

Gateway CSB is a leader in the state with its Graduate Education Program for community-based Psychiatry training. The first graduation ceremony of the 2019 incoming class of Psychiatry Residents was celebrated with six graduates on June 10, 2023. Also, in June 2023, seven additional physicians joined the eight residents who are now in their second year of training, the seven residents in their third year, and the five residents in their fourth year of the program. A Child & Adolescent Fellowship program for fourth and fifth-year residents interested in the specialty service began with one resident in the summer of 2023. An Addiction Fellowship has been approved and plans are for the program to begin in the summer of 2024 with two physicians.

With the oversight and guidance of DBHDD, the leadership team at Gateway, the State's safety net provider for coastal Georgia, is confident that the sound financial condition will be maintained in FY 2024. Gateway's future outlook is for steady and consistent growth with additional funding being made available, especially by Federal agencies.

GATEWAY COMMUNITY SERVICE BOARD

STATEMENTS OF NET POSITION

June 30, 2023

	<u>GATEWAY COMMUNITY SERVICE BOARD</u>	<u>DISTINCTIVE HEALTH SOLUTIONS, INC. AND SUBSIDIARY</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 8,053,298	\$ 749,007
Cash-Restricted	138,937	2,500
Accounts Receivable	2,069,404	-
Due from DBHDD	2,810,772	-
Due from Gateway Community Service Board	-	797,635
Prepaid Items	218,193	155,736
Total Current Assets	<u>\$ 13,290,604</u>	<u>\$ 1,704,878</u>
Capital Assets:		
Capital Assets, Net of Accumulated Depreciation	<u>\$ 28,869,970</u>	<u>\$ 2,137,374</u>
Right of Use Assets:		
Right of Use Assets, Net of Accumulated Amortization	<u>\$ 790,268</u>	<u>\$ -</u>
Net OPEB Asset	<u>\$ 39,703</u>	<u>\$ -</u>
Other Assets:		
Reserve Deposits	<u>\$ -</u>	<u>\$ 139,036</u>
Total Assets	<u>\$ 42,990,545</u>	<u>\$ 3,981,288</u>
Deferred Outflows of Resources:		
Pension Related Items	\$ 119,624	\$ -
OPEB Related Items	196,546	-
Total Deferred Outflows of Resources	<u>\$ 316,170</u>	<u>\$ -</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	\$ 1,107,342	\$ -
Payroll Liabilities	776,255	301,363
Due to Distinctive Health Solutions, Inc. and Subsidiary	797,635	-
Due to Consumers	138,937	-
Notes Payable	523,042	26,757
Financed Purchase Arrangement	225,000	-
Right of Use Liability	414,392	-
Due to DBHDD-Special Operating Advance	120,000	-
Compensated Absences	515,726	224,572
Total Current Liabilities	<u>\$ 4,618,329</u>	<u>\$ 552,692</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD  
STATEMENTS OF NET POSITION - CONTINUED

June 30, 2023

	<u>GATEWAY COMMUNITY SERVICE BOARD</u>	<u>DISTINCTIVE HEALTH SOLUTIONS, INC. AND SUBSIDIARY</u>
Non-Current Liabilities:		
Notes Payable	\$ 12,200,300	\$ 3,226,554
Financed Purchase Arrangement	4,420,189	-
Right of Use Liability	375,876	-
Security Deposits	-	2,500
Due to DBHDD-Special Operating Advance	659,999	-
Compensated Absences	34,309	271,700
Net Pension Liability	301,800	-
Net OPEB Liability	60,352	-
Total Non-Current Liabilities	<u>\$ 18,052,825</u>	<u>\$ 3,500,754</u>
 Total Liabilities	 <u>\$ 22,671,154</u>	 <u>\$ 4,053,446</u>
 Deferred Inflows of Resources:		
Pension Related Items	\$ 23,174	\$ -
OPEB Related Items	315,356	-
Total Deferred Inflows of Resources	<u>\$ 338,530</u>	<u>\$ -</u>
 NET POSITION		
Investment in Capital Assets	\$ 11,501,439	\$ -
Unrestricted	8,795,592	(72,158)
Total Net Position	<u>\$ 20,297,031</u>	<u>\$ (72,158)</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD

STATEMENTS OF ACTIVITIES

For the Fiscal Year Ended June 30, 2023

Functions	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities	Component Unit
Governmental Activities:					
Mental Health Programs Intellectual/Developmental	\$ 39,651,175	\$ 18,391,200	\$ 23,143,531	\$ 1,883,556	\$ -
Disabilities Services Programs	9,326,954	10,133,851	903,357	1,710,254	-
Addictive Disease Programs	6,677,670	1,596,413	2,390,092	(2,691,165)	-
WTRS Programs	1,627,286	2,096,119	1,577,594	2,046,427	-
Other Programs	1,851,678	4,874,210	36,813	3,059,345	-
Gateway Community Service Board	\$ 59,134,763	\$ 37,091,793	\$ 28,051,387	\$ 6,008,417	\$ -
Distinctive Health Solutions, Inc. and Subsidiary	21,789,437	320,396	19,600,087	-	(1,868,954)
	<u>\$ 80,924,200</u>	<u>\$ 37,412,189</u>	<u>\$ 47,651,474</u>		
		Change in Net Position		\$ 6,008,417	\$ (1,868,954)
		Net Position - Beginning of Year (As Restated)		14,288,614	1,796,796
		Net Position - End of Year		<u>\$ 20,297,031</u>	<u>\$ (72,158)</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD  
BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2023

	<u>GENERAL FUND</u>
<b>ASSETS</b>	
Cash	\$ 8,053,298
Restricted Cash	138,937
Accounts Receivable	2,069,404
Due from DBHDD	2,810,772
Prepaid Items	<u>218,193</u>
Total Assets	<u><u>\$ 13,290,604</u></u>
<b>LIABILITIES AND FUND BALANCE</b>	
Current Liabilities:	
Accounts Payable	\$ 1,107,342
Payroll Liabilities	776,255
Due to Distinctive Health Solutions, Inc. and Subsidiary	797,635
Due to Consumers	138,937
Due to DBHDD-Special Operating Advance	<u>120,000</u>
Total Current Liabilities	<u>\$ 2,940,169</u>
Non-Current Liabilities:	
Due to DBHDD-Special Operating Advance	<u>\$ 659,999</u>
Total Liabilities	<u>\$ 3,600,168</u>
<b>FUND BALANCE</b>	
Nonspendable:	
Prepaid Items	\$ 218,193
Unassigned	<u>9,472,243</u>
Total Fund Balance	<u>\$ 9,690,436</u>
Total Liabilities and Fund Balance	<u><u>\$ 13,290,604</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION

June 30, 2023

Total Fund Balance of Governmental Funds	\$ 9,690,436
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the Governmental Funds.	28,869,970
Right of Use assets used in governmental activities are not financial resources and therefore, are not reported in the Governmental Funds.	790,268
Net OPEB asset used in governmental activities is not a financial resource and therefore, is not reported in the Governmental Funds.	39,703
Deferred outflows of resources are not due and payable in the current period and therefore, are not reported in the Governmental Funds. These deferred outflows of resources relate to pension and OPEB items.	316,170
Notes payable are not due and payable in the current period and therefore, are not reported in the Governmental Funds.	(12,723,342)
Financed lease arrangements are not due and payable in the current period and therefore, are not reported in the Governmental Funds.	(4,645,189)
Right of Use liability is not due and payable in the current period and therefore, is not reported in the Governmental Funds.	(790,268)
Compensated absences are not due and payable in the current period and therefore, are not reported in the Governmental Funds.	(550,035)
Net pension liability is not due and payable in the current period and therefore, is not reported in the Governmental Funds.	(301,800)
Net OPEB liability is not a financial resource and therefore, is not reported in the Governmental Funds.	(60,352)
Deferred inflows of resources are not financial resources and therefore, are not reported in the Governmental Funds. These deferred inflows of resources relate to pension and OPEB items.	<u>(338,530)</u>
Total Net Position of Governmental Activities	<u><u>\$ 20,297,031</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.



GATEWAY COMMUNITY SERVICE BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2023

	<u>GENERAL FUND</u>
REVENUES	
Department of Behavioral Health and Developmental Disabilities:	
State Contracted Services	\$ 17,090,931
State Contracted Fees for Services	4,650,855
Contracts	12,514,065
County Non-Participating	1,856,455
Outpatient Medicare Fees	149,401
Outpatient Medicaid Fees	7,134,949
Client Fees	614,396
DDDS Work Activity	8,886
Other Local Fees	18,035
Private Insurance	143,273
DD Waiver	8,182,189
Contracts	2,199,064
Other Federal Funds	1,097,267
Other Income	110,810
TOTAL REVENUES	<u>\$ 55,770,576</u>
EXPENDITURES	
Personal Service Costs:	
Salaries and Hourly Wages	\$ 10,124,944
Fringe Benefits	5,349,936
Contract Labor and Services	24,248,286
Total Personal Service Costs	<u>\$ 39,723,166</u>
Other Expenses:	
Building and Equipment	\$ 5,828,745
Motor Vehicle Expense	589,317
Supplies and Materials	565,021
Food Supplies	786,624
Medical Supplies	190,936
Insurance and Bonding	239,379
Pharmaceuticals	1,148,699
Repairs and Maintenance	825,464
Utilities	700,492
Printing	39,568
Travel	388,095

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS - CONTINUED

For the Fiscal Year Ended June 30, 2023

	GENERAL FUND
Other Expenses - Continued:	
Rent	\$ 691,405
Contracts	849,253
Telecommunications	533,341
Training	307,125
Transportation	12,046
Computer Software	879,503
Personal Allowance	10,582
Postage	12,406
Direct Client Benefits	1,258,342
Other Operating Expenditures	615,525
TOTAL EXPENDITURES	\$ 56,195,034
 DEFICIT OF REVENUES OVER EXPENDITURES	 \$ (424,458)
 OTHER FINANCING SOURCES (USES):	
Loan Proceeds	\$ 2,800,000
Debt Service:	
Principle	(717,747)
Interest	(620,584)
TOTAL OTHER FINANCING SOURCES	\$ 1,461,669
 EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES	 \$ 1,037,211
 FUND BALANCE-BEGINNING OF YEAR (AS RESTATED)	 8,653,225
 FUND BALANCE-END OF YEAR	 \$ 9,690,436

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD  
STATEMENT OF CHANGES IN FUND BALANCE

For the Fiscal Year Ended June 30, 2023

	<u>NONSPENDABLE PREPAID ITEMS</u>	<u>UNASSIGNED</u>	<u>TOTAL</u>
FUND BALANCE (AS RESTATED) - JULY 1, 2022	\$ 247,519	\$ 8,405,706	\$ 8,653,225
ADDITIONS:			
Excess of Revenues and Other Financing Sources Over Expenditures	-	1,066,537	1,066,537
TOTAL FUND BALANCE AND ADDITIONS	\$ 247,519	\$ 9,472,243	\$ 9,719,762
DEDUCTIONS:			
Excess of Expenditures and Other Financing Uses Over Revenues	\$ 29,326	\$ -	\$ 29,326
FUND BALANCE - JUNE 30, 2023	\$ 218,193	\$ 9,472,243	\$ 9,690,436

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2023

Net Change in Fund Balance - Total Governmental Funds \$ 1,037,211

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those capital assets are allocated over their estimated useful lives and reported as depreciation expenses.

The amounts are detailed as follows:

Capital Outlay	7,591,976
Depreciation Expense	(1,038,872)
Loss on the Disposal of Equipment	(53,188)

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those Right of Use leased assets is allocated over the shorter of their estimated useful lives or term of the lease and reported as amortization expenses. The amounts are detailed as follows:

Capital Outlay	386,890
Amortization Expense	(696,381)

Compensated absences expenses reported in the Statement of Activities do not required the use of current financial resources and therefore, are not reported as expenditures in Governmental Funds.

