

**ALAMO AREA COUNCIL OF GOVERNMENTS**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2014**

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## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Alamo Area Council of Governments  
San Antonio, Texas

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

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Alamo Area Council of Governments (Council) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

To the Board of Directors  
Alamo Area Council of Governments

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## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Council as of December 31, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4–10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, as listed in the foregoing table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*, and the State of Texas *Uniform Grant Management Standards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other schedules listed in the foregoing table of contents (except for those marked "unaudited," for which we express no opinion), and the schedule of expenditures of federal and state 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.



To the Board of Directors  
Alamo Area Council of Governments

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Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and other schedules listed in the foregoing table of contents 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 June 26, 2015 on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Council's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

San Antonio, Texas  
June 26, 2015

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Alamo Area Council of Governments' (Council) discussion and analysis offers readers of the Council's financial statements a narrative overview and analysis of the Council's financial activities for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in the financial statements and notes to the financial statements.

### FINANCIAL HIGHLIGHTS

- ◆ The assets of the Council exceeded its liabilities at the close of the most recent fiscal year by \$9,938,186 (net position). Of this amount, \$1,191,433 is unrestricted. This reflects a decrease to net position of \$1,068,136.
- ◆ As of the close of the current fiscal year, the Council's governmental funds financial statements reported on page 15 combined ending fund balances of \$7,004,217. The unassigned fund balance in the General Fund that is available for operations is \$1,577,911.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements are comprised of 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 Council's finances in a manner similar to a private-sector business.

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

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

**Fund Financial Statements** – A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like other similar governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Council are classified as *governmental funds*.

**Governmental Funds** – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of expendable resources*, as well as on *balances of expendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Council's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Council maintains 22 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for each major fund: the General Fund, the Bexar Area Agency on Aging Fund, the Texas Department of Transportation Fund, Alamo Local Authority Fund, and the Alamo Area Agency on Aging Fund. The basic governmental fund financial statements can be found on pages 14 through 19 of this report.

## **NOTES TO THE FINANCIAL STATEMENTS**

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

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Council's assets exceeded liabilities by \$9,938,186 at December 31, 2014. The following table reflects the condensed Statement of Net Position compared to prior year.

## Alamo Area Council of Government's Statement of Net Position

	<u>2014</u>	<u>2013</u>
Assets:		
Current and other assets	\$ 12,660,677	\$ 12,861,587
Capital assets	<u>3,320,177</u>	<u>3,566,228</u>
Total assets	15,980,854	16,427,815
Liabilities:		
Current liabilities	6,042,668	5,421,493
Noncurrent liabilities	<u>-</u>	<u>-</u>
Total liabilities	6,042,668	5,421,493
Net position:		
Investment in capital assets	3,320,177	3,566,228
Restricted for grant purposes	5,468,590	6,003,304
Unrestricted	<u>1,149,419</u>	<u>1,436,790</u>
Total net position	<u>\$ 9,938,186</u>	<u>\$ 11,006,322</u>

The balance of *unrestricted net position* \$1,149,419 may be used to meet the Council's ongoing obligations.

## Analysis of the Council's Operations

The following table provides a summary of the Council's operations for the year ended December 31, 2014, as compared to the year ended December 31, 2013. The Council's net position decreased by \$1,068,136.

	<u>2014</u>	<u>2013</u>
Revenues:		
Program revenues:		
Charges for services	\$ 787,230	\$ 828,253
Operating grants and contributions	37,769,447	39,733,453
General revenues:		
Investment earnings	1,523	3,911
Member dues	318,186	300,352
Miscellaneous	-	183
	<u>38,876,386</u>	<u>40,866,152</u>
Expenses:		
General government	253,731	325,364
Workforce development	1,231,591	3,172,384
Aging	16,618,027	16,118,847
Emergency communication	1,302,969	1,375,736
Economic development	109,023	89,988
Environmental quality	661,454	891,270
Community affairs	1,862,836	1,636,268
Homeland security	615,464	438,462
Transportation	6,059,606	6,011,223
Housing	654,225	733,103
Criminal justice	1,133,784	1,494,340
Health and welfare	9,441,812	8,361,714
	<u>39,944,522</u>	<u>40,648,699</u>
Change in net position	(1,068,136)	217,453
Net position, beginning of year	<u>11,006,322</u>	<u>10,788,869</u>
Net position, end of year	<u>\$ 9,938,186</u>	<u>\$ 11,006,322</u>

The Council's decrease in net position is primarily due to the discontinued workforce program. Additionally, the Council added \$634,500 in capital purchases during 2014.

The General Fund balance decreased by \$287,212 for a total of \$1,583,943.

The special revenue funds decreased fund balance by \$576,728. The majority of the decrease is primarily in the Texas Department of Transportation – Alamo Regional Transportation (ART) program and the Alamo Local Authority program. These fund balance decreases were budgeted for 2014 as a result of decreased funding.

**Comparisons to 2013 Revenues, Expenditures, and Funding**

The Council's revenues decreased by \$1,989,766 and expenditures decreased by \$704,177 from fiscal 2013 to 2014.

**Revenues**

The General Fund experienced a decrease in revenues of \$23,460 which was primarily due to the Purchasing Credit Card Rebate received in 2013 and not received in 2014. The Special Revenue Funds experienced a decrease in revenues of \$1,966,306 and were primarily in the Transportation and various Other Governmental Funds.

**Expenditures**

The General government expenditures reflect a decrease of \$71,633. The Special Revenue Funds expenditures reflect a decrease of \$632,544 that was primarily in the various Other Governmental Funds.

**BUDGETARY HIGHLIGHTS**

The financial plan for the Council is drafted on a grant basis, which spans more than one fiscal year. Although the financial plan is reviewed and approved by the Council's Board, it is not considered a legally adopted annual budget. Accordingly, budgetary information is not presented in this report.

**CAPITAL ASSET ADMINISTRATION**

**Alamo Area Council of Governments' Capital Assets at Year-End**

	<u>2014</u>	<u>2013</u>
Capital assets	\$ 11,874,473	\$ 11,624,348
Less: accumulated depreciation	<u>(8,554,296)</u>	<u>(8,058,120)</u>
Total capital assets, net	<u><u>\$ 3,320,177</u></u>	<u><u>\$ 3,566,228</u></u>

The Council's capital purchases totaled \$634,500 during 2014 in the following categories and programs:

## **Furniture and Fixtures**

The Alamo Local Authority purchased a Datum High Density Mobile Filing System to enhance the Medical records department which contributed to a more efficient storing and retrieving client data and information. The total cost was \$7,568.

## **Software**

The Transportation Program purchased two paratransit operator development courses to help with required driver training. The total cost was \$12,000.

The Criminal Justice Program purchased a Power Vista Roll Call Enterprise Edition to help with Academy training and classes. The total cost was \$5,200.

The Council completed the purchase of a new accounting and human resource system and replaced various servers. The implementation was effective January 1, 2014 and is nearing completion. The total cost in 2014 was \$135,268.

## **Vehicles**

The Transportation Program purchased eight 2013 Braun Century 2 Type II vehicles to enhance the current fleet and to retire old busses that require high maintenance costs. The total cost was \$474,464.

## **ECONOMIC FACTORS AND NEXT YEAR'S FINANCIAL PLAN**

The Council's projected 2015 annual budget reflects \$38,723,585 in revenues and \$39,304,235 in budgeted expenditures. The projected revenue decrease in 2015 is \$152,801 or approximately 0.39% from the actual 2014 revenues and the projected expenditure decrease in 2015 is \$459,529 or approximately 1.15% from the actual 2014 expenditures. The revenue and expenditure decreases are primarily due the agency no longer providing administrative services to the Alamo Area Development Corporation (AADC). This is the result of the nonrenewal of the contract between the AADC and Workforce Solutions.

The Council's combined ending fund balances of \$7,004,217 include \$5,420,274 of dedicated program fund balances and \$1,583,943 of general fund balance and is used in the operations of AACOG. The Council decreased the general fund balance by \$287,212 during fiscal year 2014 and is projecting a small increase for 2015. The Council's special revenue fund balance decreased by \$576,728 for 2014 and is projected to decrease by \$583,487 in 2015. The 2014 decrease to the special revenue fund balances is primarily from the Alamo Local Authority and the Rural Public Transportation programs for increased services and budget cuts from federal and state sources.

In 2013 the Council selected the Mitchell Humphrey Financial Management System (FMS) II and the Personnel Data Systems Inc. (PDS) Vista Human Resource management System (HRMS) that provides a fully integrated accounting, purchasing and human resource system. The migration to the new software continued through 2014 and is nearing completion.

The Council discontinued providing Workforce Services to the thirteen counties on April 1, 2014. This resulted in an approximately \$2.5 million reduction in revenue to the AACOG.

At the end of 2014 Diane D. Rath was hired as the New Executive Director. Ms. Rath began her employment with AACOG on December 15, 2014.

The Council currently resides at 8700 Tesoro Dr., San Antonio, Texas in a multiple floor building leased from Cotter & Sons that originally commenced on August 14, 2000 and has been amended seven (7) times to accommodate additional program space and continues through December 31, 2020. Total leased space includes 66,321 square feet.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide general overview of AACOG's finances for all those with an interest in the organization. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the Chief Financial Officer, Alamo Area Council of Governments, 8700 Tesoro Drive, San Antonio, Texas 78217.



## **BASIC FINANCIAL STATEMENTS**

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**ALAMO AREA COUNCIL OF GOVERNMENTS  
STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Alamo Area Development Corporation</u>
<b>ASSETS</b>		
Cash and investments	\$ 5,389,194	\$ 126,242
Receivables		
Grantors	7,242,827	192,772
Other	12,624	-
Deposits	10,000	-
Prepaid items	6,032	-
Capital assets, net of accumulated depreciation	<u>3,320,177</u>	<u>-</u>
<b>Total assets</b>	15,980,854	319,014
<b>LIABILITIES</b>		
Accounts payable	3,115,351	178,821
Accrued liabilities	219,271	918
Unearned revenue	1,973,479	86,946
Over-recovered employee benefits	220,195	-
Over-recovered indirect costs	80,568	-
Compensated absences	<u>433,804</u>	<u>-</u>
<b>Total liabilities</b>	6,042,668	266,685
<b>NET POSITION</b>		
Investment in capital assets	3,320,177	-
Restricted for grant programs	5,468,590	26,754
Unrestricted	<u>1,149,419</u>	<u>25,575</u>
<b>Total net position</b>	<u>\$ 9,938,186</u>	<u>\$ 52,329</u>

The Notes to Financial Statements are an integral part of this statement.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2014**

<u>Function/ Programs</u>	<u>Expenses</u>	<u>Indirect Cost Allocation</u>	<u>Expenses After Allocation of Indirect Costs</u>
<b>Primary government</b>			
Governmental activities			
General government	\$ 253,731	\$ 377	\$ 254,108
Workforce development	1,231,591	55,197	1,286,788
Aging	16,618,027	522,126	17,140,153
Emergency communication	1,302,969	48,855	1,351,824
Economic development	109,023	10,178	119,201
Environmental quality	661,454	79,042	740,496
Community affairs	1,862,836	91,840	1,954,676
Homeland security	615,464	38,372	653,836
Transportation	6,059,606	305,119	6,364,725
Housing	654,225	8,370	662,595
Criminal justice	1,133,784	114,828	1,248,612
Health and welfare	9,441,812	1,005,311	10,447,123
Indirect costs	-	(2,279,615)	(2,279,615)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total governmental activities and primary government</b>	<u>\$ 39,944,522</u>	<u>\$ -</u>	<u>\$ 39,944,522</u>
<b>Component unit</b>			
Alamo Area Development Corporation			
	<u>\$ 1,404,165</u>	<u>\$ -</u>	<u>\$ 1,404,165</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total component unit</b>	<u>\$ 1,404,165</u>	<u>\$ -</u>	<u>\$ 1,404,165</u>

The Notes to Financial Statements are an integral part of this statement.

