

**WALTON COUNTY, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2016**

**Prepared By:**  
**The Walton County Finance Department**

## **INTRODUCTORY SECTION**

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# WALTON COUNTY, GEORGIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2016

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December 3, 2016

Honorable Chairman Kevin W. Little  
Members of the Board of Commissioners  
And the Citizens of Walton County, Georgia

State law, Official Code of Georgia 36-81-7, requires that all general purpose local governments publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Walton County, Georgia, for the fiscal year ended June 30, 2016.

This report consists of management's representations concerning the finances of Walton County, Georgia. Responsibility for both the accuracy of the presented data and completeness and the fairness of the presentation, including all disclosures, rests with the Government. To provide a reasonable basis for making these representations, management of Walton County has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Walton County's financial statements in accordance with GAAP. Because the cost of internal controls should not outweigh their benefits, Walton County's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Walton County's financial statements have been audited by Mauldin and Jenkins, CPA, LLC, a firm of licensed-certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Walton County for the fiscal year ended June 30, 2016, were free of material misstatement. The independent audit involving the examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements; assessing the accounting principles used by management; and evaluating the overall financial statement presentation.

Maudlin and Jenkins, CPA, LLC has issued an unmodified ("clean") opinion on Walton County's financial statements for the year ended June 30, 2016. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should read in conjunction with the audit. Walton County's MD&A can be found immediately following the report of the independent auditors.

### **Profile of Walton County, Georgia**

Walton County was created on July 15, 1818 from land held by the Cherokee and Creek Indians and was named for George Walton, a signer of the Declaration of Independence. The County is located 45 miles east of the City of Atlanta, and the City of Monroe is the County seat. The County comprises an area of approximately 330 square miles (89<sup>th</sup> is size out of 159 counties in Georgia) and had a 2010 census population of 83,768. The 29<sup>th</sup> most populous Georgia County. The principal office of the County is located at 303 S. Hammond Drive, Monroe, Georgia, 30655.

### **Form of Government**

The County is governed by a seven-member Board of Commissioners, which is comprised of a Chairman and six Board members. The six Commissioners are elected by district by the voters residing in each district to serve four-year terms. The commissioners are responsible for passing ordinances, adopting the budget, establishing tax rates, appointing the County Clerk, County Attorney, Department Heads and various committees. The Chairman of the Board is elected at large to serve a four-year term, presides at all meetings of the Board of Commissioners and manages the day-to-day affairs of the County. The Board of Commissioners has one regularly scheduled meeting each month to conduct normal business. Additional meetings are occasionally called for specific purposes.

### **County Services**

Walton County provides a full range of services, including law enforcement and a detention facility that houses 433 inmates; fire protection in incorporated and unincorporated areas of the County, maintenance of streets, highways, bridges and other associated infrastructure; voter registration and elections; court system; tax assessment and tax collection; planning, zoning, and development; building inspections; water and sewerage services, solid waste collection and recycling; animal control; emergency management; ambulance service; E-911 service; and recreation and parks. The County provides services through legally separate component units that have been determined to meet the criteria for inclusion in the County's reporting entity. Walton County Health Department, Development Authority of Walton County, and The Partnership for Families, Children, and Youth are all component units of Walton County. Additional information on the legally separate entities can be found in the Notes to the Financial Statements.

### **The Budget Process**

The annual budget serves as the foundation for Walton County's financial planning and control. The Chairman along with two Commissioners serve each year as the Budget Committee. Each constitutional officer, department head and agency representative meet with the Budget Committee to present their request and discuss their accomplishments, trends and needs. The Budget Committee reviews the requests and prepares a recommended budget. The recommended budget is presented by the Chairman of the Board of Commissioners to the full Board at the May meeting. The Board of Commissioner's hold public hearings on the proposed budget and adopts the final budget no later than June 30<sup>th</sup> the close of Walton County's fiscal year. The legal level of budgetary control is the department/fund level. Budgetary control is maintained using an encumbrance system.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective of the specific environment within which Walton County operates.

**Local Economy:** Walton County is one of 159 counties in Georgia, and is part of the Atlanta-Sandy Springs-Marietta, GA Metropolitan Statistical Area (MSA) with 32,736 households. Median household income increased over the last decade in Walton County has increased from \$46,479 in 2002 to \$53,454 in 2014 according to the latest figures available from the U.S. Census Bureau The most recent data show 2016 unemployment rate of 5% a decrease from the 2015 unemployment rate of 5.7% an indicator of continued improvement in the local economy.



From an employment standpoint, Walton County is attractive to business and industry as evidenced by the Baxalta/Shire Pharmaceutical breaking ground at Stanton Springs Industrial Park to local its latest plant which will provide approximately 1600 jobs when it opens. The largest General Mills Distribution Center in the southeast is located in Social Circle. In addition to General Mills, Wal-Mart has a distribution center in Walton County which accounts for close to 1000 jobs combined. Other industries located in Walton County include Shire, Standridge Color Corporation, Solo Cup, Hitachi Automotive Systems Americas, Inc., Leggett and Platt, Minerva, and Tucker Door and Frame. Hitachi Automotive Systems expanded their Walton County facilities creating new jobs. The diversity of the private sector employers protects the local economy from particular industry fluctuations. Close proximity to transportation hubs, such as the Atlanta airport and converging interstates 20, 75, 285, and 85, continue to make Walton County attractive to business and industry, looking to relocate from other areas of the state and outside the state.

In addition to production, manufacturing, warehousing and distribution, retail commerce and a variety of professionals are integral to Walton County's economy. Home Depot and Wal-Mart have large retail stores in the County. Walton County is the home of the Blue Willow Inn home of the world famous fried green tomatoes attracting tourists to Walton County. Walton County has several health care specialists and facilities. Walton County's proximity to University of Georgia, Georgia State University, and Georgia Piedmont Technical College enhance the County's attractiveness to business and industry. Athens Technical College campus located in Monroe provides additional access to higher education for County residents.

**Long Term Financial Planning:** An unassigned fund balance in the general fund (42.84% of total general fund revenues) falls within the policy guidelines set by the Board of Commissioners for budgetary and planning purposes.

The County continued its partnership with the Walton County Board of Education to share a gas terminal to reduce the cost of gas and diesel for both the County and the Board of Education.

#### **Capital Improvement Program**

The County's Capital Improvement Program is used as a guide for acquisition, construction and replacement of capital assets. Various departments develop plans specific to their functional areas providing additional guidance to the Board of Commissioners in allocating assets for capital projects.

**Impact Fees:** To better maintain adequate service levels within the County, Impact Fees are charged in accordance with Walton County Impact Fee Ordinance. These fees are designated to be used for capital improvement projects related to Fire, EMS, Sheriff, jail, library acquisitions, and the acquisition of park land and construction of recreation facilities needed to maintain the current level of service in the face of future growth. In 2012 the Walton County Board of Commissioners suspended impact fee collections to encourage building in the county.

**SPLOST:** In 2001 the County implemented the use of the 1% tax, the Special Purpose Local Option Sales Tax (SPLOST) as voted on by the citizens of Walton County. The SPLOST implemented in 2013 is shared with the cities of Social Circle, Loganville, Monroe, Jersey, Walnut Grove, Between, and Good Hope. The SPLOST tax revenue in FY 2016 was \$9.6 million.

The Comprehensive Annual Financial Report (CAFR) has been prepared following the guidelines recommended by the Governmental Finance Officers Association of the United States and Canada (GFOA). The County received the Certificate of Excellence in Financial Reporting for the past five years, Fiscal Years 2011 through 2015, for the County's Comprehensive Annual Financial Report. We believe the data in this report is accurate and conforms to the standards of the GFOA program for the Certificate of Excellence in Financial Reporting and will submit this report to the GFOA for evaluation of eligibility for the Certificate for this fiscal year.

The preparation of the Comprehensive Annual Financial Report could not have been accomplished without the dedication of the staff in the Finance and Accounting Department of Walton County and the contributions of the Constitutional Officers, Department Heads and assistance of Mauldin and Jenkins, LLC. We wish to express our appreciation and cooperation to the Chairman of the Board of Commissioners, the Board of Commissioners, for their leadership and unfailing support in maintaining the highest standards of professionalism in management and sound financials of Walton County.

Respectfully submitted,

Linda J Hanna  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Walton County  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO

# **WALTON COUNTY, GEORGIA**

## **Principal Officials**

### **Board of Commissioners**

**June 30, 2016**

<b>Kevin W. Little</b>	<b>Chairman</b>
<b>Clinton Ayers</b>	<b>Commissioner District 1</b>
<b>Mark Banks</b>	<b>Commissioner District 2</b>
<b>Timmy Shelnut</b>	<b>Commissioner District 3</b>
<b>Lee Bradford</b>	<b>Commissioner District 4</b>
<b>Jeremy Adams</b>	<b>Commissioner District 5</b>
<b>Kirklyn Dixon</b>	<b>Commissioner District 6</b>

**Kirby Atkinson, County Attorney**

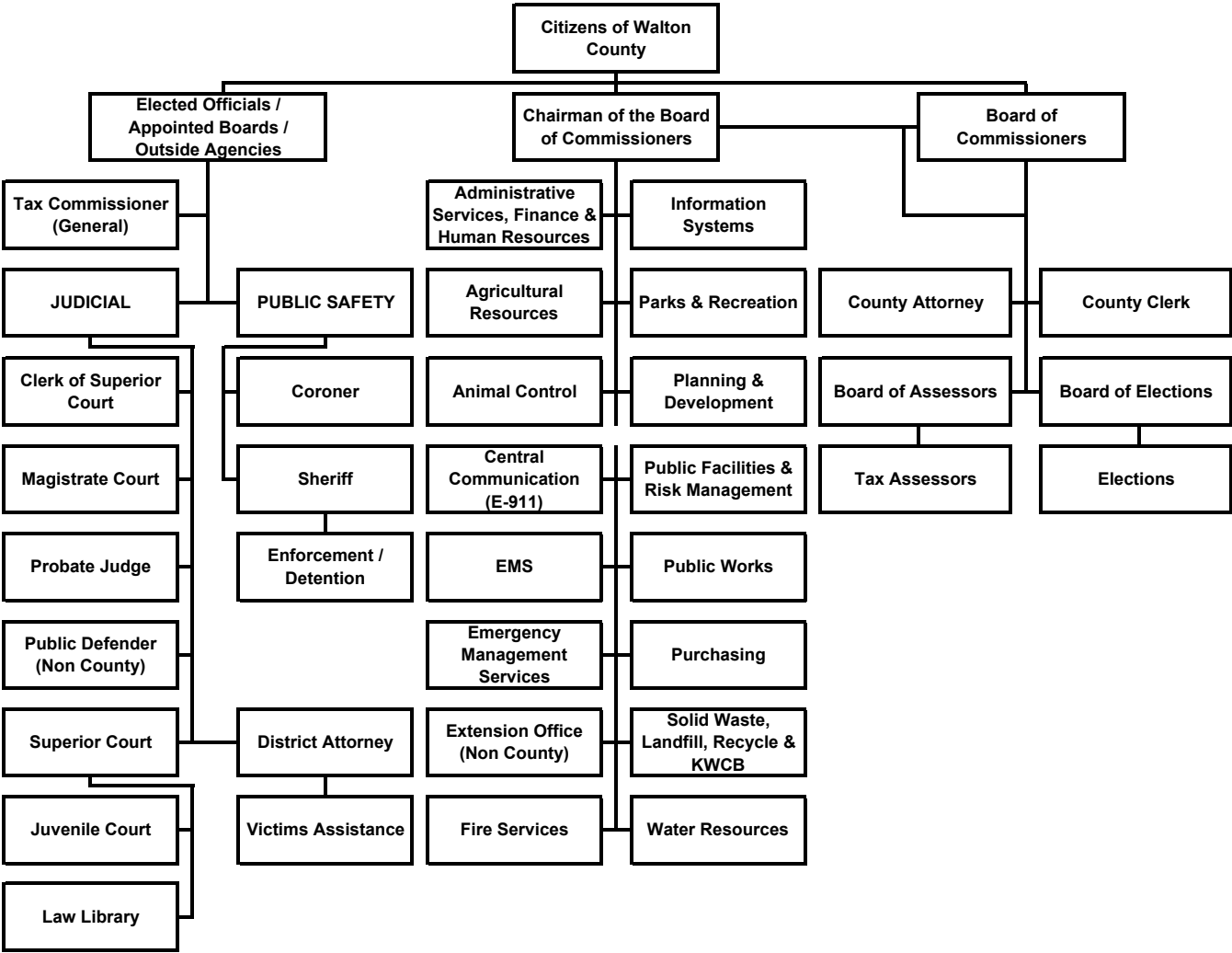
**Leta Talbird, County Clerk**

### **Other Elected Officials**

<b>Kathy Trost</b>	<b>Clerk of Superior Court</b>
<b>Joe Page</b>	<b>Coroner</b>
<b>Layla Zon</b>	<b>District Attorney</b>
<b>Mike Burke</b>	<b>Magistrate Judge</b>
<b>Bruce Wright</b>	<b>Probate Judge</b>
<b>Joe Chapman</b>	<b>Sheriff</b>
<b>John Ott</b>	<b>Superior Court Chief Judge</b>
<b>Eugene Benton</b>	<b>Superior Court Judge</b>
<b>Horace Johnson</b>	<b>Superior Court Judge</b>
<b>Samuel Ozburn</b>	<b>Superior Court Judge</b>
<b>Kendall Wynne, Jr.</b>	<b>Superior Court Judge</b>
<b>Derry Boyd</b>	<b>Tax Commissioner</b>

# WALTON COUNTY, GEORGIA

## Organization Chart



## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

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**Board of Commissioners  
of Walton County, Georgia  
Monroe, Georgia**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Walton County, Georgia** (the "County"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Walton County Health Department, which represents 18 percent, a 2 percent reduction, and 46 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Walton County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

***Opinions***

In our opinion, based on our audit and the report of the other auditors, the 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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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***Other Matters******Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 5 through 16), the budgetary comparison information (pages 71 and 72), the schedule of funding progress - OPEB (page 73), the schedule of changes in the County's net pension liability and related ratios (page 74), and the schedule of County contributions (page 75) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules and the schedules of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and schedules of expenditures of special purpose local option sales tax proceeds (collectively "the supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2016, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
December 3, 2016

# WALTON COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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This section of Walton County's Comprehensive Annual Financial Report provides a narrative of Walton County's financial performance. The overview and analysis presented here are of the County's financial activities for the fiscal year ended June 30, 2016. Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts. Please read it in conjunction with the letter of transmittal at the front of this report and the County's financial statements, which begin on page 17 and the Notes to the Financial Statements, which begin on page 29.

### **FINANCIAL HIGHLIGHTS**

- Walton County's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$225.6 (net position). Total net position for governmental activities was \$133.3 million; total net position for business-type activities was \$92.3 million.
- Total combined revenues for governmental and business-type activities were \$76.1 million, a decrease of approximately \$1.8 million from the prior fiscal year.
- Overall expenses were \$78.2 million, of which governmental activities were \$62.5 million and business-type activities were \$15.7 million. Total expenses increased approximately \$11.6 million from the previous fiscal year primarily in the areas of Public Safety, EMS, and Water and Sewerage.
- SPLOST III collections began in 2013. The actual FY 2016 sales tax collections of \$9.6 million for this capital improvement program were slightly less than anticipated.
- Outstanding Debt associated with governmental activities increased by 2.1%, from \$7.7 million in the prior year to \$7.9 million at the close of FY 2016. Outstanding Debt associated with business type activities decreased by 1.4%, from \$105 million in the prior year to \$104 million at the close of FY 2016.
- The unassigned fund balance of \$20.6 million in the General Fund is a decrease of approximately \$1.6 million from the prior fiscal year.
- The County bond rating improved to Aa2 from Moody's rating service and AA- from Standard and Poor's rating service.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Government-Wide financial statements, the Statement of Net Position and the Statement of Activities (on pages 17 and 19), provide information about the activities of the County as a whole and present a longer-term view of the County's finances. The Statement of Net Position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. The governmental fund financial statements start on page 20. For governmental funds, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

## **Government-wide Reporting:**

### **The *Statement of Net Position* and the *Statement of Activities***

Our analysis of the County as a whole begins on page 7. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The *Statement of Net Position* and the *Statement of Activities* report information about the County as a whole and about its activities in a way that helps answer this question. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in them. You can think of the County's net position—the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources—as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are indicators of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall well being of the County.

