

**MACON-BIBB COUNTY
PLANNING AND ZONING
COMMISSION
MACON, GEORGIA**

**FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2008**

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

FOR THE FISCAL YEAR ENDED JUNE 30, 2008
TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	2-5
BASIC FINANCIAL STATEMENTS	
Government Wide Financial Statements	
Statement of Net Assets	6
Statement of Activities	7
Fund Financial Statements	
Balance Sheet – Governmental Funds	8
Reconciliation of the Balance Sheet of Governmental Funds to the Government-Wide Statement of Net Assets	9
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	10-11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities	12
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General Fund	13
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – F.T.A. Major Special Revenue Fund	14
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – F.H.W.A. Major Special Revenue Fund	15
Notes to the Financial Statements	16-25
SUPPLEMENTARY INFORMATION	
Other Supplementary Information	
Schedule to Compute Fringe Benefits Rate	26
Schedule to Compute Indirect Cost Rate	27
Schedule of Expenditures - Zoning Department	28
Schedule of Expenditures - Other Local Programs	29
GAO YELLOW BOOK INFORMATION	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	30-31
Schedule of Findings and Responses	32



J. Russell Lipford, Jr., C.P.A.
Mark O. Hardison, C.P.A.
Terry I. Parker, C.P.A.
Christopher S. Edwards, C.P.A.
Lynn S. Hudson, C.P.A.
Kevin E. Lipford, C.P.A.

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

INDEPENDENT AUDITOR'S REPORT

Macon-Bibb County Planning
and Zoning Commission

We have audited the accompanying financial statements of the governmental activities and each major fund of the Macon-Bibb County Planning and Zoning Commission, as of and for the fiscal year ended June 30, 2008, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Macon-Bibb County Planning and Zoning Commission as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparison for the General Fund and Major Special Revenue Funds, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2008, on our consideration of the Macon-Bibb County Planning and Zoning Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 2 through 5, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Macon-Bibb County Planning and Zoning Commission's basic financial statements. The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

September 19, 2008
Macon, Georgia

MANAGEMENT DISCUSSION & ANALYSIS

MACON-BIBB COUNTY PLANNING & ZONING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

The management of the Macon-Bibb County Planning & Zoning Commission ("MBCP&ZC" or "Commission") offers readers of our financial statements the following narrative overview and analysis of the Commission's financial activities for the fiscal year ended June 30, 2008.

Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the MBCP&ZC's basic financial statements. This report also contains supplementary information in addition to the basic financial statements. The MBCP&ZC's basic financial statements comprise three components:

- 1) Government-Wide Financial Statements,
- 2) Fund Financial Statements, and
- 3) Notes to the Financial Statements

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the MBCP&ZC's finances, in a manner similar to a private-sector business. The government-wide financial statements (*Statement of Net Assets* and *Statement of Activities*) report information on all the nonfiduciary activities of the MBCP&ZC. The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligible requirements imposed by the provider have been met.

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

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

The government-wide financial statements can be found on pages 6 and 7 of this report.

Fund Financial Statements. The fund financial statements provide more detailed information about the MBCP&ZC's most significant funds, not the Commission as a whole. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The MBCP&ZC has three major governmental funds: General Fund, FHWA Special Revenue Fund, and FTA Special Revenue Fund.

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

MACON-BIBB COUNTY PLANNING & ZONING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

(CONTINUED)

Condensed Financial Information

The following table reflects the condensed Statement of Net Assets for the current and preceding year.

Macon-Bibb County Planning & Zoning Commission
Summary of Net Assets

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Assets		
Current and Other Assets	\$ 446,785	\$ 637,351
Capital Assets – Net	<u>95,627</u>	<u>109,295</u>
Total Assets	<u>542,412</u>	<u>746,646</u>
Liabilities		
Current and Other Liabilities	58,936	203,359
Compensated Absences Payable	<u>84,488</u>	<u>70,544</u>
Total Liabilities	<u>143,424</u>	<u>272,903</u>
Net Assets		
Invested in Capital Assets	95,627	109,295
Unrestricted	<u>303,361</u>	<u>364,448</u>
Total Net Assets	<u>\$ 398,988</u>	<u>\$ 473,743</u>

Variance in Current and Other Assets: The unfavorable variance of “Current and Other Assets” at June 30, 2008 as compared at June 30, 2007 is due to a considerable decrease in Zoning Fees. The decrease in “Capital Assets-Net” is attributed to the continued annual depreciation of around \$13,000. There were no significant purchases or surpluses during the 2008 fiscal year.

