# Annual Comprehensive Financial Report



Newton County, Georgia

Fiscal Year Ended

June 30th, 2022

# NEWTON COUNTY, GEORGIA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

## FOR THE FISCAL YEAR ENDED
## JUNE 30, 2022

**Prepared By:**
**Finance Department**

# INTRODUCTORY SECTION

# NEWTON COUNTY, GEORGIA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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# NEWTON COUNTY, GEORGIA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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NEWTON COUNTY

# Board of Commissioners

Marcello Banes
Chairman

Stan Edwards
District 1

Demond Mason
District 2

Alana Sanders
District 3

J.C. Henderson
District 4

Ronnie Cowan
District 5

Jarvis Sims
Interim County Manager

Jackie Smith
County Clerk

December 29, 2022

To the Honorable Chairman, Distinguished Members of the Board of Commissioners,
and the Citizens of Newton County, Georgia:

We are honored to present Newton County, Georgia's (the "County") Annual Comprehensive Financial Report ("ACFR"). The report is as of June 30, 2022. Responsibility for both the accuracy of the data and the presentation, including all disclosures, rests with the management of the County. To provide a reasonable basis for making these representations, the County has established a comprehensive internal control framework that is designed both to protect the government's assets form loss, theft, or misuse and to complete sufficient reliable information for the preparation of the County's financial statements in accordance with generally accepted accounting principles ("GAAP"). Because the cost of internal controls should not outweigh their benefits, the objective is to present reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds, account groups and component units of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities has been included.

The County's financial statements have been audited by Mauldin & Jenkins, Certified Public Accountants, LLC. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. Our auditors have issued an unmodified opinion of the County's financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of the report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and

compliance with legal requirements; with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in a separate Single Audit report.

The Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

***Profile of the Government***

Newton County was created in 1821 from parts of Henry, Jasper, and Walton Counties. Georgia's 53rd county was renamed for Revolutionary War hero, John Newton. There are six cities located either partially or entirely within the County: Mansfield, Newborn, Oxford, Porterdale, Social Circle, and Covington, the County Seat. Newton County, Georgia is located on the I-20 corridor, approximately 40 miles southeast of Atlanta and has a land area of 276.4 square miles and serves a population of approximately 115,355.

The governing authority of Newton County is a Board of Commissioners consisting of five members elected by each district and a Chairman elected at large. The commissioners serve on a part-time basis and are elected to staggered terms of four years. The commissioners are responsible, among other things, for passing ordinances, adopting the budget, establishing tax rates, appointing committees, appointing the County's Attorney and Clerk, and hiring the County's Manager. The County Manager is responsible for the administration of all the affairs of the County over which he has jurisdiction, including hiring heads of various departments.

The County provides a full range of services, including law enforcement and a detention facility; fire protection in incorporated and unincorporated areas; construction and maintenance of buildings, parks, streets, highways, bridges, and other associated infrastructure; voter registration and election; court systems; tax assessment and tax collection; planning, zoning and development; building inspections; geographic information system ("GIS"); Cornish Creek Reservoir water system; solid waste management and recycling; animal control; emergency management; parks and recreational activities; 911 emergency communications; and general administrative and support services.

This report includes all funds of the County as well as those component units that have been determined to meet the criteria for inclusion in the County's reporting entity. Newton County Water and Sewerage Authority, Newton County Board of Health, Newton County Industrial Development Authority, and Newton County Library System, are all included as an integral part of Newton County's financial statements. Additional information on all four of these legally separate entities can be found in the Notes to Financial Statements.

The annual budget serves as the foundation for the County's financial planning and control. All departments and agencies of the County are required to submit requests for appropriation to the Finance Director and County Manager in February each year. These requests are then used as the starting point for developing a proposed budget. The Finance Director and County Manager then work in collaboration with the Chairman to finalize the proposed budget by April. The County Manager will then present the proposed budget to the Board of Commissioners for review during the month of May. The Board of Commissioners are required to hold public hearings on the proposed budget and to adopt a final budget by June 30th each year. The budget is prepared by fund, function, and department.

Department heads may transfer resources within a department as they see fit. Transfers between departments, however, need special approval by the Board of Commissioners.

Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the Basic Financial Statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

***Local economy***

Newton County is one of 159 counties in Georgia, and is part of the Atlanta-Sandy Springs-Marietta, GA Metropolitan Statistical Area ("MSA"). The County is strategically located along the I-20 corridor just 40 miles southeast of Atlanta. This proximity to the Atlanta metropolitan area saw the County listed as one of the fastest growing communities in Georgia as well as the nation in recent years.

The County was not immune to the multi-year economic downturn (from 2008 thru 2013 primarily). Property values during this recession saw a 37% decrease. The County has experienced a slow, but steadily improving, economic recovery from this recession. The County is seeing renewed interest in development as the growth rate has increased 6% over the past seven years.

In 2008, leaders within the Newton County Commission, the City of Covington, the Newton County Board of Education, the Newton County Water and Sewage Authority and the municipalities of Oxford and Porterdale identified economic development as one of their most important issues. The comprehensive approach to growing the County economy uses a model that is sustainable, uses traditional and non-traditional approaches and preserves the natural resources. There are two major sites on the County's east side, The Historic Heartland Megasite near Social Circle, and the sprawling Stanton Springs site, represent the best locations for development in the state. The largest industrial development revenue bond in the history of the State of Georgia was issued for the development of the $42 billion Facebook data center in Stanton Springs. Along with two existing sites, a sister site to Stanton Springs called Station Grove has been secured and brings an additional 300+ acres for manufacturing development. The State of Georgia recently recognized Newton County Economic Development and the Joint Development Authority again with the "Deal of the Year" award for Facebook (Meta). Interest in the County as a major manufacturing and biotechnical industry site continues to grow as Takeda Pharmaceutical and Facebook (Meta) expand their footprint and presence. Recently, Rivian, an electric truck manufacturer, will be the newest industry to Stanton Springs. They will bring 7,500 jobs and $5 billion of investments.

***Long Term Financial Planning and Major Initiatives***

The County will continue to focus on maintaining existing infrastructure, retaining and attracting business while managing fiscal resources responsibly so that all citizens can maintain the quality of life enjoyed in the County. Major initiatives include increasing water production to 35 million gallons per day, constructing a new fire station, expansion of the E-911 communication system, improving our local parks, and supporting all five strategies of the 2019-2022 Strategic Plan.

Increased emphasis is being placed on building our fund balances while practicing good stewardship of public funds. Efficient and effective utilization of finite resources is forcing accountability at all levels and resulting in streamlining of processes and procedures.

### *Internal Controls*

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting control. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1)the safeguarding of assets against loss from unauthorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: 1) the cost of control should not exceed the benefits likely to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

### *Cash Management Policies and Practices*

The County has contracted with Synovus to provide banking services. The County's policy is to minimize risk, maintain a competitive yield, and keep investments in local banks whenever possible. All operating funds of the County are carried in interest-bearing Public Funds Interest Checking Accounts. The County also participates in Georgia Fund 1, a state local government investment pool, which is managed by the Office of Treasury and Fiscal Services. To eliminate credit and market risks, all deposits of the County are insured by federal depository insurance or collateralized at 110% of market value. The County maintains an Aa2 credit rating from Moody's Investor Services.

### *Acknowledgements*

The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the dedication of the staff in the Finance Department of the County and without the professional guidance and assistance of Mauldin & Jenkins CPAs, LLC. We wish to thank all County departments for their cooperation and their willingness to provide the data necessary to prepare this report. Finally, we would like to thank the Board of Commissioners for their unfailing support and leadership in maintaining the highest standards of professionalism in management of Newton County's finances.

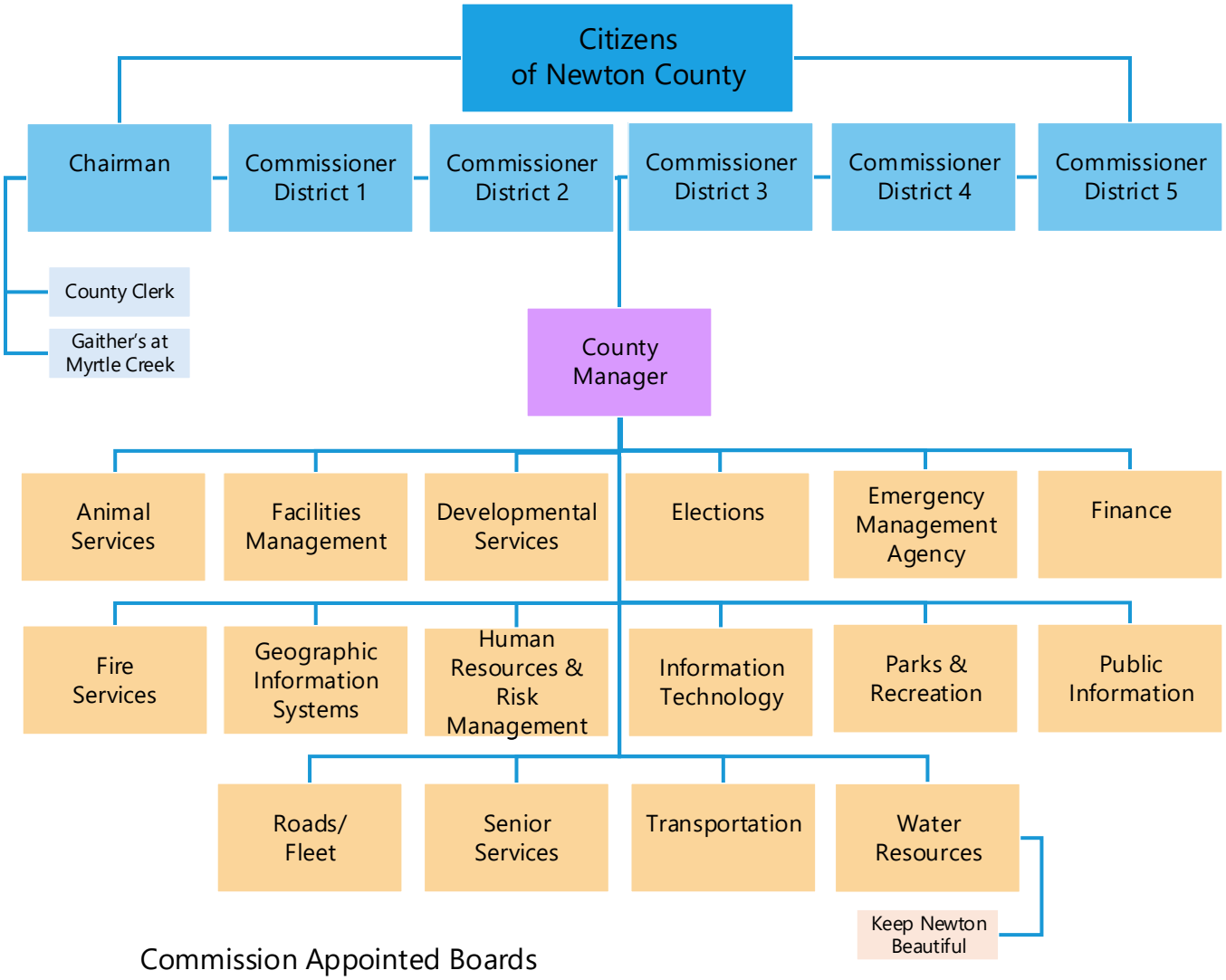
Respectfully submitted,



Brittany White
Finance Director



Jarvis Sims
Interim County Manager




## Commission Appointed Boards

- Planning Commission
- Board of Zoning Appeals
- Solid Waste Authority
  - Landfill
  - Recyclables
- Board of the Tax Assessor

## State Designated Board/Office

- Board of Elections
- Office of the Public Defender

## Judicial/Constitutional Offices

- Clerk of Courts
- Coroner
- Office of the District Attorney
- Magistrate Court
- Probate Court
- Office of the Sheriff
- Superior Court
  - Drug Court
  - Juvenile Court
  - Resource Court
  - Veterans Court
- Office of the Tax Commissioner

**NEWTON COUNTY, GEORGIA**

**ORGANIZATIONAL CHART**
**JUNE 30, 2022**

# NEWTON COUNTY, GEORGIA

## LIST OF PRINCIPAL OFFICIALS
## JUNE 30, 2022

### ELECTED OFFICIALS

| | |
|---|---|
| **Chairman** | **Marcello Banes** |
| **District 1** | **Stan Edwards** |
| **District 2** | **Demond Mason** |
| **District 3** | **Alana Sanders** |
| **District 4** | **J.C. Henderson** |
| **District 5** | **Ronnie Cowan** |
| | |
| **Tax Commissioner** | **Marcus Jordan** |
| **Sheriff** | **Ezell Brown** |
| **Clerk of Superior Court** | **Linda Hays** |
| **Superior Court Judge** | **John M. Ott** |
| **Superior Court Judge** | **Layla H. Zon** |
| **Superior Court Judge** | **W. Kendall Wynne, Jr.** |
| **Superior Court Judge** | **Cheveda D. McCamy** |
| **Superior Court Judge** | **Jeffrey L. Foster** |
| **Probate Court Judge** | **Melanie Bell** |
| **Magistrate Court Judge** | **Melanie Bell** |
| **District Attorney** | **Randy McGinley** |
| **Coroner** | **Tommy Davis** |

### PRINCIPAL OFFICIALS

| | |
|---|---|
| **County Manager** | **Jarvis Sims** |
| **County Clerk** | **Jackie Smith** |
| **County Attorney** | **Jarrard & Davis, LLP** |

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Newton County**
**Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

# FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

# INDEPENDENT AUDITOR'S REPORT

**To the Board of Commissioners**
**of Newton County, Georgia**
**Covington, Georgia**

**Report on the Audit of the Financial Statements**

***Opinions***

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** (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund and the American Rescue Plan Act ("ARPA") for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Newton County Health Department and the Newton County Library System, which represent 4.67%, 4.62%, and 12.10%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2022, and the respective changes in financial position for the year then ended. We also did not audit the financial statements of the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County, a joint venture for which the County has an equity interest recorded in the amount of $20,542,716 as of June 30, 2022 that was determined based on those financial statements. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Newton County Health Department, the Newton County Library System, and related to the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County, are based solely on the report of the other auditors.

***Basis for Opinions***

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, as listed in the table of contents, the Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards*, and the Schedules of Expenditures of Special Purpose Local Option Sales Tax Proceeds as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the combining and individual fund statements and schedules, the Schedule of Expenditures of Federal Awards, and the Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2022 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 29, 2022

# NEWTON COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS
## FOR THE YEAR ENDED JUNE 30, 2022

Our Management's Discussion and Analysis ("MD&A") of Newton County, Georgia's (the "County") financial performance provides a narrative overview of the County's financial activities for the fiscal year that ended June 30, 2022. The analysis provides summary financial information for the County as a whole and should be read in conjunction with the County's financial statements to fully understand the County's performance. We encourage readers to consider the information presented here in conjunction with the financial statements and accompanying notes to the financial statements.

### FINANCIAL HIGHLIGHTS

- The County's primary government assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by $329,215,421 (net position) at the close of the year, June 30, 2022. Of this amount, $283,039,150 is governmental activities and $46,176,271 is business-type activities.
- The County's total net position increased by $37,857,213 from governmental activities and $4,434,408 from business-type activities.
- At June 30, 2022, the combined revenue total for the County is $155,293,753, a 6.4% increase from 2021. Of the combined, total governmental activities is $139,564,810 and business-type activities is $15,728,943.
- At June 30, 2022, the combined expense total for the County is $113,002,132, a 5.57% increase from 2021. Of the combined, total governmental activities is $100,552,629 and business-type activities is $12,449,503.
- As of the close of June 30, 2022, the County's governmental funds reported a combined ending fund balance of $98,700,149, an increase of $13,087,389 from 2021. Most of this increase (90%) occurred in the general fund.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $51,462,106, or 51.2% of general fund expenditures.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of County's finances in a manner similar to private-sector businesses. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. A review of annual increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving (an increase) or deteriorating (a decrease). The statement of activities presents the revenues and expenses of the County. The difference between these is the change in net position for the year.

Both of the government-wide financial statements identify the various functions of the County that are principally supported by taxes and other intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of the County are the Water Fund, Solid Waste Fund and the Gaither's Fund.

The government-wide financial statements include not only Newton County, Georgia itself (known as the primary government), but also the Newton County Water and Sewerage Authority, Newton County Board of Health, Newton County Industrial Development Authority, and Newton County Library System. These are legally separate entities that are component units of the County due to the significance of their operational or financial relationships with the County. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 23 – 26 of this report.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into four categories: governmental, proprietary, internal service, and fiduciary.

**Governmental Funds**

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

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

At June 30, 2022, the County maintains 24 governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Impact Fee Fund, 2017 Special Purpose Local Option Sales Tax ("SPLOST") Fund, American Rescue Plan Act ("ARPA") Fund, Capital Improvement Fund, and FEMA Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts annual appropriated budgets for the General Fund, Special Revenue Funds, Debt Service Fund, and Proprietary Funds. Project length budgets were adopted for all Capital Projects Funds.

The basic governmental fund financial statements can be found on pages 27 – 32.

**Proprietary Funds**

The County maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County maintains three enterprise funds: The Water Fund, Solid Waste Fund and Gaither's at Myrtle Creek Fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an Internal Service Fund to account for the self-insured workers' compensation programs. The workers' compensation program is administered through the Association of County Commissioners of Georgia ("ACCG"). The revenue sources for these funds are made through transfers from the General Fund.

The basic proprietary fund financial statements can be found on pages 33 – 37 of this report.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The County maintains six fiduciary funds called custodial funds for the Tax Commissioner, Clerk of Court, Probate Court, Magistrate Court, Sheriff, and Juvenile Court.

The basic fiduciary fund statement of fiduciary assets and liabilities can be found on pages 38 and 39 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 40 – 87 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the County's pension plans on pages 88 – 90. Combining and individual fund statements and schedules can be found on pages 91 – 104, and Schedules of Projects Constructed with SPLOST can be found on pages 105 and 106 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $329,215,421 at the close of the most recent fiscal year. This is an increase of $42,291,621, or 14.7% from fiscal year 2021.

The following analysis provides a breakdown of the County's net position in a condensed format presenting current and non-current amounts for the governmental activities as well as for the business-type activities.

**Newton County's Net Position**

| | Governmental Activities | | Business-type Activities | | Total | | |
|---|---|---|---|---|---|---|---|
| | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **Variance** |
| Current and other assets | **$ 173,795,715** | $ 130,669,069 | **$ 37,041,475** | $ 33,476,525 | **$ 210,837,190** | $ 164,145,594 | $ 46,691,596 |
| Capital assets | **162,764,779** | 163,297,621 | **75,840,938** | 63,079,633 | **238,605,717** | 226,377,254 | 12,228,463 |
| Total assets | **336,560,494** | 293,966,690 | **112,882,413** | 96,556,158 | **449,442,907** | 390,522,848 | 58,920,059 |
| Deferred outflows of resources | **133,242** | 133,242 | **393,661** | 590,492 | **526,903** | 723,734 | (196,831) |
| Current liabilities | **28,469,481** | 18,508,169 | **2,618,496** | 3,435,886 | **31,087,977** | 21,944,055 | 9,143,922 |
| Long-term liabilities | **25,808,833** | 30,154,876 | **64,415,043** | 51,916,028 | **90,223,876** | 82,070,904 | 8,152,972 |
| Total liabilities | **54,278,314** | 48,663,045 | **67,033,539** | 55,351,914 | **121,311,853** | 104,014,959 | 17,296,894 |
| Deferred inflows of resources | **401,935** | 254,950 | **74,511** | 52,873 | **476,446** | 307,823 | 168,623 |
| Net position: | | | | | | | |
| Net investment in capital assets | **140,862,254** | 150,264,572 | **29,823,976** | 28,316,224 | **170,686,230** | 178,580,796 | (7,894,566) |
| Restricted | **52,587,086** | 36,555,112 | **2,181,254** | 2,160,572 | **54,768,340** | 38,715,684 | 16,052,656 |
| Unrestricted | **88,579,792** | 58,362,253 | **14,162,794** | 11,265,067 | **102,742,586** | 69,627,320 | 33,115,266 |
| Total net position | **$ 282,029,132** | $ 245,181,937 | **$ 46,168,024** | $ 41,741,863 | **$ 328,197,156** | $ 286,923,800 | $ 41,273,356 |

The largest component of the County's net position, $179,584,113 (55%) at June 30, 2022, reflects its investments in capital assets (e.g. land, buildings, machinery and equipment, and roads), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are not planned to be used to liquidate those liabilities.

The next component of the County's net position consists of restricted net position, $46,117,045 (14%), which represents resources that are subject to external restrictions on how they may be used. The final component is unrestricted net position, $103,514,263 (31%), which may be used to meet the County's ongoing obligations to citizens and creditors.

## Changes in Net Position

During fiscal year 2022, the County's, on an entity-wide basis, net position increased $42,291,621. The following table gives a comparison for the changes in net position in governmental and business type activities for fiscal years 2021 and 2022.

**Newton County's Changes in Net Position**

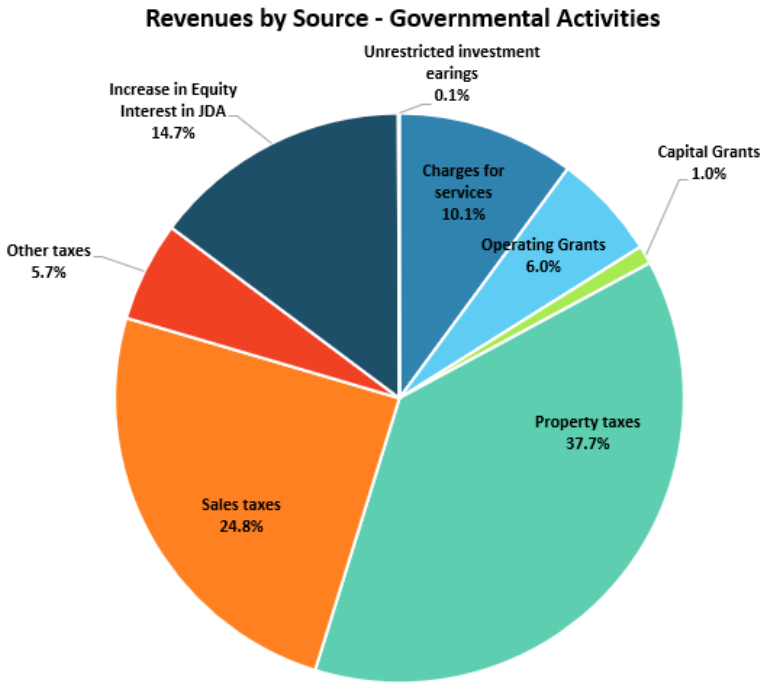
| | Governmental Activities | | Business-type Activities | | Total | | Variance |
|---|---|---|---|---|---|---|---|
| | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 | **Pos. (Neg.)** |
| **Program revenues:** | | | | | | | |
| Charges for services | **$ 14,074,205** | $ 13,070,604 | **$ 15,702,918** | $ 16,717,812 | **$ 29,777,123** | $ 29,788,416 | $ (11,293) |
| Grants and contributions: | | | | | | | |
| Operating | **8,379,282** | 15,612,281 | **-** | - | **8,379,282** | 15,612,281 | (7,232,999) |
| Capital | **1,453,890** | 734,728 | **-** | - | **1,453,890** | 734,728 | 719,162 |
| **General revenues:** | | | | | | | |
| Property taxes | **52,557,110** | 50,617,784 | **-** | - | **52,557,110** | 50,617,784 | 1,939,326 |
| Sales taxes | **34,547,379** | 30,930,813 | **-** | - | **34,547,379** | 30,930,813 | 3,616,566 |
| Other taxes | **7,914,564** | 7,699,153 | **-** | - | **7,914,564** | 7,699,153 | 215,411 |
| Increase in equity interest in JDA | **20,542,716** | 10,524,973 | **-** | - | **20,542,716** | 10,524,973 | 10,017,743 |
| Unrestricted investment earnings | **94,539** | 32,415 | **17,778** | 14,615 | **112,317** | 47,030 | 65,287 |
| Total revenues | **139,563,685** | 129,222,751 | **15,720,696** | 16,732,427 | **155,284,381** | 145,955,178 | 9,329,203 |
| **Expenses, by function:** | | | | | | | |
| General government | **18,062,875** | 12,634,319 | **-** | - | **18,062,875** | 12,634,319 | 5,428,556 |
| Judicial | **8,195,218** | 7,694,811 | **-** | - | **8,195,218** | 7,694,811 | 500,407 |
| Public safety | **47,381,511** | 45,242,442 | **-** | - | **47,381,511** | 45,242,442 | 2,139,069 |
| Public works | **21,349,481** | 22,763,198 | **-** | - | **21,349,481** | 22,763,198 | (1,413,717) |
| Health and welfare | **1,819,239** | 2,214,025 | **-** | - | **1,819,239** | 2,214,025 | (394,786) |
| Culture and recreation | **1,532,863** | 1,625,228 | **-** | - | **1,532,863** | 1,625,228 | (92,365) |
| Housing and development | **1,643,434** | 1,559,117 | **-** | - | **1,643,434** | 1,559,117 | 84,317 |
| Interest on long-term debt | **567,563** | 805,086 | **-** | - | **567,563** | 805,086 | (237,523) |
| Water | **-** | - | **6,790,258** | 6,669,960 | **6,790,258** | 6,669,960 | 120,298 |
| Solid Waste | **-** | - | **5,467,539** | 5,584,035 | **5,467,539** | 5,584,035 | (116,496) |
| Gaither's Plantation | **-** | - | **191,706** | 250,895 | **191,706** | 250,895 | (59,189) |
| Total expenses | **100,552,184** | 94,538,226 | **12,449,503** | 12,504,890 | **113,001,687** | 107,043,116 | 5,958,571 |
| Change in net position before transfers and gain on disposal | **39,011,501** | 34,684,525 | **3,271,193** | 4,227,537 | **42,282,694** | 38,912,062 | 3,370,632 |
| Transfers | **(1,154,968)** | (1,233,794) | **1,154,968** | 1,233,794 | **-** | - | - |
| Gain on disposal | **-** | - | **-** | - | **-** | - | - |
| **Increase in net position** | **37,856,533** | 33,450,731 | **4,426,161** | 5,461,331 | **42,282,694** | 38,912,062 | 3,370,632 |
| Net position, beginning of year | **245,181,937** | 211,731,206 | **41,741,863** | 36,280,532 | **286,923,800** | 248,011,738 | 38,912,062 |
| Net position, end of year | **$ 283,038,470** | $ 245,181,937 | **$ 46,168,024** | $ 41,741,863 | **$ 329,206,494** | $ 286,923,800 | $ 42,282,694 |

**Governmental Activities**

Governmental activities increased the County's net position by $37,857,213.