<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>	<u>Component Unit</u>
<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>	<u>Alamo Area Development Corporation</u>
\$ -	\$ 5,999	\$ (248,109)	\$ -
-	1,027,228	(259,560)	-
556,521	15,853,882	(729,750)	-
-	1,276,220	(75,604)	-
-	110,761	(8,440)	-
-	532,421	(208,075)	-
-	2,154,161	199,485	-
-	572,678	(81,158)	-
-	5,414,909	(949,816)	-
-	579,729	(82,866)	-
227,511	906,934	(114,167)	-
3,198	9,334,525	(1,109,400)	-
-	-	2,279,615	-
<u>\$ 787,230</u>	<u>\$ 37,769,447</u>	(1,387,845)	-
<u>\$ -</u>	<u>\$ 1,430,716</u>		<u>26,551</u>
<u>\$ -</u>	<u>\$ 1,430,716</u>		<u>26,551</u>
<b>GENERAL REVENUES</b>			
Investment earnings		1,523	-
Member dues		318,186	-
<b>Total general revenues</b>		<u>319,709</u>	<u>-</u>
<b>Change in net position</b>		(1,068,136)	26,551
<b>NET POSITION, beginning of year</b>		<u>11,006,322</u>	<u>25,778</u>
<b>NET POSITION, end of year</b>		<u>\$ 9,938,186</u>	<u>\$ 52,329</u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

	<u>General</u>	<u>Bexar Area Agency on Aging</u>	<u>Texas Department of Transportation</u>
<b>ASSETS</b>			
Cash and investments	\$ 1,947,393	\$ -	\$ 1,617,449
Accounts receivable			
Grantors	4,413	2,072,633	1,460,934
Other	12,624	-	-
Due from other funds	547,094	-	756,688
Deposits	10,000	-	-
Prepaid items	6,032	-	-
<b>Total assets</b>	<u><u>\$ 2,527,556</u></u>	<u><u>\$ 2,072,633</u></u>	<u><u>\$ 3,835,071</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 289,213	\$ 1,656,354	\$ 138,725
Accrued liabilities	219,271	-	-
Due to other funds	-	266,391	86,676
Over-recovered employee benefits	220,195	-	-
Over-recovered indirect costs	80,568	-	-
Unearned revenue	134,366	127,718	(16,602)
<b>Total liabilities</b>	943,613	2,050,463	208,799
<b>FUND BALANCE</b>			
Nonspendable			
Prepays	6,032	-	-
Restricted			
Grants	-	22,170	3,626,272
Unassigned	1,577,911	-	-
<b>Total fund balances</b>	<u>1,583,943</u>	<u>22,170</u>	<u>3,626,272</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 2,527,556</u></u>	<u><u>\$ 2,072,633</u></u>	<u><u>\$ 3,835,071</u></u>

The Notes to Financial Statements are an integral part of this statement.

<b>Alamo Local Authority</b>	<b>Alamo Area Agency on Aging</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,043,206	\$ -	\$ 781,146	\$ 5,389,194
1,316,105	501,835	1,886,907	7,242,827
-	-	-	12,624
295,890	-	436,503	2,036,175
-	-	-	10,000
-	-	-	6,032
<u>\$ 2,655,201</u>	<u>\$ 501,835</u>	<u>\$ 3,104,556</u>	<u>\$ 14,696,852</u>
\$ 258,490	\$ 334,091	\$ 438,478	\$ 3,115,351
-	-	-	219,271
-	158,429	1,524,679	2,036,175
-	-	-	220,195
-	-	-	80,568
1,089,666	5,030	680,897	2,021,075
1,348,156	497,550	2,644,054	7,692,635
-	-	-	6,032
1,307,045	4,285	466,804	5,426,576
-	-	(6,302)	1,571,609
1,307,045	4,285	460,502	7,004,217
<u>\$ 2,655,201</u>	<u>\$ 501,835</u>	<u>\$ 3,104,556</u>	<u>\$ 14,696,852</u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
SHEET TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

Total fund balance - governmental funds	\$	7,004,217
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		3,320,177
Other long term assets are not available to pay for current-period expenditures and therefore deferred in the funds.		47,596
Long term liabilities (compensated absences are not due and payable in the current period and therefore are not reported in the funds).		<u>(433,804)</u>
Net position of governmental activities in the statement of net position	\$	<u><u>9,938,186</u></u>



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**ALAMO AREA COUNCIL OF GOVERNMENTS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2014**

	<u>General</u>	<u>Bexar Area Agency on Aging</u>	<u>Texas Department of Transportation</u>
<b>REVENUES</b>			
Federal	\$ -	\$ 6,735,947	\$ 2,351,596
State	-	319,218	878,967
Local	2,047	-	1,452,190
Delegate agencies:			
Cash match	-	4,084,142	-
In-kind	-	795,460	-
Program income	-	186,594	-
Membership dues	318,186	-	-
Investment income	125	-	498
<b>Total revenues</b>	<u>320,358</u>	<u>12,121,361</u>	<u>4,683,251</u>
<b>EXPENDITURES</b>			
General government	376,815	-	-
Workforce development	-	-	-
Aging	-	12,260,025	-
Emergency communications	-	-	-
Economic development	-	-	-
Environmental quality	-	-	-
Community affairs	-	-	-
Homeland security	-	-	-
Transportation	-	-	5,216,864
Housing	-	-	-
Criminal justice	-	-	-
Health and welfare	-	-	-
<b>Total expenditures</b>	<u>376,815</u>	<u>12,260,025</u>	<u>5,216,864</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(56,457)</u>	<u>(138,664)</u>	<u>(533,613)</u>
<b>OTHER FINANCING SOURCES AND USES</b>			
Transfers in	-	137,535	-
Transfers out	(230,755)	-	-
<b>Total other financing sources (uses)</b>	<u>(230,755)</u>	<u>137,535</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(287,212)	(1,129)	(533,613)
<b>FUND BALANCES, BEGINNING</b>	<u>1,871,155</u>	<u>23,299</u>	<u>4,159,885</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,583,943</u>	<u>\$ 22,170</u>	<u>\$ 3,626,272</u>

The Notes to Financial Statements are an integral part of this statement.

<b>Alamo Local Authority</b>	<b>Alamo Area Agency on Aging</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 513,978	\$ 2,448,344	\$ 4,804,567	\$ 16,854,432
3,797,569	123,071	2,769,516	7,888,341
5,026,176	-	321,167	6,801,580
-	473,493	-	4,557,635
-	849,594	22,405	1,667,459
3,198	369,927	227,511	787,230
-	-	-	318,186
602	-	298	1,523
<b>9,341,523</b>	<b>4,264,429</b>	<b>8,145,464</b>	<b>38,876,386</b>
-	-	1,550	378,365
-	-	1,201,275	1,201,275
-	4,329,765	24,613	16,614,403
-	-	1,276,220	1,276,220
-	-	109,023	109,023
-	-	660,105	660,105
-	-	1,862,836	1,862,836
-	-	572,678	572,678
-	-	683,780	5,900,644
-	-	634,637	634,637
-	-	1,088,328	1,088,328
9,441,812	-	-	9,441,812
<b>9,441,812</b>	<b>4,329,765</b>	<b>8,115,045</b>	<b>39,740,326</b>
<b>(100,289)</b>	<b>(65,336)</b>	<b>30,419</b>	<b>(863,940)</b>
-	65,336	27,884	230,755
-	-	-	(230,755)
-	65,336	27,884	-
(100,289)	-	58,303	(863,940)
1,407,334	4,285	402,199	7,868,157
<b>\$ 1,307,045</b>	<b>\$ 4,285</b>	<b>\$ 460,502</b>	<b>\$ 7,004,217</b>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2014**

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

Net change in fund balances - total governmental funds	\$ (863,940)
Governmental funds report capital outlays as expenditures, however in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(246,051)
Some expenses (e.g., compensated absences) 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>41,855</u>
Change in net position of governmental activities	<u><u>\$ (1,068,136)</u></u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Alamo Area Council of Governments (the Council) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following represents the significant accounting policies and practices used by the Council.

**Reporting Entity**

The Alamo Area Council of Governments is a political subdivision of the State of Texas and a voluntary association of local governments within a 12-county region. The Council was established in 1967 to study and resolve area-wide problems through the cooperation and coordinated action of member cities, counties, school districts and special purpose districts of the region.

Membership in the Council is voluntary. Any county, city or special purpose district within the region may become a member in the independent association by passing a resolution to join the Council and paying annual dues. Each member government is entitled to have voting representation on the Board of Directors, which is the Council's governing body.

The Council's basic financial statements include the accounts of all the Council operations. The criteria for including organizations within the Council's reporting entity is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. The following organization has been included within the Council's reporting entity.

**Discretely Presented Component Unit**

During 1995, the Council formed a nonprofit organization, Alamo Area Development Corporation (AADC). AADC is governed by a board of seven directors, which are also members of the governing body of the Council. AADC contracts with Workforce Solutions Alamo (WSA) to administer various grant programs, consisting primarily of Texas Workforce Commission grants as presented on the accompanying schedule of expenditures of federal and state awards. Complete financial statements may be obtained at the AADC's administrative office.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**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 activities of the primary government and its component unit. For the most part, the effect of any interfund activity has been removed from these statements. *Governmental activities* are generally supported by intergovernmental revenue.

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

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

The Council reports the following major governmental funds:

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

The Bexar Area Agency on Aging Fund is used to account for federal and state grants awarded to Alamo Area Council of Governments by the Texas Department of Aging and Disability Services.

The Texas Department of Transportation Fund is used to account for federal and state funds awarded to Alamo Area Council of Governments by the Texas Department of Transportation.

The Alamo Local Authority Fund is used to account for state funds awarded to Alamo Area Council of Governments by the Texas Department of Aging and Disabilities Services as the Mental Retardation Authority of Bexar County.

The Alamo Area Agency on Aging Fund is used to account for federal and state grants awarded to Alamo Area Council of Governments by the Texas Department of Aging and Disability Services.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

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

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Revenue is 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 are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period. For this purpose, the Council considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Grant revenue and membership dues are considered susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the Council.

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

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Federal, State, and Local Grant Revenue**

Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. Such revenue is subject to review by the funding agency and may result in disallowance in subsequent periods.

Unearned revenue or deferred inflows of resources will arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenue also arises when resources are received by the Council, before it has a legal claim to them, as when grant money is received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the Council has a legal claim to the resources, the liability for the unearned revenue or deferred inflow of resources is removed from the balance sheet and revenue is recognized.

**Member Government Dues**

All member governments are required to pay dues to the Council. Dues are determined annually and are recognized as revenues when assessed because they are measurable and are collectible within the current period. Dues are reported in the General Fund and funds are transferred to the Special Revenue Fund as needed to meet matching requirements of the grants.