In the *Statement of Net Position* and the *Statement of Activities*, we divide the County into three kinds of activities:

- *Governmental activities*—Most of the County's basic services are reported here, including the public safety, public works, judicial, planning, development, and parks departments, as well as general administration. Property taxes, fees, fines, and state and federal grants finance most of these activities.
- *Business-type activities*—The County charges a fee to customers to help it cover the cost of certain services it provides. The County's Emergency Medical Services, Water & Sewerage, Solid Waste and Recycling Operations are reported here.
- *Component units*—The County includes five separate legal entities in its report—the Walton County Development Authority, the Walton County Commission on Children & Youth, the Walton County Health Department, the Walton County Water and Sewerage Authority, and the Walton County Public Purpose Corporation. Although legally separate, these "component units" are important because the County is either financially accountable, or may maintain control by means of appointments to the governing boards of these organizations. The Walton County Water and Sewerage Authority is a blended component unit reported as part of the County's Water & Sewer Fund, and the Walton County Public Purpose Corporation is reported as a special revenue fund. Financial information for the County's other three component units are found beginning on page 27.

## **Reporting the County's Most Significant Funds**

### **Fund Financial Statements**

Our analysis of the County's major funds begins on page 12. The fund financial statements begin on page 20 and provide detailed information about the most significant funds—not the County as a whole. Some funds are required by State law and by bond covenants. However, the County establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Justice). The County's funds—*governmental, proprietary and fiduciary*—use different accounting approaches.

- *Governmental funds*—Most of the County’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the County’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County’s programs. We describe the relationship (or differences) between government-wide information (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental fund information in reconciliations on pages 17 and 19, and page 22, respectively.
- *Proprietary funds*—When the County charges customers for the services it provides—whether to outside customers or to other units of the County—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *Statement of Net Position* and the *Statement of Activities*. In fact, the County’s enterprise funds (a type of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The County’s Employee Benefits and Worker’s Compensation Funds, used to pay for health care and worker’s compensation claims, are included in the proprietary fund group as internal service funds. The proprietary fund statements begin on page 23.

## **The County as Trustee**

### **Reporting the County’s Fiduciary Responsibilities**

- *Fiduciary funds*—these funds are used to account for assets held for others. All of the County’s fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities on page 26. These agency funds’ balances are due to others as of the fiscal year end. We exclude these activities from the County’s other financial statements because the County cannot use these assets to finance its operations.

## **THE COUNTY AS A WHOLE**

### **NET POSITION:**

Net position may, over time, serve as an indicator of a government’s financial condition. Walton County’s total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$225.6 million (net position). Total net position for governmental activities was \$133.3 million; total net position for business type activities was \$ 92.3 million.

Net Position  
(\$ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government Activities	
	2016	2015	2016	2015	2016	2015
<b>Assets</b>						
Current and other assets	\$ 47,746	\$ 46,670	\$ 38,393	\$ 37,462	\$ 86,139	\$ 84,132
Restricted assets	302	341	6,329	14,446	6,631	14,787
Capital assets	101,495	107,644	150,966	148,401	252,461	256,045
<b>Total assets</b>	<b>149,543</b>	<b>154,655</b>	<b>195,688</b>	<b>200,309</b>	<b>345,231</b>	<b>354,964</b>
<b>Deferred Outflows of Resources</b>						
Deferred Charges on Refunding	-	-	3,953	1,192	3,953	1,192
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	743	84	75	4	818	88
Pension Plan Assumption Changes	432	-	43	-	475	-
<b>Total Deferred Outflows of Resources</b>	<b>1,175</b>	<b>84</b>	<b>4,071</b>	<b>1,196</b>	<b>5,246</b>	<b>1,280</b>
<b>Liabilities</b>						
Long-term liabilities	15,212	13,832	104,714	102,576	119,926	116,408
Other liabilities	2,221	3,812	2,690	8,214	4,911	12,026
<b>Total liabilities</b>	<b>17,433</b>	<b>17,644</b>	<b>107,404</b>	<b>110,790</b>	<b>124,837</b>	<b>128,434</b>
<b>Deferred Inflows of Resources</b>						
Pension Plan Experience Differences	1	-	-	-	1	-
<b>Total Deferred Outflows of Resources</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>
<b>Net position</b>						
Net investment in capital assets	93,584	99,896	80,964	50,670	174,548	150,566
Restricted	21,130	17,138	1,409	4,379	22,539	21,517
Unrestricted	18,570	20,061	9,982	35,668	28,552	55,729
<b>Total net position</b>	<b>\$ 133,284</b>	<b>\$ 137,095</b>	<b>\$ 92,355</b>	<b>\$ 90,717</b>	<b>\$ 225,639</b>	<b>\$ 227,812</b>

**CHANGES IN NET POSITION:**

The County's total net position decreased from Fiscal Year 2015 by \$2.2 million or 1%, which consisted of a decrease of \$3.8 million or 2.78% percent in governmental activities and an increase of \$1.6 million or 1.8% in business-type activities. Net position for governmental activities decreased from the prior year as expenses increased more than revenues in FY 2016. Increases in EMS collections and use of SPLOST funds for Water Fund projects contributed to the net increase in the total net position of the business-type activities.

**Changes in Net Position**  
(\$ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 8,009	\$ 7,586	\$ 14,035	\$ 12,909	\$ 22,044	\$ 20,495
Operating grants and contributions	2,389	2,057	-	-	2,389	2,057
Capital grants and contributions	93	166	998	5,331	1,091	5,497
General revenues:						
Property taxes	30,475	29,931	-	-	30,475	29,931
Sales taxes and other taxes	15,958	16,128	-	-	15,958	16,128
Insurance premium taxes	2,955	2,760	-	-	2,955	2,760
Business taxes and other taxes	1,017	930	-	-	1,017	930
Investment earnings	67	43	66	16	133	59
Gain on sale of capital assets	-	42	-	-	-	42
<b>Total revenues</b>	<b>60,963</b>	<b>59,643</b>	<b>15,099</b>	<b>18,256</b>	<b>76,062</b>	<b>77,899</b>
<b>Expenses</b>						
General government	9,688	7,946	-	-	9,688	7,946
Judicial	5,855	5,495	-	-	5,855	5,495
Public safety	27,716	23,346	-	-	27,716	23,346
Public works	12,371	11,653	-	-	12,371	11,653
Health and welfare	1,132	1,119	-	-	1,132	1,119
Culture and recreation	3,742	3,526	-	-	3,742	3,526
Housing and development	1,610	1,428	-	-	1,610	1,428
Interest on long-term debt	375	406	-	-	375	406
EMS	-	-	3,609	2,934	3,609	2,934
Water and sewer	-	-	10,966	7,646	10,966	7,646
Solid waste	-	-	1,171	1,147	1,171	1,147
<b>Total expenses</b>	<b>62,489</b>	<b>54,919</b>	<b>15,746</b>	<b>11,727</b>	<b>78,235</b>	<b>66,646</b>
Change in net position before transfers	(1,526)	4,724	(647)	6,529	(2,173)	11,253
Transfers	(2,285)	(1,894)	2,285	1,894	-	-
<b>Change in net position</b>	<b>(3,811)</b>	<b>2,830</b>	<b>1,638</b>	<b>8,423</b>	<b>(2,173)</b>	<b>11,253</b>
Net position beginning						
of year	137,095	134,265	90,717	82,294	227,812	216,559
<b>Net position end of year</b>	<b>\$ 133,284</b>	<b>\$ 137,095</b>	<b>\$ 92,355</b>	<b>\$ 90,717</b>	<b>\$ 225,639</b>	<b>\$ 227,812</b>

Total expenses for governmental activities increased from \$54.9 million in Fiscal Year 2015 to \$62.4 million in Fiscal Year 2016 due primarily to a 5% cost of living adjustment for the County's employees, addition of new positions in several departments, and rising healthcare costs. Walton County's total revenue was \$76 million for FY 2016 a decrease of \$1.8 million from Fiscal Year 2015 as the County's sales taxes decreased from the previous year.

Revenues for business-type activities decreased 17.3% due primarily to decrease in contribution in the water funds in FY 2016. Total business-type expenses increased 34.2% due primarily to the 5% cost of living adjustment for employees, increased healthcare costs, and water projects.

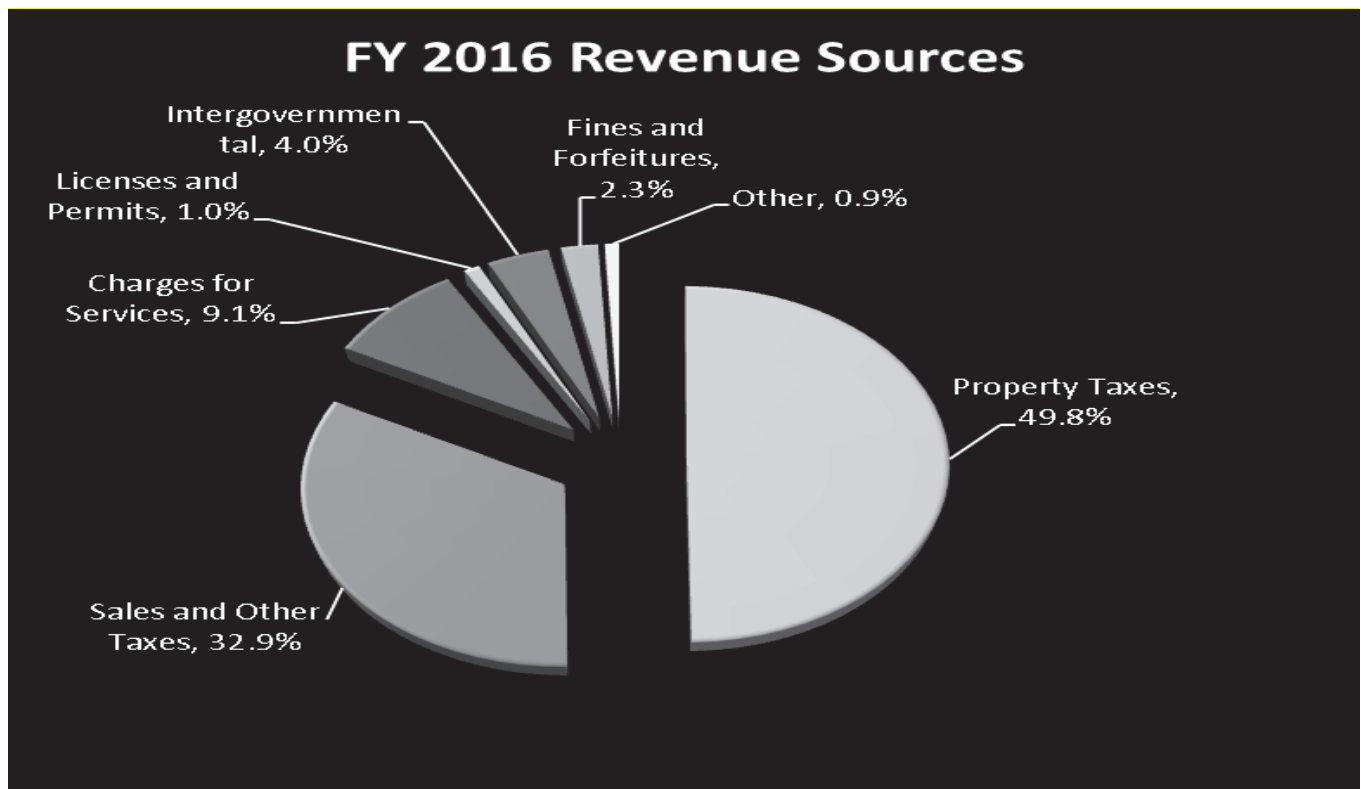
## THE COUNTY'S FUNDS

Walton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The objective of the County's governmental funds is to provide information on short-term activity and balances of spendable resources. Such information is useful in assessing the County's financial requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. It should be noted, however, that the County's major revenue source – property taxes on real property – are only received once a year, approximately six months after the close of the fiscal year. The fund balance in conjunction with projected other revenues at the close of any fiscal year should be large enough to provide adequate financial resources until the next fiscal year's property taxes are received.

The County ended Fiscal Year 2016 with a combined fund balance of \$42.9 million for governmental funds including \$20 million restricted for capital projects and \$1.6 million in restricted and committed in the Special Revenue and Debt Service Funds.

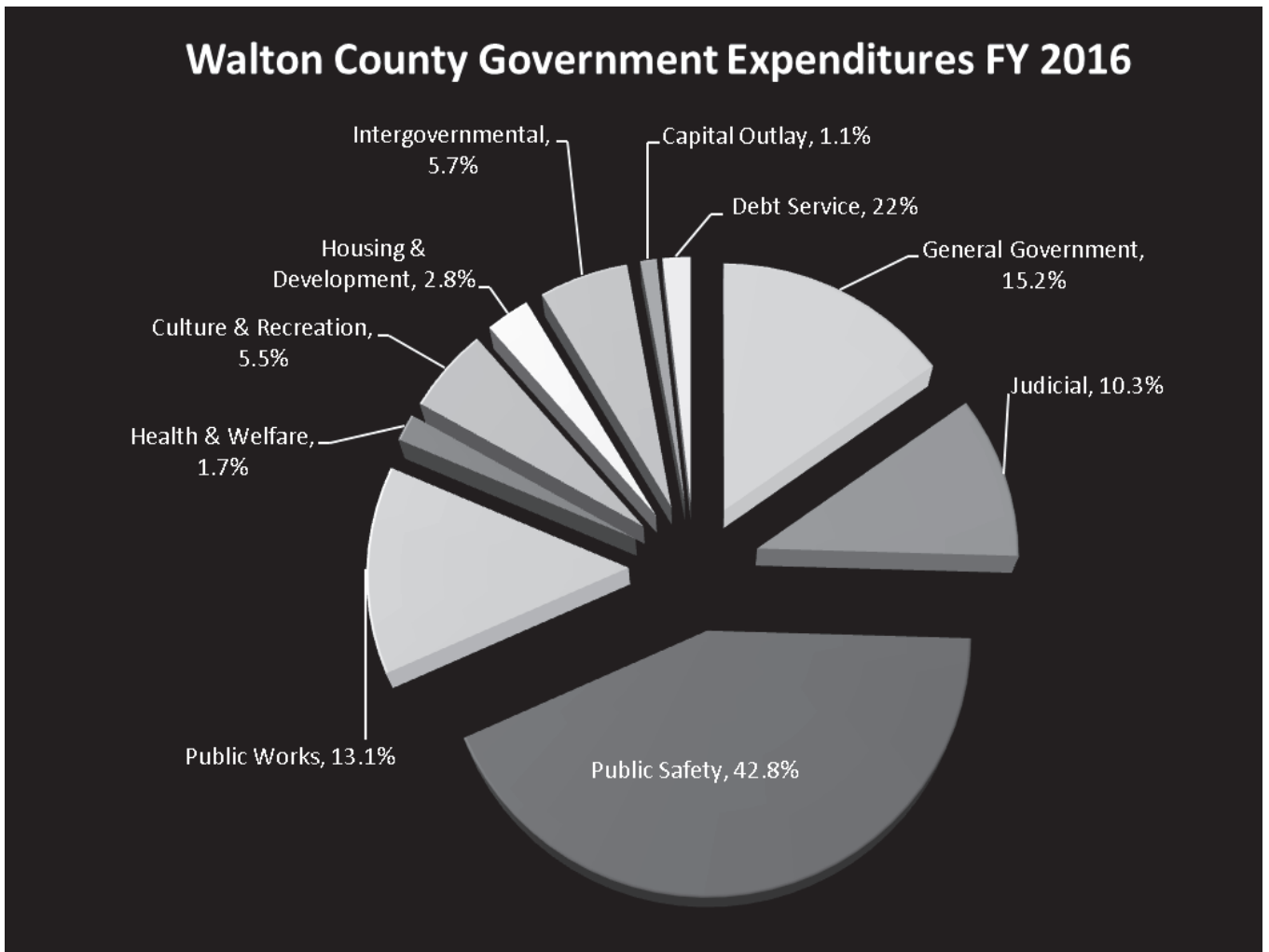
As can be seen from the chart below, approximately 82.7% of the County's combined total revenue from Governmental Activities was provided by taxes. Property taxes accounted for 49.8% while sales tax and other taxes account for 32.9% of the County's general government revenues. Property Taxes as a percent of the County's total revenue decreased .3% from the prior year collections due primarily to the slight decrease in motor vehicle taxes and prior year property tax collections. The County charges fees for services for a variety of services including recreation, housing stray animals, disposal of non-recyclables, providing certified copies of documents, and issuing building permits, which increased .1% from the prior year due primarily in an increase in Planning and Zoning services. Additionally, the Courts (Superior, Probate, Magistrate, & Juvenile) impose fines for violations of laws and ordinances which remained unchanged from the prior year.





The County's major expenditure, ensuring public safety, increased slightly by 1.5% as compared to the prior year to 42.8% of the total governmental expenditures as the County added personnel, purchased vehicles and increases in health costs. Public Safety includes law enforcement, jail operations, fire protection, E-911, coroner, animal control, and emergency management.

The County continually assesses the condition of its infrastructure and engages in systematic preventive maintenance as well as improvements on the 709 miles of county-maintained roads. The County was able to rebuild and resurface 30.53 miles of roads in FY 2016, .62 less miles resurfaced than in the prior fiscal year. Resurfacing costs were expended in the Public Works Program. Walton County received funding from the State of GA through the LMIG program which was matched with SPLOST dollars to pay for the County's road projects.



