

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

Benefits Provided

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

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

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

Contributions

Member contributions under the old plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the Old Plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Community Service Board's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2019 was 24.78% of annual covered payroll for old and New Plan members and 21.78% for GSEPS members. The rates include the annual actuarially determined employer contribution of rate of 24.66% of annual covered payroll for old and new plan members and 21.66% for GSEPS members, plus 0.12% adjustment for the HB 751 one-time benefit adjustment of 3% to retired state employees. The Agency's contributions to ERS totaled \$49,102 for the year ended June 30, 2019. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The retirement contributions, under the Georgia State Employee Retirement System Plan, for the year ended June 30, 2019 were \$49,102, based on salaries of \$197,407. Contributions in the Georgia State Employee Retirement System Plan are fully vested to employees after ten (10) years of continuous service.

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

For the year ended June 30, 2019, the Community Service Board recognized pension expenses of \$(26,398). At June 30, 2019, the Community Service Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

GASB 68

The following schedules reflect GASB Statement No. 68 reporting information:

Contributions made during the measurement period (fiscal year ended June 30, 2018): \$ 57,175

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

Employer's proportionate share of net pension liability		\$ 371,432
Employer's proportion of net pension liability		0.009035%
Increase/(Decrease) from proportion measured as of June 30, 2017		(0.002458%)
Employer's recognized pension expense		\$ (26,398)
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 11,552	\$ -
Changes of assumptions	17,499	-
Net difference between projected and actual earnings on pension plan investments	-	8,560
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	85,169
Employer contributions subsequent to the measurement date	<u>49,102</u>	<u>-</u>
Total	\$ <u>78,153</u>	\$ <u>93,729</u>

Agency contributions subsequent to the measurement date of \$49,102 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2020	\$ (34,458)
2021	(12,166)
2022	(14,229)
2023	(3,825)
2024		0
Thereafter		0

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

Actuarial Assumptions

The total pension liability as of June 30, 2018, was determined by an actuarial valuation as of June 30, 2017. Based on the funding policy adopted by the Board on March 15, 2018, the investment rate of return assumption will be changed to 7.30% in the June 30, 2018 actuarial valuation. Therefore, the investment rate of return used in the roll-forward of the total pension liability is 7.30% using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	3.25-7.00%, including inflation
Investment rate of return	7.30%, net of pension plan investment expense, including inflation

Post-retirement mortality rates were based on the RP-2000 Combined Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB and set forward two (2) years for both males and females for service retirements and dependent beneficiaries. The RP-2000 Disability Mortality Table with future mortality improvement projected to 2025 with Society of Actuaries' projection scale BB and set back seven (7) years for males and set forward three (3) years for females was used for death after disability retirement. There is a margin for future mortality improvement in the tables used by the System. Based on the results of the most recent experience study adopted by the Board on December 17, 2015, the numbers of expected future deaths are 9-12% less than the actual number of deaths that occurred during the study period for service retirements and beneficiaries and for disability retirements. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2009-June 30, 2014.

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

Discount Rate

The discount rate used to measure the collective total pension liability was 7.30%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

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

	<u>1% Decrease</u> <u>(6.30%)</u>	<u>Current Discount</u> <u>Rate (7.30%)</u>	<u>1% Increase</u> <u>(8.30%)</u>
Employer's proportionate share of the net pension liability	\$ 528,307	\$ 371,432	\$ 237,770

Additional Information

	<u>June 30, 2017</u>	<u>June 30, 2018</u>
Collective deferred outflows of resources	53,748,000	321,543,000
Collective deferred inflows of resources	10,145,000	94,738,000
Collective net pension liability	4,061,335,000	4,111,033,000
Employer's Portion	0.011493%	0.009035%

Collective pension expense for the measurement period ended June 30, 2018: 499,315,000
The average of the expected remaining service: 2.60

Proportionate Share

	<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>Change in</u> <u>Proportionate Share of</u>	
			<u>Debit</u> <u>Balances</u>	<u>Credit</u> <u>Balances</u>
Deferred outflows of resources	6,178	29,051	22,873	
Deferred inflows of resources	1,166	8,560		7,394
Net pension liability	466,769	371,432		(95,337)