**Local Contributed Cash**

Contributions to grant programs from local governments and other participants are recognized as revenue when grant expenditures are incurred in the case of cost reimbursement grants, and when courses are completed in the case of Regional Police Academy tuition.

**In-Kind and Contributed Services**

Local contributions, which include contributed services provided by individuals, private organizations and local governments, are used to match federal and state administered funding on various grants. Contributed services are therefore recorded as revenue and expenditures in the individual grants. The amounts of such services are recorded in the accompanying financial statements at their estimated fair market values at date of service.



**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Cash and Investments**

Cash in the Council's financial statements include amounts in demand deposits. Investments for the Council are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

**Grants Receivable**

Grants receivable represent amounts due from federal and state agencies for the various programs administered by the Council. The receivables include amounts due on programs closed-out and those in progress as of December 31, 2014.

**Other Receivables**

Other receivables represent amounts due for Medicaid and other miscellaneous receivables.

**Interfund Receivables and Payables**

Activity 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 the current portion of interfund loans, or advances to/from other funds, or the noncurrent portion of interfund loans. All other outstanding balances between funds are reported as due to/from other funds. The Council had no advances to/from other funds at December 31, 2014.

**Prepaid Items**

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

**Unearned Revenue**

Unearned revenue primarily consists of amounts received from grantors in excess of expenditures for programs in progress as of December 31, 2014.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Capital Assets**

Capital assets, which include equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Council as assets with an initial, individual cost of \$5,000 or greater and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded as 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 the asset's life is not capitalized. Equipment of the primary government is depreciated using the straight-line method with a useful life of three to fifteen years.

**Compensated Absences**

Employees earn twelve (12) days of annual leave and are credited with longevity days up to a maximum of eight (8) days for a total of twenty (20) days in any one calendar year. Employees may also carry forward a maximum of forty three (43) days of unused annual leave. Employees will be paid for accrued annual leave upon termination of employment provided they have been in a full-time position for three months or more. All annual leave pay is accrued when incurred in the government-wide statements. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Full-time employees are eligible for a maximum of ten (10) personal leave days per year. Eligible employees may be compensated for accrued personal leave days upon termination of employment as outlined in the personnel policies. Personal leave is charged to expenditures as taken; therefore, a liability is not reported for unused personal leave.

**Net Position and Fund Balance**

Net position represents the difference between assets and liabilities. Net position for the investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Council or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Net Position and Fund Balance – Continued**

Fund balance classifications are non spendable, restricted, committed, assigned, and unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of constraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

In accordance with GASB 54, the Council classifies governmental fund balances as follows:

*Non spendable* – includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes the Council’s prepaid items.

*Restricted* – includes fund balance amounts that are constrained for specific purposes which are imposed by providers, such as grantors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes retirement of federal and state grants.

*Committed* – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the Council through formal action in an open meeting of the highest level of decision-making authority. Committed fund balance is reported pursuant to resolution passed by the Board of Directors. At December 31, 2014, the Council had no committed fund balance amounts.

*Assigned* – includes fund balance amounts that are self-imposed by the Council to be used for a particular purpose. Fund balance can be assigned by the Board of Directors pursuant to the Council’s fund balance policy. At December 31, 2014, the Council had no assigned fund balance amounts.

*Unassigned* – includes residual positive fund balance within the General Fund, which has not been classified within the other above-mentioned categories.

When both restricted and unrestricted fund balances are available for use, it is the Council’s policy to use restricted fund balance first, then unrestricted. Similarly, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications are available.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Indirect Costs and Fringe Benefit and Leave Pool Allocations**

General administrative and employee fringe benefits costs are recorded in cost pools. The costs are partially recovered from Special Revenue Funds based on negotiated indirect and fringe benefit rates. These rates are negotiated with the Texas Department of Aging and Disability Services, which is the Council’s designated cognizant agency for the negotiation and approval of indirect and fringe benefits rates for use on federal grants. Indirect costs are defined by the U.S. Office of Management and Budget Circular A-87 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.” The Council uses a fixed-rate plus carry-forward provision. The rates are submitted to the cognizant agency on an annual basis, based on projected costs submitted on a Cost Allocation Plan for indirect fringe benefit and leave pool costs. The negotiated rates approved are used for billing purposes. Final costs not recovered by the billing rates are allowed by the oversight federal agency to be recovered in succeeding years.

**Under (Over) Recovered Employee Benefits, Central Service Costs and Indirect Costs**

Under (over) recovered employee benefits, central service costs and indirect costs consist of costs allocated to programs for employee benefits and general administrative costs below (above) the actual costs incurred. This asset (liability) will be reduced in succeeding years through adjustments to the Council’s indirect and fringe benefit rate.

**NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The governmental fund statement of revenue, expenditures and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$246,051 difference are as follows:

Capital outlay	\$	634,500
Depreciation expense		<u>(880,551)</u>
Net adjustments to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u><u>(246,051)</u></u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The Council's financial plan is controlled at the fund and grant level with management authorized to make transfers of budgeted amounts between object class levels within a fund or grant, within restrictions imposed by grantor agencies. The Board approves the financial plan for revenue and expenditures in all funds. The financial plan for the Special Revenue Funds is made on a project (grant) basis, spanning more than one year. Appropriations for all projects in the Special Revenue Funds lapse at the end of a contract period which may not coincide with the fiscal year-end of the Council. Although the financial plans are reviewed and approved by the Council's Board, they are not considered legally adopted annual budgets or appropriations. Accordingly, comparative budget and actual results are not presented in this report.

**NOTE 4. CASH AND INVESTMENTS**

Cash and investments at December 31, 2014, consist of the following which are reported in assets as cash and investments in the accompanying financial statements.

Cash	\$ 1,834,091
Investments	<u>3,555,103</u>
Total	<u><u>\$ 5,389,194</u></u>

The Public Funds Investment Act (Government Code Chapter 2256) (the Act) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Council to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the Council to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings account, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the Council to have independent auditors perform test procedures related to investment practices as provided by the Act. The Council is in substantial compliance with the requirements of the Act and with local policies.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4. CASH AND INVESTMENTS – CONTINUED**

As of December 31, 2014, the primary government had the following investment:

<u>Investment Type</u>	<u>Reported Value</u>	<u>Weighted Average Maturity</u>	<u>Minimum Legal Rating</u>	<u>Rating as of December 31, 2014</u>
TexPool	\$ 3,555,103	46	AAA	AAAm

The Council is a voluntary participant in TexPool, an investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Public Funds Investment Act allows eligible entities of the State of Texas to jointly invest their funds in permitted investments.

The Comptroller of Public Accounts (the Comptroller) is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company (the Trust Company) which is authorized to operate TexPool. Pursuant to the TexPool Participation Agreement, administrative and investment services to TexPool are Federated Investors, Inc. (Federated), under an agreement with the Comptroller, acting on behalf of the Trust Company. The Comptroller maintains oversight of the services provided to TexPool by Federated. In addition, the TexPool Advisory Board advises on TexPool's Investment Policy and approves any fee increases. As required by the Public Funds Investment Act, the Advisory Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool. TexPool operates on a \$1.00 net asset value basis and allows same day or next day redemptions and deposits. Interest is allocated daily based on portfolio earnings and participant account balances.

The Council's investment in TexPool is stated at amortized cost, which approximates fair value. The fair value of the investment is the same as the value of the pool shares.

*Credit Risk:* Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the council's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government Securities or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of December 31, 2014, the Council's \$1,834,091 deposit balance was fully collateralized with securities held by the pledging financial institution.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2014, was as follows:

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 127,000	\$ -	\$ -	\$ 127,000
Capital assets, being depreciated				
Equipment	2,862,892	-	-	2,862,892
Furniture and fixtures	147,322	7,568	-	154,890
Software	924,669	152,468	-	1,077,137
Vehicles	6,501,928	474,464	(384,375)	6,592,017
Property	1,060,537	-	-	1,060,537
	<u>11,497,348</u>	<u>634,500</u>	<u>(384,375)</u>	<u>11,747,473</u>
Less accumulated depreciation				
Equipment	(2,581,920)	(100,946)	-	(2,682,866)
Furniture and fixtures	(147,323)	-	-	(147,323)
Software	(772,834)	(81,211)	-	(854,045)
Vehicles	(4,205,866)	(644,936)	384,375	(4,466,427)
Property	(350,177)	(53,458)	-	(403,635)
Total accumulated depreciation	<u>(8,058,120)</u>	<u>(880,551)</u>	<u>384,375</u>	<u>(8,554,296)</u>
Total capital assets being depreciated, net	<u>3,439,228</u>	<u>(246,051)</u>	<u>-</u>	<u>3,193,177</u>
Governmental activities capital assets, net	<u>\$ 3,566,228</u>	<u>\$ (246,051)</u>	<u>\$ -</u>	<u>\$ 3,320,177</u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. CAPITAL ASSETS – CONTINUED**

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

Governmental activities		
General Government	\$	77,257
Workforce Development		30,316
Emergency Communications		26,749
Homeland Security		42,786
Weatherization		1,349
Transportation		633,426
Housing		19,588
Criminal Justice		45,456
Alamo Local Authority		<u>3,624</u>
Total depreciation expense - governmental activities	\$	<u><u>880,551</u></u>

**NOTE 6. INTERFUND BALANCES AND TRANSFERS**

Internal transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund reimbursed. All other interfund transactions are recorded as transfers.

The following is a summary of interfund transfers for the year ended December 31, 2014:

<u>Transfer in</u>	<u>Transfer out</u>	<u>Amount</u>	<u>Purpose</u>
Bexar Area Agency on Aging	General fund	\$ 137,535	Local match
Alamo Area Agency on Aging	General fund	65,336	Local match
Other governmental funds	General fund	<u>27,884</u>	Local match
	Total	<u><u>\$ 230,755</u></u>	



**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6. INTERFUND BALANCES AND TRANSFERS – CONTINUED**

The Council pools cash in one bank account, which is accounted for in the General Fund. All expenditures are paid out of this cash account, and appropriate interfund balances are recorded to reflect this activity. The composition of interfund balances as of December 31, 2014, is as follows:

Receivable Fund	Payable Fund	Amount
Texas Department of Transportation	Other governmental funds	\$ 490,297
Other governmental funds	Other governmental funds	278,074
General Fund	Other governmental funds	460,418
General Fund	Texas Department of Transportation	86,676
Other governmental funds	Alamo Area on Aging	158,429
Alamo Local Authority	Other governmental funds	295,890
Texas Department of Transportation	Bexar Area Agency on Aging	266,391
		\$ 2,036,175

**NOTE 7. UNEARNED REVENUE**

Governmental funds report deferred inflows in connection with receivables for revenue that is 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. At the end of the current fiscal year, there were no deferred inflows of resources and unearned revenue reported in the governmental funds was as follows:

	Unearned
Local funds	\$ 134,366
Grant funds	1,886,709
	\$ 2,021,075

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8. LONG-TERM LIABILITIES**

Long-term liability activity for the year ended December 31, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Compensated absences	\$475,659	\$ 674,945	\$ 716,800	\$ 433,804	\$ 433,804

Typically, all governmental funds assist in liquidating compensated absences based on corresponding personnel costs.

**NOTE 9. COMMITMENTS AND CONTINGENCIES**

**Risk Management**

The Council is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council maintains workers' compensation and other risks of loss coverage through commercial insurance carriers. The Council's management believes such coverage is sufficient to preclude any significant uninsured loss to the Council. There were no significant reductions in insurance coverage from coverage in the prior year. There were no insurance settlements that exceeded insurance coverage in any of the past three years.