## **Major Funds:**

### **General Fund**

The General Fund is the operating fund of the County. At the end of Fiscal Year 2016, the unassigned fund balance was \$20.6 million down from Fiscal Year 2015, a 7.2% decrease. As a measure of liquidity, it may be useful to compare the unassigned fund balance to the sum of total expenditures for the General Fund and total other financing uses. The unassigned General Fund balance represents 41.47% of that total, down 6.5% from the previous year.

The fund balance in the general fund decreased approximately \$1.6 million during FY 2016. Revenues from property and sales taxes provided the bulk of County revenue and increased slightly, while total revenues increased by 2.22% over FY 2015. Expenditures increased by \$3.8 million due primarily to increased personnel cost including additional staff, cost of living adjustments, and increase in healthcare costs. Walton County was able to meet public safety needs, expansion of parks and recreation facilities and services, along with repair and maintenance of the Counties roads and bridges. In an effort to be good stewards of taxpayers' funds, County offices continued to make concerted efforts to improve efficiencies in providing necessary services. Additional information about the General Fund can be found in the Budgetary Comparison Schedule.

### **Special Local Option Sales Tax (SPLOST III) Capital Projects Fund**

The imposition of a 1% Special Local Option Sales Tax beginning on January 1, 2002, raised \$9.67 million in FY2016.

SPLOST III Fund was established for the proceeds of the special six-year one cent sales tax and projects approved by voters on November 8, 2011 to commence January 1, 2013 to raise an estimated \$60 million for capital projects for the County and the Cities of Monroe, Loganville, Social Circle, Walnut Grove, Good Hope, Jersey, and Between. To date SPLOST III sales tax has raised approximately \$15.8 million of which \$4.6 million was distributed to the County with the remaining being disbursed to the participating cities.

Additional information on the SPLOST Capital Projects Fund can be found in the Schedule of Projects Constructed with SPLOST Funds.

In FY 2016 several capital projects were funded with SPLOST funds. The County completed construction of several road projects, renovation of the old court house was completed, construction of the Jack's Creek Fire Station was completed and the expansion of the E911 building began.

### **Non-Major Governmental Funds**

Liabilities in the non-major governmental funds were \$436,331, and the fund balance was approximately \$3.8 million as of the year ended June 30, 2016 a decrease from the prior fiscal year as the County continued to use 2001 and 2007 SPLOST monies for projects. The non-major governmental fund totals are a combination of the following special revenue funds, capital projects funds and the debt service fund.

### **Special Revenue Funds**

The County uses special revenue funds to account for the collection and disbursement of revenues that are legally restricted to expenditures for specific purposes. Included in this classification are:

- Law Library Fund
- Forfeited Drug Seizure Fund
- Inmate Phone Fund
- E911 Fund
- Clerk's Authority Fund
- Juvenile Supplemental Services Fund
- Multiple Grant Fund
- Sheriff's Programs Fund
- Drug Abuse Treatment & Education Fund
- DARE Program Fund
- Crime Victim's Assistance Fund
- Seized Drug Fund
- Inmate Commissary Fund
- DA Forfeiture Fund
- Forfeited Federal Drug Fund
- Walton County Public Purpose Corporation

### **Capital Projects Funds**

The governmental capital projects funds are used to account for the acquisition and construction of major capital facilities, other than those financed by proprietary funds: 2001 SPLOST, 2007 SPLOST, and Impact Fee funds.

### **Proprietary Funds**

The County reports three enterprise funds activities as proprietary funds: Solid Waste and Recycling Operations, Emergency Medical Services, and Water and Sewer Operations. The County began providing Emergency Medical Services on July 1, 2001 and began water operations in 2007 with the acquisition of the Water Authority.

In the EMS Fund, operating revenues increased by approximately 19%, resulting from a increase in ambulance fee collections due to changes in billing and collection procedures and increase in calls, while expenses increased approximately 23% from the prior year primarily from increased cost of healthcare, equipment and drugs. In the Solid Waste Fund, revenues increased 21% and expenses increased 2%. The Water and Sewer Fund realized an operating income of \$2.87 million in FY 2016, slightly more than FY 2015 as a result of increase water consumption and a rate increase.

More detailed information about the County's proprietary funds can be found beginning on page 24.

The County's two internal service funds for employee health care and worker's compensation claims had combined assets of \$2.6 million, liabilities of \$1.6 million, and unrestricted net position of \$1.02 million an increase from FY 2015 due to increase in charges to other funds.

### **Fiduciary Funds**

These agency funds are used to account for resources held for the benefit of parties outside the government; therefore assets are equal to liabilities. Additional information is available on pages 106-108 of the Combining and Individual Fund Statements and Schedules Section. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for the intended purposes.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level. The most significant budget is that of the General Fund. The County's final General Fund revenue and expenditure budgets for FY 2016 reflect a net increase of approximately of \$2.2 million over FY 2015.

Few significant budget amendments were made to expenditures in FY 2016. Most budget amendments were related to public safety, public works, and funds were transferred from other parts of their operating budgets to cover the increase in expenditures or involved capital project budget amendments for Fire and E-911.

As previously noted, at the end of FY 2016, expenditures exceeded revenues resulting in a \$1.6 million decrease in fund balance for the General Fund. The Board of Commissioners exerts considerable control over expenditures during the course of the fiscal year and continually seeks more efficient and cost effective means for providing services to the citizens of Walton County.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2016 amounted to \$250 million, net of accumulated depreciation. This investment in capital assets includes land, site improvements, construction-in-progress, buildings and building improvements, equipment, and infrastructure. Total capital assets, net of additions, retirements and depreciation, decreased by \$6.1 million for governmental activities and increased approximately \$2.6 million for business-type activities due to additional construction in progress for reservoir land purchases. Additional information on Capital Assets can be found in Note 6 of the Notes to the Financial Statements.

Major capital asset activities in 2016 were:

- \$ 74,450 for 2 cars and 2 trucks in Facilities
- \$ 26,991 for a van in Extension Office
- \$ 21,511 for a truck in Animal Control
- \$ 554,376 for 16 patrol cars and 5 trucks in the Sheriff's office
- \$ 27,518 for a truck in Storm Water Department
- \$ 759,857 for two fire trucks and one pickup truck in the Fire Department
- \$ 57,784 for 2 trucks in Park Areas
- \$ 19,123 for a trailer, brush cutter, and blower in the Park Areas
- \$ 65,787 for tractor and bush-hog in Roads and Walkways
- \$ 229,035 for Ambulance cab and remount in the EMS Department
- \$110,437 for 4 trucks in the Water Department
- \$ 39,700 for locator and mini excavator in the Water Department
- \$158,900 for roll-off hoist in Solid Waste
- \$105,846 for a skid steer and baler in Recycling

### **Long-term Debt**

As of June 30, 2016, Walton County had no outstanding general governmental bonded debt principal. The remaining governmental long-term debt is comprised of waterline and reservoir agreements with Newton County, capital leases on equipment and DFCS building, and Walton County's share of the Four County Industrial Development Authority bond issue.

Water and Sewer Fund outstanding bond debt decreased from \$79 million to \$76 million in FY 2016. Notes payable increased to \$27 million as GEFA funds were drawn down for the Hard Labor Creek Reservoir project. During Fiscal Year 2015 Oconee County refinanced a portion of their 2008 Series Hard Labor Creek Bonds and Walton County refinanced all of their portions of the 2008 Series Hard Labor Creek Bonds and the 2001 Series Water Bond to take advantage of lower interest rates. The Water and Sewer Debt is comprised of five bond issues including \$53 million for the Hard Labor Creek Reservoir project, \$14.4 million for Series 2013, and \$2.3 million for Series 2016B Water Revenue Bonds.

Additional information about the County's long-term debt can be found in Note 8 of the *Notes to the Financial Statements*.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Board of Commissioners sets rigorous standards for sound financial management of the County, regularly considering the needs of the community in light of the costs to provide for those needs and the various sources of funding available.

The Board of Commissioners annually adopts a balanced budget, sets the millage rate to provide general revenues to cover the costs of all county programs that are not covered by specific program revenues, maintains an adequate unassigned general fund balance, and adopts financial policies to enhance the ability to maintain a safe and sound financial structure for the County.

The County's elected and appointed officials considered many factors when setting the fiscal-year 2017 fund budgets and tax rates. One of those factors was the economy. Economic activity in Walton County followed regional and national trends, picking up toward the end of the fiscal year compared to previous years. Retail sales tax decreased slightly during the year due in part to the change in state sales tax laws resulting in a loss of sales tax on cars and manufacturing utilities. As development occurred, the tax digest increased, and the County was able to maintain satisfactory levels of service to its citizens and hold the property tax revenue stable.

The Commissioners actively participate in regional planning with State and Federal agencies, neighboring counties and the counties in the Atlanta metropolitan area, as well as with the municipalities within the County to maximize services to our citizens and minimize the costs of providing those services. Local governments, the Walton County Development Authority, and the Walton County Chamber of Commerce work together to develop and expand business and industry in Walton County. Also, the Joint Development Authority, a four-county regional technology park – Stanton Springs, provides a venue for future growth of business and industry in the area.

Future growth will undoubtedly bring increased demands on existing infrastructure, water supply, wastewater treatment, and solid waste disposal. The County pursued the reorganization of the Walton County Water and Sewage Authority, approved by the State of Georgia Legislature on April 15, 2005, in order to plan and secure the future water service and supply requirements for the Citizens of Walton County. The County staff is working with engineers to determine the best capital improvement plan and financial projections for land acquisition, water distribution and transmission, and wastewater collection and treatment. The Hard Labor Creek reservoir project, a joint venture between Walton County, Oconee County and the Walton County Water Authority moved forward with additional land purchases and completion of the dam, bridge, spillway, intake, and road relocations. The reservoir began filling and plans for a boat launch moved forward in FY 2016.

The Board of Commissioners is dedicated to planning and preparing for growth. The Comprehensive Land Use plan revision of 2004 is one of the tools utilized by the Board to ensure that the needs and concerns of the citizens of Walton County are met. The Board updates the Comprehensive Land Use Plan annually.

The Board of Commissioners partnered with Walnut Grove to build a sewerage treatment plant to facilitate economic development which was nearing completion at the end of Fiscal Year 2016. The Shire plant at Stanton Springs Industrial Park neared completion and over 200 employees have been hired at the facility. Shire estimates it will employ over 1,500 full time employees when it begins production in 2018. A few small businesses and restaurants opened in Walton County as the economy improves slowly. Walton County began plans for new fire station on Hwy 81. The Planning and Development Department saw an increase in building permits over the prior fiscal year.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Walton County Finance Department, at 303 South Hammond Drive, Suite 333, Monroe, Georgia 30655

WALTON COUNTY, GEORGIA

STATEMENT OF NET POSITION  
JUNE 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 42,882,396	\$ 8,263,344	\$ 51,145,740	\$ 3,005,482
Investments	1,006,297	1,960,651	2,966,948	-
Accounts receivable, net of allowances	771,224	1,347,503	2,118,727	149,482
Interest receivable	-	1,980	1,980	-
Due from other governments	1,810,963	873,229	2,684,192	-
Due from primary government	-	-	-	12,824
Internal balances	448,188	(448,188)	-	-
Inventories	411,317	148,778	560,095	-
Prepaid items	415,848	21,444	437,292	-
Restricted cash and cash equivalents	301,924	6,328,975	6,630,899	-
Long-term intergovernmental receivable	-	26,224,044	26,224,044	-
Capital assets				
Nondepreciable	23,118,979	61,286,243	84,405,222	4,324,090
Depreciable, net of accumulated depreciation	78,376,327	89,680,006	168,056,333	93,721
Total assets	<u>149,543,463</u>	<u>195,688,009</u>	<u>345,231,472</u>	<u>7,585,599</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charges on refunding	-	3,952,562	3,952,562	-
Net difference between projected and actual earnings on pension plan investments	743,668	74,876	818,544	-
Pension plan assumption changes	431,794	43,475	475,269	-
Change in proportion and difference between employer contributions and proportionate share of contributions	-	-	-	46,956
Employer contributions subsequent to the measurement date	-	-	-	169,254
Total deferred outflows of resources	<u>1,175,462</u>	<u>4,070,913</u>	<u>5,246,375</u>	<u>216,210</u>
<b>LIABILITIES</b>				
Accounts payable	1,843,955	808,428	2,652,383	123,849
Accrued liabilities	89,387	979,514	1,068,901	8,573
Due to other governments	275,021	-	275,021	-
Due to component unit	12,824	-	12,824	-
Customer deposits payable	-	901,871	901,871	-
Capital leases due within one year	536,783	114,406	651,189	-
Capital leases due in more than one year	5,879,314	312,093	6,191,407	-
Contracts payable due within one year	285,176	-	285,176	-
Contracts payable due in more than one year	1,210,197	-	1,210,197	-
Notes payable due in more than one year	-	27,427,238	27,427,238	-
Bonds payable due within one year	-	3,155,000	3,155,000	-
Bonds payable due in more than one year	-	73,082,751	73,082,751	-
Compensated absences due within one year	1,222,720	138,117	1,360,837	-
Compensated absences due in more than one year	227,144	80,709	307,853	75,619
Claims payable due within one year	1,303,752	-	1,303,752	-
Claims payable due in more than one year	307,521	-	307,521	-
Landfill postclosure care costs due within one year	-	5,747	5,747	-
Landfill postclosure care costs due in more than one year	-	5,747	5,747	-
Net pension liability	3,900,818	392,753	4,293,571	1,330,520
OPEB liability due in more than one year	338,480	-	338,480	-
Total liabilities	<u>17,433,092</u>	<u>107,404,374</u>	<u>124,837,466</u>	<u>1,538,561</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Change in proportion and difference between employer contributions and proportionate share of contributions	-	-	-	90,036
Pension plan experience differences	1,413	142	1,555	10,631
Net difference between projected and actual earnings on pension plan investments	-	-	-	95,999
Total deferred inflows of resources	<u>\$ 1,413</u>	<u>\$ 142</u>	<u>\$ 1,555</u>	<u>\$ 196,666</u>

continued

**WALTON COUNTY, GEORGIA**

**STATEMENT OF NET POSITION  
JUNE 30, 2016**

	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Total	
<b>NET POSITION</b>				
Net investment in capital assets	\$ 93,583,836	\$ 80,963,684	\$ 174,547,520	\$ 4,417,811
Restricted for:				
Judicial	483,548	-	483,548	-
Public safety	361,280	-	361,280	-
Health and welfare	213,411	-	213,411	-
Capital projects	20,053,982	-	20,053,982	-
Debt service	18,365	1,408,533	1,426,898	-
Unrestricted	18,569,998	9,982,189	28,552,187	1,648,771
Total net position	<u>\$ 133,284,420</u>	<u>\$ 92,354,406</u>	<u>\$ 225,638,826</u>	<u>\$ 6,066,582</u>

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



**WALTON COUNTY, GEORGIA**

**STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities		
						Total		Total
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 9,688,064	\$ 2,373,175	\$ 28,359	\$ 95	\$ (7,286,435)	\$ -	\$ (7,286,435)	
Judicial	5,855,060	1,414,107	109,531	336	(4,331,086)	-	(4,331,086)	
Public safety	27,715,976	2,624,529	896,761	49,120	(24,145,566)	-	(24,145,566)	
Public works	12,371,263	545,232	1,241,938	42,961	(10,541,132)	-	(10,541,132)	
Health and welfare	1,131,864	133,380	88,033	-	(910,451)	-	(910,451)	
Culture and recreation	3,741,984	600,169	8,105	-	(3,133,710)	-	(3,133,710)	
Housing and development	1,609,573	318,957	16,127	-	(1,274,489)	-	(1,274,489)	
Interest on long-term debt	375,217	-	-	-	(375,217)	-	(375,217)	
Total governmental activities	<u>62,489,001</u>	<u>8,009,549</u>	<u>2,388,854</u>	<u>92,512</u>	<u>(51,998,086)</u>	<u>-</u>	<u>(51,998,086)</u>	
<b>Business-type activities:</b>								
EMS	3,608,854	2,332,583	-	-	-	(1,276,271)	(1,276,271)	
Water and sewer	10,965,865	10,774,451	-	997,799	-	806,385	806,385	
Solid waste	1,171,513	927,565	-	-	-	(243,948)	(243,948)	
Total business-type activities	<u>15,746,232</u>	<u>14,034,599</u>	<u>-</u>	<u>997,799</u>	<u>-</u>	<u>(713,834)</u>	<u>(713,834)</u>	
<b>Total primary government</b>	<u>\$ 78,235,233</u>	<u>\$ 22,044,148</u>	<u>\$ 2,388,854</u>	<u>\$ 1,090,311</u>	<u>(51,998,086)</u>	<u>(713,834)</u>	<u>(52,711,920)</u>	
<b>Component units</b>	<u>\$ 2,201,511</u>	<u>\$ 808,053</u>	<u>\$ 1,438,408</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>44,950</u>	
<b>General revenues:</b>								
Property taxes					30,475,532		30,475,532	
Sales taxes					15,957,596		15,957,596	
Insurance premium taxes					2,955,197		2,955,197	
Business taxes					762,622		762,622	
Alcoholic beverage taxes					254,757		254,757	
Unrestricted investment earnings					67,457	65,493	132,950	
Gain on sale of capital assets					-	-	-	
Transfers					(2,285,453)	2,285,453	-	
Total general revenues and transfers					<u>48,187,708</u>	<u>2,350,946</u>	<u>50,538,654</u>	
Change in net position					<u>(3,810,378)</u>	<u>1,637,112</u>	<u>(2,173,266)</u>	
Net position, beginning of year					<u>137,094,798</u>	<u>90,717,294</u>	<u>227,812,092</u>	
Net position, end of year					<u>\$ 133,284,420</u>	<u>\$ 92,354,406</u>	<u>\$ 225,638,826</u>	

