NEWTON COUNTY, GEORGIA

Annual Financial Report

For the Fiscal Year Ended
June 30, 2016

Prepared by Authority of
Newton County Board of Commissioners
Newton County, Georgia
Nicole Cross, Finance Director

NEWTON COUNTY, GEORGIA
Financial Statements
For the Fiscal Year Ended June 30, 2016

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INTRODUCTORY SECTION

NEWTON COUNTY, GEORGIA
Principal Officials

Board of Commissioners
2016

Keith Ellis	Chairman
John Douglas	Commissioner District 1
Lanier Sims	Commissioner District 2
Nancy Schulz	Commissioner District 3
J.C. Henderson	Commissioner District 4
Levie Maddox	Commissioner District 5

Jarrard & Davis, County Attorney
Jackie Smith, County Clerk

Other Elected Officials

Superior Court Judge	John M. Ott
Superior Court Judge	Samuel D. Ozburn
Superior Court Judge	Horace J. Johnson, Jr.
Superior Court Judge	Eugene M. Benton
Superior Court Judge	Ken Wynne
District Attorney	Layla Zon
Chief Magistrate Judge	Henry Baker
Chief Probate Judge	Henry Baker
Clerk of Superior Court	Linda Hays
Coroner	Tommy Davis
Sheriff	Ezell Brown
Tax Commissioner	Barbara Dingler

FINANCIAL SECTION

Treadwell, Tamplin & Co.
Certified Public Accountants
A Limited Liability Partnership
157 West Jefferson Street
Madison, Georgia 30650
Ph: 706-342-1040
Fax: 706-342-1041

INDEPENDENT AUDITOR'S REPORT

To the Honorable Commissioners of
Newton County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Newton County, Georgia as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County'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 did not audit the financial statements of the Newton County Health Department, the Newton County Water and Sewer Authority, or the Newton County Library System, which represents 97.74%, 97.40%, and 90.47%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Newton County Health Department, the Newton County Water and Sewer Authority, and the Newton County Library System, is based solely on the report of the other auditors. 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.

Opinions

In our opinion, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for Newton County, Georgia as of June 30, 2016, and the respective changes in financial position, and where applicable, cash flows thereof 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 Schedule of Changes in the County's Net Pension Liability and Related Ratios and Schedule of County Contributions, and the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund information on pages 47-50 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.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Newton County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund schedules, as listed in the 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 Projects Constructed with Special Sales Tax Proceeds and the Schedule of State Contractual Assistance is presented for purposes of additional analysis as required by Georgia law, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards, the Schedule of Projects Constructed with Special Sales Tax Proceeds, and the Schedule of State Contractual Assistance 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. 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 schedules, the schedule of expenditures of federal awards, the Schedule of Projects Constructed with Special Sales Tax Proceeds, and the

Schedule of State Contractual Assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2017 on our consideration of Newton County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Newton County, Georgia's internal control over financial reporting and compliance.

Madison, Georgia
March 31, 2017

Basic Financial Statements

NEWTON COUNTY, GEORGIA
Statement of Net Position
June 30, 2016

ASSETS	Governmental Activities	Business-type Activities	Total	Total Component Units
Cash	$ 34,761,741	$ 1,471,253	$ 36,232,994	$ 5,365,460
Investments	4,422,941	-	4,422,941	55,078
Accounts receivable	462,393	1,165,446	1,627,839	2,605,195
Other receivable	-	109,721	109,721	-
Taxes receivable	935,039	-	935,039	-
Due from other governments	3,440,643	231,716	3,672,359	-
Prepaid expenses and inventories	394,730	-	394,730	31,495
Noncurrent restricted assets - Cash	182,355	5,510,268	5,692,623	-
Noncurrent restricted assets - Investments	-	111,150	111,150	15,267,824
Capital assets not being depreciated	70,027,206	28,035,009	98,062,215	-
Capital assets, net of accumulated depreciation	109,522,258	32,796,034	142,318,292	118,632,001
Other assets (Note 10)	5,129,190	-	5,129,190	140,798
Total assets	226,839,119	71,869,974	298,709,093	142,097,851
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	481,937	-	481,937	268,182
Deferred amount of debt refunding	415,555	1,574,645	1,990,200	-
Total assets and deferred outflows	227,736,611	73,444,619	301,181,230	142,366,033
LIABILITIES				
Accounts payable	3,191,957	820,398	4,012,355	1,134,713
Due to other governments	281,860	-	281,860	154,469
Accrued interest payable	12,780	-	12,780	-
Accrued expenses	542,755	276,490	819,245	82,044
Unearned revenue	-	-	-	56,331
Payable from restricted assets	182,355	-	182,355	-
Deposits from customers	-	12,300	12,300	771,613
Long-term liabilities (Note 6):				
Portion due or payable within one year:				
Bonds and notes payable	1,753,507	2,350,726	4,104,233	2,041,867
Capital leases	123,551	51,751	175,302	-
Compensated absences	183,519	-	183,519	-
Landfill closure/postclosure	-	126,166	126,166	-
Claims & judgments payable	4,000,000	-	4,000,000	-
Portion due or payable after one year:				
Bonds and notes payable	8,088,900	20,564,063	28,652,963	16,975,151
Capital leases	131,752	203,020	334,772	-
Compensated absences	1,702,539	-	1,702,539	-
Landfill closure/postclosure	-	8,381,810	8,381,810	-
Net pension liability	3,438,372	-	3,438,372	2,599,036
Total liabilities	23,633,847	32,786,724	56,420,571	23,815,224
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	-	-	-	126,078
Unearned registrations	-	-	-	11,960
NET POSITION				
Net investment in capital assets	169,867,309	39,236,128	209,103,437	100,272,912
Restricted (Note 15)	33,052,892	5,621,418	38,674,310	8,525,960
Unrestricted	1,182,563	(4,199,651)	(3,017,088)	9,613,899
Total net position	$ 204,102,764	$ 40,657,895	$ 244,760,659	$ 118,412,771

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

NEWTON COUNTY, GEORGIA
Statement of Activities
For the Fiscal Year Ended June 30, 2016

Activities:	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total	Component Units
Governmental:								
General government	$ 14,288,327	$ 1,763,183	$ 93,746	$ 24,814	$ (12,406,584)		$ (12,406,584)	
Judicial	6,694,334	2,581,952	1,027,848	362,376	(2,722,158)		(2,722,158)	
Public safety	33,224,136	2,804,679	1,210,290	-	(29,209,167)		(29,209,167)	
Public works	18,629,383	1,017,634	956,623	1,380,694	(15,274,432)		(15,274,432)	
Health and welfare	1,224,761	68,962	457,066	-	(698,733)		(698,733)	
Culture and recreation	4,434,377	6,499	79,705	-	(4,348,173)		(4,348,173)	
Housing and development	1,102,413	991,364	21,504	-	(89,545)		(89,545)	
Interest and fiscal charges	273,612	-	-	-	(273,612)		(273,612)	
Total governmental activities	79,871,343	9,234,273	3,846,782	1,767,884	(65,022,404)		(65,022,404)	
Business-type:								
Water	6,235,629	9,065,685	-	-		$ 2,830,056	2,830,056	
Special Facilities	111,383	60,884	-	-		(50,499)	(50,499)	
Landfill	4,706,552	2,280,456	-	-		(2,426,096)	(2,426,096)	
Total business-type activities	11,053,564	11,407,025	-	-		353,461	353,461	
Component units:								
Newton County Water & Sewerage Authority	13,670,183	17,834,796	-	1,278,000				$ 5,442,613
Newton County Library System	2,507,382	99,894	322,374	49,186				(2,035,928)
Newton County Health Department	2,198,209	1,184,459	606,848	-				(406,902)
Newton County Industrial Development Authority	14,534	-	-	-				(14,534)
Newton County Recreation Commission	2,074,613	411,730	-	-				(1,662,883)
Total component units	20,464,921	19,530,879	929,222	1,327,186				1,322,366

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

NEWTON COUNTY, GEORGIA
Statement of Activities
For the Fiscal Year Ended June 30, 2016

Activities:	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total	Component Units
General revenues:								
Taxes								
Property taxes, levied for general purposes					30,730,890	-	30,730,890	-
Sales tax					18,772,992	-	18,772,992	-
Franchise and business taxes					5,787,157	-	5,787,157	-
Other taxes					697,544	-	697,544	-
Intergovernmental revenues unrestricted					111,064	-	111,064	3,915,402
Investment earnings					17,114	15,289	32,403	13,463
Miscellaneous					354,838	-	354,838	19,419
Gain on disposal of capital assets					7,256	35,175	42,431	36,603
Transfers					(1,197,080)	1,197,080	-	-
Special items - (Note 9 and Note 4)					(4,000,000)	(1,731,414)	(5,731,414)	-
Total general revenues, transfers and special items					51,281,775	(483,870)	50,797,905	3,984,887
Change in net position					(13,740,629)	(130,409)	(13,871,038)	5,307,253
Net position - beginning					217,903,833	40,788,304	258,692,137	113,037,764
Change in accounting principle					-	-	-	67,754
Prior period adjustment					(60,440)	-	(60,440)	-
Net position - beginning, as restated					217,843,393	40,788,304	258,631,697	113,105,518
Net position - ending					$ 204,102,764	$ 40,657,895	$ 244,760,659	$ 118,412,771

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

NEWTON COUNTY, GEORGIA
Balance Sheet
Governmental Funds
June 30, 2016

	General Fund	Impact Fee Fund	2005 SPLOST Fund	2011 SPLOST Fund	Other Gov't Funds	Total Governmental Funds
ASSETS						
Cash	$ 797,177	$ 874,384	$ 5,427,137	$ 23,487,033	$ 3,956,229	$ 34,541,960
Investments	4,337,509	-	-	1,939	-	4,339,448
Taxes receivable, net	895,262	-	-	-	39,777	935,039
Due from other funds	-	-	1,350,000	-	189,076	1,539,077
Due from other governments	886,603	-	-	923,834	1,629,403	3,439,839
Due from others	174,127	-	-	12,325	288,246	474,698
Inventory	157,444	-	-	-	3,643	161,087
Prepaid items	149,470	-	-	-	-	149,470
Advances to other funds	-	-	1,023,474	-	-	1,023,474
Restricted cash	182,355	-	-	-	-	182,355
Total assets	$ 7,579,947	$ 874,384	$ 7,800,611	$ 24,425,131	$ 6,106,374	$ 46,786,447
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 497,768	$ -	$ 606,614	$ 654,366	$ 1,128,588	$ 2,887,336
Due to other funds	471,881	1,350,000	-	156,244	2,000,328	3,978,453
Due to other governments	-	-	293,382	-	-	293,382
Due to others	-	-	-	-	212,887	212,887
Accrued expenditures	551,247	-	-	-	-	551,247
Advances from other funds	-	1,023,474	-	-	-	1,023,474
Payable from restricted assets	182,355	-	-	-	-	182,355
Total liabilities	1,703,251	2,373,474	899,996	810,610	3,341,803	9,129,134
Deferred inflows of resources:						
Unavailable property taxes	859,165	-	-	-	38,837	898,002
Unavailable grant revenues	-	-	-	-	303,168	303,168
	859,165	-	-	-	342,005	1,201,170
Fund balances:						
Nonspendable:						
Inventory and Prepaids	306,914	-	-	-	3,643	310,557
Restricted:						
General Government	-	-	-	-	163,125	163,125
Judicial	-	-	-	-	574,150	574,150
Public Safety	-	-	-	-	1,764,620	1,764,620
Public Works	-	-	-	-	32,096	32,096
Health & welfare	-	-	-	-	122	122
Capital projects	-	-	6,900,615	23,614,521	-	30,515,136
Assigned						
Encumbrances	32,196	-	-	-	-	32,196
Capital projects	-	-	-	-	157,859	157,859
Debt Service	-	-	-	-	232,182	232,182
Unassigned	4,678,421	(1,499,090)	-	-	(505,231)	2,674,100
Total fund balances	5,017,531	(1,499,090)	6,900,615	23,614,521	2,422,566	36,456,143
Total liabilities, deferred inflows and fund balances	$ 7,579,947	$ 874,384	$ 7,800,611	$ 24,425,131	$ 6,106,374	$ 46,786,447

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

NEWTON COUNTY, GEORGIA
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2016

Total *fund* balances for governmental funds		$ 36,456,143
Total *net position* reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Capital assets not being depreciated	$ 70,027,206	
Capital assets, net of accumulated depreciation	109,522,258	
Total capital assets		179,549,464
Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflow of resources.		898,002
Internal services funds are used by management to charge the costs of workers compensation insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.		304,212
Other assets - Investment in Joint Venture - are not financial resources and therefore are not reported in the funds.		5,129,190
Grant reimbursements are recorded as revenue once the costs for the grant are incurred under the accrual basis of accounting used on the Statement of Net Position. The reimbursements must be received in time to liquidate current obligations to be considered available and reported as revenue in the funds. This adjustment represents revenue not received in time to be considered available.		303,168
Deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumptions changes and contributions.		481,937
Other liabilities - Accrued interest - are not reported in the funds		(12,780)
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position. Balances at June 30, 2016 are:		
Bonds and notes payable	(9,842,394)	
Capital leases	(255,303)	
Compensated absences	(1,886,058)	
Net Pension liability	(3,438,372)	
Unamortized deferred gain/loss on refunding	415,555	
Claims & judgments payable	(4,000,000)	
Total long-term liabilities		(19,006,572)
Total net position of governmental activities		$ 204,102,764

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

NEWTON COUNTY, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2016

	General Fund	Impact Fee Fund	2005 SPLOST Fund	2011 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 43,659,091	$ -	$ -	$ 10,727,440	$ 1,476,887	$ 55,863,418
Licenses and permits	627,846	-	-	-	-	627,846
Intergovernmental revenue	1,214,113	-	-	-	3,790,018	5,004,131
Charges for services	3,797,340	494,933	-	-	1,800,472	6,092,745
Fines and forfeitures	1,404,466	-	-	-	596,831	2,001,297
Investment income	11,985	552	3,989	20,825	4,445	41,796
Contributions and donations	23,596	-	-	-	-	23,596
Miscellaneous	906,678	-	-	150	154,055	1,060,883
Total revenues	51,645,115	495,485	3,989	10,748,415	7,822,708	70,715,712
EXPENDITURES						
Current:						
General government	7,237,580	-	-	-	224,693	7,462,273
Judicial	5,072,185	-	-	-	1,384,268	6,456,453
Public safety	27,040,963	-	-	-	3,940,255	30,981,218
Public works	4,722,004	-	-	-	912,546	5,634,550
Health and welfare	1,330,740	-	-	-	705,439	2,036,179
Culture and recreation	3,529,903	-	-	-	-	3,529,903
Housing and development	1,063,435	-	-	-	29,933	1,093,368
Intergovernmental	-		-	1,883,239	-	1,883,239
Debt service:						
Principal payments	-	550,000	-	1,500,108	659,113	2,709,221
Interest and fiscal charges	-	9,598	-	119,465	104,118	233,181
Capital outlay	-	-	6,307,623	3,457,911	1,994,126	11,759,660
Total expenditures	49,996,810	559,598	6,307,623	6,960,723	9,954,491	73,779,245
Excess (deficiency) of revenues over (under) expenditures	1,648,305	(64,113)	(6,303,634)	3,787,692	(2,131,783)	(3,063,533)
OTHER FINANCING SOURCES (USES)						
Capital financing	-	-	-	87,784	-	87,784
Issuance of debt	-	-	-	-	6,400,000	6,400,000
Payment to refunding escrow agei	-		-	-	(7,265,378)	(7,265,378)
Sale of capital assets	7,256	-	-	-	-	7,256
Transfers in	1,610,480	357,100	-	808,960	1,772,664	4,549,204
Transfers (out)	(4,085,803)	-	-	(50,001)	(1,610,480)	(5,746,284)
Total other financing sources (uses)	(2,468,067)	357,100	-	846,743	(703,194)	(1,967,418)
Net change in fund balances	(819,762)	292,987	(6,303,634)	4,634,435	(2,834,977)	(5,030,951)
Fund balances - beginning	5,837,293	(1,792,077)	13,204,249	18,980,086	5,317,995	41,547,546
Prior period adjustment	-	-	-	-	(60,452)	(60,452)
Fund balances - beginning, as restated	5,837,293	(1,792,077)	13,204,249	18,980,086	5,257,543	41,487,094
Fund balances - ending	$ 5,017,531	$ (1,499,090)	$ 6,900,615	$ 23,614,521	$ 2,422,566	$ 36,456,143

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

NEWTON COUNTY, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2016

Net change in *fund* balances - total governmental funds		$ (5,030,951)
The change in *net position* reported for governmental activities in the statement of activities is different because:		
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 expense exceeded capital outlays in the current period.		(8,159,379)
The issuance of long-term debt provides current financial resources to governmental funds, thus contributing to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities.		(6,487,784)
Amounts paid to escrow agent to complete an advance refunding of refunded debt		7,265,378
Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.		137,483
An internal service fund is used by management to charge the costs of workers' compensation insurance to individual funds. The internal service fund is reported as a proprietary fund, but the results of operations are reported as governmental activities.		153,939
Governmental funds defer all tax revenues not collected within 60 days of year end. However, the statement of activities uses the accrual method and, thus, the entire amount is recognized as revenue, regardless of the collection date. The net change in unavailable revenues is reported as a change in net position.		275,382
Contributions to the pension plan in the current fiscal year are not included in the statement of activities.		(632,622)
Change in the carrying value of Joint Venture. This change represents the County's share of the financial results of the Joint Venture.		(64,633)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds		18,355
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes of balances.		
Compensated absences	$ 133,839	
Principal repayment	2,709,150	
Amortization of bond discount and premium	253	
Amortization of deferred amount on refunding	(59,043)	
Claims & judgments	(4,000,000)	
		(1,215,801)
Change in net position of governmental activities		$ (13,740,629)

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

NEWTON COUNTY, GEORGIA
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities-Enterprise Funds				Governmental Activities-Internal Service Fund
	Major Funds		Nonmajor Enterprise Fund	Total	
	Water Fund	Solid Waste Fund			
ASSETS					
Current Assets					
Cash	$ 1,453,693	$ -	$ 17,560	$ 1,471,253	$ 303,283
Accounts receivable	969,683	192,463	3,300	1,165,446	-
Other receivables	-	109,721	-	109,721	-
Due from other governments	68,589	-	-	68,589	-
Due from other funds	1,914,138	525,239	-	2,439,377	-
Prepaid expenses & inventories	-	-	-	-	84,173
Total current assets	4,406,103	827,423	20,860	5,254,386	387,456
Noncurrent Assets					
Restricted Assets					
Cash	5,244,203	266,065	-	5,510,268	-
Investments	111,150	-	-	111,150	-
Total restricted assets	5,355,353	266,065	-	5,621,418	-
Capital Assets,					
Not being depreciated	25,135,581	2,899,428	-	28,035,009	-
Being depreciated, net of depreciation	25,045,549	7,518,636	231,849	32,796,034	-
Net capital assets	50,181,130	10,418,064	231,849	60,831,043	-
Notes Receivable					
Due from Walton County	163,127	-	-	163,127	-
Total notes receivable	163,127	-	-	163,127	-
Total noncurrent assets	55,699,610	10,684,129	231,849	66,615,588	-
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on debt refunding	1,574,645	-	-	1,574,645	-
Total assets and deferred outflows	$ 61,680,358	$ 11,511,552	$ 252,709	$ 73,444,619	$ 387,456

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

NEWTON COUNTY, GEORGIA
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities-Enterprise Funds				Governmental Activities-Internal Service Fund
	Major Funds		Nonmajor Enterprise Fund	Total	
	Water Fund	Solid Waste Fund			
LIABILITIES					
Current Liabilities					
Accounts payable	$ 406,969	$ 413,147	$ 282	$ 820,398	$ 83,244
Accrued expenses	226,125	49,719	646	276,490	-
Current portion of notes payable	36,818	158,908	-	195,726	-
Current portion of capital lease obligations	-	51,751	-	51,751	-
Current portion of revenue bonds	2,155,000	-	-	2,155,000	-
Current portion landfill closure	-	126,166	-	126,166	-
Deposits from customers	-	-	12,300	12,300	-
Total current liabilities	2,824,912	799,691	13,228	3,637,831	83,244
Noncurrent Liabilities					
Notes payable	672,605	3,251,458	-	3,924,063	-
Capital lease obligations	-	203,020	-	203,020	-
Revenue bonds	16,640,000	-	-	16,640,000	-
Landfill closure/postclosure	-	8,381,810	-	8,381,810	-
Total noncurrent liabilities	17,312,605	11,836,288	-	29,148,893	-
Total liabilities	20,137,517	12,635,979	13,228	32,786,724	83,244
NET POSITION					
Net investment in capital assets	32,251,352	6,752,927	231,849	39,236,128	-
Restricted for debt service	5,355,353	266,065	-	5,621,418	-
Unrestricted	3,936,136	(8,143,419)	7,632	(4,199,651)	304,212
Total net position	$ 41,542,841	$ (1,124,427)	$ 239,481	$ 40,657,895	$ 304,212