Proportionate share of collective pension expense: \$ 45,114

	<u>Collective Amount</u> <u>@ June 30, 2017</u>	<u>Proportionate Share</u> <u>@ 0.011493%</u>	<u>Proportionate Share</u> <u>@ 0.009035%</u>	<u>Change in</u> <u>Proportionate Share of</u>	
				<u>Debit</u> <u>Balances</u>	<u>Credit</u> <u>Balances</u>
Deferred outflows of resources	53,748,000	6,178	4,856	(1,322)	
Deferred inflows of resources	10,145,000	1,166	916		(250)
Net pension liability	4,061,335,000	466,769	366,942	(99,827)	
Total of changes in the Employer's beginning reported balances				(1,322)	(100,077)

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11- EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA - CONTINUED

Amount to be recognized for the net effect of the change in the Employer's proportion on beginning reported balances	(98,755)
Total of amounts recognized for the change in the Employer's proportion	<u>(98,755) (98,755)</u>

	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Change in proportion	60,772	(37,983)
Contributions during the measurement period	<u>-</u>	<u>-</u>
Net amount recognized	<u>60,772</u>	<u>(37,983)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement Systems of Georgia Financial Report which is publically available at www.ers.ga.gov/financials.

NOTE 12 - OPEB LIABILITIES, OPEB EXPENSES, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

GROUP TERM LIFE INSURANCE

At June 30, 2019, the Community Service Board reported a liability (asset) of \$(45,054) for its proportionate share of the OPEB liability (asset). The net OPEB liability (asset) was measured as of June 30, 2018. The total OPEB liability (asset) used to calculate the net OPEB liability (asset) was based on an actuarial valuation as of June 30, 2017. An expected total OPEB liability (asset) as of June 30, 2018 was determined using standard roll-forward techniques. The Community Service Board's proportion of the net OPEB liability (asset) was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2018. At June 30, 2018, the Community Service Board's proportion was 0.016647%, which was an increase (decrease) of (0.002711%) from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Community Service Board's recognized OPEB expense of \$(21). At June 30, 2019, the Community Service Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Contributions made during the measurement period (fiscal year ended June 30, 2018): \$ 0

Other Post-Employment Benefits (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs:

Employer's proportionate share of net OPEB liability (Asset)	\$ (45,054)
Employer's proportion of net OPEB liability	0.016647%
Increase/(Decrease) from proportion measured as of June 30, 2017	(0.002711%)
Employer's recognized OPEB expense	\$ (21)

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12 - OPEB LIABILITIES, OPEB EXPENSES, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 492	\$ -
Changes of assumptions	2,315	-
Net difference between projected and actual earnings on OPEB plan investments	-	7,448
Changes in proportion and differences between Employer contributions and proportionate share of contributions	5,283	-
Employer contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
Total	\$ <u>8,090</u>	\$ <u>7,448</u>

Community Service Board contributions subsequent to the measurement date of \$0 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended June 30:		
2020	\$	3,112
2021		427
2022	(2,275)
2023	(622)
2024		0
Thereafter		0

Actuarial Assumptions

The total OPEB liability as of June 30, 2018, was determined by an actuarial valuation as of June 30, 2017. Based on the funding policy adopted by the Board of March 15, 2018, the investment rate of return assumption will be changed to 7.30% in the June 30, 2018 actuarial valuation. Therefore, the investment rate of return used in the roll-forward of the total pension liability is 7.30% using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	Includes inflation
ERS	3.25-7.00%
GJRS	4.50%
LRS	N/A
Investment rate of return	7.30%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate	N/A

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12- OPEB LIABILITIES, OPEB EXPENSES, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

Postretirement rates were based on the RP-2000 Combined Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB and set forward 2 years for both males and females for service retirements and for dependent beneficiaries. There is a margin for future mortality improvement in the tables used by the plan.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period for the period July 1, 2009-June 30, 2014.