**Contingencies**

The Council contracts with local agencies to perform the specific services set forth in certain grant agreements. The Council disburses grants funds to the agencies based on expenditure reports received from each agency.

Agencies expending \$500,000 or more in Council grant funds are required to have an independent audit each year. Copies of such audits are required to be submitted to the Council. If such audits disclose expenditures not in accordance with terms of the grants, the grantor agency could disallow the costs and require reimbursements of the disallowed costs either from the Council or the subcontractor. The Council generally has the right of recovery from the subcontracted agencies.

**Litigation**

The Council is involved in numerous legal proceedings arising from providing various transportation services. As of December 31, 2014, none of these proceedings have been determined to result in probable loss to the Council. Accordingly, no related loss contingencies have been recorded in the accompanying financial statements.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 9. COMMITMENTS AND CONTINGENCIES – CONTINUED**

**Operating Lease**

The Council leases office space in San Antonio, Texas under an agreement classified as an operating lease. Rent expense totaled \$1,040,738 for the year ended December 31, 2014. Future minimum lease payments under this agreement are as follows:

Year ending December 31,	
2015	\$ 1,021,343
2016	1,181,840
2017	1,083,354
2018	1,181,842
2019 - 2020	<u>2,332,565</u>
Total	<u>\$ 6,800,944</u>

**NOTE 10. RETIREMENT PLAN**

**Plan Description**

Alamo Area Council of Governments provides pension, disability, and death benefits to its fulltime employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 586 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the government body of the Council, within the options available in the states statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and up with 10 years of service or prior to age 60 with 80 years of total age plus service. Members are vested after 10 years of service, but must leave their accumulated deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 10. RETIREMENT PLAN – CONTINUED**

**Plan Description – Continued**

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the Council within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity based on purchase rates prescribed by the TCDRS Act.

**Funding Policy**

The Council has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the Council based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the Council is actuarially determined annually.

The deposit rate payable by the employee members of the plan for calendar year 2014 is the rate of 6% as adopted by the governing body of the Council. The employee deposit rate and the employer contribution rate may be changed by the Board of Directors of the Council within the options available in the TCDRS Act.

**Annual Pension Cost**

For the Council's accounting year ended December 31, 2014, the annual pension cost for the TCDRS plan was \$999,898 and the actual contributions were \$999,898. The required contribution rates for the year ended December 31, 2014 were determined by the December 31, 2013 actuarial valuations. Additional information as of the actuarial valuation dates is on the following page.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 10. RETIREMENT PLAN – CONTINUED**

**Annual Pension Cost – Continued**

Actuarial valuation date	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization period of years	8.1	15	20
Asset valuation method	SAF:10-yr smoothed value ESF: Fund value	SAF:10-yr smoothed value ESF: Fund	SAF:10-yr smoothed value ESF: Fund value
Actuarial assumption			
Investment return*	8.0%	8.0%	8.0%
Projected salary increases	4.9%	5.4%	5.4%
Inflation	3.0%	3.5%	3.5%
Cost of Living adjustments	0.0%	0.0%	0.0%

\* Includes inflation at the stated rate

The funding status as of December 31, 2013, the most recent actuarial valuation date and the two preceding actuarial valuations is as follows:

Actuarial valuation date	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial value of assets	\$ 17,781,864	\$ 15,897,191	\$ 13,909,108
Actuarial accrued liability (AAL)	19,518,514	17,966,730	16,065,162
Unfunded actuarial accrued liability (UAAL)	1,736,650	2,069,539	2,156,054
Funded ratio	91.10%	88.48%	86.58%
Annual covered payroll	11,712,772	11,709,893	11,698,302
UAAL as a percentage of covered payroll	14.83%	17.67%	18.43%

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 10. RETIREMENT PLAN – CONTINUED**

The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Year ended December 31,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2014	\$ 999,898	100%	\$ -
2013	1,111,388	100%	-
2012	956,461	100%	-

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for special revenues that are legally restricted to expenditure for particular purposes.

*Texas Commission on Environmental Quality* – This fund is used to account for state grants awarded to Alamo Area Council of Governments by the Texas Commission on Environmental Quality.

*VIA Metropolitan Transit* – This fund is used to account for federal funds award to Alamo Area Council of Governments by the VIA Metropolitan Transit.

*Texas Veterans Commission* – This fund is used to account for federal funds awarded to Alamo Area Council of Governments by the Texas Veterans Commission.

*Economic Development Administration* – This fund is used to account for federal funds awarded to Alamo Area Council of Governments by the Economic Development Administration.

*Commission on State Emergency Communication* – This fund is used to account for state funds awarded to Alamo Area Council of Governments by the Commission on State Emergency Communications.

*Metropolitan Planning Organization* – This fund is used to account for federal grants awarded to Alamo Area Council of Governments by the Metropolitan Planning Organization.

*Texas Department of Rural Affairs* – This fund is used to account for federal grants awarded to Alamo Area Council of Governments by the Texas Department of Rural Affairs.

*U.S. Department of Housing and Urban Development* – This fund is used to account for federal and local grants awarded to Alamo Area Council of Governments by the U.S. Department of Housing and Urban Development.

*U.S. Department of Homeland Security* – This fund is used to account for federal grants awarded to Alamo Area Council of Governments by the U.S. Department of Homeland Security.

*Capital Area Council of Governments* – This fund is used to account for state grants awarded to Alamo Area Council of Governments by the Capital Area Council of Governments.

*State Energy Conservation Office* – This fund is used to account for state and local grants awarded to Alamo Area Council of Governments by the State Energy Conservation Office.

*Texas Department of Housing and Community Affairs* – This fund is used to account for state and local grants awarded to Alamo Area Council of Governments by the Texas Department of Housing and Community Affairs.

*Office of the Governor* – This fund is used to account for federal and state grants awarded to Alamo Area Council of Governments by the Office of the Governor.

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds (Continued)**

*Environmental Protection Agency* – This fund is used to account for grants awarded to Alamo Area Council of Governments by the Environmental Protection Agency.

*City of San Antonio* – This fund is used to account for federal grants awarded to Alamo Area Council of Governments by the City of San Antonio.

*Local Projects* – This fund is used to account for projects funded by local donations.

*Alamo Area Development Corporation* – This fund is used to account for federal and state grants awarded to Alamo Area Council of Governments by the Alamo Area Development Corporation, a discretely presented component unit of the Council.



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**ALAMO AREA COUNCIL OF GOVERNMENTS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

	Texas Commission on Environmental Quality	VIA Metropolitan Transit	Texas Veterans Commission	Economic Development Administration
<b>ASSETS</b>				
Cash and investments	\$ 393,282	\$ -	\$ -	\$ -
Accounts receivable				
Grantors	45,468	470,221	71,772	15,001
Due from other funds	118,790	-	-	-
	<u>557,540</u>	<u>470,221</u>	<u>71,772</u>	<u>15,001</u>
Total assets	<u>\$ 557,540</u>	<u>\$ 470,221</u>	<u>\$ 71,772</u>	<u>\$ 15,001</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 3,632	\$ 173,096	\$ 14,636	\$ 1,184
Due to other funds	-	297,046	45,755	7,649
Unearned revenue	553,752	79	-	-
	<u>557,384</u>	<u>470,221</u>	<u>60,391</u>	<u>8,833</u>
Total liabilities	<u>557,384</u>	<u>470,221</u>	<u>60,391</u>	<u>8,833</u>
<b>FUND BALANCE</b>				
Restricted				
Grants	156	-	11,381	6,168
Unassigned	-	-	-	-
	<u>156</u>	<u>-</u>	<u>11,381</u>	<u>6,168</u>
Total fund balances (deficit)	<u>156</u>	<u>-</u>	<u>11,381</u>	<u>6,168</u>
	<u>\$ 557,540</u>	<u>\$ 470,221</u>	<u>\$ 71,772</u>	<u>\$ 15,001</u>
Total liabilities and fund balances	<u>\$ 557,540</u>	<u>\$ 470,221</u>	<u>\$ 71,772</u>	<u>\$ 15,001</u>

<u>Commission on State Emergency Communication</u>	<u>Metropolitan Planning Organization</u>	<u>Texas Department of Rural Affairs</u>	<u>Department of Housing and Urban Development</u>	<u>Department of Homeland Security</u>	<u>Capital Area Council of Governments</u>	<u>State Energy Conservation Office</u>
\$ 321,712	\$ -	\$ -	\$ 21	\$ -	\$ -	\$ -
395,209	58,148	3,206	1,513	317,395	1,530	-
-	-	-	-	-	-	1,864
<u>\$ 716,921</u>	<u>\$ 58,148</u>	<u>\$ 3,206</u>	<u>\$ 1,534</u>	<u>\$ 317,395</u>	<u>\$ 1,530</u>	<u>\$ 1,864</u>
\$ 44,424	\$ 937	\$ 1	\$ 4,586	\$ 37,527	\$ -	\$ -
639,990	57,256	3,205	38,962	286,125	1,530	-
32,507	-	-	-	-	-	-
<u>716,921</u>	<u>58,193</u>	<u>3,206</u>	<u>43,548</u>	<u>323,652</u>	<u>1,530</u>	<u>-</u>
-	-	-	(42,014)	-	-	1,864
-	(45)	-	-	(6,257)	-	-
-	(45)	-	(42,014)	(6,257)	-	1,864
<u>\$ 716,921</u>	<u>\$ 58,148</u>	<u>\$ 3,206</u>	<u>\$ 1,534</u>	<u>\$ 317,395</u>	<u>\$ 1,530</u>	<u>\$ 1,864</u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2014  
 (CONTINUED)**

	Texas Department of Housing and Community Affairs	Office of the Governor	City of San Antonio	Local Projects
<b>ASSETS</b>				
Cash and investments	\$ 66,108	\$ 23	\$ -	\$ -
Accounts Receivable				
Grantors	46,974	312,951	127,230	(314)
Due from other funds	68,687	27,977	-	219,185
	<u>181,769</u>	<u>340,951</u>	<u>127,230</u>	<u>218,871</u>
Total assets	<u>\$ 181,769</u>	<u>\$ 340,951</u>	<u>\$ 127,230</u>	<u>\$ 218,871</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 100,074	\$ 53,940	\$ 528	\$ 3,769
Due to other funds	-	-	126,702	-
Deferred revenue	72,808	3	-	21,748
	<u>172,882</u>	<u>53,943</u>	<u>127,230</u>	<u>25,517</u>
Total liabilities	<u>172,882</u>	<u>53,943</u>	<u>127,230</u>	<u>25,517</u>
<b>FUND BALANCE</b>				
Restricted				
Grants	8,887	287,008	-	193,354
Unassigned	-	-	-	-
	<u>8,887</u>	<u>287,008</u>	<u>-</u>	<u>193,354</u>
Total fund balances	<u>8,887</u>	<u>287,008</u>	<u>-</u>	<u>193,354</u>
	<u>\$ 181,769</u>	<u>\$ 340,951</u>	<u>\$ 127,230</u>	<u>\$ 218,871</u>
Total liabilities and fund balances	<u>\$ 181,769</u>	<u>\$ 340,951</u>	<u>\$ 127,230</u>	<u>\$ 218,871</u>