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

NEWTON COUNTY, GEORGIA
Statement of Revenues Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Business-type Activities-Enterprise Funds				Governmental Activities-Internal Service Fund
	Major Funds		Nonmajor Enterprise Fund	Total	
	Water Fund	Solid Waste Fund			
REVENUES					
Sales	$ 9,012,216	$ 2,185,505	$ 53,189	$ 11,250,910	$ 763,472
Transportation and wheeling	7,949	-	-	7,949	-
Meter maintenance	32,032	-	-	32,032	-
Sale of recyclables	-	94,576	-	94,576	-
Activity fees	7,032	-	-	7,032	-
Miscellaneous income	6,456	375	7,695	14,526	-
Total operating revenues	9,065,685	2,280,456	60,884	11,407,025	763,472
EXPENSES					
Cost of Sales & services	-	856,815	-	856,815	-
Personal services	811,547	776,504	53,226	1,641,277	-
Purchased/Contracted services	1,244,338	1,901,808	16,433	3,162,579	609,661
Supplies	1,887,072	475,250	30,737	2,393,059	-
Depreciation	1,079,613	556,395	10,987	1,646,995	-
Other costs	489,100	4,000	-	493,100	-
Total operating expenses	5,511,670	4,570,772	111,383	10,193,825	609,661
Operating income (loss)	3,554,015	(2,290,316)	(50,499)	1,213,200	153,811
NONOPERATING REVENUES (EXPENSES)					
Gain (loss) on disposal of capital assets	(78,978)	35,175	-	(43,803)	-
Interest earned	15,002	287	-	15,289	128
Interest expense & costs	(644,981)	(135,780)	-	(780,761)	-
Total non-operating revenues (expenses)	(708,957)	(100,318)	-	(809,275)	128
Income (loss) before Transfers and Special item	2,845,058	(2,390,634)	(50,499)	403,925	153,939
Transfers in	6,670	1,205,663	108,698	1,321,031	-
Transfers (out)	(28,379)	(95,572)	-	(123,951)	-
Special item:					
Loss on impairment of asset (Note 4)	(1,731,414)	-	-	(1,731,414)	-
Change in net position	1,091,935	(1,280,543)	58,199	(130,409)	153,939
Net position - beginning	40,450,906	156,116	181,282	40,788,304	150,273
Net position - ending	$ 41,542,841	$ (1,124,427)	$ 239,481	$ 40,657,895	$ 304,212

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

NEWTON COUNTY, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Business-type Activities-Enterprise Funds				Governmental Activities-Internal Service Fund
	Major Funds		Nonmajor Enterprise Fund	Total	
	Water Fund	Solid Waste Fund			
Cash flows from operating activities:					
Cash received from customers	$ 8,921,793	$ 2,195,988	$ 66,284	$ 11,184,065	$ -
Cash (paid) received for interfund services provided	(489,100)	-	-	(489,100)	763,472
Cash payments for goods and services	(3,056,051)	(2,103,864)	(47,660)	(5,207,575)	(638,494)
Cash payments to employees	(837,779)	(769,753)	(52,580)	(1,660,112)	-
Net cash provided by (used for) operating activities	4,538,863	(677,629)	(33,956)	3,827,278	124,978
Cash flows from non-capital financing:					
Transfers in (out)	(21,709)	1,110,091	108,698	1,197,080	-
Advances paid to other funds	(1,914,138)	-	-	(1,914,138)	-
Advances from other funds	-	(525,239)	-	(525,239)	-
Net cash provided by (used for) non-capital financing	(1,935,847)	584,852	108,698	(1,242,297)	-
Cash flows from capital and related financing activities:					
Proceeds of capital debt	-	-	-	-	-
Principal payments on long-term debt	(2,146,306)	(269,569)	-	(2,415,875)	-
Interest paid on debt	(472,976)	(135,780)	-	(608,756)	-
Purchases of property, plant, and equipment	(318,899)	-	(57,474)	(376,373)	-
Collections of capital contributions owed	227,846	-	-	227,846	-
Net cash (used in) capital and related financing	(2,710,335)	(405,349)	(57,474)	(3,173,158)	-
Cash flows from investing activities:					
Interest received	15,002	287	-	15,289	128
Purchases of investments	(111,150)	-	-	(111,150)	-
Net cash provided by (used for) investing	(96,148)	287	-	(95,861)	128
Net increase (decrease) in cash & cash equivalents	(203,467)	(497,839)	17,268	(684,038)	125,106
Cash & cash equivalents, beginning	6,901,362	763,904	292	7,665,558	178,177
Cash & cash equivalents, ending	$ 6,697,896	$ 266,065	$ 17,560	$ 6,981,520	$ 303,282

Continued on next page

NEWTON COUNTY, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Business-type Activities-Enterprise Funds				Governmental Activities-Internal Service Fund
	Major Funds		Nonmajor Enterprise Fund	Total	
	Water Fund	Solid Waste Fund			
Cash flows from operating activities:					
Operating income (loss)	$ 3,554,015	$ (2,290,316)	$ (50,499)	$ 1,213,200	$ 153,811
Adjustments to reconcile net income to net cash provided by operating activities:					
Gain on disposal of capital assets	-	35,175	-	35,175	-
Landfill closure and postclosure costs	-	796,502	-	796,502	-
Depreciation and amortization	1,079,613	556,395	10,988	1,646,996	-
Changes in operating assets and liabilities:					
Accounts receivable	(143,892)	(9,922)	(3,300)	(157,114)	-
Other receivable	-	(109,721)	-	(109,721)	-
Prepaid expenses	43,991			43,991	-
Interfund receivables/payables	-	-	-	-	(1,653)
Intergovernment receivables/payables	-	-		-	-
Customer deposits	-	-	8,700	8,700	-
Accounts payable	31,368	337,507	155	369,030	(27,180)
Accrued expenses	(26,232)	6,751	-	(19,481)	-
Net cash provided by (used for) operating activities	$ 4,538,863	$ (677,629)	$ (33,956)	$ 3,827,278	$ 124,978
Non-cash capital and related financing activities:					
Equipment purchased through the issuance of a capital lease	$ -	$ 306,922	$ -	$ 306,922	$ -

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

NEWTON COUNTY, GEORGIA
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2016

ASSETS	
Cash	$ 974,923
Receivables	3,017,278
Total assets	$ 3,992,201
LIABILITIES	
Due to others	$ 3,992,201
Total liabilities	$ 3,992,201

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

NEWTON COUNTY, GEORGIA
Statement of Net Position
Component Units

	June 30, 2016			December 31, 2015		June 30, 2016	
	Library	Health Department	Recreation Commission	Industrial Development Authority	Total Governmental Component Units	Water and Sewerage Authority	Total
ASSETS AND DEFERRED OUTFLOWS							
Assets:							
Cash	$ 1,452,244	$ 2,680,588	$ 398,422	$ 829,206	$ 5,360,460	$ 5,000	$ 5,365,460
Investments	55,078	-	-	-	55,078	-	55,078
Accounts receivable, net	109,571	101,905	-	-	211,476	2,393,719	2,605,195
Restricted assets	-	-	-	-	-	15,267,824	15,267,824
Capital assets, net	6,048,954	28,787	215,080	1,675,838	7,968,659	110,663,342	118,632,001
Inventories	-	-	-	-	-	140,798	140,798
Prepaid items	10,863	-	-	-	10,863	20,632	31,495
Total assets	7,676,710	2,811,280	613,502	2,505,044	13,606,536	128,491,315	142,097,851
Deferred Outflows:							
Related to pensions	60,518	139,948	-	-	200,466	67,716	268,182
LIABILITIES AND DEFERRED INFLOWS							
Liabilities:							
Accounts payable	50,666	130,756	-	-	181,422	953,291	1,134,713
Due to other governments	-	-	154,469	-	154,469	-	154,469
Deposits	-	-	-	-	-	771,613	771,613
Accrued expenses	18,852	-	-	-	18,852	63,192	82,044
Unearned revenue	-	-	-	-	-	56,331	56,331
Long-term debt							
Due within one year:	10,024	69,250	7,066	-	86,340	1,955,527	2,041,867
Due after one year:	15,035	21,988	11,237	-	48,260	16,926,891	16,975,151
Net pension liability	641,083	1,614,117	-	-	2,255,200	343,836	2,599,036
Total liabilities	735,660	1,836,111	172,772	-	2,744,543	21,070,681	23,815,224
Deferred Inflows:							
Related to pensions	126,078	-	-	-	126,078	-	126,078
Unearned registrations	-	-	11,960	-	11,960	-	11,960
Total deferred inflows	126,078	-	11,960	-	138,038	-	138,038

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

NET POSITION							
Net investment in capital assets	6,583,228	28,787	196,777	1,675,838	8,484,630	91,788,282	100,272,912
Restricted-							
Capital projects	304,468	-	-	-	304,468	3,334,701	3,639,169
Other	-	1,471,588	-	-	1,471,588	-	1,471,588
Debt service	-	-	-	-	-	3,415,203	3,415,203
Unrestricted	(12,206)	(385,258)	231,993	829,206	663,735	8,950,164	9,613,899
Total net position	$ 6,875,490	$ 1,115,117	$ 428,770	$ 2,505,044	$ 10,924,421	$ 107,488,350	$ 118,412,771

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

NEWTON COUNTY, GEORGIA
Statement of Activities
Component Units
For the Fiscal Year Ended June 30, 2016
For the Year Ended December 31, 2015 for the Industrial Development Authority

		Program Revenues		
Activities:	**Expenses**	**Fees, Fines and Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Component units:				
Newton County Water and Sewerage Authority	$ 13,670,183	$ 17,834,796	$ -	$ 1,278,000
Newton County Library	2,507,382	99,894	322,374	49,186
Newton County Health Department	2,198,209	1,184,459	606,848	-
Newton County Recreation Commission	2,074,613	411,730	-	-
Newton County Industrial Development Authority	14,534	-	-	-
Total component units	$ 20,464,921	$ 19,530,879	$ 929,222	$ 1,327,186

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

	Net Revenue (Expense) and Changes in Net Position					
Component units:	**Water and Sewerage Authority**	**Library**	**Health Department**	**Recreation Commission**	**Industrial Development Authority**	**Total**
Newton County Water and Sewerage Authority	$ 5,442,613	$ -	$ -	$ -	$ -	$ 5,442,613
Newton County Library	-	(2,035,928)	-	-	-	(2,035,928)
Newton County Health Department	-	-	(406,902)	-	-	(406,902)
Newton County Recreation Commission	-	-	-	(1,662,883)	-	(1,662,883)
Newton County Industrial Development Authority	-	-	-	-	(14,534)	(14,534)
Total component units	5,442,613	(2,035,928)	(406,902)	(1,662,883)	(14,534)	1,322,366
General Revenues:						
Investment earnings	11,001	1,485	-	217	760	13,463
Intergovernmental	-	-	358,687	-	-	358,687
Miscellaneous	-	-	-	19,419	-	19,419
Gain on disposal of equip.	36,603	-	-	-	-	36,603
Fee in lieu of tax	-	-	-	-	-	-
Appropriation from Newton County	-	1,706,428	193,350	1,656,937	-	3,556,715
Special item	-	-	-	-	-	-
Total general revenues	47,604	1,707,913	552,037	1,676,573	760	3,984,887
Change in net position	5,490,217	(328,015)	145,135	13,690	(13,774)	5,307,253
Net position - beginning, as originally reported	101,998,133	7,203,505	902,228	415,080	2,518,818	113,037,764
Change in accounting principle	-	-	67,754	-	-	67,754
Net position - beginning, as restated	101,998,133	7,203,505	969,982	415,080	2,518,818	113,105,518
Net position - ending	$ 107,488,350	$ 6,875,490	$ 1,115,117	$ 428,770	$ 2,505,044	$ 118,412,771

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

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Newton County, Georgia was created in 1821. The County is governed by a six-member Board of Commissioners. Each commissioner is elected to a staggered four-year term. The Chairman serves as the full-time Chief Executive Officer and the other five commissioners serve on a part-time basis. The Chairman is responsible for the daily operations of the County.

The financial statements of Newton County, Georgia (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In conformity with generally accepted accounting principles, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 61, the financial statements of the reporting entity include those of Newton County (the primary government) and its component units. The County implemented the guidance of GASB Statement No. 61 *The Financial Reporting Entity: Omnibus*, which amends some of the provisions of Statement 14, as of July 1, 2012. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in its own name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County

Discretely Presented Component Units – The component unit columns in the government-wide financial statements include the financial data of the County's non fiduciary component units. They are included because, if excluded, the County's financial statements would be misleading. They are reported in separate columns in the government-wide financial statements to emphasize their legal separation from the County. The following component units are included in the statements:

Newton County Water and Sewerage Authority - The Authority is a corporate and political body created and existing under the laws of the State of Georgia. The Authority was established to acquire, construct, and operate a water and sewerage system to provide service to individuals, public and private corporations, and municipal corporations. The governing board of the Authority consists of eight members, five which are appointed by the Board of Commissioners. The County, by virtue of its appointments, controls a majority of the Authority's governing body position. The County guarantees much of the debt of the Authority.

Newton County Library System - The Library Board consists of eight members; six appointed by the Newton County Board of Commissioners, one appointed by the Covington City Council, and one appointed by the Newton County Board of Education. The Library Board is without authority to determine the amount of its funding, except by submission of budget requests to local governmental units from which the Library receives support and to the State of Georgia for State and Federal funding. Membership in the Library and participation in library services is at the discretion of each participating governmental agency. The Library Board has the power to appoint management, retain fund balances of local funds for continued operations, and is the lowest level of oversight responsibility for the Library's operations. The County appoints a majority of the Library's Board members and provides a substantial majority of funding for the Library's operations. The County provided appropriations totaling $1,686,428 to the Library System.

Note 1: Summary of Significant Accounting Policies, continued

A. Reporting Entity, continued

Newton County Recreation Commission - The governing board of the Recreation Commission consists of six members; three members appointed by the City of Covington, and three members appointed by the County. The County exercises control over service deliverables, properties, insurance coverage, and personnel policies. The County also provides significant funding to the overall operation of the Recreation Commission. The Recreation Commission reimburses the County for its use of County employees in the Recreation Commission's daily operations. These reimbursements totaled $809,269. Additionally, the County provided appropriations to the Commission totaling $1,656,934.

Newton County Health Department - The governing board of the County Board of Health consists of seven members; County Chairman, County School Superintendent, governing official from the largest city in the county, three members appointed by the County Board of Commissioners, and one member appointed by the largest city. The County provides funding to the Health Department by way of an annual appropriation and by providing building facilities.

Newton County Industrial Development Authority (IDA) – The governing board of the IDA includes the Chairman of Newton County, the Mayor of the City of Covington, the President of the Newton County Chamber of Commerce, and two at large members elected by the other three IDA members. The IDA is a body corporate and politic organized under the laws of the State of Georgia. The IDA exists to foster industrial development within Newton County. The County provides guarantees and funding for various bonds issued for industrial development.

The Newton County Water and Sewerage Authority (the Authority) has a June 30 year-end. The IDA has a December 31 year end. The other component units included in the report have a June 30 year-end. Due to the differing year-ends between the County (primary government) and its component units, appropriations to component units may not equal appropriations from the primary government.

Complete financial statements of the discretely presented component units can be obtained directly from its administrative office. The address for the administrative offices is a follows:

Newton County Water and Sewerage Authority
11325 Brown Bridge Road
Covington, Georgia 30209

Newton County Recreation Commission
6185 Turner Lake
Covington, Georgia 30014

Newton County Library System
7116 Floyd Street
Covington, Georgia 30014

Newton County Health Department
8203 Hazelbrand Road
Covington, Georgia 30014

Newton County Industrial Development Authority
P.O. Box 1617
Covington, Georgia 30015

Blended Component Units – Based on the GASB criteria, the Newton County Senior Services qualifies as a blended component unit.

Newton County Senior Services –It is governed by a board of trustees, appointed by the chairman and commissioners, (members of the corporation), who submit their annual budget to the county's chairman and board. The Senior center operates to provide services to the elderly of Newton County, such as nutritional needs, transportation needs and recreational activities. Separate financial information can be obtained from the Newton County Finance Dept., 1124 Clark Street, Covington, GA 30014.

Note 1: Summary of Significant Accounting Policies, continued

B. Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the County and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues and expenses, such as charges for services, costs of services, and administration result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating items not meeting these definitions are reported as nonoperating revenues or expenses, and result from nonexchange transactions or activities ancillary to the fund's continuing operations.

The County reports the following major governmental funds:

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

2011 SPLOST Capital Projects Fund – This is a capital projects fund established to account for all special local option sales tax revenues as well as the specifically identified projects for which the SPLOST tax was established.

2005 SPLOST Capital Projects Fund – This is a capital projects fund established to account for all special local option sales tax revenues as well as the specifically identified projects for which the SPLOST tax was established.

Impact Fee Fund – This is a capital project fund established to account for all Impact Fee funds collected by the County that are used for certain approved projects under the Impact Fee Plan.

The County reports the following major enterprise funds:

Water Fund – This fund accounts for the operation and maintenance of the Cornish Creek reservoir water system.

Solid Waste Fund – This fund accounts for the operation and maintenance of the County's landfill, disposal sites, and recycling center.

Note 1: Summary of Significant Accounting Policies, continued

Additionally, the County reports the following internal service fund:

Employee Benefits fund – Internal Service Funds are used to account for the financing of goods or services provided by one department or division to other departments or agencies of the Government on a cost-reimbursement basis. The Employee Benefits fund provides for workers' compensation insurance claims and is accounted for as an Internal Service Fund.

The County reports the following fiduciary fund type:

Agency Funds – These funds account for monies held by the County in a trustee capacity or as an agent on behalf of individuals, private organizations, other governments and/or other funds. Following are the County's agency funds at June 30, 2016: Tax Commissioner, Sheriff, Probate Court, Clerk of Superior Court, Magistrate Court, and Juvenile Court.

Measurement Focus

Government-wide and Proprietary Fund Financial Statements – The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting where revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations are reflected in the financial statements on the accrual basis. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

As a general rule, the effect of interfund activity has been eliminated from the government –wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Budgets and Budgetary Accounting

The County uses GAAP as its budgetary basis of accounting. The County follows these procedures in establishing budgetary data reflected in the financial statements:

1. Prior to July 1, the Chairman submits to the Commission a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.

2. The Commission holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Newton County.

Note 1: Summary of Significant Accounting Policies, continued

3. The budget is then revised and adopted or amended by the Commission before the first regular meeting in July of the year to which it applies. The legal level of budgetary control is the department level.

4. The budget so adopted may be revised during the year only by formal action of the Commission in a regular meeting and no increase in expenditures shall be made therein without provision also being made for financing the same.

5. Budgeted amounts are as originally adopted, or as amended by the Commission. Individual amendments were not material in relation to the original appropriations.

6. Operating budgets are legally adopted each fiscal year for the General Fund, all Special Revenue Funds (Seized Fund has only assets for this year and therefore, no budget required) and the Debt Service Fund on a basis consistent with generally accepted accounting principles. Project length budgets are adopted for capital project funds. All annual appropriations lapse at fiscal year end.

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is used by the County. Encumbrances outstanding at year end are disclosed as a portion of fund balance since they do not constitute expenditures nor a liability and are available for expenditure in the subsequent year. Encumbrances lapse at the end of the next fiscal year.

E. Interfund Activity

Expenses allocated to the different programs and funds are recorded as expenses of the program or fund that incurred the expense. Governmental activity purchases of business-type activity services are reported as expenses and revenues in the statement of activities. Interfund transfers between governmental and business-type activities are eliminated. Interfund transfers between governmental and business-type activities are reported in the statement of activities.