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

Discount Rate

The discount rate used to measure the total OPEB liability was 7.30%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

The following presents the Community Service Board's proportionate share of the net OPEB liability calculated using the discount rate of 7.30%, as well as what the Community Service Board's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percent-point lower (6.30%) or 1-percent-point higher (8.30%) than the current rate:

	1% Decrease (6.30%)	Current Discount Rate (7.30%)	1% Increase (8.30%)
Employer's proportionate share of the net OPEB liability	\$ (24,275)	\$ (45,054)	\$ (62,086)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ERS comprehensive annual financial report which is publically available at www.ers.ga.gov/financials.

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12- OPEB LIABILITIES, OPEB EXPENSES, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

STATE HEALTH BENEFITS PLAN

At June 30, 2019, the Community Service Board reported a liability of \$983,513 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2017. An expected total OPEB liability as of June 30, 2018 was determined using standard roll-forward techniques. The Community Service Board's proportion of the net OPEB liability was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2018. At June 30, 2018, the Community Service Board's proportion was 0.037602%, which was an increase (decrease) of (0.050735)% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Community Service Board's recognized OPEB expense of \$(364,587). At June 30, 2019, the Community Service Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Contributions made during the measurement period (fiscal year ended June 30, 2018): \$ 188,603

Other Post-Employment Benefits (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs:

Employer's proportionate share of collective net OPEB liability	\$ 983,513
Employer's proportion of collective net OPEB liability	0.037602%
Increase/(Decrease) from proportion measured as of June 30, 2017	(0.050735%)
Employer's recognized OPEB expense	\$ (364,587)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 77,353
Changes of assumptions	-	356,508
Net difference between projected and actual earnings on OPEB plan investments	22,734	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	454,953	1,700,331
Employer contributions subsequent to the measurement date	86,269	-
Total	\$ 563,956	\$ 2,134,192

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12- OPEB LIABILITIES, OPEB EXPENSES, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

Community Service Board contributions subsequent to the measurement date of \$86,269 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended June 30:	
2020	\$ (445,153)
2021	(445,153)
2022	(555,776)
2023	(210,423)
2024	0
Thereafter	0

Actuarial Assumptions

The total OPEB liability as of June 30, 2018, was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2018:

Inflation	2.75%
Salary Increases	Includes inflation
ERS	3.25-7.00%
JRS	4.50%
LRS	N/A
TRS	3.25-9.00%, including inflation
PSERS	N/A
Long-term rate of return	3.88%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate	
Pre-Medicare Eligible	7.75%
Medicare Eligible	5.75%
Ultimate trend rate	
Pre-Medicare Eligible	5.00%
Medicare Eligible	5.00%
Year of Ultimate trend rate	2022

Costs were determined using the Projected Unit Credit Actuarial Cost Method. The annual service cost is the present value of the portion of the projected benefit attributable to participation service during the upcoming year, and the actuarial accrued liability (AAL) is equal to the present value of the portion of the projected benefit attributable to service before the valuation date. Service from hire date through the date of full retirement was used in allocating costs.

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12- OPEB LIABILITIES, OPEB EXPENSES, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB - CONTINUED

Discount Rate

The discount rate has changed since the prior measurement date from 3.09% to 3.60%. In order to measure the total OPEB liability for the State OPEB Fund, a single equivalent interest rate of 3.60% was used as the discount rate. This comprised mainly of the yield or index rate for 20 year tax-exempt general obligations municipal bonds with an average rating of AA or higher. The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2115. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make OPEB payments for inactive employees through 2029. Therefore, the calculated discount rate of 3.60% was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Community Service Board's share of the collective net OPEB liability to changes in the discount rate:

	<u>1% Decrease</u> <u>(4.22%)</u>	<u>Current Discount</u> <u>Rate (5.22%)</u>	<u>1% Increase</u> <u>(6.22%)</u>
Employer's proportionate share of the net OPEB liability	\$ 1,168,448	\$ 983,513	\$ 830,723

Sensitivity of the Community Service Board's share of the collective net OPEB liability to changes in the healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Healthcare</u> <u>Cost Trend Rate</u>	<u>1% Increase</u>
Employer's proportionate share of the net OPEB liability	\$ 811,329	\$ 983,513	\$ 1,194,100

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the Comprehensive Annual Financial Report (CARF) which is publicly available at www.sao.georgia.gov/comprehensive-annual-financial-reports.