146,741

Loan proceeds and principle payments reported in the Statement of Activities do not require the uses of current financial resources and therefore, are not reported as expenditures in Governmental Funds. The amounts are detailed as follows:

Proceeds	(2,800,000)
Payments	717,747

The issuance of Long-Term debt for Right of Use liabilities provides current financial resources to Governmental Funds while the repayment of the principal of the Right of Use liability consumes the current financial resources of Governmental Funds. Neither transaction has any effect on Net Position. The amount is the net effect of these differences in treatment of the Right of Use liability. The amounts are detailed as follows:

Proceeds	(386,890)
Payments	696,381

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GATEWAY COMMUNITY SERVICE BOARD

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES - CONTINUED

For the Fiscal Year Ended June 30, 2023

Pension expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in Governmental Funds.	\$ 7,930
OPEB expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in Governmental Funds.	<u>398,872</u>
Change in Net Position of Governmental Activities	<u><u>\$ 6,008,417</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

## GATEWAY COMMUNITY SERVICE BOARD

### NOTES TO THE FINANCIAL STATEMENTS

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Summary of Significant Accounting Policies is presented to assist the reader in interpreting the financial statements. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting policies of the Community Service Board conform to generally accepted accounting principles (GAAP) as applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB) or, where applicable, the Financial Accounting Standards Board (FASB).

The accounting policies of Gateway Community Service Board are based upon accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with the subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

Effective July 1, 2022, Gateway Community Service Board adopted the following GASB Statements:

GASB Statement 91, *Conduit Debt Obligations*. This statement was issued May 2019 to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement 91 was implemented for the fiscal year ending June 30, 2023.

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangement*. This statement was issued March 2020 to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements and to provide guidance for accounting and financial reporting for availability payment arrangements. GASB Statement 94 was implemented for the fiscal year ending June 30, 2023.

GASB Statement 96, *Subscription-Based Information Technology Arrangements*. This statement was issued May 2020 to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). GASB Statement 96 was implemented for the fiscal year ending June 30, 2023. The CSB did not have any SBITAs that met the definition that required disclosure, so there was no financial impact of this implementation.

GASB Statement 99, *Omnibus 2022*. This statement was issued April 2022 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. GASB Statement 99 was implemented for the fiscal year ending June 30, 2023.

#### FUTURE ADOPTION OF GASB PRONOUNCEMENTS

GASB Statement 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement no. 62*. This statement was issued June 2022 to improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. GASB Statement 100 will be effective for the fiscal year ending June 30, 2024.

## GATEWAY COMMUNITY SERVICE BOARD

### NOTES TO THE FINANCIAL STATEMENTS

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

GASB Statement 101, *Compensated Absences*. This statement was issued June 2022 to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Under this Statement, it requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement 101 will be effective for the fiscal year ending June 30, 2025.

The Community Service Board will implement new GASB pronouncements no later than the required effective date. The Community Service Board is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact to their financial statements.

#### REPORTING ENTITY

As a result of legislation passed by the Georgia General Assembly known as House Bill 100, responsibility for most Mental Health, Developmental Disabilities and Addictive Diseases were transferred from County Boards of Health to Community Service Boards as of July 1, 1994. A closeout process was followed and upon Georgia Department Human Resources' approval, assets and the related Fund Balance were transferred from the Board of Health to the successor agency. These financial statements report only the financial activities of Gateway Community Service Board. Management of the Community Service Board does not exercise any authority over any other entity which would require inclusion in these financial statements as required by GASB 14, the financial reporting entity.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Community Service Board and its component unit. The component unit discussed below is included in the Community Service Board's reporting entity because of the significance of its operational and financial relationships with the Community Service Board.

Distinctive Health Solutions, Inc. and Subsidiary was established for the purpose of improving the quality of life for low-income persons with behavioral health and developmental disabilities by providing services that promote individual and economic self-sufficiency. The organization is presented as a discretely presented component unit of Gateway Community Service Board. Complete financial statements of Distinctive Health Solutions, Inc. and Subsidiary can be obtained at the following address: 600 Coastal Village Drive Brunswick, Georgia 31520.

#### GOVERNMENT WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Agency. Governmental activities are normally supported by client fees and State Contracted Services from the Georgia Department of Behavioral Health and Developmental Disabilities (DBHDD).

The Statement of Activities reports the expenses of a given function or activity and are offset by program revenues. Direct expenses are those that are clearly identifiable to activities within a specific function or identifiable program. Program revenues include 1.) Charges to clients for services provided by the Agency, and 2.) Grants and contributions that are restricted to meeting the operational requirement of a particular function or identifiable program as specified by DBHDD and other granting agencies. Intra/Inter agency revenues and expenses are not reflected in the Statement of Activities.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting. 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.

Governmental fund financial statements report using the current financial resources measurement focus and 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 Agency considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when the related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related claims and judgments, are recorded as expenditures only when payment is due.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

BASIS OF PRESENTATION

The financial transactions of the Community Service Board are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses.

GASB Statement 34 *Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments* sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Community Service Board electively added funds, as major funds, which either had debt outstanding or specific community focus. The non-major governmental funds are combined in a single column in the fund financial statements. The Community Service Board has no non-major governmental funds.

Governmental Funds

The measurement focus of the Governmental Funds (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major Governmental Funds of the Community Service Board:

- The General Fund accounts for all of the Community Service Board's services and is the primary operating unit of the Community Service Board.

BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide statements are presented on an accrual basis of accounting. The Governmental Funds in the fund financial statements are presented on a modified accrual basis.



GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accrual

Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the following 6 months. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt and compensated absences, if any, are recognized when due.

FUND BALANCE

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form; or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Community Service Board's highest level of decision-making authority, the Community Service Board. A formal resolution of the Community Service Board is required to establish, modify, or rescind a fund balance commitment. The Community Service Board reports assigned fund balance for amounts that are constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. Unassigned fund balance is the residual amount remaining that does not meet any other criterion.

When the Community Service Board incurs an expenditure for purposes for which various fund balance classifications can be used, it is the Community Service Board's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

NET POSITION

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

The Community Service Board applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net position is available.

Gateway Community Service Board has no proprietary or fiduciary funds.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

DEFERRED OUTFLOW/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Community Service Board has two types of items that qualify for reporting in this category; (1) it is the change in proportion and differences between employer contributions and proportionate share of contributions for pensions and, (2) the Community Service Board's contributions subsequent to the measurement date. These amounts are deferred and will be recognized as an outflow in the applicable period.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period (s) and so will not be recognized as an inflow of resources (revenue) until that time. The Community Service Board has one type of item that qualifies for reporting in this category; the net difference between projected and actual earnings on pension plan investments. This amount is deferred and will be recognized as an inflow of resources in the period in which the amount becomes available.

CAPITAL ASSETS AND DEPRECIATION - GOVERNMENT-WIDE FINANCIAL STATEMENTS - Capital assets are recorded as follows for the Statement of Net Position and Statement of Activities:

The Community Service Board's capital assets with useful lives of more than one year are stated at historical cost. Donated assets are stated at fair value on the date of the donation. The Community Service Board capitalizes all assets with a cost of \$5,000 or more as purchased. The cost of normal repairs and maintenance that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	20-39
Leasehold Improvements	5-20
Equipment, Furniture, and Fixtures	3-7
Vehicles	5

RIGHT OF USE ASSETS/LIABILITIES

LEASES - The Organization has set a threshold for capitalizing leases with a liability of \$5,000 or more. Lease expenses for the year ended June 30, 2023 for noncapitalized leases amounted to \$443,708.

LESSEE - The Community Service Board is a lessee for a non-cancellable lease of equipment. The Community Service Board recognizes a lease liability and an intangible Right of Use lease asset (lease asset) in the government-wide financial statements. The Community Service Board recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Community Service Board initially measures the lease liability at the present value of payments expected to be made during the lease terms. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for the lease payments made at or before the least commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life or the term of the lease, whichever is shorter.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Key estimates and judgments related to leases include how the Community Service Board determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The Community Service Board uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Community Service Board generally uses its estimated incremental borrowing rate as the discount rate for the leases
- The leases term includes the non-cancellable period of the lease. Lease payments includes in the measurement of the lease liability are composed of fixed payments and purchase option price that the Community Service Board is reasonably certain to use.

The Community Service Board monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as Right of Use assets and lease liability is reported as Right of Use liability on the Statement of Net Position.

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

SBITA - The Organization has set a threshold for capitalizing SBITA with a liability of \$5,000 or more. SBITA expenses for the year ended June 30, 2023 for noncapitalized SBITA amounted to \$879,503.

SBITA - The Community Service Board is a party to a non-cancellable SBITA. The Community Service Board recognizes a SBITA liability and an intangible Right of Use SBITA asset (SBITA asset) in the government-wide financial statements. The Community Service Board recognizes SBITA liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a SBITA, the Community Service Board initially measures the SBITA liability at the present value of payments expected to be made during the SBITA terms. Subsequently, the SBITA liability is reduced by the principal portion of the SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for the SBITA payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life or the term of the SBITA, whichever is shorter.

Key estimates and judgments related to SBITA include how the Community Service Board determines: 1) the discount rate it uses to discount the expected SBITA payments to present value, 2) SBITA term, and 3) SBITA payments.

- The Community Service Board uses the interest rate provided in the SBITA as the discount rate. When the interest rate is not provided, the Community Service Board generally uses its estimated incremental borrowing rate as the discount rate for the SBITA.
- The SBITA term includes the non-cancellable period of the agreement. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments.

The Community Service Board monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the intangible asset and related liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

COMPENSATED ABSENCES - Effective June 4, 2013, Gateway's policy was changed to:

Paid Time Off (PTO)

1. Paid Time Off is earned on a semi-monthly basis by salaried employees in permanent, working test or provisional status.
2. A full time employee will earn one-half of their monthly PTO at the end of each pay period if the employee works forty (40) hours or more in each pay period.
3. PTO is accrued and carried over at the following rates:
  - a. 0-35 months inclusive.....10 hours at end of each month.
  - b. 36-59 months inclusive.....12 hours at the end of each month.
  - c. 60 months and over.....14 hours at end of each month.The sick leave balances of staff hired prior to September 1, 2010 will be available for use under the terms of Family and Medical Leave.
4. Eligible employees begin accruing PTO at the appropriate increased rate on the first day of the month following the completion of the required months of service.
5. Part-time hourly employees are not eligible to earn leave.
6. A full-time employee in pay status for less than forty (40) hours during a pay period earns no PTO for that pay period.
7. PTO is not earned by employees on emergency, hourly, temporary, or intermittent appointments.
8. PTO may accumulate to a total of 480 hours (60 workdays).
9. Any PTO earned in excess of 480 hours will be forfeited.

Family Medical Leave

1. Eligible employees may take medical leave time as provided by the Family and Medical Leave Act of 1993 and in conjunction with Gateway policies.
2. Family and Medical Leave is available to employees who:
  - a. Have been employed for at least (1) year; and
  - b. Have worked at least 1,250 hours of service during the twelve (12) month period that precedes the leave.
3. Eligible employees are entitled to twelve (12) weeks of Family and Medical Leave during any twelve (12) month period for the following reasons:
  - a. The birth of a child of the employee;
  - b. The placement of a child with the employee for adoption or foster care;
  - c. Care of the employee's child, spouse or parent who has a serious health condition; or
  - d. A serious health condition which makes the employee unable to perform the essential functions of the employee's position.
  - e. Eligible employee with a spouse, son, daughter, parent on covered active duty or call to active duty status of an Armed Service member or Armed Service reservist.
4. The twelve (12) month period leave year is a "rolling" twelve (12) month period measured backwards from the date leave is to begin.