F. Deposits and Investments

Cash consists of demand and interest-bearing deposits held in banks. Any bank deposit in excess of FDIC insured amounts must be secured by an equivalent amount of State of Georgia or U.S. obligations or direct loans to the County. General Fund cash balances exceeding amounts required for the County's daily operating activities were invested in the State of Georgia Local Government Investment Pool during the fiscal year. The County classifies amounts in this pool as investments for disclosure purposes.

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less.

Investments are recorded at cost plus accrued interest, which approximates market value.

G. Receivables and Payables

All trade and property tax receivables are shown net of an allowance for doubtful accounts, when material. Any allowance for doubtful accounts is insignificant at year-end. The County uses the specific identification method of estimating doubtful accounts. The results that are reported under this method do not differ significantly from results that would have been reported had the allowance method been used.

H. Property Tax Calendar

Property taxes attach as an enforceable lien on property as of January 1. The County bills and collects its own property taxes and also taxes for the County School District and certain cities within the county. County property tax revenues are recognized when levied to the extent that they result in current receivables. Property taxes are

Note 1: Summary of Significant Accounting Policies, continued

levied by July 15 of each year and are due in two equal payments. The first payment is due October 20. The second payment is due by December 20, and all payments are delinquent and subject to collection efforts pursuant to the O.C.G.A. on December 21. Motor vehicle taxes are assessed as of January 1 and are levied and collected throughout the year.

A local option sales tax is in force. Proceeds for this tax are remitted to the County monthly and are utilized to give property owners tax relief. Taxes receivable at year end amounted to $935,039 while unavailable property tax revenue totaled $898,002.

I. Prepaid Items and Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Inventory is valued at cost and consists of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are used. Reported inventories are equally offset by nonspendable fund balance reserve, which indicates that they do not constitute available spendable resources.

J. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. All land and improvements, and all works of art/historical treasures are capitalized. Buildings, building improvements and other improvements are recorded as capital assets when either a new building or improvement is constructed or the improvement substantially increases the economic life of an existing building or improvement. All personal property with initial, individual costs that equal or exceed $5,000 are recorded as capital assets. Pursuant to GASB Statement No. 34, the County has retroactively identified all infrastructure assets placed in service prior to July 1, 2002 and has recorded those assets which fall with the County's capitalization policy.

Capital assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements under construction are capitalized as costs are incurred. Interest incurred during the construction phase of capital assets of business-type activities, net of related interest earned, is included as part of the capitalized value of the assets constructed

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

	Estimated Useful Lives	
Asset Class	Governmental activities	Business-type activities
Infrastructure	15-50	N/A
Building and improvements	20-50	25-30
Water distribution system	N/A	40
Vehicles	5	N/A
Furniture and fixtures	10	N/A
Machinery and equipment	7-12	5-12
Computer equipment	5	N/A

Note 1: Summary of Significant Accounting Policies, continued

K. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation and compensatory time balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who are currently eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. In accordance with the provisions of GASB Statement 11, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

L. Restricted Assets

Certain proceeds of Enterprise and Capital Projects Funds notes and revenue bonds, as well as certain resources set aside for repayment of the current portion of certain long-term obligations are classified as restricted assets. The County's policy is to first apply restricted assets to expenditures which meet the requirements of the restriction when both restricted and unrestricted assets are available to fund the expenditure.

M. Fund Equity

As of June 30, 2011, the County adopted GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* in an effort to improve the consistency in reporting fund balance components, enhance fund balance presentation, improve the usefulness of fund balance information, and clarify the definitions of the governmental fund types. As a result of the implementation, the governmental funds now report the following five categories of fund balance: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of Board of Commissioners. Newton County Board of Commissioners is the highest level of decision-making authority for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Newton County Board of Commissioners.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Through resolution, the Board of Commissioners has authorized the County Administrative Officer and Chief Accounting Officer to assign fund balances.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the County has provided otherwise in its commitment or assignment actions.

Note 2: Stewardship, Compliance and Accountability

A. Deficit Fund Balances:

The following funds had a deficit fund balance as of June 30, 2016:

Capital Project – Impact Fee Fund - $1,499,090
FEMA Grant Fund - $434,595
Special Revenue – Senior Services Fund - $70,636
Enterprise Fund – Solid Waste Fund - $1,124,427

B. Excess of Expenditures over appropriations:

The following departments had significant excess expenditures over appropriations for June 30, 2016.

General Fund –

Welfare - $633,387
Parks - $98,154
Libraries - $767,049

Special Revenue Funds –
Multiple Grant Fund - $472,247

Some nonmajor funds had excess expenditures over appropriations, but were considered insignificant.

Note 3: Cash and Investments

Primary Government

Custodial credit risk of deposits represents the risk that the County will suffer a loss in the event of a bank failure. All of the County's bank balance of $35,445,111 of deposits are either insured or collateralized by securities that are not held by the pledging financial institution. The securities that secure the County's deposits are held as part of a pool of pledged securities administered under the direction of the Georgia Office of Treasury and Fiscal Services. Consequently, the County does not face any custodial credit risk over deposits. The County does not have a custodial credit risk policy other than a policy to comply with state law. However, state law requires that any uninsured deposits be collateralized with assets equal to 110% of the bank balance.

Credit Risk - Georgia law authorizes local governments to invest in the following types of obligations:

- Obligations of the State of Georgia or any other states;
- Obligations issued by the United States;
- Obligations fully insured or guaranteed by the United States government or governmental agency;
- Obligations of any corporation of the United States Government;
- Prime bankers' acceptances;
- The State of Georgia Local Government Investment Pool;
- Repurchase agreements; and
- Obligations of other political subdivisions of the State of Georgia.

The County has $4,339,448 invested in the Georgia Fund 1. Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAf rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is managed by the Georgia Office of State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. The County has no investment policy that would further limit its investment choices.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Note 3: Cash and Investments, continued

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer. GASB Statement 40 requires disclosure when the percent is 5% or more in any one issuer. All of the County's investments are in U.S. Treasury and Government agency funds and the Local Government Investment Pool.

Foreign Currency Risk – All deposits and investments are denominated in US dollars. Accordingly, the County is not exposed to foreign currency risk.

Investment Type	Credit Rating	Balance	Weighted Average Maturities
General Fund			
Georgia Fund 1	AAAf	$ 4,337,509	42 days
2011 SPLOST Fund			
Georgia Fund 1	AAAf	1,939	42 days
Water Fund			
Fidelity Treasury Money Market Shares	AAAm	111,150	53 days
Nonmajor governmental fund			
Certificates of Deposit		83,493	12 month
		$ 4,534,091	

The maturities of the County's investments in Georgia Fund 1 and Fidelity Treasury Money Market Shares is calculated based on a weighted average maturity of the investments held in the respective funds.

	Level 1	Level 2	Level 3	Fair Value
Investments measured at fair value:				
Georgia Fund 1	$ -	$ -	$ -	$4,339,448
Regulatory approval for reservoir	-	-	-	-

The County's investment in Georgia Fund 1 is not classified within the fair value hierarchy because it represents an external investment pool for which fair value is measured using a fair value per share methodology. The certificates of deposit are not negotiable or transferrable, so they meet the definition of a "nonparticipating interest earning investment contract" and are measured at cost in accordance with GASB Statement No. 31. The Fidelity Treasury Money Market Shares is a money market investment having a remaining maturity of one year or less and are reported at amortized cost in accordance with GASB 31.

The County determined that the regulatory permitting costs that it incurred and capitalized as a construction in progress asset in the water fund is permanently impaired during the year. Accordingly, the asset is reported at the lower of cost or fair market value. The County used unobservable (Level 3) inputs such as the value that the County might receive in being able to use the work product to obtain regulatory approval for a future reservoir and determined that the fair value of the costs is zero. The County has completely removed the value of these costs from the water fund's construction in progress and recorded a loss for the prior carrying value of the costs.

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2016 is as follows:

Governmental activities:

	Beginning	Additions	Retirements	Ending
Capital assets not being depreciated:				
Land	$ 68,014,464	$ 162,999	$ -	$ 68,177,463
Construction in Progress	946,597	1,345,838	476,094	1,816,341
Intangibles	33,402	-	-	33,402
Total capital assets not being depreciated	68,994,463	1,508,837	476,094	70,027,206
Capital assets being depreciated:				
Infrastructure	494,854,986	137,483	-	494,992,469
Buildings and Improvements	85,669,593	888,687	-	86,558,280
Equipment, Furniture and Vehicles	28,795,496	2,616,093	160,231	31,251,358
Total capital assets being depreciated	609,320,075	3,642,263	160,231	612,802,107
Less accumulated depreciation for:				
Infrastructure	436,988,571	7,944,360	-	444,932,931
Buildings and Improvements	33,342,464	2,941,533	-	36,283,997
Equipment, Furniture and Vehicles	20,412,142	1,811,009	160,231	22,062,920
Total accumulated depreciation	490,743,177	12,696,902	160,231	503,279,848
Net governmental capital assets, net	$ 187,571,361	$ (7,545,802)	$ 476,094	$ 179,549,465

Total government activities depreciation expense	
General government	$ 1,113,237
Judicial	55,076
Public Safety	2,748,804
Public Works	8,185,477
Health & Welfare	2,731
Culture & Recreation	590,527
Housing & Development	1,051
	$ 12,696,902

Note 4: Capital Assets, continued

Business-type activities: **Water Fund**	Beginning	Additions	Retirements	Ending
Capital assets not being depreciated:				
Land	$ 8,121,186	$ -	$ 4,215,046	$ 3,906,140
Construction in Progress	19,076,700	27,679	19,104,379	-
Idle assets	-	21,208,915	-	21,208,915
Intangibles	20,526	-	-	20,526
Total capital assets not being depreciated	27,218,412	21,236,594	23,319,425	25,135,581
Capital assets being depreciated:				
Land improvements	682,100	-	58,135	623,965
Buildings	27,829,289	-	10,843	27,818,446
Water distribution system	8,838,064	-	-	8,838,064
Machinery and equipment	5,381,587	670,316	527,310	5,524,593
Total capital assets being depreciated	42,731,040	670,316	596,288	42,805,068
Less accumulated depreciation for:				
Land improvements	291,184	27,977	58,135	261,026
Buildings	6,608,191	716,036	6,539	7,317,688
Water distribution system	6,052,997	173,070	-	6,226,067
Machinery and equipment	4,244,843	162,530	452,635	3,954,738
Total accumulated depreciation	17,197,215	1,079,613	517,309	17,759,519
Total capital assets, depreciated, net	$ 52,752,237	$ 20,827,297	$ 23,398,404	$ 50,181,130

After having halted any further expenditures on the Bear Creek Reservoir Project, the Board of Commissioners on March 7, 2017, declared the Project temporarily impaired. Certain soft costs in construction in progress no longer useful were declared as permanently impaired, and therefore written off as a special item for $1,731,414 in the Water Fund Statement of Revenues, Expenses and Changes in Net Position. They also authorized the Water Resources Director to contract with an engineering firm to develop a long-range Water Supply Plan for Newton County, and thus $21,208,915 has been reclassed as idle assets.

Business-type activities: **Solid Waste Fund**	Beginning	Additions	Retirements	Ending
Capital assets not being depreciated:				
Land	$ 2,899,428	$ -	$ -	$ 2,899,428
Total capital assets not being depreciated	2,899,428	-	-	2,899,428
Capital assets being depreciated:				
Land improvements	10,567,693	-	-	10,567,693
Buildings	436,591	-	-	436,591
Machinery and equipment	3,353,740	306,922	82,000	3,578,663
Total capital assets being depreciated	14,358,024	306,922	82,000	14,582,947
Less accumulated depreciation for:				
Land improvements	3,495,132	374,621	-	3,869,753
Buildings	252,692	15,077	-	267,769
Machinery and equipment	2,842,092	166,697	82,000	2,926,789
Total accumulated depreciation	6,589,916	556,395	82,000	7,064,311
Total capital assets, depreciated, net	$ 10,667,536	$ (249,473)	$ -	$ 10,418,064

Note 4: Capital Assets, continued

Business-type activities:

Nonmajor Gaithers Plantation Fund	Beginning	Additions	Retirements	Ending
Capital assets being depreciated:				
Buildings	$ 285,590	$ 44,241	$ -	$ 329,831
Site Improvements	33,035	13,236	-	46,271
Machinery and equipment	49,073	-	-	49,073
Total capital assets being depreciated	367,698	57,477	-	425,175
Less accumulated depreciation for:				
Buildings	123,366	8,851	-	132,217
Site Improvements	10,385	1,654	-	12,039
Machinery and equipment	48,588	482	-	49,070
Total accumulated depreciation	182,339	10,987	-	193,326
Total capital assets, depreciated, net	$ 185,359	$ 46,490	$ -	$ 231,849
Total business-type capital assets, net	$ 63,605,132	$ 20,624,314	$ 23,398,404	$ 60,831,043

Note 5: Interfund Balances and Activity

Balances Due to/from Other Funds and Advances to/from other funds
Balances due to/from other funds at June 30, 2016 consist of the following:

	Due To's				
Due From's	**2005 SPLOST**	**Solid Waste**	**Water Fund**	**Nonmajor Governmental Funds**	**Total**
Governmental Funds:					
General	$ -	$ -	$ 471,881	$ -	$ 471,881
Impact Fee Fund	1,350,000	-	-	-	1,350,000
SPLOST 2011	-			156,244	156,244
Nonmajor governmental	-	525,239	1,442,257	32,832	2,000,328
	$ 1,350,000	$ 525,239	$ 1,914,138	$ 189,076	$ 3,978,453

The interfund balance between the SPLOST and the Impact Fee Fund represent advances to the Impact Fee Fund that will be liquidated within the next year. The interfund balances due to the Water Fund and Solid Waste fund represent these funds' equity in the County's pooled cash account that were reclassified as interfund balances to prevent other funds from reporting a cash overdraft balance relative to the pooled cash account. The Debt Service Fund advanced funds to the SPLOST 2011 Fund to assist this fund in making a debt service payment. The interfund balances among the nonmajor governmental funds represent advances and reimbursements among the nonmajor governmental funds.

Advances from/to other funds

Receivable Fund	**Payable Fund**	**Amount**
SPLOST 2005	Impact Fee	$ 1,023,474

The interfund payables and advances to the Impact Fee Fund relate to working capital loans as additional funding sources for common projects by the SPLOST 2005 Fund. These balances between the SPLOST 2005 and Impact Fee funds are most likely a violation of Georgia law, which prohibits SPLOST proceeds from being advanced to other funds. Between year-end and the issuance of the financial statements, the Impact Fee Fund repaid $1,350,000 of the interfund balance and the County has a budget to retire the interfund balance over time.

Note 5: Interfund Balances and Activity, continued

Transfers In/Out Other Funds
Transfers to/from other funds at June 30, 2016 consist of the following:

	Transfers Out					
Transfers In	General Fund	2011 SPLOST Fund	Water Fund	Solid Waste	Nonmajor Governmental Funds	Total
Governmental Funds:						
General	$ -	$ -	$ -	$ -	$ 1,610,480	$ 1,610,480
SPLOST 2011	-	-	-		808,960	808,960
Impact Fee	357,100	-	-	-	-	357,100
Nonmajor governmental	2,457,673	-	28,379	95,572	-	2,581,624
Proprietary Funds:						
Water Fund	6,670	-	-	-	-	6,670
Solid Waste	1,155,662	50,001	-	-	-	1,205,663
Nonmajor enterprise	108,698	-	-	-	-	108,698
	$ 4,085,803	$ 50,001	$ 28,379	$ 95,572	$ 2,419,440	$ 6,679,195

The County routinely records transfers amounts that have been either collected in the General Fund and are required to be expended by statutory or budgetary requirement in a different fund or are required to be collected in one fund but required to be disbursed by a different fund. The bulk of the transfers from the General Fund were to provide needed financing in funds that did not have sufficient revenues to support their activities. The 2011 SPLOST Fund transferred $50,001 to the Solid Waste Fund to support SPLOST eligible capital payments. The Solid Waste Fund recorded a transfer to a nonmajor capital projects fund of $95,572 representing money originally spent in that fund to mitigate a natural disaster so that all of the disaster recovery funds eligible for federal reimbursement would be reported in one fund. The Debt Service Fund transferred $808,960 to the 2011 SPLOST Fund to support debt service payments that were made from the 2011 SPLOST Fund. The Debt Service Fund transferred $744,976 to the General Fund, which represents the proceeds from a debt refunding that the County used to support repairs at the local library. The Fire Districts Fund transferred $850,000 of property tax collections to the General Fund to support fire operations in that fund.

Note 6: Long-term Obligations

Primary Government
Governmental Activities:

Certificates of Participation
2015 Installment Sale Agreement On September 22, 2015, the County entered into an installment sale agreement with the Association of County Commissioners of Georgia in order to refund the 2006 Certificates of Participation. The County issued bonds with par value of $6,400,000 that accrue interest at rates varying from 4.1% to 5.0% with principal payments varying from $445,000-$715,000 through December 2026. The County placed the $6,400,000 proceeds plus prior debt service reserve monies into an irrevocable trust for the purpose of generating sufficient assets to allow the trust to make all of the debt service payments for the $6,870,000 still outstanding, at the time of the refunding on the 2006 certificates. Accordingly, these bonds are considered to be defeased, and the 2006 bonds have been removed from the Statement of Net Position. The difference between the assets placed into the irrevocable trust and the outstanding balance of the bonds resulted in a total deferred loss on refunding of $378,674. This deferred loss is being amortized straight-line over the remaining life of the refunded bonds, as this period is shorter than the life of the new bonds. The County completed the advanced refunding in order to take advantage of lower interest rates and to manage the County's cash flow, which saved the County $1,792,235 of debt service costs and has a present value of $1,477,244, leaving an economic gain of $475,936, after using existing debt service reserve funds and other capital purchases. The outstanding balance at year end of the refunded 2006 bonds was $6,425,000.

Note 6: Long-term Obligations, continued

2012 Installment Sale Agreement - In 2012, the County advanced refunded the 2003 ACCG Certificates of Participation by placing the proceeds of the 2012 bonds in an irrevocable trust account to provide for all future debt service payments on the 2003 bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. The outstanding balance at year end of the refunded 2003 bonds was $2,020,000.

The following schedule provides information about the outstanding balance of the certificates of participation as of June 30, 2016:

Issued	Purpose	Interest Rate (%)	Interest Date	Date of Bonds	Maturity Date	Authorized and Issued	Retired	Outstanding
2015 Installment Agreement								
5/30/2012	Jail Improvement	1.88%	Semi-Annually	5//30/2012	12/1/2018	$ 3,425,000	$ 1,845,000	$ 1,580,000
2012 Installment Agreement								
6/22/2015	Admin Building	2.05%	Semi-Annually	9/22/2015	12/1/2024	$ 6,400,000	$ 550,000	$ 5,850,000

Notes Payable

Georgia Environmental Facilities Authority On several occasions, the County has borrowed funds from the Georgia Environmental Facilities Authority (GEFA) for various water and sewer projects. Also, the County is the originator/guarantor on a GEFA loan for the City of Porterdale. The loan was approved for $1,854,837. Management believes that the City will make all required payments and therefore the County is only a conduit. However, should the County have to make the payments, they have a right to take control of the City's water system. Management believes the system would be valued in excess of the loan. Installment payments are $ 39,360 quarterly.

Purpose	Interest Rate %	Interest Date	Date of Note	Maturity Date	Authorized and Issued	Retired	Outstanding
Porterdale Water/Sewer	4.80%	Quarterly	2/1/2000	3/1/2017	$ 1,854,837	$ 1,777,508	$ 77,329

Contract Payable - Newton County Recreation – Miracle League Field – Newton Federal The Newton County Recreation Commission entered into an agreement for a construction loan in order to construct the Miracle League Field. Through an Intergovernmental Agreement with the County, the County has agreed to repay the loan with approved SPLOST 2011 funds. Because the County is unconditionally liable for the payment of the note, a contract payable for the outstanding balance of the construction loan is reported on the Statement of Net Position. Because the Recreation Commission is only responsible for repayment of the loan to the extent it receives the SPLOST monies under the intergovernmental agreement, the loan is not reported as a liability of the Recreation Commission. The construction loan was approved for $1,500,000 at 3%, of which the balance remaining at June 30, 2016 was $121,711. Payments are made monthly for approximately $36,698 pending amount drawn at that time. Loan was completely paid off within three months after year end.