NOTE 13- PRIOR PERIOD ADJUSTMENT

There was a prior period adjustment to reduce net assets and the unassigned fund balance by \$520,595 to reflect a lawsuit judgement paid out from previous years.

NOTE 14- RELATED PARTY TRANSACTIONS

Distinctive Housing Solutions, Inc. (a component unit) was established for the purpose of improving the quality of life for low-income persons with behavioral health and developmental disabilities by developing and maintaining affordable housing that promotes individual and economic self-sufficiency.

GATEWAY BEHAVIORAL HEALTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS

NOTE 15- OPERATIONAL CONTROL

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

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

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

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

NOTE 16- SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 4, 2019, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

GATEWAY BEHAVIORAL HEALTH SERVICES

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

For the Year Ended June 30

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	0.009035%	0.011493%	0.013998%	0.017412%	0.026814%
Employer's proportionate share of the net pension liability	\$ 371,432	\$ 466,769	\$ 662,164	\$ 705,429	\$1,005,691
Employer's covered-employee payroll during the measurement period	\$ 197,407	\$ 232,935	\$ 284,367	\$ 326,839	\$ 395,301
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	188.16%	200.39%	215.83%	215.83%	254.41%
Plan fiduciary net position as a percentage of the total pension liability	76.68%	76.33%	72.34%	76.20%	77.99%

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

GATEWAY BEHAVIORAL HEALTH SERVICES

ERS EMPLOYER AGENCY - SCHEDULE OF CONTRIBUTION
EMPLOYEES' RETIREMENT SYSTEM

For the Year Ended June 30

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	\$49,102	\$57,791	\$70,531	\$80,792	\$79,395	\$88,208	\$92,194	\$84,600	\$90,927	\$96,725
Contributions in relation to the contractually required contribution	\$49,102	\$57,791	\$70,531	\$80,792	\$79,395	\$88,208	\$92,194	\$84,600	\$90,927	\$96,725
Contribution deficiency(excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Agency's covered-employee payroll	\$197,407	\$232,935	\$284,367	\$326,839	\$318,642	\$404,427	\$506,906	\$579,823	\$723,379	\$810,596
Contributions as a percentage of covered-employee payroll	24.87%	24.81%	24.80%	24.72%	24.92%	21.81%	18.19%	14.59%	12.57%	11.93%

GATEWAY BEHAVIORAL HEALTH SERVICES
ERS EMPLOYER AGENCY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For The Year Ended June 30, 2019

Changes of assumptions: On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal, and salary increases.

On March 15, 2018, the Board adopted a new funding policy. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for June 30, 2017 actuarial valuation. In addition, based on the Board's new funding policy, the assumed investment rate of return was further reduced by 0.10% from 7.40% to 7.30% as of the June 30, 2018 Measurement Date.

GATEWAY BEHAVIORAL HEALTH SERVICES

SEAD-OPEB EMPLOYER - SCHEDULE OF PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY (ASSET)

For the Year Ended June 30

	<u>2019</u>	<u>2018</u>
Employer's proportion of the net OPEB liability	0.016647%	0.019358%
Employer's proportionate share of the net OPEB liability (Asset)	\$ (45,054)	\$ (50,312)
Employer's covered-employee payroll	\$ 197,407	\$ 232,935
Employer's proportionate share of the net OPEB liability as a percentage of its covered payroll	22.82%	21.60%
Plan fiduciary net position as a percentage of the total OPEB liability	129.46%	130.17%

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

GATEWAY BEHAVIORAL HEALTH SERVICES

SEAD-OPEB EMPLOYER - SCHEDULE OF CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS

For the Year Ended June 30

	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$0	\$0
Contributions in relation to the contractually required contribution	<u>\$0</u>	<u>\$0</u>
Contribution deficiency(excess)	<u>\$0</u>	<u>\$0</u>
Agency's covered-employee payroll	\$197,407	\$ 232,935
Contributions as a percentage of covered-employee payroll	0.00%	0.00%

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

GATEWAY BEHAVIORAL HEALTH SERVICES
SEAD-OPEB EMPLOYER
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For The Year Ended June 30, 2019

Changes of assumptions: On December 17, 2015, the Board of Trustees adopted recommended changes to the economic and demographic assumptions utilized by the Plan. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal, and salary increases.

On March 15, 2018, the Board adopted a new funding policy. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for June 30, 2017 actuarial valuation. In addition, based on the Board's new funding policy, the assumed investment rate of return was further reduced by 0.10% from 7.40% to 7.30% as of the June 30, 2018 Measurement Date.

GATEWAY BEHAVIORAL HEALTH SERVICES
 SHBP - OPEB EMPLOYER - SCHEDULE OF PROPORTIONATE
 SHARE OF THE NET OPEB LIABILITY

For the Year Ended June 30

	<u>2019</u>	<u>2018</u>
Employer's proportion of the collective net OPEB liability	0.037602%	0.088337%
Employer's proportionate share of the collective net OPEB liability	\$ 983,513	\$3,599,031
Employer's covered-employee payroll during the measurement period	\$ 197,407	\$ 232,935
Employer's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	498.22%	1545.08%
Plan fiduciary net position as a percentage of the total collective OPEB liability	31.48%	17.34%

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

GATEWAY BEHAVIORAL HEALTH SERVICES

SHBP - OPEB EMPLOYER - SCHEDULE OF CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS

For the Year Ended June 30

	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 86,269	\$ 188,603
Contributions in relation to the contractually required contribution	<u>\$ 86,269</u>	<u>\$ 188,603</u>
Contribution deficiency(excess)	<u>\$0</u>	<u>\$0</u>
Agency's covered-employee payroll	\$ 197,407	\$ 232,935
Contributions as a percentage of covered-employee payroll	43.70%	80.97%

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

GATEWAY BEHAVIORAL HEALTH SERVICES
SHBP-OPEB EMPLOYER
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For The Year Ended June 30, 2019

Changes in benefit terms: In the June 30, 2010 actuarial valuation, there was a change of benefit terms to require Medicare-eligible recipients to enroll in a Medicare Advantage plan to receive the State subsidy.

Changes in assumptions: In the revised June 30, 2017 actuarial valuation, there was a change relating to employee allocation. Employees were previously allocated based on their Retirement System membership, and currently employees are allocated based on their current employer payroll location.

In the June 30, 2015 actuarial valuation, decremental and underlying inflation assumptions were changed to reflect the Retirement Systems' experience studies.

In the June 30, 2012 actuarial valuation, a date audit was performed and data collection procedures and assumptions were changed.

OTHER INFORMATION

GATEWAY BEHAVIORAL HEALTH SERVICES

MENTAL HEALTH SERVICES - 100

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities				
Grant in Aid	\$ 7,823,617	\$ 7,823,617	\$ 7,552,494	\$ (271,123)
State Contracted Fee for Service	-	-	3,914,253	3,914,253
County Non-Participating	-	-	111,354	111,354
Contracts - Other	-	-	1,156,388	1,156,388
Other Local Funds	-	-	26,631	26,631
Outpatient Medicare Fees	-	-	259,956	259,956
Outpatient Medicaid Fees	-	-	3,138,667	3,138,667
Commercial Insurance	-	-	194,571	194,571
Client Fees	-	-	139,184	139,184
Other Fees	-	-	891	891
Total Revenues	<u>\$ 7,823,617</u>	<u>\$ 7,823,617</u>	<u>\$ 16,494,389</u>	<u>\$ 8,670,772</u>
EXPENDITURES				
Personal Service Costs				
Salary and Fringes	\$ -	\$ -	\$ 3,477,398	\$ 3,477,398
Contract Staff	-	-	7,188,926	7,188,926
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,666,324</u>	<u>\$ 10,666,324</u>
Pharmacy	-	-	786,969	786,969
Other Operating	7,823,617	7,823,617	2,573,515	(5,250,102)
Total Expenditures	<u>\$ 7,823,617</u>	<u>\$ 7,823,617</u>	<u>\$ 14,026,808</u>	<u>\$ 6,203,191</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,467,581</u>	<u>\$ 2,467,581</u>