The accompanying notes are an integral part of these financial statements

**WALTON COUNTY, GEORGIA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	<b>General</b>	<b>2013 SPLOST</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 20,724,962	\$ 17,724,339	\$ 2,956,376	\$ 41,405,677
Restricted cash and cash equivalents	-	-	301,924	301,924
Accounts receivable, net	457,458	-	277,772	735,230
Due from other governments	561,103	825,065	424,795	1,810,963
Due from other funds	655,830	-	37,071	692,901
Prepays	57,145	-	252,531	309,676
Inventory	411,317	-	-	411,317
Total assets	<u>\$ 22,867,815</u>	<u>\$ 18,549,404</u>	<u>\$ 4,250,469</u>	<u>\$ 45,667,688</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,374,266	\$ 182,773	\$ 282,384	\$ 1,839,423
Accrued liabilities	-	-	58,125	58,125
Due to other funds	20,840	-	82,998	103,838
Due to other governments	-	275,021	-	275,021
Due to component units	-	-	12,824	12,824
Total liabilities	<u>1,395,106</u>	<u>457,794</u>	<u>436,331</u>	<u>2,289,231</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - taxes	393,469	-	-	393,469
Unavailable revenue - intergovernmental	-	-	17,068	17,068
Total deferred inflows of resources	<u>393,469</u>	<u>-</u>	<u>17,068</u>	<u>410,537</u>
<b>FUND BALANCES</b>				
Fund balances:				
Nonspendable:				
Prepaid items	57,145	-	252,531	309,676
Inventory	411,317	-	-	411,317
Restricted for:				
Judicial	-	-	483,548	483,548
Public safety	-	-	361,280	361,280
Health and welfare	-	-	213,411	213,411
Debt service	-	-	18,365	18,365
Capital projects	-	18,091,610	1,962,372	20,053,982
Committed to:				
Inmate needs	-	-	279,345	279,345
Sheriff's expenditures	-	-	243,026	243,026
Unassigned	20,610,778	-	(16,808)	20,593,970
Total fund balances	<u>21,079,240</u>	<u>18,091,610</u>	<u>3,797,070</u>	<u>42,967,920</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 22,867,815</u>	<u>\$ 18,549,404</u>	<u>\$ 4,250,469</u>	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	101,495,306
Deferred inflows of resources are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	410,537
Net pension liability is not due and payable in the current period and is therefore not reported in governmental funds, along with related amounts.	(2,726,769)
Net other postemployment benefit obligation is not a financial liability in governmental fund activities and is therefore not reported in governmental funds.	(338,480)
Internal service funds are used by management to charge the costs of health benefits and workers compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	868,502
Certain long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.	<u>(9,392,596)</u>
Net position of governmental activities	<u>\$ 133,284,420</u>

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

**WALTON COUNTY, GEORGIA**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>General</u>	<u>2013 SPLOST</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes	\$ 40,965,997	\$ 9,671,215	\$ -	\$ 50,637,212
Licenses and permits	615,541	-	-	615,541
Intergovernmental	1,029,495	-	1,394,987	2,424,482
Charges for services	3,896,319	-	1,646,017	5,542,336
Fines and forfeitures	1,156,863	-	273,811	1,430,674
Interest income	63,255	4,135	3,935	71,325
Contributions	19,368	-	34,722	54,090
Other revenues	368,154	-	52,843	420,997
Total revenues	<u>48,114,992</u>	<u>9,675,350</u>	<u>3,406,315</u>	<u>61,196,657</u>
<b>Expenditures</b>				
Current:				
General government	8,141,665	-	541,530	8,683,195
Judicial	5,620,249	-	282,468	5,902,717
Public safety	21,851,089	11,138	2,690,618	24,552,845
Public works	5,972,434	400,504	1,146,886	7,519,824
Health and welfare	768,297	-	221,129	989,426
Culture and recreation	3,116,872	-	6,256	3,123,128
Housing and development	1,622,753	-	-	1,622,753
Intergovernmental	-	3,223,735	45,595	3,269,330
Capital outlay	-	573,057	22,788	595,845
Debt service:				
Principal	-	-	646,888	646,888
Interest and fiscal charges	-	-	377,115	377,115
Total expenditures	<u>47,093,359</u>	<u>4,208,434</u>	<u>5,981,273</u>	<u>57,283,066</u>
Excess (deficiency) of revenues over expenditures	<u>1,021,633</u>	<u>5,466,916</u>	<u>(2,574,958)</u>	<u>3,913,591</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	23,234	-	3,970	27,204
Transfers in	17,062	280,353	1,411,400	1,708,815
Transfers out	(3,460,354)	(336,595)	(261,693)	(4,058,642)
Proceeds from capital lease	810,385	-	-	810,385
Total other financing sources (uses)	<u>(2,609,673)</u>	<u>(56,242)</u>	<u>1,153,677</u>	<u>(1,512,238)</u>
Net change in fund balances	(1,588,040)	5,410,674	(1,421,281)	2,401,353
<b>Fund balances, beginning of year</b>	<u>22,667,280</u>	<u>12,680,936</u>	<u>5,218,351</u>	<u>40,566,567</u>
<b>Fund balances, end of year</b>	<u>\$ 21,079,240</u>	<u>\$ 18,091,610</u>	<u>\$ 3,797,070</u>	<u>\$ 42,967,920</u>

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

WALTON COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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

Net change in fund balances - total governmental funds.	\$ 2,401,353
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(3,176,540)
The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, donations) is to decrease net position.	(2,972,253)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(234,601)
The issuance of long-term debt 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(163,497)
Internal service funds are used by management to charge the costs of health benefits and workers compensation to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	300,051
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.	<u>35,109</u>
Change in net position of governmental activities	<u>\$ (3,810,378)</u>

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

**WALTON COUNTY, GEORGIA**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2016**

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise	Total	Internal Service Funds
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 8,238,720	\$ 24,624	\$ 8,263,344	\$ 1,476,719
Restricted cash and cash equivalents	6,328,975	-	6,328,975	-
Investments	1,960,651	-	1,960,651	1,006,297
Accounts receivable, net of allowance	1,023,322	324,181	1,347,503	35,761
Interest receivable	1,980	-	1,980	233
Due from other funds	-	-	-	17,953
Intergovernmental receivable	873,229	-	873,229	-
Inventory	148,352	426	148,778	-
Prepaid items	5,911	15,533	21,444	106,172
Total current assets	<u>18,581,140</u>	<u>364,764</u>	<u>18,945,904</u>	<u>2,643,135</u>
<b>NONCURRENT ASSETS</b>				
Intergovernmental receivable	26,224,044	-	26,224,044	-
Capital assets:				
Nondepreciable	60,934,123	352,120	61,286,243	-
Depreciable, net of accumulated depreciation	<u>88,672,208</u>	<u>1,007,798</u>	<u>89,680,006</u>	-
Total noncurrent assets	<u>175,830,375</u>	<u>1,359,918</u>	<u>177,190,293</u>	-
Total assets	<u>194,411,515</u>	<u>1,724,682</u>	<u>196,136,197</u>	<u>2,643,135</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charges on refunding	3,952,562	-	3,952,562	-
Assumption changes - pension plan	43,475	-	43,475	-
Net difference between projected and actual earnings on pension plan investments	<u>74,876</u>	-	<u>74,876</u>	-
Total deferred outflows of resources	<u>4,070,913</u>	-	<u>4,070,913</u>	-
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	732,490	75,938	808,428	4,532
Accrued expenses	25,401	50,804	76,205	-
Accrued interest	903,309	-	903,309	-
Customer deposits payable	901,871	-	901,871	-
Due to other funds	563,784	43,232	607,016	-
Claims payable - current portion	-	-	-	1,303,752
Bonds payable - current portion	3,155,000	-	3,155,000	-
Landfill postclosure care costs - current portion	-	5,747	5,747	-
Capital leases - current portion	-	114,406	114,406	-
Compensated absences - current portion	<u>56,625</u>	<u>81,492</u>	<u>138,117</u>	-
Total current liabilities	<u>6,338,480</u>	<u>371,619</u>	<u>6,710,099</u>	<u>1,308,284</u>
<b>NONCURRENT LIABILITIES</b>				
Claims payable - long term portion	-	-	-	307,521
Notes payable - long term portion	27,427,238	-	27,427,238	-
Bonds payable - long term portion	73,082,751	-	73,082,751	-
Net pension liability	392,753	-	392,753	-
Landfill postclosure care costs - long term portion	-	5,747	5,747	-
Capital leases - long term portion	-	312,093	312,093	-
Compensated absences - long term portion	<u>28,186</u>	<u>52,523</u>	<u>80,709</u>	-
Total long term liabilities	<u>100,930,928</u>	<u>370,363</u>	<u>101,301,291</u>	<u>307,521</u>
Total liabilities	<u>107,269,408</u>	<u>741,982</u>	<u>108,011,390</u>	<u>1,615,805</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Net difference between projected and actual experiences	<u>142</u>	-	<u>142</u>	-
Total deferred inflows of resources	<u>142</u>	-	<u>142</u>	-
<b>NET POSITION</b>				
Net investment in capital assets	80,030,265	933,419	80,963,684	-
Restricted for debt service	1,408,533	-	1,408,533	-
Unrestricted	9,774,080	49,281	9,823,361	1,027,330
Total net position	<u>\$ 91,212,878</u>	<u>\$ 982,700</u>	<u>\$ 92,195,578</u>	<u>\$ 1,027,330</u>
			Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	158,828
			Net position of business-type activities	<u>\$ 92,354,406</u>

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

**WALTON COUNTY, GEORGIA**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise	Total	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ 874,738	\$ 3,251,326	\$ 4,126,064	\$ 9,052,445
Water sales	9,544,796	-	9,544,796	-
Contributions	-	530	530	-
Other revenue	354,917	8,292	363,209	-
Total operating revenues	<u>10,774,451</u>	<u>3,260,148</u>	<u>14,034,599</u>	<u>9,052,445</u>
<b>OPERATING EXPENSES</b>				
Personnel costs	1,748,352	3,763,138	5,511,490	-
Purchased services	437,836	282,401	720,237	-
Supplies	793,329	206,672	1,000,001	-
Water and sewer purchases	2,308,337	-	2,308,337	-
Disposal fees	-	347,258	347,258	-
Administrative	-	-	-	1,162,731
Claims	-	-	-	7,286,765
Fiduciary fees	-	-	-	8,388
Insurance	-	-	-	328,380
Depreciation and amortization	2,607,544	179,394	2,786,938	-
Total operating expenses	<u>7,895,398</u>	<u>4,778,863</u>	<u>12,674,261</u>	<u>8,786,264</u>
Operating income (loss)	<u>2,879,053</u>	<u>(1,518,715)</u>	<u>1,360,338</u>	<u>266,181</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest expense	(2,282,321)	(1,504)	(2,283,825)	-
Issuance costs	(820,670)	-	(820,670)	-
Interest income	65,352	141	65,493	2,020
Total nonoperating revenues (expenses)	<u>(3,037,639)</u>	<u>(1,363)</u>	<u>(3,039,002)</u>	<u>2,020</u>
Income (loss) before capital contributions and transfers	<u>(158,586)</u>	<u>(1,520,078)</u>	<u>(1,678,664)</u>	<u>268,201</u>
Capital contributions	997,799	-	997,799	-
Transfers in	<u>519,523</u>	<u>1,765,930</u>	<u>2,285,453</u>	<u>64,374</u>
Change in net position	1,358,736	245,852	1,604,588	332,575
<b>NET POSITION, beginning of year</b>	<u>89,854,142</u>	<u>736,848</u>		<u>694,755</u>
<b>NET POSITION, end of year</b>	<u>\$ 91,212,878</u>	<u>\$ 982,700</u>		<u>\$ 1,027,330</u>
			Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	32,524
			Change in net position of business-type activities	<u>\$ 1,637,112</u>

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

**WALTON COUNTY, GEORGIA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental Activities Internal Service Funds</b>
	<b>Water and Sewer</b>	<b>Nonmajor Enterprise</b>	<b>Total</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 10,613,160	\$ 3,268,905	\$ 13,882,065	\$ 9,015,605
Payments to suppliers	(4,654,883)	(985,837)	(5,640,720)	(8,613,645)
Payments to employees	(1,656,509)	(3,840,716)	(5,497,225)	-
Net cash provided by (used in) operating activities	<u>4,301,768</u>	<u>(1,557,648)</u>	<u>2,744,120</u>	<u>401,960</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in	-	1,765,930	1,765,930	64,374
Net cash provided by noncapital financing activities	<u>-</u>	<u>1,765,930</u>	<u>1,765,930</u>	<u>64,374</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisitions of capital assets	(4,390,931)	(640,765)	(5,031,696)	-
Receipts from other governments for capital related activity	997,799	-	997,799	-
Proceeds from long-term borrowings	52,834,573	-	52,834,573	-
Bond issuance costs	(820,670)	-	(820,670)	-
Principal payments on bonds	(3,265,000)	-	(3,265,000)	-
Refunding deposit with escrow agent	(53,938,015)	-	(53,938,015)	-
Proceeds received from capital leases	-	480,360	480,360	-
Principal payments on leases	-	(53,861)	(53,861)	-
Transfers in from SPLOST	519,523	-	519,523	-
Interest paid	(3,130,752)	(1,504)	(3,132,256)	-
Net cash used in capital and related financing activities	<u>(11,193,473)</u>	<u>(215,770)</u>	<u>(11,409,243)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of investments	(506,356)	-	(506,356)	(212,729)
Interest received	65,194	141	65,335	1,852
Net cash provided by (used in) investing activities	<u>(441,162)</u>	<u>141</u>	<u>(441,021)</u>	<u>(210,877)</u>
Change in cash and cash equivalents	(7,332,867)	(7,347)	(7,340,214)	255,457
<b>Cash and cash equivalents:</b>				
Beginning of year	21,900,562	31,971	21,932,533	1,221,262
End of year	<u>\$ 14,567,695</u>	<u>\$ 24,624</u>	<u>\$ 14,592,319</u>	<u>\$ 1,476,719</u>
<b>Classified as:</b>				
Cash	\$ 8,238,720	\$ 24,624	\$ 8,263,344	\$ 1,476,719
Restricted cash	6,328,975	-	6,328,975	-
Total	<u>\$ 14,567,695</u>	<u>\$ 24,624</u>	<u>\$ 14,592,319</u>	<u>\$ 1,476,719</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 2,879,053	\$ (1,518,715)	\$ 1,360,338	\$ 266,181
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation and amortization	2,607,544	179,394	2,786,938	-
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(161,291)	8,757	(152,534)	(28,389)
Increase in due from other funds	-	-	-	(8,451)
Decrease in inventory	24,947	8,059	33,006	-
(Increase) decrease in prepaid items	(4,344)	(1,795)	(6,139)	9,400
Increase in net difference between projected and actual earnings on pension plan investments	(113,978)	-	(113,978)	-
Decrease in pension plan assumption changes	142	-	142	-
Increase (decrease) in accounts payable	(1,346,870)	(171,966)	(1,518,836)	3,641
Increase (decrease) in accrued expenses	(35,370)	(77,060)	(112,430)	159,578
Decrease in landfill postclosure liability	-	(5,747)	(5,747)	-
Decrease in customer deposits payable	(9,185)	-	(9,185)	-
Increase (decrease) in compensated absences	109	(518)	(409)	-
Increase in net pension liability	240,940	-	240,940	-
Increase in due to other funds	220,071	21,943	242,014	-
Net cash provided by (used in) operating activities	<u>\$ 4,301,768</u>	<u>\$ (1,557,648)</u>	<u>\$ 2,744,120</u>	<u>\$ 401,960</u>

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

**WALTON COUNTY, GEORGIA**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2016**

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	<b>Agency Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,991,888
Taxes receivable	729,028
	<hr/>
Total assets	\$ 2,720,916
	<hr/>
<b>LIABILITIES</b>	
Due to others	\$ 1,991,888
Uncollected taxes	729,028
	<hr/>
Total liabilities	\$ 2,720,916
	<hr/>