Variance in Liabilities and Net Assets: Given the fact that the MBCP&ZC funds their payroll on a current pay period basis, management requested authorization to build the Unrestricted Assets balance. At June 30, 2004, the MBCP&ZC was authorized to retain two months of the following fiscal year budget. At June 30, 2005, this limitation was increased to three months of the following fiscal year budget. At June 30, 2008, no excess fund balance adjustment was required due to the lack of revenue exceeding expenditures for the fiscal year. (See Note H Municipal Appropriations)

MACON-BIBB COUNTY PLANNING & ZONING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2008
 (CONTINUED)

Macon-Bibb County Planning & Zoning Commission
 Changes in Net Assets

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Revenues:		
Municipal Appropriations	\$ 788,290	\$ 738,904
Intergovernmental	329,580	329,603
Zoning Fees	497,669	628,521
Other Income	<u>22,013</u>	<u>24,685</u>
Total Revenues	<u>1,637,552</u>	<u>1,721,713</u>
Expenditures:		
Planning and Zoning	<u>1,712,307</u>	<u>1,741,158</u>
Change in Net Assets	(74,755)	(19,445)
Net Assets – Beginning	473,743	530,338
Prior Period Adjustment	<u>-</u>	<u>(37,150)</u>
Adjusted Net Assets – Beginning	<u>473,743</u>	<u>493,188</u>
Net Assets – Ending	<u>\$ 398,988</u>	<u>\$ 473,743</u>

Financial Highlights

- Comparing FY2008 to FY2007, revenues remained stable with the exception of Zoning Fees. The Commission experienced a drastic reduction in Zoning Fees in the amount of \$130,852 or 21% of the previous fiscal year. Decreasing investment interest rates resulted in less interest income for the 2008 fiscal year offset by a legal fees settlement of \$7,500 Other Income).
- The majority of General Fund Expenditures is comprised of Zoning Office expenditures.
- As noted earlier, beginning with the fiscal year ended June 30, 2004, the MBCP&ZC was authorized to begin building its Net Asset balance. With the allowance increase in the amount of Net Assets to be retained by the MBCP&ZC, there were no excess funds returned to the City of Macon and Bibb County for FY2004 or FY2005. During FY2006, MBCP&ZC was able to meet the level of Fund Balance permitted by the governments. The resulting negative revenue over expenditures for FY2008 does not provide for a return of excess fund balance to the City of Macon and Bibb County. (See Note H Municipal Appropriations)

Budgetary Highlights

There were no significant changes to the Operations Budget during FY2008. Notable adjustments were made for the following items:

- The MBCP&ZC suffered a 10% decrease over FY2007 in appropriations from the City of Macon and Bibb County, Georgia (\$89,390).

MACON-BIBB COUNTY PLANNING & ZONING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

(CONTINUED)

- Two positions were eliminated from the Budget for FY2008: the clerical position previously filled through a non-employee placement agency and the vacated Zoning Office professional position that was not filled during FY2007. The associated benefits were also discontinued.
- Effective July 29, 2007, the MBCP&ZC implemented a salary survey conducted by the University of Georgia, Carl Vinson Institute of Government.
- Beginning in September 2007, the MBCP&ZC began realizing a reduction in Zoning application requests and the associated fees. This reduction in activity continued through the end of the fiscal year.
- In an effort to compensate for the reduction in zoning fees, the MBCP&ZC did not provide participating employees a Deferred Compensation Employer Match for the 2008 fiscal year.
- Efforts to provide the MBCP&ZC an updated phones system were also discontinued.

Capital Assets and Long Term Debt

The MBCP&ZC did not purchase capital outlay items during the fiscal year. One item in total cost of \$160 was determined to be surplus. The MBCP&ZC holds title to three pickup trucks for use by MBCP&ZC Zoning inspectors. The MBCP&ZC has no Long Term Debt. \$84,488 in Compensated Absences Payable (earned vacation available at year's end) is the only non-current liability of MBCP&ZC.

Economic Factors and Next Year's Budget

MBCP&ZC is a joint venture of the City of Macon, Georgia and Bibb County, Georgia as defined by Governmental Accounting Standards. In order to provide for the operations of the MBCP&ZC, the City of Macon, Georgia and Bibb County, Georgia provide equal funding over and above the revenues budgeted from Federal/State contracts, Zoning Fees and other minor revenues. The MBCP&ZC participates in the Appropriation request process as required by the City of Macon, Georgia and Bibb County, Georgia. The economic factors of the City of Macon, Georgia and Bibb County, Georgia play a major role in obtaining funding.

There was another 10% decrease in the requested amount of Appropriations for FY2009 from the City of Macon and Bibb County, Georgia. Due to the continued decrease in funding from the City of Macon and Bibb County, Georgia and the reduction in zoning application activity, Zoning Fees have been increased by an average of 40% to maintain the level of service provided by the MBCP&ZC to the Macon/Bibb County community. A Zoning Office inspector position became vacant at the end of the 2008 fiscal year and was not budgeted to be filled during FY2009. The FY2009 Budget does not include salaries adjustment for the MBCP&ZC employees.

Request for Information

This financial report is designed to provide a general overview of the MBCP&ZC's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Macon-Bibb County Planning & Zoning Commission, 682 Cherry Street Suite 1000, Macon, GA 31201.