Compensated absences are accrued and recorded as a liability on the government-wide financial statements. The annual change in the liability is reflected in the Statement of Activities.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

PENSIONS - For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employee's Retirement System of Georgia (ERS) and additions to/deductions from ERS's fiduciary net position have been determined on the same basis as they are reported by ERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) - For the purposes of measuring the net OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to OPEBs, and OPEB expense, information about the fiduciary net positions of the State Employees' Assurance Department Retired and Vested Inactive Members Trust Fund-OPEB (SEAD-OPEB) and State Health Benefits Plan-OPEB (SHBP-OPEB) and additions to or deductions from SEAD-OPEB or SHBP-OPEB's fiduciary net position have been determined on the same basis as they are reported by SEAD-OPEB or SHBP-OPEB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

LEGAL COMPLIANCE - BUDGETARY RESTRICTIONS - Budgets are developed annually as part of the grant agreements. Provisions are made for revision of the budgets during the fiscal year. The budgeted amounts shown in the accompanying statements reflect the original and final revised budgets for each grant. All budgets are prepared on the modified accrual basis of accounting.

USE OF ESTIMATES - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from these estimates.

Certain significant estimates in this financial statement include:

- The collectability of consumer receivables.
- Medicaid revenue and receivables.
- Depreciation expense on Agency owned assets.
- Current portion of compensated absences payable.

CONTINGENCIES - The Agency's nature of business is such that it ordinarily results in a certain amount of litigation. In the opinion of management for the Agency, there is no litigation in which the outcome will have a material effect on the financial statements.

RISK MANAGEMENT - All equipment, furniture and fixtures and vehicles held by Gateway Community Service Board are insured through the Georgia Department of Administrative Services (GA DOAS). The Agency is exposed to various risk of loss related to torts; theft or damage to and destruction of assets; errors and omissions; natural disasters; and worker injuries for which the Agency carries insurance through the Georgia Department of Administrative Services. The insurance provides for the transfer of risk from the Agency for all major programs. The Agency's risk is constituted by a maximum \$500 deductible for each occurrence. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts did not exceed insurance coverage for the current year.

SUBSEQUENT EVENTS

The Community Service Board has evaluated subsequent events through November 21, 2023, the date on which the financial statements were available to be issued.

GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 - DEPOSITS AND INVESTMENTS

Total cash and investments as of June 30, 2023, are summarized as follows:

As reported in the Statement of Net Position:

Cash		\$ 8,053,298	
Cash - Restricted		138,937	
		\$ 8,192,235	
Cash Deposited with Financial Institutions			\$ 9,151,222

Interest rate risk. The Community Service Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk - deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2023, the Community Service Board did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable of \$2,069,404 consist of client fees, private-pay insurance, Medicaid, Medicare, and other contracts.

NOTE 4 - DUE FROM/TO DBHDD

The Agency has accounts receivable due from and accounts payable due to the Georgia Department of Behavioral Health and Developmental Disabilities as follows:

Program Number	Program Summary	Due From	Due To
DBHDD Master Agreement #44100-265-0262023104			
100	Mental Health Services - Adult	\$ 148,983	\$ -
305	CSU Workforce Support (MHBH COVID-19)	65,249	
602	HIV Early Intervention	13,984	-
700	Substance Abuse Services - Adult	63,018	-

GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 - DUE FROM/TO DBHDD - CONTINUED

Program Number	Program Summary	Due From	Due To
DBHDD Master Agreement #44100-265-0262023114			
619	WTRS-Outpatient-SSBG	\$ 12,780	\$ -
624	WTRS-Residential SA-SAPTBG	11,122	-
625	WTRS-Residential SA-TANF	39,600	-
626	WTRS-Residential Residential - State	8,800	-
630	WTRS-Transitional Housing Services	4,000	-
632	WTRS-Residential-SSBG	30,800	-
643	WTRS-SAPT-COVID-19	19,875	-
	Subtotal	<u>\$ 418,211</u>	<u>\$ -</u>
	Special Operating Advance	<u>\$ -</u>	<u>\$ 779,999</u>
Other Contracts:			
BHCC			
	#44100-026-CMA00003116	\$ 1,346,547	\$ -
Adolescent Addictive Diseases Clubhouse Services			
	#44100-906-CMA00003486	\$ 69,511	\$ -
ACT Services			
	#44100-026-0000183640	\$ 143,621	\$ -
Intensive Case Management			
	#44100-261-CMA00003103	\$ 67,162	\$ -
System of Care			
	#44100-026-0000171082	\$ 21,222	\$ -
C&A Fellowship			
	#44100-026-0000155735	\$ 62,209	\$ -
Georgia APEX Project (GAP)			
	#44100-026-CMA00003079	\$ 29,720	\$ -
Georgia APEX Expansion (CHAT)			
	#44100-026-0000128230	\$ 11,665	\$ -

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 - DUE FROM/TO DBHDD - CONTINUED

<u>Program Number</u>	<u>Program Summary</u>	<u>Due From</u>	<u>Due To</u>
Georgia APEX Project 3.0 #44100-026-0000160091		\$ 9,910	\$ -
Crisis Respite Apartments #44100-026-CMA00003109		\$ 44,659	\$ -
Crisis Respite Apartments #44100-026-0000176663		\$ 72,409	\$ -
Psychiatric Residency Program #44100-026-CMA00003344		\$ 166,667	\$ -
Supported Employment/Supported Education #44100-026-CMA00003740		\$ 8,358	\$ -
Early Treatment Program #44100-026-CMA00003547		\$ 4,739	\$ -
Co-Responder Clinician #44100-026-0000170841		\$ 10,201	\$ -
Care Coordination #44100-026-0000169268		\$ 7,318	\$ -
Child and Adolescent Crisis Stabilization Unit #44100-026-0000172800		\$ 137,679	\$ -
Integrated Medicine #44100-026-0000173773		\$ 44,930	\$ -
Chatham Re-Entry Initiative #44100-026-0000173730		\$ 12,237	\$ -
Crisis Respite Apartments for First Episode of Psychosis Program #44100-026-0000180348		\$ 4,578	\$ -



GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 - DUE FROM/TO DBHDD - CONTINUED

Program Number	Program Summary	Due From	Due To
Addiction Fellowship #44100-906-CMA00003180		\$ 48,079	\$ -
Opioid Maintenance #44100-906-CMA00003421		\$ 69,140	\$ -
	Subtotal	\$ 2,392,561	\$ -
	TOTAL	\$ 2,810,772	\$ 779,999

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Increase	Decrease	Transfers	Balance June 30, 2023
Construction in Progress	\$ 897,334	\$ 1,013,106	\$ (53,188)	\$ 844,146	\$ 2,701,398
Capital Assets Being Depreciated:					
Land	\$ 5,289,996	\$ 1,308,564	\$ -	\$ -	\$ 6,598,560
Buildings	20,198,883	5,162,716	-	(844,146)	24,517,453
Leasehold Improvements	168,013	-	-	-	168,013
Equipment, Furniture and Fixtures	1,450,755	69,396	-	-	1,520,151
Vehicles	777,658	38,194	-	-	815,852
Total Capital Assets Being Depreciated	\$ 27,885,305	\$ 6,578,870	\$ -	\$ (844,146)	\$ 33,620,029
Total	\$ 28,782,639	\$ 7,591,976	\$ (53,188)	\$ -	\$ 36,321,427
Less:					
Accumulated Depreciation	(6,412,585)	(1,038,872)	-	-	(7,451,457)
Total Capital Assets, Net	\$ 22,370,054	\$ 6,553,104	\$ (53,188)	\$ -	\$ 28,869,970

GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 - NOTES PAYABLE

The following Notes Payable represents mortgages on various buildings owned by Gateway Community Service Board:

Note payable to Ameris Bank, due in monthly installments of \$44,004, interest at 4.00%, matures in June 2034, collateralized by real property.	\$ 6,432,430
Note payable to Ameris Bank, due in monthly installments of \$9,780, interest at 5.46%, matures in May 2038, by real property.	1,187,213
Note payable to South State Bank, due in monthly installments of \$2,286, interest at 4.95%, matures in May 2024, by real property.	24,484
Note payable to South State Bank, due in monthly installments of \$7,405, interest at 4.95%, matures in April 2034, by real property.	745,678
Note payable to South State Bank, due in monthly installments of \$9,115, interest at 3.75%, matures in May 2031, by real property.	1,419,263
Note payable to Carver Bank, due in monthly installments of \$3,039, interest at 5.00%, matures in November 2026, by real property.	114,274
Note payable to Ameris Bank, due in monthly installments of \$17,128, interest at 5.46%, matures in May 2043, by real property.	2,800,000
	\$ 12,723,342
Less: Current Maturities	(523,042)
	\$ 12,200,300

GATEWAY COMMUNITY SERVICE BOARD  
 NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 - NOTES PAYABLE - CONTINUED

The long-term debt matures as follows:

<u>Year Ending June 30,</u>		
2024	\$	523,042
2025		539,114
2026		563,511
2027		549,302
2028		581,499
Thereafter		<u>9,966,874</u>
		<u>\$ 12,723,342</u>

NOTE 7 - LEASES

FINANCED PURCHASE ARRANGEMENT

On December 10, 2010, the Brunswick and Glynn County Development Authority (Authority), Glynn County, Georgia, and Gateway Community Service Board (Gateway) entered into an Intergovernmental Lease Agreement. The purpose of the agreement was the issuance of revenue bonds in the amount of \$5,300,000 to be used to finance the acquisition, construction, and equipping of a building project for Gateway Community Service Board.

On the same date, Gateway entered into a rental agreement with Glynn County, Georgia (County) for the above project. The terms of the lease are as follows:

The lease shall commence on the date of execution and terminate at midnight on December 31, 2031, or if all payments required by the rental agreement have not been made on such date when all payments have been made.

The agreement shall not last longer than 40 (forty) years.

On April 1, 2017, The Authority redeemed the Series 2010 Bonds and refunded \$6,090,000 with Series 2020 Bonds.

Upon Gateway’s payment of all base rentals and additional rent for the lease term and all amounts due, the trustee under the indenture, the County, shall direct the Transfer of the property to Gateway. Lease payments of principal and interest are as follows:

GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 - LEASES - CONTINUED

2024	\$	399,500
2025		397,750
2026		400,850
2027		401,250
2028		400,500
Thereafter		4,309,700
	\$	6,309,550
Less:		
Amount Representing		
Interest		(1,664,361)
Present Value of		
Minimum Lease		
Payments	\$	4,645,189

Maturities of principal payments are as follows:

2024	\$	225,000
2025		230,000
2026		240,000
2027		250,000
2028		260,000
Thereafter		3,440,189
	\$	4,645,189

Amounts capitalized based on the terms of the financed purchase arrangements are as follows:

Interest rate is 3.00%.

Land	\$	711,301
Buildings		3,833,235
Furniture and Equipment		327,164
	\$	4,871,700

As of June 30, 2023, the current year depreciation and accumulated depreciation of the buildings, furniture, and equipment in the financed purchase arrangement are \$156,996 and \$1,672,010, respectively.

RIGHT OF USE ASSETS

The Community Service Board has recorded 102 Right of Use leased assets. The assets are Right of Use assets for leased equipment and vehicles, and buildings. The Right of Use lease assets are amortized on a straight-line basis over the terms of the related leases.

GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 - LEASES - CONTINUED

Right of Use asset activity for the Community Service Board for the year ended June 30, 2023, was as follows:

	<u>Balance</u> <u>June 30, 2022</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30, 2023</u>
Right of Use Assets:				
Leased Equipment	\$ 699,757	\$ -	\$ (12,820)	\$ 686,937
Leased Vehicles	1,162,792	-	(804,687)	358,105
Leased Buildings	<u>968,261</u>	<u>386,890</u>	<u>(339,467)</u>	<u>1,015,684</u>
	<u>\$ 2,830,810</u>	<u>\$ 386,890</u>	<u>\$ (1,156,974)</u>	<u>\$ 2,060,726</u>
Less Accumulated Amortization:				
Leased Equipment	\$ (398,597)	\$ (138,456)	\$ 12,820	\$ (524,233)
Leased Vehicles	(907,821)	(199,722)	804,687	(302,856)
Leased Buildings	<u>(424,633)</u>	<u>(358,203)</u>	<u>339,467</u>	<u>(443,369)</u>
	<u>\$ (1,731,051)</u>	<u>\$ (696,381)</u>	<u>\$ 1,156,974</u>	<u>\$ (1,270,458)</u>
Right of Use Assets, Net	<u>\$ 1,099,759</u>	<u>\$ (309,491)</u>	<u>\$ -</u>	<u>\$ 790,268</u>

Right of Use liabilities consists of the following as of June 30, 2023:

Right of Use Liabilities, payable to Canon, due in monthly installments of \$11,449, maturing between July 2024 and February 2027, for the right to use copiers.	\$ 162,706
Right of Use Liabilities, payable to Enterprise, due in monthly installments of \$7,734, maturing between September 2023 and November 2024, for the right to use vehicles.	55,249
Right of Use Liabilities, payable to multiple vendors, due in monthly installments of \$26,570, maturing between September 2023 and December 2027, for the right to use commercial property.	<u>572,313</u>
	<u>\$ 790,268</u>
Less: Current Maturities	<u>414,392</u>
	<u>\$ 375,876</u>

GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 - LEASES - CONTINUED

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023, were as follows:

Year Ending June 30	Total
2024	\$ 414,392
2025	135,822
2026	87,399
2027	83,414
2028	69,241
Thereafter	-
	\$ 790,268

NOTE 8 - COMPENSATED ABSENCES

At termination, employees are paid for any accumulated annual leave. The liability for accumulated annual leave at June 30, 2023 is estimated by management to be \$550,035. This amount includes was \$88,596 for tax liabilities and benefits related to the accrued leave.

The following is a schedule of changes in annual leave for the fiscal year ending June 30, 2023:

July 01, 2022	Additions	Deletions	June 30, 2023
\$ 696,776	\$ -	\$ 146,741	\$ 550,035
		Current	\$ 515,726
		Long-Term	34,309
		Total	\$ 550,035

Forfeited leave is accumulated and according to certain provisions can be utilized for extended major illnesses and retirement. No sick leave is paid upon employee termination.

NOTE 9 - 401(A) PLAN

Effective December 31, 2010, Gateway withdrew from the Peach State Reserves 401(k) and 457 Plans. Effective January 1, 2011 a 401(a) and a 457 Plan was established with The Hartford Insurance Trust and was then moved to Mass Mutual Life Insurance Company effective July 1, 2014. Employee balances were rolled into the new 401(a) Plan. Agency contributions are a dollar for dollar match up to 7.5% of annual salary. Employees received personalized consultation from Jacobs, Coolidge & Company, LLC. The Vesting schedule is as follows:

2 years - 20%	5 years - 80%
3 years - 40%	6 years - 100%
4 years - 60%	

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9 - 401(A) PLAN - CONTINUED

The employees of the Agency, who were employed before July 1, 1994, participate in the Georgia State Employee Retirement System. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities.

The retirement contributions, for the year ended June 30, 2023 were \$276,930 based on salaries of \$4,546,165. Contributions in the 401(k), 401(a), and 401(b) plans are fully vested to employees after six (6) years of continuous service.

NOTE 10- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA

**ERS - EMPLOYEE RETIREMENT SYSTEM - GASB 68**

Plan Description

The ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at [www.ers.ga.gov/financials](http://www.ers.ga.gov/financials).

Benefits Provided

The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the Old Plan, the New Plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, post-retirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through the ERS plan.

Contributions

Member contributions under the old plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the Old Plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Agency's total required contribution rate for the year ended June 30, 2023 was 31.01% of annual covered payroll for old and new plan members and 27.47% for GSEPS members. The rates include the annual actuarially determined employer contribution rate of 24.67% of annual covered payroll for old and new plan members and 21.59% for GSEPS members, plus a 6.34% adjustment to the old and new plan and a 5.88% adjustment to the GSEPS plan for the commencement of COLA prefunding for certain retired ERS members. The Agency's contribution to ERS totaled \$30,262 for the year ended June 30, 2023. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Agency reported a liability of \$301,800 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2021. An expected total pension liability as of June 30, 2022 was determined using standard roll-forward techniques. The Agency's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2022. At June 30, 2022, the Employer's proportion was 0.004519%, which was a decrease of 0.000204% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the Agency recognized pension expense of \$22,299. At June 30, 2023, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 648	\$ 2,737
Changes of Assumptions	53,648	-
Net difference between projected and actual earnings on pension plan investments	35,066	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	20,437
Employer contributions subsequent to the measurement date	30,262	-
Total	\$ 119,624	\$ 23,174

Employer contributions subsequent to the measurement date of \$30,262 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:



GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 10- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

Year ended June 30,	
2024	\$ 26,381
2025	11,965
2026	874
2027	26,968
2028	-
Thereafter	-

Actuarial Assumptions

The total pension liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.00-6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

<u>Participant Type</u>	<u>Membership Table</u>	<u>Set Forward (+)/ Set Back (-)</u>	<u>Adjustments to Rates</u>
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014-June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates by the target asset allocation percentage and by adding expected inflation.

GATEWAY COMMUNITY SERVICE BOARD  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 10- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

The target asset allocation and estimates of arithmetic real rates of returns for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return *</u>
Fixed Income	30.00%	0.20%
Domestic Large Equities	46.30%	9.40%
Domestic Small Equities	1.20%	13.40%
International Developed Market Equities	12.30%	9.40%
International Emerging Market Equities	5.20%	11.40%
Alternatives	5.00%	10.50%
Total	<u>100.00%</u>	

\* Rates shown are net of inflation

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate:

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Employer's proportionate share of the net pension liability	\$ 401,751	\$ 301,800	\$ 217,748

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS Financial Report which is publicly available at: [www.ers.ga.gov/financials](http://www.ers.ga.gov/financials).

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

**SEAD-OPEB - TERM LIFE INSURANCE - GASB 75**

Plan Description

SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.C.G.A., relating to retirement, so as to establish a fund for the provision of term life insurance to retired and vested inactive members of the Employees' Retirement System of Georgia (ERS), the Legislative Retirement System (LRS), and the Georgia Judicial Retirement System (GJRS). The plan is a cost-sharing multiple-employer defined benefit other postemployment benefit plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74,

*Financial Reporting for Postemployment Benefit Plans other than OPEB Plans.* The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investment of such payments.

Benefits Provided

The amount of insurance for a retiree with creditable service prior to April 1, 1964 is the full amount of insurance in effect on the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964 is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon the death of the retiree.

Contributions

Georgia law provides that employee contributions to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member's earnable compensation. There were no employer contributions required for the fiscal year ended June 30, 2023.

OPEB Asset, OPEB Income, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the Employer reported an asset of \$39,703 for its proportionate share of the OPEB asset. The net OPEB asset was measured as of June 30, 2022. The total OPEB asset used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2021. An expected total OPEB asset as of June 30, 2022 was determined using standard roll-forward techniques. The Employer's proportion of the net OPEB asset was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2022. At June 30, 2022, the Employer's proportion was 0.010801%, which was an increase of 0.000356% from its proportion measured as of June 30, 2021.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

For the year ended June 30, 2023, the Employer’s recognized OPEB income of \$296. At June 30, 2023, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 182	\$ 12
Changes of Assumptions	-	188
Net difference between projected and actual earnings on OPEB plan investments	8,276	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	617	656
Employer contributions subsequent to the measurement date	-	-
Total	\$ 9,075	\$ 856

Employer contributions subsequent to the measurement date of \$-0- are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB asset in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended June 30,	
2024	\$ 893
2025	813
2026	310
2027	6,203
2028	-
Thereafter	-

Actuarial Assumptions

The total OPEB asset as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation		2.50%
Salary Increases:		
ERS		3.00-6.75%
GJRS		3.75%
LRS		N/A
Investment rate of return		7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate		N/A

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

<u>Participant Type</u>	<u>Membership Table</u>	<u>Set Forward (+)/ Set Back (-)</u>	<u>Adjustments to Rates</u>
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014-June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates by the target asset allocation percentages and by adding expected inflation.

The target asset allocation and estimates of arithmetic real rates of returns for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return *</u>
Fixed Income	30.00%	0.20%
Domestic Large Equities	46.30%	9.40%
Domestic Small Equities	1.20%	13.40%
International Developed Market Equities	12.30%	9.40%
International Emerging Market Equities	5.20%	11.40%
Alternatives	5.00%	10.50%
Total	<u>100.00%</u>	

\* Rates shown are net of inflation

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

Discount Rate

The discount rate used to measure the total OPEB asset was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

Sensitivity of the Employer’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

The following presents the Employer’s proportionate share of the net OPEB asset calculated using the discount rate of 7.00%, as well as what the Employer’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percent-point lower (6.00%) or 1-percent-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net OPEB asset	\$ 25,628	\$ 39,703	\$ 51,230

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued ERS annual comprehensive financial report which is publicly available at: [www.ers.ga.gov/financials](http://www.ers.ga.gov/financials).

**SHBP-OPEB - STATE HEALTH BENEFITS PLAN - GASB 75**

*General Information about the State OPEB Fund*

Plan Description

Employees of State organizations as defined in §45-18-25 of the *Official Code of Georgia Annotated* (O.C.G.A.) are provided OPEB through the State OPEB fund—a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by Board of Community Health (Board). Title 45 of the *O.C.G.A.* assigns the authority to establish and amend the benefit terms of the group health plan to the Board.

Benefits Provided

The State OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for employees of State organizations (including technical colleges) and other entities authorized by law to contract with the Department of Community Health (DCH) for inclusion in the plan. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employee’s Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees Retirement Systems (PSERS). If elected, dependent

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and High Deductible Health Plan (HDHP). The State OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the State OPEB Fund is permitted.

Contributions

As established by the Board, the State OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the State OPEB Fund from the Employer Agency were \$11,119 for the year ended June 30, 2023. Active employees are not required to contribute to the State OPEB Fund.

OPEB Liabilities, OPEB Income, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB

At June 30, 2023, the Employer Agency reported a liability of \$60,352 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2021. An expected total OPEB liability as of June 30, 2022 was determined using standard roll-forward techniques. The Employer Agency’s proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2022. At June 30, 2022, the Employer Agency’s proportion was 0.013432%, which was a decrease of 0.018213% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Employer Agency’s recognized OPEB income of \$ 387,457. At June 30, 2023, the Employer Agency reported deferred outflows or resources and deferred inflows of resources related OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,897	\$ 58,684
Changes of Assumptions	1,078	7,428
Net difference between projected and actual earnings on OPEB plan investments	21,894	-
Changes in proportion and differences between Employer Agency contributions and proportionate share of contributions	151,483	248,388
Employer Agency contributions subsequent to the measurement date	11,119	-
Total	\$ 187,471	\$ 314,500

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

Employer contributions subsequent to the measurement date of \$11,119 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2024	\$ (61,972)
2025	(21,893)
2026	(48,959)
2027	(5,324)
2028	-
Thereafter	-

Actuarial Assumptions

The total OPEB liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

Inflation	2.50%
Salary Increases	3.00-6.75%, including inflation
Long-term expected rate of investment of return	7.00%, compounded annually, net of expense, and including inflation
Healthcare cost trend rate	
Pre-Medicare Eligible	6.50%
Medicare Eligible	5.00%
Ultimate trend rate	
Pre-Medicare Eligible	4.50%
Medicare Eligible	4.50%
Year of Ultimate trend rate	
Pre-Medicare Eligible	2029
Medicare Eligible	2023

Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 105% for males and 108% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted to 103% for males and 106% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjusted 106% for males and 105% for females) with the MP-2019 Projection scale applied generationally.