Library Installment Purchase, Series 2008 Bonds

On September 25, 2008 the County entered into an agreement with Newton County Public Library to purchase Library Bonds, Library Installment Purchase Series 2008. Bonds consisted of total principal value of $3,460,000 with a coupon rate of 3.490%. Payment dates range from June 1, 2009 to December 1, 2015. Total interest for the six year bonds will total $524,000 with total debt service amounting to $3,984,000. The bonds are subject to federal arbitrage regulations.

Georgia Perimeter College – Newton Campus Project, Series 2005 Bonds

On December 29, 2005, Newton County entered into a Memorandum of Understanding with the Newton County Industrial Development Authority for Revenue Bonds (Georgia Perimeter College – Newton Campus Project) Series 2005 with a total principal value of $2,550,000. Payments of interest shall be made on the first business day of each month, commencing February 1, 2006 with a regular interest rate of 5.15%. This bond is issued to assist GPC Foundation Real Estate Newton, LLC, a Georgia limited liability company, the sole member of which is Georgia

Note 6: Long-term Obligations, continued

Perimeter College Foundation, Inc., a Georgia nonprofit corporation to (a) finance or reimburse, in whole or in part, the cost of the acquisition, construction, and improvement of certain land, buildings, and personal property to be used as an academic building containing classrooms, faculty and administrative offices, laboratories, and a student center and related parking located on the Newton County campus of Georgia Perimeter College and (b) pay the costs of issuing the Bonds.

Joint Venture

$3,375,000 Four County Industrial Development Authority As discussed in Note 10, the County is contractually obligated to purchase the Four County Industrial Site. Temporary financing was issued until permanent financing was obtained. The $3,375,000 amount represents the County's 37.5% interest in the property and underlying debt. The permanent financing provided for annual principal payments varying from $150,000 to $262,500 through the year 2020 at .22% basis point interest rate.

Georgia Environmental Facilities Authority - The Development Authority has borrowed funds from the Georgia Environmental Facilities Authority for further improvements to the technology park. The Authority obligation will be paid by each member of the Authority according to their respective share. The County's obligation accrues interest at 4.65% and will be in quarterly payments of principal and interest of $11,733. In 2015, the County and the Newton County Water and Sewer Authority implemented a clause in an Intergovernmental Agreement whereby the Authority would take over responsibility for the County's share of payment of this debt.

Capital Leases

The County has entered into various lease-purchase agreements in the General Fund to finance acquisition of machinery, equipment, and vehicles. The leases are for periods of two to five years at interest rates ranging from 3.625% to 5.87%. The leases qualify as capital leases for accounting purposes and have been recorded at the present value of their future minimum lease payments as of the inception date. Assets obtained under a capital lease are subject to amortization, which the County reports as a portion of its depreciation expense.

Governmental Activities:		**Historical Cost**		**Accumulated Depreciation**
Assets under capital lease as of June 30, 2016	$	709,996	$	203,208
				Amortization included

Future mimimum lease payments at June 30, 2016 are as follows:

Fiscal Year Ending June 30,	
2017	$ 130,844
2018	77,229
2019	57,922
Total minimum lease payments	265,995
Less: Interest portion of minimum lease payments	(10,692)
Present value of minimum lease payments	$ 255,303

Note 6: Long-term Obligations, continued

Long-term Obligation Activity
Changes in long-term obligations for the year ended June 30, 2016 are as follows:

	As Restated June 30, 2015	Increases	Decreases	June 30, 2016	Due within one year
Governmental activities:					
COPS 2006 (refunded)	$ 6,870,000	$ -	$ 6,870,000	$ -	$ -
2012 Installment agreement	2,085,000	-	505,000	1,580,000	515,000
2015 Installment agreement	-	6,400,000	550,000	5,850,000	600,000
GEFA notes payable	226,540	-	149,211	77,329	77,329
2008 Library bonds	550,000	-	550,000	-	-
Georgia Perimeter College	1,123,252	-	191,386	931,866	202,404
Four County Joint Industrial Development Authority:					
Bonds	1,387,500	-	187,500	1,200,000	225,000
GEFA notes payable	93,090	-	11,590	81,500	12,063
Contract payable	479,035	87,784	445,108	121,711	121,711
Bonds and notes payable	12,814,417	6,487,784	9,459,795	9,842,406	1,753,507
Capital lease obligations	374,658	-	119,355	255,303	123,551
Net pension liability	2,738,704	1,097,981	398,313	3,438,372	-
Claims and judgments payable	-	4,000,000	-	4,000,000	4,000,000
Compensated absences	2,019,897	403,979	537,818	1,886,058	183,519
	$ 17,947,676	$ 11,989,744	$ 10,515,281	$ 19,422,139	$ 6,060,577

Governmental activities incurred a total of $233,181 of interest costs for the year ended June 30, 2016. Compensated absences have typically been liquidated in prior years through the general fund.
Enterprise Activities:

Notes Payable

Georgia Environmental Facilities Authority - The County has borrowed funds from the Georgia Environmental Facilities Authority for water reservoir and landfill equipment. The Cornish Creek Water Fund obligation will be paid in monthly payments of principal and interest of $3,876. The Solid Waste Fund obligation will be paid in quarterly payments of principal and interest of $12,240. A new loan was obtained in 2012 for expansion of the landfill. That obligation will be paid in monthly installments of principal and interest of $23,841.

Project	Interest Rate %	Interest Date	Date of Note	Maturity Date	Borrowed	Retired	Outstanding
Water Fund							
2012-L-24-WS	1.40%	Monthly	9/1/2013	9/1/2033	$ 810,986	$ 101,563	$ 709,423
Solid Waste Fund							
2010-L09-SW	3.81%	Monthly	5/1/2012	5/1/2032	$ 4,000,000	$ 589,632	$ 3,410,368

Bonds Payable

Series 2012 Water Revenue Refunding Bonds – The County issued serial revenue bonds with a par value of $22,665,000. In addition to the 2012 Revenue Bonds, the County provided $6,098,915 in funds that they had received on early debt retirement from Walton County, Georgia and sinking funds from the 2004 Bond Series. The proceeds of the 2012 issue were used to advance refund the 2004 Bond Series. The revenue bonds are secured by net revenues produced through the operation of the County's wholesale water system. The serial bonds accrue interest at 2.20% and mature between July 1, 2013 and July 1, 2024 and are callable at par as of July 1, 2018. Interest on the bonds is payable semiannually in installments ranging from $21,479 to $251,582. Principal is payable annually in installments ranging from $1,795,000 to $2,040,000. The County is required to maintain 'Debt Service Coverage' as defined in the 2012 Revenue Bonds of 1.15. The County complied with the requirement.

Note 6: Long-term Obligations, continued

Prior Year Defeasance of Debt – In prior years, certain Revenue Bond Series were defeased by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The following schedule provides information about the remaining outstanding balances of the refunded bonds as of June 30, 2016:

Issued	Purpose	Interest Rate (%)	Interest Date	Date of Bonds	Maturity Date	Authorized and Issued	Retired	Outstanding
12/31/1996	Water Improvement	5.25%	Semi-Annually	1/1/1997	7/1/2017	$ 8,170,000	$ 6,890,000	$ 1,280,000
12/31/1998	Water Improvement	5.35%	Semi-Annually	1/1/1999	6/30/2017	6,405,000	5,400,000	1,005,000
						$ 14,575,000	$ 12,290,000	$ 2,285,000

Series 2010 Revenue Bonds - On June 17, 2010 the County issued the Series 2010 Revenue Bonds, par value of $2,875,000 in order to purchase the remaining land for the Bear Creek Reservoir project. Bonds consisted of total principal value of $2,875,000 with a coupon rate of 3.205%. Payment dates range from January 1, 2011 to July 1, 2020. Total interest for the ten year bonds will total $534,812 with total debt service amounting to $3,409,812. The bonds are subject to federal arbitrage regulations.

Capital Leases

The County has entered into a lease-purchase agreement in the Solid Waste Fund to finance the acquisition of vehicles. The lease is for five years at interest rates ranging at 5.06%. The lease qualifies as capital lease for accounting purposes and has been recorded at the present value of the future minimum lease payments at the inception date. Assets obtained under a capital lease are subject to amortization, which the County reports as a portion of its depreciation expense.

Enterprise Activities:

	Historical Cost	Accumulated Depreciation
Assets under capital lease as of June 30, 2016	$ 306,922	$ 21,923
		Amortizaton included

Future mimimum lease payments at June 30, 2016 are as follows:

Fiscal Year Ending June 30,	
2017	$ 51,751
2018	51,751
2019	51,751
2020	51,751
2021	90,829
Total minimum lease payments	297,833
Less: Interest portion of minimum lease payments	(43,062)
Present value of minimum lease payments	$ 254,771

Note 6: Long-term Obligations, continued

Long-term Obligation Activity
Changes in long-term obligations for the year ended June 30, 2016 are as follows:

Enterprise Activities:	June 30, 2015	Increases	Decreases	June 30, 2016	Due within one year
Water Fund					
Revenue Bonds:					
2010 bonds	$ 1,835,000	$ -	$ 285,000	$ 1,550,000	$ 290,000
2012 bonds	19,070,000	-	1,825,000	17,245,000	1,865,000
Total Revenue Bonds	20,905,000	-	2,110,000	18,795,000	2,155,000
Notes payable:					
GEFA note	745,729	-	36,306	709,423	36,818
Total Water Fund	21,650,729	-	2,146,306	19,504,423	2,191,818
Solid Waste Fund					
GEFA note	3,563,344	-	152,976	3,410,368	158,908
Capial lease obligations:					
Solid Waste Fund	64,440	306,922	116,591	254,771	51,751
Landfill postclosure	7,713,694	794,282	-	8,507,976	126,166
Total Solid Waste Fund	11,341,478	1,101,204	269,567	12,173,115	336,825
	$ 32,992,207	$ 1,101,204	$ 2,415,873	$ 31,677,538	$ 2,528,643

The Cornish Creek Water fund incurred total interest costs of $644,981 of which all was expensed. The Solid Waste fund incurred $135,780 of interest costs that was expensed. The total interest incurred for Business-type Activities was $780,761.

Component Units:
The changes in long-term obligations of the Newton County Water and Sewer Authority are as follows:

	June 30, 2015	Increases	Decreases	June 30, 2016	Due within one year
Notes & Revenue bonds	$ 20,507,649	$ 291,037	$ 1,923,626	$ 18,875,060	$ 1,916,000

The annual debt service requirements for the Newton County Water and Sewer Authority are as follows:
*Payments to maturity do not include a provision for construction line of credit of which $14,653,637 had been drawn as of year end.

Fiscal Year End	Principal	Interest
2017	$ 1,948,169	$ 49,771
2018	1,969,691	26,548
2019	97,285	12,484
2020	81,954	8,140
2021	83,703	4,141
2022	40,621	1,185
	$ 4,221,423	$ 102,269

Note 6: Long-term Obligations, continued

Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2016 are as follows:

Governmental Activities

Year Ending June 30,	2012 Installment Agreement		2015 Installment Agreement		GEFA		Miracle League - Contract Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	$ 515,000	$ 24,863	$ 600,000	$ 113,775	$ 77,329	$ 1,397	$ 121,711	$ 596
2018	530,000	15,040	610,000	101,372	-	-	-	-
2019	535,000	5,029	625,000	88,714	-	-	-	-
2020	-	-	635,000	75,799	-	-	-	-
2021	-	-	650,000	62,627	-	-	-	-
2021-2025	-	-	2,730,000	113,160	-	-	-	-
	$ 1,580,000	$ 44,932	$ 5,850,000	$ 555,447	$ 77,329	$ 1,397	121,711	$ 596

Joint Venture

Year Ending June 30,	Georgia Perimeter		Four County Industrial Development Authority			
			Notes Payable		GEFA	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	$ 202,404	$ 43,258	$ 225,000	$ 9,600	$ 12,063	$ 3,581
2018	213,077	32,584	225,000	7,800	12,634	3,011
2019	224,313	21,348	225,000	6,000	13,231	2,413
2020	236,142	5,920	262,500	4,200	13,858	1,787
2021	55,930	393	262,500	2,100	14,514	1,131
2021-2025	-	-	-	-	15,200	445
	$ 931,866	$ 103,503	$ 1,200,000	$ 29,700	$ 81,500	$ 12,368

Note 6: Long-term Obligations, continued

Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2016 are as follows:

Enterprise Activities

Year Ending June 30,	Water Fund Revenue Bonds 2012 Principal	Water Fund Revenue Bonds 2012 Interest	Water Fund Revenue Bonds 2010 Principal	Water Fund Revenue Bonds 2010 Interest	Water Fund GEFA Principal	Water Fund GEFA Interest	Solid Waste Fund GEFA Principal	Solid Waste Fund GEFA Interest
2017	$ 1,865,000	$ 362,137	$ 290,000	$ 45,030	$ 36,818	$ 9,697	$ 158,908	$ 127,179
2018	1,905,000	320,291	300,000	35,576	37,337	9,177	165,070	121,018
2019	1,950,000	277,500	310,000	25,800	37,863	8,651	171,470	114,618
2020	2,000,000	233,655	320,000	15,704	38,396	8,118	178,118	107,969
2021	2,040,000	188,811	330,000	5,288	38,937	7,577	185,024	101,063
2021-2025	7,485,000	336,940	-	-	203,073	29,499	1,038,455	391,982
2026-2030	-	-	-	-	217,788	14,783	1,256,001	174,436
2030-2034	-	-	-	-	99,211	1,570	257,322	4,928
	$ 17,245,000	$ 1,719,334	$ 1,550,000	$ 127,398	$ 709,423	$ 89,072	$ 3,410,368	$ 1,143,193

Note 7: Retirement Benefits

Defined Benefit Pension Plan

The County provides a defined benefit retirement program for its employees.

Plan Description

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Newton County Employees (The Plan). The Plan, through execution of an adoption agreement, is affiliated with the Association of County Commissioners of Georgia Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp.

The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of The ACCG Plan. The County has the authority to amend the adoption agreement, which defines the specific operational provisions of The Plan.

Complete financial statements for The Plan can be obtained directly from the plan administrator at:
GEBCorp
400 Galleria Parkway, Suite 1250
Atlanta, Georgia 30339

The County stopped accepting new entrants in its pension plan in 1997, and the plan continues to be closed to new entrants. Additionally, the participants that were grandfathered into the plan do not earn additional benefits. Current service costs for the County are solely related to the increased salary base on which plan participant benefits will be based. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.0% of average annual compensation up to $10,000 plus 1.5% of average annual compensation in excess of $10,000 plus $36 for each year of service, up to 35 years of service, payable as a life annuity. Service Compensation is averaged over a five year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

Plan Asset Mix and Accounting Policies

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in cash value of death benefits. Plan member contributions are recognized when due and the County has made a formal commitment to provide the contributions.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70% equities and 30% fixed income securities on a cost basis.

Plan assets do not include any loans, notes, bonds, or other instruments or securities of the County or related parties except for current receivables of plan contributions due from the County.

Plan Membership

Retirees and beneficiaries receiving benefits	78
Terminated plan members entitled to but not yet receiving benefits	68
Active plan members	40
Total	186

Note 7: Retirement Benefits, continued

Defined Benefit Pension Plan, continued

Contributions

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the funding standards for state and local governmental pension plans. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rates for the employer and its plan members. Administrative expenses are based on total covered payroll of plan members and are added to the annual funding requirement. The County's actuarially required contribution was $390,488 and its actual contribution was $390,488, or 100% of the required contribution and 18.1% of the covered compensation. The actual contribution was made during the year so no contribution payable was outstanding at year end.

Net Pension Liability

The County's beginning *total pension liability* was determined based on an actuarial valuation as of December 31, 2014 and the beginning *net pension liability* was measured as of the same date. The ending *total pension liability* and *net pension liability* were both measured on December 31, 2015. The County began using Scale AA in conjunction with the RP-2000 mortality table beginning with the December 31, 2015 valuation and calculation of the total pension liability. This change shows an increased expectation of the longevity of plan participants and was accounted for as a change in estimate. The December 31, 2015 actuarial valuation determined the total pension liability using assumptions that were applied to all periods included in the measurement as follows:

Actuarial Methods and Assumptions

Investment return	7.50%
Salary increases	3.00% with an age based scale as follows:

Age	Salary increase
Under 30	3.0% plus 1.5%
30-39	3.0% plus 1.0%
40-49	3.0% less 0.5%
50+	3.0% less 1.0%

Salary increase and probability or retirement assumptions are the result of a February 2014 experience study

Future payroll growth	5.50% per year

No cost of living adjustments are awarded after retirement.

Mortality:	RP-2000, Combined with Scale AA

Discount Rate

The discount rate is determined using a building block approach based on 20-year benchmarks (25% weighting), 30-year benchmarks (25% weighting), and forward-looking capital market assumptions for moderate asset allocations as determined by UBS (50% weighting). The discount rate is rounded to the nearest 0.25%.

Note 7: Retirement Benefits, continued

Defined Benefit Pension Plan, continued

The discount rate is calculated as follows:

	Expected return	Weighting	Weighted return
20-year benchmark weighted average return	7.44%	25%	1.86%
30-year benchmark weighted average return	9.49%	25%	2.37%
UBS capital market moderate asset allocation assumption	6.30%	50%	3.15%
Calculated discount rate			7.38%
Rounded to the nearest 0.25% and used as the discount rate			**7.50%**

The 20 and 30 year benchmark weighted average returns are calculated using the following asset allocation and historical returns based on their compounded annual growth rate (CAGR):

Benchmark	Allocation	Average 20 Year Return	Average 30 Year Return
S&P 500	30%	8.80%	10.74%
Barclay's Agg. (fixed income)	30%	5.75%	7.80%
MCSE EAFE	15%	5.44%	9.51%
Citi Non US WEBI	5%	5.48%	5.48%
NAREIT Equity	5%	9.91%	11.35%
Russell 2000	5%	8.96%	9.37%
Russell 3000	5%	8.89%	10.58%
S&P Mid-cap	5%	11.83%	13.21%
	100%		
Weighted average return		7.44%	9.49%

The above discount rate was used to calculate the beginning and ending total pension liability. The projected plan assets are sufficient to pay all projected benefits promised to current plan participants assuming employer contributions match their 5 year historical average. Because projected plan assets are sufficient to pay all projected promised benefits, the expected long-term rate of return was used to discount all projected benefit payments.

Because of the sensitivity of the calculation of the total pension liability to relatively small changes in the discount rate, the total pension liability calculated using discount rates one percentage point higher and lower than the discount rates actually used to calculate the total pension liability follows:

	6.50%	8.50%
Total Pension Liability	$ 7,432,803	$ 6,357,236
Fiduciary Net Position	3,398,026	3,398,026
Net Pension Liability	$ 4,034,777	$ 2,959,210

Note 7: Retirement Benefits, continued

Defined Benefit Pension Plan, continued

Summary of Changes in Total Pension Liability, Fiduciary Net Position and Net Pension Liability

The changes in the total pension liability, fiduciary net position and net pension liability from the beginning to the ending of the year are as follows:

	Liability	Position	Liability
Beginning of year	$ 6,395,253	$ 3,656,549	$ 2,738,704
Service cost	11,644	-	11,644
Interest on total pension liability	456,810	-	456,810
Employer contributions	-	390,488	(390,488)
Net investment income	-	7,825	(7,825)
Experience (gain) / loss	370,120	-	370,120
Assumption change	211,474	-	211,474
Benefit payments	(608,903)	(608,903)	-
Administrative expenses	-	(13,980)	13,980
Other expense	-	(33,953)	33,953
End of year	$ 6,836,398	$ 3,398,026	$ 3,438,372

Calculation of Net Pension Liability

The beginning and ending net pension liability is calculated as follows:

	Beginning	Ending
Total Pension Liability	$ 6,395,253	$ 6,836,398
Fiduciary Net Position	3,656,549	3,398,026
Net Pension Liability	$ 2,738,704	$ 3,438,372

Pension Expense, Deferred Outflows Related to Pension Items and Deferred Inflows Related to Pension Items

The pension contributions and deferred outflows and inflows related to pension items are as follows:

Pension Expense and Deferred Outflows and Inflows

Pension contributions	$ 390,488
Deferred outflow related to experience loss	(164,498)
Deferred outflow related to assumption change	(93,988)
Deferred outflow related to investment results	(205,148)
Change in net pension liability	699,668
Amortization of deferred inflows	6,100
	$ 632,622

Note 7: Retirement Benefits, continued

Defined Benefit Pension Plan, continued

The unamortized deferred outflows and deferred inflows at year-end are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 164,498	$ -
Change of assumptions	93,988	-
Net difference between projected and actual earnings on Plan investments	223,450	-
Contributions made subsequent to the measurement of the total pension liability	-	-
	$ 481,937	$ -

The County amortizes the differences between projected and actual investment returns into pension expense equally over a closed five year amortization period. The differences between expected and actual experience and the change of assumptions was amortized over a 1.8 year period beginning with the current year. The expected amortization of the County's current deferred outflows and inflows over the next five years follows:

Year ended June 30,	Experience Difference	Assumption Change	Investment Results Difference
2017	$ 164,498	$ 93,988	$ 57,388
2018	-	-	57,388
2019	-	-	57,388
2020	-	-	51,287
2021	-	-	-
	$ 164,498	$ 93,988	$ 223,450

Defined Contribution Plan

Plan Description
The Newton County Money Purchase 401 (a) Plan is a defined contribution plan established by the county and administered by ICMA-RC, with statements provided to employees by GEBCorp. The Plan was established to provide benefits at retirement to Newton County employees. The County is required to contribute 4.0% of the employee's compensation and will contribute an additional 50% of the amount the employee contributes to the 457 Plan. Employees are not required to contribute to the Plan. Employer contributions are held in a 401(a) plan administered by GEBCorp. Employees are eligible to join and participate immediately upon employment.