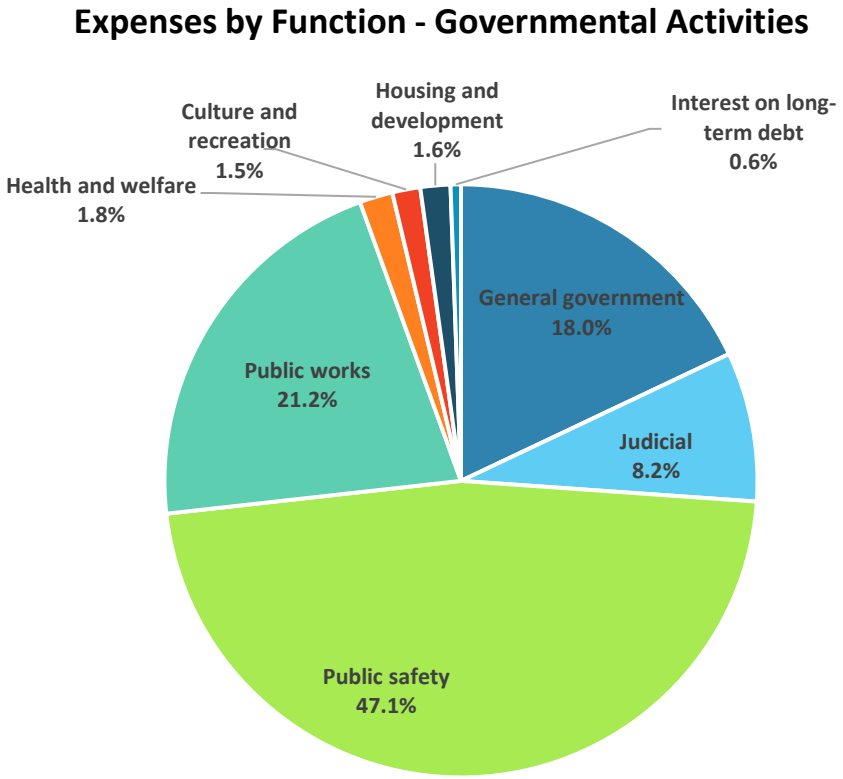
- The County reported $139,564,810 of governmental revenues in fiscal year 2022. This represents an increase of $10,342,059 (8%) from the prior year.
- The County's governmental activities relied on the following revenue sources in 2022: $95,019,053 in taxes, $14,074,205 in charges for services, $9,833,172 for grants and contributions, $20,542,716 in the increase in equity interest in the Joint Development Authority ("JDA"), and $95,664 in investment earnings.
- Property tax totaling $52,557,110 is the largest revenue source for the County. Property tax revenue increased $1,939,326 (3.8%) during the year. Most of this increase is due to the increase of the value of real property.

The chart below illustrates the distribution of revenues for governmental activities.



- Expenses for programs related to governmental activities totaled $100,552,629. This represents an increase of $6,014,403 (5.6%) from 2021.
- Expenses incurred for Public Safety, which includes the Sheriff's Department, Detention Center, Fire Services, Coroner, E-911, Animal Services, and Emergency Management Agency ("EMA") made up $47,381,511, or about 47% of the total.
- The largest increase was $5,428,556 in general government primarily related to the County implementing ARPA eligible projects.

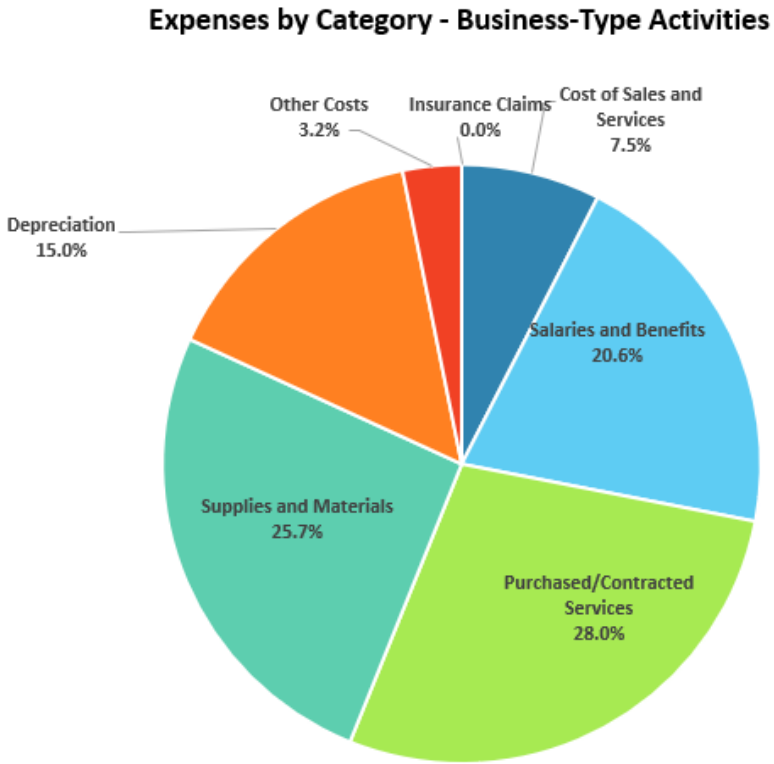
The chart below illustrates the distribution of expenditures for governmental activities.



**Business-type activities**

Business-type activities increased the County's net position by $4,434,408 in fiscal year 2022. Business-type activities are comprised of: Water Resources, Solid Waste, and Gaither's at Myrtle Creek and Factory Shoals. Highlights that contributed to the increase are listed below:

- Solid Waste has seen a decrease in operating revenues of $1,073,373 from 2021. This was primarily due to Solid Waste receiving $1,520,950 from the state Hazardous Waste Trust Fund in 2021 and they only received $67,334 in 2022.
- The Water Fund has an operating income of $3,301,766 in 2022. The Water Fund is continuing to build reserves for future debt payments from the Georgia Environmental Finance Authority ("GEFA") loans for the rehab at both Alcovy Road and Williams Street plants.
- The Gaither's at Myrtle Creek and Factory Shoals fund has seen a decrease of $167,418 in operating revenues from 2021 due to the decrease in filming production during the pandemic.



## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the County's governmental funds is to provide information on near-term inflows and outflows of spendable resources. Such information is useful in evaluating a government's near-term financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2022, the County's governmental funds reported a combined fund balance of $98,700,149 which is an increase from the prior year's total of $13,087,389. Below you will find more information on each of the County's major governmental funds.

**Major Funds:**

**General Fund**

The General Fund is the chief operating fund of the County**.** At the end of the current fiscal year, the unassigned fund balance was $51,462,106 which was an increase of $11,773,074 (30%) from 2021. Revenues from taxes make up a bulk of the General Fund revenues at 86.3%. We have also been placing an emphasis on building fund balance reserves by encouraging departments cut all non-critical spending which provided additional savings. The County continued to see growth in revenue through the pandemic. There was an increase seen in 1% Local Option Sales Tax ("LOST") by 9% and motor vehicle tax collections by 4% from 2021. These two large increases led to the General Fund total revenues coming in 10% higher than originally budgeted. The General Fund expenditures came in $5,210,057 (7%) less than the original budget amount in 2022. A large part of the budget savings came from vacant positions. The County has experienced issues attracting and keeping personnel just as others have in both the public and private sectors.

**Impact Fee Fund**

The Impact Fee fund accounts for all Impact Fee funds collected by the County that are used for certain approved projects under the Impact Fee Plan. The Impact Fee Fund balance at the end of fiscal year 2022 was $4,512,994, an increase of $1,118,823 from the prior year. This increase is due to impact fee collections being higher than the current costs of the planned projects.

**2017 Special Purpose Local Option Sales Tax ("SPLOST") Capital Projects Fund**

The 2017 SPLOST Capital Projects Fund accounts for the financial resources provided from the 2017 1% SPLOST Referendum. These resources must be used for capital projects and road improvements throughout the County. At the end of the 2022 fiscal year, the 2017 SPLOST Capital Projects Fund had a total fund balance of $38,082,619. The collection of the 2017 SPLOST monies began in July 2018. The 2017 SPLOST Capital Projects Fund had an increase in fund balance of $5,408,636. A few projects funded by SPLOST that were completed in 2022 are improvements to several County recreation facilities, an expansion at Washington Street Community Center, improvements to Nelson Heights Community Center, as well as many roads were paved and County fleet vehicles were replaced.

**American Rescue Plan ("ARPA") Fund**

The ARPA Fund represents the distribution from the federal government's American Rescue Plan Act. In fiscal year 2022, the County received the second tranche payment of $10,852,481. The same amount was received in fiscal year 2021. In 2022, the County completed several ARPA eligible projects that included premium pay for essential County workers, broadband expansion for rural areas within the County, youth engagement, non-profit assistance, and homeowner assistance for those impacted by the pandemic.

**Capital Improvement Fund**

The Capital Improvement Fund accounts for the amounts that are used for various specific capital projects of the County. At the end of the 2022 fiscal year, the Capital Improvement Fund had a total fund balance of $3,459,179, a decrease of $2,313,575 from the prior year. This decrease was due to the County completing projects that were budgeted for in prior years. Some of these capital projects include Sheriff vehicles, recreation projects, fire station renovations, and animal services surgery suite.

**Federal Emergency Management Association ("FEMA") Fund**

The FEMA Fund accounts for federal grant monies received from the Federal Emergency Management Association. The FEMA fund is showing a negative fund balance of $3,719,838. The County is currently in the close out stages with FEMA from flooding that occurred from December 2015 - January 2016 and received reimbursement for the deficit in fiscal year 2023.

## FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

The County's Proprietary Fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The County has three enterprise funds; the Water Fund, Solid Waste Fund, and Gaither's and Factory Shoals Fund. At the end of the current fiscal year, the County's proprietary funds reported ending net position of $46,176,271, an increase of $3,301,766 in the Water Fund, an increase of $1,018,347 in the Solid Waste Fund, and an increase of $114,295 in the Gaither's and Factory Shoals Fund. Factors affecting the financial position of the Proprietary Funds are addressed in the discussion of the County's business type activities.

### Water Fund

The County is a "wholesale water" producer and is the sole provider of water to the other public water systems within the County. The County maintains intergovernmental agreements for the sale of water to the five local municipalities and the Newton County Water and Sewerage Authority. The County also provides "out of county" water sales to Walton County, Jasper County, and Alcovy Shores (a private water system). The County currently operates two water treatment facilities.

The Water Fund accounts for "wholesale" water which was sold to the previously detailed water retailers. Total revenue is reported at $10,084,375 with total expenses at $6,254,601, resulting in operating income of $3,301,766 for fiscal year 2022. Net income produced by the Cornish Creek Water Fund will be used for future debt service and for the replacement and expansion of the County's drinking water production system. Expansion of the Cornish Creek Water Treatment Plant was completed in September of 2010. This has increased water production capacity from 15 MGD to 24 MGD. Series 2004 Water Revenue Bonds were issued for the water expansion and improvements in fiscal year 2005. In 2017, a GEFA loan was issued for drinking water improvements and in 2021 a GEFA loan was issued for rehabilitation at for the Alcovy Road and Williams Street pumps. Detail of debt is described in the long-term debt section. See Note 7 in the Financial Section for further details. The County also offers limited recreation opportunities (fishing and picnicking) at Lake Varner Reservoir, with revenue from parking fees paid by non-County residents. Reservoir management oversees these facilities and activities, as well as the reservoir buffer and enforcement of the Reservoir Management Plan. As noted previously, the Water Fund offsets additional operating expenses for this fund. Lake Varner is rated as one of the Top Fishing Spots in the State of Georgia.

**Solid Waste Fund**

The Solid Waste Fund operates a central landfill and six recycling centers that are located throughout the County. The recycling centers serve as transfer stations, with solid waste and recyclables being transported to the landfill for processing. Residents of the County are able to purchase hang tags to utilize the recycling centers. The operating expenses for these centers are funded by hang tag fee collections and operating income from the landfill. Revenue collected from the County-wide hang tag program was $924,985 in fiscal year 2022. Total revenue is reported at $5,562,123 with total expenses at $4,644,001 resulting in operating income of $918,122 for fiscal year 2022. The Solid Waste Fund has been placing emphasis on having a positive operating income at year-end so that they can improve their total net position.

**Gaither's at Myrtle Creek and Factory Shoals Fund**

The County also reports operations of Gaither's at Myrtle Creek Farm and Factory Shoals as a separate fund. In fiscal year 2018, the County moved Factory Shoals from the General Fund so that the recreational type facilities are accounted for in the same fund since they operate similarly. Gaither's is a special event facility of a historical nature that generates operating and capital revenues from rental fees, program events, donations, interest income, and an annual appropriation from the General Fund. Factory Shoals is a 450-acre nature park situated along the Alcovy River that attracts hikers, fisherman, rafters, and swimmers. Campsites along the river are available to rent for a fee. A significant portion of the $64,667 in operating revenues is the result of rental fees that came from television and movie productions during the past year. The net position improved by $114,295 in fiscal year 2022.

## GENERAL FUND BUDGETARY HIGHLIGHTS

- The General Fund final budget was amended upward from the original budget of $75,028,290 to $76,111,785. A majority of the amended amount was carried forward encumbrances from the prior year's budget capital projects that were not completed prior to year-end and continued into the current year and the anticipation of increased insurance deductibles.
- General Fund expenditures for fiscal year 2022 were $6,293,552 less than the final budget.
- The Non-Departmental/General Government Department realized the largest savings in 2022. There was a savings of $876,558 realized from our contingency for new positions due to public safety positions that were not hired in fiscal year 2022 and $500,000 that was budgeted for fiscal year changes which was not utilized.
- LOST collections were 9% higher than 2021.
- Title Ad Valorem Tax ("TAVT") collections were 4% higher than 2021.
- Zoning Fees were 97% higher than 2021.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to $238,613,964 (net of accumulated depreciation). These assets include land, buildings, improvements, roads, bridges, machinery and equipment, vehicles, and construction in progress.

Major capital asset activities in fiscal year 2022 include:

- Renovations to recreation facilities: Turner Lake, City Pond, and Stone Road
- Nelson Heights Community Center expansion and renovations
- Washington Street Community Center expansion
- Fire Station #8
- Fire Station #2 renovations
- Ladder fire truck
- Pumper fire truck
- Caterpillar skid loader
- Fairview Park playground
- Sheriff's Department metal storage building
- Suicide prevention system for the Jail
- Peterbilt dump truck

The table below provides a summary of capital assets. Additional information on the County's capital assets can be found in Note 6 of this report.

**Newton County's Capital Assets (Net of Depreciation)**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 |
| Land | **$ 68,504,715** | $ 68,504,715 | **$ 25,857,512** | $ 25,857,512 | **$ 94,362,227** | $ 94,362,227 |
| Construction in progress | **8,832,063** | 5,297,444 | **24,706,966** | 10,590,134 | **33,539,029** | 15,887,578 |
| Intangibles | **33,402** | 33,402 | **20,526** | 20,526 | **53,928** | 53,928 |
| Buildings and improvements | **58,074,176** | 56,770,844 | **21,498,501** | 22,683,502 | **79,572,677** | 79,454,346 |
| Machinery and equipment | **10,213,937** | 10,239,832 | **2,007,194** | 2,059,470 | **12,221,131** | 12,299,302 |
| Infrastructure | **17,106,486** | 22,451,384 | **1,758,486** | 1,868,489 | **18,864,972** | 24,319,873 |
| Total | **$ 162,764,779** | $ 163,297,621 | **$ 75,849,185** | $ 63,079,633 | **$ 238,613,964** | $ 226,377,254 |

**Long-Term Debt**

As of June 30, 2022, the County had a net of $90,223,876 in total outstanding long-term debt, including compensated absences. The County's total debt increased by $8,152,972. In 2020, the County received an increase to its Moody's rating to Aa2 from Aa3.

Governmental activities long-term debt showed a decrease of $4,346,043 from 2021. In fiscal year 2021, the County approved the creation of a Public Facilities Authority (he "Authority") for the purpose of issuing bonds for construction of County projects. In 2021, the Authority issued a revenue bond for the construction of Fire Station 4 and two fire trucks in the amount of $4,990,000. In fiscal year 2022, there was no new debt issued in governmental activities.

In business-type activities, long-term debt showed an increase of $12,499,015 from 2021. In 2021, the County approved a GEFA Loan for the Solid Waste Fund in the amount of $3,000,000 and the Water Fund for $12,000,000. Both are currently in the draw down phase and the draws represent the increase from 2021 to 2022. No new debt was issued in 2022.

Below is a summary table of long-term debt compared to the prior year. For further information on the County's debt, refer to the Note 7 of this report.

**Newton County's Outstanding Debt**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | **2022** | 2021 | **2022** | 2021 | **2022** | 2021 |
| General obligation bonds | **$ 9,676,958** | $ 12,870,786 | **$ -** | $ - | **$ 9,676,958** | $ 12,870,786 |
| Revenue bonds | **-** | - | **26,698,721** | 29,001,907 | **26,698,721** | 29,001,907 |
| Installment sales agreements | **-** | - | **-** | - | **-** | - |
| Notes payable | **11,816,588** | 12,549,155 | **25,290,167** | 10,728,621 | **37,106,755** | 23,277,776 |
| Capital lease obligations | **408,979** | 483,894 | **506,869** | 733,596 | **915,848** | 1,217,490 |
| Landfill post-closure costs | **-** | - | **11,745,810** | 11,133,640 | **11,745,810** | 11,133,640 |
| Net pension liability | **935,786** | 1,534,673 | **173,476** | 318,264 | **1,109,262** | 1,852,937 |
| Compensated absences | **2,970,522** | 2,716,368 | **-** | - | **2,970,522** | 2,716,368 |
| Total | **$ 25,808,833** | $ 30,154,876 | **$ 64,415,043** | $ 51,916,028 | **$ 90,223,876** | $ 82,070,904 |

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The economic outlook for 2023 is expected to continue to improve as the tax digest is still showing signs of growth and increases in values. The total digest increased 22% from the prior year due to the increase of property values. Additional signs of positive economic outlook are continued increasing collections in the 1% LOST and motor vnhjy6ehicle TAVT.

In the fiscal year 2023 budget, with the rising property values and increase in development and sales tax collections, the Board of Commissioners elected to roll back the millage rate and decreased the millage rate to 9.454 from 11.145. The County's departments worked to cut non-critical costs and spend conservatively while still maintaining adequate levels of service for the citizens and maintaining an adequate unassigned fund balance. The County was also able to ensure that employees continued to receive the next level step increase in the County's compensation plan, and additionally a 3% Cost-of-Living Adjustment ("COLA") to ensure that we keep up with market salaries.

In 2023, the County is planning to complete upgrades to the E-911 system, Fire Station #4, Emergency Power Retrofit for the Admin Building, Springhill Park, Westside Youth Facility, and several other capital improvement projects.

Even through the pandemic, the County has continued to see growth in property values, sales tax collections, and additions in the commercial industries with several new industries announced just in the past year. The addition of Stanton Grove, the companion site to Stanton Springs that already holds Takeda and Meta, will open up even more opportunities for future economic development in the near future.

In closing, the County is a community that has always stepped up to make things happen and that culture and history will serve to enhance the County's ability to attract and retain business. The County is continuing to invest in its future by enhancing the product, including education, economic development promotion through a sustainable funding source, an improvement of its tourism assets, and the need to provide a pro-business business climate to entrepreneurs and businesses of all sizes.

## REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Newton County, Georgia's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Newton County Board of Commissioners
Finance Department
1113 Usher Street, Suite 204
Covington, Georgia 30014

# BASIC FINANCIAL STATEMENTS

# NEWTON COUNTY, GEORGIA

## STATEMENT OF NET POSITION
## JUNE 30, 2022

| | Primary Government | | | Component Units | | | |
|---|---|---|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Health Department | Industrial Development Authority | Library System | Water and Sewerage Authority |
| **ASSETS** | | | | | | | |
| Cash and cash equivalents | $ 48,110,937 | $ 27,127,768 | $ 75,238,705 | $ 4,100,929 | $ 1,310,552 | $ 1,601,721 | $ 27,256,619 |
| Investments | 72,427,248 | 6,085,134 | 78,512,382 | - | - | 58,460 | 216,814 |
| Receivables, net of allowances for uncollectibles | 3,295,933 | 1,647,319 | 4,943,252 | 75,423 | - | 41,930 | 2,278,534 |
| Due from other governments | 7,112,931 | - | 7,112,931 | - | 8,333 | - | 2,035,922 |
| Inventory | 213,094 | - | 213,094 | - | - | - | 189,276 |
| Prepaid items | 337,746 | - | 337,746 | - | 729 | 25,186 | 19,820 |
| Restricted assets: | | | | | | | |
| Cash and cash equivalents | 2,615,050 | 2,181,254 | 4,796,304 | - | 6,297,969 | - | 80,381 |
| Net OPEB asset | - | - | - | 69,355 | - | - | - |
| Other non-current assets | 39,682,776 | - | 39,682,776 | - | - | - | - |
| Capital assets, non-depreciable | 77,370,180 | 50,576,757 | 127,946,937 | - | 12,404,986 | 127,578 | 48,727,854 |
| Capital assets, depreciable (net of accumulated depreciation) | 85,394,599 | 25,264,181 | 110,658,780 | 94,402 | 200,944 | 4,298,773 | 113,104,409 |
| Total assets | 336,560,494 | 112,882,413 | 449,442,907 | 4,340,109 | 20,223,513 | 6,153,648 | 193,909,629 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | | | |
| OPEB | - | - | - | 74,121 | - | 238,234 | - |
| Pensions | - | - | - | 391,282 | - | 74,259 | - |
| Deferred charges | 133,242 | 393,661 | 526,903 | - | - | - | - |
| Total deferred outflows of resources | 133,242 | 393,661 | 526,903 | 465,403 | - | 312,493 | - |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## STATEMENT OF NET POSITION
## JUNE 30, 2022

| | Primary Government | | | Component Units | | | |
|---|---|---|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Health Department | Industrial Development Authority | Library System | Water and Sewerage Authority |
| **LIABILITIES** | | | | | | | |
| Accounts payable | $ 7,417,571 | $ 1,732,049 | $ 9,149,620 | $ 124,405 | $ 45,895 | $ 31,380 | $ 5,526,923 |
| Accrued liabilities | 970,902 | 469,340 | 1,440,242 | - | 26,699 | 21,008 | 1,064,303 |
| Unearned revenue | 17,465,958 | 417,107 | 17,883,065 | - | - | 1,993 | 433,797 |
| Payable from restricted assets: | | | | | | | |
| Surety bonds payable | 2,615,050 | - | 2,615,050 | - | - | - | - |
| Non-current liabilities: | | | | | | | |
| Due within one year | 4,237,695 | 2,599,050 | 6,836,745 | 50,400 | 350,000 | 12,676 | 1,394,827 |
| Due in more than one year | 20,635,352 | 61,642,517 | 82,277,869 | 7,806 | 15,750,000 | 19,014 | 37,210,285 |
| Net pension liability due in more than one year | 935,786 | 173,476 | 1,109,262 | 735,843 | - | 338,826 | 70,804 |
| Net OPEB liability due in more than one year | - | - | - | - | - | 573,167 | - |
| Total liabilities | 54,278,314 | 67,033,539 | 121,311,853 | 918,454 | 16,172,594 | 998,064 | 45,700,939 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | | |
| OPEB | - | - | - | 465,880 | - | 285,004 | - |
| Pensions | 401,935 | 74,511 | 476,446 | 718,124 | - | 506,534 | 30,411 |
| Deferred revenue | - | - | - | - | - | - | - |
| Total deferred inflows of resources | 401,935 | 74,511 | 476,446 | 1,184,004 | - | 791,538 | 30,411 |
| **NET POSITION** | | | | | | | |
| Net investment in capital assets | 140,862,254 | 29,823,976 | 170,686,230 | 94,402 | (3,494,070) | 4,426,351 | 123,227,151 |
| Restricted for: | | | | | | | |
| General government | 513,360 | - | 513,360 | - | - | - | - |
| Judicial | 567,925 | - | 567,925 | - | - | - | - |
| Public safety | 5,412,354 | - | 5,412,354 | - | - | 8,615 | - |
| Public works | - | - | - | - | - | - | - |
| Health and welfare | 35,300 | - | 35,300 | - | - | - | - |
| Culture and recreation | 3,355 | - | 3,355 | - | - | - | - |
| Housing and development | - | - | - | - | - | - | - |
| Debt service | - | 2,181,254 | 2,181,254 | - | - | - | - |
| Capital projects | 46,054,792 | - | 46,054,792 | - | - | 134,208 | - |
| Renewal and extension | - | - | - | - | - | - | 80,381 |
| Other | - | - | - | 1,427,337 | - | - | - |
| Unrestricted | 88,579,792 | 14,162,794 | 102,742,586 | 1,181,315 | 7,544,989 | 107,365 | 24,870,747 |
| Total Net Position | $ 282,029,132 | $ 46,168,024 | $ 328,197,156 | $ 2,703,054 | $ 4,050,919 | $ 4,676,539 | $ 148,178,279 |

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

# NEWTON COUNTY, GEORGIA

## STATEMENT OF ACTIVITIES
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities | Net (Expenses) Revenues and Changes in Net Position: Primary Government: Business-type Activities | Net (Expenses) Revenues and Changes in Net Position: Primary Government: Total |
|---|---|---|---|---|---|---|---|
| **Primary government** | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | $ 18,062,875 | $ 3,112,730 | $ 4,438,260 | $ 26,343 | $ (10,485,542) | $ - | $ (10,485,542) |
| Judicial | 8,195,218 | 2,676,162 | 1,121,938 | - | (4,397,118) | - | (4,397,118) |
| Public safety | 47,381,511 | 3,748,150 | 1,896,251 | 19,918 | (41,717,192) | - | (41,717,192) |
| Public works | 21,349,481 | 1,878,172 | 419,504 | 1,395,519 | (17,656,286) | - | (17,656,286) |
| Health and welfare | 1,819,239 | 41,992 | 436,046 | - | (1,341,201) | - | (1,341,201) |
| Culture and recreation | 1,532,863 | 962,898 | 47,131 | - | (522,834) | - | (522,834) |
| Housing and development | 1,643,434 | 1,654,101 | 20,152 | 12,110 | 42,929 | - | 42,929 |
| Interest on long-term debt | 567,563 | - | - | - | (567,563) | - | (567,563) |
| Total governmental activities | 100,552,184 | 14,074,205 | 8,379,282 | 1,453,890 | (76,644,807) | - | (76,644,807) |
| Business-type activities | | | | | | | |
| Water | 6,790,258 | 10,084,375 | - | - | - | 3,294,117 | 3,294,117 |
| Solid waste | 5,467,539 | 5,553,876 | - | - | - | 86,337 | 86,337 |
| Gaither's Plantation | 191,706 | 64,667 | - | - | - | (127,039) | (127,039) |
| Total business-type activities | 12,449,503 | 15,702,918 | - | - | - | 3,253,415 | 3,253,415 |
| Total primary government | $ 113,001,687 | $ 29,777,123 | $ 8,379,282 | $ 1,453,890 | (76,644,807) | 3,253,415 | (73,391,392) |
| **Component units:** | | | | | | | |
| Health Department | $ 1,335,237 | $ 957,425 | $ 1,367,172 | $ - | - | - | - |
| Industrial Development Authority | 908,369 | 224,618 | 500,500 | | - | - | - |
| Library System | 1,357,581 | 46,098 | 1,253,852 | 88,441 | - | - | - |
| Water and Sewerage Authority | 18,091,252 | 24,022,127 | - | 607,654 | - | - | - |
| Total component units | $ 21,692,439 | $ 25,250,268 | $ 3,121,524 | $ 696,095 | - | - | - |
| General revenues: | | | | | | | |
| Property taxes | | | | | 52,557,110 | - | 52,557,110 |
| Sales taxes | | | | | 34,547,379 | - | 34,547,379 |
| Franchise taxes | | | | | 697,905 | - | 697,905 |
| Insurance premium taxes | | | | | 6,341,218 | - | 6,341,218 |
| Other taxes | | | | | 875,441 | - | 875,441 |
| Unrestricted investment earnings | | | | | 94,539 | 17,778 | 112,317 |
| Increase in equity interest in joint venture | | | | | 20,542,716 | - | 20,542,716 |
| Gain on sale of capital assets | | | | | - | - | - |
| Miscellaneous | | | | | 128,215 | - | - |
| Transfers | | | | | (1,154,968) | 1,154,968 | - |
| Total general revenues and transfers | | | | | 114,629,555 | 1,172,746 | 115,674,086 |
| Change in net position | | | | | 37,984,748 | 4,426,161 | 42,410,909 |
| Net position, beginning of year | | | | | 244,044,384 | 41,741,863 | 285,786,247 |
| Net position, end of year | | | | | $ 282,029,132 | $ 46,168,024 | $ 328,197,156 |