Alamo Area Development Corporation	Totals
\$ -	\$ 781,146
20,603	1,886,907
-	436,503
<u>\$ 20,603</u>	<u>\$ 3,104,556</u>
\$ 144	\$ 438,478
20,459	1,524,679
-	680,897
<u>20,603</u>	<u>2,644,054</u>
-	508,818
-	(48,316)
<u>-</u>	<u>460,502</u>
<u>\$ 20,603</u>	<u>\$ 3,104,556</u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2014**

	Texas Commission on Environmental Quality	VIA Metropolitan Transit	Texas Veterans Commission	Economic Development Administration
<b>REVENUES</b>				
Federal	\$ -	\$ 455,110	\$ 126,911	\$ 56,647
State	532,266	-	57,551	-
Local	-	-	-	31,709
Delegate agencies				
In-kind	-	-	-	22,405
Investment income	155	-	-	-
Program income	-	-	-	-
	<u>532,421</u>	<u>455,110</u>	<u>184,462</u>	<u>110,761</u>
<b>EXPENDITURES</b>				
General government	-	-	-	-
Workforce development	-	-	174,047	-
Aging	-	-	-	-
Emergency communications	-	-	-	-
Economic development	-	-	-	109,023
Environmental quality	560,842	-	-	-
Community affairs	-	-	-	-
Homeland security	-	-	-	-
Transportation	-	455,110	-	-
Housing	-	-	-	-
Criminal justice	-	-	-	-
	<u>560,842</u>	<u>455,110</u>	<u>174,047</u>	<u>109,023</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(28,421)</u>	<u>-</u>	<u>10,415</u>	<u>1,738</u>
<b>OTHER FINANCING SOURCES AND USES</b>				
Transfers in	23,438	-	-	3,159
Transfers out	-	-	-	-
	<u>23,438</u>	<u>-</u>	<u>-</u>	<u>3,159</u>
NET CHANGE IN FUND BALANCES	(4,983)	-	10,415	4,897
FUND BALANCES, beginning	5,139	-	966	1,271
FUND BALANCES (DEFICIT), ending	<u>\$ 156</u>	<u>\$ -</u>	<u>\$ 11,381</u>	<u>\$ 6,168</u>

Commission on State Emergency Communication	Metropolitan Planning Organization	Texas Department of Rural Affairs	U.S. Department of Housing and Urban Development	U.S. Department of Homeland Security	Capital Area Council of Governments	State Energy Conservation Office
\$ -	\$ 226,694	\$ 13,624	\$ 404,138	\$ 572,678	\$ -	\$ -
1,276,103	-	-	-	-	13,329	-
-	-	-	160,707	-	-	-
-	-	-	-	-	-	-
117	-	-	5	-	-	-
-	-	-	-	-	-	-
<u>1,276,220</u>	<u>226,694</u>	<u>13,624</u>	<u>564,850</u>	<u>572,678</u>	<u>13,329</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,276,220	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	14,911	-	-	13,329	-
-	-	-	-	572,678	-	-
-	226,694	-	-	-	-	-
-	-	-	619,758	-	-	-
-	-	-	-	-	-	-
<u>1,276,220</u>	<u>226,694</u>	<u>14,911</u>	<u>619,758</u>	<u>572,678</u>	<u>13,329</u>	<u>-</u>
-	-	(1,287)	(54,908)	-	-	-
-	-	1,287	-	-	-	-
-	-	-	-	-	-	-
-	-	1,287	-	-	-	-
-	-	-	(54,908)	-	-	-
-	(45)	-	12,894	(6,257)	-	1,864
<u>\$ -</u>	<u>\$ (45)</u>	<u>\$ -</u>	<u>\$ (42,014)</u>	<u>\$ (6,257)</u>	<u>\$ -</u>	<u>\$ 1,864</u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

	Texas Department of Housing and Community Affairs	Office of the Governor	City of San Antonio
<b>REVENUES</b>			
Federal	\$ 1,821,526	\$ 100,011	\$ 493,032
State	104,023	786,244	-
Local	7,461	-	-
Delegate agencies			
In-kind	-	-	-
Investment income	21	-	-
Program income	-	227,511	-
	<u>1,933,031</u>	<u>1,113,766</u>	<u>493,032</u>
Total revenues			
<b>EXPENDITURES</b>			
General government	-	-	-
Workforce development	-	-	493,032
Aging	-	-	-
Emergency communications	-	-	-
Economic development	-	-	-
Environmental quality	99,263	-	-
Community affairs	1,824,881	-	-
Homeland security	-	-	-
Transportation	-	-	-
Housing	-	-	-
Criminal justice	-	1,067,649	-
	<u>1,924,144</u>	<u>1,067,649</u>	<u>493,032</u>
Total expenditures			
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>8,887</u>	<u>46,117</u>	<u>-</u>
<b>OTHER FINANCING SOURCES AND USES</b>			
Transfers in	-	-	-
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources			
<b>NET CHANGE IN FUND BALANCES</b>	8,887	46,117	-
FUND BALANCES, beginning	-	240,891	-
FUND BALANCES, ending	<u>\$ 8,887</u>	<u>\$ 287,008</u>	<u>\$ -</u>



Local Projects	Alamo Area Development Corporation	Total
\$ -	\$ 534,196	\$ 4,804,567
-	-	2,769,516
121,290	-	321,167
-	-	22,405
-	-	298
-	-	227,511
<u>121,290</u>	<u>534,196</u>	<u>8,145,464</u>
1,550	-	1,550
-	534,196	1,201,275
24,613	-	24,613
-	-	1,276,220
-	-	109,023
-	-	660,105
9,715	-	1,862,836
-	-	572,678
1,976	-	683,780
14,879	-	634,637
20,679	-	1,088,328
<u>73,412</u>	<u>534,196</u>	<u>8,115,045</u>
<u>47,878</u>	<u>-</u>	<u>30,419</u>
-	-	27,884
-	-	-
-	-	27,884
47,878	-	58,303
145,476	-	402,199
<u>\$ 193,354</u>	<u>\$ -</u>	<u>\$ 460,502</u>

## **SUPPLEMENTAL SCHEDULES**

## **INDIRECT COSTS AND EMPLOYEE BENEFIT SCHEDULES**

This section of the annual financial report contains supplemental schedules required by the regional planning commission in the State of Texas.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF INDIRECT COSTS  
YEAR ENDED DECEMBER 31, 2014**

**INDIRECT COSTS**

Personnel salaries	\$	1,358,759
Employee benefits		706,197
Other contract services		325,832
Travel		30,716
Auto operating		41
Rent		1,040,738
Supplies		45,184
Equipment		14,628
Insurance and bonding		12,596
Public notices		2,547
Printing and reproduction		145,839
Repairs and maintenance		96,683
Fuel / oil		1,909
Employee recruitment		944
Communications		149,313
Postage		40,203
Meetings-other		16,108
Training in region		1,970
Publications		786
Professional dues		9,175
Equipment rental		6
Tuition staff		2,164
Depreciation expense - information technology		<u>72,942</u>
Total indirect costs		4,075,280
Less: Administration cost received		<u>(1,902,877)</u>
Net indirect cost		2,172,402
<b>ACTUAL INDIRECT COST RECOVERED</b>		<u>(2,279,615)</u>
<b>UNDER-RECOVERY OF INDIRECT COSTS PER 2013 AUDIT</b>		<u>26,645</u>
<b>ACTUAL CUMMULATIVE OVER-RECOVERY</b>	<b>\$</b>	<u><u>(80,568)</u></u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EMPLOYEE BENEFITS (FRINGE AND RELEASE TIME)  
YEAR ENDED DECEMBER 31, 2014**

<b>BENEFITS</b>	
FICA	\$ 863,465
Group life insurance	134,090
Unemployment insurance	71,079
Worker's compensation	91,031
Health insurance	1,453,111
Retirement	999,898
Release time	<u>1,664,229</u>
 Total employee benefits	 5,276,903
 <b>ACTUAL EMPLOYEE BENEFITS RECOVERED</b>	 <u>(5,183,258)</u>
 Net unrecovered employee benefits	 93,645
 <b>OVER-RECOVERY OF EMPLOYEE BENEFITS PER 2013 AUDIT</b>	 <u>(313,840)</u>
 <b>ACTUAL CUMMULATIVE OVER-RECOVERY</b>	 <u><u>\$ (220,195)</u></u>

**SUPPLEMENTAL SCHEDULES  
ALAMO LOCAL AUTHORITY  
(UNAUDITED)**

This section of the annual financial report contains supplemental schedules required by mental retardation authorities in the State of Texas. Mental retardation authorities report to granting agencies on a 12-month grant period that ends on August 31. Accordingly, these schedules have been prepared in a manner that facilitates reconciliation to a 12-month period ending August 31.

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
RECONCILIATION OF TOTAL EXPENDITURES  
TO FOURTH QUARTER FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

	CARE * Report III	Additions**	Deletions***	Audited*** Financial Statements
<b>EXPENDITURES</b>				
Salaries	\$ 3,867,034	\$ 7,393,852	\$ 1,293,113	\$ 9,967,773
Employee benefits	1,196,248	2,277,861	400,080	3,074,028
Professional consulting services	2,506,539	16,844,775	405,111	18,946,203
Training/travel	225,217	294,953	66,656	453,514
Capital outlay	7,568	491,664	-	499,232
Non-capital equipment	40,107	337,808	-	377,915
Other operating expenditures	967,100	5,873,092	550,112	6,290,080
Total expenditures	<u>\$ 8,809,813</u>	<u>\$ 33,514,005</u>	<u>\$ 2,715,072</u>	<u>\$ 39,608,745</u>

\* CARE Report III FY 2014

\*\* Other Agency Programs

\*\*\* Sept - December 2014 ALA Expenses

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
RECONCILIATION OF TOTAL REVENUE  
TO FOURTH QUARTER FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

	CARE * Report III	Additions**	Deletions***	Audited Financial Statements
<b>LOCAL AND EARNED REVENUES</b>				
Medicaid	\$ 4,393,253	\$ 2,732,097	\$ 1,461,391	\$ 5,663,959
Membership dues	-	318,186	-	318,186
Local	-	1,045,675	-	1,045,675
Contributions	307,076	100,924	75,334	332,666
Delegate agency match	-	6,781,614	-	6,781,614
Interest	-	1,800	277	1,523
Other	688	(688)	-	-
	<u>4,701,017</u>	<u>10,979,608</u>	<u>1,537,002</u>	<u>14,143,623</u>
<b>STATE PROGRAM REVENUES</b>				
General revenue	3,411,959	5,350,745	1,181,116	7,581,588
Permanency planning	75,489	3,051	25,233	53,307
CLOIP	208,138	105,258	52,944	260,452
OBRA funds	9,581	18,518	9,581	18,518
	<u>3,705,167</u>	<u>5,477,572</u>	<u>1,268,874</u>	<u>7,913,865</u>
<b>FEDERAL PROGRAM REVENUES</b>				
Federal revenue	4,106	16,537,534	-	16,541,640
Medicaid administrative claiming	399,523	-	112,256	287,268
	<u>403,629</u>	<u>16,537,534</u>	<u>112,256</u>	<u>16,828,907</u>
Total revenues	<u>\$ 8,809,813</u>	<u>\$ 32,994,714</u>	<u>\$ 2,918,132</u>	<u>\$ 38,886,395</u>



**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
RECONCILIATION OF TOTAL REVENUE  
TO FIRST QUARTER FY 2014 FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