(THIS PAGE INTENTIONALLY LEFT BLANK)

BASIC FINANCIAL STATEMENTS

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

STATEMENT OF NET ASSETS
JUNE 30, 2008

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 394,300
Accounts receivable	2,299
Due from other government	27,598
Prepaid items	22,588
Capital assets, net of accumulated depreciation	
Furniture and equipment	<u>95,627</u>
Total Assets	<u>542,412</u>
<u>LIABILITIES</u>	
Accounts payable	8,488
Salaries payable	45,751
Accrued payroll liabilities	4,697
Noncurrent liabilities:	
Due within one year	<u>84,488</u>
Total Liabilities	<u>143,424</u>
<u>NET ASSETS</u>	
Invested in capital assets	95,627
Unrestricted	<u>303,361</u>
Total Net Assets	<u>\$ 398,988</u>

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and Change</u>
		<u>for Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>in Net Assets</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Governmental</u>
					<u>Activities</u>
Governmental Activities					
Planning & Zoning	\$ 1,712,307	\$ 497,669	\$ 329,580	\$ -	\$ (885,058)
Total Governmental Activities	<u>1,712,307</u>	<u>497,669</u>	<u>329,580</u>	<u>-</u>	<u>(885,058)</u>
Total Government	<u>\$ 1,712,307</u>	<u>\$ 497,669</u>	<u>\$ 329,580</u>	<u>\$ -</u>	<u>(885,058)</u>
General Revenues					
Payments from Bibb County					394,145
Payments from City of Macon					394,145
Interest earnings					13,786
Miscellaneous					<u>8,227</u>
Total General Revenues					<u>810,303</u>
Change in Net Assets					(74,755)
Net Assets - Beginning					<u>473,743</u>
Net Assets - Ending					<u>\$ 398,988</u>

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	General Fund	FTA Special Revenue Fund	FHWA Special Revenue Fund	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 394,300	\$ -	\$ -	\$ 394,300
Accounts receivable	2,299	-	-	2,299
Due from grantors	-	2,851	24,747	27,598
Due from special revenue funds	27,598	-	-	27,598
Prepaid items	22,588	-	-	22,588
 Total Assets	 \$ 446,785	 \$ 2,851	 \$ 24,747	 \$ 474,383
<u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 8,488	\$ -	\$ -	\$ 8,488
Salaries payable	45,751	-	-	45,751
Due to general fund	-	2,851	24,747	27,598
Other payroll liabilities	4,697	-	-	4,697
 Total Liabilities	 58,936	 2,851	 24,747	 86,534
<u>Fund Balance:</u>				
Unrestricted	387,849	-	-	387,849
 Total Fund Balance	 387,849	 -	 -	 387,849
 Total Liabilities and Fund Balance	 \$ 446,785	 \$ 2,851	 \$ 24,747	 \$ 474,383

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
JUNE 30, 2008

Total Fund Balance per Balance Sheet of Governmental Funds	<u>\$ 387,849</u>
Amounts reported for governmental activities in the Statement of Net Assets differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:	
Capital Assets	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	95,627
Long-term Liabilities	
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(84,488)</u>
Total Adjustments	<u>11,139</u>
Total Net Assets of Governmental Activities	<u><u>\$ 398,988</u></u>

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	General Fund	FTA Special Revenue Fund	FHWA Special Revenue Fund	Total Governmental Funds
<u>Revenue:</u>				
Municipal appropriations	\$ 788,290	\$ -	\$ -	\$ 788,290
Intergovernmental	-	93,870	235,710	329,580
Zoning fees	497,669	-	-	497,669
Cost recovery fringe benefits	88,833	-	-	88,833
Cost recovery indirect	156,227	-	-	156,227
Interest income	13,786	-	-	13,786
Other income	8,227	-	-	8,227
Total Revenues	1,553,032	93,870	235,710	1,882,612
<u>Expenditures:</u>				
Salaries	901,872	53,068	150,457	1,105,397
Fringe benefits allocated	-	23,163	65,670	88,833
Indirect costs allocated	-	40,736	115,491	156,227
Advertising	4,090	404	70	4,564
Audit and accounting	10,400	-	-	10,400
Communications	7,828	-	-	7,828
Consulting Fees	3,165	-	-	3,165
Employee assistance programs	688	-	-	688
Employee parking	6,610	-	-	6,610
Equipment lease	46,610	-	-	46,610
FICA	80,457	-	-	80,457
General insurance	21,168	-	-	21,168
Group insurance	151,093	-	-	151,093
Legal services	63,919	-	-	63,919
Meeting and seminars	6,279	1,985	490	8,754
Membership dues	345	-	892	1,237
Miscellaneous	1,192	-	-	1,192
Office rent and records storage	108,777	-	-	108,777
Operating supplies	18,573	145	1,898	20,616
Other services and charges	55	-	-	55
Payroll services	3,010	-	-	3,010

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(CONTINUED)