GATEWAY BEHAVIORAL HEALTH SERVICES

MENTAL HEALTH SERVICES - CHILD & ADOLESCENT - 200

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities				
State Contracted Fee for Service	\$ -	\$ -	\$ 22,300	\$ 22,300
County Non-Participating	-	-	11,966	11,966
Contracts - Other	-	-	28,733	28,733
Other Local Funds	-	-	100	100
Outpatient Medicaid Fees	-	-	504,152	504,152
Commercial Insurance	-	-	68,291	68,291
Client Fees	-	-	37,962	37,962
Other Fees	-	-	68	68
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 673,572</u>	<u>\$ 673,572</u>
EXPENDITURES				
Personal Service Costs				
Salary and Fringes	\$ -	\$ -	\$ 298,538	\$ 298,538
Contract Staff	-	-	617,478	617,478
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 916,016</u>	<u>\$ 916,016</u>
Pharmacy	-	-	5,739	5,739
Other Operating	-	-	126,467	126,467
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,048,222</u>	<u>\$ 1,048,222</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (374,650)</u>	<u>\$ (374,650)</u>

GATEWAY BEHAVIORAL HEALTH SERVICES

CRISIS STABILIZATION UNIT - 203

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities				
Grant in Aid	\$ 1,500,000	\$ 3,118,809	\$ 3,118,809	\$ -
State Contracted Fee for Service	-	-	421	421
Outpatient Medicaid Fees	-	-	405,055	405,055
Commercial Insurance	-	-	671	671
Client Fees	-	-	16	16
Total Revenues	<u>\$ 1,500,000</u>	<u>\$ 3,118,809</u>	<u>\$ 3,524,972</u>	<u>\$ 406,163</u>
EXPENDITURES				
Personal Service Costs				
Salary and Fringes	\$ -	\$ -	\$ 1,282,971	\$ 1,282,971
Contract Staff	-	-	1,428,565	1,428,565
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,711,536</u>	<u>\$ 2,711,536</u>
Pharmacy	-	-	33,225	33,225
Other Operating	1,500,000	3,118,809	286,999	(2,831,810)
Total Expenditures	<u>\$ 1,500,000</u>	<u>\$ 3,118,809</u>	<u>\$ 3,031,760</u>	<u>\$ (87,049)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 493,212</u>	<u>\$ 493,212</u>

GATEWAY BEHAVIORAL HEALTH SERVICES

DEVELOPMENTAL DISABILITES SERVICES - 400

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities				
Grant in Aid	\$ 648,140	\$ 708,140	\$ 600,358	\$ (107,782)
County Non-Participating	-	-	32,800	32,800
Contracts - Other	-	-	24,732	24,732
Other Local Funds	-	-	4,412	4,412
Work Activity Fees	-	-	41,870	41,870
Outpatient Medicaid Fees	-	-	8,359,811	8,359,811
Client Fees	-	-	7,063	7,063
Other Fees	-	-	230	230
Total Revenues	<u>\$ 648,140</u>	<u>\$ 708,140</u>	<u>\$ 9,071,276</u>	<u>\$ 8,363,136</u>
EXPENDITURES				
Personal Service Costs				
Salary and Fringes	\$ -	\$ -	\$ 949,461	\$ 949,461
Contract Staff	-	-	4,691,581	4,691,581
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,641,042</u>	<u>\$ 5,641,042</u>
Pharmacy	-	-	1,185	1,185
Other Operating	648,140	708,140	1,657,500	949,360
Total Expenditures	<u>\$ 648,140</u>	<u>\$ 708,140</u>	<u>\$ 7,299,727</u>	<u>\$ 6,591,587</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,771,549</u>	<u>\$ 1,771,549</u>