The actuarial assumptions used in the June 30, 2021 valuation are based on the results of the most recent actuarial experience studies for the pension systems, which covered the five year period ending June 30, 2019 and adopted by the pension Board on December 17, 2020.



GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2021 valuation were based on a review of recent plan experience done concurrently with the June 30, 2021 valuation.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for the major asset class is summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Fixed Income	30.00%	2.00%
Equities	70.00%	9.40%
Total	100.00%	

\* Rates shown are net of inflation

Discount Rate

In order to measure the total OPEB liability, as of June 30, 2022, for the State OPEB fund, a single equivalent interest rate of 7.00% was used, the same as last year's rate. The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Projected future benefit payments for all current plan members were projected through 2120.

Sensitivity of the Employer Agency's Share of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the collective new OPEB liability of the participating employers calculated using the discount rate of 7.00% as well as what the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- OPEB ASSET, OPEB LIABILITY, OPEB INCOME, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net OPEB liability	\$ 88,662	\$ 60,352	\$ 35,883

Sensitivity of the Employer Agency's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates:

The following presents the collective net OPEB liability of the participating employers, as well as what the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Employer's proportionate share of the net OPEB liability	\$ 31,800	\$ 60,352	\$ 93,808

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the 2022 State of Georgia Annual Comprehensive Financial Report which is publicly available at: <https://sao.georgia.gov/statewide-reporting/acfr>.

NOTE 12- OPERATIONAL CONTROL

On July 18, 2013, in concurrence with the Governor of the State of Georgia, the Commissioner of the Georgia Department of Behavioral Health and Developmental Disabilities (DBHDD) executed the statutory authority provided to DBHDD in O.C.G.A. 37-2-10 to appoint a Manager to oversee the operations of Gateway Community Service Board (Gateway). The Board of Gateway was informed that DBHDD had numerous indications that Gateway's ability to provide State Contracted Services was compromised, placing disability services to local consumers in jeopardy.

The manager was directed to utilize the appropriate measures within the scope of the statutory authority and report to the Commissioner weekly in conducting an assessment of Gateway's status during a 60-day period.

The manager has been kept in place since the distribution of his report in order to provide oversight to the operational changes needed and in order to facilitate financial stability.

Dr. Mark Johnson, M.D., was appointed Chief Executive Officer for Gateway Community Service Board and Manager for DBHDD effective November 16, 2015. No movement has yet been made to reconstitute the Gateway Board of Directors.

GATEWAY COMMUNITY SERVICE BOARD

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13- RESTATEMENT

The CSB has determined a restatement to beginning net position was required in the Governmental Activities for the correction of revenue related to Medicaid fees for amounts improperly excluded in prior years, which requires retrospective reporting of opening balances. The effect of the restatement resulted in a change to the beginning net position as follows:

Statement of Activities Net Position as of June 30, 2022, as Previously Reported	\$ 13,215,288
Restatement of Medicaid Fees as of June 30, 2022	<u>1,073,326</u>
Net Position - Beginning of Year, As Restated	<u>\$ 14,288,614</u>

The CSB has determined a restatement to beginning Fund Balance was required in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds for the correction of revenue related to Medicaid fees for amounts improperly excluded in prior years, which requires retrospective reporting of opening balances. The effect of the restatement resulted in a change to the beginning Fund Balance as follows:

Statement of Revenues, Expenditures, and Changes in Fund Balance	
Governmental Funds Fund Balance as of June 30, 2022, as Previously Reported	\$ 7,579,899
Restatement of Medicaid Fees as of June 30, 2022	<u>1,073,326</u>
Fund Balance - Beginning of Year, As Restated	<u>\$ 8,653,225</u>

REQUIRED SUPPLEMENTARY INFORMATION

GATEWAY COMMUNITY SERVICE BOARD

ERS EMPLOYER AGENCY - SCHEDULE OF PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY

For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	0.004519%	0.004723%	0.007075%	0.007831%	0.009035%	0.011493%	0.013998%	0.017412%	0.026814%
Employer's proportionate share of the net pension liability	\$ 301,800	\$ 110,466	\$ 298,208	\$ 323,149	\$ 371,432	\$ 466,769	\$ 662,164	\$ 705,429	\$ 1,005,691
Employer's covered payroll	\$ 122,716	\$ 110,632	\$ 114,401	\$ 178,293	\$ 197,407	\$ 232,935	\$ 284,367	\$ 326,839	\$ 395,301
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	245.93%	99.85%	260.67%	181.25%	188.16%	200.39%	232.86%	215.83%	254.41%
Plan fiduciary net position as a percentage of the total pension liability	67.44%	87.62%	76.21%	76.74%	76.68%	76.33%	72.34%	76.20%	77.99%

\*Note: Schedule is intended to show information for the last 10 years. Additional years will be displayed as they become available.

GATEWAY COMMUNITY SERVICE BOARD

ERS EMPLOYER AGENCY - SCHEDULE OF CONTRIBUTIONS  
EMPLOYEES' RETIREMENT SYSTEM

For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 30,262	\$ 27,282	\$ 29,295	\$ 43,911	\$ 49,102	\$ 57,791	\$ 70,531	\$ 80,792	\$ 79,395	\$ 88,208
Contributions in relation to the contractually required contribution	<u>\$ 30,262</u>	<u>\$ 27,282</u>	<u>\$ 29,295</u>	<u>\$ 43,911</u>	<u>\$ 49,102</u>	<u>\$ 57,791</u>	<u>\$ 70,531</u>	<u>\$ 80,792</u>	<u>\$ 79,395</u>	<u>\$ 88,208</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Agency's covered payroll	\$ 122,716	\$ 110,632	\$ 114,401	\$ 178,293	\$ 197,407	\$ 232,935	\$ 284,367	\$ 326,839	\$ 318,642	\$ 404,427
Contributions as a percentage of covered payroll	24.66%	24.66%	25.61%	24.63%	24.87%	24.81%	24.80%	24.72%	24.92%	21.81%

GATEWAY COMMUNITY SERVICE BOARD  
ERS EMPLOYER AGENCY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For The Year Ended June 30, 2023

**Changes of assumptions:** On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal, and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combines Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on June 18, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021 Total Pension Liability.

On April 21, 2022, the Board adopted a new funding policy which, in part, provides that the Actuarial Accrued Liability and Normal Cost of the System will include a prefunded carryable Cost-of-Living Adjustment (COLA) for eligible retirees and beneficiaries of the System. Under the new policy, future COLAs are provided through a profit-sharing mechanism using the System's asset performance. After studying the parameters of this new policy, the assumption for future COLAs was set as 1.05%. Previously, no future COLAs were assumed. In addition, the funding policy set the assumed rate of return at 7.20% for the June 30, 2021 valuation and established a new Transitional Unfunded Actuarial Accrued Liability as of June 30, 2021 which will be amortized over a closed 20-year period.

GATEWAY COMMUNITY SERVICE BOARD

SEAD-OPEB EMPLOYER - SCHEDULE OF PROPORTIONATE SHARE  
OF THE NET OPEB ASSET

For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer's proportion of the net OPEB asset	0.010801%	0.010445%	0.014970%	0.015477%	0.016647%	0.019358%
Employer's proportionate share of the net OPEB asset	\$ 39,703	\$ 64,323	\$ 42,517	\$ 43,764	\$ 45,054	\$ 50,312
Employer's covered payroll	\$ 122,716	\$ 110,632	\$ 114,401	\$ 178,293	\$ 197,407	\$ 232,935
Employer's proportionate share of the net OPEB asset as a percentage of its covered payroll	32.35%	58.14%	37.16%	24.55%	22.82%	21.60%
Plan fiduciary net position as a percentage of the total OPEB asset	138.03%	164.76%	129.20%	129.73%	129.46%	130.17%

\*Note: Schedule is intended to show information for the last 10 years. Additional years will be displayed as they become available.



GATEWAY COMMUNITY SERVICE BOARD

SEAD-OPEB EMPLOYER - SCHEDULE OF CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFITS

For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Employer covered payroll	\$ 122,716	\$ 110,632	\$ 114,401	\$ 178,293	\$ 197,407	\$ 232,935
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\*Note: Schedule is intended to show information for the last 10 years. Additional years will be displayed as they become available.

GATEWAY COMMUNITY SERVICE BOARD  
SEAD-OPEB EMPLOYER  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For The Year Ended June 30, 2023

**Changes of assumptions:** On December 17, 2015, the Board of Trustees adopted recommended changes to the economic and demographic assumptions utilized by the Plan. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal, and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for the June 30, 2017 actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018 actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the Systems based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to the rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return of 7.00%. These assumption changes are reflected in the calculation the of June 30, 2021 Total OPEB Liability.

GATEWAY COMMUNITY SERVICE BOARD

SHBP - OPEB EMPLOYER - SCHEDULE OF PROPORTIONATE  
SHARE OF THE NET OPEB LIABILITY

For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Employer Agency's proportion of the net OPEB liability	0.013432%	0.031645%	0.024068%	0.016135%	0.037602%	0.088337%
Employer Agency's proportionate share of the net OPEB liability	\$ 60,352	\$ 86,978	\$ 270,861	\$ 200,287	\$ 983,513	\$ 3,599,031
Employer Agency's covered payroll (CP)*	\$ 122,716	\$ 110,632	\$ 114,401	\$ 178,293	\$ 197,407	\$ 232,935
Employer Agency's proportionate share of the net OPEB liability as a percentage of its covered payroll	49.18%	78.62%	236.76%	112.34%	498.22%	1545.08%
Plan fiduciary net position as a percentage of the total OPEB liability	80.03%	87.58%	59.71%	56.57%	31.48%	17.34%

\*CEP - the payroll of employees that are provided OPEB through the OPEB plan

\*Note: Schedule is intended to show information for the last 10 years. Additional years will be displayed as they become available.

GATEWAY COMMUNITY SERVICE BOARD

SHBP - OPEB EMPLOYER - SCHEDULE OF CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFITS

For the Year Ended June 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution (CRC)*	\$ 11,119	\$ 21,718	\$ 48,012	\$ 36,220	\$ 86,269	\$ 188,603
Contributions in relation to the contractually required contribution*	<u>\$ 11,119</u>	<u>\$ 21,718</u>	<u>\$ 48,012</u>	<u>\$ 36,220</u>	<u>\$ 86,269</u>	<u>\$ 188,603</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer Agency's covered payroll	\$ 122,716	\$ 110,632	\$ 114,401	\$ 178,293	\$ 197,407	\$ 232,935
Contributions as a percentage of covered payroll (CP)**	9.06%	19.63%	41.97%	20.31%	43.70%	80.97%

*\*The "Contractually Required Contribution (CRC)" and "Contribution in relation to the contractually required contribution" are the same amount and can be found in the organization's customized employer packet identified as "Contributions made during the measurement period".*

*\*\*CP is the payroll of employees that are provided OPEB through the OPEB plan.*

\*Note: Schedule is intended to show information for the last 10 years. Additional years will be displayed as they become available.