	General Fund	FTA Special Revenue Fund	FHWA Special Revenue Fund	Total Governmental Funds
<u>Expenditures (Continued):</u>				
Pension cost	\$ 14,923	\$ -	\$ -	\$ 14,923
Postage	2,983	36	180	3,199
Publications and library	1,416	-	-	1,416
Repairs and maintenance	2,206	-	-	2,206
Signs-zoning	1,743	-	-	1,743
Travel	129	233	1,590	1,952
Vehicle costs	13,716	-	-	13,716
Total Expenditures	1,473,247	119,770	336,738	1,929,755
Revenue Over (Under) Expenditures	79,785	(25,900)	(101,028)	(47,143)
<u>Other Financing Sources (Uses):</u>				
Transfers from other funds	-	25,900	101,028	126,928
Transfers to other funds	(126,928)	-	-	(126,928)
Total Other Financing Sources	(126,928)	25,900	101,028	-
Net Change in Fund Balance	(47,143)	-	-	(47,143)
Fund Balance, Beginning of Year	434,992	-	-	434,992
Fund Balance, End of Year	\$ 387,849	\$ -	\$ -	\$ 387,849

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENTS OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures Per Government Fund Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ (47,143)</u>
Amounts reported for governmental activities in the Statement of Activities differ reported in Government Fund Statement of Revenues, Expenditures and Changes in Fund Balance due to the following:	
Capital Outlay and Depreciation	
Governmental funds report capital outlays as expenditures while government activities report depreciation expense to allocate those expenditures.	
Total depreciation	(13,668)
Change in Long-term Debt	
Compensated absences	<u>(13,944)</u>
Total adjustments	<u>(27,612)</u>
Change in Net Assets of Governmental Activities	<u><u>\$ (74,755)</u></u>

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	General Fund			
	Budget		Actual	Variance with Final Budget
	Original	Final		
<u>Revenues:</u>				
Municipal appropriations	\$ 751,670	\$ 751,670	\$ 788,290	\$ 36,620
Zoning fees	600,000	551,500	497,669	(53,831)
Cost recovery - fringe benefits	78,996	79,511	88,833	9,322
Cost recovery - indirect costs	125,858	126,676	156,227	29,551
Interest income	21,000	21,000	13,786	(7,214)
Other income	1,100	1,100	8,227	7,127
Total Revenues	1,578,624	1,531,457	1,553,032	21,575
<u>Expenditures:</u>				
Salaries	959,654	954,687	901,872	52,815
Advertising	6,850	6,850	4,090	2,760
Allowance for unemployment	5,500	-	-	-
Audit and accounting	8,000	8,650	10,400	(1,750)
Communications	9,500	9,500	7,828	1,672
Consulting Fees	3,200	3,200	3,165	35
Deferred compensation	31,000	-	-	-
Employee assistance programs	800	800	688	112
Employee parking	6,900	6,900	6,610	290
Equipment lease	47,000	47,000	46,610	390
FICA	85,100	80,100	80,457	(357)
General insurance	21,000	21,600	21,168	432
Group insurance	159,500	152,500	151,093	1,407
Legal services	50,000	61,750	63,919	(2,169)
Meeting and seminars	11,500	5,500	6,279	(779)
Membership dues	400	500	345	155
Miscellaneous	1,800	1,800	1,192	608
Office rent and records storage	109,000	109,000	108,777	223
Operating supplies	17,800	16,100	18,573	(2,473)
Other services and charges	500	500	55	445
Payroll services	3,100	3,100	3,010	90
Pension cost	16,000	15,000	14,923	77
Postage	3,250	3,250	2,983	267
Publications and library	1,320	1,420	1,416	4
Repairs and maintenance	1,500	2,300	2,206	94
Signs-zoning	5,000	5,000	1,743	3,257
Small equipment	2,000	-	-	-
Travel	450	950	129	821
Vehicle costs	11,000	13,500	13,716	(216)
Total Expenditures	1,578,624	1,531,457	1,473,247	58,210
Revenue Over (Under) Expenditures	-	-	79,785	79,785
<u>Other Financing Sources (Uses):</u>				
Transfers out	-	-	(126,928)	(126,928)
Net Change in Fund Balance	\$ -	\$ -	(47,143)	\$ (47,143)
Fund Balance, Beginning of Year			434,992	
Fund Balance, End of Year			<u>\$ 387,849</u>	

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	F.T.A.			
	Budget		Actual	Variance with Final Budget
	Original	Final		
<u>Revenues:</u>				
Municipal appropriations	\$ 10,430	\$ 10,430	\$ -	\$ (10,430)
Intergovernmental	93,870	93,870	93,870	-
Total Revenues	104,300	104,300	93,870	(10,430)
<u>Expenditures:</u>				
Salaries	42,568	42,568	53,068	(10,500)
Fringe benefits allocated	22,668	22,668	23,163	(495)
Indirect costs allocated	36,114	36,114	40,736	(4,622)
Advertising	-	-	404	(404)
Meetings and seminars	2,500	2,500	1,985	515
Operating supplies	450	450	145	305
Postage	-	-	36	(36)
Travel	-	-	233	(233)
Total Expenditures	104,300	104,300	119,770	(15,470)
Revenue Over (Under) Expenditures	-	-	(25,900)	(25,900)
<u>Other Financing Sources (Uses):</u>				
Transfers in	-	-	25,900	25,900
Net Change in Fund Balance	\$ -	\$ -	-	\$ -
Fund Balance, Beginning of Year			-	
Fund Balance, End of Year			\$ -	