	1st Qtr * CARE Report III	(Dec 14)** Additions	All other Agency	Audited Financial Statements
<b>LOCAL AND EARNED REVENUES</b>				
Medicaid	\$ 977,551	\$ 1,511,703	\$ 3,174,705	\$ 5,663,959
Membership dues	-	-	318,186	318,186
Local	-	1,459	1,044,216	1,045,675
Contributions	76,769	102,359	153,538	332,666
Delegate agency match	-	-	6,781,614	6,781,614
Interest	-	37	1,486	1,523
Other	-	-	-	-
Total local and earned revenues	<u>1,054,320</u>	<u>1,615,558</u>	<u>11,473,745</u>	<u>14,143,623</u>
<b>STATE PROGRAM REVENUES</b>				
General revenue	1,023,587	280,499	6,277,502	7,581,588
Permanency planning	2,734	774	49,799	53,307
CLOIP	62,559	41,408	156,486	260,452
OBRA funds	-	-	18,518	18,518
Total state program revenues	<u>1,088,880</u>	<u>322,681</u>	<u>6,502,305</u>	<u>7,913,866</u>
<b>FEDERAL PROGRAM REVENUES</b>				
Federal revenue	1,102	-	16,540,538	16,541,640
Medicaid administrative claiming	-	226,710	60,558	287,268
Total federal program revenues	<u>1,102</u>	<u>226,710</u>	<u>16,601,096</u>	<u>16,541,640</u>
Total revenues	<u>\$ 2,144,302</u>	<u>\$ 2,164,949</u>	<u>\$ 34,577,146</u>	<u>\$ 38,886,397</u>

\* 1st qtr FY15 Sept - Nov

\*\* December 2014 MR Revenues

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF REVENUES AND EXPENDITURES BY SOURCE OF FUNDS  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

Fund Sources	Total Revenue	Jan - Aug Mental Retardation Expenditures	Sept - Dec Mental Retardation Expenditures	All other Program Expenditures	Excess Revenue Over Expenditures
Objects of expense:					
Personnel	\$ 9,261,046	\$ 2,343,938	\$ 1,299,744	\$ 5,617,363	\$ -
Employee benefits	2,858,361	726,401	402,465	1,729,495	-
Debt service	-	-	-	-	-
Capital outlay	854,479	28,008	8,736	817,735	-
Pharmaceutical expense	-	-	-	-	-
Other operating expense	25,253,516	2,174,499	1,077,352	22,001,665	-
Allocation of general administration to strategies	479,898	296,532	183,365	-	-
Allocation of authority administration to strategies	<u>901,445</u>	<u>634,070</u>	<u>267,375</u>	<u>-</u>	<u>-</u>
Total expenditures	39,608,745	6,203,448	3,239,037	30,166,258	-
Method of finance:					
General revenue - Mental Retardation	3,203,993	2,221,262	1,244,030	(261,299)	-
Permanency planning	53,307	50,256	3,051	-	-
OBRA Funds	18,518	-	18,518	-	-
CLOIP	260,452	155,194	105,258	-	-
Earned income	1,523	503	99	921	-
Additional local funds	14,142,100	3,697,174	1,846,178	8,598,749	-
Other services revenues	<u>20,919,235</u>	<u>-</u>	<u>-</u>	<u>20,919,235</u>	<u>-</u>
Total expended sources	<u>\$ 38,599,128</u>	<u>\$ 6,124,389</u>	<u>\$ 3,217,134</u>	<u>\$ 29,257,606</u>	<u>\$ -</u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF INDIRECT COSTS  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

	<u>Total Costs</u>	<u>Nonallowable Costs</u>	<u>Depreciation</u>	<u>Total Adjusted Cost</u>	<u>Direct Costs</u>	<u>Indirect Costs</u>
Personnel	\$ 9,967,773	\$ -	\$ -	\$ 9,967,773	\$ 8,859,801	\$ 1,107,972
Fringe benefits	3,074,028	-	-	3,074,028	2,500,243	573,786
Debt service	-	-	-	-	-	-
Capital outlay	877,147	877,147	-	-	(4,577)	4,577
Depreciation	-	-	807,607	807,607	807,607	-
Other operating expense	<u>25,689,797</u>	<u>-</u>	<u>-</u>	<u>25,689,797</u>	<u>25,203,730</u>	<u>486,067</u>
Total expenses	<u>\$ 39,608,745</u>	<u>\$ 877,147</u>	<u>\$ 807,607</u>	<u>\$ 39,539,205</u>	<u>\$ 37,366,804</u>	<u>\$ 2,172,402</u>
Indirect costs						\$ 2,172,402
Direct costs						37,366,804
Indirect cost rate						5.81%

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF INSURANCE IN EFFECT  
DECEMBER 31, 2014  
(UNAUDITED)**

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	Workers' Compensation	Statutory
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	Automobile Liability	
			Per Occurrence Limit	\$ 5,000,000
			Deductible	2,500
			Annual Aggregate	-
			Medical Payments per person	25,000
			Deductible	-
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	Automobile Physical Damage	
			Per Occurrence Limit	10,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	General Liability	
			Per Occurrence Limit	10,000,000
			Deductible	-
			Sudden Events Each Occurrence	2,000,000
			Annual Aggregate	10,000,000
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	Law Enforcement Liability	
			Per Occurrence Limit	2,000,000
			Annual Aggregate	4,000,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	Errors and Omissions Liability	
			Each Wrongful Act	2,000,000
			Annual Aggregate	4,000,000
			Deductible	1,000

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF INSURANCE IN EFFECT  
(CONTINUED)  
DECEMBER 31, 2014  
(UNAUDITED)**

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	All Risk Property Coverage	
			Coverage Basis	
			Building : Replacement Cost Valuation	\$ 2,812,244
			Deductible	250
			Transit Limit	1,000,000
			Valuable Papers and EDP Media	10,000
			Accounts Receivable	10,000
			Loss of Revenue Extra Expense and Rev	50,000
			Personal Property of Employees and Officials	5,000
			Leasehold Interest	65,000
			Outdoor Trees and Shrubs	10,000
			Newly Acquired Property FMV up to	1,000,000
			Pollutant Cleanup and Removal Each Premise	20,000
		Flood & Earthquake		
		Deductible	25,000	
		Boiler & Machinery		
		Per Accident Limit	100,000	
		Deductible	250	
Texas Municipal League Risk Management Fund	10/01/14	09/30/15	Public Employee Dishonesty	
			Limit of Coverage	500,000
			Deductible	5,000
			Coverage Includes Faithful Performance of Duty	
WS&P Walthall Sachse & Pipes, Inc	07/01/14	06/30/15	Pollution Coverage	
			General Aggregate Limit	1,000,000
			Each "Pollution Condition" Limit	1,000,000
			Deductible	5,000
WS&P Walthall Sachse & Pipes, Inc	02/14/14	02/13/15	Volunteers	
			Accidental Death and Dismemberment Benefit	
			Covered Person principal sum/amount	5,000
			Total Max Accident Medical and Dental	1,000,000
			Deductible	-

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

Name	City	Type of Service	Amount
<b>January - August 2014</b>			
ABA Center for Excellence	San Antonio	Applied Behavioral ABA Therapy	\$ 20,069
ABA and Behavioral Services, LLC	San Antonio	Applied Behavioral ABA Therapy	9,053
South Texas Behavioral Institute	San Antonio	Applied Behavioral ABA Therapy	12,246
ABA Center for Excellence	San Antonio	Behavioral Support	13,984
ABA and Behavioral Services, LLC	San Antonio	Behavioral Support	899
HomeLife Community Center	San Antonio	Behavioral Support	402
South Texas Behavioral Institute	San Antonio	Behavioral Support	26,610
ABA Center for Excellence	San Antonio	Community Supports	11,450
CHCS Calidad Drexel	San Antonio	Community Supports	24,302
Community Learning Center of San Antonio	San Antonio	Community Supports	3,655
HomeLife Community Center	San Antonio	Community Supports	17,859
Lifetime Living, Inc.	San Antonio	Community Supports	7,268
Lifeline Care & Service	San Antonio	Community Supports	33,635
San Antonio Simply Loves All People	San Antonio	Community Supports	12,801
Unicorn Center, Inc	San Antonio	Community Supports	11,288
The Wood Group/TWG Investments	San Antonio	Community Supports	3,757
CHCS Calidad Converse	Converse	Day Hab Summer Camp	2,470
Eva's Heroes	San Antonio	Day Hab Summer Camp	7,945
HomeLife Community Center	San Antonio	Day Hab Summer Camp	2,627
Mission Road Ministries	San Antonio	Day Hab Summer Camp	1,617
San Antonio Simply Loves All People	San Antonio	Day Hab Summer Camp	1,182
Unicorn Center, Inc	San Antonio	Day Hab Summer Camp	438
University United Methodist Church	San Antonio	Day Hab Summer Camp	1,061
Angel Care Center of San Antonio	San Antonio	Day Habilitation	308
The ARC of San Antonio	San Antonio	Day Habilitation	58,052
CHCS Calidad Drexel	San Antonio	Day Habilitation	2,149
Estrella de Mar	San Antonio	Day Habilitation	389
Eva's Heroes	San Antonio	Day Habilitation	696
HomeLife Community Center	San Antonio	Day Habilitation	7,740
Lifetime Living, Inc.	San Antonio	Day Habilitation	7,782
Milagro Discovery	San Antonio	Day Habilitation	20
Mission Road Ministries	San Antonio	Day Habilitation	2,097
MOSAIC	Live Oak	Day Habilitation	2,959
San Antonio Simply Loves All People	San Antonio	Day Habilitation	13,950
Unicorn Center, Inc	San Antonio	Day Habilitation	18,737
University United Methodist Church	San Antonio	Day Habilitation	8,545
San Antonio Simply Loves All People	San Antonio	Employment Assistance	500
Unicorn Center, Inc	San Antonio	Employment Assistance	863
San Antonio Simply Loves All People	San Antonio	Head Start	80
Unicorn Center, Inc	San Antonio	Head Start	1,180
Children's Association for Maximum Potential	San Antonio	Respite Camp Weeklong	58,500
CHCS Calidad Converse	San Antonio	Respite Daily In Home	600
HomeLife Community Center	San Antonio	Respite Daily In Home	750
Lifeline Care & Service	San Antonio	Respite Daily In Home	450
CHCS Calidad Converse	Converse	Respite Daily Out of Home	3,600

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES  
(CONTINUED)  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

Children's Association for Maximum Potential	San Antonio	Respite Daily Out of Home	3,300
HomeLife Community Center	San Antonio	Respite Daily Out of Home	1,350
Lifetime Living, Inc.	San Antonio	Respite Daily Out of Home	900
Mosaic	Live Oak	Respite Daily Out of Home	2,100
San Antonio Simply Loves All People	San Antonio	Respite Daily Out of Home	150
CHCS Calidad Converse	Converse	Respite Hourly In Home	20,644
HomeLife Community Center	San Antonio	Respite Hourly In Home	20,640
Lifetime Living, Inc.	San Antonio	Respite Hourly In Home	9,533
Lifeline Care & Service	San Antonio	Respite Hourly In Home	18,461
San Antonio Simply Loves All People	San Antonio	Respite Hourly In Home	6,881
CHCS Calidad Converse	Converse	Respite Hourly out of Home	3,499
HomeLife Community Center	San Antonio	Respite Hourly out of Home	8,119
Lifetime Living, Inc.	San Antonio	Respite Hourly out of Home	1,849
Lifeline Care & Service	San Antonio	Respite Hourly out of Home	8,261
Respite Care of San Antonio	San Antonio	Respite Hourly out of Home	3,349
San Antonio Simply Loves All People	San Antonio	Respite Hourly out of Home	1,084
The Wood Group/TWG Investments	San Antonio	Safety Net	183,336
CHCS Calidad Drexel	San Antonio	Supported Employment	24
HomeLife Community Center	San Antonio	Supported Employment	524
San Antonio Simply Loves All People	San Antonio	Supported Employment	83
Unicorn Center, Inc	San Antonio	Supported Employment	1,017