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

| Net (Expenses) Revenues and Changes in Net Position | | | |
|---|---|---|---|
| Component Units | | | |
| Health Department | Industrial Development Authority | Library System | Water and Sewerage Authority |
| $ - | $ - | $ - | $ - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 989,360 | - | - | - |
| - | (183,251) | - | - |
| - | - | 30,810 | - |
| - | - | - | 6,538,529 |
| 989,360 | (183,251) | 30,810 | 6,538,529 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | 1,698 | 449 | 9,708 |
| - | - | - | - |
| - | 889,418 | - | - |
| 6,267 | 27,385 | - | - |
| - | - | - | - |
| 6,267 | 918,501 | 449 | 9,708 |
| 995,627 | 735,250 | 31,259 | 6,548,237 |
| 1,707,427 | 3,315,669 | 4,645,280 | 141,630,042 |
| $ 2,703,054 | $ 4,050,919 | $ 4,676,539 | $ 148,178,279 |

# NEWTON COUNTY, GEORGIA

## BALANCE SHEET
## GOVERNMENTAL FUNDS
## JUNE 30, 2022

| | General Fund | Impact Fee Fund | 2017 SPLOST Fund | ARPA Fund | Capital Improvement Fund | FEMA Grant Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | |
| Cash and cash equivalents | $ 5,136,000 | $ 4,517,450 | $ 8,350,748 | $ 17,867,928 | $ 3,475,225 | $ - | $ 6,588,345 | $ 45,935,696 |
| Investments | 42,922,716 | - | 29,429,938 | - | - | - | 74,594 | 72,427,248 |
| Receivables, net of allowances for uncollectibles | 2,781,300 | - | - | - | - | - | 514,633 | 3,295,933 |
| Due from other governments | 1,389,866 | - | 1,809,340 | - | 162,684 | 3,372,124 | 378,917 | 7,112,931 |
| Due from other funds | 3,430,985 | - | - | - | - | - | - | 3,430,985 |
| Inventory | 213,094 | - | - | - | - | - | - | 213,094 |
| Prepaid items | 243,875 | - | - | - | - | - | - | 243,875 |
| Restricted cash | 2,615,050 | - | - | - | - | - | - | 2,615,050 |
| Total assets | $ 58,732,886 | $ 4,517,450 | $ 39,590,026 | $ 17,867,928 | $ 3,637,909 | $ 3,372,124 | $ 7,556,489 | $ 135,274,812 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | | |
| **LIABILITIES** | | | | | | | | |
| Accounts payable | $ 1,546,633 | $ 4,456 | $ 1,507,407 | $ 400,000 | $ 16,046 | $ - | $ 3,856,412 | $ 7,330,954 |
| Accrued liabilities | 970,902 | - | - | - | - | | - | 970,902 |
| Due to other funds | - | - | - | - | - | 3,430,985 | - | 3,430,985 |
| Unearned revenue | - | - | - | 17,465,958 | - | | - | 17,465,958 |
| Payable from restricted assets | 2,615,050 | - | - | - | - | - | - | 2,615,050 |
| Total liabilities | 5,132,585 | 4,456 | 1,507,407 | 17,865,958 | 16,046 | 3,430,985 | 3,856,412 | 31,813,849 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | | | |
| Unavailable revenue - property taxes | 1,681,226 | - | - | - | - | - | 86,492 | 1,767,718 |
| Unavailable revenue - period of availability | - | - | - | - | 162,684 | 3,660,977 | 195,098 | 4,018,759 |
| Total deferred inflows of resources | 1,681,226 | - | - | - | 162,684 | 3,660,977 | 281,590 | 5,786,477 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## BALANCE SHEET
## GOVERNMENTAL FUNDS
## JUNE 30, 2022

| | General Fund | Impact Fee Fund | 2017 SPLOST Fund | ARPA Fund | Capital Improvement Fund | FEMA Grant Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|---|
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (CONTINUED)** | | | | | | | | |
| **FUND BALANCES** | | | | | | | | |
| Nonspendable: | | | | | | | | |
| Prepaids | $ 243,875 | $ - | $ - | $ - | $ - | $ - | $ - | $ 243,875 |
| Inventories | 213,094 | - | - | - | - | - | - | 213,094 |
| Restricted: | | | | | | | | |
| General government | - | - | - | 1,970 | - | - | 511,390 | 513,360 |
| Judicial | - | - | - | - | - | - | 567,925 | 567,925 |
| Public safety | - | - | - | - | - | - | 5,412,354 | 5,412,354 |
| Health and welfare | - | - | - | - | - | - | 35,300 | 35,300 |
| Culture and recreation | - | - | - | - | - | - | 3,355 | 3,355 |
| Capital projects | - | 4,512,994 | 38,082,619 | - | 3,459,179 | - | - | 46,054,792 |
| Unassigned: | | | | | | | | |
| General fund | 51,462,106 | - | - | - | - | | - | 51,462,106 |
| Special revenue funds | - | - | - | - | - | | (3,111,837) | (3,111,837) |
| Capital projects funds | - | - | - | - | - | (3,719,838) | - | (3,719,838) |
| Total fund balances (deficit) | 51,919,075 | 4,512,994 | 38,082,619 | 1,970 | 3,459,179 | (3,719,838) | 3,418,487 | 97,674,486 |
| Total liabilities, deferred inflows of resources and fund balances | $ 58,732,886 | $ 4,517,450 | $ 39,590,026 | $ 17,867,928 | $ 3,637,909 | $ 3,372,124 | $ 7,556,489 | |

| | |
|---|---|
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 162,764,779 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. | 5,786,477 |
| Internal service funds are used by management to charge the costs of workers' compensation insurance and related administrative costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | 2,182,495 |
| Other assets - Investment in Joint Venture - are not financial resources and, therefore, are not reported in the funds. | 39,682,776 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | (24,739,805) |
| Net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. | (935,786) |
| Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. | |
| These deferred inflows of resources consist of pension related experience differences and differences between projected and actual earnings on investments. | (401,935) |
| Net position of governmental activities | $ 282,013,487 |

**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 FISCAL YEAR ENDED JUNE 30, 2022

| | General Fund | Impact Fee Fund | 2017 SPLOST Fund | ARPA Fund | Capital Improvement Fund | FEMA Grant Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | |
| Taxes | $ 72,015,299 | $ - | $ 19,738,851 | $ - | $ - | $ - | $ 2,583,502 | $ 94,337,652 |
| Licenses and permits | 1,726,409 | - | - | - | - | - | - | 1,726,409 |
| Intergovernmental | 2,067,790 | - | 1,379,456 | 4,239,005 | 174,735 | 261,875 | 1,472,762 | 9,595,623 |
| Charges for services | 5,333,414 | 1,442,020 | - | - | - | - | 2,359,497 | 9,134,931 |
| Fines and forfeitures | 1,018,571 | - | - | - | - | - | 407,756 | 1,426,327 |
| Investment income | 83,931 | 4,079 | 63,127 | 1,932 | 957 | - | 4,390 | 158,416 |
| Contributions | 130,320 | - | - | - | - | - | 40,437 | 170,757 |
| Miscellaneous | 1,100,291 | - | - | - | - | - | 105,436 | 1,205,727 |
| Total revenues | 83,476,025 | 1,446,099 | 21,181,434 | 4,240,937 | 175,692 | 261,875 | 6,973,780 | 117,755,842 |
| **Expenditures** | | | | | | | | |
| Current: | | | | | | | | |
| General government | 10,904,213 | - | - | 4,239,004 | - | - | 56,240 | 15,199,457 |
| Judicial | 6,998,146 | - | - | - | - | - | 1,122,830 | 8,120,976 |
| Public safety | 39,800,627 | - | - | - | - | - | 7,455,708 | 47,256,335 |
| Public works | 5,955,531 | - | - | - | - | - | 2,799 | 5,958,330 |
| Health and welfare | 1,401,556 | - | - | - | - | - | - | 1,401,556 |
| Culture and recreation | 3,177,881 | - | - | - | - | - | - | 3,177,881 |
| Housing and development | 1,580,279 | - | - | - | - | - | 62,595 | 1,642,874 |
| Intergovernmental | - | - | 4,719,633 | - | - | - | - | 4,719,633 |
| Capital outlay | - | 327,276 | 9,326,974 | - | 1,303,611 | 425,383 | - | 11,383,244 |
| Debt service: | | | | | | | | |
| Principal retirement | - | - | 3,242,367 | - | - | - | 574,915 | 3,817,282 |
| Interest and fiscal charges | - | - | 659,268 | - | - | - | 77,123 | 736,391 |
| Total expenditures | 69,818,233 | 327,276 | 17,948,242 | 4,239,004 | 1,303,611 | 425,383 | 9,352,210 | 103,413,959 |
| Excess (deficiency) of revenues over (under) expenditures | 13,657,792 | 1,118,823 | 3,233,192 | 1,933 | (1,127,919) | (163,508) | (2,378,430) | 14,341,883 |
| **Other financing sources (uses)** | | | | | | | | |
| Transfers in | 1,874,789 | - | 2,442,594 | - | 1,256,938 | - | 2,124,544 | 7,698,865 |
| Transfers out | (3,705,870) | - | (267,150) | - | (2,442,594) | (550) | (2,437,669) | (8,853,833) |
| Proceeds from sale of capital assets | 12,364 | - | - | - | - | - | - | 12,364 |
| Total other financing sources (uses) | (1,818,717) | - | 2,175,444 | - | (1,185,656) | (550) | (313,125) | (1,142,604) |
| Net change in fund balances | 11,839,075 | 1,118,823 | 5,408,636 | 1,933 | (2,313,575) | (164,058) | (2,691,555) | 13,199,279 |
| **Fund balances (deficit), beginning of year** | 40,080,000 | 3,394,171 | 32,673,983 | 37 | 5,772,754 | (3,555,780) | 6,110,042 | 84,475,207 |
| **Fund balances (deficit), end of year** | $ 51,919,075 | $ 4,512,994 | $ 38,082,619 | $ 1,970 | $ 3,459,179 | $ (3,719,838) | $ 3,418,487 | $ 97,674,486 |

**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, 2022

| | | |
|---|---|---|
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Net change in fund balances - total governmental funds | $ | 13,199,279 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period. | | (516,769) |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position. | | (16,073) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | 349,107 |
| The issuance of long-term debt provides current financial resources to govermental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. | | 4,001,310 |
| 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. | | 20,740,464 |
| Internal service funds are used by management to charge the costs of workers' compensation and related administrative costs to individual funds. | | 211,785 |
| | $ | 37,969,103 |

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

# NEWTON COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
## GENERAL FUND
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Budget | | | Variance with |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **Revenues** | | | | |
| Property taxes | $ 66,760,623 | $ 67,846,952 | $ 72,015,299 | $ 4,168,347 |
| Licenses and permits | 1,343,000 | 1,343,000 | 1,726,409 | 383,409 |
| Intergovernmental | 1,690,323 | 2,030,497 | 2,067,790 | 37,293 |
| Charges for services | 4,503,440 | 4,508,440 | 5,333,414 | 824,974 |
| Fines and forfeitures | 750,500 | 750,500 | 1,018,571 | 268,071 |
| Investment income | 50,000 | 50,000 | 83,931 | 33,931 |
| Contributions | 36,300 | 43,424 | 130,320 | 86,896 |
| Miscellaneous | 629,349 | 926,969 | 1,100,291 | 173,322 |
| Total revenues | 75,763,535 | 77,499,782 | 83,476,025 | 5,976,243 |
| **Expenditures** | | | | |
| General government: | | | | |
| Governing body | 4,227,014 | 4,140,669 | 2,785,153 | 1,355,516 |
| Elections | 703,572 | 703,572 | 504,490 | 199,082 |
| General administration | 957,747 | 957,747 | 943,727 | 14,020 |
| Data processing | 960,579 | 960,579 | 899,378 | 61,201 |
| GIS | 375,448 | 386,213 | 374,790 | 11,423 |
| Human resources | 640,833 | 645,833 | 543,795 | 102,038 |
| Tax commissioner | 1,249,082 | 1,249,082 | 1,140,293 | 108,789 |
| Tax assessor | 1,109,896 | 1,109,896 | 945,295 | 164,601 |
| Risk management | 1,820,000 | 2,728,000 | 1,672,825 | 1,055,175 |
| Buildings and plant | 1,316,859 | 1,316,859 | 1,094,467 | 222,392 |
| Total general government | 13,361,030 | 14,198,450 | 10,904,213 | 3,294,237 |
| Judicial: | | | | |
| Judge of superior court | 1,137,456 | 1,146,456 | 921,916 | 224,540 |
| Clerk of superior court | 1,544,117 | 1,544,117 | 1,483,879 | 60,238 |
| District attorney | 2,005,637 | 2,012,096 | 1,870,901 | 141,195 |
| Magistrate court | 419,038 | 428,081 | 420,689 | 7,392 |
| Probate court | 709,231 | 709,231 | 701,730 | 7,501 |
| Juvenile court | 1,138,232 | 1,138,232 | 1,091,248 | 46,984 |
| Public defender | 599,537 | 599,537 | 507,783 | 91,754 |
| Total judicial | 7,553,248 | 7,577,750 | 6,998,146 | 579,604 |
| Public safety: | | | | |
| Sheriff | 17,101,748 | 16,537,345 | 15,870,619 | 666,726 |
| Jail | 12,950,892 | 12,946,134 | 12,698,744 | 247,390 |
| Fire | 10,161,254 | 10,520,818 | 9,992,557 | 528,261 |
| Coroner | 114,379 | 114,379 | 76,863 | 37,516 |
| Other protective services | 1,304,804 | 1,304,804 | 1,161,844 | 142,960 |
| Total public safety | 41,633,077 | 41,423,480 | 39,800,627 | 1,622,853 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
## GENERAL FUND
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Budget | | | Variance with |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **Expenditures (Continued)** | | | | |
| Public works: | | | | |
| Administration | $ 4,344,238 | $ 4,490,292 | $ 4,463,603 | $ 26,689 |
| Maintenance and shop | 1,324,441 | 1,511,241 | 1,491,928 | 19,313 |
| Total public works | 5,668,679 | 6,001,533 | 5,955,531 | 46,002 |
| Health and welfare: | | | | |
| Welfare | 1,589,636 | 1,622,622 | 1,401,556 | 221,066 |
| Total health and welfare | 1,589,636 | 1,622,622 | 1,401,556 | 221,066 |
| Culture and recreation: | | | | |
| Recreation | 2,571,896 | 2,586,681 | 2,261,429 | 325,252 |
| Libraries | 916,452 | 916,452 | 916,452 | - |
| Total culture and recreation | 3,488,348 | 3,503,133 | 3,177,881 | 325,252 |
| Housing and development: | | | | |
| Conservation | 111,037 | 161,582 | 118,955 | 42,627 |
| Planning and zoning | 1,273,235 | 1,273,235 | 1,111,324 | 161,911 |
| Economic development | 350,000 | 350,000 | 350,000 | - |
| Total housing and development | 1,734,272 | 1,784,817 | 1,580,279 | 204,538 |
| Total expenditures | 75,028,290 | 76,111,785 | 69,818,233 | 6,293,552 |
| Excess of revenues over expenditures | 735,245 | 1,387,997 | 13,657,792 | 12,269,795 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 1,864,607 | 1,864,607 | 1,874,789 | 10,182 |
| Transfers out | (2,632,878) | (3,744,816) | (3,705,870) | 38,946 |
| Proceeds from sale of capital assets | - | - | 12,364 | 12,364 |
| Total other financing (uses), net | (768,271) | (1,880,209) | (1,818,717) | 61,492 |
| Net change in fund balances | (33,026) | (492,212) | 11,839,075 | 12,331,287 |
| **Fund balances, beginning of year** | 40,080,000 | 40,080,000 | 40,080,000 | - |
| **Fund balances, end of year** | $ 40,046,974 | $ 39,587,788 | $ 51,919,075 | $ 12,331,287 |

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

# NEWTON COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
## ARPA FUND
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Budget | | | Variance with |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **Revenues** | | | | |
| Intergovernmental | $ - | $ 4,239,004 | $ 4,239,005 | $ 1 |
| Investment income | - | 1,933 | 1,932 | (1) |
| Total revenues | - | 4,240,937 | 4,240,937 | - |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | - | 4,240,937 | 4,239,004 | 1,933 |
| Total expenditures | - | 4,240,937 | 4,239,004 | 1,933 |
| Net change in fund balances | - | - | 1,933 | (1,933) |
| **Fund balances, beginning of year** | 37 | 37 | 37 | - |
| **Fund balances, end of year** | $ 37 | $ 37 | $ 1,970 | $ (1,933) |

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

# NEWTON COUNTY, GEORGIA

## STATEMENT OF NET POSITION
## PROPRIETARY FUNDS
## JUNE 30, 2022

| | Water Fund | Solid Waste Fund | Nonmajor Gaither's at Myrtle Creek | Totals | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **CURRENT ASSETS** | | | | | |
| Cash | $ 19,479,307 | $ 7,145,756 | $ 502,705 | $ 27,127,768 | $ 2,175,241 |
| Investments | - | 6,085,134 | - | 6,085,134 | - |
| Accounts receivable, net of allowances | 1,027,351 | 619,883 | 85 | 1,647,319 | - |
| Prepaid items | - | - | - | - | 93,871 |
| Total current assets | 20,506,658 | 13,850,773 | 502,790 | 34,860,221 | 2,269,112 |
| **NON-CURRENT ASSETS** | | | | | |
| Restricted cash | 1,913,587 | 267,667 | - | 2,181,254 | - |
| Capital assets, nondepreciable | 45,043,593 | 5,533,164 | - | 50,576,757 | - |
| Capital assets, depreciable, net of accumulated depreciation | 19,135,672 | 5,945,340 | 183,169 | 25,264,181 | - |
| Total non-current assets | 66,092,852 | 11,746,171 | 183,169 | 78,022,192 | - |
| Total assets | 86,599,510 | 25,596,944 | 685,959 | 112,882,413 | 2,269,112 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Deferred amount on debt refunding | 393,661 | - | - | 393,661 | - |
| Total deferred outflows of resources | 393,661 | - | - | 393,661 | - |
| **LIABILITIES** | | | | | |
| **CURRENT LIABILITIES** | | | | | |
| Accounts payable | 905,019 | 826,093 | 937 | 1,732,049 | 86,617 |
| Accrued liabilities | 208,449 | 254,905 | 5,986 | 469,340 | - |
| Unearned revenue | - | 417,107 | - | 417,107 | - |
| Current portion of notes payable | 40,042 | - | - | 40,042 | - |
| Current portion of revenue bonds | 1,850,000 | 485,000 | - | 2,335,000 | - |
| Current portion of capital leases | - | 224,008 | - | 224,008 | - |
| Total current liabilities | 3,003,510 | 2,207,113 | 6,923 | 5,217,546 | 86,617 |
| **NON-CURRENT LIABILITIES** | | | | | |
| Notes payable | 21,106,230 | 4,143,895 | - | 25,250,125 | - |
| Revenue bonds | 3,825,000 | 20,538,721 | - | 24,363,721 | - |
| Landfill closure/post-closure | - | 11,745,810 | - | 11,745,810 | - |
| Capital leases | - | 282,861 | - | 282,861 | - |
| Net pension liabilities | 90,802 | 73,149 | 9,525 | 173,476 | - |
| Total non-current liabilities | 25,022,032 | 36,784,436 | 9,525 | 61,815,993 | - |
| Total liabilities | 28,025,542 | 38,991,549 | 16,448 | 67,033,539 | 86,617 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Pensions | 39,001 | 31,419 | 4,091 | 74,511 | - |
| Total deferred inflows of resources | 39,001 | 31,419 | 4,091 | 74,511 | - |
| **NET POSITION** | | | | | |
| Net investment in capital assets | 37,751,654 | (8,110,847) | 183,169 | 29,823,976 | - |
| Restricted for debt service | 1,913,587 | 267,667 | - | 2,181,254 | - |
| Unrestricted | 19,263,387 | (5,582,844) | 482,251 | 14,162,794 | 2,182,495 |
| Total net position | $ 58,928,628 | $ (13,426,024) | $ 665,420 | $ 46,168,024 | $ 2,182,495 |

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

# NEWTON COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
## PROPRIETARY FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Water Fund | Solid Waste Fund | Nonmajor Gaither's at Myrtle Creek | Totals | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|
| **Operating revenues** | | | | | |
| Charges for services: | | | | | |
| Sales | $ 10,041,621 | $ 4,466,670 | $ 81 | $ 14,508,372 | $ 900,000 |
| Transportation and wheeling | 6,571 | - | - | 6,571 | - |
| Meter maintenance | 30,451 | - | - | 30,451 | - |
| Sale of recyclables | - | 82,965 | - | 82,965 | - |
| Activity fees | 5,227 | - | - | 5,227 | - |
| Intergovernmental revenue | - | 67,334 | - | 67,334 | - |
| Miscellaneous revenue | 505 | 936,907 | 64,586 | 1,001,998 | - |
| Total operating revenues | 10,084,375 | 5,553,876 | 64,667 | 15,702,918 | 900,000 |
| **Operating expenses** | | | | | |
| Cost of sales and services | - | 833,521 | - | 833,521 | - |
| Salaries and benefits | 1,222,238 | 939,029 | 117,865 | 2,279,132 | - |
| Purchased/contracted services | 1,293,214 | 1,791,310 | 23,727 | 3,108,251 | - |
| Supplies and materials | 2,374,504 | 452,278 | 28,422 | 2,855,204 | - |
| Depreciation | 1,031,396 | 609,018 | 21,692 | 1,662,106 | - |
| Other costs | 333,249 | 18,845 | - | 352,094 | - |
| Insurance claims | - | - | - | - | 688,590 |
| Total operating expenses | 6,254,601 | 4,644,001 | 191,706 | 11,090,308 | 688,590 |
| Operating income (loss) | 3,829,774 | 909,875 | (127,039) | 4,612,610 | 211,410 |
| **Non-operating revenues (expenses)** | | | | | |
| Investment income | 7,649 | 10,129 | - | 17,778 | 375 |
| Loss on disposal of assets | (31,135) | - | - | (31,135) | - |
| Interest expense | (504,522) | (823,538) | - | (1,328,060) | - |
| Total non-operating revenues (expenses) | (528,008) | (813,409) | - | (1,341,417) | 375 |
| Income (loss) before transfers | 3,301,766 | 96,466 | (127,039) | 3,271,193 | 211,785 |
| **Transfers in** | - | 913,634 | 241,334 | 1,154,968 | - |
| Change in net position | 3,301,766 | 1,010,100 | 114,295 | 4,426,161 | 211,785 |
| **Net position, beginning of year** | 55,626,862 | (14,436,124) | 551,125 | 41,741,863 | 1,970,710 |
| **Net position, end of year** | $ 58,928,628 | $ (13,426,024) | $ 665,420 | $ 46,168,024 | $ 2,182,495 |

**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, 2022

| | Water Fund | Solid Waste Fund | Nonmajor Gaither's at Myrtle Creek | Totals | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | |
| Receipts from customers | $ 10,208,590 | $ 5,259,792 | $ 64,667 | $ 15,533,049 | $ - |
| Receipts for interfund services | - | - | - | - | 900,000 |
| Receipts from others | - | 67,334 | - | 67,334 | - |
| Payments to suppliers and service providers | (4,866,496) | (2,455,677) | (56,758) | (7,378,931) | (608,661) |
| Payments to employees | (1,297,734) | (980,231) | (124,588) | (2,402,553) | - |
| Net cash provided by (used in) operating activities | 4,044,360 | 1,891,218 | (116,679) | 5,818,899 | 291,339 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | |
| Transfers in | - | 913,634 | 241,334 | 1,154,968 | - |
| Net cash provided by noncapital financing activities | - | 913,634 | 241,334 | 1,154,968 | - |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | | |
| Purchase of property and equipment | (11,979,956) | (2,482,837) | - | (14,462,793) | - |
| Principal payments on notes payable | (39,487) | - | - | (39,487) | - |
| Principal payments on bonds | (1,810,000) | (493,186) | - | (2,303,186) | - |
| Principal payments on capital leases obligations | - | (226,727) | - | (226,727) | - |
| Interest paid | (307,691) | (823,538) | - | (1,131,229) | - |
| Proceeds from issuance of notes payable | 12,304,092 | 2,296,941 | - | 14,601,033 | - |
| Net cash used in capital and related financing activities | (1,833,042) | (1,729,347) | - | (3,562,389) | - |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | |
| Proceeds from sale of investments | - | 206,073 | - | 206,073 | - |
| Interest on investments | 7,649 | 10,129 | - | 17,778 | 375 |
| Net cash provided by investing activities | 7,649 | 216,202 | - | 223,851 | 375 |
| Net increase in cash and cash equivalents | 2,218,967 | 1,291,707 | 124,655 | 3,635,329 | 291,714 |
| **Cash and cash equivalents:** | | | | | |
| Beginning of year | 19,173,927 | 6,113,469 | 378,050 | 25,665,446 | 1,883,527 |
| End of year | $ 21,392,894 | $ 7,405,176 | $ 502,705 | $ 29,300,775 | $ 2,175,241 |
| **Classified as:** | | | | | |
| Cash | $ 19,479,307 | $ 7,145,756 | $ 502,705 | $ 27,127,768 | $ 2,175,241 |
| Restricted cash | 1,913,587 | 267,667 | - | 2,181,254 | - |
| | $ 21,392,894 | $ 7,413,423 | $ 502,705 | $ 29,309,022 | $ 2,175,241 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## STATEMENT OF CASH FLOWS
## PROPRIETARY FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Water Fund | Solid Waste Fund | Nonmajor Gaither's at Myrtle Creek | Totals | Governmental Activities Internal Service Fund |
|---|---|---|---|---|---|
| **Reconciliation of operating income (loss) to net cash provided by (used in) operating activities** | | | | | |
| Operating income (loss) | $ 3,829,774 | $ 909,875 | $ (127,039) | $ 4,612,610 | $ 211,410 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Depreciation | 1,031,396 | 609,018 | 21,692 | 1,662,106 | - |
| (Increase) decrease in: | | | | | |
| Accounts receivable | 124,215 | (251,662) | - | (127,447) | - |
| Prepaid items | - | - | - | - | 7,241 |
| Increase (decrease) in: | | | | | |
| Accounts payable | (865,529) | 28,107 | (4,609) | (842,031) | 72,688 |
| Accrued liabilities | (4,031) | 3,433 | 327 | (271) | - |
| Net pension liabilities | (81,793) | (54,798) | (8,197) | (144,788) | - |
| Deferred inflows of resources | 10,328 | 10,163 | 1,147 | 21,638 | - |
| Landfill closure/post-closure care costs | - | 612,170 | - | 612,170 | - |
| Unearned revenue | - | 24,912 | - | 24,912 | - |
| Net cash provided by (used in) operating activities | $ 4,044,360 | $ 1,891,218 | $ (116,679) | $ 5,818,899 | $ 291,339 |

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

# NEWTON COUNTY, GEORGIA

## STATEMENT OF FIDUCIARY NET POSITION
## FIDUCIARY FUNDS
## JUNE 30, 2022

| | Custodial Funds |
|---|---|
| **ASSETS** | |
| Cash and cash equivalents | $ 4,404,726 |
| Taxes receivable | 3,480,402 |
| Total assets | $ 7,885,128 |
| **LIABILITIES** | |
| Due to others | $ 6,339,355 |
| Total liabilities | 6,339,355 |
| **NET POSITION** | |
| Restricted for individuals, organizations, and other governments | $ 1,545,773 |

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

# NEWTON COUNTY, GEORGIA

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
## FIDUCIARY FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Custodial Funds |
|---|---|
| **ADDITIONS** | |
| Taxes collected | $ 118,769,189 |
| Fines and fees collected | 11,589,740 |
| Total additons | 130,358,929 |
| **DEDUCTIONS** | |
| Taxes disbursed | 118,769,338 |
| Fines and fees disbursed | 11,647,365 |
| Total deductions | 130,416,703 |
| Change in net position | (57,774) |
| Net position, beginning of year, as restated | 1,603,547 |
| Net position, end of year | $ 1,545,773 |

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

# NOTES TO FINANCIAL STATEMENTS

## GUIDE TO NOTES


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# NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Newton County, Georgia (the "County") was created by the legislative act in 1821 and operates under a Board of Commissioners/County Manager form of government, providing the following services as authorized by its charter: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of the County and its discretely presented component units, the Newton County Health Department, the Newton County Industrial Development Authority, the Newton County Library System, and the Newton County Water and Sewerage Authority, have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below:

## A. Reporting Entity

As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus (An Amendment to GASB No.'s 14 and 34)*, the component units' financial statements have been included as discretely presented component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. Based upon the application of these criteria, the following is a brief review of each component unit addressed in defining the County's reporting entity.