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



**WALTON COUNTY, GEORGIA**

**COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS  
JUNE 30, 2016**

	<b>Development Authority</b>	<b>Health Department</b>	<b>Commission on Children &amp; Youth</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,775,574	\$ 1,161,139	\$ 68,769	\$ 3,005,482
Accounts receivable	14,500	134,982	-	149,482
Due from primary government	-	-	12,824	12,824
Total current assets	<u>1,790,074</u>	<u>1,296,121</u>	<u>81,593</u>	<u>3,167,788</u>
<b>NONCURRENT ASSETS</b>				
Capital assets:				
Nondepreciable	4,324,090	-	-	4,324,090
Depreciable, net of accumulated depreciation	2,733	90,988	-	93,721
Total noncurrent assets	<u>4,326,823</u>	<u>90,988</u>	<u>-</u>	<u>4,417,811</u>
Total assets	<u>6,116,897</u>	<u>1,387,109</u>	<u>81,593</u>	<u>7,585,599</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Change in proportion and difference between employer contributions and proportionate share of contributions	-	46,956	-	46,956
Employer contributions subsequent to the measurement date	-	169,254	-	169,254
Total deferred outflows of resources	<u>-</u>	<u>216,210</u>	<u>-</u>	<u>216,210</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	1,114	120,719	2,016	123,849
Accrued expenses	8,573	-	-	8,573
Total current liabilities	<u>9,687</u>	<u>120,719</u>	<u>2,016</u>	<u>132,422</u>
<b>NONCURRENT LIABILITIES</b>				
Compensated absences - long term portion	-	75,619	-	75,619
Net pension liability	-	1,330,520	-	1,330,520
Total long term liabilities	<u>-</u>	<u>1,406,139</u>	<u>-</u>	<u>1,406,139</u>
Total liabilities	<u>9,687</u>	<u>1,526,858</u>	<u>2,016</u>	<u>1,538,561</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Change in proportion and difference between employer contributions and proportionate share of contributions	-	90,036	-	90,036
Pension plan experience differences	-	10,631	-	10,631
Net difference between projected and actual earnings on pension plan investments	-	95,999	-	95,999
Total deferred inflows of resources	<u>-</u>	<u>196,666</u>	<u>-</u>	<u>196,666</u>
<b>NET POSITION</b>				
Net investment in capital assets	4,326,823	90,988	-	4,417,811
Unrestricted	1,780,387	(211,193)	79,577	1,648,771
Total net position	<u>\$ 6,107,210</u>	<u>\$ (120,205)</u>	<u>\$ 79,577</u>	<u>\$ 6,066,582</u>

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

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Development Authority	Health Department	Commission on Children & Youth	Total
Development Authority	\$ 405,009	\$ -	\$ -	\$ (103,009)	\$ -	\$ -	\$ (103,009)
Health Department	1,683,534	794,314	1,052,695	-	163,475	-	163,475
Commission on Children & Youth	112,968	13,739	83,713	-	-	(15,516)	(15,516)
Total component units	\$ 2,201,511	\$ 808,053	\$ 1,438,408	\$ (103,009)	\$ 163,475	\$ (15,516)	\$ 44,950
General revenues:							
Unrestricted investment earnings				403	2,193	-	2,596
Gain on sale of land				1,759,541	-	-	1,759,541
Total general revenues				1,759,944	2,193	-	1,762,137
Change in net position				1,656,935	165,668	(15,516)	1,807,087
Net position, beginning of year				4,450,275	(285,873)	95,093	4,259,495
Net position, end of year				\$ 6,107,210	\$ (120,205)	\$ 79,577	\$ 6,066,582

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

**WALTON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

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

The financial statements of Walton County, Georgia (the "County") 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**

Walton County operates under a county commissioner form of government under which a seven member Board of Commissioners is elected to serve as the legislative body for the County. The commission chairman is elected at large, while the remaining six commissioners are elected by geographical districts in which they reside by voters county wide. The County provides the following services: public safety, judicial, public works, health and welfare, culture and recreation, housing and development, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. Blended component units, although legally separate entities are, in substance, part of the government's operations. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. A separate combining schedule is provided, detailing each discretely presented component unit.

**Blended Component Units**

The Walton County Water and Sewer Authority (the "Water Authority") exists to acquire, construct and finance a water and sewerage system for the County so that the County can provide services to individuals, public and private corporations, and municipal corporations. The Water Authority is governed by a seven member board appointed by the Walton County Board of Commissioners. The Water Authority is presented as an enterprise fund as part of the Water and Sewer fund. Separate financial statements are not prepared for the Water Authority.

## NOTES TO FINANCIAL STATEMENTS

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

#### A. Reporting Entity (Continued)

##### Blended Component Units (Continued)

The Walton County Public Purpose Corporation (WCPPC) was established to account for the construction and ongoing maintenance of the State of Georgia Division of Family and Children Services building, which is owned by the County and leased to the state. The WCPPC is organized pursuant to the Georgia Nonprofit Corporation Code. The objects and purposes of the WCPPC are exclusively charitable, through the lessening of the burdens of government, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future tax law. The WCPPC is presented as blended as its primary purpose is to provide services almost entirely to the County. Separate financial statements for the WCPPC are not prepared.

##### Discretely Presented Component Units

The Walton County Health Department (the "Health Department") is governed by a seven member board consisting of one member of the Board of Commissioners and two members as appointed by the Board of Commissioners. The County has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees and contributes funds annually to the Health Department. The Health Department is presented as a governmental type component unit. The Health Department's financial statements can be obtained by writing to the Walton County Health Department, P.O. Box 150, Monroe, GA 30655.

The Walton County Development Authority (the "Development Authority") is governed by a seven member board. Four members are appointed by virtue of their position: Mayors of Social Circle, Monroe and Loganville, and the Head of the Chamber of Commerce. The remaining three members are appointed by the Board of Commissioners. The Authority is responsible for promoting economic development within Walton County. The Development Authority provides a financial benefit to the County. The County has determined that excluding the Development Authority would make the financial statements incomplete. The Authority is reported as a proprietary type component unit and does not issue separate financial statements.

The Walton County Commission on Children & Youth (the "Commission") is governed by twenty members who are appointed by other existing members of the Commission's board. The Commission provides counseling and care services for children and youth in the County, and the County has determined that excluding the Commission would make the financial statements incomplete. The Commission is reported as a governmental type component unit and does not issue separate financial statements.

## NOTES TO FINANCIAL STATEMENTS

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

#### 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 primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. 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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### C. Measurement Focus, Basis of Accounting, and Basis of 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. Agency funds, however, have no measurement focus. 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.

## NOTES TO FINANCIAL STATEMENTS

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

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

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 and susceptible to accrual 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, sales 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 if availability criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the County.

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 **2013 SPLOST Fund** accounts for the special purpose local option sales tax revenue collected and payments made for capital project expenditures.

The County reports the following major proprietary fund:

The **Water and Sewer Fund** is used to account for the activities of the County's water and sewer system.

## NOTES TO FINANCIAL STATEMENTS

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

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

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted or committed to expenditure for specific purposes, such as grant programs, certain fines and forfeitures, E911 charges, and law enforcement services.

The ***capital projects funds*** account for the capital expenditures made by the County.

The ***debt service fund*** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The ***enterprise funds*** accounts for operations that are financed and operated in a manner similar to private business enterprise where the intent of the City is that the costs (including depreciation) of providing the goods and services be financed or recovered primarily through user charges.

The ***internal service funds*** account for operations that provide services to other departments of the County on a cost reimbursement basis, such as employee healthcare and worker's compensation.

The ***agency funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

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

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 revenue of the enterprise fund are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## NOTES TO FINANCIAL STATEMENTS

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

#### D. Deposits and Investments

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

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the County's investment in the Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

The County's nonparticipating interest-earning investment contracts are recorded at cost. All remaining investments are recorded at fair value. Increases or decreases in fair value during the year are recognized as a component of interest income.

#### E. 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."

#### F. Inventories and Prepaid Items

All inventories are valued at cost 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. These items are accounted for using the consumption method.



## NOTES TO FINANCIAL STATEMENTS

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

#### G. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$10,000 and an estimated useful life in excess of two years. Intangible assets are defined as having an initial cost of \$100,000 and an estimated useful life in excess of two years, and all remaining intangible assets are defined as having an initial cost in excess of \$10,000 and an estimated 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 estimated acquisition value. The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

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

<u>Asset Category</u>	<u>Years</u>
Buildings and improvements	20 - 50
Machinery and equipment	5 - 12
Software	5
Vehicles	5
Infrastructure	30
Water rights	50

#### H. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial 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 position that applies to future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. One item is the deferred charge on refunding reported in the proprietary fund statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded 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.

## NOTES TO FINANCIAL STATEMENTS

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

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

In addition to liabilities, the statement of financial position 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 position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County's unavailable revenues arise only under a modified accrual basis of accounting. Accordingly, they are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants, which will be recognized as an inflow of resources in the period in which the amounts become available.

The County also has deferred outflows and inflows of resources related 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 all 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.

#### I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amount when employees separate from service with the County. All vacation and annual leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

## NOTES TO FINANCIAL STATEMENTS

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

#### J. 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 effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the period in which they occur.

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 debt issued and any premium 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.

#### K. 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.”

**Fund Balance** – Generally, fund balance represents the difference between the assets, liabilities, and 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:

**Nonspendable** – Fund balances are reported as nonspendable 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 Board of Commissioners through the adoption of a resolution. Only the County Commission may modify or rescind the commitment through the adoption of another resolution.

## NOTES TO FINANCIAL STATEMENTS

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

#### K. Fund Equity (Continued)

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 as the residual amount 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. The County's policy is to maintain an adequate General Fund unassigned fund balance to provide liquidity in the event of an economic downturn or natural disaster. Through resolution, the County Commission has adopted a financial standard to maintain a General Fund minimum unassigned fund balance of approximately 17 percent of budgeted expenditures.

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, and Unassigned.

Net Position – Net position represent the difference between assets, deferred outflows of resources, and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

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

#### L. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

## NOTES TO FINANCIAL STATEMENTS

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

#### M. 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 Walton County 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.

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## NOTES TO FINANCIAL STATEMENTS

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### 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 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 \$9,392,596 difference are as follows:

Contracts payable	\$ (1,495,373)
Capital leases payable	(6,416,097)
Accrued interest	(31,262)
Compensated absences	(1,449,864)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$ (9,392,596)

Another reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position explains that “net pension liability is not due and payable in the current period and is therefore not reported in governmental funds, along with related amounts.” The details of this \$2,726,769 difference is as follows:

Net pension liability	\$ (3,900,818)
Deferred outflow - Assumption changes	431,794
Deferred inflow - Experience differences	(1,413)
Deferred outflow - Net difference between projected and actual earnings on pension plan investments	743,668
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$ (2,726,769)

## NOTES TO FINANCIAL STATEMENTS

**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 reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains 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 \$3,176,540 difference are as follows:

Capital outlay	\$ 3,203,455
Depreciation expense	<u>(6,379,995)</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u><u>\$ (3,176,540)</u></u>

Another element of the reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.” The details of this \$2,972,253 difference are as follows:

In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the assets sold.	<u>\$ (2,972,253)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u><u>\$ (2,972,253)</u></u>

## NOTES TO FINANCIAL STATEMENTS

**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 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 \$163,497 difference are as follows:

Principal repayments on contracts payable	\$	244,466
Principal repayments on capital leases		402,422
Proceeds from issuance of capital lease		<u>(810,385)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	\$	<u><u>(163,497)</u></u>

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 \$35,109 difference are as follows:

Compensated absences	\$	(34,248)
Net pension liability and related deferred outflows of resources		115,374
OPEB expense		(47,915)
Accrued interest		<u>1,898</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	\$	<u><u>35,109</u></u>



## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 3. LEGAL COMPLIANCE – BUDGETS**

#### **A. Budgets and Budgetary Accounting**

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

1. Prior to June 1, the County Manager submits to the Board of Commissioners a proposed operating budget for each department for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the County.
3. The budget is then adopted by the Board of Commissioners at a public meeting.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be amended by formal action of the Board of Commissioners in a regular meeting.
5. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets are adopted for the General Fund, Debt Service Fund, and special revenue funds. Project length budgets are adopted for the capital projects funds.
6. Formal budgetary integration is employed as a measurement control device during the year for the General Fund, Debt Service Fund, and the special revenue funds. An annual operating budget is prepared for the proprietary funds for planning, control, cost allocation and evaluation purposes. All appropriations lapse at year end.

Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. The supplementary budgetary appropriations made are reflected in the final budget amounts.

#### **B. Fund Deficits**

As of June 30, 2016 the Multiple Grant Fund reported a deficit fund balance of \$16,808. The deficit will be supported by the future recognition of unavailable accrued revenues as of June 30, 2016.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS

**Credit risk.** State statutes authorize the County to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Operating funds of the County are currently invested in the Georgia Fund 1; certificates of deposit; or public funds money market mutual funds.

**Interest rate risk.** The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increase interest rates.

At December 31, 2016, information on the credit risk and interest rate risk related to the County's investments is disclosed as follows:

Description	Weighted Average Maturity (Years)	Credit Rating	Balance
Fidelity Treasury money market mutual fund	0.13	(a)	\$ 499,419
Federated Treasury money market mutual fund	0.12	(a)	1,006,297
Georgia Fund 1	0.12	AAAf	27,885,883
Certificate of deposit	0.18	(b)	829,575
Certificate of deposit	0.18	(b)	631,657
			<u>\$ 30,852,831</u>

(a) These are money market mutual funds and are not rated.

(b) These are certificates of deposit held at a local financial institution and are not rated.

**Fair Value Measurements.** The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

**Fair Value Measurements (continued).** The County's recurring fair value measurements as of June 30, 2016 are as follows:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Fidelity Treasury money market mutual fund	\$ 499,419	\$ -	\$ -	\$ 499,419
Federated Treasury money market mutual fund	1,006,297	-	-	1,006,297
Total investments measured at fair value	<u>\$ 1,505,716</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,505,716</u>
Investments not subject to level disclosure:				
Georgia Fund 1				<u>27,885,883</u>
Investments carried at cost:				
Certificate of deposit				829,575
Certificate of deposit				631,657
Total investments carried at cost				<u>1,461,232</u>
Total investments				<u>\$ 30,852,831</u>

The Fidelity Treasury Money Market Mutual Fund, Federated Treasury Money Market Mutual Fund, and the certificates of deposit classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

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. As a result, the County does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

The County's certificates of deposit are nonparticipating interest-earning investment contracts and, accordingly, are recorded at cost.

**Custodial credit risk.** 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 and County policy require all deposits (other than federal or state government instruments) to be collateralized 110% by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of June 30, 2016, the deposits of the County are insured or collateralized as defined by GASB pronouncements.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. RECEIVABLES

Receivables at June 30, 2016, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	2013 SPLOST	Water and Sewer Fund	Nonmajor Enterprise Funds	Nonmajor Governmental Funds	Internal Service Funds
Receivables:						
Taxes	\$ 409,093	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts	48,365	-	1,060,583	1,020,128	277,772	35,761
Due from other governments	561,103	825,065	873,229	-	424,795	-
Gross receivables	<u>1,018,561</u>	<u>825,065</u>	<u>1,933,812</u>	<u>1,020,128</u>	<u>702,567</u>	<u>35,761</u>
Less allowance for uncollectibles	-	-	(37,261)	(695,947)	-	-
Net receivables	<u>\$ 1,018,561</u>	<u>\$ 825,065</u>	<u>\$ 1,896,551</u>	<u>\$ 324,181</u>	<u>\$ 702,567</u>	<u>\$ 35,761</u>

Property taxes for the 2016 fiscal year were levied on September 1, 2015, with property values assessed as of January 1, 2015. The taxes were billed on September 5, 2015 and are payable on or before November 15, 2015, after which the applicable property is subject to lien and penalties and interest as assessed. Property taxes attached as an enforceable lien on property as of January 1.