GATEWAY COMMUNITY SERVICE BOARD  
SHBP-OPEB EMPLOYER  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For The Year Ended June 30, 2023

**Changes in benefit terms:** There have been no changes in benefit terms.

**Changes in assumptions:**

- June 30, 2020 valuation: Decremental assumptions were changed to reflect the Employees Retirement Systems experience study.
- June 30, 2019 valuation: The inflation assumption was lowered from 2.75% to 2.50% in anticipation of the upcoming ERS Experience Study. Additionally, decremental assumptions were changed to reflect the Teachers Retirement Systems experience study. Approximately 6.0% of employees are members of the Teachers Retirement Systems.
- June 30, 2017 valuation: The participation assumption, tobacco use assumption and morbidity factors were revised.
- June 30, 2015 valuation: Decremental and underlying inflation assumptions were changed to reflect the Retirement Systems' experience studies.
- June 30, 2012 valuation: A data audit was performed and data collection procedures and assumptions were changed.
- The discount rate was updated from 3.09% as of June 30, 2016 to 3.60% as of June 30, 2017; to 5.22% as of June 30, 2018; to 7.30% as of June 30, 2019; to 7.06% as of June 30, 2020; and to 7.00% as of June 30, 2021.

**SUPPLEMENTARY INFORMATION**

GATEWAY COMMUNITY SERVICE BOARD

MENTAL HEALTH SERVICES - ADULT - 100

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 9,830,595	\$ 9,830,595	\$ 9,635,699	\$ (194,896)
State Contracted Fee for Services	-	-	3,326,043	3,326,043
County Non-Participating	-	-	1,654,337	1,654,337
Contracts - Other	-	-	430,162	430,162
Federal Grants	-	-	37,235	37,235
Outpatient Medicaid Fees	-	-	3,051,900	3,051,900
Outpatient Medicare Fees	-	-	146,644	146,644
Client Fees	-	-	58,618	58,618
Other Fees	-	-	138,768	138,768
Other Local Fees	-	-	666	666
Other Income	-	-	34,975	34,975
Private Insurance	-	-	104,982	104,982
<b>TOTAL REVENUES</b>	<b>\$ 9,830,595</b>	<b>\$ 9,830,595</b>	<b>\$ 18,620,029</b>	<b>\$ 8,789,434</b>
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 5,165,634	\$ 5,165,634
Contract Labor	-	-	10,673,340	10,673,340
Total Personal Service Costs	\$ -	\$ -	\$ 15,838,974	\$ 15,838,974
Pharmacy	-	-	784,954	784,954
Other Operating Expenditures	9,830,595	9,830,595	12,325,393	2,494,798
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,830,595</b>	<b>\$ 9,830,595</b>	<b>\$ 28,949,321</b>	<b>\$ 19,118,726</b>
<b>DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (10,329,292)</b>	<b>\$ (10,329,292)</b>

GATEWAY COMMUNITY SERVICE BOARD

MENTAL HEALTH SERVICES - CHILDREN - 200

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Fee for Services	\$ -	\$ -	\$ 7,805	\$ 7,805
Contracts - Other	-	-	141,561	141,561
County Participating	-	-	12,356	12,356
Outpatient Medicaid Fees	-	-	654,769	654,769
Client Fees	-	-	12,126	12,126
Other Income	-	-	651	651
Private Insurance	-	-	33,484	33,484
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 862,752</b>	<b>\$ 862,752</b>
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 133,542	\$ 133,542
Contract Labor	-	-	344,279	344,279
Total Personal Service Costs	\$ -	\$ -	\$ 477,821	\$ 477,821
Pharmacy	-	-	1,070	1,070
Other Operating Expenditures	-	-	303,547	303,547
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 782,438</b>	<b>\$ 782,438</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,314</b>	<b>\$ 80,314</b>



GATEWAY COMMUNITY SERVICE BOARD

CRISIS STABILIZATION UNIT - 203

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Fee for Services	\$ 3,118,809	\$ 3,118,809	\$ 3,118,809	\$ -
Outpatient Medicaid Fees	-	-	736,987	736,987
Private Insurance	-	-	3,704	3,704
<b>TOTAL REVENUES</b>	<u>\$ 3,118,809</u>	<u>\$ 3,118,809</u>	<u>\$ 3,859,500</u>	<u>\$ 740,691</u>
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 1,091,399	\$ 1,091,399
Contract Labor	-	-	1,800,825	1,800,825
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,892,224</u>	<u>\$ 2,892,224</u>
Pharmacy	-	-	71,266	71,266
Other Operating Expenditures	<u>3,118,809</u>	<u>3,118,809</u>	<u>847,608</u>	<u>(2,271,201)</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 3,118,809</u>	<u>\$ 3,118,809</u>	<u>\$ 3,811,098</u>	<u>\$ 692,289</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,402</u>	<u>\$ 48,402</u>

GATEWAY COMMUNITY SERVICE BOARD

CSU WORKFORCE SUPPORT (MHBH COVID-19) - 305

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 425,000	\$ 425,000	\$ 323,569	\$ (101,431)
EXPENDITURES				
Other Operating Expenditures	\$ 425,000	\$ 425,000	\$ 323,569	\$ (101,431)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

INTELLECTUAL/DEVELOPMENTAL DISABILITIES COMMUNITY SERVICES - 400

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Fee for Services	\$ -	\$ -	\$ 136,726	\$ 136,726
County Non-Participating	-	-	11,537	11,537
Other Local Funds	-	-	2,822	2,822
Work Activity Fees	-	-	8,826	8,826
Medicaid Waiver	-	-	8,043,830	8,043,830
Client Fees	-	-	99	99
Other Fees	-	-	337,706	337,706
<b>TOTAL REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,541,546</u>	<u>\$ 8,541,546</u>
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 2,496,812	\$ 2,496,812
Contract Labor	-	-	4,347,859	4,347,859
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,844,671</u>	<u>\$ 6,844,671</u>
Other Operating Expenditures	-	-	2,472,567	2,472,567
<b>TOTAL EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,317,238</u>	<u>\$ 9,317,238</u>
<b>DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (775,692)</u>	<u>\$ (775,692)</u>

GATEWAY COMMUNITY SERVICE BOARD

SPECIAL APPROPRIATION - IDD - 502

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 979,959	\$ 979,959	\$ 979,959	\$ -
EXPENDITURES				
Other Operating Expenditures	\$ 979,959	\$ 979,959	\$ 979,959	\$ -
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

SPECIAL APPROPRIATION - CYBER SECURITY INSURANCE - 503

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 15,173	\$ 15,173	\$ 15,173	\$ -
EXPENDITURES				
Other Operating Expenditures	\$ 15,173	\$ 15,173	\$ 15,173	\$ -
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

HIV EARLY INTERVENTION SERVICES - 602

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 83,941	\$ 83,941	\$ 83,941	\$ -
EXPENDITURES				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 93,068	\$ 93,068
Other Operating Expenditures	83,941	83,941	21,479	(62,462)
TOTAL EXPENDITURES	<u>\$ 83,941</u>	<u>\$ 83,941</u>	<u>\$ 114,547</u>	<u>\$ 30,606</u>
DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,606)</u>	<u>\$ (30,606)</u>

GATEWAY COMMUNITY SERVICE BOARD

WTRS - OUTPATIENT - SSBG - 619

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 270,000	\$ 270,000	\$ 154,530	\$ (115,470)
Outpatient Medicaid Fees	-	-	46,109	46,109
Outpatient Medicare Fees	-	-	301	301
<b>TOTAL REVENUES</b>	<b>\$ 270,000</b>	<b>\$ 270,000</b>	<b>\$ 200,940</b>	<b>\$ (69,060)</b>
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ 270,000	\$ 270,000	\$ 95,563	\$ (174,437)
Contract Labor	-	-	356	356
Total Personal Service Costs	\$ 270,000	\$ 270,000	\$ 95,919	\$ (174,081)
Other Operating Expenditures	-	-	66,862	66,862
<b>TOTAL EXPENDITURES</b>	<b>\$ 270,000</b>	<b>\$ 270,000</b>	<b>\$ 162,781</b>	<b>\$ (107,219)</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 38,159</b>	<b>\$ 38,159</b>

GATEWAY COMMUNITY SERVICE BOARD

WTRS - RESIDENTIAL SUBSTANCE ABUSE TREATMENT - SAPTBG - 624

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 133,464	\$ 133,464	\$ 133,464	\$ -
EXPENDITURES				
Personal Service Costs:				
Salary and Fringes	\$ 133,464	\$ 133,464	\$ 187,575	\$ 54,111
Contract Labor	-	-	604,131	604,131
Total Personal Service Costs	\$ 133,464	\$ 133,464	\$ 791,706	\$ 658,242
Pharmacy	-	-	162	162
Other Operating Expenditures	-	-	153,751	153,751
TOTAL EXPENDITURES	<u>\$ 133,464</u>	<u>\$ 133,464</u>	<u>\$ 945,619</u>	<u>\$ 812,155</u>
DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (812,155)</u>	<u>\$ (812,155)</u>



GATEWAY COMMUNITY SERVICE BOARD

WTRS - RESIDENTIAL SUBSTANCE ABUSE TREATMENT - TANF - 625

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 475,200	\$ 475,200	\$ 475,200	\$ -
EXPENDITURES				
Salary and Fringes	\$ -	\$ -	\$ 101,916	\$ 101,916
Pharmacy	-	-	560	560
Other Operating Expenditures	475,200	475,200	134,957	(340,243)
TOTAL EXPENDITURES	<u>\$ 475,200</u>	<u>\$ 475,200</u>	<u>\$ 237,433</u>	<u>\$ (237,767)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,767</u>	<u>\$ 237,767</u>

GATEWAY COMMUNITY SERVICE BOARD

WTRS - RESIDENTIAL SUBSTANCE ABUSE TREATMENT- STATE - 626

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 105,600	\$ 105,600	\$ 101,200	\$ (4,400)
EXPENDITURES				
Other Operating Expenditures	\$ 105,600	\$ 105,600	\$ 101,200	\$ (4,400)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

WTRS - TRANSITIONAL HOUSING SERVICES - 630

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 48,000	\$ 48,000	\$ 48,000	\$ -
EXPENDITURES				
Salary and Fringes	\$ -	\$ -	\$ 62,402	\$ 62,402
Other Operating Expenditures	48,000	48,000	65,602	17,602
TOTAL EXPENDITURES	<u>\$ 48,000</u>	<u>\$ 48,000</u>	<u>\$ 128,004</u>	<u>\$ 80,004</u>
DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (80,004)</u>	<u>\$ (80,004)</u>

GATEWAY COMMUNITY SERVICE BOARD

WTRS - RESIDENTIAL - SSBG - 632

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 369,600	\$ 369,600	\$ 369,600	\$ -
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 187,575	\$ 187,575
Contract Labor	-	-	604,131	604,131
Total Personal Service Costs	\$ -	\$ -	\$ 791,706	\$ 791,706
Pharmacy	-	-	162	162
Other Operating Expenditures	369,600	369,600	153,751	(215,849)
<b>TOTAL EXPENDITURES</b>	<u>\$ 369,600</u>	<u>\$ 369,600</u>	<u>\$ 945,619</u>	<u>\$ 576,019</u>
<b>DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (576,019)</u>	<u>\$ (576,019)</u>

GATEWAY COMMUNITY SERVICE BOARD

WTRS - SAPT COVID-19 - 643

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 238,500	\$ 238,500	\$ 238,500	\$ -
EXPENDITURES				
Other Operating Expenditures	\$ 238,500	\$ 238,500	\$ 238,500	\$ -
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