**Discretely Presented Component Units**

**Newton County Health Department**

The Newton County Health Department (the "Health Department") is governed by a seven-member board, of which four members are appointed by the governing authority of the County. The County provides funding to the Health Department by way of an annual appropriation and by providing building facilities. The Health Department is presented as a governmental fund type component unit. The Health Department's financial statements have been presented separately and can be obtained by writing to the Newton County Health Department, 8203 Hazelbrand Rd NE, Covington, Georgia 30014.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### A. Reporting Entity (Continued)

**Discretely Presented Component Units (Continued)**

**Newton County Industrial Development Authority**

The Newton County Industrial Development Authority ("Industrial Development Authority") is governed by a five-member board, of which one member is appointed by the governing authority of the County. The County provides guarantees and funding for various bonds issued for industrial development by the Industrial Development Authority. The Industrial Development Authority is organized as a nonprofit corporation with the County as the sole corporate member as identified in the Industrial Development Authority's articles of incorporation. The Industrial Development Authority is presented as a governmental fund type component unit. Separate financial statements for the Industrial Development Authority may be obtained by writing to the Newton County Industrial Development Authority, P.O. Box 1617, Covington, Georgia 30015.

**Newton County Library System**

The Newton County Library System (the "Library") is governed by an eight-member board, of which six members are appointed by the governing authority of the County. 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 Library is presented as a governmental fund type component unit. The Newton County Library System's financial statements have been presented separately and can be obtained by writing to the Newton County Library System, 7116 Floyd Street, Covington, Georgia 30014.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### A. Reporting Entity (Continued)

**Discretely Presented Component Units (Continued)**

**Newton County Recreation Commission**

The Newton County Recreation Commission (the "Recreation Commission") is governed by a six-member board, of which three members are appointed by the governing authority of 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 is presented as a governmental fund type component unit. During fiscal year 2021, the Recreation Commission, as a discretely presented component unit, was dissolved and absorbed by the General Fund.

**Newton County Water and Sewerage Authority**

The Newton County Water and Sewerage Authority (the "Water Authority") was created under the Acts of the General Assembly of the State of Georgia on March 10, 1970, to provide water and related services throughout the County. The Water Authority is governed by an eight-member Board of Directors, five of which are appointed by the County. The County is obligated for the debt of the Water Authority and, therefore, a financial burden exists. The Water Authority is presented as a proprietary fund type component unit. Separate financial statements for the Water Authority may be obtained by writing to the Newton County Water and Sewerage Authority, 11325 Brown Bridge Road, Covington, Georgia 30209.

### B. Government-wide and Fund Financial Statements

The Government-wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### B. Government-wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The County reports the following major governmental funds:

The ***General Fund*** 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.

The ***Impact Fee Fund*** is used to account for impact fee funds collected by the County that are used for certain approved projects under the Impact Fee Plan.

The ***2017 Special Purpose Local Option Sales Tax ("SPLOST") Fund*** is used to account for the revenues and expenditures relating to the 2017 1% SPLOST.

The ***American Rescue Plan Act ("ARPA") Fund*** is used for accounting for the financial resources provided and subsequently expended from the ARPA grant received from the federal government.

The ***Capital Improvement Fund*** is used to account for the amounts that are used for various specific capital projects of the County.

The **Federal Emergency Management Association ("*FEMA") Grant Fund*** is used to account for the federal grant monies received from FEMA.

The County reports the following major proprietary funds:

The ***Water Fund*** is used to account for the revenues and expenses relating to the operation and maintenance of the Cornish Creek reservoir water system.

The ***Solid Waste Fund*** is used to account for the revenues and expenses relating to the operation and maintenance of the County's landfill, disposal sites, and recycling center.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***Capital Projects Funds*** are used to account for specific revenues that are legally restricted to capital expenditures for particular purposes.

The ***Debt Service Fund*** is 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.

The ***Enterprise Fund*** is used to account for the activity of the Gaither's at Myrtle Creek Fund.

The ***Internal Service Fund*** is used to account for assets set aside for workers' compensation claims.

The ***Custodial Funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. Custodial funds account for the Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Sheriff, and Juvenile Court.

Amounts reported as *program revenues* include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### D. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Statutes authorize the County to invest in obligations of the United States and of its agencies and instrumentalities, bonds of the State of Georgia and its agencies, instrumentalities and political subdivisions, certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations, and Georgia Fund 1, the Local Government Investment Pool. The investment in Georgia Fund 1 represents the County's portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. Treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, bankers' acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in Georgia Fund 1 is valued at fair value.

The County's investments and the investments of its component units are stated at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which is fair value.

### E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### F. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market, using the first-in/first-out ("FIFO") method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenditures when consumed rather than when purchased.

### G. Restricted Assets

Certain proceeds of the primary government's general obligation bonds and capital leases, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is restricted by applicable bond covenants.

### H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The County has retroactively reported major general infrastructure assets. In this case, the County chose to include all items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through back trending.

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

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

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### H. Capital Assets (Continued)

Capital assets of the primary government are depreciated using the straight-line method over the following useful lives:

| | Years | |
|---|---|---|
| **Asset Category** | **Governmental Activities** | **Business-type Activities** |
| Buildings and improvements | 20 – 50 | 25 – 30 |
| Machinery and equipment | 7 – 12 | 5 – 12 |
| Infrastructure | 15 – 50 | N/A |
| Water distribution system | N/A | 40 |
| Vehicles | 5 | N/A |
| Furniture and fixtures | 10 | N/A |
| Computer equipment | 5 | N/A |

### I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The County has one item that qualifies for reporting in this category other than the items related to the changes in the net pension liability which are discussed below. The item, a deferred charge on refunding, is reported in the governmental-wide proprietary Fund statements of net position. A deferred charge on refunding is reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunding debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### I. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. These items arise only under modified accrual basis of accounting. Accordingly, these items, unavailable revenue from property taxes and unavailable revenue due to the period of availability, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues, and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The County also has and deferred inflows relating to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions, which adjust the net pension liability, are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period.

### J. Pensions

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

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### K. Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused, vacation and sick pay benefits and compensatory time balances. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. There is no liability for non-vesting accumulated rights to receive sick pay benefits, since the County does not have a policy to pay any amounts when employees separate from service with the County.

### L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### M. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### M. Fund Equity (Continued)

**Fund Balance**

Generally, fund balance represents the difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances are classified as follows:

- **Non-spendable** – Fund balances are reported as non-spendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash); or (b) legally or contractually required to be maintained intact.

- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.

- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County’s Finance Director to assign fund balances.

- **Unassigned** – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### M. Fund Equity (Continued)

**Fund Balance Flow Assumptions**

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

**Net Position**

As noted previously, equity for government-wide and proprietary fund financial statements is classified as net position and displayed in three components:

- **Net investment in capital assets** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

- **Restricted net position** – Consists of net position with constraints placed on the use either by: a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or b) law through constitutional provisions or enabling legislation. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above.

- **Unrestricted net position** – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

The County applies restricted resources first when expense is incurred for purposes for which both restricted and unrestricted net position is available.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### N. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

### A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this $28,486,961 difference are as follows:

| | |
|---|---|
| Notes payable | $ (11,816,588) |
| Capital lease obligations | (408,979) |
| General obligation bonds payable | (5,376,958) |
| Revenue bond | (4,300,000) |
| Compensated absences | (2,970,522) |
| Deferred amount of debt refunding | 133,242 |
| Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities* | $ (24,739,805) |

## NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

### B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

| | |
|---|---|
| Capital outlay | $ 10,323,752 |
| Depreciation expense | (10,840,521) |
| Net adjustment to reduce *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities* | $ (516,769) |

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." The details of this difference are as follows:

| | |
|---|---|
| Principal repayments: | |
| Capital leases | $ 74,915 |
| Notes payable | 732,567 |
| Bonds payable and installment sales | 3,193,828 |
| Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities* | $ 4,001,310 |

## NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

### B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "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." The details of this difference are as follows:

| | |
|---|---|
| Notes payable | $ (11,816,588) |
| Capital lease obligations | (408,979) |
| General obligation bonds payable | (5,376,958) |
| Revenue bond | (4,300,000) |
| Compensated absences | (2,970,522) |
| Deferred amount of debt refunding | 133,242 |
| Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities* | $ (24,739,805) |

## NOTE 3. LEGAL COMPLIANCE – BUDGETS

### A. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the County Manager collaborates with the Chairman of the Board of Commissioners to prepare the budget. The Chairman then submits, to the entire Board of Commissioners, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the County Administration Building to obtain taxpayer comments.
3. Prior to July 1, the budget is legally enacted through passage of an ordinance.
4. Any transfers of budgeted amounts and any revisions that alter the total expenditures of any department or fund must be approved by the Commissioners. The legal level of budgetary control is the department level.

## NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

### A. Budgets and Budgetary Accounting (Continued)

5. Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets were legally adopted for the General Fund and Special Revenue Funds. Project length budgets were adopted for all Capital Projects Funds. The supplementary budgetary appropriations made were not material.
6. All annual appropriations lapse at the end of each year.

### B. Fund Deficits

The County reported deficit fund balances in the FEMA Grant Fund and the Fire Districts Fund in the amounts of $3,719,838 and 2,806,092, respectively. Additionally, deficit net position of $13,417,777 was reported in the Solid Waste fund. The deficits are intended to be eliminated through future revenues.

## NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

### C. Excess Expenditures over Appropriations

For the year ended June 30, 2022, expenditures exceeded the appropriations as follows:

| | Excess |
|---|---|
| Forfeited Funds: | |
| Public safety | $ 76,153 |
| Fire Districts: | |
| Public safety | 74,524 |
| County Jail: | |
| Public safety | 94,962 |
| Sheriff Special Revenue: | |
| Public safety | 16,815 |
| Law Library: | |
| Judicial | 46,952 |
| Multiple Grant: | |
| Public works | 2,799 |
| NSP Grant: | |
| Housing and development | 62,595 |
| E-911: | |
| Public safety | 4,769 |

These over-expenditures were funded by under-expenditures in other departments, unanticipated revenues, and opening fund balance.

## NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2022, are summarized as follows:

| | |
|---|---|
| **Balances per statement of net position:** | |
| Cash - Primary government | $ 75,238,705 |
| Investments - Primary government | 78,512,382 |
| Restricted assets: | |
| Cash - Primary government | 4,796,304 |
| **Balances per statement of fiduciary net position:** | |
| Cash - custodial funds | 4,404,726 |
| | $ 162,952,117 |
| Cash deposited with financial institutions | $ 84,439,735 |
| Certificates of deposit | 74,594 |
| Cash deposited with Georgia Fund 1 | 78,437,788 |
| | $ 162,952,117 |

**Credit risk.** State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The local government investment pool, Georgia Fund 1, is operated by the Office of the State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, bankers' acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in Georgia Fund 1 is valued at fair value. As of June 30, 2022, the investment in Georgia Fund 1 was rated AAAf by Standard & Poor's.

## NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2022, the County had the following investments:

| Investment | Maturities | Fair Value |
|---|---|---|
| Primary government: | | |
| Georgia Fund 1 | 43-day weighted average | $ 78,437,788 |
| Certificates of Deposit | 12-month weighted average | 74,594 |
| | | $ 78,512,382 |

**Interest rate risk.** In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the duration of any investment to a maximum of five years.

**Fair value measurements.** The County categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. Additionally, certificates of deposit are not subject to the fair value level disclosures. As a result, the County does not disclose its investment in the Georgia Fund 1 or certificates of deposit within the fair value hierarchy.

**Custodial credit risk – deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2022, all of the deposits of the County, Health Department, Industrial Development Authority, Library, and Water Authority were properly insured and collateralized as required by the Official Code of Georgia Annotated ("O.C.G.A.") §45-8-12(c) and as defined by GASB pronouncements.

**Custodial credit risk – investments.** For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has no specific investment policy in regards to custodial credit risk for investments.

## NOTE 5. RECEIVABLES

Receivables at June 30, 2022, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

| | General Fund | 2017 SPLOST Fund | FEMA Grant Fund | Capital Improvement Fund | Water Fund | Solid Waste Fund | Nonmajor Governmental Funds | Nonmajor Enterprise Fund | Total |
|---|---|---|---|---|---|---|---|---|---|
| Receivables: | | | | | | | | | |
| Taxes | $ 2,219,373 | $ - | $ - | $ - | $ - | $ - | $ 109,019 | $ - | $ 2,328,392 |
| Accounts | 561,927 | - | - | - | 1,027,351 | 619,883 | 405,614 | 85 | 2,614,860 |
| Other | 1,389,866 | 1,809,340 | 3,372,124 | 162,684 | - | - | 378,917 | - | 7,112,931 |
| Gross receivables | 4,171,166 | 1,809,340 | 3,372,124 | 162,684 | 1,027,351 | 619,883 | 893,550 | 85 | 12,056,183 |
| Less allowance for uncollectibles | - | - | - | - | - | - | - | - | - |
| Net total receivables | $ 4,171,166 | $ 1,809,340 | $ 3,372,124 | $ 162,684 | $ 1,027,351 | $ 619,883 | $ 893,550 | $ 85 | $ 12,056,183 |

Property taxes attached as an enforceable lien on property as of January 1, 2021. Property taxes were levied on August 17, 2021, billed on October 22, 2021, with the first installment payable on or before December 20, 2021, and the final installment due February 20, 2022. The County bills and collects its own property taxes. Property taxes levied for 2021, are recorded as receivables, net of estimated uncollectibles.

## NOTE 6. CAPITAL ASSETS

Capital asset activity for the County's governmental activities for the year ended June 30, 2022, is as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Governmental activities** | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | $ 68,504,715 | $ - | $ - | $ - | $ 68,504,715 |
| Construction in progress | 5,297,444 | 7,925,962 | - | (4,391,343) | 8,832,063 |
| Intangibles | 33,402 | - | - | - | 33,402 |
| Total | 73,835,561 | 7,925,962 | - | (4,391,343) | 77,370,180 |
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | 111,716,801 | - | - | 4,391,343 | 116,108,144 |
| Machinery and equipment | 40,660,983 | 2,397,790 | (449,210) | - | 42,609,563 |
| Infrastructure | 496,791,496 | - | - | - | 496,791,496 |
| Total | 649,169,280 | 2,397,790 | (449,210) | 4,391,343 | 655,509,203 |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | (54,945,957) | (3,088,011) | - | - | (58,033,968) |
| Machinery and equipment | (30,421,151) | (2,407,612) | 433,137 | - | (32,395,626) |
| Infrastructure | (474,340,112) | (5,344,898) | - | - | (479,685,010) |
| Total | (559,707,220) | (10,840,521) | 433,137 | - | (570,114,604) |
| Total capital assets, being depreciated, net | 89,462,060 | (8,442,731) | (16,073) | 4,391,343 | 85,394,599 |
| Governmental activities capital assets, net | $ 163,297,621 | $ (516,769) | $ (16,073) | $ - | $ 162,764,779 |

## NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the County's business-type activities for the year ended June 30, 2022, is as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Business-type activities** | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | $ 25,857,512 | $ - | $ - | $ - | $ 25,857,512 |
| Construction in progress | 10,590,134 | 14,116,832 | - | - | 24,706,966 |
| Intangibles | 20,526 | - | - | - | 20,526 |
| Total | 36,468,172 | 14,116,832 | - | - | 50,585,004 |
| Capital assets being depreciated: | | | | | |
| Buildings | 28,588,704 | - | - | - | 28,588,704 |
| Land improvements | 11,664,335 | - | - | - | 11,664,335 |
| Machinery and equipment | 10,382,891 | 345,961 | (57,928) | - | 10,670,924 |
| Water distribution system | 8,838,064 | - | - | - | 8,838,064 |
| Total | 59,473,994 | 345,961 | (57,928) | - | 59,762,027 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (11,403,893) | (740,699) | - | - | (12,144,592) |
| Land improvements | (6,165,644) | (444,302) | - | - | (6,609,946) |
| Machinery and equipment | (8,323,421) | (367,102) | 26,793 | - | (8,663,730) |
| Water distribution system | (6,969,575) | (110,003) | - | - | (7,079,578) |
| Total | (32,862,533) | (1,662,106) | 26,793 | - | (34,497,846) |
| Capital assets being depreciated, net | 26,611,461 | (1,316,145) | (31,135) | - | 25,264,181 |
| Business-type activities capital assets, net | $ 63,079,633 | $ 12,800,687 | $ (31,135) | $ - | $ 75,849,185 |

## NOTE 6. CAPITAL ASSETS (CONTINUED)

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

| | | |
|---|---|---|
| Governmental activities: | | |
| General government | $ | 1,827,608 |
| Judicial | | 134,964 |
| Public safety | | 2,829,292 |
| Public works | | 5,445,419 |
| Health and welfare | | 435,288 |
| Culture and recreation | | 167,950 |
| Total depreciation expense - governmental activities | $ | 10,840,521 |
| Business-type activities: | | |
| Water | $ | 1,031,396 |
| Solid Waste | | 609,018 |
| Gaither's Plantation | | 21,692 |
| Total depreciation expense - business-type activities | $ | 1,662,106 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES

### A. Revenue Bonds

**Governmental Activities**

In February of 2020, the County approved the creation of a Public Facilities Authority (the "Authority") for the purpose of issuing bonds for the construction of County projects. On March 12, 2021, the Authority issued a revenue bond (Public Facilities Authority Revenue Bond, Series 2021). The proceeds of this bond were used to pay for the construction of Fire Station #4 and two fire truck. Interest on the bond will be payable semi-annually on June 1 and December 1 with principal payable annually beginning June 2021 ranging from $190,000 to $565,000.

| Purpose | Interest Rate | Term | Due Date | Original Amount | Outstanding Amount |
|---|---|---|---|---|---|
| Fire Station 4 and Equipment | 1.31% | 10 years | 2030 | $ 4,990,000 | $ 4,300,000 |

The estimated annual requirements to amortize the County's revenue bonds payable as of June 30, 2022, are as follows:

| Fiscal year ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 510,000 | 62,880.00 | $ 572,880 |
| 2024 | 515,000 | 56,330.00 | 571,330 |
| 2025 | 525,000 | 49,649.00 | 574,649 |
| 2026 | 535,000 | 42,902.50 | 577,903 |
| 2027 | 540,000 | 36,025.00 | 576,025 |
| 2028 – 2030 | 1,675,000 | 73,098.00 | 1,748,098 |
| Total | $ 4,300,000 | $ 320,885 | $ 4,620,885 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### A. Revenue Bonds (Continued)

**Business-Type Activities**

The County issues bonds where the County pledges revenues derived from the acquired or constructed assets to pay debt service. The County's revenue bonds outstanding as of June 30, 2022, are as follows:

| Purpose | Interest Rate | Due Date | Amount |
|---|---|---|---|
| Refunding of 2004 Bonds | 2.200% | 2024 | $ 5,675,000 |
| Purchase of Real Property | 2.000 – 4.150% | 2042 | 8,830,000 |
| Purchase of Real Property | 2.000 – 5.000% | 2043 | 11,630,000 |
| | | | 26,135,000 |
| | Plus unamortized premiums | | 563,721 |
| | | | $ 26,698,721 |

On August 29, 2012, the County issued revenue bonds (Series 2012). The proceeds of these bonds were used to refund the Series 2004 bonds. Interest on the bonds is 2.20%. Interest is payable semi-annually on January 1 and July 1 of each year with principal payable annually beginning July 1, 2013, ranging from $1,795,000 to $2,040,000 through July 1, 2024.

On August 10, 2017, the County issued revenue bonds (Series 2017A and Series 2017B). The proceeds of these bonds were used to finance the purchase of real property related to the landfill and waste drop-off convenience centers currently owned by the County and certain improvements to the landfill. Interest ranges from 2.00% to 5.00% on the Series 2017A bonds and from 2.00% to 4.15% on the Series 2017B bonds. Interest is payable semi-annually on May 1 and November 1 of each year with principal payable annually beginning May 1, 2018, ranging from $285,000 to $620,000 through May 1, 2042 for the Series 2017A bonds and ranging from $150,000 to $1,325,000 through May 1, 2043 for the Series 2017B bonds.

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### A. Revenue Bonds (Continued)

**Business-Type Activities (Continued)**

The estimated annual requirements to amortize the County's revenue bonds payable as of June 30, 2022, are as follows:

| Fiscal year ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 2,335,000 | $ 899,411 | $ 3,234,411 |
| 2024 | 3,475,000 | 844,292 | 4,319,292 |
| 2025 | 3,590,000 | 729,305 | 4,319,305 |
| 2026 | 685,000 | 631,676 | 1,316,676 |
| 2027 | 715,000 | 603,546 | 1,318,546 |
| 2028 – 2032 | 4,045,000 | 2,560,374 | 6,605,374 |
| 2033 – 2037 | 4,820,000 | 1,780,006 | 6,600,006 |
| 2038 – 2042 | 5,820,000 | 784,853 | 6,604,853 |
| 2043 | 650,000 | 22,100 | 672,100 |
| Total | $ 26,135,000 | $ 8,855,563 | $ 34,990,563 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### B. General Obligation Bonds

**Governmental Activities**

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. General obligation bonds at June 30, 2022, consisted of the following:

| Purpose | Interest Rate | Term | Due Date | Original Amount | Outstanding Amount |
|---|---|---|---|---|---|
| Capital Outlay Projects | 3.00% | 5 years | 2024 | 12,650,000 | $ 5,240,000 |
| | | | Plus unamortized premiums | | 136,958 |
| | | | | | $ 5,376,958 |

On October 4, 2018, the County issued general obligation bonds (General Obligation Sales Tax Bonds, Series 2018). The proceeds of these bonds were used to pay a portion of the County's capital outlay projects and the costs of issuing bonds. Interest on bonds will be payable semi-annually on February 1 and August 1 with principal payable annually beginning August 2019 ranging from $2,420,000 to $2,655,000.

The general obligation bond debt service requirements to maturity are as follows:

| Fiscal year ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 2,585,000 | $ 197,375 | $ 2,782,375 |
| 2024 | 2,655,000 | 66,375 | 2,721,375 |
| | $ 5,240,000 | $ 263,750 | $ 5,503,750 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### C. Other Long-Term Debt

**Governmental Activities**

On September 27, 2016, the County entered into a financing agreement with First Security Finance, Inc. The note had an original balance of $14,440,098 and is being used to make various energy efficiency upgrades across many County facilities. Quarterly installment payments, including interest at 2.69%, begin in September 2018 and are payable over a 15-year period. As of June 30, 2022, the principal of this note was $11,816,588.

The County also incurred debt to the Georgia Environmental Finance Authority (“GEFA”) for construction of further improvements to the technology park owned by the Four County Industrial Development Authority.

The County’s notes outstanding as of June 30, 2022, are as follows:

| Purpose | Interest Rate | Due Date | Amount |
|---|---|---|---|
| Energy Efficient Upgrades | 2.69% | 2033 | $ 11,814,573 |
| Four County Industrial Site | 4.65% | 2022 | 2,015 |
| | | | $ 11,816,588 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### C. Other Long-Term Debt (Continued)

**Governmental Activities (Continued)**

The estimated annual requirements to maturity for the County's note payable as of June 30, 2022, are as follows:

| Fiscal year ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 768,523 | $ 312,692 | $ 1,081,215 |
| 2024 | 818,359 | 291,727 | 1,110,086 |
| 2025 | 873,075 | 269,347 | 1,142,422 |
| 2026 | 930,816 | 245,476 | 1,176,292 |
| 2027 | 991,761 | 220,030 | 1,211,791 |
| 2028 – 2032 | 5,998,875 | 656,931 | 6,655,806 |
| 2033 | 1,435,179 | 29,020 | 1,464,199 |
| Total | $ 11,816,588 | $ 2,025,223 | $ 13,841,811 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### C. Other Long-Term Debt (Continued)

**Business-type Activities**

The County has incurred debt to the GEFA for the purchase of water reservoir and landfill equipment and expansion of the landfill. The County's notes outstanding as of June 30, 2022, are as follows:

| Purpose | Interest Rate | Due Date | Amount |
|---|---|---|---|
| Water Fund | 1.40% | 2034 | $ 480,586 |
| Water Fund | 1.25% | N/A | 20,001,685 |
| Water Fund | 0.86% | N/A | 664,001 |
| Solid Waste Fund | 1.39% | N/A | 2,178,478 |
| Solid Waste Fund | 1.44% | N/A | 1,965,417 |
| | | | $ 25,290,167 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### C. Other Long-Term Debt (Continued)

The GEFA loans other than the $480,586 listed above are in the drawdown phase at June 30, 2022. Repayment will be determined when construction has been completed and all drawdowns have been made. The County also signed loan agreements for two new GEFA loans in the prior year. No drawdowns have been made on these loans at year-end. These notes are, therefore, not included in the maturity schedule shown below. The estimated annual requirements to maturity for the County's notes payable as of June 30, 2022, are as follows:

| Fiscal year ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 40,042 | $ 6,472 | $ 46,514 |
| 2024 | 40,607 | 5,908 | 46,515 |
| 2025 | 41,179 | 5,336 | 46,515 |
| 2026 | 41,759 | 4,755 | 46,514 |
| 2027 | 42,347 | 4,167 | 46,514 |
| 2028 – 2032 | 220,857 | 11,715 | 232,572 |
| 2033 and 2034 | 53,795 | 472 | 54,267 |
| Total | $ 480,586 | $ 38,825 | $ 519,411 |

### D. Capital Leases

**Governmental Activities**

The County has entered into lease agreements as lessee for financing the acquisition and construction of various equipment. The lease agreements qualify as capital leases for accounting purposes and have been recorded at the present values of the future minimum lease payments as of the date of their inception.