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS

#### A. Primary Government

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land and improvements	\$ 18,989,080	\$ -	\$ (5,000)	\$ -	\$ 18,984,080
Construction in progress	1,615,786	1,223,081	(12,788)	(2,245,457)	580,622
Historical artifacts	11,000	-	-	-	11,000
Other assets	<u>3,543,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,543,277</u>
Total capital assets, not being depreciated	<u>24,159,143</u>	<u>1,223,081</u>	<u>(17,788)</u>	<u>(2,245,457)</u>	<u>23,118,979</u>
Capital assets, being depreciated:					
Buildings and improvements	69,682,689	24,400	(4,421,155)	1,635,823	66,921,757
Machinery, equipment and vehicles	33,207,774	1,955,974	(478,398)	315,584	35,000,934
Infrastructure	<u>71,409,298</u>	<u>-</u>	<u>-</u>	<u>294,050</u>	<u>71,703,348</u>
Total capital assets, being depreciated	<u>174,299,761</u>	<u>1,980,374</u>	<u>(4,899,553)</u>	<u>2,245,457</u>	<u>173,626,039</u>
Less accumulated depreciation for:					
Buildings and improvements	22,984,699	2,655,179	(1,481,189)	-	24,158,689
Machinery, equipment and vehicles	22,131,336	2,265,425	(463,899)	-	23,932,862
Infrastructure	<u>45,698,770</u>	<u>1,459,391</u>	<u>-</u>	<u>-</u>	<u>47,158,161</u>
Total accumulated depreciation	<u>90,814,805</u>	<u>6,379,995</u>	<u>(1,945,088)</u>	<u>-</u>	<u>95,249,712</u>
Total capital assets, being depreciated, net	<u>83,484,956</u>	<u>(4,399,621)</u>	<u>(2,954,465)</u>	<u>2,245,457</u>	<u>78,376,327</u>
Governmental activities capital assets, net	<u>\$ 107,644,099</u>	<u>\$ (3,176,540)</u>	<u>\$ (2,972,253)</u>	<u>\$ -</u>	<u>\$ 101,495,306</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Business-type Activities:</b>					
Capital assets, not being depreciated:					
Land and easements	\$ 576,217	\$ -	\$ -	\$ 48,491,100	\$ 49,067,317
Water rights	-	-	-	9,715,879	9,715,879
Construction in progress	101,394,308	4,598,803	-	(103,490,064)	2,503,047
Total capital assets, not being depreciated	<u>101,970,525</u>	<u>4,598,803</u>	<u>-</u>	<u>(45,283,085)</u>	<u>61,286,243</u>
Capital assets, being depreciated:					
Buildings and improvements	880,012	-	-	-	880,012
Machinery, equipment and vehicles	3,815,310	790,902	(93,118)	-	4,513,094
Infrastructure	62,871,517	-	-	45,283,085	108,154,602
Water rights	5,788,729	-	-	-	5,788,729
Total capital assets, being depreciated	<u>73,355,568</u>	<u>790,902</u>	<u>(93,118)</u>	<u>45,283,085</u>	<u>119,336,437</u>
Less accumulated depreciation for:					
Buildings and improvements	653,143	31,702	-	-	684,845
Machinery, equipment and vehicles	3,098,777	209,093	(93,118)	-	3,214,752
Infrastructure	22,584,391	2,468,146	-	-	25,052,537
Water rights	588,522	115,775	-	-	704,297
Total accumulated depreciation	<u>26,924,833</u>	<u>2,824,716</u>	<u>(93,118)</u>	<u>-</u>	<u>29,656,431</u>
Total capital assets, being depreciated, net	<u>46,430,735</u>	<u>(2,033,814)</u>	<u>-</u>	<u>45,283,085</u>	<u>89,680,006</u>
Business-type activities capital assets, net	<u>\$ 148,401,260</u>	<u>\$ 2,564,989</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,966,249</u>

The amount of interest capitalized and included in construction in progress during the year ended June 30, 2016 was \$358,009.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

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

Governmental activities:

General government	\$ 1,742,472
Judicial	13,962
Public safety	1,851,361
Public works	1,830,459
Health and welfare	142,438
Culture and recreation	775,101
Housing and development	24,202
Total depreciation expense - governmental activities	\$ 6,379,995

Business-type activities:

EMS	\$ 144,658
Water and sewer	2,645,322
Solid waste	34,736
Total depreciation expense - business-type activities	\$ 2,824,716

#### B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land and improvements	\$ 7,061,776	\$ 2,773	\$ (2,740,459)	\$ 4,324,090
Total	7,061,776	2,773	(2,740,459)	4,324,090
Capital assets, being depreciated:				
Equipment, furniture and vehicles	22,659	-	-	22,659
Total	22,659	-	-	22,659
Less accumulated depreciation for:				
Equipment, furniture and vehicles	18,675	1,251	-	19,926
Total	18,675	1,251	-	19,926
Total capital assets, being depreciated, net	3,984	(1,251)	-	2,733
Total capital assets, net	\$ 7,065,760	\$ 1,522	\$ (2,740,459)	\$ 4,326,823

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6. CAPITAL ASSETS (CONTINUED)**

**C. Discretely Presented Component Unit – Department of Public Health**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Machinery and equipment	\$ 161,199	\$ 56,638	\$ (1,743)	\$ 216,094
Total capital assets, being depreciated	<u>161,199</u>	<u>56,638</u>	<u>(1,743)</u>	<u>216,094</u>
Less accumulated depreciation for:				
Machinery and equipment	112,242	14,607	(1,743)	125,106
Total accumulated depreciation	<u>112,242</u>	<u>14,607</u>	<u>(1,743)</u>	<u>125,106</u>
Total capital assets, net	<u>\$ 48,957</u>	<u>\$ 42,031</u>	<u>\$ -</u>	<u>\$ 90,988</u>

**NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances as of June 30, 2016, was as follows:

Due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 68,445
General fund	Water and sewer	563,656
General fund	Nonmajor enterprise funds	23,729
Nonmajor governmental funds	Nonmajor enterprise funds	18,365
Nonmajor governmental funds	General fund	4,309
Nonmajor governmental funds	Nonmajor governmental funds	14,397
Internal service funds	General fund	16,531
Internal service funds	Nonmajor governmental funds	156
Internal service funds	Water and sewer	128
Internal service funds	Nonmajor enterprise funds	1,138

The above balances resulted from the time lag between the dates that (1) funds are reimbursed for expenditures/expenses paid for on another fund's behalf, and (2) internal service fund charges are reimbursed by participating funds.



**NOTES TO FINANCIAL STATEMENTS**

**NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)**

Interfund transfers for the year ended June 30, 2016 were as follows:

<b>Transfers In</b>	<b>Transfers Out</b>	<b>Amount</b>
General fund	Nonmajor governmental funds	\$ 17,062
2013 SPLOST	General fund	280,353
Nonmajor governmental funds	General fund	1,349,697
Water and sewer	Nonmajor governmental funds	182,928
Water and sewer	2013 SPLOST	336,595
Nonmajor enterprise funds	General fund	1,765,930
Internal service funds	General fund	64,374
Nonmajor governmental funds	Nonmajor governmental funds	61,703

Transfers are used to (1) move grant and SPLOST funds and (2) cover revenue shortfalls with unrestricted General Fund revenues.

Due from/to primary government and component units:

<b>Receivable entity</b>	<b>Payable entity</b>	<b>Amount</b>
Commission on Children & Youth	Walton County - Multiple Grant Fund	\$ 12,824

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT

#### A. Primary Government

The following is a summary of long-term debt activity for the year ended June 30, 2016:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Contracts payable	\$ 1,739,839	\$ -	\$ (244,466)	\$ 1,495,373	\$ 285,176
Capital leases payable	6,008,134	810,385	(402,422)	6,416,097	536,783
Claims payable	1,451,695	7,349,181	(7,189,603)	1,611,273	1,303,752
OPEB liability	290,565	86,350	(38,435)	338,480	-
Net pension liability	2,926,443	2,055,838	(1,081,463)	3,900,818	-
Compensated absences	1,415,616	1,200,536	(1,166,288)	1,449,864	1,222,720
Governmental activities long-term liabilities	<u>\$ 13,832,292</u>	<u>\$ 11,502,290</u>	<u>\$ (10,122,677)</u>	<u>\$ 15,211,905</u>	<u>\$ 3,348,431</u>
<b>Business-type Activities:</b>					
Bonds payable	\$ 77,815,000	\$ 45,090,000	\$ (52,980,000)	\$ 69,925,000	\$ 3,155,000
Plus: premium	1,404,228	6,513,069	(1,556,727)	6,360,570	-
Less: discount	(90,585)	-	42,766	(47,819)	-
Total bonds payable	79,128,643	51,603,069	(54,493,961)	76,237,751	3,155,000
Notes payable	26,464,269	962,969	-	27,427,238	-
Capital leases payable	-	480,360	(53,861)	426,499	114,406
Net pension liability	151,813	349,827	(108,887)	392,753	-
Landfill postclosure costs	17,241	-	(5,747)	11,494	5,747
Compensated absences	219,235	149,623	(150,032)	218,826	138,117
Business-type activities long-term liabilities	<u>\$ 105,981,201</u>	<u>\$ 53,545,848</u>	<u>\$ (54,812,488)</u>	<u>\$ 104,714,561</u>	<u>\$ 3,413,270</u>

For governmental funds, the net pension liability, OPEB liability, and compensated absences are primarily liquidated by the General Fund. The claims payable liability is paid by the internal service funds, which charge the governmental funds based on employee participation. For business-type activities, the compensated absences are liquidated by the fund from which the employees' salaries are paid, the net pension liability is paid by the Water Fund, and the landfill postclosure costs are paid by the Solid Waste Fund.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Contracts Payable.** During 1998, the County agreed to share the costs of upgrading the capacity of the reservoir with neighboring governments. The agreement provides for monthly principal and interest payments through 2020 at an interest rate of 6.0%.

During 2005, the County agreed to share costs of necessary water line installations with neighboring governments. The agreement provides for annual principal and interest payments through 2020 at an interest rate of 6.0%.

The County is contractually obligated to the purchase of the Four County Industrial Site. The County's share in the property and underlying debt is 37.5% amounting to \$3,375,000. Annual principal and interest payments will be made through 2021 at an interest rate of 2.5%.

In June 2001, the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County issued a note in the amount of \$487,760 with the Georgia Environmental Finance Authority (GEFA) to finance the extension of water and wastewater service. Walton County is obligated to pay 34.5% of the debt service on the note, which provides for quarterly payments through July 1, 2022 at an interest rate of 4.65%

The County's debt service requirements to maturity on the contracts payable are as follows:

Year ending June 30,	Principal	Interest	Total
2017	\$ 285,176	\$ 38,981	\$ 324,157
2018	288,558	29,975	318,533
2019	292,131	20,776	312,907
2020	333,762	7,958	341,720
2021	276,847	1,298	278,145
2022-2023	18,899	664	19,563
Total	<u>\$ 1,495,373</u>	<u>\$ 99,652</u>	<u>\$ 1,595,025</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Capital Leases Payable.** In March 2014, the County entered into a lease-purchase agreement to finance the acquisition of two dump trucks, an excavator, and other equipment in the amount of \$970,442. Quarterly principal and interest payments are required until maturity on March 12, 2019 at an interest rate of 2.40%.

The original cost of the County's assets under capital lease arrangements at June 30, 2016 is \$970,442 and there has been \$306,533 of accumulated depreciation as of year-end. The current year amortization expense from the capital leases is included in depreciation expense for the County.

Future minimum lease payments as of June 30, 2016 are as follows:

Year ending June 30,	Total Payment
2017	\$ 207,035
2018	207,035
2019	152,986
Total minimum lease payments	567,056
Less: interest payments	(19,974)
Present value minimum lease payments	\$ 547,082

In February 2012, the County entered into a lease-purchase agreement in the amount of \$5,680,069 to finance the construction of a building. At June 30, 2016, the construction of the building was complete. The original cost of the County's assets under capital lease arrangements at June 30, 2016 is \$5,254,600 and there has been \$471,567 of accumulated depreciation as of year-end. The current year amortization expense from the capital leases is included in depreciation expense for the County. Monthly principal and interest payments are required until maturity on October 1, 2032 at an interest rate of 6.35%.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

Future minimum lease payments as of June 30, 2016 are as follows:

Year ending June 30,	Total Payment
2017	\$ 502,188
2018	502,188
2019	502,188
2020	502,188
2021	502,188
2022-2026	2,510,937
2027-2031	2,510,937
2032-2033	669,583
Total minimum lease payments	8,202,397
Less: interest payments	(3,104,822)
Present value minimum lease payments	\$ 5,097,575

In November 2015, the County entered into a lease agreement to finance the acquisition of vehicles and equipment for governmental activities in the amount of \$810,385 and business-type activities of \$350,835. Quarterly principal and interest payments are required until maturity on February 10, 2021 at an interest rate of 1.66%.

The original cost of the County's governmental assets under capital lease arrangements at June 30, 2016 is \$810,385 and there has been \$37,757 of accumulated depreciation as of year-end. The original cost for business type activities is \$350,835 with accumulated depreciation of \$16,182 at year-end. The current year amortization expense from the capital leases is included in depreciation expense for the County.

Future minimum lease payments as of June 30, 2016 are as follows:

Year ending June 30,	Governmental Payments	Business-type Payments
2017	\$ 169,232	\$ 73,265
2018	169,232	73,265
2019	169,232	73,265
2020	169,232	73,265
2021	126,924	54,946
Total minimum lease payments	803,852	348,006
Less: interest payments	(32,412)	(14,032)
Present value minimum lease payments	\$ 771,440	\$ 333,974

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The County also leased new equipment in the amount of \$129,525 for the EMS department during the year ended June 30, 2016. There is no interest requirement and the balance is to be paid in three installments as shown below:

Year ending June 30,	Total Payment
2017	\$ 46,263
2018	46,262
Total minimum lease payments	\$ 92,525

The original cost of the EMS department's assets under capital lease arrangements at June 30, 2016 is \$129,525 and there has been \$14,505 of accumulated depreciation as of year-end. The current year amortization expense from the capital leases is included in depreciation expense for the County.

**Revenue Bonds.** The Walton County Water and Sewerage Authority has issued various revenue bonds to finance the acquisition of and improvements to the water and sewer system and facilities. The outstanding issues are as follows:

Issuance	Interest Rate	Term	Due Date	Original Amount	Amount Outstanding
Series 2008	3.5 - 5.0%	30 years	2038	\$ 19,535,000	\$ 10,440,000
Series 2013	2.28%	14 years	2028	16,890,000	14,405,000
Series 2015	2.0 - 4.0%	20 years	2035	8,425,000	8,415,000
Series 2016	2.0 - 5.0%	23 years	2038	34,300,000	34,300,000
Series 2016	2.0 - 5.0%	6 years	2021	2,365,000	2,365,000
				\$ 81,515,000	\$ 69,925,000

The Series 2008 bonds listed above were issued for the Hard Labor Creek Reservoir project, for which the County has executed an intergovernmental agreement with Oconee County. Under the terms of the agreement, Walton County will have a 71.2% share of the project leaving 28.8% to Oconee County. The project is to be completed in three phases with a total estimated cost of \$353 million to be split between the counties based on ownership percentages. The agreement with Oconee County runs through May 2057. An intergovernmental receivable has been recorded in the Water and Sewer Fund for the amount Oconee County is obligated to pay. As of June 30, 2016, the balance of the intergovernmental receivable totaled \$19,198,229, including accrued interest.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The Series 2013 bonds listed above were issued in an advanced refunding of the Series 2012 bonds. The bonds mature in February 2028 and pay interest at a rate of 2.28%.

The Series 2015 bonds listed above were issued as a partial advanced refunding of the Series 2008 bonds. The bonds mature in 2035 and pay interest at a rate of 2.0% - 4.0%. The refunding transaction above resulted in debt service savings of \$995,576 and the net present value of the savings (economic gain) of \$757,832.

The Series 2016A bonds listed above were issued in an advanced refunding of the Series 2008 bonds. The bonds mature in 2038 and pay interest at a rate of 2.0% - 5.0%. The refunding transaction resulted in debt service savings of \$10,525,934 and a net present value of the savings (economic gain) of \$5,129,341. The Series 2016B bonds listed above were issued in an advanced refunding of the Series 2011 bonds. The bonds mature in 2021 and pay interest at a rate of 2.0% - 5.0%. The refunding transaction resulted in debt service savings of \$99,873 and a net present value of the savings (economic gain) of \$91,006.

As part of the refunding transactions described above, the County defeased certain outstanding bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. As of June 30, 2016, the outstanding amount of the 2008 and 2011 bonds considered defeased is \$39,005,000.

The County's debt service requirements to maturity on the revenue bonds payable are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 3,155,000	\$ 3,050,369	\$ 6,205,369
2018	2,750,000	2,737,174	5,487,174
2019	2,850,000	2,628,544	5,478,544
2020	2,965,000	2,514,997	5,479,997
2021	3,005,000	2,395,886	5,400,886
2022-2026	17,305,000	10,113,551	27,418,551
2027-2031	15,185,000	6,765,454	21,950,454
2032-2036	15,490,000	3,725,850	19,215,850
2037-2038	7,220,000	545,750	7,765,750
Total	<u>\$ 69,925,000</u>	<u>\$ 34,477,575</u>	<u>\$ 104,402,575</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Notes Payable.** In February 2013, the Walton County Water and Sewerage Authority entered into an agreement with the Georgia Environmental Finance Authority to finance the construction of projects relating to the Hard Labor Creek Reservoir in the amount of \$20,000,000. The loan does not bear interest until the project is complete or August 2016, whichever occurs first. At that time, interest on the unpaid principal balance will be at 1% per annum. All remaining principle and interest will be due in December 2052; however, future debt service requirements have not yet been determined as of June 30, 2016. The outstanding principle balance at June 30, 2016 is \$20,000,000.