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES  
(CONTINUED)  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

Name	City	Type of Service	Amount
<b>September - December 2014</b>			
ABA and Behavioral Services, LLC	San Antonio	Applied Behavioral Analysis ABA	\$ 2,678
South Texas Behavioral Institute	San Antonio	Applied Behavioral Analysis ABA	7,217
ABA Center for Excellence	San Antonio	Applied Behavioral Analysis ABA	11,246
Jennifer Garrett	San Antonio	Applied Behavioral Analysis ABA	765
South Texas Behavioral Institute	San Antonio	Behavioral Support	8,360
ABA Center for Excellence	San Antonio	Behavioral Support	6,179
Jennifer Garrett	San Antonio	Behavioral Support	459
Homelife Community Service	San Antonio	Community Supports	18,207
CHCS Calidad Drexel	San Antonio	Community Supports	15,190
Lifetime Living, Inc.	San Antonio	Community Supports	3,511
Lifeline Care & Services	San Antonio	Community Supports	12,147
San Antonio Simply Loves All People	San Antonio	Community Supports	8,152
The Wood Group/TWG Investments	San Antonio	Community Supports	2,924
ABA and Behavioral Services, LLC	San Antonio	Community Supports	272
ABA Center for Excellence	San Antonio	Community Supports	4,539
Mosaic	Live Oak	Day Habilitation	1,312
The ARC of San Antonio	San Antonio	Day Habilitation	24,608
University United Methodist Church	San Antonio	Day Habilitation	5,815
Homelife Community Service	San Antonio	Day Habilitation	3,854
Mission Road Ministries	San Antonio	Day Habilitation	3,123
Unicorn Center, Inc.	San Antonio	Day Habilitation	11,599
CHCS Calidad Drexel	San Antonio	Day Habilitation	1,123
Lifetime Living, Inc.	San Antonio	Day Habilitation	4,022
San Antonio Simply Loves All People	San Antonio	Day Habilitation	7,704
Eva's Heroes	San Antonio	Day Habilitation	366
SAFIRE	San Antonio	Day Habilitation	2,497
Unicorn Center, Inc.	San Antonio	Employment Assistance	988
Lifetime Living, Inc.	San Antonio	Employment Assistance	1,943
Unicorn Center, Inc.	San Antonio	Head Start	1,280
CHCS Calidad Converse	Converse	Respite Daily In Home	750
Homelife Community Service	San Antonio	Respite Daily In Home	750
Lifeline Care & Services	San Antonio	Respite Daily In Home	2,700
CHCS Calidad Converse	Converse	Respite Daily Out of Home	300
Children's Association for Maximum Potential	San Antonio	Respite Daily Out of Home	1,800
Lifetime Living, Inc.	San Antonio	Respite Daily Out of Home	900
San Antonio Simply Loves All People	San Antonio	Respite Daily Out of Home	300
CHCS Calidad Converse	Converse	Respite Hourly In Home	13,856
Homelife Community Service	San Antonio	Respite Hourly In Home	16,114
Lifetime Living, Inc.	San Antonio	Respite Hourly In Home	4,489
Lifeline Care & Services	San Antonio	Respite Hourly In Home	12,139
San Antonio Simply Loves All People	San Antonio	Respite Hourly In Home	4,710



**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES  
(CONTINUED)  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

RESP CARE	San Antonio	Respite Hourly Out of Home	2,809
Lifetime Living, Inc.	San Antonio	Respite Hourly Out of Home	2,100
Lifeline Care & Services	San Antonio	Respite Hourly Out of Home	1,065
San Antonio Simply Loves All People	San Antonio	Respite Hourly Out of Home	1,268
The Wood Group/TWG Investments	San Antonio	Safety Net	91,668
Unicorn Center, Inc.	San Antonio	Supported Employment	119
Lifetime Living, Inc.	San Antonio	Supported Employment	1,243

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF LEGAL SERVICES  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

<u>Name</u>	<u>City</u>	<u>Type of Service</u>	<u>Amount</u>
NONE			

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF LEASE AND RENTAL COMMITMENTS  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

<u>Lessor</u>	<u>Leased Property Location</u>	<u>Termination Date</u>	<u>Monthly Rental</u>
---------------	---------------------------------	-----------------------------	---------------------------

NONE

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF SPACE OCCUPIED IN A STATE-OWNED FACILITY  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

<u>Lessor</u>	<u>Leased Property</u>	<u>Termination Date</u>	<u>Monthly Rental</u>
NONE			

**ALAMO AREA COUNCIL OF GOVERNMENTS  
ALAMO LOCAL AUTHORITY  
SCHEDULE OF BONDED EMPLOYEES  
YEAR ENDED DECEMBER 31, 2014  
(UNAUDITED)**

<u>Name</u>	<u>Title</u>	<u>Surety Company</u>	<u>Bond Amount</u>
NONE			

# **SINGLE AUDIT REPORT**



**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**

Board of Directors  
Alamo Area Council of Governments  
San Antonio, Texas

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Alamo Area Council of Governments (the Council), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated June 26, 2015.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

San Antonio, Texas  
June 26, 2015





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED  
BY OMB CIRCULAR A-133 AND THE STATE OF TEXAS UNIFORM  
GRANT MANAGEMENT STANDARDS**

Board of Directors  
Alamo Area Council of Governments  
San Antonio, Texas

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

We have audited Alamo Area Council of Governments' (the Council's) compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Council's major federal and state programs for the year ended December 31, 2014. The Council's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Council's compliance.

***Opinion on Each Major Federal and State Program***

In our opinion, the Council complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2014.

## Report on Internal Control Over Compliance

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

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

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

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

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

San Antonio, Texas  
June 26, 2015

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014**

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ Yes  X  No
- Significant deficiencies identified that are not considered to be material weakness(es)? \_\_\_ Yes  X  None reported
- Noncompliance material to financial statements noted? \_\_\_ Yes  X  No

**Federal and State Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_ Yes  X  No
- Significant deficiencies identified that are not considered to be material weakness(es)? \_\_\_ Yes  X  None reported

An unmodified opinion was issued on compliance for major programs.

- Any audit findings disclosed that are required to be reported in accordance with section 510(a), Circular A-133 or the State of Texas Uniform Grant Management Standards? \_\_\_ Yes  X  No

Identification of Major Federal Programs:

<p>93.044, 93.045, 93.053 93.630 93.750  97.067 20.500, 20.507, 20.525, 20.526</p>	<p>Aging Cluster Developmental Disabilities Basic Support and Advocacy PPHF Cooperative Agreement to Support Navigators in Federally –facilitated and State Partnership Exchanges State Homeland Security Program Federal Transit Cluster</p>
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Identification of Major State Programs: Intellectual Developmental Disabilities

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Dollar threshold used to distinguish  
between type A and type B programs?

\$510,379 – Federal

\$300,000 – State

Auditee qualified as low-risk auditee?

X  Yes           No

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

NONE

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

NONE

**SECTION IV – SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**

NONE

**SECTION V – CORRECTIVE ACTION PLAN**

N/A

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<b>FEDERAL AWARDS</b>			
<b>Primary Government</b>			
<u>U.S. Department of Commerce</u>			
Passed through Economic Development Administration			
Economic Development Support for Planning	08-83-04746	11.302	\$ 56,647
<i>Total U.S. Department of Commerce</i>			56,647
<u>U.S. Department of Transportation</u>			
Passed through the Metropolitan Planning Organization			
Highway Planning and Construction	2011-2013	20.205	1,820
Highway Planning and Construction	2013-2015	20.205	224,874
Total			226,694
Passed through Texas Department of Transportation			
Highway Planning and Construction	0915-12-492	20.205	136,382
Highway Planning and Construction	0915-12-491	20.205	72,043
DWI Planning	584EGF7141	20.616	17,031
Federal Transit - Capital Investment	51315F7097	20.500	474,464
Formula Grants for Other than Urbanized Areas	51315F7274	20.509	54,792
Formula Grants for Other than Urbanized Areas	51215F7074	20.509	-
Formula Grants for Other than Urbanized Areas	51315F7171	20.509	614,328
Formula Grants for Other than Urbanized Areas	51215F7199	20.509	141,860
Formula Grants for Other than Urbanized Areas	51215F7069	20.509	525,095
Elderly & Disabled	514157094	20.513	21,580
FTA Section 5307-UZA	from VIA	20.507	194,133
FTA Section 5307-UZA		20.507	74,816
Assistance Program for Elderly Persons and Persons with Disabilities	51215F7181	20.513	-
State Planning and Research	5115F7129	20.515	2,314
State Planning and Research	51315F7070	20.515	-
State Planning and Research	51415F7069	20.515	22,758
National Highway Traffic Safety Administration	584EGF7141	20.616	-
Total			2,351,596
Passed through VIA Metropolitan Transit			
New Freedom Program	TX-57-X032-00	20.521	400,379
Discover New Freedom		20.521	54,731
Total			455,110
<i>Total U.S. Department of Transportation</i>			3,033,400

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<b>FEDERAL AWARDS</b>			
<b>Primary Government - Continued</b>			
<u>U.S. Department of Housing &amp; Urban Development</u>			
HUD-Section 8 Housing Choice Vouchers	TX564	14.871	404,138
Passed through Texas Department of Rural Affairs			
Community Development Block Grants	C711221	14.228	10,418
Community Development Block Grants	C713221	14.228	3,206
Total			13,624
<i>Total U.S. Department of Housing and Urban Development</i>			417,762
<u>U.S. Department of Health and Human Services</u>			
Passed through Texas Department of Aging and Disability			
Services to the Bexar Area Agency on Aging			
Special Programs for the Aging Title VII, Chapter 3	539-11-0004-00001	93.041	20,161
Special Programs for the Aging Title VII, Chapter 2	539-11-0004-00001	93.042	61,512
Special Programs for the Aging Title III Part D	539-11-0004-00001	93.043	88,483
Special Programs for the Aging - Title III Part B	539-11-0004-00001	93.044	1,211,761
Special Programs for the Aging - Title III Part C	539-11-0004-00001	93.045	3,144,441
ADRC Counselor		93.048	2,865
National Family Caregiver Support Title III, Part E	539-11-0004-00001	93.052	643,563
Nutrition Services Incentive Program	539-11-0004-00001	93.053	746,002
MIPPA 2		93.071	37,167
Aging and Disabilities Resource Center	539-11-0007-00001	93.778	181,725
Centers for Medicare & Medicaid Services (CMS)	539-08-0162-00001	93.779	79,847
Money Follows the Person Rebalancing Demonstration	539-11-0004-00001	93.791	28,796
Development Disabilities Basic Support and Advocacy Grants		93.63	513,978
Passed through United Way of Tarrant County			
Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Exchanges		93.750	464,100
Total			7,224,401