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### D. Capital Leases (Continued)

**Governmental Activities (Continued)**

The following is an analysis of assets leased under capital leases as of June 30, 2022:

| | | |
|---|---|---|
| Vehicles | $ | 552,556 |
| Less accumulated depreciation | | (118,406) |
| Net assets leased under capital leases | $ | 434,150 |

For the year ended June 30, 2022, depreciation expense related to assets leased under capital leases totaled $78,937.

The following is a schedule of future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2022:

| Fiscal year ending June 30, | | |
|---|---|---|
| 2023 | $ | 89,159 |
| 2024 | | 89,159 |
| 2025 | | 89,159 |
| 2026 | | 89,159 |
| 2027 | | 89,159 |
| Total minimum lease payments | | 445,795 |
| Less amount representing interest | | (36,816) |
| Present value of future minimum lease payments | $ | 408,979 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### D. Capital Leases (Continued)

**Business-type Activities**

The County has entered into lease agreements as lessee for financing the acquisition and construction of various equipment. The lease agreements qualify as capital leases for accounting purposes and have been recorded at the present values of the future minimum lease payments as of the date of their inception.

The following is an analysis of assets leased under capital leases as of June 30, 2022:

| | | |
|---|---|---|
| Vehicles | $ | 1,071,347 |
| Less accumulated depreciation | | (364,586) |
| Net assets leased under capital leases | $ | 706,761 |

For the year ended June 30, 2022, depreciation expense related to assets leased under capital leases totaled $96,168.

The following is a schedule of future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2022:

| Fiscal year ending June 30, | | |
|---|---|---|
| 2023 | $ | 231,396 |
| 2024 | | 195,586 |
| 2025 | | 87,621 |
| Total minimum lease payments | | 514,603 |
| Less amount representing interest | | (7,734) |
| Present value of future minimum lease payments | $ | 506,869 |

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### E. Changes in Long-Term Liabilities

The following is a summary of long-term debt activity of the County's governmental activities for the year ended June 30, 2022:

| | Beginning Balance | Additions | Deletions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| General obligation bonds | $ 7,765,000 | $ - | $ 2,525,000 | $ 5,240,000 | $ 2,585,000 |
| Revenue bond | 4,800,000 | - | 500,000 | 4,300,000 | 510,000 |
| Deferred bond premium | 305,786 | - | 168,828 | 136,958 | - |
| Total bonds payable | 12,870,786 | - | 3,193,828 | 9,676,958 | 3,095,000 |
| Notes payable | 12,549,155 | - | 732,567 | 11,816,588 | 768,523 |
| Capital lease obligations | 483,894 | - | 74,915 | 408,979 | 77,120 |
| Net pension liability | 1,534,673 | 448,084 | 1,046,971 | 935,786 | - |
| Compensated absences | 2,716,368 | 4,618,862 | 4,364,708 | 2,970,522 | 297,052 |
| | $ 30,154,876 | $ 5,066,946 | $ 9,412,989 | $ 25,808,833 | $ 4,237,695 |

For governmental activities, net pension liability, and compensated absences are generally liquidated by the General Fund.

## NOTE 7. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

### E. Changes in Long-Term Liabilities (Continued)

The following is a summary of long-term debt activity of the County's business-type activities for the year ended June 30, 2022:

| | Beginning Balance | Additions | Deletions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| **Business-type activities:** | | | | | |
| Revenue bonds | $ 28,410,000 | $ - | $ 2,275,000 | $ 26,135,000 | $ 2,335,000 |
| Deferred bond premium | 591,907 | - | 28,186 | 563,721 | - |
| Total bonds payable | 29,001,907 | - | 2,303,186 | 26,698,721 | 2,335,000 |
| Notes payable | 10,728,621 | 14,601,033 | 39,487 | 25,290,167 | 40,042 |
| Capital lease obligations | 733,596 | - | 226,727 | 506,869 | 224,008 |
| Landfill post-closure costs | 11,133,640 | 612,170 | - | 11,745,810 | - |
| Net pension liability | 318,264 | 77,793 | 222,581 | 173,476 | - |
| | $ 51,916,028 | $ 15,290,996 | $ 2,791,981 | $ 64,415,043 | $ 2,599,050 |

For business-type activities, net pension liability and compensated absences are liquidated by the related Proprietary Fund.

## NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables as of June 30, 2022, are as follows:

| Receivable Fund | Payable Fund: FEMA Grant Fund |
|---|---|
| General Fund | $ 3,430,985 |

These balances resulted from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund transfers for the year ended June 30, 2022, are as follows:

| | Transfers Out | | | | | |
|---|---|---|---|---|---|---|
| Transfers In | General Fund | 2017 SPLOST Fund | Nonmajor Governmental Funds | Capital Improvement Fund | FEMA Grant Fund | Total |
| General Fund | $ - | $ - | $ 1,874,239 | $ - | $ 550 | $ 1,874,789 |
| Capital Improvement Fund | 1,256,938 | - | - | - | - | 1,256,938 |
| 2017 SPLOST Fund | - | - | - | 2,442,594 | - | 2,442,594 |
| Nonmajor Governmental Funds | 1,561,114 | - | 563,430 | - | - | 2,124,544 |
| Solid Waste Fund | 646,484 | 267,150 | - | - | - | 913,634 |
| Nonmajor Enterprise Funds | 241,334 | - | - | - | - | 241,334 |
| Total | $ 3,705,870 | $ 267,150 | $ 2,437,669 | $ 2,442,594 | $ 550 | $ 8,853,833 |

## NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## NOTE 9. DEFINED BENEFIT PENSION PLANS

### A. Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Newton County Defined Benefit Plan (the "Plan"), covering substantially all of the County's employees. The County's pension plan is administered through the Association of County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia ("ACCG"). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The County stopped accepting new entrants in the Plan in 1997, and the Plan continues to be closed to new entrants. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com, by writing to: The Association of County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

## NOTE 9. DEFINED BENEFIT PENSION PLANS (CONTINUED)

### B. Plan Membership

As of January 1, 2021, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

| | |
|---|---|
| Inactive plan members or beneficiaries currently receiving benefits | 77 |
| Inactive plan members entitled to but not receiving benefits | 52 |
| Active plan members | 22 |
| | 151 |

### C. Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of ACCG has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County Board of Commissioners, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the actuarially determined rate. No contributions are required of or permitted by participants of the Plan. For the year ended June 30, 2022, the County's contribution rate was 46.32% of annual payroll. County contributions to the Plan were $632,026 for the year ended June 30, 2022.

## NOTE 9. DEFINED BENEFIT PENSION PLANS (CONTINUED)

### D. Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2021, with updated procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2021.

*Actuarial assumptions*. The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 3.00% |
| Salary increases | 2.00% to 4.00%, including inflation |
| Investment rate of return | 7.00%, net of pension plan investment expense, including inflation |

Mortality rates were based on the Pub-2010 Amount weighted Mortality Table with a blend or 50% of the General Employees Table and 50% of the Public Safety Employees with scale AA to 2020.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for February 2019.

## NOTE 9. DEFINED BENEFIT PENSION PLANS (CONTINUED)

### D. Net Pension Liability of the County (Continued)

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2021, are summarized in the following table:

| Asset class | Target Allocation | Long-term expected real rate of return* |
|---|---|---|
| Fixed income | 30% | 25 – 35% |
| Large Cap equity | 30% | 25 – 35% |
| International equity | 15% | 10 – 20% |
| Other equity | 20% | 2.5 – 10% |
| Real estate | 5% | 2.5 – 10% |
| | 100% | |

* Rates shown are net of the 3.00% assumed rate of inflation.

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

## NOTE 9. DEFINED BENEFIT PENSION PLANS (CONTINUED)

### D. Net Pension Liability of the County (Continued)

*Changes in the Net Pension Liability of the County*: The changes in the components of the net pension liability of the County for the year ended June 30, 2022, were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|---|---|---|
| Balances at June 30, 2021 | $ 6,319,733 | $ 4,348,525 | $ 1,971,208 |
| Changes for the year: | | | |
| Service cost | 7,873 | - | 7,873 |
| Interest | 423,056 | - | 423,056 |
| Differences between expected and actual experience | (24,362) | - | (24,362) |
| Assumption changes | 12,508 | - | 12,508 |
| Contributions - employer | - | 632,026 | (632,026) |
| Net investment income | - | 663,904 | (663,904) |
| Benefit payments, including refunds of employee contributions | (552,140) | (552,140) | - |
| Administrative expenses | - | (25,411) | 25,411 |
| Other changes | - | (60,302) | 60,302 |
| Net changes | (133,065) | 658,077 | (791,142) |
| Balances at June 30, 2022 | $ 6,186,668 | $ 5,006,602 | $ 1,180,066 |

| | |
|---|---|
| Governmental Activities | $ 935,786 |
| Business-Type Activities | 173,476 |
| Newton County Water and Sewerage Authority | 70,804 |
| | $ 1,180,066 |

## NOTE 9. DEFINED BENEFIT PENSION PLANS (CONTINUED)

### D. Net Pension Liability of the County (Continued)

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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

| | 1.00% Decrease (6.00%) | Current Discount Rate (7.00%) | 1.00% Increase (8.00%) |
|---|---|---|---|
| County's proportionate share of the net pension liability | $ 1,530,937 | $ 1,109,262 | $ 735,955 |
| Newton County Water and Sewerage's proportionate share of the net pension liability | 97,719 | 70,804 | 46,976 |
| Total net pension liability | $ 1,628,656 | $ 1,180,066 | $ 782,931 |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2021, and the current sharing pattern of costs between employer and employee.

## NOTE 9. DEFINED BENEFIT PENSION PLANS (CONTINUED)

### E. Pension Expense and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the County recognized pension expense of $19,053. Contributions made during the County's fiscal year ended June 30, 2022 were made in one single payment and were made prior to the County's measurement date. At June 30, 2022, the County reported deferred inflows of resources related to pensions from the following source:

| | Deferred Inflows of Resources | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Newton County Water and Sewerage Authority | Total |
| Net difference between projected and actual earnings on pension plan investments | $ 401,935 | $ 74,511 | $ 30,411 | $ 506,857 |
| Total | $ 401,935 | $ 74,511 | $ 30,411 | $ 506,857 |

Amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ending June 30, | Newton County | Newton County Water and Sewerage Authority | Total |
|---|---|---|---|
| 2023 | $ (119,111) | $ (7,603) | $ (126,714) |
| 2024 | (119,111) | (7,603) | (126,714) |
| 2025 | (119,111) | (7,603) | (126,714) |
| 2026 | (119,113) | (7,602) | (126,715) |
| Total | $ (476,446) | $ (30,411) | $ (506,857) |

## NOTE 10. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. 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 County has joined together with other municipalities in the state as part of the Group Self Insurance Workers' Compensation Fund ("GSIWCF") for its workers' compensation risks. GSIWCF exists by authority of the O.C.G.A., and participates in risk sharing arrangements among Georgia county governments. The membership allows the County to share liability, crime, workers' compensation, motor vehicle and property damage risks.

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 fund 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 fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The fund is to pay all costs 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.

Chapter 85 of Title 36 and Chapter 9 of Title 34 of the O.C.G.A. authorize Georgia counties to form interlocal management agencies. GSIWCF acts as a risk management agency to function as an unincorporated nonprofit instrumentality of its member counties. GSIWCF establishes and administers one or more group self-insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property and workers' compensation losses occurring in the operation of member governments.

The County retains the first $300,000 (in the form of a deductible) on its workers' compensation claims, and retains the first $10,000 (in the form of a deductible) of each risk of loss for all other property and liability losses. The County files all claims with GSIWCF and this instrumentality bills the County for any risk of loss up to the deductible amounts.

## NOTE 10. RISK MANAGEMENT (CONTINUED)

The basis for estimating the liabilities for unpaid claims is an incurred, but not reported, calculation as established by an actuary. The County has no such liability as of June 30, 2022 based on the requirements of GASB Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The County pays an annual premium to GSIWCF for the above referenced coverages, and GSIWCF is self-sustaining through member premiums. There have been no significant reductions of insurance coverages, and settlement amounts have not exceeded coverages for the current year or the three prior years.

## NOTE 11. LANDFILL CLOSURE AND POST-CLOSURE CARE

State and federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs,* requires the County to report a liability for the estimated costs of closing and maintaining each landfill site.

### Municipal Solid Waste Landfill (MSWL-2)

The County began operations at this site in 1998. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, which is expected to occur in 2106, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of the balance sheet date. The landfill closure and post-closure care liability at June 30, 2022 of $11,745,810 is reported in the Solid Waste Fund and represents the cumulative amount reported to date based on the use of approximately 23.6% of the estimated capacity of the landfill. This liability includes corrective action costs of $8,059,211. The County will recognize the remaining estimated cost of closure and post-closure care of $11,916,053 as the remaining estimated capacity is filled.

## NOTE 12. COMMITMENTS AND CONTINGENCIES

### A. Contractual Commitments

As of June 30, 2022, the County has commitments related to various construction projects in the amount of $7,939,256.

### B. Litigation

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County. Net of an aggregation of insurance coverage currently in place, and relative to any and all outstanding litigation faced by the County as of June 30, 2022, it is considered to be unlikely for the County to incur any obligation.

### C. Grant Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

## NOTE 13. JOINT VENTURES

### A. Northeast Georgia Regional Commission

Under Georgia law, the County, in conjunction with other cities and counties in the 12-county Northeast Georgia region, is a member of the Northeast Georgia Regional Commission (“NGRC”) and is required to pay annual dues thereto. During its year ended June 30, 2022, the County paid $100,785 in such dues. Membership in the NGRC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of regional development commissions in Georgia.

## NOTE 13. JOINT VENTURES (CONTINUED)

### Northeast Georgia Regional Commission (Continued)

The NGRC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional development commission. Separate financial statements may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30610

### Joint Development Authority

During the latter half of 1998, the Joint 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 the 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, to 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%. This debt was paid off in a prior year with the proceeds from the sale of land. The County records the investment in joint venture at a value of $31,067,689 using the equity interest method. Complete financial statements of the Joint Development Authority can be obtained by writing to the:

Joint Development Authority
C/O Madison-Morgan, Chamber of Commerce
118 North Main Street
Madison, Georgia 30650

# REQUIRED SUPPLEMENTARY INFORMATION

# NEWTON COUNTY, GEORGIA

## REQUIRED SUPPLEMENTARY INFORMATION
## SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
## FOR THE FISCAL YEARS ENDED JUNE 30,

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|
| **Total pension liability** | | | | | | | | |
| Service cost | **$ 7,873** | $ 8,822 | $ 9,054 | $ 10,620 | $ 9,769 | $ 11,417 | $ 11,644 | $ 13,639 |
| Interest on total pension liability | **423,056** | 437,725 | 469,351 | 487,767 | 484,913 | 489,396 | 456,810 | 466,804 |
| Differences between expected and actual experience | **(24,362)** | (116,926) | (307,490) | (43,725) | (147,423) | 167,956 | 370,120 | - |
| Changes of assumptions | **12,508** | 10,078 | 240,131 | 142,054 | 13,061 | 126,498 | 211,474 | - |
| Benefit payments, including refunds of employee contributions | **(552,140)** | (546,345) | (589,680) | (619,512) | (641,932) | (622,244) | (608,903) | (618,500) |
| **Net change in total pension liability** | **(133,065)** | (206,646) | (178,634) | (22,796) | (281,612) | 173,023 | 441,145 | (138,057) |
| **Total pension liability - beginning** | **6,319,733** | 6,526,379 | 6,705,013 | 6,727,809 | 7,009,421 | 6,836,398 | 6,395,253 | 6,533,310 |
| **Total pension liability - ending (a)** | **6,186,668** | 6,319,733 | 6,526,379 | 6,705,013 | 6,727,809 | 7,009,421 | 6,836,398 | 6,395,253 |
| **Plan fiduciary net position** | | | | | | | | |
| Contributions - employer | **632,026** | 586,327 | 542,554 | 517,287 | 426,561 | 429,439 | 390,488 | 373,938 |
| Net investment income | **663,904** | 517,632 | 675,257 | (173,844) | 514,353 | 233,018 | 7,825 | 237,069 |
| Benefit payments, including refunds of employee contributions | **(552,140)** | (546,345) | (569,739) | (597,840) | (641,932) | (622,244) | (608,903) | (618,500) |
| Administrative expenses | **(25,411)** | (23,546) | (23,055) | (12,825) | (11,889) | (16,986) | (13,980) | (14,404) |
| Other | **(60,302)** | (46,692) | (32,698) | (59,596) | (78,159) | (34,539) | (33,953) | (37,341) |
| **Net change in fiduciary net position** | **658,077** | 487,376 | 592,319 | (326,818) | 208,934 | (11,312) | (258,523) | (59,238) |
| **Plan fiduciary net position - beginning** | **4,348,525** | 3,861,149 | 3,268,830 | 3,595,648 | 3,386,714 | 3,398,026 | 3,656,549 | 3,715,787 |
| **Plan fiduciary net position - ending (b)** | **5,006,602** | 4,348,525 | 3,861,149 | 3,268,830 | 3,595,648 | 3,386,714 | 3,398,026 | 3,656,549 |
| **County's net pension liability - ending (a) - (b)** | **$ 1,180,066** | $ 1,971,208 | $ 2,665,230 | $ 3,436,183 | $ 3,132,161 | $ 3,622,707 | $ 3,438,372 | $ 2,738,704 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## REQUIRED SUPPLEMENTARY INFORMATION
## SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
## FOR THE FISCAL YEARS ENDED JUNE 30,

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|
| **Plan fiduciary net position as a percentage of total pension liability** | **80.93%** | 68.81% | 59.16% | 48.75% | 53.44% | 48.32% | 49.70% | 57.18% |
| **Covered payroll** | **$ 1,439,062** | $ 1,413,191 | $ 1,474,565 | $ 1,596,260 | $ 1,768,390 | $ 2,058,638 | $ 2,154,353 | $ 2,312,088 |
| **County's net pension liability as a percentage of covered payroll** | **82.00%** | 139.49% | 180.75% | 215.26% | 177.12% | 175.98% | 159.60% | 118.45% |

**Notes to the Schedule:**
The schedule will present ten years of information once it is accumulated.

# NEWTON COUNTY, GEORGIA

## REQUIRED SUPPLEMENTARY INFORMATION
## SCHEDULE OF COUNTY CONTRIBUTIONS
## FOR THE FISCAL YEARS ENDED JUNE 30,

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | **$ 474,471** | $ 461,800 | $ 435,382 | $ 425,546 | $ 413,409 | $ 388,402 | $ 345,737 | $ 319,115 |
| Contributions in relation to the actuarially determined contribution | **632,026** | 586,327 | 542,554 | 517,287 | 426,561 | 429,439 | 390,488 | 373,365 |
| Contribution deficiency (excess) | **$ (157,555)** | $ (124,527) | $ (107,172) | $ (91,741) | $ (13,152) | $ (41,037) | $ (44,751) | $ (54,250) |
| Covered payroll | **$ 1,364,405** | $ 1,338,534 | $ 1,377,923 | $ 1,475,756 | $ 1,613,447 | $ 1,913,514 | $ 2,106,496 | $ 2,233,221 |
| Contributions as a percentage of covered payroll | **46.32%** | 43.80% | 39.37% | 35.05% | 26.44% | 22.44% | 18.54% | 16.72% |

**Notes to the Schedule:**

(1) Actuarial Assumptions

| | |
|---|---|
| Valuation date | January 1, 2021 |
| Cost method | Entry Age Normal |
| Actuarial asset valuation method | Market value as of measurement day |
| Assumed rate of return on investments | 7.00% |
| Projected salary increases | 2.00% – 4.00% |
| Amortization method | Closed level dollar for unfunded liability |
| Remaining amortization period | None remaining |

(2) The schedule will present ten years of information once it is accumulated.

# COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

**Juvenile Trust Fund** – This fund is used to account for certain fines received through juvenile court that are used for juvenile counseling services.

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

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

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

**Fire Districts Fund –** This fund is used to account for the tax revenues approved to help fund the fire protection program of the County.

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

**Hotel/Motel Fund** – This fund is used to account for the Hotel/Motel accommodation excise tax receipts and distributions to tourism promoting organizations as required by agreements with these organizations.

**Sheriff Special Revenue Fund** – This fund is used to account for monies for inmates at the Law Enforcement Center.

**Law Library Fund** – This fund is used to account for the resources received from the various courts of the County and disbursements for the support of a centralized law library.

**District Attorney Fund** – This fund is used to account for funds received from certain fines and grants for the operation of a victim assistance program.

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

**Real Estate Grant Fund –** This fund is used to account for grants received from the Clerks Authority of Georgia for the advancement of reporting with the Clerk of Superior Court.

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS (CONTINUED)

**Neighborhood Stabilization Program ("NSP") Grant Fund** – This fund is used to account for revenues received from the Neighborhood Stabilization grant program.

**E-911 Fund** – This fund is used to account for the County's emergency communications operations by providing an open channel between citizens and public safety providers.

**PFA Fund –** This fund is a blended component unit. It accounts for the finance and purchase of Fire Station #4 and public safety equipment.

## DEBT SERVICE FUND

**Debt Service Fund** – This fund accounts for accumulation of resources for the payment of general long-term debt principal and interest of the County.

## CAPITAL PROJECTS FUND

**2011 Special Purpose Local Option Sales Tax ("SPLOST") Fund** – This fund is used to account for the revenues and expenditures relating to the 2011 1% SPLOST.

# NEWTON COUNTY, GEORGIA

## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
## JUNE 30, 2022

| | Special Revenue | | | | | | |
|---|---|---|---|---|---|---|---|
| **ASSETS** | **Juvenile Trust** | **Forfeited Funds** | **Drug Rehab/ Education** | **Seized Funds** | **Fire Districts** | **County Jail Fund** | **Hotel/Motel Fund** |
| Cash and cash equivalents | $ 166,211 | $ 209,542 | $ 531,635 | $ 302,330 | $ 28,580 | $ 387,576 | $ 80,170 |
| Investments | - | - | - | - | - | - | - |
| Accounts Receivable, net of allowances for uncollectibles | - | - | 550 | - | 109,019 | - | 6,647 |
| Due from other governments | - | - | 1,480 | - | 92 | 5,616 | - |
| Total assets | $ 166,211 | $ 209,542 | $ 533,665 | $ 302,330 | $ 137,691 | $ 393,192 | $ 86,817 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | | |
| **LIABILITIES** | | | | | | | |
| Accounts payable | $ - | $ - | $ 666 | $ 302,330 | $ 2,857,291 | $ 94,152 | $ - |
| Total liabilities | - | - | 666 | 302,330 | 2,857,291 | 94,152 | - |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | | |
| Unavailable revenue - period of availability | - | - | - | - | - | - | - |
| Unavailable revenue - property taxes | - | - | - | - | 86,492 | - | - |
| Total deferred inflows of resources | - | - | - | - | 86,492 | - | - |
| **FUND BALANCES** | | | | | | | |
| Restricted | | | | | | | |
| General government | - | - | - | - | - | - | 86,817 |
| Judicial | 166,211 | - | - | - | - | - | - |
| Public safety | - | 209,542 | 532,999 | - | | 299,040 | - |
| Health and welfare | - | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - | - |
| Capital projects | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | (2,806,092) | - | - |
| Total fund balances | 166,211 | 209,542 | 532,999 | - | (2,806,092) | 299,040 | 86,817 |
| Total liabilities, deferred inflows of resources and fund balances | $ 166,211 | $ 209,542 | $ 533,665 | $ 302,330 | $ 137,691 | $ 393,192 | $ 86,817 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
## JUNE 30, 2022

| ASSETS | Special Revenue | | | | | |
|---|---|---|---|---|---|---|
| | Sheriff Special Revenue | Law Library | District Attorney | Multiple Grant | Real Estate Grant | NSP Grant |
| Cash and cash equivalents | $ 42,871 | $ 8,304 | $ 128,278 | $ 20,868 | $ 190,538 | $ 3,355 |
| Investments | - | 74,594 | - | - | - | - |
| Accounts Receivable, net of allowances for uncollectibles | - | - | - | - | - | - |
| Due from other governments | - | - | - | 371,394 | - | - |
| Total assets | $ 42,871 | $ 82,898 | $ 128,278 | $ 392,262 | $ 190,538 | $ 3,355 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | | |
| **LIABILITIES** | | | | | | |
| Accounts payable | $ - | $ - | $ - | $ 32,099 | $ - | $ - |
| Total liabilities | - | - | - | 32,099 | - | - |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | |
| Unavailable revenue - period of availability | - | - | - | 195,098 | - | - |
| Unavailable revenue - property taxes | - | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | 195,098 | - | - |
| **FUND BALANCES** | | | | | | |
| Restricted | | | | | | |
| General government | - | - | - | 424,573 | - | - |
| Judicial | - | 82,898 | 128,278 | - | 190,538 | - |
| Public safety | 42,871 | - | - | 10,937 | - | - |
| Health and welfare | - | - | - | 35,300 | - | - |
| Housing and development | - | - | - | - | - | 3,355 |
| Capital projects | - | - | - | - | - | - |
| Unassigned | - | - | - | (305,745) | - | - |
| Total fund balances | 42,871 | 82,898 | 128,278 | 165,065 | 190,538 | 3,355 |
| Total liabilities, deferred inflows of resources and fund balances | $ 42,871 | $ 82,898 | $ 128,278 | $ 392,262 | $ 190,538 | $ 3,355 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
## JUNE 30, 2022

| ASSETS | Special Revenue E-911 | Special Revenue PFA Fund | Debt Service Debt Service Fund | Capital Projects 2011 SPLOST Fund | Total |
|---|---|---|---|---|---|
| Cash and cash equivalents | $ 1,272,558 | $ 3,215,529 | $ - | $ 1,035,192 | $ 6,588,345 |
| Investments | - | - | - | - | 74,594 |
| Accounts Receivable, net of allowances for uncollectibles | 398,417 | - | - | - | 514,633 |
| Due from other governments | 335 | - | - | - | 378,917 |
| Total assets | $ 1,671,310 | $ 3,215,529 | $ - | $ 1,035,192 | $ 7,556,489 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| **LIABILITIES** | | | | | |
| Accounts payable | $ 569,874 | $ - | $ - | $ 9,529 | $ 3,856,412 |
| Total liabilities | 569,874 | - | - | 9,529 | 3,856,412 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Unavailable revenue - period of availability | - | - | - | - | 195,098 |
| Unavailable revenue - property taxes | - | - | - | - | 86,492 |
| Total deferred inflows of resources | - | - | - | - | 281,590 |
| **FUND BALANCES** | | | | | |
| Restricted | | | | | |
| General government | - | - | - | - | 511,390 |
| Judicial | - | - | - | - | 567,925 |
| Public safety | 1,101,436 | 3,215,529 | - | - | 5,412,354 |
| Health and welfare | - | - | - | - | 35,300 |
| Housing and development | - | - | - | - | 3,355 |
| Capital projects | - | - | - | 1,025,663 | - |
| Unassigned | - | - | - | - | (3,111,837) |
| Total fund balances | 1,101,436 | 3,215,529 | - | 1,025,663 | 3,418,487 |
| Total liabilities, deferred inflows of resources and fund balances | $ 1,671,310 | 3,215,529 | $ - | $ 1,035,192 | $ 7,556,489 |