SUBSTANCE ABUSE SERVICES - ADULT - 700

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Services	\$ 1,437,079	\$ 1,437,079	\$ 1,413,287	\$ (23,792)
State Contracted Fee for Services	-	-	611,096	611,096
County Non-Participating	-	-	13,052	13,052
Contracts - Other	-	-	73,091	73,091
Outpatient Medicaid Fees	-	-	241,071	241,071
Outpatient Medicare Fees	-	-	4,344	4,344
Private Insurance	-	-	988	988
Client Fees	-	-	20,363	20,363
Other Income	-	-	601	601
<b>TOTAL REVENUES</b>	<b>\$ 1,437,079</b>	<b>\$ 1,437,079</b>	<b>\$ 2,377,893</b>	<b>\$ 940,814</b>
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 573,162	\$ 573,162
Contract Labor	-	-	514,791	514,791
Total Personal Service Costs	\$ -	\$ -	\$ 1,087,953	\$ 1,087,953
Pharmacy	-	-	80,454	80,454
Other Operating Expenditures	1,437,079	1,437,079	1,094,890	(342,189)
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,437,079</b>	<b>\$ 1,437,079</b>	<b>\$ 2,263,297</b>	<b>\$ 826,218</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 114,596</b>	<b>\$ 114,596</b>

GATEWAY COMMUNITY SERVICE BOARD

SUBSTANCE ABUSE SERVICES - CHILDREN - 800

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
State Contracted Fee for Services	\$ -	\$ -	\$ 469	\$ 469
County Non-Participating	-	-	2,960	2,960
Contracts - Other	-	-	141	141
Outpatient Medicaid Fees	-	-	3,232	3,232
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,802</b>	<b>\$ 6,802</b>
<b>EXPENDITURES</b>				
Personal Service Costs:				
Salary and Fringes	\$ -	\$ -	\$ 2,900	\$ 2,900
Contract Labor	-	-	780	780
Total Personal Service Costs	\$ -	\$ -	\$ 3,680	\$ 3,680
Pharmacy	-	-	12	12
Other Operating Expenditures	-	-	25,951	25,951
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,643</b>	<b>\$ 29,643</b>
<b>DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (22,841)</b>	<b>\$ (22,841)</b>

GATEWAY COMMUNITY SERVICE BOARD

BHCC  
#44100-026-CMA00003116

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
Contracts	\$ 6,940,731	\$ 6,940,731	\$ 6,940,731	\$ -
<b>EXPENDITURES</b>				
Personnel Services	\$ 4,987,000	\$ 5,037,000	\$ 5,037,000	\$ -
Regular Operating	752,000	743,000	743,000	-
Travel	20,000	20,000	20,000	-
Equipment	93,000	93,000	93,000	-
Facility Costs	743,000	707,000	707,000	-
Per Diem/Fees/Contract	5,000	5,000	5,000	-
Telecommunications	50,000	45,000	45,000	-
Indirect Costs	174,176	174,176	174,176	-
COVID Supplement	116,555	116,555	116,555	-
<b>TOTAL EXPENDITURES</b>	<u>\$ 6,940,731</u>	<u>\$ 6,940,731</u>	<u>\$ 6,940,731</u>	<u>\$ -</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



GATEWAY COMMUNITY SERVICE BOARD

ACT SERVICES  
#44100-906-0000183640

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
Contracts	\$ 782,857	\$ 782,857	\$ 782,843	\$ (14)
EXPENDITURES				
Personal Service Costs	\$ 720,000	\$ 720,000	\$ 720,000	\$ -
Travel	6,000	6,000	6,001	1
Facility Costs	30,000	30,000	30,000	-
Per Diem/Fees/Contract	12,000	12,000	12,000	-
Telecommunications	12,000	12,000	12,000	-
COVID Supplement	2,857	2,857	2,842	(15)
TOTAL EXPENDITURES	<u>\$ 782,857</u>	<u>\$ 782,857</u>	<u>\$ 782,843</u>	<u>\$ (14)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

INTENSIVE CASE MANAGEMENT  
#44100-026-CMA00003103

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
Contract	\$ 393,857	\$ 393,857	\$ 392,220	\$ (1,637)
EXPENDITURES				
Personal Costs	\$ 360,000	\$ 360,000	\$ 360,000	\$ -
Regular Operating	6,000	6,000	6,000	-
Travel	3,600	3,600	3,600	-
Facility Costs	3,600	3,600	3,600	-
Telecommunication	5,800	5,800	5,800	-
Indirect Costs	12,000	12,000	12,000	-
COVID Supplement	2,857	2,857	1,220	(1,637)
TOTAL EXPENDITURES	<u>\$ 393,857</u>	<u>\$ 393,857</u>	<u>\$ 392,220</u>	<u>\$ (1,637)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

ADOLESCENT ADDICTIVE DISEASES CLUBHOUSE SERVICES  
#44100-026-0000172568

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Period Beginning October 1, 2021 and Ending September 30, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
Contract	\$ 400,000	\$ 400,000	\$ 369,873	\$ (30,127)
<b>EXPENDITURES</b>				
Personnel Services	\$ 268,000	\$ 252,890	\$ 233,657	\$ (19,233)
Regular Operating	21,000	21,000	21,000	-
Educational Services	15,000	20,000	17,504	(2,496)
Employment Services	9,000	12,000	10,976	(1,024)
Family Involved Activities	3,000	5,000	4,596	(404)
Off-Site Social Activities	45,000	45,000	45,000	-
Transportation Costs	20,000	20,000	16,037	(3,963)
Pre-Approved Funds	5,000	6,110	6,109	(1)
Nutrition Education	7,000	11,000	9,280	(1,720)
Drug Screen Expenses	7,000	7,000	5,714	(1,286)
<b>TOTAL EXPENDITURES</b>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 369,873</u>	<u>\$ (30,127)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

CRISIS RESPITE APARTMENTS  
#44100-026-0000165681

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Period Beginning August 1, 2021 and Ending July 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
Contracts	\$ 173,000	\$ 173,000	\$ 171,719	\$ (1,281)
<b>EXPENDITURES</b>				
Personnel Services	\$ 95,000	\$ 95,000	\$ 95,000	\$ -
Regular Operating	18,000	18,000	18,000	-
Travel	500	500	131	(369)
Equipment	2,000	2,000	2,000	-
Facility Costs	40,000	40,000	40,000	-
Per Diem/Fees/Contract	500	500	-	(500)
Telecommunications	3,000	3,000	2,588	(412)
Indirect Costs	14,000	14,000	14,000	-
<b>TOTAL EXPENDITURES</b>	<u>\$ 173,000</u>	<u>\$ 173,000</u>	<u>\$ 171,719</u>	<u>\$ (1,281)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

SYSTEM OF CARE  
#44100-026-0000171082

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Period Beginning November 16, 2021 and Ending November 15, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
Contract	\$ 160,226	\$ 160,226	\$ 157,622	\$ (2,604)
EXPENDITURES				
Personnel Services	\$ 77,250	\$ 77,250	\$ 76,128	\$ (1,122)
Regular Operating	64,960	61,960	60,655	(1,305)
Travel	4,000	4,000	3,814	(186)
Indirect Costs	14,566	17,066	17,066	-
Telecommunications	1,550	2,050	2,050	-
Family Training and Education	28,650	28,650	22,836	(5,814)
Productivity (Billed Credit)	(30,750)	(30,750)	(24,927)	5,823
TOTAL EXPENDITURES	<u>\$ 160,226</u>	<u>\$ 160,226</u>	<u>\$ 157,622</u>	<u>\$ (2,604)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

GEORGIA APEX PROJECT (GAP)  
#44100-026-CMA00003079

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
Contract	\$ 236,918	\$ 236,918	\$ 175,031	\$ (61,887)
<b>EXPENDITURES</b>				
Personnel Services	\$ 235,400	\$ 235,400	\$ 165,226	\$ (70,174)
Regular Operating	13,000	13,000	9,500	(3,500)
Travel	3,000	3,000	3,000	-
Telecommunications	3,600	3,600	2,104	(1,496)
Telemedicine	3,000	3,000	542	(2,458)
Training	36,000	36,000	28,830	(7,170)
Indirect Costs	20,216	20,216	20,216	-
Productivity (Billed Credit)	(77,298)	(77,298)	(54,387)	22,911
<b>TOTAL EXPENDITURES</b>	<u>\$ 236,918</u>	<u>\$ 236,918</u>	<u>\$ 175,031</u>	<u>\$ (61,887)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

SUPPORTED EMPLOYMENT/SUPPORTED EDUCATION  
#44100-026-0000126657

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Period Beginning April 1, 2022 and Ending March 31, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
<b>REVENUES</b>				
Department of Behavioral Health and Developmental Disabilities:				
Contract	\$ 62,069	\$ 62,069	\$ 54,688	\$ (7,381)
<b>EXPENDITURES</b>				
Personnel Services	\$ 48,600	\$ 48,600	\$ 41,539	\$ (7,061)
Operating Expenses	12,000	12,000	6,592	(5,408)
Equipment	1,000	1,000	-	(1,000)
Per Die/Fees/Contracts	1,000	1,000	-	(1,000)
Productivity (Billed Credit)	(7,300)	(7,300)	-	7,300
Indirect Costs	6,069	6,069	6,069	-
Telecommunications	700	700	488	(212)
<b>TOTAL EXPENDITURES</b>	<u>\$ 62,069</u>	<u>\$ 62,069</u>	<u>\$ 54,688</u>	<u>\$ (7,381)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY COMMUNITY SERVICE BOARD

BRIDGE FUNDING - RE-ENTRY PILOT  
#44100-026-0000180936

COMPARATIVE STATEMENT OF ACTUAL REVENUES AND EXPENDITURES TO BUDGET

For the Period Beginning April 4, 2022 and Ending April 3, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Department of Behavioral Health and Developmental Disabilities:				
Contract	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 5,230</u>	<u>\$ (9,770)</u>
EXPENDITURES				
Regular Operating	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 5,230</u>	<u>\$ (9,770)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE

For the Fiscal Year Ended June 30, 2023

STATE OF GEORGIA DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL DISABILITIES	GRANT/ CONTRACT AMOUNT	REVENUE RECEIVED DURING FISCAL YEAR	FIXED RATE PAYMENTS OR EXPENDITURES DURING FISCAL YEAR	DUE (TO) FROM DBHDD @ END OF FISCAL YEAR
DBHDD Master Agreement #44100-265-0262023104				
100 Mental Health Services - Adult	\$ 9,830,595	\$ 9,486,716	\$ 9,635,699	\$ 148,983
203 Crisis Stabilization Unit	\$ 3,118,809	\$ 3,118,809	\$ 3,118,809	\$ -
305 CSU Workforce Support (MHBH COVID-19)	\$ 425,000	\$ 258,320	\$ 323,569	\$ 65,249
602 HIV Early Intervention Services	\$ 83,941	\$ 69,957	\$ 83,941	\$ 13,984
700 Substance Abuse Services - Adult	\$ 1,437,079	\$ 1,350,269	\$ 1,413,287	\$ 63,018
DBHDD Master Agreement #44100-265-9072023104				
502 Special Appropriation - IDD	\$ 979,959	\$ 979,959	\$ 979,959	\$ -
503 Special Appropriation - Cyber Security Insurance	\$ 15,173	\$ 15,173	\$ 15,173	\$ -
DBHDD Master Agreement #44100-265-0262023114				
619 WTRS Outpatient - SSBG	\$ 270,000	\$ 141,750	\$ 154,530	\$ 12,780
624 WTRS Residential SA Treatment - SAPTBG	\$ 133,464	\$ 122,342	\$ 133,464	\$ 11,122
625 WTRS Residential SA Treatment - TANF	\$ 475,200	\$ 435,600	\$ 475,200	\$ 39,600
626 WTRS - Residential SA Treatment - State	\$ 105,600	\$ 92,400	\$ 101,200	\$ 8,800