GATEWAY BEHAVIORAL HEALTH SERVICES

SPECIAL APPROPRIATIONS - DD - 502

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities Grant in Aid	<u>\$ 525,500</u>	<u>\$ 813,973</u>	<u>\$ 739,197</u>	<u>\$ (74,776)</u>
EXPENDITURES				
Personal Service Costs	<u>\$ 525,500</u>	<u>\$ 813,973</u>	<u>\$ 739,197</u>	<u>\$ (74,776)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GATEWAY BEHAVIORAL HEALTH SERVICES

HIV EARLY INTERVENTION SERVICES - 602

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities				
Grant in Aid	\$ 83,941	\$ 83,941	\$ 83,941	\$ -
EXPENDITURES				
Personal Service Costs				
Salary	\$ -	\$ -	\$ 80,341	\$ 80,341
Fringe Benefits	-	-	13,212	13,212
Contract Staff	-	-	284	284
Total Personal Service Costs	\$ -	\$ -	\$ 93,837	\$ 93,837
Other Operating	83,941	83,941	-	(83,941)
Total Expenditures	\$ 83,941	\$ 83,941	\$ 93,837	\$ 9,896
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,896)</u>	<u>\$ (9,896)</u>

GATEWAY BEHAVIORAL HEALTH SERVICES

WTRS - OUTPATIENT - SSBG - 619

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities				
Grant in Aid	\$ 270,000	\$ 270,000	\$ 206,640	\$ (63,360)
State Contracted Fee for Service	-	-	73,221	73,221
Contracts - Other	-	-	6,325	6,325
Other Local Funds	-	-	21	21
Outpatient Medicare Fees	-	-	751	751
Outpatient Medicaid Fees	-	-	20,178	20,178
Commercial Insurance	-	-	1,381	1,381
Client Fees	-	-	35	35
Total Revenues	<u>\$ 270,000</u>	<u>\$ 270,000</u>	<u>\$ 308,552</u>	<u>\$ 38,552</u>
EXPENDITURES				
Personal Service Costs				
Salary and Fringe Benefits	\$ -	\$ -	\$ 139,149	\$ 139,149
Contract Staff	-	-	50,972	50,972
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 190,121</u>	<u>\$ 190,121</u>
Pharmacy	-	-	670	670
Other Operating	270,000	270,000	52,234	(217,766)
Total Expenditures	<u>\$ 270,000</u>	<u>\$ 270,000</u>	<u>\$ 243,025</u>	<u>\$ (26,975)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,527</u>	<u>\$ 65,527</u>

GATEWAY BEHAVIORAL HEALTH SERVICES

WTRS - RESIDENTIAL SA TREATMENT - SAPTBG - 624

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES TO BUDGET

For the Fiscal Year Ended June 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>OVER (UNDER) BUDGET</u>
REVENUES				
Georgia Department of Behavioral Health and Development Disabilities				
Grant in Aid	\$ 133,464	\$ 133,464	\$ 129,064	\$ (4,400)
Contracts - Other	-	-	89	89
Other Local Funds	-	-	12	12
Total Revenues	<u>\$ 133,464</u>	<u>\$ 133,464</u>	<u>\$ 129,165</u>	<u>\$ (4,299)</u>
EXPENDITURES				
Personal Service Costs				
Salary and Fringe Benefits	\$ -	\$ -	\$ 69,556	\$ 69,556
Contract Staff	-	-	42,894	42,894
Total Personal Service Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,450</u>	<u>\$ 112,450</u>
Pharmacy	-	-	1,353	1,353
Other Operating	133,464	133,464	43,977	(89,487)
Total Expenditures	<u>\$ 133,464</u>	<u>\$ 133,464</u>	<u>\$ 157,780</u>	<u>\$ 24,316</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING (USES)				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,615)</u>	<u>\$ (28,615)</u>