# NEWTON COUNTY, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## NONMAJOR GOVERNMENTAL FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Special Revenue | | | | | | |
|---|---|---|---|---|---|---|---|
| | Juvenile Trust | Forfeited Funds | Drug Rehab/ Education | Seized Funds | Fire Districts | County Jail Fund | Hotel/Motel Fund |
| **Revenues** | | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ 2,495,284 | $ - | $ 86,810 |
| Intergovernmental | - | - | - | - | 10,394 | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeitures | 12,973 | 62,049 | 83,788 | - | - | 166,675 | - |
| Investment income | 30 | 2 | 93 | - | 3,183 | 94 | 7 |
| Contributions | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - |
| Total revenues | 13,003 | 62,051 | 83,881 | - | 2,508,861 | 166,769 | 86,817 |
| **Expenditures** | | | | | | | |
| Current: | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Judicial | 1,973 | - | - | - | - | - | - |
| Public safety | - | 91,163 | 27,220 | - | 3,189,652 | 468,568 | - |
| Public works | - | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Debt service: | | | | | | | |
| Principal | - | - | - | - | 74,915 | - | - |
| Interest and fiscal changes | - | - | - | - | 14,243 | - | - |
| Total expenditures | 1,973 | 91,163 | 27,220 | - | 3,278,810 | 468,568 | - |
| Excess (deficiency) of revenues over (under) expenditures | 11,030 | (29,112) | 56,661 | - | (769,949) | (301,799) | 86,817 |
| **Other financing sources (uses)** | | | | | | | |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | (2,427,487) | - | - |
| Total other financing sources (uses) | - | - | - | - | (2,427,487) | - | - |
| Net change in fund balances | 11,030 | (29,112) | 56,661 | - | (3,197,436) | (301,799) | 86,817 |
| **Fund balances, beginning of year** | 155,181 | 238,654 | 476,338 | - | 391,344 | 600,839 | - |
| **Fund balances (deficit), end of year** | $ 166,211 | $ 209,542 | $ 532,999 | $ - | $ (2,806,092) | $ 299,040 | $ 86,817 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## NONMAJOR GOVERNMENTAL FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Special Revenue | | | | | |
|---|---|---|---|---|---|---|
| | Sheriff Special Revenue | Law Library | District Attorney | Multiple Grant | Real Estate Grant | NSP Grant |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ | $ - |
| Intergovernmental | - | - | - | 1,369,918 | | 10,181 |
| Charges for services | - | - | - | - | | - |
| Fines and forfeitures | - | 42,155 | 37,716 | 2,400 | | - |
| Investment income | - | 478 | 21 | 262 | | 38 |
| Contributions | 40,437 | - | - | - | | - |
| Miscellaneous | - | - | 39,205 | 66,231 | | - |
| Total revenues | 40,437 | 42,633 | 76,942 | 1,438,811 | | 10,219 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | 56,240 | | - |
| Judicial | - | 48,952 | - | 1,071,905 | | - |
| Public safety | 21,815 | - | - | 536,117 | | - |
| Public works | - | - | - | 2,799 | | - |
| Housing and development | - | - | - | - | | 62,595 |
| Capital outlay | - | - | - | - | | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | | - |
| Interest and fiscal charges | - | - | - | - | | - |
| Total expenditures | 21,815 | 48,952 | - | 1,667,061 | | 62,595 |
| Excess (deficiency) of revenues over (under) expenditures | 18,622 | (6,319) | 76,942 | (228,250) | | (52,376) |
| **Other financing sources (uses)** | | | | | | |
| Transfers in | - | - | - | 259,863 | | - |
| Transfers out | - | - | - | - | | (10,182) |
| Total other financing sources (uses) | - | - | - | 259,863 | | (10,182) |
| Net change in fund balances | 18,622 | (6,319) | 76,942 | 31,613 | | (62,558) |
| **Fund balances, beginning of year** | 24,249 | 89,217 | 51,336 | 133,452 | | 65,913 |
| **Fund balances (deficit), end of year** | $ 42,871 | $ 82,898 | $ 128,278 | $ 165,065 | $ | $ 3,355 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## NONMAJOR GOVERNMENTAL FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Special Revenue | | Debt Service | Capital Projects | |
|---|---|---|---|---|---|
| | E-911 | PFA Fund | Debt Service Fund | 2011 SPLOST Fund | Total |
| **Revenues** | | | | | |
| Taxes | $ 1,408 | $ - | $ - | $ - | $ 2,583,502 |
| Intergovernmental | - | | 15,645 | | 1,472,762 |
| Charges for services | 2,359,497 | - | - | - | 2,359,497 |
| Fines and forfeitures | - | - | - | - | 407,756 |
| Investment income | 182 | - | - | 1,125 | 4,390 |
| Contributions | - | - | - | - | 40,437 |
| Miscellaneous | - | - | - | - | 105,436 |
| Total revenues | 2,361,087 | - | 15,645 | 1,125 | 6,973,780 |
| **Expenditures** | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | 56,240 |
| Judicial | - | - | - | - | 1,122,830 |
| Public safety | 3,121,173 | - | - | - | 7,455,708 |
| Public works | - | - | - | - | 2,799 |
| Housing and development | - | - | - | - | 62,595 |
| Capital outlay | - | - | - | 113,015 | - |
| Debt service: | | | | | |
| Principal | - | 500,000 | 15,200 | - | 574,915 |
| Interest and fiscal charges | - | 62,880 | 445 | - | 77,123 |
| Total expenditures | 3,121,173 | 562,880 | 15,645 | 113,015 | 9,352,210 |
| Excess (deficiency) of revenues over (under) expenditures | (760,086) | (562,880) | - | (111,890) | (2,378,430) |
| **Other financing sources (uses)** | | | | | |
| Transfers in | 1,301,801 | 562,880 | - | - | 2,124,544 |
| Transfers out | - | - | - | - | (2,437,669) |
| Total other financing sources (uses) | 1,301,801 | 562,880 | - | - | (313,125) |
| Net change in fund balances | 541,715 | - | - | (111,890) | (2,691,555) |
| **Fund balances, beginning of year** | 559,721 | 3,215,529 | - | 1,137,553 | 6,110,042 |
| **Fund balances (deficit), end of year** | $ 1,101,436 | $ 3,215,529 | $ - | $ 1,025,663 | $ 3,418,487 |

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## SPECIAL REVENUE FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Juvenile Trust | | | Forfeited Funds | | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget | Final Budget | Actual | Variance with Final Budget |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | 6,000 | 12,973 | 6,973 | 15,000 | 62,049 | 47,049 |
| Investment income | 45 | 30 | (15) | 10 | 2 | (8) |
| Contributions | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | 6,045 | 13,003 | 6,958 | 15,010 | 62,051 | 47,041 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | 6,045 | 1,973 | 4,072 | - | - | - |
| Public safety | - | - | - | 15,010 | 91,163 | (76,153) |
| Public works | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | 6,045 | 1,973 | 4,072 | 15,010 | 91,163 | (76,153) |
| Excess (deficiency) of revenues over (under) expenditures | - | 11,030 | 11,030 | - | (29,112) | (29,112) |
| **Other financing sources (uses)** | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Net change in fund balances | - | 11,030 | 11,030 | - | (29,112) | (29,112) |
| **Fund balances (deficits), beginning of year** | 155,181 | 155,181 | - | 238,654 | 238,654 | - |
| **Fund balances (deficits), end of year** | $ 155,181 | $ 166,211 | $ 11,030 | $ 238,654 | $ 209,542 | $ (29,112) |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## SPECIAL REVENUE FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Drug Rehab/Education | | | Fire Districts | | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget | Final Budget | Actual | Variance with Final Budget |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ 2,695,350 | $ 2,495,284 | $ (200,066) |
| Intergovernmental | - | - | - | - | 10,394 | 10,394 |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | 90,000 | 83,788 | (6,212) | - | - | - |
| Investment income | 150 | 93 | (57) | 1,100 | 3,183 | 2,083 |
| Contributions | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | 90,150 | 83,881 | (6,269) | 2,696,450 | 2,508,861 | (187,589) |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | - | - | - | - | - | - |
| Public safety | 90,150 | 27,220 | 62,930 | 3,115,128 | 3,189,652 | (74,524) |
| Public works | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | 74,916 | 74,915 | 1 |
| Interest and fiscal charges | - | - | - | 14,244 | 14,243 | 1 |
| Total expenditures | 90,150 | 27,220 | 62,930 | 3,204,288 | 3,278,810 | (74,522) |
| Excess (deficiency) of revenues over (under) expenditures | - | 56,661 | 56,661 | (507,838) | (769,949) | (262,111) |
| **Other financing uses** | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | (2,427,487) | (2,427,487) | - |
| Total other financing uses | - | - | - | (2,427,487) | (2,427,487) | - |
| Net change in fund balances | - | 56,661 | 56,661 | (2,935,325) | (3,197,436) | (262,111) |
| **Fund balances, beginning of year** | 476,338 | 476,338 | - | 391,344 | 391,344 | - |
| **Fund balances, end of year** | $ 476,338 | $ 532,999 | $ 56,661 | $ (2,543,981) | $ (2,806,092) | $ (262,111) |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## SPECIAL REVENUE FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | County Jail Fund | | | Sheriff Special Revenue | | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget | Final Budget | Actual | Variance with Final Budget |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | 144,000 | 166,675 | 22,675 | - | - | - |
| Investment income | 500 | 94 | (406) | - | - | - |
| Contributions | - | - | - | - | 40,437 | 40,437 |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | 144,500 | 166,769 | 22,269 | - | 40,437 | 40,437 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | - | - | - | - | - | - |
| Public safety | 373,606 | 468,568 | (94,962) | 5,000 | 21,815 | (16,815) |
| Public works | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | 373,606 | 468,568 | (94,962) | 5,000 | 21,815 | (16,815) |
| Excess (deficiency) of revenues over (under) expenditures | (229,106) | (301,799) | (72,693) | (5,000) | 18,622 | 23,622 |
| **Other financing sources (uses)** | | | | | | |
| Proceeds from capital lease | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Net change in fund balances | (229,106) | (301,799) | (72,693) | (5,000) | 18,622 | 23,622 |
| **Fund balances, beginning of year** | 600,839 | 600,839 | - | 24,249 | 24,249 | - |
| **Fund balances, end of year** | $ 371,733 | $ 299,040 | $ (72,693) | $ 19,249 | $ 42,871 | $ 23,622 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## SPECIAL REVENUE FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Law Library | | | District Attorney | | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget | Final Budget | Actual | Variance with Final Budget |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | 42,155 | 42,155 | - | 37,716 | 37,716 |
| Investment income | - | 478 | 478 | - | 21 | 21 |
| Contributions | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | - | 42,633 | 42,633 | - | 37,737 | 37,737 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | 2,000 | 48,952 | (46,952) | - | - | - |
| Public safety | - | - | - | - | - | - |
| Public works | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | 2,000 | 48,952 | (46,952) | - | - | - |
| Excess (deficiency) of revenues over (under) expenditures | (2,000) | (6,319) | (4,319) | - | 37,737 | 37,737 |
| **Other financing sources (uses)** | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - | - | - |
| Net change in fund balances | (2,000) | (6,319) | (4,319) | - | 37,737 | 37,737 |
| **Fund balances, beginning of year** | 89,217 | 89,217 | - | 51,336 | 51,336 | - |
| **Fund balances, end of year** | $ 87,217 | $ 82,898 | $ (4,319) | $ 51,336 | $ 89,073 | $ 37,737 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## SPECIAL REVENUE FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Multiple Grant | | | Real Estate Grant | | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget | Final Budget | Actual | Variance with Final Budget |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | 1,478,297 | 1,369,918 | (108,379) | - | 82,269 | 82,269 |
| Charges for services | 400 | - | (400) | - | - | - |
| Fines and forfeitures | - | 2,400 | 2,400 | - | - | - |
| Investment income | - | 262 | 262 | - | - | - |
| Contributions | - | - | - | - | - | - |
| Miscellaneous | 19,306 | 66,231 | 46,925 | 10,000 | - | (10,000) |
| Total revenues | 1,498,003 | 1,438,811 | (59,192) | 10,000 | 82,269 | 72,269 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | 96,000 | 56,240 | 39,760 | - | - | - |
| Judicial | 1,134,204 | 1,071,905 | 62,299 | 10,000 | - | 10,000 |
| Public safety | 632,281 | 536,117 | 96,164 | - | - | - |
| Public works | - | 2,799 | (2,799) | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | 1,862,485 | 1,667,061 | 195,424 | 10,000 | - | 10,000 |
| Excess (deficiency) of revenues over (under) expenditures | (364,482) | (228,250) | 136,232 | - | 82,269 | 82,269 |
| **Other financing sources** | | | | | | |
| Transfers in | 343,650 | 259,863 | (83,787) | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources | 343,650 | 259,863 | (83,787) | - | - | - |
| Net change in fund balances | (20,832) | 31,613 | 52,445 | - | 82,269 | 82,269 |
| **Fund balances, beginning of year** | 133,452 | 133,452 | - | 108,269 | 108,269 | - |
| **Fund balances, end of year** | $ 112,620 | $ 165,065 | $ 52,445 | $ 108,269 | $ 190,538 | $ 82,269 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## SPECIAL REVENUE FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | PFA Fund | | | Hotel/Motel Fund | | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget | Final Budget | Actual | Variance with Final Budget |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ 86,810 | $ 86,810 |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Investment income | - | - | - | - | 7 | 7 |
| Contributions | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | - | - | - | - | 86,817 | 86,817 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - |
| Public works | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal | 500,000 | 500,000 | - | - | - | - |
| Interest and fiscal charges | 62,880 | 62,880 | - | - | - | - |
| Total expenditures | 562,880 | 562,880 | - | - | - | - |
| Excess (deficiency) of revenues over (under) expenditures | (562,880) | (562,880) | - | - | 86,817 | 86,817 |
| **Other financing sources** | | | | | | |
| Transfers in | 562,880 | 562,880 | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources | 562,880 | 562,880 | - | - | - | - |
| Net change in fund balances | - | - | - | - | 86,817 | 86,817 |
| **Fund balances, beginning of year** | 3,215,529 | 3,215,529 | - | - | - | - |
| **Fund balances, end of year** | $ 3,215,529 | $ 3,215,529 | $ - | $ - | $ 86,817 | $ 86,817 |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## SPECIAL REVENUE FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | NSP Grant | | | E-911 | | |
|---|---|---|---|---|---|---|
| | Final Budget | Actual | Variance with Final Budget | Final Budget | Actual | Variance with Final Budget |
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ 900 | $ 1,408 | $ 508 |
| Intergovernmental | - | 10,181 | 10,181 | - | - | - |
| Charges for services | - | - | - | 2,000,000 | 2,359,497 | 359,497 |
| Fines and forfeitures | - | - | - | - | - | - |
| Investment income | - | 38 | 38 | 200 | 182 | (18) |
| Contributions | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Total revenues | - | 10,219 | 10,219 | 2,001,100 | 2,361,087 | 359,987 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | - | - | - | - | - | - |
| Public safety | - | - | - | 3,116,404 | 3,121,173 | (4,769) |
| Public works | - | - | - | - | - | - |
| Housing and development | - | 62,595 | (62,595) | - | - | - |
| Health and welfare | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | - | 62,595 | (62,595) | 3,116,404 | 3,121,173 | (4,769) |
| Excess (deficiency) of revenues over (under) expenditures | - | (52,376) | (52,376) | (1,115,304) | (760,086) | 355,218 |
| **Other financing sources** | | | | | | |
| Transfers in | - | - | - | 1,115,304 | 1,301,801 | 186,497 |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources | - | - | - | 1,115,304 | 1,301,801 | 186,497 |
| Net change in fund balances | - | (52,376) | (52,376) | - | 541,715 | 541,715 |
| **Fund balances, beginning of year** | 65,913 | 65,913 | - | 559,721 | 559,721 | - |
| **Fund balances, end of year** | $ 65,913 | $ 13,537 | $ (52,376) | $ 559,721 | $ 1,101,436 | $ 541,715 |

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
## BUDGET AND ACTUAL
## DEBT SERVICE FUND
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 15,646 | $ 15,645 | $ (1) |
| Total revenues | 15,646 | 15,645 | (1) |
| **Expenditures** | | | |
| Debt service: | | | |
| Principal | 15,200 | 15,200 | - |
| Interest and fiscal charges | 446 | 445 | 1 |
| Total expenditures | 15,646 | 15,645 | 1 |
| Net change in fund balances | - | - | - |
| **Fund balance, beginning of year** | - | - | - |
| **Fund balance, end of year** | $ - | $ - | $ - |

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
## 2011 ISSUE
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Project | Original Estimated Cost | Other Estimated Funding Sources | Current Estimated Cost | Prior Years | Current Year | Total |
|---|---|---|---|---|---|---|
| Transportation/Roads | $ 17,280,860 | $ 105,250 | $ 17,386,110 | $ 17,386,099 | $ - | $ 17,386,099 |
| Detention Center | 3,000,000 | - | 3,000,000 | 3,006,379 | - | 3,006,379 |
| Administrative Building | 5,000,000 | - | 5,000,000 | 5,781,450 | - | 5,781,450 |
| Judicial Expansion | 7,000,000 | 1,318,776 | 8,318,776 | 12,946,329 | - | 12,946,329 |
| Recreation: Parks and Facilities | 1,000,000 | 35,485 | 1,035,485 | 1,028,360 | - | 1,028,360 |
| Recreation: Miracle Field | 1,500,000 | 1,307,230 | 2,807,230 | 2,807,127 | - | 2,807,127 |
| District 4 Recreation | 500,000 | - | 500,000 | 497,760 | - | 497,760 |
| District 4 Multi-Use | 545,000 | - | 545,000 | 540,465 | - | 540,465 |
| Cemetery Land | 55,000 | - | 55,000 | 44,614 | - | 44,614 |
| Animal Control Facility | 100,000 | - | 100,000 | 97,717 | - | 97,717 |
| Juvenile Court | 500,000 | - | 500,000 | 592,269 | - | 592,269 |
| Historic Jail | 1,200,000 | - | 1,200,000 | 67,388 | - | 67,388 |
| Agricultural Center | 1,100,000 | 249,985 | 1,349,985 | 1,357,997 | - | 1,357,997 |
| Fire Station #8 | 1,100,000 | 1,463,316 | 2,563,316 | 2,612,521 | 113,015 | 2,725,536 |
| Emergency Room Expansion | 4,000,000 | - | 4,000,000 | 4,000,000 | - | 4,000,000 |
| Landfill | 500,000 | - | 500,000 | 500,000 | - | 500,000 |
| Public Works | 500,000 | 337,492 | 837,492 | 837,491 | - | 837,491 |
| Fleet Replacement | 2,500,000 | 1,250,000 | 3,750,000 | 3,736,470 | - | 3,736,470 |
| Fire Services Equipment | 100,000 | - | 100,000 | 94,739 | - | 94,739 |
| City Projects: | | | | | | |
| Oxford | 1,450,905 | - | 1,450,905 | 1,450,905 | - | 1,450,905 |
| Porterdale | 977,882 | - | 977,882 | 977,882 | - | 977,882 |
| Newborn | 396,714 | - | 396,714 | 396,714 | - | 396,714 |
| Covington | 8,798,999 | - | 8,798,999 | 8,798,999 | - | 8,798,999 |
| Mansfield | 298,077 | - | 298,077 | 298,077 | - | 298,077 |
| | $ 59,403,437 | $ 6,067,534 | $ 65,470,971 | $ 69,857,752 | $ 113,015 | $ 69,970,767 |

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
## 2017 ISSUE
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Project | Original Estimated Cost | Other Estimated Funding Sources | Current Estimated Cost | Prior Years | | Current Year | Total |
|---|---|---|---|---|---|---|---|
| Transportation | $ 18,330,793 | $ 1,422,518 | $ 19,753,311 | $ 4,976,634 | | $ 4,360,162 | $ 9,336,796 |
| Debt Service | 10,403,963 | 751,321 | 11,155,284 | 11,898,240 | | 4,168,784 | 16,067,024 |
| E-911 Communication Co-occupied | 3,666,159 | - | 3,666,159 | 1,458,946 | | 3,623,831 | 5,082,777 |
| Westside Youth Facility | 495,427 | - | 495,427 | - | | 7,800 | 7,800 |
| Senior Expansion | 1,783,537 | 22,507 | 1,806,044 | 1,706,468 | | 7,800 | 1,714,268 |
| Recreaton Department Existing Facilities | 990,854 | - | 990,854 | 584,261 | * | 71,704 | 655,965 |
| District 2 Improvements | 495,426 | - | 495,426 | 499,408 | | 42,711 | 542,119 |
| Springhill Park Facility | 495,426 | - | 495,426 | 292,133 | * | 6,250 | 298,383 |
| Porterdale Park Upgrades | 148,628 | - | 148,628 | 65,560 | | - | 65,560 |
| District 4 Existing Park Upgrades | 495,427 | - | 495,427 | 320,236 | | 37,833 | 358,069 |
| Chimney Park | 99,085 | - | 99,085 | 58,426 | * | - | 58,426 |
| Yellow River Trail | 1,337,652 | - | 1,337,652 | 4,160 | | 69,900 | 74,060 |
| Library | 495,427 | - | 495,427 | 196,986 | | 31,382 | 228,368 |
| Animal Control Facility and Equipment | 1,199,488 | 450,000 | 1,649,488 | 1,668,256 | | - | 1,668,256 |
| Washington Street | 495,427 | - | 495,427 | 3,880 | | 755,970 | 759,850 |
| Sheriff's Office Upgrade | 2,972,561 | - | 2,972,561 | 2,947,867 | | 24,946 | 2,972,813 |
| Solid Waste | 1,387,195 | - | 1,387,195 | 81,370 | | 99,325 | 180,695 |
| Fleet Replacement | 3,467,988 | 51,500 | 3,519,488 | 2,832,122 | | 187,360 | 3,019,482 |
| Fire Services | 792,683 | - | 792,683 | - | | - | - |
| Economic Development (IDA) | 990,854 | - | 990,854 | - | | - | - |
| City Projects: | | | | | | | |
| Oxford | 1,500,965 | - | 1,500,965 | 1,334,899 | | 545,663 | 1,880,562 |
| Porterdale | 2,436,714 | - | 2,436,714 | 2,167,086 | | 527,263 | 2,694,349 |
| Newborn | 507,000 | - | 507,000 | 450,903 | | 160,420 | 611,323 |
| Covington | 9,425,761 | - | 9,425,761 | 8,382,960 | | 3,364,442 | 11,747,402 |
| Mansfield | 385,560 | - | 385,560 | 342,903 | | 121,846 | 464,749 |
| | $ 64,800,000 | $ 2,697,846 | $ 67,497,846 | $ 42,273,704 | | 18,215,392 | $ 60,489,096 |
| Transfers from 2017 SPLOST funds for repayment of principal and interest on Solid Waste Authority debt. | | | | | | (267,150) | |
| Total 2017 SPLOST Fund expenditures for the current fiscal year. | | | | | | $ 17,948,242 | |

# CUSTODIAL FUNDS

**Tax Commissioner** – This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

**Sheriff** – This fund is used to account for the collection of fines and bond forfeitures and the subsequent remittance to the applicable parties.

The following custodial funds are used to account for fines, fees and other monies collected by the courts and remitted to other parties in accordance with court orders and state law:

**Clerk of Superior Court**
**Probate Court**
**Magistrate Court**
**Juvenile Court**

# NEWTON COUNTY, GEORGIA

## COMBINING STATEMENT OF FIDUCIARY NET POSITION
## CUSTODIAL FUNDS
## JUNE 30, 2022

| ASSETS | Tax Commissioner | Clerk of Superior Court | Probate Court | Magistrate Court | Sheriff | Juvenile Court | Total |
|---|---|---|---|---|---|---|---|
| Cash and cash equivalents | $ 2,902,062 | $ 1,165,058 | $ 31,605 | $ 148,180 | $ 156,822 | $ 999 | $ 4,404,726 |
| Taxes receivable | 3,480,402 | - | - | - | - | - | 3,480,402 |
| Total assets | $ 6,382,464 | $ 1,165,058 | $ 31,605 | $ 148,180 | $ 156,822 | $ 999 | $ 7,885,128 |
| **LIABILITIES** | | | | | | | |
| Due to others | $ 5,979,252 | $ 222,241 | $ 18,588 | $ 57,369 | $ 60,906 | $ 999 | $ 6,339,355 |
| Total liabilities | 5,979,252 | 222,241 | 18,588 | 57,369 | 60,906 | 999 | 6,339,355 |
| **NET POSITION** | | | | | | | |
| Restricted for individuals, organizations, and other governments | $ 403,212 | $ 942,817 | $ 13,017 | $ 90,811 | $ 95,916 | $ - | $ 1,545,773 |

# NEWTON COUNTY, GEORGIA

## COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
## CUSTODIAL FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| | Tax Commissioner | Clerk of Superior Court | Probate Court | Magistrate Court | Sheriff | Juvenile Court | Total |
|---|---|---|---|---|---|---|---|
| **ADDITIONS** | | | | | | | |
| Taxes collected | $ 118,769,189 | $ - | $ - | $ - | $ - | $ - | $ 118,769,189 |
| Fines and fees collected | - | 7,936,991 | 1,594,450 | 799,701 | 1,235,843 | 22,755 | 11,589,740 |
| Total additions | 118,769,189 | 7,936,991 | 1,594,450 | 799,701 | 1,235,843 | 22,755 | 130,358,929 |
| **DEDUCTIONS** | | | | | | | |
| Taxes disbursed | 118,769,338 | - | - | - | - | - | 118,769,338 |
| Fines and fees disbursed | - | 8,003,235 | 1,590,586 | 855,319 | 1,175,470 | 22,755 | 11,647,365 |
| Total deductions | 118,769,338 | 8,003,235 | 1,590,586 | 855,319 | 1,175,470 | 22,755 | 130,416,703 |
| Change in net position | (149) | (66,244) | 3,864 | (55,618) | 60,373 | - | (57,774) |
| Net position, beginning of year | 403,361 | 1,009,061 | 9,153 | 146,429 | 35,543 | - | 1,603,547 |
| Net position, end of year | $ 403,212 | $ 942,817 | $ 13,017 | $ 90,811 | $ 95,916 | $ - | $ 1,545,773 |

# STATISTICAL SECTION

# STATISTICAL SECTION

This part of the Newton County, Georgia's (the "County") Annual Comprehensive Financial Report ("ACFR") presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