Participants are fully vested in the County's contributions after five years of service. They are fully vested immediately in their contributions to the Plan. Total contributions during the year were $1,214,796. The amount of forfeitures during the year were $69,925. There were no contributions payable by the County at year-end. The amount of pension expense recognized by the County was $1,144,871. Plan provisions and contribution requirements are established and may be amended by the Board of Commissioners.

Note 7: Retirement Benefits, continued

Other Retirement Plans

Tax Commissioners Employees Retirement Plan
Employees of the Newton County Tax Commissioners office are covered under the Employees Retirement System of Georgia. Presently a monthly contribution is made to this pension from the General fund.

Extension Service Employees Retirement Plan
Employees of the Newton County Agricultural Extension Service are covered under the Teachers Retirement System of Georgia. At present, a contribution to their pension fund is made by the General Fund.

Probate Judge's Retirement Fund of Georgia
The Probate Judge is covered under a pension plan that requires certain sums from marriage licenses and fines or forfeitures be remitted to the pension plan before payment of any costs or other claims.

Clerk of Superior Court Retirement Fund
The Clerk of Superior Court is covered under a pension plan which requires certain sums from fees and fines or forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund
The Sheriff and deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before payment of any costs or other claims.

Note 8: Risk Management

The County is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the government carries commercial insurance. Effective July 1, 2010, the County established a self-funded trust for the administration and funding of the County's Workers' Compensation Employee Benefits internal service fund. The Government has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

Changes in the balances for the worker's compensation insurance plan of claim liabilities during the past 2 years are as follows:

Self-Insured Worker's Comp Ins

	FYE 2015	FYE 2016
Unpaid Claims, beginning of year	$ 55,055	$ 110,217
Incurred Claims	(372,727)	(636,634)
Claim Payments	427,889	609,661
Unpaid Claims, end of year	$ 110,217	$ 83,244

In the aforementioned plans, expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The County is responsible for determining the contributions to the trusts, which is established with an independent fiduciary (trustee) that will hold and manage these contributions.

Note 8: Risk Management, continued

The fund is to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The fund is to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the past three years have not exceeded the coverages.

Note 9: Commitments and Contingencies

Commitments

The County had no material construction commitments as of year end. The County did report encumbered amounts as assigned in the General fund of $32,196.

The Georgia Environmental Financing Authority committed in August, 2012 to loan the county approximately $21,000,000 to for construction on the Bear Creek Reservoir. As of the date of this report, no draws had been made against the approved loan. This commitment has been temporarily suspended pending Board approval to cancel.

Contingent Liabilities

The County participates in a number of federal and state assisted grant programs. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. The amount, if any, of disallowed expenditures discovered in future audits is expected to be immaterial.

Litigation

The County is a defendant in several lawsuits which arose in the ordinary course of its activities. The County records liabilities resulting from such claims and litigation only when they become probable and measurable. As of the date of this report, while no settlement has been reached, there is a court case that continues to present a significant risk of exposure. County management and legal counsel have estimated the liability in this case to be $4,000,000, which has been recorded in the Statement of Activities as a special item.

Note 10: Joint Ventures

Northeast Georgia Regional Commission (RC)

Newton County, Georgia, along with cities and counties in the 12 county Northeast Georgia area, is a member of the Northeast Georgia Regional Commission (RC). Membership in an RC is automatic for each municipality and county in the state. The Official Code of Georgia, Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. RC Board membership includes the chief elected official of each county and a municipal representative from each county. The County Board members and municipal Council members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the county or municipality) to serve as the non-public Board member from a county.

The Georgia Planning Act of 1989 (OCGA 50-8-34) defines RDC's as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources. (OCGA 50-8-39.1)

Complete financial statements of the Northeast Georgia Regional Development Center can be obtained directly from the RC's administrative office:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30610

Note 10: Joint Ventures, continued

Four County Industrial Development Authority

During the latter half of 1998, the Four County Industrial Development Authority, a joint venture, was formed for the purpose of purchasing and developing an industrial site. The land was purchased through the Newton County Development Authority with temporary financing from Newton County until such time as the Joint Authority could issue permanent bond financing for the project. The Joint Authority issued $9,000,000 in bonded debt in October 2000 for repayment of the Newton County Development Authority, pay bond issue costs, and to provide initial development costs. The stated percentages of ownership and debt assumption are as follows: Newton County 37.5%, Walton County 37.5%, Morgan County 15%, and Jasper County 10%. The debt will amortize from 2001 and continue through 2020. The County recorded the land investment and resultant long-term debt on its books in the 2000-2001 fiscal year. The Development Authority's activities have principally been limited to making debt service payments and holding the industrial site that was purchased and marketing the site to potential buyers. Because of the limited operations that the Development Authority has engaged in thus far, any accumulated financial resources or responsibilities that the County might benefit from or be responsible for are minimal. Complete financial statements of the Four County Industrial Development Authority can be obtained directly from:

Four County Industrial Development Authority
C/O Madison Chamber of Commerce
115 East Jefferson Street
Madison, GA 30650

Note 11: Landfill Closure and Post Closure Care Cost

State and federal laws and regulations require that the County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill sites for a period of thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill capacity used during the year. The recorded liability for landfill closure and postclosure care costs for the three landfills at year end totaled $5,107,289 for the Municipal Solid Waste Landfill (MSWL-1) and Municipal Solid Waste Landfill (MSWL-2) sites, and $2,445,686 for the Construction and Demolition (C&D) site, and $955,000 for the required Corrective Action Plan. These amounts are based on the estimated liability times management's estimate of the percentage of landfill capacity used as of year end which is 100% of the MSWL-1 site, 74.00% of the MSWL-2 site, and 100.00% of the C&D site.

The estimated life of the MSWL-2 site is 30 years. The County will recognize the remaining estimated cost of closure and postclosure care of $1,794,453 for the MSWL-2 site as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care during the year.

However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The financial assurance requirements are being met through the proper maintenance of cash balances and financial ratios.

Note 12: Due From Other Governments

Business-type Activities

The Cornish Creek fund, which is included in the County's business-type activities, has amounts recorded as due from other governments that will not be collected within one year. These amounts result from the Walton County Board of Commissioners purchasing part of the capacity of the Cornish Creek Reservoir. The County will collect the monies from two notes from Walton County maturing in 2020 and bearing interest rates between 5.5%. Two notes require monthly payments of $22,615 and $18,307.

Note 12: Due From Other Governments, continued

Interest and principal for notes receivable from Walton County are due per the following schedule:

	Walton County	
	Principal	Interest
2017	$ 48,251	$ 11,086
2018	51,069	8,069
2019	54,051	5,087
2020	55,345	1,666
	$ 208,716	$ 25,908

Note 13: Subsequent Events

On August 20, 2016, Newton County issued a $3,000,000 Georgia Tax Anticipation Note, Series 2016 at .94% interest rate with a maturity date of December 31, 2016.

On January 21, 2016, Newton County reactivated the Newton County Solid Waste Management Authority. The governing board consists of eight members: three directors shall be elected officials of Newton County, one of whom shall be the Chairman of the Newton County Board of Commissioners. Five directors shall be Newton County residents who do not serve as elected Newton County officials. All directors shall be residents of Newton County. On August 20, 2016, Newton County entered into an intergovernmental Agreement regarding the provision of services related to management of Newton County's solid waste stream.

Note 14: Prior Period Adjustment

Based on the definition of a component unit in GASB 61, the Newton County Senior Services is reported as a "blended" component unit. The financial condition and results of blended component units are required to be reported as though the blended component unit is actually a part of the primary government and is not an entity separate from the primary government. Because of the oversight of the County and financial assistance to the Newton County Senior Services, the accounting standards require that the Services be reported as a blended component unit as opposed to a discretely presented component unit as had been the case previously.

This required a restatement to decrease beginning fund balance in the nonmajor governmental funds of $60,452. This amount represents the total beginning fund balance of the funds reported by the Senior Services reported on the modified accrual basis of accounting.

Note 15: Restricted Net Position

The voters of Newton County approved the collection of a 1% sales tax by referendums held in 2005 and 2011. The proceeds of these taxes are legally restricted to be spent on various capital projects and on debt service in accordance with the referendum. Additionally, the County maintains several special revenue funds to account for revenues that are restricted by Georgia law.

	Restricted by Enabling Legislation	Restricted by Other Sources	Total Restriction
General government	$ -	$ 163,125	$ 163,125
Judicial	332,261	241,889	574,150
Public safety	1,738,754	29,509	1,768,263
Health & welfare	-	122	122
Public works	-	32,096	32,096
Capital projects	30,515,136	-	30,515,136
	$ 32,586,151	$ 466,741	$ 33,052,892

Required Supplementary Information

NEWTON COUNTY, GEORGIA
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability and Related Ratios
For the Fiscal Year Ended June 30, 2016

Changes in Total Pension Liability

	2015	2016
Total Pension Liability - beginning of year	$ 6,533,310	$ 6,395,253
Service cost	13,639	11,644
Interest on total pension liability	466,804	456,810
Experience gain / loss	-	370,120
Assumption change	-	211,474
Benefit payments (adjusted for interest)	(618,500)	(608,903)
Total Pension Liability (TPL) - end of year	6,395,253	6,836,398
Changes in Fiduciary Net Position		
Fiduciary Net Position - beginning of year	3,715,787	3,656,549
Employer contributions	373,938	390,488
Net investment income	237,069	7,825
Benefit payments	(618,500)	(608,903)
Administrative expense	(14,404)	(13,980)
Other	(37,341)	(33,953)
Fiduciary Net Position (FNP) - end of year	3,656,549	3,398,026
Net Pension Liability (TPL less FNP) - end of year	$ 2,738,704	$ 3,438,372
Plan Fiduciary Net Position as a % of Total Pension Liability	57.18%	49.70%
Covered payroll	$ 2,312,088	$ 2,154,353
Net Pension Liability as % of Covered Payroll	118.45%	159.60%

Schedule of County Contributions
For the Fiscal Year Ended June 30, 2016

	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as Percentage of Covered Employee Payroll
2015	$ 319,115	$ 373,365	$ (54,250)	$ 2,312,088	16.15%
2016	345,737	390,488	(44,751)	2,154,353	18.13%

NEWTON COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	$ 44,204,905	$ 44,204,905	$ 43,659,091	$ (545,814)
Licenses and permits	537,000	537,000	627,846	90,846
Intergovernmental revenue	1,126,425	1,126,425	1,214,113	87,688
Charges for services	3,567,075	3,567,075	3,797,340	230,265
Fines and forfeitures	1,174,500	1,174,500	1,404,466	229,966
Investment income	3,000	3,000	11,985	8,985
Contributions and donations	13,500	13,500	23,596	10,096
Miscellaneous	2,278,100	2,278,100	906,678	(1,371,422)
Total revenues	52,904,505	52,904,505	51,645,115	(1,259,390)
EXPENDITURES				
Current:				
General government:				
Governing Body	2,603,635	2,678,002	2,222,794	455,208
Elections	550,960	550,960	374,305	176,655
General Administration	749,721	749,721	710,784	38,937
Data Processing	646,909	646,909	624,815	22,094
GIS	210,487	234,316	248,633	(14,317)
Human resources	249,787	249,787	238,641	11,146
Tax commissioner	1,057,464	1,057,464	1,010,118	47,346
Tax assessor	971,629	979,274	949,579	29,695
Buildings & plant	927,173	927,173	857,911	69,262
Judicial				
Superior court	1,038,848	1,038,848	836,694	202,154
Clerk of superior court	1,119,683	1,119,683	1,071,129	48,554
District attorney	1,178,404	1,178,404	1,026,194	152,210
Magistrate court	276,504	276,504	259,906	16,598
Probate court	498,539	498,539	485,358	13,181
Juvenile court	948,956	943,369	912,627	30,742
Public defender	469,609	465,334	480,277	(14,943)
Public safety				
Sheriff	11,585,079	11,585,079	11,082,223	502,856
Jail operations	10,176,690	10,176,690	9,909,515	267,175
Fire	5,533,427	5,533,427	5,314,675	218,752
Coroner	89,542	89,542	81,875	7,667
Other protective services	717,093	718,293	652,675	65,618
Public works				
Administration	3,762,454	4,086,634	4,045,506	41,128
Traffic engineering	266,190	272,896	168,749	104,147
Solid waste recycling	137,045	137,045	133,981	3,064
Maintenance & shop	483,310	475,136	373,768	101,368
Health and welfare				
Welfare	697,352	697,353	1,330,740	(633,387)
Culture and recreation				
Recreation	1,736,934	1,736,934	1,745,321	(8,387)
Parks	-	-	98,154	(98,154)
Library	$ 919,379	$ 919,379	$ 1,686,428	$ (767,049)

NEWTON COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Housing and development				
Water resources	$ -	$ -	$ (62)	$ 62
Conservation	98,800	98,800	95,030	3,770
Urban redevelopment	-	-	1,557	(1,557)
Planning and zoning	915,815	891,986	745,414	146,572
Economic development	221,496	221,496	221,496	-
Total expenditures	50,838,914	51,234,977	49,996,810	1,238,167
Excess (deficiency) of revenues over expenditures	2,065,591	1,669,528	1,648,305	(21,223)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	16,500	16,500	7,256	(9,244)
Transfers in	850,000	850,000	1,610,480	760,480
Transfers (out)	(2,932,091)	(2,932,091)	(4,085,803)	(1,153,712)
Total other financing sources (uses)	(2,065,591)	(2,065,590)	(2,468,067)	(402,476)
Net change in fund balance	$ -	$ (396,062)	(819,762)	$ (423,699)
Fund balance - beginning			5,837,293	
Fund balance - ending			$ 5,017,531	

NEWTON COUNTY, GEORGIA
Required Supplementary Information
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

Related to the Pension Data

Note A: Valuation Data

The actuarially determined contribution rates are calculated as of January 1 of each year presented. The contributions are recorded during that year by the pension plan and the County and are paid using current financial resources directly following that year.

Note B: Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method	Entry age
Asset valuation method	5-year smoothed market
Amortization method	Level percentage compensation
Future payroll growth	5.50%
Investment rate of return	7.50%

Note C: Changes in Assumptions

The investment return was changed from 7.75% to 7.50% in 2014. The investment return was changed from 8.0% to 7.75% in 2009. All other years assumed an 8.0% investment return. Age and service based employee termination rates were updated to more closely reflect actual experience in 2014. The mortality table was changed from the 1983 GAM, sex distinct table to the RP-2000 combined table in 2014. The mortality table was changed again during 2016 from the RP-2000 table to the RP-2000 table with a Scale of AA. Retirement rates were updated in 2014. The funding method was changed from Projected Unit Credit to Entry Age Normal in 2014.

Note D: Historical Data

The adoption on GASB Statement No. 68 resulted in a number of new definitions and concepts regarding measuring pension liabilities. Statement 68 introduced the concept of a total pension liability and a fiduciary net position. While the County has historical data that might be similar to these two amounts, the calculation of the amounts that the County has differs enough that presenting this information might be misleading. Accordingly, the County has not presented historical information about the changes in the total pension liability or the fiduciary net position. Statement 68 also requires the County to present historical contribution data of its pension plan if the plan has calculated an "actuarially determined contribution". As the County gathers this information in the years after its implementation of GASB Stmt. 68 it will be presented.

Related to the Budget to actual Comparison

Note E: Basis of Presentation

The budget is prepared and adopted on a basis consistent with generally accepted accounting principles (GAAP).

Note F: Excess of Expenditure over Appropriations

Individual departments within the General and Special Revenue Funds reported expenditures in excess of appropriations of:

The County determined that the following expenditures in excess of appropriation in the General Fund and Special Revenue funds do represent a significant violation of the budget and has included this violation of the budget in the footnotes to the financial statements.

General Fund:

GIS	$ 14,317	Public Defender	$ 14,943
Welfare	$ 633,387	Recreation	$ 8,387
Parks	$ 98,154	Urban Redevelopment	$ 1,557
Libraries	$ 767,049		

Combining and Individual Fund Statements and Schedules

Major Funds

NEWTON COUNTY, GEORGIA
2005 SPLOST Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Project Budget	Prior Years	Current Year	Total To Date
REVENUES				
Taxes	$ 58,800,000	$ 37,991,722	$ -	$ 37,991,722
Intergovernmental	-	4,518,985	-	4,518,985
Interest	-	3,130,575	3,989	3,134,564
Miscellaneous	-	2,840	-	2,840
Total Revenues	58,800,000	45,644,122	3,989	45,648,111
EXPENDITURES				
Personal services	-	48,236	-	48,236
Purchased/contracted services	-	8,217,942	-	8,217,942
Supplies	-	431,798	-	431,798
Intergovernmental	-	961,047	-	961,047
Capital outlay	55,200,000	35,862,762	6,307,623	42,170,385
Debt service	42,500,000	17,670,163	-	17,670,163
Total Expenditures	97,700,000	63,191,948	6,307,623	69,499,571
Excess of revenues over (under) expenditures	(38,900,000)	(17,547,826)	(6,303,634)	(23,851,460)
OTHER FINANCING SOURCES (USES)				
Proceeds from bonds & capital leases	38,900,000	44,901,029	-	44,901,029
Transfers in	-	171,474	-	171,474
Total other financing sources (uses)	38,900,000	45,072,503	-	45,072,503
Excess of revenues and other sources over (under) expenditures and other uses	$ -	$ 27,524,677	(6,303,634)	$ 21,221,043
Fund balance - beginning			13,204,249	
Fund balance - ending			$ 6,900,615	

NEWTON COUNTY, GEORGIA
2011 SPLOST Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Project Budget	Prior Years	Current Year	Total To Date
REVENUES				
Taxes	$ 57,600,000	$ 32,189,639	$ 10,727,440	$ 42,917,079
Intergovernmental	-	105,000	-	105,000
Interest	-	19,106	20,825	39,931
Miscellaneous	-	35,687	150	35,837
Total Revenues	57,600,000	32,349,432	10,748,415	43,097,847
EXPENDITURES				
Current:				
General government	-	830	-	830
Intergovernmental	16,619,140	5,652,998	1,883,239	7,536,237
Capital outlay	32,480,860	7,733,462	3,457,911	11,191,373
Principal payments	8,500,000	1,415,755	1,500,108	2,915,863
Interest & fiscal charges	-	-	119,465	119,465
Total Expenditures	57,600,000	14,803,045	6,960,723	21,763,768
Excess of revenues over (under) expenditures	-	17,546,387	3,787,692	21,334,079
OTHER FINANCING SOURCES (USES)				
Proceeds from bonds & capital leases	-	2,034,735	87,784	2,122,519
Transfers in	-	102,492	808,960	911,452
Transfers (out)	-	(4,447,128)	(50,001)	(4,497,129)
Total other financing sources (uses)	-	(2,309,901)	846,743	(1,463,158)
Excess of revenues and other sources over (under) expenditures and other uses	$ -	$ 15,236,486	4,634,435	$ 19,870,921
Fund balance - beginning			18,980,086	
Fund balance - ending			$ 23,614,521	

NEWTON COUNTY, GEORGIA

Impact Fee fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2016

	Project Budget	Prior Year	Current Year	Total To Date
Revenues:				
Impact Fees	$ 465,388	$ 6,043,377	$ 494,936	$ 6,538,313
Miscellaneous	-	301	-	301
Interest	-	345,543	552	346,095
Total Revenues	465,388	6,389,221	495,488	6,884,709
Expenditures:				
Personal services	-	125,717	-	125,717
Purchased/contracted services	-	1,155	-	1,155
Capital outlay	-	304,488	-	304,488
Debt service	-	-	559,598	559,598
Total Expenditures	-	431,360	559,598	990,958
Excess of revenues over (under) expenditures	465,388	5,957,861	(64,114)	5,893,751
Other financing sources (uses):				
Transfers in	-	-	357,100	357,100
Total other financing sources (uses)	-	-	357,100	357,100
Excess of revenue and other financing sources over (under) expenditures	$ 465,388	$ 5,957,861	292,986	$ 6,250,851
Fund balance - beginning			(1,792,077)	
Fund balance, ending			$ (1,499,091)	

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Fire Districts – This fund accounts for the tax revenues approved to help fund the fire protection program of the county.