In November 2014, the Walton County Water and Sewerage Authority entered into an agreement with the Georgia Environmental Finance Authority to finance the construction of projects relating to the Hard Labor Creek Reservoir up to \$12,000,000. As June 30, 2016, the loan has a balance of \$7,427,238 and is still in the draw down phase, therefore a future payment schedule has not been established.

**Landfill post-closure costs.** Effective 1987, the Walton County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of June 30, 2016, the County has 2 years of monitoring remaining. Engineering studies estimate post-closure costs of approximately \$11,494 over the 2 year period. These costs are based on what it would cost to perform all post-closure care in 2016, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

#### B. Development Authority – Component Unit

The following is a summary of the Development Authority's long-term debt activity for the year ended June 30, 2016:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Line of Credit	\$ 150,000	\$ -	\$ (150,000)	\$ -	\$ -
Loans payable	2,456,434	-	(2,456,434)	-	-
Total notes payable	<u>\$ 2,606,434</u>	<u>\$ -</u>	<u>\$ (2,606,434)</u>	<u>\$ -</u>	<u>\$ -</u>



## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### C. Health Department – Component Unit

The following is a summary of the Health Department’s long-term debt activity for the year ended June 30, 2016:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 81,728	\$ 59,197	\$ (65,306)	\$ 75,619	\$ -
Net pension liability	1,352,360	-	(21,840)	1,330,520	-
Compensated absences	<u>\$ 1,434,088</u>	<u>\$ 59,197</u>	<u>\$ (87,146)</u>	<u>\$ 1,406,139</u>	<u>\$ -</u>

### NOTE 9. DEFINED BENEFIT PLAN

#### A. Primary Government

##### Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Walton County Defined Benefit Plan (the “Plan”), covering substantially all of the County’s employees. The County’s pension plan is administered through the Association 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. Plan benefits are provided for Plan participants who were participants in the Plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. Plan benefits are provided for Plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. 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 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](http://www.gebcorp.com) or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (Continued)

Plan membership. As of January 1, 2015, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retirees, Beneficiaries and Disables receiving benefits	71
Terminated plan participants entitled to but not yet receiving benefits	258
Active employees participating in the Plan	<u>528</u>
Total number of Plan participants	<u><u>857</u></u>

**Contributions.** The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan 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 Commission, 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. No contributions are made by plan participants. For the year ended June 30, 2016, the County's contribution rate was 5.5% of annual payroll. County contributions to the Plan were \$1,190,353 for the year ended June 30, 2016.

#### **Net Pension Liability of the County**

The County's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2015 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2015.

Actuarial assumptions. The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.5% - 5.5%, including inflation
Investment rate of return	7.50 %, net of pension plan investment expense, including inflation

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (Continued)

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

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

The actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study through December 31, 2014.

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 (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), 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 weighting 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, 2015 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30%	6.78%
Large Cap equity	30%	9.77
International equity	15%	7.48
Other equity	20%	9.23
Real estate	5%	10.63
Total	<u>100%</u>	

\* 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 7.5%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, 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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (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, 2016, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balances at 6/30/15</b>	\$ 15,835,233	\$ 12,756,977	\$ 3,078,256
<b>Changes for the year:</b>			
Service cost	550,248	-	550,248
Interest	1,221,690	-	1,221,690
Differences between expected and actual experience	(1,780)	-	(1,780)
Assumption changes	544,148	-	544,148
Contributions—employer	-	1,190,353	(1,190,353)
Net investment income	-	38,619	(38,619)
Benefit payments, including refunds of employee contributions	(440,471)	(440,471)	-
Administrative expense	-	(93,152)	93,152
Other changes	-	(36,829)	36,829
<b>Net changes</b>	1,873,835	658,520	1,215,315
<b>Balances at 6/30/16</b>	\$ 17,709,068	\$ 13,415,497	\$ 4,293,571

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear 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 7.5 percent, 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 (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
County's net pension liability	\$ 7,260,509	\$ 4,293,571	\$ 1,886,327

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

#### A. Primary Government (Continued)

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, 2015 and the current sharing pattern of costs between employer and employee.

#### **Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2016, the County recognized pension expense of \$1,064,325. At June 30, 2016, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 818,544	\$ -
Net difference between expected and actual experiences	-	1,555
Assumption changes	475,269	-
	\$ 1,293,813	\$ 1,555

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2017	\$ 278,832
2018	278,832
2019	278,832
2020	256,665
2021	68,654
2022-2023	130,443
Total	\$ 1,292,258

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 10. DEFINED CONTRIBUTION PLAN**

The County, by resolution, adopted the ACCG 401(a), a defined contribution retirement plan, administered by GEBCorp. The Plan provisions and contribution rates may also be amended by resolution. Employees are eligible to join the Plan after one year of full time service and are fully vested after five years of service. The County shall make a matching contribution on behalf of each participant to the plan equal to 2% of the participant's compensation for each participant who contributes 2% of their compensation, and an additional 2% if an employee also contributes at least 2% to the 457(b) Deferred Compensation Plan.

For the year ended June 30, 2016, the County's contribution to the Plan was \$965,965 and employee contributions were \$434,725.

### **NOTE 11. OTHER POST-EMPLOYMENT BENEFITS**

#### **Plan Description**

The County administers a single-employer defined benefit post-employment healthcare plan. The Plan does not issue a stand-alone report. The Plan provides medical coverage, prescription drug benefits and death benefits for eligible retirees and their spouses. In order to be eligible for retiree healthcare coverage, employees must have 20 years of service and be at least 62 years of age. Coverage continues at the election of the retiree until age 65.

The Plan was established by resolution of the Board of Commissioners. It may also be amended by resolution of same.

Retirees must pay the monthly premium established by the Board of Commissioners for either single, single plus spouse, single plus children, or family coverage as applicable under the chosen plan of coverage. As of July 1, 2015, the most recent valuation, the Plan participants were 473 active employees and 4 retired receiving benefits.

#### **Funding Policy**

Contribution requirements are also approved by resolution of the Board of Commissioners. The County pays 100% of claims on a pay-as-you-go basis for eligible retired plan members.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

#### Annual OPEB Cost

The County's annual other post-employment benefit (OPEB) cost and net OPEB obligation for the OPEB plan for the year ending June 30, 2016, are as follows:

	<b>June 30, 2015</b>	<b>June 30, 2016</b>
<b><u>Derivation of Annual OPEB Cost</u></b>		
Annual Required Contribution	\$ 82,639	\$ 91,446
Interest on Net OPEB Obligation	18,193	21,792
Adjustment to the ARC	<u>(22,086)</u>	<u>(26,888)</u>
Annual OPEB Cost	<u><u>\$ 78,746</u></u>	<u><u>\$ 86,350</u></u>
 <b><u>Derivation of Net OPEB Obligation</u></b>		
Annual OPEB Cost for Current Year		\$ 86,350
Actual Contributions to Plan for Current Year		<u>38,435</u>
Increase in Net OPEB Obligation		47,915
Net OPEB Obligation as of June 30, 2015		<u>290,565</u>
Net OPEB Obligation as of June 30, 2016		<u><u>\$ 338,480</u></u>
 <b><u>Basis of Valuation</u></b>		
Current Valuation Date		July 1, 2015
Actuarial Cost Method		Projected Unit Credit
Actuarial Value of Assets		Market value
Inflation Rate		5.0%
Assumed Rate of Return on Investments		7.5%
Healthcare Cost Trend Rate		8.0%
Ultimate Healthcare Trend Rate		5.0%
Year of Ultimate Trend Rate		2018
Amortization Method		Level dollar (open)
Remaining Amortization Period		23 years

## NOTES TO FINANCIAL STATEMENTS

### NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

The following is a schedule of funding progress using the entry age actuarial cost method and the actuarial assumptions from the most recent valuation date (July 1, 2014) with actuarial roll-forward techniques used to calculate the below as of the interim valuation date (July 1, 2015):

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
7/1/2015	\$ -	\$ 590,492	\$ 590,492	- %	\$ 18,420,000	3.21 %

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and includes the type of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between the employer and plan members to that point.

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 July 1, 2015.

Trend Information for The Plan				
Fiscal Year Ending	Annual OPEB Cost (AOPC)	Actual County Contribution	Percentage of AOPC Contributed	Net OPEB Obligation
6/30/16	\$ 86,350	\$ 38,435	44.5 %	\$ 338,480
6/30/15	78,746	30,748	39.0	290,565
6/30/14	78,318	45,345	57.9	242,567

### NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents.



## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. RISK MANAGEMENT (CONTINUED)

**Health Insurance.** The County established a self-funded trust for the administration and funding of the County's health insurance and medical expenses. This trust is the source of funding for claims or expense reimbursement of employees for losses due to death, disability, dental or medical expenses and other expenses relating to maintenance of the fund by the appointed trustee.

The following describes the activity in the health care plan, including changes to the estimate for claims incurred but not reported, for the past two fiscal years.

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2016	\$ 814,427	\$ 7,005,611	\$ 6,861,120	\$ 958,918
2015	592,416	5,574,661	5,352,650	\$ 814,427

**Workers Compensation.** The County participates in the Association of County Commissioners of Georgia (ACCG) Group Self Insurance Workers' Compensation Fund (FUND), self-insured pool cooperative arrangement among its members to finance workers compensation coverage. The fund is owned by its members and is managed by insurance professionals and overseen by a seven member Board of Trustees who are representative from participating counties. The ACCG-GSIWCF operates under the authority of O.C.G.A 34-9-150 et Seq. and the Georgia Insurance Commissioner's Office.

The members of the Fund are assessable if the losses that the Fund must pay exceed the assets of the pool. At June 30, 2016, there was no need for such an assessment. Therefore, no liability for this has been included in the amounts below. As part of this risk pool, the County is obligated to pay all contributions and assessments, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by this fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents that could require the fund to pay any type of loss. The County is also to allow all the pool's agents and attorneys to represent the County in investigations, settlement discussions, and all levels of litigation arising out of any claims made against the County.

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 worker's 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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. RISK MANAGEMENT (CONTINUED)

**Workers Compensation (Continued).** The County participates in the large deductible option with a \$250,000 deductible. Under this plan, Walton County is responsible for all payments up to \$250,000 per occurrence on workers' compensation claims. Once an individual claim exceeds the deductible, the plan will pay all costs in excess of the deductible. As of June 30, 2016, an actuary determined that an estimated \$652,355 in reported unpaid claims and incurred but not reported claims were outstanding relating to fiscal year 2016 for which Walton County will be liable.

The following describes the activity in the workers compensation plan for the past two fiscal years.

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2016	\$ 637,268	\$ 343,570	\$ 328,483	\$ 652,355
2015	554,687	440,842	358,261	637,268

#### **General Liability**

The County participates in the Association of County Commissioners of Georgia Interlocal Risk Management Agency (IRMA), a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are 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.

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 13. COMMITMENTS AND CONTINGENCIES

#### Contractual Commitments

In addition to the liabilities enumerated in the balance sheet, at June 30, 2016, the County has contractual commitments on uncompleted contracts of approximately \$905,680.

#### 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.

#### 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 14. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the area, is a member of the Northeast Georgia Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2016, the County paid \$85,754 in such dues. Membership in the Northeast Georgia Regional Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional development commissions in Georgia.

The Northeast Georgia Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 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, GA 30605

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 14. JOINT VENTURE (CONTINUED)**

During 1998, the Four County Industrial Development Authority (the "Joint Authority"), a joint venture, was formed for the purpose of purchasing and developing an industrial site. The land was purchased through the Walton County Development Authority, 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 and refinanced in January 2009 for the repayment of the Walton County Development Authority, to pay issuance costs of the bond, and to provide initial development costs. The stated percentages of ownership and debt assumption are as follows: Newton County 37.5%, Walton County 37.5%, Morgan County 15%, and Jasper County 10%. The County has recorded its portion of the debt and the related land investment in the amount of \$3,375,000.

In June 2001, the Joint Authority issued a GEFA loan in the amount of \$487,760 to finance the extension of water and wastewater service to the above mentioned property. According to the intergovernmental agreement established in conjunction with the issuance of the GEFA loan, the stated percentages of ownership and debt assumed by Walton County is 34.5%. The County has recorded its portion of the debt and related investment in joint venture in the amount of \$168,277.

Separate financial statements can be obtained from:

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

### **NOTE 15. SUBSEQUENT EVENT**

On October 18, 2016, the Walton County Water and Sewerage Authority (WCWSA) issued \$9,465,000 of Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2016. The bonds are obligations of WCWSA; however, pursuant to an intergovernmental contract dated October 1, 2016, Oconee County, Georgia has agreed to pay the WCWSA amounts sufficient to pay the debt service on the Series 2016 bonds.

The bonds were issued at a premium and bear interest at rates ranging from 2.0% to 5.0% with debt service payments commencing on February 1, 2017 and continuing semi-annually until the bonds mature on February 1, 2038.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**WALTON COUNTY, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 31,449,900	\$ 31,604,661	\$ 30,707,040	\$ (897,621)
Sales taxes	6,900,000	6,903,882	6,286,381	(617,501)
Insurance premium taxes	2,900,000	2,955,197	2,955,197	-
Business taxes	725,300	764,489	762,622	(1,867)
Alcoholic beverage taxes	250,000	254,758	254,757	(1)
Licenses and permits	532,700	618,066	615,541	(2,525)
Intergovernmental	177,229	1,063,786	1,029,495	(34,291)
Charges for services	4,301,801	4,296,798	3,896,319	(400,479)
Fines and forfeitures	1,248,350	1,248,837	1,156,863	(91,974)
Interest	42,075	66,491	63,255	(3,236)
Contributions	12,000	21,368	19,368	(2,000)
Other revenues	340,875	475,917	368,154	(107,763)
Total revenues	<u>48,880,230</u>	<u>50,274,250</u>	<u>48,114,992</u>	<u>(2,159,258)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Board of commissioners	190,204	317,661	316,771	890
County clerk	114,645	115,148	113,290	1,858
Chairman	153,408	154,982	152,032	2,950
Tax commissioner	842,635	912,214	910,012	2,202
Tax assessor	909,251	989,354	989,215	139
Elections	441,866	348,673	348,499	174
Financial administration	304,428	297,195	290,838	6,357
Accounting	364,031	371,639	371,635	4
Purchasing	88,358	90,750	90,609	141
Law	237,500	336,167	336,166	1
Data processing	700,168	759,276	751,128	8,148
Human resources	358,023	355,340	353,532	1,808
Board of equalization	88,792	67,502	67,489	13
Risk management	643,491	630,053	629,939	114
General government buildings	2,223,037	2,293,466	2,293,466	-
RDC & ACCG fees	97,673	97,529	94,097	3,432
Customer service	48,095	34,437	32,947	1,490
Total general government	<u>7,805,605</u>	<u>8,171,386</u>	<u>8,141,665</u>	<u>29,721</u>
<b>Judicial:</b>				
Superior court	889,628	730,574	728,990	1,584
Clerk of superior court	1,009,269	1,004,848	996,072	8,776
District attorney	1,103,730	1,123,881	1,122,280	1,601
Probate court	682,825	776,015	774,696	1,319
Magistrate court	456,680	496,087	495,014	1,073
Juvenile court	869,544	902,525	902,518	7
Public defender	612,739	601,907	600,679	1,228
Total judicial	<u>5,624,415</u>	<u>5,635,837</u>	<u>5,620,249</u>	<u>15,588</u>
<b>Public safety:</b>				
Sheriff's office	1,293,453	1,418,494	1,418,494	-
Law enforcement administration	1,092,590	1,111,092	1,111,092	-
Criminal investigation	1,135,862	1,096,381	1,096,381	-
Uniform patrol	2,917,562	2,747,728	2,747,728	-
Youth investigation	599,828	760,419	760,419	-
Jail operations	7,010,195	6,683,948	6,682,440	1,508
Court services	1,390,292	1,458,630	1,458,630	-
Fire administration	412,627	399,431	397,929	1,502
Fire fighting	4,855,755	5,144,732	5,107,642	37,090
Fire training	38,085	26,195	25,733	462
Fire stations and buildings	285,090	250,802	250,783	19
Coroner	75,265	74,187	72,625	1,562
Comm/ E911	13,000	6,969	6,966	3
Animal control	532,225	590,914	590,720	194
Emergency management	124,174	126,760	123,507	3,253
Total public safety	<u>21,776,003</u>	<u>21,896,682</u>	<u>21,851,089</u>	<u>45,593</u>

(Continued)