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	F.H.W.A.			
	Budget		Actual	Variance with Final Budget
	Original	Final		
<u>Revenues:</u>				
Municipal appropriations	\$ 26,190	\$ 26,190	\$ -	\$ (26,190)
Intergovernmental	235,710	235,710	235,710	-
Total Revenues	261,900	261,900	235,710	(26,190)
 <u>Expenditures:</u>				
Salaries	105,779	106,745	150,457	(43,712)
Fringe benefits allocated	56,327	56,843	65,670	(8,827)
Indirect costs allocated	89,744	90,562	115,491	(24,929)
Advertising	250	250	70	180
Meetings and seminars	6,000	2,000	490	1,510
Membership dues	750	750	892	(142)
Operating supplies	1,750	3,450	1,898	1,552
Postage	250	250	180	70
Travel	1,050	1,050	1,590	(540)
Total Expenditures	261,900	261,900	336,738	(74,838)
Revenue Over (Under) Expenditures	-	-	(101,028)	(101,028)
 <u>Other Financing Sources (Uses):</u>				
Transfers in	-	-	101,028	101,028
Net Change in Fund Balance	\$ -	\$ -	-	\$ -
Fund Balance, Beginning of Year			-	
Fund Balance, End of Year			\$ -	

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

(THIS PAGE INTENTIONALLY LEFT BLANK)

NOTES TO THE FINANCIAL STATEMENTS

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

Macon-Bibb County Planning and Zoning Commission was established by City of Macon (Georgia) ordinance and Bibb County (Georgia) resolution on November 4, 1952, pursuant to Georgia Laws, 1947, page 1240 approved by the voters of Georgia in 1948 as a special constitutional amendment. The Commission has two major functions: namely, land development regulations and planning. The land development function administers and enforces the zoning and planning regulations. The planning functions provide the technical expertise for the Macon Area Transportation Study (i.e. thoroughfare and transit planning) as well as housing, land use, environmental and community facilities planning. The Commission does not have stockholders or equity holders and is not subject to income taxes.

The Macon-Bibb County Planning and Zoning Commission is a joint venture of the City of Macon and Bibb County, Georgia as defined by Governmental Accounting Standards. A joint venture is a legal entity that results from a contractual agreement that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. The Commission has no business-type activities.

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

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

3. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Government-Wide Financial Statements

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB).

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

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

Fund Financial Statements

Governmental fund financial statements are reported 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 period, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Intergovernmental grant revenues and interest revenues associated with the current fiscal period are considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

FTA Special Revenue Fund - The FTA Special Revenue Fund is used to account for the proceeds of specific resources (other than trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

FHWA Special Revenue Fund - The FHWA Special Revenue Fund is used to account for the proceeds of specific resources (other than trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

4. **Deposits and Investments**

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

Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

The government is authorized to invest in obligations of the US Treasury, other US Government agencies, State of Georgia, and other political subdivisions of Georgia.

5. **Receivables**

All accounts receivable have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates. No allowance is deemed necessary for the receivables reported as of June 30, 2008.

Due from other governments represent funds to be received from other local, state and federal governments. No allowance is deemed necessary for the receivables reported as of June 30, 2008

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds."

6. **Prepaid Items**

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

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

7. **Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-type activities column in the government-wide financial statements. The Commission has no public domain or infrastructure fixed assets, such as roads or bridges. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the government are depreciated using the straight-line method over the following estimated useful lives:

Furniture and equipment	15 years
Vehicles	5 years

8. **Compensated Absences**

Commission policies allow an employee to accumulate thirty working days annual leave. On January 1 of each year all accumulated leave in excess of the allowable amount is lost. In the event that an employee terminates employment, the employee is compensated for the annual leave not taken, but in no case is compensated more than thirty days. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. At June 30, 2008, the Commission was liable for \$84,488 in unused compensated absences.

There is no liability for unpaid accumulated sick leave, since the government does not have a policy to pay any amounts when employees separate from service with the government.

9. **Long-term Obligations**

In the government-side financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

10. **Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. As of June 30, 2008, the Commission does not have any reserved or designated fund balances.

11. Office Space Rent

The Commission incurs rental costs for the occupation of offices located in the City Hall Annex, a building owned by the City of Macon, Georgia. In accordance with Office of Management and Budget Circular A-87, the rental cost of such space in a publicly owned building should be based on actual cost of the space not to exceed the rental cost of comparable space and facilities in a privately owned building in the same locality. Therefore, a survey of comparable office space is conducted on a routine basis. The result of the last survey indicated the cost per square foot charged by the City is lesser than that of comparable space and facilities in a privately owned building; therefore, the lesser amount of rental costs actually paid to the City was used for cost reimbursement purposes.

12. Risk Management

The Commission is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; and errors or omissions. The Commission purchases commercial insurance for these types of risk. For these risks, settlements have not exceeded coverage for each of the past three fiscal years. The Commission had no significant reduction in insurance coverage from coverage in the prior year.