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE - CONTINUED

For the Fiscal Year Ended June 30, 2023

STATE OF GEORGIA DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL DISABILITIES	GRANT/ CONTRACT AMOUNT	REVENUE RECEIVED DURING FISCAL YEAR	FIXED RATE PAYMENTS OR EXPENDITURES DURING FISCAL YEAR	DUE (TO) FROM DBHDD @ END OF FISCAL YEAR
630 WTRS - Transitional Housing Services	\$ 48,000	\$ 44,000	\$ 48,000	\$ 4,000
632 WTRS - Residential - SSBG	\$ 369,600	\$ 338,800	\$ 369,600	\$ 30,800
643 WTRS - SAPT - COVID-19	\$ 238,500	\$ 218,625	\$ 238,500	\$ 19,875
Subtotal	<u>\$ 17,530,920</u>	<u>\$ 16,672,720</u>	<u>\$ 17,090,931</u>	<u>\$ 418,211</u>
OTHER CONTRACTS:				
BHCC #44100-026-CMA00003116	\$ 6,940,731	\$ 5,594,184	\$ 6,940,731	\$ 1,346,547
Adolescent Addictive Diseases Clubhouse Services #44100-906-0000172568	\$ 400,000	\$ 92,682	\$ 92,682	\$ -
Adolescent Addictive Diseases Clubhouse Services #44100-906-CMA00003486	\$ 400,000	\$ 229,450	\$ 298,961	\$ 69,511
ACT Services #44100-026-0000183640	\$ 782,857	\$ 639,222	\$ 782,843	\$ 143,621
Intensive Case Management #44100-261-CMA00003103	\$ 393,857	\$ 325,058	\$ 392,220	\$ 67,162
System of Care #44100-026-0000171082	\$ 160,226	\$ 45,633	\$ 45,633	\$ -
System of Care #44100-026-0000171082	\$ 296,989	\$ 57,335	\$ 78,557	\$ 21,222
C&A Fellowship #44100-026-0000155735	\$ 851,014	\$ 42,909	\$ 105,118	\$ 62,209

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE - CONTINUED

For the Fiscal Year Ended June 30, 2023

STATE OF GEORGIA DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL DISABILITIES	GRANT/ CONTRACT AMOUNT	REVENUE RECEIVED DURING FISCAL YEAR	FIXED RATE PAYMENTS OR EXPENDITURES DURING FISCAL YEAR	DUE (TO) FROM DBHDD @ END OF FISCAL YEAR
Georgia APEX Project (GAP) #44100-026-CMA00003079	\$ 236,918	\$ 145,311	\$ 175,031	\$ 29,720
Georgia APEX Expansion (CHAT) #44100-026-0000128230	\$ 195,203	\$ 102,404	\$ 114,069	\$ 11,665
Georgia APEX Project 3.0 #44100-026-0000160091	\$ 249,000	\$ 137,284	\$ 147,194	\$ 9,910
Crisis Respite Apartments #44100-026-0000165681	\$ 173,000	\$ 14,834	\$ 14,834	\$ -
Crisis Respite Apartments #44100-026-CMA00003109	\$ 173,000	\$ 112,990	\$ 157,649	\$ 44,659
Forensic Supervised Apartments #44100-026-0000176663	\$ 798,933	\$ 305,382	\$ 377,791	\$ 72,409
Psychiatric Residency Program #44100-026-CMA00003344	\$ 1,000,000	\$ 833,333	\$ 1,000,000	\$ 166,667
Supported Employment/ Supported Education #44100-026-0000126657	\$ 62,069	\$ 41,515	\$ 41,515	\$ -
Supported Employment/ Supported Education #44100-026-CMA00003740	\$ 53,520	\$ 3,949	\$ 12,307	\$ 8,358
Early Treatment Program #44100-026-CMA00003547	\$ 573,732	\$ 250,475	\$ 255,214	\$ 4,739
Early Treatment Program #44100-026-CMA00003890	\$ 515,976	\$ 84,920	\$ 84,920	\$ -
Co-Responder Clinician #44100-026-0000170841	\$ 121,634	\$ 66,163	\$ 76,364	\$ 10,201

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE - CONTINUED

For the Fiscal Year Ended June 30, 2023

STATE OF GEORGIA DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL DISABILITIES	GRANT/ CONTRACT AMOUNT	REVENUE RECEIVED DURING FISCAL YEAR	FIXED RATE PAYMENTS OR EXPENDITURES DURING FISCAL YEAR	DUE (TO) FROM DBHDD @ END OF FISCAL YEAR
Care Coordination #44100-026-0000169268	\$ 250,000	\$ 32,722	\$ 40,040	\$ 7,318
Stabilization Unit #44100-026-0000172800	\$ 2,000,000	\$ -	\$ 137,679	\$ 137,679
Staff Enhancement #44100-026-0000173294	\$ 183,100	\$ 24,454	\$ 24,454	\$ -
Integrated Medicine #44100-026-0000173773	\$ 513,609	\$ 330,617	\$ 375,547	\$ 44,930
Chatham Re-Entry Initiative #44100-026-0000173730	\$ 458,607	\$ 221,424	\$ 233,661	\$ 12,237
Crisis Respite Apartments for First Episode of Psychosis Program #44100-026-0000180348	\$ 268,400	\$ 53,189	\$ 57,767	\$ 4,578
Addiction Fellowship #44100-906-CMA00003180	\$ 469,617	\$ 187,569	\$ 235,648	\$ 48,079
Bridge Funding - Re-Entry Pilot #44100-026-0000180936	\$ 15,000	\$ 5,230	\$ 5,230	\$ -
Opioid Maintenance #44100-906-CMA00003421	<u>\$ 1,604,868</u>	<u>\$ 141,266</u>	<u>\$ 210,406</u>	<u>\$ 69,140</u>
Subtotal	<u>\$ 20,141,860</u>	<u>\$ 10,121,504</u>	<u>\$ 12,514,065</u>	<u>\$ 2,392,561</u>
TOTAL	<u><u>\$ 37,672,780</u></u>	<u><u>\$ 26,794,224</u></u>	<u><u>\$ 29,604,996</u></u>	<u><u>\$ 2,810,772</u></u>

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF CASH FLOWS

For the Fiscal Year Ended June 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

CHANGE IN NET POSITION	\$ 6,008,417
Adjustments to Reconcile Net income to Net Cash	
Provided by Operating Activities:	
Depreciation Expense	1,038,872
Loss on the Disposal of Equipment	53,188
Amortization Expense	696,381
Changes in Net Assets and Liabilities:	
Decrease in Accounts Receivable	601,639
Decrease in Due from DBHDD	502,188
Decrease in Prepaid Expenses	29,326
Decrease in Net OPEB Asset	24,620
Decrease in Deferred Outflows	18,090
Decrease in Accounts Payable	(579,986)
Increase in Payroll Liabilities	54,430
Increase in Due to Distinctive Health Solutions, Inc. and Subsidiary	157,749
Decrease in Due to Consumers	(113,480)
Decrease in DBHDD Advances	(140,000)
Decrease in Compensated Absences	(146,741)
Increase in Net Pension Liability	191,334
Decrease in Net OPEB Liability	(26,626)
Decrease in Deferred Inflows	(614,220)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 7,755,181</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Capital Assets	\$ (7,591,976)
NET CASH USED IN INVESTING ACTIVITIES	<u>\$ (7,591,976)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Loan Proceeds	\$ 2,800,000
Principal Payments	(717,747)
Payments on Right of Use Liability	(696,381)
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>\$ 1,385,872</u>
NET INCREASE IN CASH	\$ 1,549,077
CASH - BEGINNING OF YEAR	<u>6,643,158</u>
CASH - END OF YEAR	<u><u>\$ 8,192,235</u></u>

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF CASH FLOWS - CONTINUED

For the Fiscal Year Ended June 30, 2023

NON-CASH INVESTING AND FINANCING ACTIVITIES:

Right of Use Assets Acquired through Right of Use Liability	<u>\$ 386,890</u>
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NOTES TO CASH FLOW STATEMENT:

Interest Paid	<u>\$ 620,584</u>
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GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2023

FEDERAL GRANTOR\ PASS THROUGH GRANTOR\ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PROGRAM NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Georgia Department of Behavioral Health and Developmental Disabilities:			
CMHS Block Grant	93.958	Multiple	\$ 1,791,646
CMHS Block Grant - COVID	93.958	Multiple	448,107
			<u>\$ 2,239,753</u>
SAPT Block Grant	93.959	Multiple	\$ 1,734,535
SAPT Block Grant - COVID	93.959	Multiple	392,757
			<u>\$ 2,127,292</u>
Social Services Block Grant	93.667	44100-265-0262023114	\$ 524,130
TANF	93.558	44100-265-0262023114	\$ 523,200
Total Passed through Georgia Department of Behavioral Health and Developmental Disabilities			<u>\$ 5,414,375</u>
Provider Relief Fund and American Rescue Plan			
Rural Distribution	93.498	N/A	\$ 233,127
Total U.S. Department of Health and Human Services			<u>\$ 5,647,502</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Continuum of Care	14.267	Multiple	\$ 1,097,257
U.S. DEPARTMENT OF TREASURY			
Passed through Chatham and Glynn County:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 1,284,806
U.S. DEPARTMENT OF EDUCATION			
Passed through Georgia Vocational Rehabilitation Agency:			
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	42700-610-SA-00000010312	\$ 53,257
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 8,082,822</u></u>

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For The Fiscal Year Ended June 30, 2023

Notes to Schedule:

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Gateway Community Service Board under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Gateway Community Service Board, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Gateway Community Service Board.

Note B - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note C - Indirect Cost Rate

Gateway Community Service Board did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.



## OTHER REPORTS



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

To The Community Service Board  
Gateway Community Service Board  
Brunswick, Georgia

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 Gateway Community Service Board, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Gateway Community Service Board's basic financial statements, and have issued our report thereon dated November 21, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Gateway Community Service Board's internal control over financial reporting (internal control) as a basis for designing 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 Gateway Community Service Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Gateway Community Service Board's internal control.

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

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

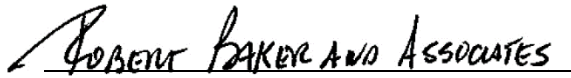
**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

ROBERT BAKER & ASSOCIATES, CPAs

Handwritten signature in black ink that reads "ROBERT BAKER AND ASSOCIATES". The signature is written in a cursive style and is positioned above a horizontal line.

Certified Public Accountants

Albany, Georgia

November 21, 2023



ROBERT BAKER  
— & ASSOCIATES, CPAs —

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

To The Community Service Board  
Gateway Community Service Board  
Brunswick, Georgia

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

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

We have audited Gateway Community Service Board's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Gateway Community Service Board's major federal programs for the year ended June 30, 2023. Gateway Community Service Board's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Gateway Community Service Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Gateway Community Service Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Gateway Community Service Board's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Gateway Community Service Board's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Gateway Community Service Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore

is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Gateway Community Service Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Gateway Community Service Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Gateway Community Service Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Gateway Community Service Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a 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 programs 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal over compliance. Accordingly, no such opinion is expressed.

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

ROBERT BAKER & ASSOCIATES, CPAs

Handwritten signature of Robert Baker and Associates in black ink, written over a horizontal line.

Certified Public Accountants

Albany, Georgia

November 21, 2023

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Fiscal Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Control deficiency(ies) identified not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?  yes  no

Control deficiency(ies) identified not considered to be material weaknesses?  yes  none reported

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

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Section 200.516?  yes  no

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
93.667	Social Services Block Grant
21.027	Coronavirus State and Local Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee?  yes  no

GATEWAY COMMUNITY SERVICE BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For The Fiscal Year Ended June 30, 2023

Section II - Financial Statement Findings

Auditor Reference  
Number

-NONE-

Section III - Federal Award Findings and Questioned Costs

-NONE-



GATEWAY COMMUNITY SERVICE BOARD  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For The Fiscal Year Ended June 30, 2023

Auditor Reference  
Number

-NONE-