**Contents** ..... **Page**


**Financial Trends** ..... **109 – 114**

*These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.*

**Revenue Capacity** ..... **115 – 118**

*These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.*

**Debt Capacity** ..... **119 – 121**

*These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.*

**Demographic and Economic Information** ..... **122 and 123**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.*

**Operating Information** ..... **124 – 126**

*These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.*


Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

# NEWTON COUNTY, GEORGIA

## NET POSITION BY COMPONENT
## LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Governmental activities: | | | | | | | | | | |
| Net investment in capital assets | $ 201,179,717 | $ 191,442,470 | $ 179,416,742 | $ 169,867,309 | $ 167,948,787 | $ 157,345,105 | $ 123,873,772 | $ 145,654,443 | $ 150,264,572 | **$ 140,862,254** |
| Restricted | 28,767,304 | 29,953,772 | 33,265,276 | 33,052,892 | 31,679,317 | 26,094,471 | 42,783,096 | 36,133,165 | 36,555,112 | **52,587,086** |
| Unrestricted | 8,967,522 | 6,516,962 | 5,221,815 | 1,182,563 | (4,779,468) | 15,167,093 | 36,315,082 | 29,943,598 | 58,362,253 | **88,579,792** |
| Total governmental activities net position | $ 238,914,543 | $ 227,913,204 | $ 217,903,833 | $ 204,102,764 | $ 194,848,636 | $ 198,606,669 | $ 202,971,950 | $ 211,731,206 | $ 245,181,937 | **$ 282,029,132** |
| Business-type activities: | | | | | | | | | | |
| Net investment in capital assets | $ 35,430,114 | $ 36,563,019 | $ 36,555,145 | $ 39,236,128 | $ 38,813,906 | $ 27,142,372 | $ 29,334,136 | $ 26,547,347 | $ 28,316,224 | **$ 29,823,976** |
| Restricted | 2,843,240 | 4,422,173 | 5,255,914 | 5,621,418 | 6,485,218 | 2,979,055 | 2,394,792 | 2,412,860 | 2,160,572 | **2,181,254** |
| Unrestricted | (205,233) | (1,988,942) | (1,022,755) | (10,701,903) | (8,956,594) | (1,058,495) | 948,261 | 7,320,325 | 11,265,067 | **14,162,794** |
| Total business-type activities net position | $ 38,068,121 | $ 38,996,250 | $ 40,788,304 | $ 34,155,643 | $ 36,342,530 | $ 29,062,932 | $ 32,677,189 | $ 36,280,532 | $ 41,741,863 | **$ 46,168,024** |
| Primary government: | | | | | | | | | | |
| Net investment in capital assets | $ 236,609,831 | $ 228,005,489 | $ 215,971,887 | $ 209,103,437 | $ 206,762,693 | $ 184,487,477 | $ 153,207,908 | $ 172,201,790 | $ 178,580,796 | **$ 170,686,230** |
| Restricted | 31,610,544 | 34,375,945 | 38,521,190 | 38,674,310 | 38,164,535 | 29,073,526 | 45,177,888 | 38,546,025 | 38,715,684 | **54,768,340** |
| Unrestricted | 8,762,289 | 4,528,020 | 4,199,060 | (9,519,340) | (13,736,062) | 14,108,598 | 37,263,343 | 37,263,923 | 69,627,320 | **102,742,586** |
| Total governmental activities net position | $ 276,982,664 | $ 266,909,454 | $ 258,692,137 | $ 238,258,407 | $ 231,191,166 | $ 227,669,601 | $ 235,649,139 | $ 248,011,738 | $ 286,923,800 | **$ 328,197,156** |

# NEWTON COUNTY, GEORGIA

## CHANGES IN NET POSITION
## LAST TEN FISCAL YEARS
## (Accrual Basis of Accounting)

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| **Expenses** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | $ 6,920,643 | $ 7,533,759 | $ 7,485,799 | $ 14,288,327 | $ 17,980,423 | $ 24,254,115 | $ 11,292,822 | $ 10,628,574 | $ 18,062,875 | **$ 18,062,875** |
| Judicial | 5,406,702 | 5,710,033 | 6,043,628 | 6,694,334 | 4,643,627 | 6,638,406 | 7,562,114 | 7,445,609 | 8,195,218 | **8,195,218** |
| Public safety | 31,376,390 | 30,826,480 | 31,654,200 | 33,224,136 | 34,578,844 | 37,335,611 | 39,617,868 | 42,922,723 | 47,381,511 | **47,381,511** |
| Public works | 19,098,371 | 25,702,670 | 20,082,262 | 18,629,383 | 21,097,126 | 18,349,291 | 19,259,804 | 21,462,433 | 21,349,481 | **21,349,481** |
| Health and welfare | 844,246 | 766,260 | 778,275 | 1,224,761 | 1,212,755 | 1,250,959 | 1,311,484 | 2,742,686 | 1,819,239 | **1,819,239** |
| Culture and recreation | 3,483,545 | 3,318,912 | 3,576,071 | 4,434,377 | 3,322,222 | 3,483,713 | 3,501,119 | 2,557,441 | 1,532,863 | **1,532,863** |
| Housing and development | 1,272,176 | 1,372,146 | 1,780,917 | 1,102,413 | 1,037,357 | 1,364,862 | 2,385,462 | 1,437,429 | 1,643,434 | **1,643,434** |
| Interest on long-term debt | 735,764 | 556,395 | 515,129 | 273,612 | 478,930 | 612,800 | 909,575 | 762,001 | 567,563 | **567,563** |
| Total governmental activities expenses | 69,137,837 | 75,786,655 | 71,916,281 | 79,871,343 | 84,351,284 | 93,289,757 | 85,840,248 | 89,958,896 | 100,552,184 | **100,552,184** |
| Business-type activities: | | | | | | | | | | |
| Water | 6,155,568 | 5,794,325 | 5,886,594 | 6,235,629 | 6,745,310 | 6,396,264 | 6,685,571 | 6,389,735 | 6,669,960 | **6,790,258** |
| Special facilities | 42,168 | 48,276 | 35,772 | 111,383 | 147,157 | 237,007 | 398,524 | 381,870 | 250,895 | **191,706** |
| Solid waste | 4,572,440 | 4,369,003 | 4,327,308 | 11,208,804 | 4,469,402 | 4,696,455 | 4,506,172 | 5,572,576 | 5,584,035 | **5,467,539** |
| Total business-type activities expenses | 10,770,176 | 10,211,604 | 10,249,674 | 17,555,816 | 11,361,869 | 11,329,726 | 11,590,267 | 12,344,181 | 12,504,890 | **12,449,503** |
| Total primary government expenses | $ 79,908,013 | $ 85,998,259 | $ 82,165,955 | $ 97,427,159 | $ 95,713,153 | $ 104,619,483 | $ 97,430,515 | $ 102,303,077 | $ 113,057,074 | **$ 113,001,687** |
| **Program revenues** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | $ 1,771,103 | $ 1,707,308 | $ 1,884,784 | $ 2,118,021 | $ 2,842,476 | $ 2,922,064 | $ 2,973,394 | $ 2,903,683 | $ 2,928,216 | **$ 3,112,730** |
| Judicial | 2,483,423 | 2,413,909 | 2,461,150 | 2,581,952 | 2,257,358 | 2,432,597 | 2,519,647 | 2,374,474 | 2,658,173 | **2,676,162** |
| Public safety | 2,709,277 | 2,847,304 | 2,761,245 | 2,804,679 | 3,381,419 | 3,249,502 | 3,785,928 | 3,321,899 | 3,411,036 | **3,748,150** |
| Public works | 1,021,988 | 1,006,911 | 1,007,308 | 1,017,634 | 1,393,093 | 1,469,630 | 1,523,901 | 1,446,109 | 1,839,753 | **1,878,172** |
| Health and welfare | - | - | - | 68,962 | 86,638 | 75,166 | 67,561 | 48,941 | 16,789 | **41,992** |
| Culture and recreation | 4,975 | 5,538 | 5,805 | 6,499 | 387,488 | 370,873 | 370,824 | 384,755 | 790,302 | **962,898** |
| Housing and development | 196,655 | 621,478 | 853,693 | 991,364 | 782,685 | 880,571 | 888,357 | 1,046,399 | 1,426,335 | **1,654,101** |
| Operating grants and contributions | 4,446,175 | 7,617,915 | 3,065,913 | 3,957,846 | 5,756,792 | 4,090,908 | 5,191,885 | 5,898,902 | 15,612,281 | **8,379,282** |
| Capital grants and contributions | 258,229 | 82,375 | 2,045,665 | 1,767,884 | 740,657 | 6,889,967 | 1,727,729 | 1,431,337 | 734,728 | **1,453,890** |
| Total governmental activities program revenues | 12,891,825 | 16,302,738 | 14,085,563 | 15,314,841 | 17,628,606 | 22,381,278 | 19,049,226 | 18,856,499 | 29,417,613 | **23,907,377** |
| Business-type activities: | | | | | | | | | | |
| Charges for services | 10,321,636 | 10,348,740 | 11,303,912 | 11,407,025 | 12,355,960 | 14,818,542 | 13,616,751 | 14,500,260 | 16,717,812 | **15,702,918** |
| Capital grants and contributions | - | - | - | - | - | - | - | 89,817 | - | **-** |
| Total business-type activities program revenues | 10,321,636 | 10,348,740 | 11,303,912 | 11,407,025 | 12,355,960 | 14,818,542 | 13,616,751 | 14,590,077 | 16,717,812 | **15,702,918** |
| Total primary government revenues | $ 23,213,461 | $ 26,651,478 | $ 25,389,475 | $ 26,721,866 | $ 29,984,566 | $ 37,199,820 | $ 32,665,977 | $ 33,446,576 | $ 46,135,425 | **$ 39,610,295** |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## CHANGES IN NET POSITION
## LAST TEN FISCAL YEARS
## (Accrual Basis of Accounting)

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Net (expense)/revenue: | | | | | | | | | | |
| Governmental activities | $ (56,246,012) | $ (59,483,917) | $ (57,830,718) | $ (64,556,502) | $ (66,722,678) | $ (70,908,479) | $ (66,791,022) | $ (71,102,397) | $ (65,120,613) | **$ (76,644,807)** |
| Business-type activities | (448,540) | 137,136 | 1,054,238 | (6,148,791) | 994,091 | 3,488,816 | 2,026,484 | 2,245,896 | 4,212,922 | **3,253,415** |
| Total primary government net expense | $ (56,694,552) | $ (59,346,781) | $ (56,776,480) | $ (70,705,293) | $ (65,728,587) | $ (67,419,663) | $ (64,764,538) | $ (68,856,501) | $ (60,907,691) | **$ (73,391,392)** |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | $ 24,267,110 | $ 25,281,952 | $ 26,084,591 | $ 30,730,890 | $ 33,154,213 | $ 37,935,899 | $ 41,607,224 | $ 47,962,797 | $ 50,617,784 | **$ 52,557,110** |
| Sales taxes | 18,952,178 | 18,396,452 | 19,063,384 | 18,772,992 | 19,254,415 | 20,620,046 | 23,465,386 | 25,023,436 | 30,930,813 | **34,547,379** |
| Other taxes | 5,562,758 | 5,582,868 | 5,898,427 | 6,484,701 | 6,174,406 | 6,590,717 | 6,962,222 | 7,348,623 | 7,699,153 | **7,914,564** |
| Unrestricted investment earnings | 34,895 | 8,501 | 11,543 | 17,114 | 65,710 | 108,151 | 482,430 | 743,358 | 32,415 | **94,539** |
| Joint venture equity | (7,743) | (31,760) | - | - | - | - | - | - | 10,524,973 | **20,542,716** |
| Gain on sale of capital assets | 240,612 | 13,646 | - | 7,256 | - | - | - | - | - | **-** |
| Transfers | (1,745,705) | (769,078) | (715,093) | (1,197,080) | (1,180,194) | 9,411,699 | (1,360,959) | (1,216,561) | (1,233,794) | **(1,154,968)** |
| Special items | - | - | - | (4,000,000) | - | - | - | - | - | **-** |
| Total governmental activities | 47,304,105 | 48,482,581 | 50,342,852 | 50,815,873 | 57,468,550 | 74,666,512 | 71,156,303 | 79,861,653 | 98,571,344 | **114,501,340** |
| Business-type activities: | | | | | | | | | | |
| Unrestricted investment earnings | 28,567 | 21,915 | 22,723 | 15,289 | 12,602 | 104,375 | 226,814 | 140,886 | 14,615 | **17,778** |
| Gain on sale of capital assets | 25,000 | - | - | 35,175 | - | (1,461,090) | - | - | - | **-** |
| Transfers | 1,745,705 | 769,078 | 715,093 | 1,197,080 | 1,180,194 | (9,411,699) | 1,360,959 | 1,216,561 | 1,233,794 | **1,154,968** |
| Special items | - | - | - | (1,731,414) | - | - | - | - | - | **-** |
| Total business-type activities | 1,799,272 | 790,993 | 737,816 | (483,870) | 1,192,796 | (10,768,414) | 1,587,773 | 1,357,447 | 1,248,409 | **1,172,746** |
| Total primary government | $ 49,103,377 | $ 49,273,574 | $ 51,080,668 | $ 50,332,003 | $ 58,661,346 | $ 63,898,098 | $ 72,744,076 | $ 81,219,100 | $ 99,819,753 | **$ 115,674,086** |
| **Change in Net Position** | | | | | | | | | | |
| Governmental activities | $ (8,941,907) | $ (11,001,336) | $ (7,487,866) | $ (13,740,629) | $ (9,254,128) | $ 3,758,033 | $ 4,365,281 | $ 8,759,256 | $ 33,450,731 | **$ 37,856,533** |
| Business-type activities | 1,350,732 | 928,129 | 1,792,054 | (6,632,661) | 2,186,887 | (7,279,598) | 3,614,257 | 3,603,343 | 5,461,331 | **4,426,161** |
| Total primary government | $ (7,591,175) | $ (10,073,207) | $ (5,695,812) | $ (20,373,290) | $ (7,067,241) | $ (3,521,565) | $ 7,979,538 | $ 12,362,599 | $ 38,912,062 | **$ 42,282,694** |

# NEWTON COUNTY, GEORGIA

## FUND BALANCES - GOVERNMENTAL FUNDS
## LAST TEN FISCAL YEARS
## (Modified Accrual Basis of Accounting)

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General Fund | | | | | | | | | | |
| Reserved | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Unreserved | - | - | - | - | - | - | - | - | - | **-** |
| Non-spendable: | | | | | | | | | | |
| Prepaids and inventories | 397,862 | 364,301 | 193,419 | 306,914 | 336,493 | 289,201 | 570,659 | 339,034 | 390,968 | **456,969** |
| Restricted: | | | | | | | | | | |
| General government | - | - | 185 | - | - | - | - | - | - | **-** |
| Assigned | 15,000 | - | 396,063 | 32,196 | 525,393 | 457,972 | - | - | - | **-** |
| Unassigned | 7,295,286 | 6,127,893 | 5,247,626 | 4,678,421 | 7,335,966 | 11,521,937 | 19,366,740 | 22,668,272 | 39,689,032 | **51,462,106** |
| Total General Fund | $ 7,708,148 | $ 6,492,194 | $ 5,837,293 | $ 5,017,531 | $ 8,197,852 | $ 12,269,110 | $ 19,937,399 | $ 23,007,306 | $ 40,080,000 | **$ 51,919,075** |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | **$ -** |
| Unreserved, undesignated | - | - | - | - | - | - | - | - | - | **-** |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | - | - | - | - | - | - | - | - | - | **-** |
| Debt service funds | - | - | - | - | - | - | - | - | - | **-** |
| Capital projects funds | - | - | - | - | - | - | - | - | - | **-** |
| Non-spendable: | | | | | | | | | | |
| Prepaids and inventories | 7,920 | 10,197 | 7,966 | 3,643 | - | - | - | - | - | **-** |
| Long-term advances | - | - | 1,500,000 | - | - | - | - | - | - | **-** |
| Restricted: | | | | | | | | | | |
| General government | 214,866 | 276,553 | 300,713 | 163,125 | 378,881 | 420,338 | 474,719 | 481,481 | 424,610 | **513,360** |
| Judicial | 396,360 | 314,857 | 469,133 | 574,150 | 663,466 | 671,962 | 452,562 | 434,316 | 404,003 | **567,925** |
| Public safety | 3,207,061 | 2,095,593 | 1,272,382 | 1,764,620 | 2,111,228 | 2,972,308 | 3,176,936 | 3,056,415 | 5,517,611 | **5,412,354** |
| Public works | - | (14,830) | - | 32,096 | 192,579 | - | - | - | - | **-** |
| Culture and recreation | - | (8,372) | - | - | - | - | - | - | 65,913 | **3,355** |
| Health and welfare | 11,250 | 11,250 | - | 122 | 122 | 29,930 | 35,300 | 35,300 | 35,300 | **35,300** |
| Housing and development | - | - | - | - | - | - | - | - | - | **-** |
| Capital projects | 27,240,413 | 27,240,413 | 32,702,886 | 30,515,136 | 33,950,694 | 22,035,946 | 38,643,579 | 42,952,802 | 42,978,461 | **46,054,792** |
| Intergovernmental | - | - | - | - | - | - | - | - | - | **-** |
| Assigned | - | - | - | 390,041 | 131,456 | 131,604 | - | - | - | **-** |
| Unassigned: | | | | | | | | | | |
| Special revenue funds | (129,628) | - | - | - | (395,144) | (729,940) | (695,777) | (1,903,242) | (337,358) | **(3,111,837)** |
| Capital projects funds | - | - | (3,292,077) | (2,004,321) | (938,816) | - | - | - | (3,555,780) | **(3,719,838)** |
| Total all other governmental funds | $ 30,948,242 | $ 29,925,661 | $ 32,961,003 | $ 31,438,612 | $ 36,094,466 | $ 25,532,148 | $ 42,087,319 | 45,057,072 | $ 45,532,760 | **$ 45,755,411** |

# NEWTON COUNTY, GEORGIA

## CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
## LAST TEN FISCAL YEARS
## (Modified Accrual Basis of Accounting)

| | Fiscal Year | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| **Revenues** | | | | | | | | | | | |
| Taxes | $ 51,844,371 | $ 49,568,808 | $ 48,855,214 | $ 50,984,721 | $ 55,863,418 | $ 58,855,239 | $ 64,274,820 | $ 71,849,863 | $ 79,510,103 | $ 89,850,061 | **$ 94,337,652** |
| Licenses and permits | 265,405 | 270,718 | 468,976 | 565,903 | 627,846 | 876,815 | 981,952 | 968,636 | 1,066,551 | 1,431,387 | **1,726,409** |
| Intergovernmental | 2,886,094 | 4,623,729 | 7,617,044 | 4,100,443 | 5,004,131 | 5,921,341 | 5,101,884 | 6,267,388 | 6,889,053 | 12,816,279 | **9,595,623** |
| Charges for services | 4,708,862 | 4,095,754 | 5,921,160 | 5,831,133 | 6,092,745 | 6,502,552 | 7,074,269 | 7,642,087 | 7,714,802 | 8,825,079 | **9,134,931** |
| Fines and forfeitures | 1,724,348 | 1,874,396 | 1,844,091 | 1,969,771 | 2,001,297 | 1,928,727 | 1,688,733 | 1,830,343 | 1,312,413 | 1,336,754 | **1,426,327** |
| Investment income | 75,871 | 60,253 | 27,982 | 35,434 | 41,796 | 65,474 | 107,911 | 482,430 | 743,358 | 61,238 | **158,416** |
| Contributions | 2,803 | 13,971 | 26,126 | 43,520 | 23,596 | 66,392 | 852,060 | 94,885 | 137,235 | 349,570 | **170,757** |
| Miscellaneous | 705,440 | 798,813 | 782,619 | 829,090 | 1,060,883 | 1,148,429 | 1,043,195 | 1,172,586 | 766,971 | 912,896 | **1,205,727** |
| Total revenues | $ 62,213,194 | $ 61,306,442 | $ 65,543,212 | $ 64,360,015 | $ 70,715,712 | $ 75,364,969 | $ 81,124,824 | $ 90,308,218 | $ 98,140,486 | $ 115,583,264 | **$ 117,755,842** |
| **Expenditures** | | | | | | | | | | | |
| General government | $ 5,594,296 | $ 6,619,230 | $ 5,788,160 | $ 6,449,561 | $ 7,462,273 | $ 7,388,745 | $ 19,523,430 | $ 9,817,534 | $ 11,080,567 | $ 10,793,292 | **$ 15,199,457** |
| Judicial | 4,907,620 | 5,304,172 | 5,624,412 | 5,928,040 | 6,456,453 | 6,670,664 | 6,722,938 | 7,297,606 | 7,368,780 | 7,639,666 | **8,120,976** |
| Public safety | 27,236,777 | 28,565,476 | 29,046,169 | 29,363,101 | 30,981,218 | 32,513,402 | 32,239,793 | 36,112,061 | 40,028,656 | 43,719,067 | **47,256,335** |
| Public works | 4,202,811 | 4,522,541 | 5,180,737 | 4,735,519 | 5,634,550 | 5,105,788 | 6,512,738 | 5,763,526 | 5,454,851 | 5,394,675 | **5,958,330** |
| Health and welfare | 877,027 | 860,937 | 764,792 | 787,418 | 2,036,179 | 1,206,446 | 1,214,432 | 1,196,004 | 1,225,319 | 1,448,887 | **1,401,556** |
| Culture and recreation | 2,813,367 | 3,714,555 | 2,717,064 | 2,748,044 | 3,529,903 | 2,782,328 | 2,781,149 | 2,791,352 | 2,830,352 | 2,601,942 | **3,177,881** |
| Housing and development | 1,198,507 | 1,265,046 | 1,371,985 | 1,332,190 | 1,093,368 | 1,037,357 | 1,320,547 | 1,391,307 | 1,483,056 | 1,571,540 | **1,642,874** |
| Intergovernmental | 1,905,375 | 1,902,600 | 1,845,023 | 1,913,036 | 1,883,239 | 2,473,302 | - | - | 3,142,889 | 3,992,425 | **4,719,633** |
| Capital outlay | 5,259,205 | 4,773,271 | 12,435,972 | 5,286,856 | 11,759,660 | 19,434,491 | 23,700,444 | 11,021,838 | 13,339,304 | 17,373,927 | **11,383,244** |
| Debt service: | | | | | | | | | | | |
| Principal retirement | 767,237 | 2,007,402 | 2,206,323 | 3,703,389 | 2,709,221 | 1,874,471 | 2,462,112 | 2,017,709 | 3,931,373 | 6,846,720 | **3,817,282** |
| Interest and fiscal charges | 9,179,366 | 614,362 | 524,234 | 496,868 | 233,181 | 410,987 | 559,415 | 944,092 | 1,004,383 | 996,619 | **736,391** |
| Total expenditures | 63,941,588 | 60,149,592 | 67,504,871 | 62,744,022 | 73,779,245 | 80,897,981 | 97,036,998 | 78,353,029 | 90,889,530 | 102,378,760 | **103,413,959** |
| Excess (deficiency) of revenues over (under) expenditures | (1,728,394) | 1,156,850 | (1,961,659) | 1,615,993 | (3,063,533) | (5,533,012) | (15,912,174) | 11,955,189 | 7,250,956 | 13,204,504 | **14,341,883** |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
## LAST TEN FISCAL YEARS
## (Modified Accrual Basis of Accounting)

| | Fiscal Year | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| **Other Financing Sources (Uses)** | | | | | | | | | | | |
| Proceeds from capital leases | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 552,556 | **$ -** |
| Capital leases | 2,969,934 | - | 784,735 | 552,931 | 87,784 | 14,440,598 | - | 13,572,423 | - | 4,990,000 | **-** |
| Issuance of bonds | 3,425,000 | - | 360,000 | - | 6,400,000 | - | - | - | - | - | **-** |
| Premium on bonds | - | - | - | - | - | - | - | - | - | - | **-** |
| Payments to escrow agent | (3,429,914) | - | - | - | (7,265,378) | - | - | - | 9,551,152 | - | **-** |
| Transfers in | 3,254,478 | 6,051,403 | 5,232,830 | 1,896,925 | 4,549,204 | 3,277,256 | 13,217,191 | 3,736,325 | (10,767,713) | 7,273,763 | **7,698,865** |
| Transfers out | (3,868,196) | (7,797,081) | (6,001,909) | (2,612,018) | (5,746,284) | (4,364,055) | (3,805,492) | (5,097,284) | 5,265 | (8,507,557) | **(8,853,833)** |
| Proceeds from sale of capital assets | 19,454 | 270,411 | 13,634 | - | 7,256 | 15,388 | 9,415 | 56,807 | - | 35,116 | **12,364** |
| Total other financing sources (uses) | 2,370,756 | (1,475,267) | 389,290 | (162,162) | (1,967,418) | 13,369,187 | 9,421,114 | 12,268,271 | (1,211,296) | 4,343,878 | **(1,142,604)** |
| Net change in fund balances | $ 642,362 | $ (318,417) | $ (1,572,369) | $ 1,453,831 | $ (5,030,951) | $ 7,836,175 | $ (6,491,060) | $ 24,223,460 | $ 6,039,660 | $ 17,548,382 | **$ 13,199,279** |
| Debt service as a percentage of noncapital expenditures | 16.9% | 4.7% | 5.0% | 7.3% | 4.7% | 3.7% | 4.1% | 4.0% | 6.0% | 8.5% | **4.9%** |

# NEWTON COUNTY, GEORGIA

## ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
## LAST TEN FISCAL YEARS
## (in Thousands of Dollars)

| Fiscal Year Ended June 30, | Real Property | | Personal Property | | Less: Tax Exempt Real Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|---|---|---|---|---|---|---|---|---|---|
| | Residential Property | Commercial Property | Motor Vehicles | Other [1] | | | | | |
| 2012 | $ 1,609,066 | $ 710,446 | $ 218,780 | $ 3,599 | $ 365,070 | $ 2,176,821 | 10.910 | $ 5,442,053 | 40% |
| 2013 | 1,372,380 | 699,094 | 227,748 | 2,852 | 353,685 | 1,948,389 | 10.910 | 4,870,973 | 40% |
| 2014 | 1,232,668 | 698,075 | 240,209 | 2,497 | 330,197 | 1,843,252 | 11.540 | 4,608,130 | 40% |
| 2015 | 1,403,261 | 699,910 | 203,335 | 2,817 | 339,585 | 1,969,738 | 11.225 | 4,924,345 | 40% |
| 2016 | 1,538,468 | 736,342 | 149,190 | 2,945 | 368,118 | 2,058,827 | 12.990 | 5,147,068 | 40% |
| 2017 | 1,659,816 | 775,606 | 113,941 | 3,118 | 390,264 | 2,162,217 | 12.990 | 5,405,543 | 40% |
| 2018 | 1,891,990 | 822,653 | 86,195 | 2,264 | 437,944 | 2,365,158 | 13.441 | 5,912,895 | 40% |
| 2019 | 2,336,523 | 922,789 | 55,282 | 4,182 | 491,179 | 2,827,597 | 13.441 | 7,068,993 | 40% |
| 2020 | 2,596,319 | 885,715 | 42,317 | 3,688 | 494,622 | 3,033,417 | 12.916 | 7,583,543 | 40% |
| 2021 | 2,933,063 | 994,080 | 35,662 | 3,150 | 494,240 | 3,471,715 | 11.145 | 8,679,288 | 40% |
| **2022** | **3,539,711** | **1,170,179** | **31,904** | **2,703** | **522,422** | **4,222,075** | **9.454** | **10,555,188** | **40%** |

**Source:** Newton County Tax Commissioner

[1] Includes Mobile Home, Timber and Heavy Equipment

# NEWTON COUNTY, GEORGIA

## DIRECT AND OVERLAPPING PROPERTY TAX RATES
## LAST TEN FISCAL YEARS
## (rate per $1,000 of assessed value)

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Newton County rates | | | | | | | | | | |
| Maintenance and Operations | | | | | | | | | | |
| Unincorporated | 10.91 | 11.54 | 11.23 | 12.99 | 12.99 | 13.44 | 13.44 | 12.92 | 11.15 | **9.45** |
| Emergency Medical Services | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | - | - | - | - | **-** |
| Fire Protection | 0.79 | 0.79 | 0.79 | 0.84 | 0.89 | 0.89 | 0.89 | 0.89 | 0.89 | **0.89** |
| Hospital Authority | 1.20 | 1.20 | 1.20 | - | - | - | - | - | - | **-** |
| Board of Education | | | | | | | | | | |
| Maintenance and Operations | 21.90 | 21.90 | 20.45 | 20.00 | 20.00 | 20.00 | 20.00 | 19.79 | 18.29 | **16.79** |
| State of Georgia | 0.20 | 0.15 | 0.10 | 0.05 | - | - | - | - | - | **-** |
| Total Unincorporated | 35.45 | 36.03 | 34.22 | 34.33 | 34.33 | 34.33 | 34.33 | 33.60 | 30.33 | **27.13** |
| Covington CID | - | - | - | - | - | 5.00 | 5.00 | 5.00 | 5.00 | **5.00** |
| Total Municipalities: | | | | | | | | | | |
| Mansfield | 5.58 | 5.58 | 5.08 | 4.72 | 4.60 | 4.42 | 4.16 | 3.87 | 3.41 | **3.02** |
| Newborn | 1.94 | 2.03 | 1.89 | 1.88 | 1.86 | 1.83 | 1.77 | 1.41 | 1.24 | **1.00** |
| Oxford | 7.60 | 7.85 | 7.57 | 7.76 | 7.24 | 6.62 | 6.62 | 6.62 | 5.44 | **5.44** |
| Porterdale | 19.89 | 19.39 | 17.91 | 17.91 | 17.91 | 17.31 | 13.72 | 14.07 | 14.07 | **14.00** |
| Social Circle [1] | 24.28 | 24.28 | 27.20 | 26.50 | 25.85 | 25.04 | 27.55 | 27.18 | 27.18 | **26.62** |
| City of Covington | 8.21 | 8.20 | 7.71 | 7.65 | 7.65 | 7.65 | 7.65 | 7.19 | 6.88 | **6.88** |