NOTE B BUDGETS AND BUDGETARY ACCOUNTING

1. Budget Process

An annual operating budget is prepared for the General and Special Revenue Funds. Proposed budgets are submitted to the City of Macon and Bibb County in April. Upon review and adjustments by each municipality, approved appropriation amounts are determined, and the Commission is notified of funding levels. The Commission Finance Officer prepares an amended operating budget, based upon the approved funding levels. The operating budget is submitted to the Commission Executive Director for review and approval; whereby, it is submitted to the Commission for resolution of formal adoption. Revisions to the budget are subject to the approval of the Commission.

The Commission has also adopted a Five-year Capital Improvement Budget. The General Fund may reflect considerable variances for furniture and equipment. Furniture and equipment is now being budgeted in the Five-year Capital Improvements Budget and is no longer being budgeted in the General Fund.

The Commission is subject to budgetary control at the fund level. Unencumbered appropriations in the annual operating budget lapse at fiscal year end.

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

2. **Excess of Expenditures Over Appropriations**

Expenditures exceeded appropriations in the following funds:

F.T.A.	\$ 25,900
F.H.W.A.	101,028

NOTE C DEPOSITS

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of the failure of the bank, the government will not be able to recover deposits. At June 30, 2008, the carrying amount of the Commission's deposits was \$394,300, and the bank balance was \$389,527. As of June 30, 2008, all bank balances were covered by federal depository insurance, or by collateral held by the Commission's agent or pledging financial institution.

NOTE D RECEIVABLES

Accounts receivable consisted of the following as of June 30, 2008:

Henry Sama	\$ 2,268
Miscellaneous	<u>31</u>
Total accountant receivable	<u>\$ 2,299</u>

Due from other governments consisted of the following as of June 30, 2008:

F.H.W.A.	\$ 24,747
F.T.A.	<u>2,851</u>
Total due from other governments	<u>\$27,598</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of June 30, 2008, deferred revenue and unearned revenue total \$0.

The amounts due from the federal government are grant program reimbursements.

NOTE E INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Generally, outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding, and other miscellaneous receivables and payables between funds.

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

The composition of interfund balances as of June 30, 2008 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	FTA Special Revenue Fund	\$ 2,851
	FHWA Special Revenue Fund	<u>24,747</u>
		<u>\$ 27,598</u>

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions or funding capital projects and asset acquisitions. Resources are accumulated in a fund to support and simplify the administration of various projects or programs. The government-wide statement of activities eliminates transfers as reported within the segregated governmental and business-type activities columns. A reconciliation of transfers is as follows:

	Transfer In:		
	FTA	FHWA	Total
Transfer out:			
General Fund	\$ 25,900	\$ 101,028	\$ 126,928

NOTE F **CAPITAL ASSETS**

Capital asset activity for the government for the fiscal year ended June 30, 2008 was as follows:

	Beginning Balances	Additions	Deletions	Ending Balances
Capital Assets, being depreciated				
Furniture and equipment	\$ 212,240	\$ -	\$ (160)	\$ 212,080
Vehicles	42,456	-	-	42,456
Total Capital Assets, being depreciated	<u>254,696</u>	-	(160)	<u>254,536</u>
Less Accumulated Depreciation				
Furniture and equipment	(102,945)	(13,668)	160	(116,453)
Vehicles	(42,456)	-	-	(42,456)
Total Accumulated Depreciation	<u>(145,401)</u>	<u>(13,668)</u>	<u>160</u>	<u>(158,909)</u>
Total Capital Assets, net	<u>\$ 109,295</u>	<u>\$ (13,668)</u>	<u>\$ -</u>	<u>\$ 95,627</u>

Depreciation expense charged to functions, as follows:

Planning and Zoning	<u>\$ 13,668</u>
Total Depreciation Expense	<u>\$ 13,668</u>

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

NOTE G LONG-TERM DEBT

Long-term liability activity for the fiscal year ended June 30, 2008 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due within One Year
Compensated Absences	\$ 70,544	\$ 86,688	\$72,744	\$ 84,488	\$ 84,488

For the governmental activities, compensated absences are generally liquidated by the general fund. Vacation leave earned by employees is historically taken within the following year. Therefore, the entire balance is reported as a noncurrent liability, due within one year.

NOTE H MUNICIPAL APPROPRIATIONS

The majority of revenues reported in the General Fund are received from the City of Macon and Bibb County. Amounts are determined each year through the budgetary process of each respective municipality and are remitted to the Commission on a monthly-pro rata basis.

During the current fiscal year, there was no return of excess capital.

Bibb County fiscal policy limits the amount of fund balance the Commission may retain up to three months working capital, as defined by one-fourth of the budget for the next fiscal year. The City of Macon has no policy currently in place requiring a return of capital from the Commission, though it has routinely concurred with the Commission's resolutions to refund excess capital in the same manner as is done for Bibb County. The amount of fund balance in excess is determined at June 30, of each year, and the amount is returned to the respective municipalities in proportion to their percentage of participation in the funding which resulted in the excess. The total fund balance in the General Fund at June 30, 2008 was \$387,849, an amount less than one-fourth of the operating budget for fiscal year ending 2009. The calculated deficit capital to be recovered in future years is not recorded on the statement of net assets and the balance sheet.