DARE – This fund is used to account for the collection of DARE fine monies and the subsequent youth education for the Drug Abuse Resistance Education program.

Juvenile Supplemental Services – This fund accounts for certain fines received through juvenile court that are used for juvenile counseling services.

Forfeited Drug – This fund is used to account for the government's share of monies that have been forfeited through the court system that are legally restricted for law enforcement purposes.

Seized Drug – This fund is used to account for monies that have been seized and are awaiting court condemnation.

County Jail Fund – This fund is used to account for the percentage of fines reserved for county jail construction and staffing.

District Attorney – This fund accounts for funds received from certain fines and grants for the operation of a victim assistance program.

Law Library – This fund provides for the operation and maintenance of the County's Law Library.

Real Estate Grant – This fund accounts for grants received from the Clerk's Authority of Georgia for the advancement of reporting within the Clerk of Superior Court.

Emergency 911 – This fund is used to account for the fee collection and the operation of the Emergency 911 system within the County.

Inmate Welfare - This fund is used to account for monies for inmates at the Law Enforcement center.

Multiple Grant – This fund is used to account for various grants received by the government that are not used for general fund operations.

NSP Fund – This fund is used to account for the grant funds received and expended on the Neighborhood Stabilization Program.

Capital Projects Fund

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Improvement Fund – This fund is used to account for amounts that used for various specific capital projects of the County.

FEMA Fund – This fund is used to account for the federal grant monies received from the Federal Emergency Management Association.

Debt Service Fund

Debt Service funds are used to account for the accumulation and disbursement of money needed to comply with the interest and principal redemption requirements of the governmental fund type debt.

NEWTON COUNTY, GEORGIA
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2016

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash	$ 3,689,342	$ -	$ 266,887	$ 3,956,229
Taxes receivable	39,777	-	-	39,777
Due from other funds	27,589	156,244	5,243	189,076
Due from other governments	403,999	102,178	1,123,226	1,629,403
Due from others	288,246	-	-	288,246
Inventory	3,643	-	-	3,643
Total assets	$ 4,452,596	$ 258,422	$ 1,395,356	$ 6,106,374
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	$ 1,054,217	$ -	$ 74,371	$ 1,128,588
Due to other funds	679,535	26,240	1,294,553	2,000,328
Due to others	212,887	-	-	212,887
Total liabilities	1,946,639	26,240	1,368,924	3,341,803
Deferred Inflows of Resources:				
Unavailable property taxes	38,837	-	-	38,837
Unavailable grant revenues	-	-	303,168	303,168
Total deferred inflows of resources	38,837	-	303,168	342,005
Fund Balance:				
Nonspendable - Prepaid & inventory	3,643	-	-	3,643
Restricted:				
General Government	163,125	-	-	163,125
Judicial	574,150	-	-	574,150
Public Safety	1,764,620	-	-	1,764,620
Public Works	32,096	-	-	32,096
Health & welfare	122	-	-	122
Assigned:				
Capital Projects	-	-	157,859	157,859
Debt service	-	232,182	-	232,182
Unassigned:	(70,636)	-	(434,595)	(505,231)
Total fund balances	2,467,120	232,182	(276,736)	2,422,566
Total liabilities, deferred inflows and fund balances	$ 4,452,596	$ 258,422	$ 1,395,356	$ 6,106,374

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NEWTON COUNTY, GEORGIA
All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	$ 1,476,887	$ -	$ -	$ 1,476,887
Intergovernmental	2,925,147	44,813	820,058	3,790,018
Charges for services	1,800,472	-	-	1,800,472
Fines and forfeitures	596,831	-	-	596,831
Investment income	2,400	927	1,118	4,445
Miscellaneous	154,055	-	-	154,055
Total revenues	6,955,792	45,740	821,176	7,822,708
EXPENDITURES				
Current:				
General government	104,400	120,293	-	224,693
Judicial	1,384,268	-	-	1,384,268
Public safety	3,940,255	-	-	3,940,255
Public works	912,546	-	-	912,546
Health and welfare	705,439	-	-	705,439
Housing and development	29,933	-	-	29,933
Debt Service:				
Principal	70,447	588,666	-	659,113
Interest	6,781	97,337	-	104,118
Capital outlay	-	-	1,994,126	1,994,126
Total expenditures	7,154,069	806,296	1,994,126	9,954,491
Excess of revenues over (under) expenditures	(198,277)	(760,556)	(1,172,950)	(2,131,783)
Other financing sources (uses)				
Proceeds from debt	-	6,400,000	-	6,400,000
Payment to refunding escrow agent	-	(7,265,378)	-	(7,265,378)
Transfers in	1,650,609	553,352	377,663	2,581,624
Transfers (out)	(865,504)	(1,553,936)	-	(2,419,440)
Total other financing sources (uses)	785,105	(1,865,962)	377,663	(703,194)
Net change in fund balance	586,828	(2,626,518)	(795,287)	(2,834,977)
Fund balance - beginning	1,940,744	2,858,700	518,551	5,317,995
Prior period adjustment	(60,452)	-	-	(60,452)
Fund balance - beginning, as restated	1,880,292	2,858,700	518,551	5,257,543
Fund balance - ending	$ 2,467,120	$ 232,182	$ (276,736)	$ 2,422,566

NEWTON COUNTY, GEORGIA
Special Revenue Funds
Combining Balance Sheet
June 30, 2016

ASSETS	Fire Districts	Drug Rehab/ Education	Juvenile Trust	Forfeited Funds	Seized Funds	County Jail Fund	District Attorney
Cash	$ 1,079,030	$ 200,821	$ 118,579	$ 277,413	$ 212,887	$ 531,684	$ 120,458
Taxes receivable	39,777	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Due from others	-	8,256	850	-	-	8,773	-
Due from other governments	612	4,653	-	-	-	14,104	-
Inventory	3,643	-	-	-	-	-	-
Total Assets	$ 1,123,062	$ 213,730	$ 119,429	$ 277,413	$ 212,887	$ 554,561	$ 120,458
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities:							
Accounts payable	$ 577,289	$ 225	$ -	$ -	$ -	$ 703	$ -
Due to other funds	-	-	-	-	-	-	-
Due to others	-	-	-	-	212,887	-	-
Total Liabilities	577,289	225	-	-	212,887	703	-
Deferred inflows of resources:							
Unavailable property taxes	38,837	-	-	-	-	-	-
Fund Balance:							
Nonspendable:							
Prepaid & inventory	3,643	-	-	-	-	-	-
Restricted:							
General Government	-	-	-	-	-	-	-
Judicial	-	-	119,429	-	-	-	120,458
Public Safety	503,293	213,505	-	277,413	-	553,858	-
Public Works	-	-	-	-	-	-	-
Health & welfare	-	-	-	-	-	-	-
Unassigned:	-	-	-	-	-	-	-
Total Fund Balance	506,936	213,505	119,429	277,413	-	553,858	120,458
Total Liabilities, Deferred Inflows and Fund Balance	$ 1,123,062	$ 213,730	$ 119,429	$ 277,413	$ 212,887	$ 554,561	$ 120,458

ASSETS	Law Library	Real Estate Grant	E-911	Sheriff Special Revenue	Multiple Grant	NSP Grant	Senior Services	Totals
Cash	$ 92,374	$ 20,596	$ 200,980	$ 29,509	$ 763,837	$ 6,075	$ 35,099	$ 3,689,342
Taxes receivable	-	-	-	-	-	-	-	39,777
Due from other funds	-	-	-	-	-	-	27,589	27,589
Due from others	-	-	187,026	-	116	6,710	76,515	288,246
Due from other governments	-	-	11,522	-	370,599	-	2,509	403,999
Inventory	-	-	-	-	-	-	-	3,643
Total Assets	$ 92,374	$ 20,596	$ 399,528	$ 29,509	$ 1,134,552	$ 12,785	$ 141,712	$ 4,452,596
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE								
Liabilities:								
Accounts payable	$ -	$ -	$ 212,486	$ -	$ 198,870	$ -	$ 64,644	$ 1,054,217
Due to other funds	-	-	-	-	531,831	-	147,704	679,535
Due to others	-	-	-	-	-	-	-	212,887
Total Liabilities	-	-	212,486	-	730,701	-	212,348	1,946,639
Deferred inflows of resources:								
Unavailable property taxes	-	-	-	-	-	-	-	38,837
Fund Balance:								
Nonspendable:								
Prepaid & inventory	-	-	-	-	-	-	-	3,643
Restricted:								
General Government	-	-	-	-	150,340	12,785	-	163,125
Judicial	92,374	20,596	-	-	221,293			574,150
Public Safety	-	-	187,042	29,509	-	-	-	1,764,620
Public Works	-	-	-	-	32,096	-	-	32,096
Health & welfare	-	-	-	-	122	-	-	122
Unassigned:	-	-	-	-		-	(70,636)	(70,636)
Total Fund Balance	92,374	20,596	187,042	29,509	403,851	12,785	(70,636)	2,467,120
Total Liabilities, Deferred Inflows and Fund Balance	$ 92,374	$ 20,596	$ 399,528	$ 29,509	$ 1,134,552	$ 12,785	$ 141,712	$ 4,452,596

NEWTON COUNTY, GEORGIA
Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2016

REVENUES	Fire Districts	Drug Rehab/ Education	Juvenile Trust	Forfeited Funds	Seized Funds	County Jail Fund	District Attorney
Revenues:							
Taxes	$ 1,476,887	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	5,069	-	-	-	-	-	14,572
Charges for services	-	-	-	-	-	-	-
Fines & forfeitures	-	139,398	17,995	72,550	-	225,135	101,429
Investment income	736	40	103	29	-	309	8
Miscellaneous	-	-	-	44,513	-	-	-
Total Revenues	1,482,692	139,438	18,098	117,092	-	225,444	116,009
EXPENDITURES							
General government	-	-	-	-	-	-	-
Judicial	-	-	8,755	-	-	-	106,356
Public safety	669,097	40,909	-	119,167	-	123,968	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	-
Total Expenditures	669,097	40,909	8,755	119,167	-	123,968	106,356
Revenues over (under) expenditures	813,595	98,529	9,343	(2,075)	-	101,476	9,653
OTHER FINANCING SOURCES (USES)							
Transfer in	-	-	-	-	-	-	-
Transfer (out)	(850,000)	-	-	-	-	-	-
	(850,000)	-	-	-	-	-	-
Revenues and other sources over (under) expenditures	(36,405)	98,529	9,343	(2,075)	-	101,476	9,653
Fund Balance - beginning,	543,341	114,976	110,086	279,488	-	452,382	110,805
Prior period adjustment	-	-	-	-	-	-	-
Fund Balance - beginning, as restated	543,341	114,976	110,086	279,488	-	452,382	110,805
Fund Balance - Ending	$ 506,936	$ 213,505	$ 119,429	$ 277,413	$ -	$ 553,858	$ 120,458

REVENUES	Law Library	Real Estate Grant	E-911	Sheriff Special Revenue	Multiple Grant	NSP Grant	Senior Services	Totals
Revenues:								
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,476,887.00
Intergovernmental	-	-	-	-	2,527,032	39,761	338,713	2,925,147
Charges for services	-	-	1,720,093.00	-	7,325	-	73,054	1,800,472.00
Fines & forfeitures	40,324.00	-	-	-	-	-	-	596,831
Investment income	255	-	176	-	742	-	2	2,400
Miscellaneous	-	-	338.00	42,232	3,211	-	63,761	154,055.00
Total Revenues	40,579	-	1,720,607	42,232	2,538,310	39,761	475,530	6,955,792
EXPENDITURES								
General government	-	-	-	-	104,400	-	-	104,400.00
Judicial	41,488.00	-	-	-	1,227,669	-	-	1,384,268
Public safety	-	-	2,851,072.00	42,478	170,792	-	-	4,017,483.00
Public works	-	-	-	-	912,546	-	-	912,546.00
Health and welfare	-	-	-	-	56,840	-	648,599	705,439.00
Housing and development	-	-	-	-	-	29,933	-	29,933.00
Total Expenditures	41,488	-	2,851,072	42,478	2,472,247	29,933	648,599	7,154,069
Revenues over (under) expenditures	(909)	-	(1,130,465)	(246)	66,063	9,828	(173,069)	(198,277)
OTHER FINANCING SOURCES (USES)								
Transfer in	-	-	1,421,121	-	66,603	-	162,885	1,650,609
Transfer (out)	-	-	-	-	(15,504)	-	-	(865,504.00)
	-	-	1,421,121	-	51,099	-	162,885	785,105.00
Revenues and other sources over (under) expenditures	(909)	-	290,656	(246)	117,162	9,828	(10,184)	586,828
Fund Balance - beginning,	93,283	20,596	(103,614)	29,755	286,689	2,957	-	1,940,744
Prior period adjustment	-	-	-	-	-	-	(60,452)	(60,452.00)
Fund Balance - beginning, as restated	93,283	20,596	(103,614)	29,755	286,689.00	2,957	(60,452)	1,880,292
Fund Balance - Ending	$ 92,374	$ 20,596	$ 187,042	$ 29,509	$ 403,851	$ 12,785	$ (70,636)	$ 2,467,120

NEWTON COUNTY, GEORGIA
Fire Districts Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 1,079,030
Taxes receivable	39,777
Inventory	3,643
Due from other governments	612
Total Assets	$ 1,123,062
LIABILITIES AND FUND BALANCE	
Accounts payable	$ 577,289
Total Liabilities	577,289
Deferred Inflows-	
Unavailable property taxes	38,837
Fund Balance-	
Nonspendable - Prepaid and inventory	3,643
Restricted - Public Safety	503,293
Total Fund Balance	506,936
Total Liabilities, Deferred Inflows and Fund Balance	$ 1,123,062

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	$ 1,325,000	$ 1,325,000	$ 1,476,887	$ 151,887
Intergovernmental	-	-	5,069	5,069
Interest	-	-	736	736
Total Revenues	1,325,000	1,325,000	1,482,692	157,692
EXPENDITURES				
Public safety	2,097,500	2,097,500	591,869	1,505,631
Debt service:				
Principal	70,500	70,500	70,447	53
Interest	7,000	7,000	6,781	219
Total Expenditures	2,175,000	2,175,000	669,097	1,505,903
Revenues over (under) expenditures	(850,000)	(850,000)	813,595	1,663,595
Other Financing Sources and uses:				
Transfer (out)	(850,000)	(850,000)	(850,000)	-
	(850,000)	(850,000)	(850,000)	-
Revenues over (under) expenditures and other financing sources (uses)	$ (1,700,000)	$ (1,700,000)	(36,405)	$ 1,663,595
Fund Balance - Beginning			543,341	
Fund Balance - Ending			$ 506,936	

NEWTON COUNTY, GEORGIA
Drug Rehab/Education Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 200,821
Accounts receivable	8,256
Due from other governments	4,653
Total Assets	$ 213,730
LIABILITIES AND FUND BALANCE	
Accounts payable	$ 225
Total Liabilities	225
Fund Balance:	
Restricted - Public Safety	213,505
Total Liabilities and	
Total Liabilities and Fund Balance	$ 213,730

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines & law enforcement	$ 125,000	$ 125,000	$ 139,398	$ 14,398
Interest	-	-	40	40
Total Revenues	125,000	125,000	139,438	14,438
EXPENDITURES				
Public safety	125,000	125,000	40,909	84,091
Total Expenditures	125,000	125,000	40,909	84,091
Revenues over				
(under) expenditures	$ -	$ -	98,529	$ 98,529
Fund Balance - Beginning			114,976	
Fund Balance - Ending			$ 213,505	

NEWTON COUNTY, GEORGIA
Juvenile Trust Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 118,579
Accounts receivable	850
Total Assets	$ 119,429
LIABILITIES AND FUND BALANCE	
Accounts payable	$ -
Total Liabilities	-
Fund Balance:	
Restricted - Judicial	119,429
Total Liabilities and	
Total Liabilities and Fund Balance	$ 119,429

NEWTON COUNTY, GEORGIA
Juvenile Trust Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines & law enforcement	$ 25,000	$ 25,000	$ 17,995	$ (7,005)
Interest	-	-	103	103
Total Revenues	25,000	25,000	18,098	(6,902)
EXPENDITURES				
Judicial	25,000	25,000	8,755	16,245
Total Expenditures	25,000	25,000	8,755	16,245
Revenues over (under) expenditures	$ -	$ -	9,343	$ 9,343
Other Financing Sources and uses:				
Transfer (out)	-	-	-	-
	-	-	-	-
Revenues over (under) expenditures and other financing sources (uses)	$ -	$ -	9,343	$ 9,343
Fund Balance - Beginning			110,086	
Fund Balance - Ending			$ 119,429	

NEWTON COUNTY, GEORGIA
Forfeited Drug Seizure Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 277,413
Total Assets	$ 277,413
LIABILITIES AND FUND BALANCE	
Accounts payable	$ -
Total Liabilities	-
Fund Balance:	
Restricted - Public Safety	277,413
Total Liabilities and	
Total Liabilities and Fund Balance	$ 277,413

NEWTON COUNTY, GEORGIA
Forfeited Funds Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines & law enforcement	$ 110,000	$ 110,000	$ 72,550	$ (37,450)
Interest	-	-	29	29
Other	-	-	44,513	44,513
Total Revenues	110,000	110,000	117,092	7,092
EXPENDITURES				
Public safety	110,000	110,000	119,167	(9,167)
Total Expenditures	110,000	110,000	119,167	(9,167)
Revenues under expenditures	$ -	$ -	(2,075)	$ (2,075)
Fund Balance - Beginning			279,488	
Fund Balance - Ending			$ 277,413	

NEWTON COUNTY, GEORGIA
Seized Fund Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 212,887
Total Assets	$ 212,887
LIABILITIES AND FUND BALANCE	
Due to others	$ 212,887
Total Liabilities	212,887
Fund Balance:	
Restricted - Public Safety	-
Total Liabilities and Total Liabilities and Fund Balance	$ 212,887

NEWTON COUNTY, GEORGIA
County Jail Fund Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 531,684
Due from others	8,773
Due from other governments	14,104
Total Assets	$ 554,561
LIABILITIES AND FUND BALANCE	
Accounts payable	$ 703
Total Liabilities	703
Fund Balance:	
Restricted - Public Safety	553,858
Total Liabilities and Total Liabilities and Fund Balance	$ 554,561

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines & law enforcement	$ 200,000	$ 200,000	$ 225,135	$ 25,135
Interest	-	-	309	309
Total Revenues	200,000	200,000	225,444	25,444
EXPENDITURES				
Current operations:				
Public safety	200,000	200,000	123,968	76,032
Total Expenditures	200,000	200,000	123,968	76,032
Revenues over (under) expenditures	$ -	$ -	101,476	$ 101,476
Fund Balance - Beginning			452,382	
Fund Balance - Ending			$ 553,858	