**Source:** Newton County Tax Commissioner

(1) The City of Social Circle's tax rate includes the tax rate to fund the Social Circle City Board of Education

# NEWTON COUNTY, GEORGIA

## PRINCIPAL PROPERTY TAXPAYERS
## CURRENT YEAR AND NINE YEARS AGO

| | 2022 | | | 2013 | | |
|---|---|---|---|---|---|---|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| General Mills | **$ 50,805,792** | **1** | **1.46 %** | $ N/A | | N/A % |
| Baxalta | **40,027,100** | **2** | **1.15** | N/A | | N/A |
| SKC.INC | **38,918,934** | **3** | **1.12** | N/A | | N/A |
| Georgia Power | **28,131,106** | **4** | **0.81** | N/A | | N/A |
| Fibervision | **24,589,795** | **5** | **0.71** | N/A | | N/A |
| Snapping Shoals EMC | **22,569,960** | **6** | **0.65** | N/A | | N/A |
| Newton Co Industrial Development Aut | **16,028,443** | **7** | **0.46** | N/A | | N/A |
| Nisshinbo | **20,342,606** | **8** | **0.59** | N/A | | N/A |
| SKC | **13,128,760** | **9** | **0.38** | N/A | | N/A |
| Bard C R Medical Division Inc | **54,638,393** | **10** | **1.57** | N/A | | N/A |
| Totals | **$ 309,180,889** | | **8.91 %** | $ N/A | | N/A % |

The fiscal year 2022 total taxable assessed value is: $ 3,471,714,759

**Note:** (a) Information for 2013 Principal Property Taxpayers was not readily avaliable.

**Source:** Newton County Tax Commissioner

# NEWTON COUNTY, GEORGIA

## PROPERTY TAX LEVIES AND COLLECTIONS
## LAST TEN FISCAL YEARS

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|---|---|---|---|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2013 | $ 21,322,577 | $ 20,537,949 | 96.3 | $ 420,933 | $ 20,958,882 | 98.3 |
| 2014 | 18,739,421 | 18,307,884 | 97.7 | 431,536 | 18,739,420 | 100.0 |
| 2015 | 18,470,300 | 18,131,491 | 98.2 | 338,809 | 18,470,300 | 100.0 |
| 2016 | 19,796,280 | 19,511,312 | 98.6 | 284,968 | 19,796,280 | 100.0 |
| 2017 | 24,768,366 | 24,476,284 | 98.8 | 210,466 | 24,686,750 | 99.7 |
| 2018 | 26,566,593 | 26,248,761 | 98.8 | 242,132 | 26,490,893 | 99.7 |
| 2019 | 30,479,008 | 30,093,892 | 98.7 | 170,288 | 30,264,180 | 99.3 |
| 2020 | 33,840,919 | 33,301,213 | 98.4 | 371,980 | 33,673,193 | 99.5 |
| 2021 | 37,176,030 | 36,519,683 | 98.2 | 33,456 | 36,850,139 | 99.1 |
| **2022** | **39,214,999** | **38,233,331** | **97.5** | **450,214** | **38,683,545** | **98.6** |

**Source:** Newton County Tax Commissioner

# NEWTON COUNTY, GEORGIA

## RATIOS OF OUTSTANDING DEBT BY TYPE
## LAST TEN FISCAL YEARS

| Fiscal Year Ended June 30, | Governmental Activities | | | Business-type Activities | | Total Primary Government | Percentage of Personal Income [1] | Per Capita [1] |
|---|---|---|---|---|---|---|---|---|
| | General Obligation Bonds | Capital Leases and GEFA Notes | Installment Sale Agreements | Revenue Bonds | Capital Leases and GEFA Notes | | | |
| 2013 | $ 3,357,500 | $ 2,911,904 | $ 10,775,000 | $ 25,040,000 | $ 5,008,179 | $ 47,092,583 | 1.68 | 465.7 |
| 2014 | 2,655,000 | 2,925,110 | 9,880,000 | 22,975,000 | 4,744,446 | 43,179,556 | 1.49 | 422.2 |
| 2015 | 1,937,500 | 2,203,485 | 8,955,000 | 20,905,000 | 4,373,513 | 38,374,498 | 1.27 | 369.7 |
| 2016 | 1,200,000 | 1,386,209 | 7,430,000 | 18,795,000 | 4,374,562 | 33,185,771 | 1.03 | 315.1 |
| 2017 | 1,705,104 | 14,643,303 | 6,303,275 | 16,640,000 | 4,127,484 | 43,419,166 | 1.29 | 405.8 |
| 2018 | 517,551 | 14,508,744 | 5,163,275 | 36,700,000 | 2,285,593 | 59,175,163 | 1.68 | 547.5 |
| 2019 | 13,767,479 | 13,874,956 | 4,015,000 | 33,355,000 | 2,173,019 | 67,185,454 | 1.82 | 613.3 |
| 2020 | 10,827,149 | 13,234,457 | 3,380,000 | 31,525,093 | 3,306,306 | 62,273,005 | 1.61 | 557.3 |
| 2021 | 12,870,786 | 13,033,049 | - | 29,001,907 | 11,462,217 | 66,367,959 | 1.53 | 581.8 |
| **2022** | **9,676,958** | **12,225,567** | **-** | **26,698,721** | **25,797,036** | **74,398,282** | **1.53** | **645.0** |

**Note:** Details regarding the County's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Demographic and Economic Statistics for personal income and population data.

# NEWTON COUNTY, GEORGIA

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING
## LAST TEN FISCAL YEARS

| Fiscal Year | General Obligation Bonds [1] | Percentage of Estimated Actual Value of Taxable Property [2] | Bonded Debt Per Capita [3] |
|---|---|---|---|
| 2012 | $ 4,040,000 | 74.24% | $ 40 |
| 2013 | 3,357,500 | 68.93% | 33 |
| 2014 | 2,655,000 | 57.62% | 26 |
| 2015 | 1,937,500 | 39.35% | 19 |
| 2016 | 1,200,000 | 23.31% | 11 |
| 2017 | 1,705,104 | 31.54% | 16 |
| 2018 | 517,551 | 8.75% | 5 |
| 2019 | 13,767,479 | 194.76% | 126 |
| 2020 | 10,827,149 | 142.77% | 97 |
| 2021 | 12,870,786 | 148.29% | 113 |
| **2022** | **9,676,958** | **91.68%** | **84** |

**Note:** Details regarding Newton County's outstanding debt can be found in the notes to the financial statements.

[1] Presented net of original issuance discounts and premiums.

[2] See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

[3] See the Schedule of Demographic and Economic Statistics for personal income and population data.

# NEWTON COUNTY, GEORGIA

## LEGAL DEBT MARGIN INFORMATION
## LAST TEN FISCAL YEARS
## (Amounts Expressed in Thousands)

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Debt limit | $ 194,839 | $ 184,325 | $ 196,974 | $ 205,883 | $ 216,222 | $ 236,516 | $ 282,760 | $ 303,342 | $ 347,172 | **$ 422,208** |
| Total net debt applicable to limit | 3,358 | 2,655 | 1,938 | 1,200 | 1,705 | 518 | 13,767 | 13,875 | 12,871 | **9,677** |
| Legal debt margin | $ 191,481 | $ 181,670 | $ 195,036 | $ 204,683 | $ 214,517 | $ 235,998 | $ 268,992 | $ 289,467 | $ 334,301 | **$ 412,531** |
| Total net debt applicable to the limit as a percentage of debt limit | 1.72% | 1.44% | 0.98% | 0.58% | 0.79% | 0.22% | 4.87% | 4.57% | 3.71% | **2.29%** |

**Legal Debt Margin Calculation for Fiscal Year 2022**

| | |
|---|---|
| Assessed value | **$ 4,222,075** |
| Debt limit (10% of assessed value) | **422,208** |
| Debt applicable to limit: | |
| General obligation bonds | **9,677** |
| Less: Amount set aside for repayment of general obligation debt | **-** |
| Total net debt applicable to limit | **9,677** |
| Legal debt margin | **$ 412,531** |

**Note:** Under state finance law, the County's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.

# NEWTON COUNTY, GEORGIA

## DEMOGRAPHIC AND ECONOMIC STATISTICS
## LAST TEN FISCAL YEARS

| Fiscal Year | Population [1] | Personal Income (amounts expressed in thousands) [1] | Per Capita Personal Income | Median Age [2] | School Enrollment [3] | Unemployment Rate [4] |
|---|---|---|---|---|---|---|
| 2013 | 101,122 | $ 2,805,018 | $ 27,739 | 36.3 | N/A | 0.097 |
| 2014 | 102,272 | 2,899,542 | 28,351 | 36.1 | 19,598 | 0.082 |
| 2015 | 103,790 | 3,023,291 | 29,129 | 35.7 | 19,600 | 0.067 |
| 2016 | 105,324 | 3,210,695 | 30,484 | 36.1 | 19,680 | 0.060 |
| 2017 | 106,999 | 3,354,135 | 31,347 | 36.0 | 19,657 | 0.054 |
| 2018 | 108,078 | 3,517,731 | 32,548 | 36.1 | 19,758 | 0.053 |
| 2019 | 109,541 | 3,696,995 | 33,750 | 36.2 | 19,617 | 0.045 |
| 2020 | 111,744 | 3,877,030 | 34,969 | 36.2 | 18,750 | 0.066 |
| 2021 | 114,067 | 4,334,209 | 37,997 | 36.4 | 18,766 | 0.050 |
| **2022** | **115,355** | **4,851,345** | **42,056** | **36.5** | **18,766** | **0.044** |

[1] **Source:** Bureau of Economic Analysis

[2] **Source**: U.S. Census Bureau - American Fact Finder

[3] **Source:** Newton County Board of Education

[4] **Source**: Georgia Department of Labor

# NEWTON COUNTY, GEORGIA

## PRINCIPAL EMPLOYERS
## CURRENT YEAR AND NINE YEARS AGO

| | 2022 | | | 2013[a] | | |
|---|---|---|---|---|---|---|
| Taxpayer | Employees [1] | Rank | Percentage of Total County Employment [2] | Employees [1] | Rank | Percentage of Total County Employment [2] |
| Newton County Board of Education | 2,668 | 1 | 5.22% | N/A | | N/A |
| Takeda Pharmaceuticals | 906 | 2 | 1.77% | N/A | | N/A |
| Newton County Government | 655 | 3 | 1.28% | N/A | | N/A |
| Piedmont Newton Hospital | 652 | 4 | 1.28% | N/A | | N/A |
| Becton, Dickson, & Co. | 645 | 5 | 1.26% | N/A | | N/A |
| General Mills | 478 | 6 | 0.94% | N/A | | N/A |
| Pactiv Corporation | 405 | 7 | 0.79% | N/A | | N/A |
| SKC, Inc. | 322 | 9 | 0.63% | N/A | | N/A |
| City of Covington | 318 | 9 | 0.62% | N/A | | N/A |
| SRG | 310 | 10 | 0.61% | N/A | | N/A |
| Totals | 7,359 | | 14.40% | N/A | | N/A |

[1] **Source:** Newton County Chamber of Commerce

[2] **Source:** Total County employed per Georgia Department of Labor County Profile, 51,064 (November 2022)

**Note:** (a) Information for 2013 Principal Employers was not readily avaliable.

# NEWTON COUNTY, GEORGIA

## FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
## LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
| General Government | 105 | 117 | 119 | 128 | 142 | 145 | 162 | 154 | 159 | **164** |
| Public Safety | | | | | | | | | | |
| Sheriff | | | | | | | | | | |
| Officers (including SRO) | 134 | 137 | 137 | 145 | 150 | 141 | 152 | 150 | 126 | **119** |
| Civilians | 19 | 20 | 18 | 12 | 14 | 13 | 17 | 16 | 14 | **20** |
| Detention | | | | | | | | | | |
| Officers | 71 | 70 | 71 | 83 | 90 | 76 | 87 | 88 | 75 | **62** |
| Admin (Other) | 18 | 18 | 20 | 25 | 25 | 26 | 28 | 28 | 23 | **21** |
| Fire | | | | | | | | | | |
| Firefighters and Officers | 61 | 63 | 65 | 74 | 76 | 87 | 96 | 110 | 101 | **112** |
| Civilians | 11 | 11 | 10 | 2 | 2 | 2 | 4 | 5 | 6 | **19** |
| Coroner | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | **1** |
| Animal Control | 7 | 7 | 8 | 9 | 9 | 9 | 9 | 9 | 12 | **11** |
| Emergency Management | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | **4** |
| Public Works | | | | | | | | | | |
| Highways and Streets | 35 | 29 | 31 | 39 | 35 | 31 | 38 | 37 | 43 | **47** |
| Fleet Maintenance | 8 | 10 | 10 | 10 | 10 | 9 | 8 | 8 | 9 | **6** |
| Engineering | 1 | 2 | 2 | - | - | - | - | - | - | **-** |
| Water Resources | 10 | 12 | 9 | 16 | 17 | 18 | 19 | 20 | 17 | **19** |
| Solid Waste Disposal and Recycling | 15 | 15 | 18 | 16 | 18 | 10 | 13 | 14 | 15 | **14** |
| Clean and Beautiful | - | - | - | 2 | 2 | 2 | 2 | 2 | 2 | **2** |
| Parks and Recreation | 23 | 17 | 17 | 25 | 24 | 29 | 32 | 38 | 14 | **18** |
| Planning and Development | 17 | 15 | 16 | 16 | 15 | 15 | 16 | 16 | 16 | **16** |
| Total | 538 | 546 | 554 | 605 | 632 | 616 | 686 | 698 | 636 | **655** |

**Source:** 2009-2015 Newton County Payroll Office; 2016-2019 Newton County Human Resources

# NEWTON COUNTY, GEORGIA

## OPERATING INDICATORS BY FUNCTION
## LAST TEN CALENDAR YEARS

| Function | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| **Governmental** | | | | | | | | | | |
| Sheriff Department: | | | | | | | | | | |
| Physical arrest | 6,958 | 6,964 | 6,931 | 6,753 | 6,495 | 6,194 | 6,187 | 4,413 | 1,784 | **2,869** |
| Parking violations | - | 2 | 5 | 9 | 4 | 7 | 2 | 2 | 5 | **2** |
| Traffic violations | 2,683 | 3,758 | 4,361 | 3,715 | 3,143 | 4,113 | 5,132 | 6,733 | 8,271 | **6,108** |
| Fire Department: | | | | | | | | | | |
| Fires extinguished | | | | | | | | | | |
| Structures | 78 | 141 | 117 | 120 | 119 | 91 | 90 | 97 | 57 | **96** |
| Vehicles | 45 | 48 | 58 | 59 | 71 | 55 | 61 | 60 | 58 | **47** |
| Emergency responses | 4,170 | 6,521 | 6,468 | 6,455 | 7,050 | 7,022 | 7,149 | 6,981 | 6,311 | **6,291** |
| Fire Inspections | 161 | 251 | 242 | 280 | 287 | 372 | 354 | 122 | 130 | **142** |
| Parks and Recreation: | | | | | | | | | | |
| Recreation participants | | | | | | | | | | |
| Youth | 2,383 | 2,528 | 2,497 | 2,205 | 2,313 | 2,423 | 2,203 | 1,135 | 1,719 | **2,422** |
| Adults | 884 | 824 | 856 | 462 | 630 | 585 | 325 | - | 540 | **680** |
| Athletic fields | 27 | 27 | 27 | 27 | 27 | 27 | 25 | 25 | 25 | **25** |
| **Business-type** | | | | | | | | | | |
| Landfill: | | | | | | | | | | |
| Refuse collection (tons/day) | 240 | 266 | 273 | 249 | 259 | 261 | 253 | 327 | 382 | **292** |
| Recyclables centers | 11 | 11 | 11 | 11 | 11 | 5 | 6 | 6 | 6 | **6** |
| Recyclables centers (tons/day) | 81 | 89 | 86 | 73 | 40 | 30 | 35 | 35 | 41 | **37** |
| Newspaper collections (tons/day) | 430 | 500 | 525 | 550 | 600 | 100 | 44 | 130 | 167 | **11** |
| Scrap Metal collections (tons/day) | 900 | 1,050 | 1,000 | 850 | 875 | 250 | 273 | 400 | 350 | **435** |
| Glass collections (tons/day) | 290 | 310 | 320 | 350 | 300 | 250 | 40 | 150 | 93 | **142** |

**Note:** Indicators are not available for the general government function.

**Source:** Various County Departments.

# NEWTON COUNTY, GEORGIA

## CAPITAL ASSET STATISTICS BY FUNCTION
## LAST TEN FISCAL YEARS

| Function/Program | Fiscal Year 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Sheriff Department | | | | | | | | | | |
| Stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 3 | **4** |
| Patrol Units | 43 | 47 | 51 | 55 | 61 | 64 | 69 | 69 | 69 | **77** |
| Fire Stations | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 8 | 9 | **10** |
| Public Works | | | | | | | | | | |
| Streets (miles) | 779 | 781 | 781 | 782 | 784 | 784 | 786 | 787 | 790 | **795** |
| Traffic Signals | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | **4** |
| Culture and Recreation | | | | | | | | | | |
| Park Acreage [1] | 360 | 360 | 360 | 360 | 360 | 351 | 351 | 351 | 355 | **410** |
| Playgrounds | 11 | 11 | 12 | 12 | 12 | 12 | 10 | 11 | 12 | **12** |
| Baseball/Softball Diamonds | 21 | 21 | 21 | 21 | 21 | 21 | 20 | 17 | 20 | **2** |
| Soccer/Football Fields | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | **2** |
| Community Centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | **1** |

**Note:** No capital asset indicators are available for the general government function.

Street miles only includes County maintained roads.

**Source:** Various County Departments.

MAULDIN & JENKINS
CPAs & ADVISORS

# 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 Board of Commissioners**
**of Newton County, Georgia**
**Covington, 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, (the "County") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's, basic financial statements, and have issued our report thereon dated December 29, 2022. Our report includes a reference to other auditors who audited the financial statements of the Newton County Health Department, the Newton County Library System, and the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County, as described in our report on the County'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 the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

Mauldin & Jenkins, LLC

Macon, Georgia
December 29, 2022

MAULDIN & JENKINS
CPAs & ADVISORS

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

**To the Board of Commissioners**
**of Newton County, Georgia**
**Covington, Georgia**

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

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

We have audited Newton County, Georgia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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, 2022.

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

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

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

***Responsibilities of Management for Compliance***

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

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

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

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

**Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
December 29, 2022

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Federal Grantor/Pass-through Grantor/Program Title | Federal CFDA Number | Grant Idenitification Number | Total Expenditures | Passed Through to Subrecipients |
|---|---|---|---|---|
| **U.S. Department of Health and Human Services** | | | | |
| Pass Through Program - Northeast Georgia Regional Commission | | | | |
| Community Care Services Program - Title III, Part B | 93.044 | SFY 2022 | $ 9,341 | $ - |
| Expanding Access to COVID-19 Vaccines via the Aging Network | 93.044 | SFY 2022 | 8,138 | - |
| Community Care Services Program - Title III, Part C | 93.045 | SFY 2022 | 125,895 | - |
| Nutrition Services Incentive Program | 93.053 | SFY 2022 | 35,293 | - |
| Total Aging Cluster | | | 178,667 | - |
| Pass Through Program - Northeast Georgia Regional Commission | | | | |
| National Family Caregiver Support, Title III, Part E | 93.052 | SFY 2022 | 4,443 | - |
| Social Services Block Grant | 93.667 | SFY 2022 | 11,510 | - |
| CCSP Medicaid | 93.778 | SFY 2022 | 8,075 | - |
| **Total U.S. Department of Health and Human Services** | | | 202,695 | - |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Federal Grantor/Pass-through Grantor/Program Title | Federal CFDA Number | Grant Idenitification Number | Total Expenditures | Passed Through to Subrecipients |
|---|---|---|---|---|
| **U.S. Department of Justice** | | | | |
| Direct | | | | |
| Edward Byrne Grant Memorial Justice Assistance | 16.738 | 2018-DJ-BX-0729 | $ 7,902 | $ - |
| Total JAG Cluster | | | 7,902 | - |
| 2020 COPS Hiring Program | 16.710 | 2020-UM-WX-0231 | 166,105 | - |
| Pass Through Program - Criminal Justice Coordinating Council | | | | |
| Crime Victim Assistance | 16.575 | 2018-V2-GX-0066 (C19-8-102) | 20,932 | - |
| | | 2018-V2-GX-0066 (C18-8-561) | 11,693 | - |
| | | 15POVC-21-GG-00619-A (C21-8-001) | 57,984 | - |
| Total CJCC Crime Victim Assistance cluster | | | 90,609 | - |
| Pass Through Program - Criminal Justice Coordinating Council | | | | |
| Residential Substance Abuse Treatment | 16.593 | 2019-RT-BX-0034 (R19-8-001) | 24,764 | - |
| | | 2018-J2-BX-0041 (R18-8-005) | 9,834 | - |
| | | 2019-J2-BX-0042 (R19-8-004) | 54,892 | - |
| Total CJCC Residential Substance Abuse Treatment | | | 89,490 | - |
| **Total U.S. Department of Justice** | | | 354,106 | - |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Federal Grantor/Pass-through Grantor/Program Title | Federal CFDA Number | Grant Idenitification Number | Total Expenditures | Passed Through to Subrecipients |
|---|---|---|---|---|
| **U.S. Department of Homeland Security** | | | | |
| Direct - Federal Emergency Management Agency | | | | |
| State Homeland Security Program (SHSP) | 97.067 | EMW-2021-SS-44 | $ 19,036 | $ - |
| | | EMW-2020-SS-00089 S# 36 | 11,522 | - |
| Total State Homeland Security Program cluster | | | 30,558 | - |
| Assistance to Firefighters Grant Program | 97.044 | EMW-2020-FP-00002 | 499 | - |
| Total FEMA Assistance to Firefighters cluster | | | 499 | - |
| **Total U.S. Department of Homeland Security** | | | 31,057 | - |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Federal Grantor/Pass-through Grantor/Program Title | Federal CFDA Number | Grant Idenitification Number | Total Expenditures | Passed Through to Subrecipients |
|---|---|---|---|---|
| **U.S. Environmental Protection Agency** | | | | |
| Pass Through Program- | | | | |
| Georgia Environmental Finance Authority | 66.458 | Loan #DW2017023 | $ 11,203,116 | $ - |
| **Total U.S. Environmental Protection Agency** | | | 11,203,116 | - |
| **U.S. Department of Transportation** | | | | |
| Pass Through Program - Georgia Department of Transportation | | | | |
| ARC 2016 - Crowell Rd/Harold Dobbs Rd | 20.205 | #0015095 | 32,684 | - |
| ARC 2016 - Brown Bridge/Yellow River Bridge Bridge | 20.205 | #0015096 | 44,003 | - |
| ARC 2016 - Brown Bridge/ Snapping Shoals Creek Creek | 20.205 | #0015097 | 52,883 | - |
| Total Highway Planning and Construction Cluster | | | 129,570 | - |

**(Continued)**

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| Federal Grantor/Pass-through Grantor/Program Title | Federal CFDA Number | Grant Idenitification Number | Total Expenditures | Passed Through to Subrecipients |
|---|---|---|---|---|
| **U.S. Department of Transportation (Continued)** | | | | |
| Pass Through Program - Governor's Office of Highway Safety | | | | |
| Highway Enforcement of Aggressive Traffic ("HEAT") | 20.600 | GA-2021-F.A.S.T. 402PT-127 | $ 36,359 | $ - |
| GOHS Traffic Enforcement Network - Central Region (CRTEN) | 20.600 | FAIN: 69A37521300004020GA0 Sub-Award: TEN-2022-402PT-031 | 10,366 | - |
| Total Governor's Office of Highway Safety Cluster | | | 46,725 | - |
| **Total U.S. Department of Transportation** | | | 176,295 | - |
| **U.S. Department of Treasury** | | | | |
| Direct | | | | |
| American Rescue Plan Act (ARPA) | 21.027 | Newton County unincorporated | 4,239,004 | - |
| Pass Through Program - State of Georgia | | | | |
| ARPA - First Responders Grant | 21.027 | First Responders Grant | 340,174 | - |
| Total American Rescue Plan Act Cluster | | | 4,579,178 | - |
| Pass Through Program - State of Georgia | | | | |
| Coronavirus Relief Fund | 21.019 | Newton County unincorporated COVID-19 Phase 1 | 4,841,480 | - |
| Direct - US Department of Justice | | | | |
| Coronavirus Relieve Project | 16.034 | 2020-VD-BX-1420 | 5,400 | - |
| Pass Through Program - Prosecuting Attorney's Council of Georgia | | | | |
| Coronavirus Emergency Supplemental Funding Program FY2020 Coronavirus Aid Relief & Economic Security Act | 16.034 | 2020-VD-BX-0009 (SubAward # B50-8-128) | 31,221 | - |
| Total Coronavirus Emergency Supplemental | | | 4,878,101 | - |
| **Total U.S. Department of Treasury** | | | 9,457,279 | - |
| **Total Expenditures of Federal Awards** | | | **$ 21,424,548** | **$ -** |

# NEWTON COUNTY, GEORGIA

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

### NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of (the "County") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.* Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the 10% de minimis cost rate for the fiscal year ended June 30, 2022.

### NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ended June 30, 2022.

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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## SECTION I
## SUMMARY OF AUDIT RESULTS

***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting: | |
| Material weaknesses identified? | ____ Yes __X__ No |
| Significant deficiencies identified not considered to be material weaknesses? | ____ Yes __X__ None Reported |
| Noncompliance material to financial statements noted? | ____ Yes __X__ No |

***Federal Awards***

| | |
|---|---|
| Internal Control over major programs: | |
| Material weaknesses identified? | ____ Yes __X__ No |
| Significant deficiencies identified not considered to be material weaknesses? | ____ Yes __X__ None Reported |
| Type of auditor's report issued on compliance for major programs | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | ____ Yes __X__ No |

Identification of major programs:

| CFDA Number | Name of Federal Program or Cluster |
|---|---|
| 21.027 | COVID-19 Coronavirus State and Local Fiscal Recovery Funds |

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs: | $750,000 |
| Auditee qualified as low-risk auditee? | __X__ Yes ____ No |

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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## SECTION II
## FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

## SECTION III
## FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

# NEWTON COUNTY, GEORGIA

## SCHEDULE OF PRIOR YEAR FINDINGS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2022

None reported.