NOTE I COST ALLOCATION – INDIRECT COST RATE

Commission-wide central support costs are recorded in the general fund as indirect costs in the Commission's accounting system and recovered from costs are defined by U.S. Office of Management and Budget Circular A-87, Attachment A, as costs "(a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved." Pursuant to OMB Circular A-87, the U.S. Department of Transportation, Federal Highway Administration is designated as the

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

cognizant agency for the federal government with responsibility for negotiation, approval and audit of the Commission's central support services cost allocation plan.

The indirect cost rate is computed as the ratio of indirect costs (including indirect salaries and fringe benefits related to those indirect salaries) to total direct salaries and fringe benefits related to those direct salaries. The percentage thus determined is then applied to the direct salaries and fringe benefits within each special revenue fund to determine indirect cost recovery for each fund. During the year, a provisional indirect cost rate is used which is negotiated with the Commission's federal cognizant agency based upon a cost allocation plan. At the conclusion of the Commission's fiscal year, an actual indirect cost rate is computed based upon actual account balances accumulated in conformity with accounting tenets of the cost allocation plan, and the amount of indirect cost recovery is adjusted accordingly for any differences between the provisional rate used during the year and the actual rate computed at the conclusion of the year.

The actual indirect cost allocation rate for the fiscal year ended June 30, 2008 was 53.44%.

NOTE J **COST ALLOCATION – FRINGE BENEFIT COST RATE**

Fringe benefit costs are recorded in the general fund and recovered in part from the special revenue funds based upon a fringe benefits allocation rate as determined by a ratio of fringe benefits to total salary costs. During the year, a provisional fringe benefit rate is used, which is negotiated with the Commission's federal cognizant agency based upon a cost allocation plan. At the conclusion of the Commission's fiscal year, an actual fringe benefit rate is computed based upon actual account balances accumulated in accordance with accounting tenets of the cost allocation plan. The amount of fringe benefit recovery is adjusted accordingly for any differences between the provisional rate used during the year and the actual rate computed at the conclusion of the year. The actual fringe benefit allocation rate for the fiscal year ended June 30, 2008 was 43.65%.

NOTE K **EMPLOYEE RETIREMENT PLANS**

Pension

Plan Description. The Commission participates in a pension plan, which is sponsored and maintained by the City of Macon, Georgia. The plan provides retirement, disability, and death benefits to plan members and their beneficiaries. City ordinance authorized the City to establish and amend all plan provisions. The City issues a publicly available financial report that includes the applicable financial statements and required supplementary information for the plan. The report may be obtained by writing to City of Macon, P.O. Box 247, Macon, GA 31298.

Funding policy. The contribution requirements of the plan are established and may be amended by the City. The Commission is required to contribute at an actuarially

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008
(CONTINUED)

determined rate. The Commission's contribution to the plan for the year ended June 30, 2008 was \$14,923.

Deferred Compensation Plan

The Commission adopted a matching benefit for the Deferred Compensation Plan on July 25, 2005. The plan permits an elective deferral of a portion of employee salary until future years. All employees are eligible to participate in the plan. The Commission will make a matching contribution to the plan for the benefit of each participating employee on whose behalf the Commission made elective deferrals for the year. The amount of said matching contribution made by the Commission for each year shall be an amount equal to 100% of the elective deferral made on behalf of the participant (net of any withdrawals), for each year as determined on December 31 of each year. At no time shall the matching contribution exceed the lesser of 3% of the participant's includible compensation or the participant's contribution. During the current fiscal year, due to financial constraints, the Commission was not able to implement the Employer matching Contribution benefit for the 2007 calendar (Resolution R07-10-01).

NOTE L **CONTINGENT LIABILITIES**

1. **Litigation**

During the course of normal operations of the Commission, various claims and lawsuits arise as a result of zoning decisions made by the Commission of zoning laws. These suits generally seek ruling reversals and seldom claim monetary damages. Currently, the Commission has no lawsuits pending for which monetary damages are sought. Similarly, the Commission is not currently involved in any litigation that might result in programmatic revenue losses.

2. **Grants**

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

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

(THIS PAGE INTENTIONALLY LEFT BLANK)

SUPPLEMENTARY INFORMATION

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

SCHEDULE TO COMPUTE FRINGE BENEFITS RATE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Indirect Salaries \$ 232,946

Direct Salaries:

Department of Transportation (FHWA)	150,457
Department of Transportation (FTA)	53,068
Other local programs	40,091
Zoning department	469,622

Total Direct Salaries 713,238

Total Salaries \$ 946,184

Fringe Benefits :

FICA	\$ 80,457
Group insurance	151,093
Release time	159,213
Pension	14,923
Employee parking	6,610
Employee assistance program	688

Total Fringe Benefits \$ 412,984

Ratio:

Fringe benefits/Total salaries 43.65%

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

SCHEDULE TO COMPUTE INDIRECT COST RATE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Indirect Costs:

Indirect salaries	\$	232,946	
Fringe benefits		101,675	
		<u>101,675</u>	
Subtotal			\$ 334,621
Membership dues		345	
Meetings and seminars		395	
Repairs and Maintenance		1,228	
Publications and library		805	
Operating supplies		8,135	
Communications		6,010	
Miscellaneous		1,142	
Postage		2,983	
General insurance		21,168	
Legal services		5,399	
Audit and accounting		10,400	
Depreciation (use allowance)		13,668	
Office space rent		106,401	
Records storage		161	
Equipment lease		31,614	
Payroll processing fee		3,010	
		<u>3,010</u>	
Subtotal			<u>212,864</u>
Total Indirect Costs			<u>\$ 547,485</u>
<u>Basis:</u>			
Direct salary cost	\$	713,238	
Fringe benefits		311,328	
		<u>311,328</u>	
Total Basis			<u>\$ 1,024,566</u>
Ratio of Indirect Personnel Support Costs			<u>53.44%</u>

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

SCHEDULE OF EXPENDITURES
ZONING DEPARTMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

<u>Expenditures:</u>	<u>Development Review</u>	<u>Zoning</u>	<u>Total</u>
Direct salaries	\$ 152,220	\$ 317,402	\$ 469,622
Fringe benefits	66,440	138,538	204,978
Indirect costs	116,845	243,639	360,484
Advertising	4,070	-	4,070
Communications	-	1,818	1,818
Equipment leases	5,432	9,564	14,996
Legal services	53,814	4,706	58,520
Meeting and seminars	4,715	629	5,344
Miscellaneous	-	50	50
Operating supplies	3,287	7,116	10,403
Other services and charges	55	-	55
Publications and library	112	499	611
Records storage	-	2,214	2,214
Repair and maintenance	716	262	978
Travel	-	101	101
Vehicle costs	-	13,716	13,716
Zoning signs	1,743	-	1,743
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 409,449</u>	<u>\$ 740,254</u>	1,149,703
Zoning Revenues			<u>(497,669)</u>
Net Cost of Providing Zoning Services			<u>\$ 652,034</u>

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

SCHEDULE OF EXPENDITURES
OTHER LOCAL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Expenditures:

Direct salaries	\$ 40,091
Fringe benefits	17,500
Indirect costs	30,774
Advertising	20
Meeting and seminars	540
Operating supplies	35
Consultant	3,165
Travel	<u>28</u>
Total Expenditures	<u><u>\$ 92,153</u></u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

GAO YELLOW BOOK INFORMATION

(THIS PAGE INTENTIONALLY LEFT BLANK)



J. Russell Lipford, Jr., C.P.A.
Mark O. Hardison, C.P.A.
Terry I. Parker, C.P.A.
Christopher S. Edwards, C.P.A.
Lynn S. Hudson, C.P.A.
Kevin E. Lipford, C.P.A.

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON A AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Macon-Bibb County Planning
and Zoning Commission
Macon, Georgia

We have audited the financial statements of the Macon-Bibb County Planning and Zoning Commission of Macon, Georgia as of and for the fiscal year ended June 30, 2008 and have issued our report thereon dated September 19, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Commission's financial statements that is more than inconsequential will not be prevented or detected by the Commission's internal control. We consider the deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting. 2007-1

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Commission's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiency described above, we consider item 2007-1 to be a material weakness.

Compliance and Other Matters

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

However, we noted certain matters that we reported to management of the Commission in a separate letter dated September 19, 2008.

The Commission's response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the Commission's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of the board, management, the City of Macon, Georgia, Bibb County, Georgia, the Georgia Department of Transportation and the U.S. Department of Transportation and is not intended to be and should not be used by anyone other than these specified parties.



September 19, 2008
Macon, Georgia

MACON-BIBB COUNTY
PLANNING AND ZONING COMMISSION

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

FINANCIAL STATEMENT FINDINGS

Finding noted on the 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*:

2007-1 Ineffective Control Environment (Reiteration of prior year)

CRITERIA

Statement on Auditing Standards No. 112 describes examples of circumstances that are considered to be a significant deficiency and a strong indicator of a material weakness in internal control. Deficiencies in the design of internal controls exist when there is an inadequate design of internal control over a significant account or process.

CONDITION

The Commission does not have effective internal controls in place within the Planning and Zoning Department relative to receipts and deposits.

EFFECT

Lack of effective internal controls can result in poor financial records, misappropriation, an inadequate audit trail and unnecessary inefficiencies.

CAUSE

The Commission has a limited number of employees and duties are not properly segregated. As a result, the existing internal controls are inadequate.

RECOMMENDATION

The Commission should reevaluate the present internal controls and to the extent possible, implement more effective control procedures.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTION

The Commission, as the governing body, and the Commission's management both understand and agree with the premises, criteria, and recommendations underlying Finding 2007-1. The Commission and its management are dedicated to performing the remedial actions necessary to eliminate this control deficiency as a material weakness. As of the date of the issuance of this report, Management had already begun the process of evaluating selected aspects of the control structure in an effort to supplant existing policies and procedures with newer and more effective protocols.

(THIS PAGE INTENTIONALLY LEFT BLANK)