NEWTON COUNTY, GEORGIA
District Attorney Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 120,458
Total Assets	$ 120,458
LIABILITIES AND FUND BALANCE	
Accounts payable	$ -
Total Liabilities	-
Fund Balance:	
Restricted - Judicial	120,458
Total Liabilities and Fund Balance	$ 120,458

NEWTON COUNTY, GEORGIA
District Attorney Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines & law enforcement	$ 105,000	$ 105,000	$ 101,429	$ (3,571)
Interest	-	-	8	8
Intergovernmental	-	-	14,572	14,572
Total Revenues	105,000	105,000	116,009	11,009
EXPENDITURES				
Judicial	105,000	105,000	106,356	(1,356)
Total Expenditures	105,000	105,000	106,356	(1,356)
Revenues over (under) expenditures	$ -	$ -	9,653	$ 9,653
Fund Balance - Beginning			110,805	
Fund Balance - Ending			$ 120,458	

NEWTON COUNTY, GEORGIA
Law Library Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 92,374
Total Assets	$ 92,374
LIABILITIES AND FUND BALANCE	
Fund Balance:	
Restricted - Judicial	$ 92,374
Total Liabilities and Total Liabilities and Fund Balance	$ 92,374

NEWTON COUNTY, GEORGIA
Law Library Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines & law enforcement	$ 49,900	$ 49,900	$ 40,324	$ (9,576)
Interest	100	100	255	155
Total Revenues	50,000	50,000	40,579	(9,421)
EXPENDITURES				
Judicial	50,000	50,000	41,488	8,512
Total Expenditures	50,000	50,000	41,488	8,512
Revenues over (under) expenditures	$ -	$ -	(909)	$ (909)
Fund Balance - Beginning			93,283	
Fund Balance - Ending			$ 92,374	

NEWTON COUNTY, GEORGIA
Real Estate Grant Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 20,596
Total Assets	$ 20,596
LIABILITIES AND FUND BALANCE	
Fund Balance:	
Restricted - Judicial	$ 20,596
Total Liabilities and Total Liabilities and Fund Balance	$ 20,596

NEWTON COUNTY, GEORGIA
Real Estate Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines & law enforcement	$ -	-	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Judicial	-	-	-	-
Total Expenditures	-	-	-	-
Revenues over (under) expenditures	$ -	$ -	-	$ -
Fund Balance - Beginning			20,596	
Fund Balance - Ending			$ 20,596	

NEWTON COUNTY, GEORGIA
E-911 Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 200,980
Accounts receivable	187,026
Due from other governments	11,522
Total Assets	$ 399,528
LIABILITIES AND FUND BALANCE	
Accounts payable	$ 212,486
Total Liabilities	212,486
Fund Balance:	
Restricted - Public Safety	187,042
Total Liabilities and Fund Balance	$ 399,528

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 1,500,000	$ 1,500,000	$ 1,720,093	$ 220,093
Interest	1,000	1,000	176	(824)
Other	-	-	338	338
Total Revenues	1,501,000	1,501,000	1,720,607	219,607
EXPENDITURES				
Public safety	2,901,000	2,901,000	2,851,072	49,928
Total Expenditures	2,901,000	2,901,000	2,851,072	49,928
Revenues under expenditures	(1,400,000)	(1,400,000)	(1,130,465)	269,535
Other Financing Sources				
Transfers in	1,400,000	1,400,000	1,421,121	21,121
Revenues and other financing sources under expenditures	$ -	$ -	290,656	$ 290,656
Fund Balance - Beginning			(103,614)	
Fund Balance - Ending			$ 187,042	

NEWTON COUNTY, GEORGIA
Sheriff Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 29,509
Total Assets	$ 29,509
LIABILITIES AND FUND BALANCE	
Fund Balance:	
Restricted - Public Safety	$ 29,509
Total Liabilities and Total Liabilities and Fund Balance	$ 29,509

NEWTON COUNTY, GEORGIA
Sheriff Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Other	$ 50,000	$ 50,000	$ 42,232	$ (7,768)
Total Revenues	50,000	50,000	42,232	(7,768)
EXPENDITURES				
Public safety	50,000	50,000	42,478	7,522
Total Expenditures	50,000	50,000	42,478	7,522
Revenues over (under) expenditures	$ -	$ -	(246)	$ (246)
Fund Balance - Beginning			29,755	
Fund Balance - Ending			$ 29,509	

NEWTON COUNTY, GEORGIA
Multiple Grant Special Revenue Fund
Balance Sheet
June 30, 2016

ASSETS		
Cash	$	763,837
Accounts receivable		116
Due from other governments		370,599
Total Assets	$	1,134,552
LIABILITIES AND FUND BALANCE		
Accounts payable	$	198,870
Due to other funds		531,831
Total Liabilities		730,701
Fund Balance:		
Restricted:		
General Government		150,340
Judicial		221,293
Public Works		32,096
Health & welfare		122
Total Fund Balance		403,851
Total Liabilities and Fund Balance	$	1,134,552

NEWTON COUNTY, GEORGIA
Multiple Grant Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	$ 2,000,000	$ 2,000,000	$ 2,527,032	$ 527,032
Charges for services	-	-	7,325	7,325
Other	-	-	3,211	3,211
Interest	-	-	742	742
Total Revenues	2,000,000	2,000,000	2,538,310	538,310
EXPENDITURES				
General	100,000	100,000	104,400	(4,400)
Judicial	1,000,000	1,000,000	1,227,669	(227,669)
Public safety	150,000	150,000	170,792	(20,792)
Public works	690,000	690,000	912,546	(222,546)
Health and welfare	60,000	60,000	56,840	3,160
Total Expenditures	2,000,000	2,000,000	2,472,247	(472,247)
Revenues over (under) expenditures	-	-	66,063	66,063
Other financing sources (uses):				
Transfers in	-	-	66,603	66,603
Transfers (out)			(15,504)	(15,504)
	-	-	51,099	51,099
Revenues over expenditures and other financing sources	$ -	$ -	117,162	$ 117,162
Fund Balance - Beginning			286,689	
Fund Balance - Ending			$ 403,851	

NEWTON COUNTY, GEORGIA
Neighborhood Stabilization Grant Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 6,075
Due from others	6,710
Total Assets	$ 12,785
LIABILITIES AND FUND BALANCE	
Accounts payable	$ -
Total Liabilities	-
Fund Balance	12,785
Total Liabilities and Fund Balance	$ 12,785

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	$ 40,000	$ 40,000	$ 39,761	$ (239)
Total Revenues	40,000	40,000	39,761	(239)
EXPENDITURES				
Housing and development	40,000	40,000	29,933	10,067
Total Expenditures	40,000	40,000	29,933	10,067
Revenues over (under) expenditures	$ -	$ -	9,828	$ 9,828
Fund Balance - Beginning			2,957	
Fund Balance - Ending			$ 12,785	

NEWTON COUNTY, GEORGIA
Senior Services
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 35,099
Due from other funds	27,589
Due from other governments	2,509
Due from others	76,515
Total Assets	$ 141,712
LIABILITIES AND FUND BALANCE	
Accounts payable	$ 64,644
Due to other funds	147,704
Total Liabilities	212,348
Fund Balance-Unassigned	(70,636)
Total Liabilities and Fund Balance	$ 141,712

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	$ 500,000	$ 500,000	$ 338,713	$ (161,287)
Charges for services	80,000	80,000	73,054	(6,946)
Interest	-	-	2	2
Contributions and donations	65,000	65,000	62,094	(2,906)
Other	5,000	5,000	1,667	(3,333)
Total Revenues	650,000	650,000	475,530	(174,470)
EXPENDITURES				
Health and welfare	650,000	650,000	648,599	1,401
Total Expenditures	650,000	650,000	648,599	1,401
Revenues over (under) expenditures	-	-	(173,069)	(173,069)
Other financing uses:				
Transfers in	-	-	162,885	162,885
Revenues over expenditures and other financing sources	$ -	$ -	(10,184)	$ (10,184)
Fund Balance - Beginning			-	
Prior Period Adjustment			(60,452)	
Fund Balance - Beginning, as restated			(60,452)	
Fund Balance - Ending			$ (70,636)	

NEWTON COUNTY, GEORGIA
Capital Project Funds
Combining Balance Sheet
June 30, 2016

	Capital Improvement Fund	FEMA Grant Fund	Totals
ASSETS			
Cash	$ 225,487	$ 41,400	$ 266,887
Investments	-	-	-
Due from others	-	-	-
Due from other funds	5,243	-	5,243
Due from other governments	-	1,123,226	1,123,226
Total Assets	$ 230,730	$ 1,164,626	$ 1,395,356
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities			
Accounts payable	$ 72,871	$ 1,500	$ 74,371
Due to other funds	-	1,294,553	1,294,553
Due to other governments	-	-	-
Total Liabilities	72,871	1,296,053	1,368,924
Deferred inflows of resources:			
Intergovernmental - grant	-	303,168	303,168
Fund Balance			
Assigned - Capital projects	157,859	-	157,859
Unassigned	-	(434,595)	(434,595)
Total Fund Balance	157,859	(434,595)	(276,736)
Total Liabilities and Fund Balance	$ 230,730	$ 1,164,626	$ 1,395,356

NEWTON COUNTY, GEORGIA
Capital Project Funds
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
For the Fiscal Year Ended June 30, 2016

	Capital Improvement Fund	FEMA Grant Fund	Totals
REVENUES			
Intergovernmental	$ -	$ 820,058	$ 820,058
Interest	1,118	-	1,118
Total Revenues	1,118	820,058	821,176
EXPENDITURES			
Capital outlay	577,692	1,416,434	1,994,126
Total Expenditures	577,692	1,416,434	1,994,126
Excess of revenues over (under) expenditures	(576,574)	(596,376)	(1,172,950)
Other financing uses:			
Transfers in	265,624	112,039	377,663
	265,624	112,039	377,663
Excess of revenues over (under) expenditures and other uses	(310,950)	(484,337)	(795,287)
Fund balance - beginning	468,809	49,742	518,551
Fund balance - ending	$ 157,859	$ (434,595)	$ (276,736)

NEWTON COUNTY, GEORGIA
Capital Improvement Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 225,487
Due from other funds	5,243
Total Assets	$ 230,730
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	$ 72,871
Total Liabilities	72,871
Fund Balance	
Assigned - Capital projects	157,859
Total Fund Balance	157,859
Total Liabilities and Fund Balance	$ 230,730

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Fiscal Year Ended June 30, 2016

	Project Budget	Current Year
REVENUES		
Intergovernmental	$ -	$ -
Interest	-	1,118
Total Revenues	-	1,118
EXPENDITURES		
Capital outlay	1,200,000	577,692
Total Expenditures	1,200,000	577,692
Excess of revenues (under) expenditures	(1,200,000)	(576,574)
Other financing sources (uses):		
Transfers in	1,200,000	265,624
Excess of revenues under expenditures and other financing sources (uses)	$ -	(310,950)
Fund balance - beginning		468,809
Fund balance - ending		$ 157,859

NEWTON COUNTY, GEORGIA
FEMA Grant
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ 41,400
Due from other governments	1,123,226
Total Assets	$ 1,164,626
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
Liabilities	
Accounts payable	$ 1,500
Due to other funds	1,294,553
Total Liabilities	1,296,053
Deferred inflows of resources:	
Intergovernmental - grant	303,168
Fund Balance	
Unassigned	(434,595)
Total Liabilities, Deferred Inflows and Fund Balance	$ 1,164,626

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Fiscal Year Ended June 30, 2016

	Project Budget	Prior Year	Current Year	Total To Date
REVENUES				
Intergovernmental	$ 5,817,039	$ 243,772	$ 820,058	$ 1,063,830
Total Revenues	5,817,039	243,772	820,058	1,063,830
EXPENDITURES				
Capital outlay	5,817,039	232,050	1,416,434	1,648,484
Total Expenditures	5,817,039	232,050	1,416,434	1,648,484
Other financing sources (uses):				
Transfers in	-	1,223,864	112,039	1,335,903
Transfers (out)	-	(600,000)	-	(600,000)
Total other financing sources (uses)	-	623,864	112,039	735,903
Excess of revenues and other sources over (under) expenditures and other use	$ -	$ 635,586	(484,337)	$ 151,249
Fund balance - beginning			49,742	
Fund balance - ending			$ (434,595)	

NEWTON COUNTY, GEORGIA
Debt Service Fund
Balance Sheet
June 30, 2016

ASSETS	
Cash	$ -
Due from other funds	156,244
Due from others	-
Due from other governments	102,178
Total assets	$ 258,422
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	$ -
Due to other funds	26,240
Total liabilities	26,240
Fund Balance:	
Assigned - Debt Service	232,182
Total liabilities and fund balances	$ 258,422

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental revenue	$ -	$ -	$ 44,813	$ 44,813
Interest income	-	-	927	927
Total Revenues	-	-	45,740	45,740
EXPENDITURES				
Economic development				
General governmental	-	124,204.00	120,293	3,911
Principal payments	1,500,000	1,500,000	588,666	911,334
Interest & fiscal charges	650,000	650,000	97,337	552,663
Total Expenditures	2,150,000	2,274,204	806,296	1,467,908
Excess of revenues over (under) expenditures	(2,150,000)	(2,274,204)	(760,556)	1,513,648
Other financing sources (uses):				
Proceeds from debt	-	-	6,400,000	6,400,000
Payment to refunding escrow agent			(7,265,378)	(7,265,378)
Transfers in	2,150,000	2,150,000	553,352	(1,596,648)
Transfers (out)	-	-	(1,553,936)	(1,553,936)
Total Other financing sources (uses)	2,150,000	2,150,000	(1,865,962)	(4,015,962)
Net change in fund balances	$ -	$ (124,204)	(2,626,518)	$ (2,502,314)
Fund balance - beginning			2,858,700	
Fund balance - ending			$ 232,182	

Nonmajor Business-type Funds

Enterprise Fund

Gaither's Plantation Enterprise Fund – Established to account for operation and maintenance as well as rental of histories Gaither's Plantation located in the county.

NEWTON COUNTY, GEORGIA
Nonmajor Enterprise Fund
Statement of Net Position
Proprietary Funds
June 30, 2016

	Gaither's Plantation Fund
ASSETS	
Current Assets	
Cash and cash equivalents	$ 17,560
Accounts receivable	3,300
Total current assets	20,860
Capital Assets,	
Being depreciated, net of depreciation	231,849
Net capital assets	231,849
Total noncurrent assets	231,849
Total assets	$ 252,709
LIABILITIES	
Current Liabilities	
Accounts payable	$ 280
Accrued expenses	646
Deposits	12,300
Total liabilities	13,226
Total liabilities	13,226
NET POSITION	
Net investment in capital assets	231,849
Unrestricted	7,634
Total net position	$ 239,483

NEWTON COUNTY, GEORGIA
Nonmajor Enterprise Fund
Statement of Revenues Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Gaither's Plantation Fund
REVENUES	
Rental income	$ 53,189
Miscellaneous income	7,698
Total operating revenues	60,887
EXPENSES	
Personal services	53,226
Purchased/Contracted services	16,433
Supplies	30,737
Depreciation & amortization	10,987
Total operating expenses	111,383
Operating income (loss)	(50,496)
Other Financing Sources (uses):	
Transfers in	108,698
Total other financing sources (uses)	108,698
Net income	58,202
Net position - beginning	181,281
Net position - ending	$ 239,483

NEWTON COUNTY, GEORGIA
Nonmajor Enterprise Fund
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Gaither's Plantation Fund
Cash flows from operating activities:	
Cash received from customers	$ 66,284
Cash payments for goods and services	(47,660)
Cash payments to employees	(52,580)
Net cash provided by (used for) operating activities	(33,956)
Cash flows from non-capital financing:	
Transfers in (out)	108,698
Net cash from non-capital financing activities	108,698
Cash flows from capital and related financing activities:	
Purchases of property, plant, and equipment	(57,474)
Net cash provided by (used in) capital and related financing activities	(57,474)
Net increase (decrease) in cash & cash equivalents	17,268
Cash & cash equivalents, beginning	292
Cash & cash equivalents, ending	$ 17,560
Cash flows from operating activities:	
Operating income (loss)	$ (50,496)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	10,988
Changes in operating assets and liabilities:	
Accounts receivable	(3,300)
Customer deposits	8,700
Accounts payable	152
Net cash provided by (used for) operating activities	$ (33,956)

Fiduciary Funds

NEWTON COUNTY, GEORGIA
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
TAX COMMISSIONER				
Assets				
Cash	$ 214,043	$ 96,698,157	$ 96,594,074	$ 318,126
Receivables	2,312,844	70,671,309	69,966,875	3,017,278
	$ 2,526,887	$ 167,369,466	$ 166,560,949	$ 3,335,404
Liabilities				
Due to other governments	$ -	$ 60,384,864	$ 60,384,864	$ -
Due to other funds	-	33,052,059	33,052,059	-
Due to others	2,526,887	1,858,569	1,050,052	3,335,404
	$ 2,526,887	$ 95,295,492	$ 94,486,975	$ 3,335,404
SHERIFF				
Assets				
Cash	$ 134,283	$ 1,230,204	$ 1,249,830	$ 114,657
Liabilities				
Due to others	$ 134,283	$ 1,230,204	$ 1,249,830	$ 114,657
CLERK OF SUPERIOR COURT				
Assets				
Cash	$ 924,840	$ 4,013,075	$ 4,445,654	$ 492,261
	$ 924,840	$ 4,013,075	$ 4,445,654	$ 492,261
Liabilities				
Due to others	$ 924,840	$ 4,013,075	$ 4,445,654	$ 492,261
	$ 924,840	$ 4,013,075	$ 4,445,654	$ 492,261
PROBATE COURT				
Assets				
Cash	$ 12,284	$ 1,210,672	$ 1,211,001	$ 11,955
	$ 12,284	$ 1,210,672	$ 1,211,001	$ 11,955
Liabilities				
Due to other funds	$ -	$ 1,028,405	$ 1,028,405	$ -
Due to other governments	-	181,934	181,934	-
Due to others	12,284	2	331	11,955
	$ 12,284	$ 1,210,341	$ 1,210,670	$ 11,955

NEWTON COUNTY, GEORGIA
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
MAGISTRATE COURT				
Assets				
Cash	$ 121,989	$ 902,990	$ 985,795	$ 39,184
	$ 121,989	$ 902,990	$ 985,795	$ 39,184
Liabilities				
Due to other funds	$ -	$ 206,685	$ 206,685	$ -
Due to other governments	-	119,893	119,893	-
Due to others	121,989	576,412	659,217	39,184
	$ 121,989	$ 902,990	$ 985,795	$ 39,184
JUVENILE COURT				
Assets				
Cash	$ (1,974)	$ 32,533	$ 31,819	$ (1,260)
	$ (1,974)	$ 32,533	$ 31,819	$ (1,260)
Liabilities				
Due to other funds	$ -	$ 19,980	$ 19,980	$ -
Due to others	(1,974)	13,394	12,680	(1,260)
	$ (1,974)	$ 33,374	$ 32,660	$ (1,260)
TOTALS				
Assets				
Cash	$ 1,405,465	$ 69,780,502	$ 70,211,044	$ 974,923
Receivables	2,312,844	70,671,309	69,966,875	3,017,278
	$ 3,718,309	$ 140,451,811	$ 140,177,919	$ 3,992,201
Liabilities				
Due to other funds	$ -	$ 34,307,129	$ 34,307,129	$ -
Due to other governments	-	60,686,691	60,686,691	-
Due to others	3,718,309	7,691,656	7,417,764	3,992,201
	$ 3,718,309	$ 102,685,476	$ 102,411,584	$ 3,992,201

COMPLIANCE SECTION

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

To the Honorable Commissioners of
Newton County, Georgia

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Newton County, Georgia, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Newton County, Georgia's basic financial statements and have issued our report thereon dated March 31, 2017. Our report includes a reference to other auditors who audited the financial statements of the Newton County Health Department, the Newton County Water and Sewer Authority and the Newton County Library System, as described in our report on Newton County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Newton County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Newton County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Newton County, Georgia's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies 2016-1 and 2016-2 described in the accompanying schedule of findings and questioned costs to be material weaknesses.

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. We consider the deficiency 2016-3 described in the accompanying schedule of findings and questioned costs to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Newton County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2014-3, 2016-4 and 2016-5.