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<b>FEDERAL AWARDS</b>			
<b>Primary Government - Continued</b>			
<u>U.S. Department of Health and Human Services - Continued</u>			
Passed through Texas Department of Aging and Disability			
Services to the Alamo Area Agency on Aging			
Special Programs for the Aging Title VII, Chapter 3	539-11-0001-00001	93.041	9,585
Special Programs for the Aging Title 7, Chapter 2	539-11-0001-00001	93.042	34,780
Special Programs for the Aging Title III Part D	539-11-0001-00001	93.043	44,496
Special Programs for the Aging - Title III Part B	539-11-0001-00001	93.044	649,366
Special Programs for the Aging - Title III Part C	539-11-0001-00001	93.045	1,190,326
National Family Caregiver Support Title III, Part E	539-11-0001-00001	93.052	253,617
Nutrition Services Incentive Program	539-11-0001-00001	93.053	87,607
MIPPA 2		93.071	18,476
Money Follows the Person Rebalancing Demonstration	539-11-0001-00001	93.791	5,288
Centers for Medicare & Medicaid Services (CMS)	539-11-0001-00001	93.779	35,823
Passed through United Way of Tarrant County			
Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Exchanges		93.750	<u>118,980</u>
Total			2,448,344
Passed through City of San Antonio			
Childcare and Development Block Grant	4600012788	93.575	383,613
Childcare and Development Block Grant	4600012788	93.575	<u>109,419</u>
Total			493,032
Passed through Texas Department of Housing and Community Affairs			
Low-Income Home Energy Assistance Program	81130001715	93.568	507,426
Low-Income Home Energy Assistance Program	81140001867	93.568	<u>824,273</u>
Total			1,331,699
Passed through Alamo Area Development Corporation			
Temporary Assistance for Needy Families	CC20011001-01	93.558	132,911
Temporary Assistance for Needy Families	CC20011001-01	93.558	<u>10,874</u>
Total			<u>143,785</u>
<i>Total U.S. Department of Health and Human Services</i>			11,641,261



**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<b>FEDERAL AWARDS</b>			
<b>Primary Government - Continued</b>			
<u>U.S. Department of Education</u>			
Passed through Office of the Governor - Criminal Justice Division			
Marshal Licensing	2827801	16.540	21,373
DJ-Edward Byrne Memorial Justice Assistance TARC	2854201	16.738	<u>23,189</u>
<i>Total U.S. Department of Education</i>			44,562
<u>U.S. Department of Criminal Justice</u>			
Passed through Office of the Governor - Criminal Justice Division			
Investigative Topics for VAWA	WF-12-V30-26107-01	16.588	42,982
Investigative Topics for VAWA	WF-12-V30-26107-02	16.588	<u>12,467</u>
<i>Total U.S. Department of Criminal Justice</i>			55,449
<u>U.S. Department of Labor</u>			
Passed through Workforce Solutions Alamo			
Committee of Six Support		17.000	12,000
Committee of Six Support		17.000	12,000
Re-Entry	CC2011001-01	17.258	12,849
Re-Entry	CC2011001-01	17.258	323
WIA Adult	CC20011001	17.258	77,367
WIA Adult	CC20011001-01	17.258	10,227
WIA Youth Activities	CC20011001	17.259	61,299
WIA Youth Activities	CC20011001-01	17.259	6,775
WF In School Youth		17.259	46,293
WF In School Youth		17.259	3,786
WIA Dislocated Workers	CC20011001	17.260	68,649
WIA Dislocated Workers	CC200111001-01	17.260	<u>9,711</u>
<i>Total U.S. Department of Labor</i>			321,279
<u>U.S. Department of Energy</u>			
Passed through Texas Department of Housing and Community Affairs			
Weatherization Assistance for Low Income Persons	56110001892	81.042	106,583
Weatherization Assistance for Low Income Persons	5630001917	81.042	254,366
Clean Cities - Implementation Initiatives to Advance Altern	DE-FOA-0000708	81.086	100,047
Reducing the Environmental Impact of Gas Shale Develop	11122-45	81.089	<u>28,831</u>
<i>Total U.S. Department of Energy</i>			489,827

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<u>FEDERAL AWARDS</u>			
<b>Primary Government - Continued</b>			
<u>U.S. Department of Homeland Security</u>			
State Homeland Security Program (SHSP)	14-SR-99001-03	97.073	125,609
State Homeland Security Program (SHSP)	11-SR-99001-04	97.067	67,392
State Homeland Security Program (SHSP)	12-SR-99001-01.02	97.073	146,998
State Homeland Security Program (SHSP)	13-SR-99001-01.02	97.067	<u>232,679</u>
<i>Total U.S. Department of Homeland Security</i>			572,678
<u>U.S. Department of Agriculture</u>			
Passed through Workforce Solutions Alamo			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	CC20011001	10.561	65,191
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	CC20011001-01	10.561	<u>3,941</u>
<i>Total U.S. Department of Agriculture</i>			<u>69,132</u>
<u>U.S. Department of Veteran's Affairs</u>			
Home and Community Based Services		64.022	<u>126,911</u>
<i>Total U.S. Department Veteran Affairs</i>			<u>126,911</u>
<b>Total Federal Grant Funds - Primary Government</b>			<b><u>\$ 16,828,908</u></b>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<b>FEDERAL AWARDS</b>			
<b>Discretely Presented Component Unit</b>			
<u>U.S. Department of Health and Human Services</u>			
Passed through City of San Antonio			
Childcare and Development Block Grant	4600012788	93.575	384,403
Childcare and Development Block Grant	4600012788	93.575	<u>109,419</u>
Total			493,822
Passed through Alamo Area Development Corporation			
Temporary Assistance for Needy Families	CC2011001-01	93.558	149,726
Temporary Assistance for Needy Families	CC2011001-01	93.558	<u>11,993</u>
Total			<u>161,719</u>
<i>Total U.S. Department of Health and Human Services</i>			655,541
<u>U.S. Department of Labor</u>			
Passed through Workforce Solutions Alamo			
WIA Reintegration of Ex-Offenders		17.258	13,198
WIA Adult	CC2011001	17.258	11,162
WIA Adult	CC2011001-01	17.258	157,194
WIA Youth OSY (Out of School Youth)	CC2011001-01	17.259	7,579
WIA Youth OSY (Out of School Youth)	CC2011001	17.259	79,120
WIA Youth OSY (In School Youth)	CC2011001-01	17.259	4,248
WIA Youth OSY (In School Youth)	CC2011001	17.259	48,038
WIA Dislocated Workers	CC2011001-01	17.260	10,796
WIA Dislocated Workers	CC2011001	17.260	<u>118,602</u>
<i>Total U.S. Department of Labor</i>			449,937

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<u>FEDERAL AWARDS</u>			
<b>Discretely Presented Component Unit - Continued</b>			
<u>U.S. Department of Agriculture</u>			
Passed through Workforce Solutions Alamo			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	CC20011001	10.561	4,483
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	CC20011001	10.561	<u>76,987</u>
<i>Total U.S. Department of Agriculture</i>			<u>81,470</u>
<b>Total Federal Grant Funds - Discretely Presented Component Unit</b>			<u>1,186,948</u>
<b>TOTAL FEDERAL GRANT FUNDS</b>			<u><u>\$ 18,015,856</u></u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<u>STATE AWARDS</u>			
<b>Primary Government</b>			
<u>Texas Department of Aging and Disability Services</u>			
State General Revenue - Mental Retardation - FY 2013	539-12-0120-00001		\$ 2,426,712
State General Revenue - Mental Retardation - FY 2014	2014-2015		1,370,857
Aging State General Revenue - Alamo			123,071
Aging State General Revenue - Alamo			<u>344,742</u>
<i>Total Texas Department of Aging and Disability Services</i>			4,265,382
<u>Texas Commission on Environmental Quality</u>			
Air Quality	582-11-11219		(20,244)
Air Quality	582-14-40051		331,720
Solid Waste Resource Recovery	582-12-10142		(2,854)
Solid Waste Resource Recovery	582-14-40571		136,481
Solid Waste Resource Recovery	582-11-11219		87,163
Mining & Quarry Equipment Emissions Inventory	582-11-11219		<u>13,329</u>
<i>Total Texas Commission of Environmental Quality</i>			545,595
<u>Commission on State Emergency Communications</u>			
911 Emergency Communications	FY 2013		27,293
911 Emergency Communications	FY 2014		902,020
911 Emergency Communications	FY 2015		<u>346,789</u>
<i>Total Commission on State Emergency Communications</i>			1,276,102
<u>Texas Department of Transportation</u>			
Rural Public Transportation	51315F7001		274,859
Rural Public Transportation	51415F7001		<u>604,108</u>
<i>Total Texas Department of Transportation</i>			878,967
<u>Office of the Governor - Criminal Justice Division</u>			
Regional Police Training Program	SF-11-A10-14859-13		644,206
Regional Police Training Program	30010618		131,401
Criminal Justice Planning	30010618		10,637
Juvenile Justice Training and Counseling	SF-13-J20-25822-01		<u>-</u>
<i>Total Office of the Governor - Criminal Justice Division</i>			786,244

**ALAMO AREA COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

Federal Grantor/Program Title	Pass-Through Grantor/State Number	Federal CFDA Number	Expenditures
<u>STATE AWARDS</u>			
<b>Primary Government - Continued</b>			
<u>Texas Veterans Commission</u>			
VHA		VHA_12_0079	21,411
FVA		FVA_13A_0125	17,961
FVA		FVA_13A_0125	<u>18,179</u>
<i>Total Texas Veterans Commission</i>			57,551
<u>Texas Department of Housing and Community Affairs</u>			
Amy Young Barrier Removal Program		582-11-11219	<u>104,023</u>
<i>Total Texas Department of Housing and Community Affairs</i>			104,023
<b>Total State Grant Funds - Primary Government</b>			<u>7,913,864</u>
<u>STATE AWARDS</u>			
<b>Discretely Presented Component Unit</b>			
<u>Texas Veterans Commission</u>			
Housing 4 Heroes		HTX_14_0192	30,721
FVA		FVA_14B_0172	23,571
FVA		FVA_13A_0125	<u>63,464</u>
<i>Total Texas Veterans Commission</i>			117,756
<u>Bexar Misc</u>			
WIA Reintegration of Ex-Offenders			<u>(4,598)</u>
<i>Total Bexar Misc</i>			(4,598)
<b>Total State Grant Funds - Discretely Presented Component Unit</b>			<u>\$ 113,158</u>
<b>TOTAL STATE GRANT FUNDS</b>			<u><u>\$ 8,027,022</u></u>

**ALAMO AREA COUNCIL OF GOVERNMENTS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**NOTE 1. GENERAL**

The accompanying schedule of expenditures of federal and state awards presents the activity of all applicable federal and state awards of the Alamo Area Council of Governments, (the Council). The Council's reporting entity is defined in Note 1 to the Council's basic financial statements. Federal and state awards received directly from granting agencies as well as awards passed through other government agencies are included in the respective schedule. Negative amounts shown in the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal and state awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Council's basic financial statements.

**NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Grant expenditures reports as of December 31, 2014, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of year-end accruals. The reports will agree at termination of the grant, as the discrepancies noted are timing differences.

**NOTE 4. SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

The schedule of findings and questioned costs, including the summary of auditor's results for federal and state awards, is included beginning on page 71.