Newton County, Georgia's Response to Findings

Newton County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Newton County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

We noted certain other matters that we reported to the management of Newton County, Georgia in a separate letter dated March 31, 2017.

Purpose of this Report

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

Madison, Georgia
March 31, 2017

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

To the Honorable Commissioners of
Newton County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Newton County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Newton County, Georgia's major federal programs for the year ended June 30, 2016. Newton County, Georgia's major federal 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Newton County, Georgia's major federal 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 program occurred. An audit includes examining, on a test basis, evidence about Newton County, Georgia'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 program. However, our audit does not provide a legal determination of Newton County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Newton County, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

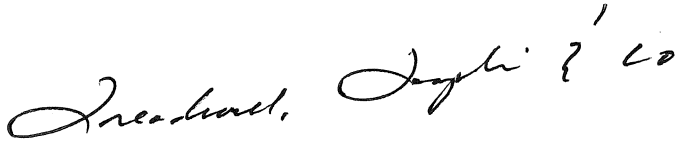
Report on Internal Control over Compliance

Management of Newton County, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Newton County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Newton County, Georgia'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 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 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 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Madison, Georgia
March 31, 2017

NEWTON COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2016

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor Number	Passed Through to Subrecipients	Expenditures
U.S. Dept. of Health and Human Services				
Aging Cluster				
Passed through:				
Northeast Georgia Regional Commission - provided to subrecipients				
Special Programs for the Aging Title III, Part B	93.044	SFY 2015	$ 15,105	$ 15,105
Special Programs for the Aging Title III, Part C	93.045	SFY 2015	87,779	87,779
Nutrition Services Incentive Program	93.053	SFY 2015	22,528	22,528
Total U.S. Dept. of Health and Human Services-Cluster			125,412	125,412
Direct:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	2016-14TI25929A		203,808
		2015-14TI25929A		86,353
				290,161
Passed through:				
Georgia Department of Human Resources - provided to subrecipients				
Community Services Block Grant	93.569	42700-0400000041853	95,987	95,897
Community Services Block Grant		42700-040-0000035399	19,829	19,829
			115,816	115,726
Georgia Department of Human Resources				
Promoting Safe and Stable Families	93.556	42700-040-16-065		26,508
		42700-040-15-004		7,406
				33,914
Social Services Block Grant	93.667	SFY16	6,721	6,721
Northeast Georgia Regional Commission - provided to subrecipients				
National Family Caregiver Support, Title III, Part E	93.052	SFY 2016	3,181	3,181
Viewpoint Health Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	2016-14TI25929A		122,230
		2015-14TI25929A		78,595
				200,825
Total Passed through U.S. Dept. of Health and Human Services			125,718	360,367
Total U.S. Dept. of Health and Human Services			251,130	775,940

NEWTON COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2016

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor Number	Passed Through to Subrecipients	Expenditures
U.S. Dept. of Housing and Urban Development				
Passed through:				
Georgia Department of Community Affairs				
Community Development Block Grant				
Neighborhood Stabilization Program	14.228	08-ns-5068		26,948
Total U.S. Dept. of Housing and Urban Development			$	$ 26,948
U.S. Dept. of Justice -				
Direct:				
Edward Byrne Grant Memorial Justice Assistance	16.738	2013-DJ-BX-0478		530
Criminal & Juvenile Justice & Mental Health Collaboration	16.745	2015-MO-BX-0021		68,256
Public Safety Partnership & Community Policing Grant				
Community Policing Grant	16.710	2012-UM-WX-0058		138,023
Drug Court Discretionary Grant Program	16.585	2014-DC-BX-0082		93,295
State Criminal Alien Assistance Program	16.606	2011-AP-BX-0151		145
		2014-AP-BX-0388		4,134
		2015-AP-BX-0686		5,341
				9,620
Body Worn Camera Policy & Implementa	16.835	2015-DE-BX-K042		4,536
Total Direct:				314,260
Passed through:				
Office of the Governor Criminal Justice Coordinating Council				
Juvenile Accountability	16.540	2011-JB-FX-4044 SubGrant # JJ-15-002		23,086
				-
Crime Victim Assistance	16.575	2013-VA-GX-0035		14,616
Drug Court Discretionary Grant Program	16.585	2014-JF-FX-0209		37,671
Total Passed Through:				75,373
Total U.S. Dept. of Justice				389,633

NEWTON COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2016

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Homeland Security				
Federal Emergency Management Agency				
Passed through Georgia Planning & Budget				
Emergency Management Performance G	97.042	OEM15-109		30,487
Passed through Georgia Emergency Management Agency				
Disaster Grants - Public Assistance	97.036	Disaster 4259		991,081
Hazard Mitigation Grant	97.039	HMPG-1793-38		21,000
Total U.S. Department of Homeland Security				1,042,568
Total Federal Assistance			$ 251,130	$ 2,235,089

NEWTON COUNTY, GEORGIA
Notes to Schedule of Expenditures of Federal Awards
June 30, 2016

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "schedule") includes the federal grant activity of the Newton County, Georgia under programs of the federal government for the year ended June 30, 2016. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance*). Because the schedule presents only a selected portion of the operations of Newton County, Georgia, it is not intended to and does not present the net position, changes in net position, or cash flows of Newton County, Georgia

Note B: Summary of Significant Accounting Policies
Expenditures reported on the schedule of expenditures of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB's Uniform Guidance (2 CFR Part 200, subpart E) and OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C: Subrecipients
Newton County, Georgia provided funding to subrecipients during the year ended June 30, 2016.

Note D: De Minimis Indirect Cost Rate
Newton County, Georgia did not use the ten percent de minimis indirect cost rate.

NEWTON COUNTY, GEORGIA
Schedule of Findings and Questioned Costs
June 30, 2016

Section II—Findings Related to the Audit of the Financial Statements

Material Weakness

2016-1

Condition:	An audit adjustment was required to record grant receivable and grant revenue in the FEMA Capital Project Fund. The County had correctly accrued the payable related to the grant but had failed to accrue the entire receivable amount.
Criteria:	In accordance with GASB-33, local governments should recognize grant revenue when eligibility requirements are met and when funds are available to pay current financial obligations. An asset (receivable) must be recorded by the recipient government when it has satisfied the revenue criteria.
Effect:	Grant revenue and grant receivable was understated in the FEMA Capital Project fund by a material amount.
Cause:	The finance staff was not aware of the revenue recognition criteria for reimbursement type grants.
Recommendation:	We recommend the County record a receivable when all eligibility requirements of the grant are satisfied. Grant revenue should be recognized when the available criteria is met.
Views of officials:	Management concurs with the finding and will implement the auditor's suggestion.

2016-2

Condition:	An audit adjustment was required to record the addition of capital assets and a lease payable to the balance sheet in the Solid Waste Fund.
Criteria:	Proprietary fund types are reported on the accrual basis of accounting. The Solid Waste Fund is a proprietary fund therefore, capital assets are reported on the balance sheet as an asset and long term obligations are reported as a liability on the balance sheet.
Effect:	Capital assets and liabilities were understated in the Solid Waste Fund.
Cause:	Lack of communication between management and finance.
Recommendation:	We recommend that the County record capital assets and long term liabilities in accordance with the accrual basis of accounting.
Views of officials:	Management concurs with the finding and will implement the auditor's suggestion.

Significant Deficiency

2016-3

Condition:	During our search for unrecorded liabilities, we noted several exceptions in our testing of the cutoff of expenditures. Invoices related to services performed prior to the year end date were not recorded as payables in the proper period. These expenditures related to construction and grant projects that were in progress at year end.
Criteria:	Proper cutoffs are critical for the accuracy of the financial statements. Expenditures should be recognized as soon as the liability is incurred, regardless of the timing of the related cash flows.
Effect:	Liabilities and expenditures were understated.
Cause:	The focus on accruals was on the date of the invoice rather than service provided date.
Recommendation:	We suggest that the County look at invoices more closely focusing on the date of services provided rather than the invoice date.
Views of officials:	Management concurs with the finding and will implement the auditor's suggestion.

Noncompliance

2014-3

Condition:	The Federal Audit Clearinghouse requires that all governments that are required to prepare a Single Audit to submit their annual audit to the Clearinghouse within nine months of the year end. The County did not submit their report within the required time.
Criteria:	Management is responsible for the financial statements, which includes assuring that all required deadlines are met.
Effect:	Governments not filing the audit timely with the Federal Audit Clearinghouse could become ineligible for federal grant funding.
Cause:	The County began using a new financial software program and experienced a reduction in staff. This delayed the preparation of the Single Audit reporting package.
Recommendation:	We recommend the County provide additional staffing for the finance department to allow them adequate resources to prepare for the annual financial audit and Single audit.
Views of officials:	Management concurs with the above finding, and is continuing to strive for additional assistance.

2016-4

Condition:	The County's legal level of control is the department level. The County had seven departments in the General Fund and three special revenue funds whose expenditures exceeded appropriations such that a material violation of the budget requirement was reported.
Criteria:	Georgia law requires that expenditures not exceed the amount approved in the budget at the County's legal level of control.
Effect:	The County did not comply with Georgia law requiring that expenditures not exceed budgeted amounts.
Cause:	The expenditures exceeded budget because the department heads approved the expenditure of funds that were not included in their budget without requesting a budget amendment from the Board of Commissioners before doing so.
Recommendation:	We recommend the Board of Commissioners monitor actual expenditures in comparison to the budget. We recommend management implement policies to ensure the budget is not overspent. Possible policies that management could implement include requesting budget amendments when it becomes clear that a department is likely to overspend its budget.
Views of officials:	Management concurs with the finding. Management has met with the affected departments and has come to an agreement that the budget to actual comparisons will be more closely monitored.

2016-5

Condition:	There is an interfund balance due from the Impact Fee Fund to the 2005 SPLOST Fund.
Criteria:	The Official Code of Georgia (OCGA) 48-8-121 requires that SPLOST proceeds be kept in a separate account from other funds of the County and shall not be commingled with other funds prior to their expenditure.
Effect:	Until the amount due to SPLOST is repaid from the Impact Fee Fund, the County is in violation of OCGA Section 48-8-121.
Cause:	The County collected Impact Fees and allocated these fees among the different projects called for in the County's Capital Improvement Plan. In anticipation of continued strong Impact Fee collections, the County decided to fund the building of a library in advance of Impact Fee collections allocated to this purpose. The financial collapse of 2008 caused the County's projections for Impact Fee collections to be too optimistic, so the advance funding of a library and a park resulted in the Impact Fee fund having insufficient funds to finance other projects. The County determined that some road projects should be funded with Impact Fee funds, and because the 2011 SPLOST also had funds allotted for road projects the County mistakenly believed that the SPLOST fund could advance the needed money to the Impact Fee fund.
Recommendation:	We recommend that the Impact Fee Fund repay the balance owed to the 2005 SPLOST Fund.
Views of officials:	Management concurs with the finding. Management has a repayment plan in place.

Section III—Findings and Questioned Costs - Major Federal Award Programs Audit
Compliance

There were no reported findings related to federal awards.

NEWTON COUNTY, GEORGIA
Summary Schedule of Prior Audit Findings
June 30, 2016

Findings Related to the Audit of the Financial Statements

Finding 2013-1:
Adjusting entries required to adjust year end balances
Corrective Action Taken:
Current Status: The County made progress as the number of year end adjusting entries decreased. There were similar findings noted in the 2016 audit.

Finding 2014-1:
Purchases not accompanied by a purchase order
Corrective Action Taken:
Current Status: While we noted instances of the purchase orders policy not being followed timely, the deficiency no longer meets the definition of a material weakness or significant deficiency.

Finding 06-3:
Lack of segregation of duties in the offices of certain constitutional officers
Corrective Action Taken:
Current Status: During our audit testing we noted that the structure of the offices and the design of the mitigating control would likely detect and correct a material misstatement. Therefore, the deficiency no longer meets the definition of a material weakness or significant deficiency.

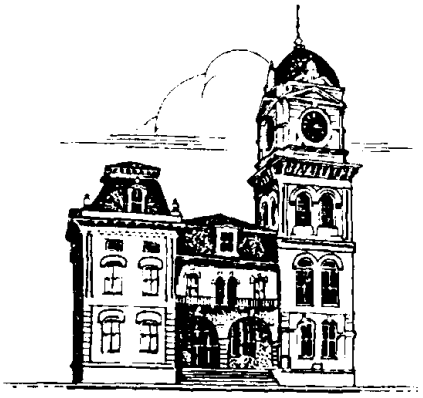
Finding 2014-2:
Annual audit not submitted by the deadline
Corrective Action Taken:
Current Status: Corrected

Finding 2014-3:
Single Audit not submitted to the Federal Audit Clearinghouse by the deadline
Corrective Action Taken:
Current status: The Single Audit reporting package for fiscal year end June 30, 2015 was due March 31, 2016. It was not submitted by the deadline but was submitted shortly thereafter. The Single Audit reporting package for fiscal year ending June 30, 2016 was submitted by the deadline.

Finding 2015-1:
Purchases from the Sheriff's special revenue fund not in compliance
Corrective Action Taken:
Current Status: Our audit testing noted no material instances of noncompliance.

Findings Related to the Audit of the Federal Awards

There were no reported findings related to federal awards in the prior year.



NEWTON COUNTY
BOARD OF COMMISSIONERS
ADMINISTRATIVE SERVICES
1113 USHER STREET, SUITE 204
COVINGTON GA 30014
TELEPHONE 678-625-1200
FAX 770-784-2088

March 31, 2017

Newton County, Georgia respectfully submits the following corrective action plan for the fiscal year ended June 30, 2016. The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FINACIAL STATEMENT AUDIT

2016-1

Recommendation: We recommend the county record a receivable when all eligibility requirements of the grant are satisfied. Grant revenue should be recognized when the available criteria is met.

Action Taken: The County agrees with the finding and the Finance Director is working with the Grants Coordinator to provide oversight and training to ensure all revenues are recognized at the time the grant requirements are met.

2016-2

Recommendation: We recommend that the County record capital assets and long term liabilities in accordance with the accrual basis of accounting.

Action Taken: The County agrees with the finding and the Finance Director has corrected the problem and is recording capital assets and long term liabilities in accordance with the accrual basis of accounting in proprietary funds.

2016-3

Recommendation: We suggest that the County look at invoices more closely focusing on the date of services provided rather than the invoice date.

Action Taken: The County agrees with the finding and the Finance Director will continue to provide training to accounts payable staff in order to ensure proper coding of invoices in the correct period.

2014-3

Recommendation: We recommend the County provide additional staffing for the finance department to allow then adequate resources to prepare for the annual financial audit and Single audit.

Action Taken: The County agrees with the finding and the Finance Director is working to adequately staff the department and expects to meet all future audit deadlines.

2016-4

Recommendation: We recommend the Board of Commissioners monitor actual expenditures in comparison to the budget. We recommend management implement policies to ensure the budget is not overspent. Possible policies that management could implement include requesting budget amendments when it becomes clear that a department is likely to overspend its budget.

Action Taken: The County agrees with the finding and the Finance Director is working on a policy to ensure departmental budgets are more closely monitored and has implemented a policy requiring a budget amendment be submitted in order to prevent a department from overspending.

2016-5

Recommendation: We recommend that the Impact Fee Fund repay the balance owed to the 2005 SPLOST Fund.

Action Taken: The County agrees with the finding and the County has implemented a plan in order to satisfy the balance owed between funds.

If there are any questions regarding this plan, please contact Nicole Cross at (678)625-1220.

Sincerely,

Nicole Cross

Nicole Cross
Finance Director

NEWTON COUNTY, GEORGIA
Schedule of Projects Constructed
With Special Sales Tax Proceeds
For the Fiscal Year Ended June 30, 2016

2011 SPLOST

Project	Original Estimated Cost	Other Estimated Funding Sources	Total Estimated Project Costs	Expenditures		
				Prior Years (As restated)	Current Year	Total
Transportation/Roads	$ 17,280,860	$ 104,370	$ 17,385,230	$ 7,190,562	$ 1,100,029	$ 8,290,591
Detention Center	3,000,000	-	3,000,000	2,196,387	539,293	2,735,680
Administrative Building	5,000,000	-	5,000,000	3,659,239	635,173	4,294,412
Judicial Expansion	7,000,000	-	7,000,000	421,142	218,083	639,225
Recreation:						
Parks & Facilities	1,000,000	35,485	1,035,485	267,543	584,020	851,563
Miracle Field ***	1,500,000	1,207,130	2,707,130	2,048,195	532,892	2,581,087
District 4 Recreation	500,000	-	500,000	90,547	265,199	355,746
District 4 Multi-Use	545,000	-	545,000	380,883	96,918	477,801
Cemetery Land	55,000	-	55,000	-	-	-
Animal Control Facility	100,000	-	100,000	-	1,805	1,805
Juvenile Court	500,000	-	500,000	259	-	259
Historic Jail	1,200,000	-	1,200,000	-	-	-
Agricultural Center	1,100,000	-	1,100,000	600	714	1,314
Fire Station #8	1,100,000	-	1,100,000	110	85	195
Emergency Room Expar	4,000,000	-	4,000,000	-	-	-
Landfill	500,000	-	500,000	-	50,001	50,001
Public Works	500,000	337,492	837,492	604,230	160,138	764,368
Fleet Replacement	2,500,000	1,250,000	3,750,000	2,561,904	928,945	3,490,849
Fire Services Equipment	100,000	-	100,000	-	14,191	14,191
City Projects-						
Oxford	1,233,050	-	1,233,050	922,057	229,506	1,151,563
Porterdale	830,000	-	830,000	620,450	154,434	774,884
Newborn	336,840	-	336,840	249,903	62,203	312,106
Covington	7,466,620	-	7,466,620	5,584,043	1,389,908	6,973,951
Mansfield	252,630	-	252,630	189,580	47,188	236,768
						$ 7,010,724

*** Miracle Field Other funding sources includes loan proceeds and contributions. Expenditures include both construction costs and loan principal repayments.

NEWTON COUNTY, GEORGIA
Schedule of Projects Constructed
With Special Sales Tax Proceeds
For the Fiscal Year Ended June 30, 2016

2005 SPLOST

Project	Original Estimated Cost	Other Estimated Funding Sources	Total Estimated Project Costs	Expenditures		
				Prior Years (As restated)	Current Year	Total
Roads	$ 20,000,000	$ 4,123,474	$ 24,123,474	$ 18,806,970	$ 1,307,623	$ 20,114,593
Mechanic shop	2,000,000	-	2,000,000	2,009,732	-	2,009,732
Landfill	3,700,000	-	3,700,000	3,580,452	-	3,580,452
Civic Center	5,000,000	-	5,000,000	-	5,000,000	5,000,000
Radio Communication	6,000,000	-	6,000,000	6,459,296	-	6,459,296
Data Communication	1,625,000	-	1,625,000	1,636,159	-	1,636,159
Detention Center	3,600,000	-	3,600,000	3,329,415	-	3,329,415
County Office Complex	5,000,000	13,200,000	18,200,000	13,541,543	-	13,541,543
Community Building	500,000	-	500,000	559,303	-	559,303
Judicial Center Parking	265,000	-	265,000	300,843	-	300,843
Cousins Gym	500,000	-	500,000	476,810	-	476,810
Historic Jail	500,000	-	500,000	476,094	-	476,094
Land Acquisition	1,000,000	-	1,000,000	1,264,089	-	1,264,089
City Projects-						
Oxford	605,168	-	605,168	605,168	-	605,168
Porterdale	909,736	-	909,736	909,736	-	909,736
Newborn	166,325	-	166,325	166,325	-	166,325
Covington	3,693,385	-	3,693,385	3,693,385	-	3,693,385
Mansfield	125,384	-	125,384	125,384	-	125,384
Administration	3,610,002	-	3,610,002	3,037,606	-	3,037,606
					$ 6,307,623	

NEWTON COUNTY, GEORGIA
Schedule of State Contractual Assistance
For the Fiscal Year Ended June 30, 2016

Program Title	Contract Number	Receipt Recognized Fiscal Year	Expend-itures	Amount Due to/from State
Community Services Block Grant				
Contract for FY Oct 15-Sept 16	42700-040-000004185	$ 95,897	$ 95,897	$ -
Contract for FY Oct 14-Sept 15	42700-040-0000035399	20,189	19,829	360
Total State Assistance		$ 116,086	$ 115,726	$ 360