**WALTON COUNTY, GEORGIA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>Public works:</b>				
Highway and streets administration	\$ 141,836	\$ 203,121	\$ 203,117	\$ 4
Roadways and walkways	3,736,206	3,928,094	3,928,094	-
Unpaved streets	222,500	191,826	191,826	-
Street lighting	480,000	483,484	483,484	-
Traffic engineering	340,571	364,540	364,534	6
Maintenance and shop	512,298	594,814	594,124	690
Stormwater	202,449	211,825	207,255	4,570
Total public works	<u>5,635,860</u>	<u>5,977,704</u>	<u>5,972,434</u>	<u>5,270</u>
<b>Health and welfare:</b>				
Health centers and clinics	508,757	508,757	502,690	6,067
Aid to dependent children	96,772	96,772	72,579	24,193
Pauper burial costs	15,000	3,091	3,090	1
Walton County Senior Citizens, Inc.	189,938	189,938	189,938	-
Total health and welfare	<u>810,467</u>	<u>798,558</u>	<u>768,297</u>	<u>30,261</u>
<b>Culture and Recreation:</b>				
Recreation programs	1,211,672	1,131,863	1,128,373	3,490
Park areas	1,652,563	1,686,305	1,671,463	14,842
Library	317,036	317,036	317,036	-
Total culture and recreation	<u>3,181,271</u>	<u>3,135,204</u>	<u>3,116,872</u>	<u>18,332</u>
<b>Housing and development:</b>				
Conservation administration	14,024	14,024	14,024	-
USDA natural resource conservation service	53,971	59,185	59,128	57
County extension service	121,042	148,808	121,526	27,282
Forest resources	59,428	64,770	64,525	245
Protective inspection administration	338,367	301,847	292,549	9,298
Planning and zoning	505,458	549,665	538,003	11,662
Walton County planning commission	4,200	4,200	4,200	-
Walton County board of appeals	4,200	4,200	3,350	850
Code enforcement	180,068	197,404	194,864	2,540
Economic development	321,606	322,680	322,680	-
Action Inc.	7,904	7,904	7,904	-
Total housing and development	<u>1,610,268</u>	<u>1,674,687</u>	<u>1,622,753</u>	<u>51,934</u>
Total expenditures	<u>46,443,889</u>	<u>47,290,058</u>	<u>47,093,359</u>	<u>196,699</u>
Excess of revenues over expenditures	<u>2,436,341</u>	<u>2,984,192</u>	<u>1,021,633</u>	<u>(1,962,559)</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	15,000	23,235	23,234	(1)
Transfers in	-	17,062	17,062	-
Transfers out	(3,405,091)	(4,005,317)	(3,460,354)	544,963
Proceeds from capital lease	953,750	953,750	810,385	(143,365)
Total other financing sources (uses)	<u>(2,436,341)</u>	<u>(3,011,270)</u>	<u>(2,609,673)</u>	<u>401,597</u>
Net change in fund balances	-	(27,078)	(1,588,040)	(1,560,962)
<b>Fund balances, beginning of year</b>	<u>22,667,280</u>	<u>22,667,280</u>	<u>22,667,280</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 22,667,280</u>	<u>\$ 22,640,202</u>	<u>\$ 21,079,240</u>	<u>\$ (1,560,962)</u>

**WALTON COUNTY, GEORGIA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF FUNDING PROGRESS**

Other Post-Employment Benefit Plan						
Measurement Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
July 1, 2015 (2)	\$ -	\$ 590,492	\$ 590,492	0.0%	\$ 18,420,000	3.2%
July 1, 2014	-	538,044	538,044	0.0%	18,420,000	2.9%
July 1, 2012	-	526,785	526,785	0.0%	17,111,000	3.1%
July 1, 2011	-	448,287	448,287	0.0%	20,262,287	2.2%
July 1, 2009	-	456,050	456,050	0.0%	20,784,915	2.2%
July 1, 2008	-	407,300	407,300	0.0%	19,834,984	2.1%

**Notes to the Schedule:**

- (1) The actuarial assumptions used for the schedule are detailed in Note 11 to the financial statements.
- (2) The valuation performed as of 7/1/2015 is an interim valuation performed using the same assumptions as the 7/1/2014 valuation with actuarial roll-forward techniques used to calculate the actuarial accrued liability as of the interim valuation date.



## WALTON COUNTY, GEORGIA

### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

	<u>2016</u>	<u>2015</u>
<b>Total pension liability</b>		
Service cost	\$ 550,248	\$ 557,040
Interest on total pension liability	1,221,690	1,078,304
Assumption changes	544,148	-
Differences between expected and actual experience	(1,780)	-
Benefit payments, including refunds of employee contributions	<u>(440,471)</u>	<u>(354,983)</u>
<b>Net change in total pension liability</b>	1,873,835	1,280,361
<b>Total pension liability - beginning</b>	<u>15,835,233</u>	<u>14,554,872</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 17,709,068</u>	<u>\$ 15,835,233</u>
<b>Plan fiduciary net position</b>		
Contributions - employer	\$ 1,190,353	\$ 1,202,997
Net investment income	38,619	760,633
Benefit payments, including refunds of employee contributions	(440,471)	(354,983)
Administrative expenses	(93,152)	(91,509)
Other	<u>(36,829)</u>	<u>(39,246)</u>
<b>Net change in plan fiduciary net position</b>	658,520	1,477,892
<b>Plan fiduciary net position - beginning</b>	<u>12,756,977</u>	<u>11,279,085</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 13,415,497</u>	<u>\$ 12,756,977</u>
<b>County's net pension liability - ending (a) - (b)</b>	<u>\$ 4,293,571</u>	<u>\$ 3,078,256</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	75.8%	80.6%
<b>Covered-employee payroll</b>	\$ 21,525,981	\$ 21,709,255
<b>County's net pension liability as a percentage of covered - employee payroll</b>	19.9%	14.2%

**Notes to the Schedule**

The schedule will present 10 years of information once it is accumulated.

**WALTON COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF COUNTY CONTRIBUTIONS**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,190,353	\$ 1,181,751	\$ 1,108,255
Contributions in relation to the actuarially determined contribution	<u>1,190,353</u>	<u>1,202,997</u>	<u>1,108,255</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (21,246)</u>	<u>\$ -</u>
Covered-employee payroll	\$ 22,709,654	\$ 21,617,618	\$ 20,750,356
Contributions as a percentage of Covered-employee payroll	5.2%	5.6%	5.3%

**Notes to the Schedule**

Valuation Date	January 1, 2015
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing
Assumed Rate of Return	
On Investments	7.50%
Projected Salary Increases	3.5% - 5.5% (including 3.00% for inflation)
Cost-of-living Adjustment	3.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

The schedule will present 10 years of information once it is accumulated.

## **NONMAJOR GOVERNMENTAL FUNDS**

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### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes other than capital projects or debt service.

**Law Library Fund** - to account for the revenues and related expenditures of operating the County's Law Library.

**Forfeited Drug Seizure Fund** – to account for funds forfeited to the Sheriff by the courts to be used for law enforcement activities.

**Inmate Phone Fund** - to account for commission revenues from inmate phone usage to be used for law enforcement activities.

**Emergency 911 Fund** - to account for the monthly 911 charge to help fund the cost of providing emergency 911 services.

**Clerk's Authority Fund** – to account for the collection and disbursement of court fines, fees, and assessments.

**Juvenile Supplemental Services Fund** - to account for funds collected to be used for law enforcement activities.

**Multiple Grant Fund** - to account for governmental grants received and the related expenditures.

**Sheriff's Programs Fund** - to account for funds received through the traffic safety and H.E.A.T. programs and expenditures in the Sheriff's office.

**Drug Abuse Treatment Education Fund** - to account for funds collected from fines and forfeitures to be used to maintain a Drug Abuse Treatment and Education program.

**DARE Program Fund** – to account for funds raised and used to operate the DARE program.

**Crime Victim's Assistance Fund** – to account for fines and assessments distributed by the courts to be used to provide services to crime victims.

**Seized Drug Fund** – to account for fines seized by the Sheriff.

**Inmate Commissary Fund** - to account for the commissions made by the Sheriff's office from canteen sales to the inmates.

**DA Forfeiture Fund** - to account for funds forfeited to the District Attorney's office by the courts to be used for law enforcement activities.

**Forfeited Federal Drug Fund** - to account for funds forfeited for federal cases.

**Walton County Public Purpose Corporation** - to account for lease payments received from the Georgia Department of Family and Children's Services for the use of a County owned building.

WALTON COUNTY, GEORGIA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016

Special Revenue Funds							
ASSETS	Law Library	Forfeited Drug Seizure	Inmate Phone	Emergency 911	Clerk's Authority	Juvenile Supplemental Services	Multiple Grant
Cash and cash equivalents	\$ 68,354	\$ 89,010	\$ 279,345	\$ 20	\$ 101,937	\$ 149,931	\$ -
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Accounts receivable	-	-	-	239,373	-	38,399	-
Due from other governments	-	-	-	-	-	-	73,831
Prepaid items	-	-	-	225,010	-	10,553	-
Due from other funds	-	3,970	-	-	-	-	14,396
Total assets	<u>\$ 68,354</u>	<u>\$ 92,980</u>	<u>\$ 279,345</u>	<u>\$ 464,403</u>	<u>\$ 101,937</u>	<u>\$ 198,883</u>	<u>\$ 88,227</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ 46,866	\$ -	\$ -	\$ 13,858
Accrued liabilities	-	-	-	17,037	-	-	2,943
Due to other funds	-	-	-	95	-	-	58,342
Due to component units	-	-	-	-	-	-	12,824
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,998</u>	<u>-</u>	<u>-</u>	<u>87,967</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - intergovernmental	-	-	-	-	-	-	17,068
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,068</u>
<b>FUND BALANCES</b>							
Nonspendable:							
Prepaid items	-	-	-	225,010	-	10,553	-
Restricted for:							
Judicial	68,354	-	-	-	101,937	188,330	-
Public safety	-	92,980	-	175,395	-	-	-
Health and welfare	-	-	-	-	-	-	-
Grant programs	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Committed to:							
Inmate needs	-	-	279,345	-	-	-	-
Sheriff's expenditures	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	(16,808)
Total fund balances	<u>68,354</u>	<u>92,980</u>	<u>279,345</u>	<u>400,405</u>	<u>101,937</u>	<u>198,883</u>	<u>(16,808)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 68,354</u>	<u>\$ 92,980</u>	<u>\$ 279,345</u>	<u>\$ 464,403</u>	<u>\$ 101,937</u>	<u>\$ 198,883</u>	<u>\$ 88,227</u>

(Continued)

Sheriff's Programs	Drug Abuse Treatment Education	DARE Program	Crime Victim's Assistance	Seized Drug	Inmate Commissary	DA Forfeiture
\$ 858	\$ 221,846	\$ 26,386	\$ 124,192	\$ 43,023	\$ 235,458	\$ 17,176
-	-	-	-	-	-	-
-	964	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 858</u>	<u>\$ 222,810</u>	<u>\$ 26,386</u>	<u>\$ 124,192</u>	<u>\$ 43,023</u>	<u>\$ 235,458</u>	<u>\$ 17,176</u>

\$ -	\$ 488	\$ -	\$ -	\$ 41,342	\$ 19,676	\$ 90
-	-	-	1,126	-	-	-
-	8,911	-	15,225	-	-	-
-	-	-	-	-	-	-
-	<u>9,399</u>	-	<u>16,351</u>	<u>41,342</u>	<u>19,676</u>	<u>90</u>

-	-	-	-	-	-	-
-	-	-	-	-	-	-

-	-	-	-	-	-	-
-	-	-	107,841	-	-	17,086
-	-	-	-	1,681	-	-
-	213,411	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
858	-	26,386	-	-	215,782	-
<u>858</u>	<u>213,411</u>	<u>26,386</u>	<u>107,841</u>	<u>1,681</u>	<u>215,782</u>	<u>17,086</u>

<u>\$ 858</u>	<u>\$ 222,810</u>	<u>\$ 26,386</u>	<u>\$ 124,192</u>	<u>\$ 43,023</u>	<u>\$ 235,458</u>	<u>\$ 17,176</u>
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WALTON COUNTY, GEORGIA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016

	Special Revenue Funds		Debt Service Fund	Capital Projects Funds			Total Nonmajor Governmental Funds
	Forfeited Federal Drug	Walton County Public Purpose Corporation	Debt Service	2001 SPLOST	2007 SPLOST	Impact Fees	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 91,224	\$ 147,458	\$ -	\$ -	\$ 836,481	\$ 523,677	\$ 2,956,376
Restricted cash and cash equivalents	-	-	-	-	301,924	-	301,924
Accounts receivable	-	-	-	-	-	-	277,772
Due from other governments	-	-	-	-	350,000	-	424,795
Prepaid items	-	808	16,160	-	-	-	252,531
Due from other funds	-	340	18,365	-	-	-	37,071
Total assets	\$ 91,224	\$ 148,606	\$ 34,525	\$ -	\$ 1,488,405	\$ 523,677	\$ 4,250,469
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 160,064	\$ -	\$ 282,384
Accrued liabilities	-	37,019	-	-	-	-	58,125
Due to other funds	-	425	-	-	-	-	82,998
Due to component units	-	-	-	-	-	-	12,824
Total liabilities	-	37,444	-	-	160,064	-	436,331
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - intergovernmental	-	-	-	-	-	-	17,068
Total deferred inflows of resources	-	-	-	-	-	-	17,068
<b>FUND BALANCES</b>							
Nonspendable:							
Prepaid items	-	808	16,160	-	-	-	252,531
Restricted for:							
Judicial	-	-	-	-	-	-	483,548
Public safety	91,224	-	-	-	-	-	361,280
Health and welfare	-	-	-	-	-	-	213,411
Capital projects	-	110,354	-	-	1,328,341	523,677	1,962,372
Debt service	-	-	18,365	-	-	-	18,365
Committed to:							
Inmate needs	-	-	-	-	-	-	279,345
Sheriff's expenditures	-	-	-	-	-	-	243,026
Unassigned (deficit)	-	-	-	-	-	-	(16,808)
Total fund balances	91,224	111,162	34,525	-	1,328,341	523,677	3,797,070
Total liabilities and fund balances	\$ 91,224	\$ 148,606	\$ 34,525	\$ -	\$ 1,488,405	\$ 523,677	\$ 4,250,469

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Special Revenue Funds						
	Law Library	Forfeited Drug Seizure	Inmate Phone	Emergency 911	Clerk's Authority	Juvenile Supplemental Services	Multiple Grant
<b>Revenues:</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ 56,087	\$ -	\$ -	\$ 170,793
Fines and forfeitures	50,437	115,987	-	-	-	6,050	-
Charges for services	-	-	93,620	1,517,125	-	-	-
Interest income	420	75	302	-	109	168	-
Contributions	-	-	-	-	-	-	21,033
Other revenues	-	-	-	15,237	-	-	37,500
<b>Total revenues</b>	<u>50,857</u>	<u>116,062</u>	<u>93,922</u>	<u>1,588,449</u>	<u>109</u>	<u>6,218</u>	<u>229,326</u>
<b>Expenditures:</b>							
Current							
General government	-	-	-	-	-	-	-
Judicial	47,946	-	-	-	-	36,468	93,006
Public safety	-	74,824	111,076	2,325,679	-	-	74,106
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	194,629
Culture and recreation	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>47,946</u>	<u>74,824</u>	<u>111,076</u>	<u>2,325,679</u>	<u>-</u>	<u>36,468</u>	<u>361,741</u>
Excess (deficiency) of revenues over expenditures	2,911	41,238	(17,154)	(737,230)	109	(30,250)	(132,415)
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	763,768	-	-	138,273
Transfers out	-	-	-	-	(14,297)	-	(2,765)
Sale of capital assets	-	3,970	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>3,970</u>	<u>-</u>	<u>763,768</u>	<u>(14,297)</u>	<u>-</u>	<u>135,508</u>
Net change in fund balances	2,911	45,208	(17,154)	26,538	(14,188)	(30,250)	3,093
<b>Fund balances (deficit), beginning of year</b>	<u>65,443</u>	<u>47,772</u>	<u>296,499</u>	<u>373,867</u>	<u>116,125</u>	<u>229,133</u>	<u>(19,901)</u>
<b>Fund balances (deficit), end of year</b>	<u>\$ 68,354</u>	<u>\$ 92,980</u>	<u>\$ 279,345</u>	<u>\$ 400,405</u>	<u>\$ 101,937</u>	<u>\$ 198,883</u>	<u>\$ (16,808)</u>

(Continued)

Sheriff's Programs	Drug Abuse Treatment Education	DARE Program	Crime Victim's Assistance	Seized Drug	Inmate Commissary	DA Forfeiture
\$ -	\$ -	\$ -	\$ 84,184	\$ -	\$ -	\$ -
-	85,385	-	-	-	-	15,952
-	-	-	-	-	35,272	-
-	213	-	131	-	-	7
-	-	13,689	-	-	-	-
-	-	-	-	-	106	-
-	85,598	13,689	84,315	-	35,378	15,959
-	-	-	-	-	-	-
-	-	-	101,920	-	-	3,128
25	-	34,362	-	-	35,356	-
-	-	-	-	-	-	-
-	26,500	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
25	26,500	34,362	101,920	-	35,356	3,128
(25)	59,098	(20,673)	(17,605)	-	22	12,831
-	-	17,577	-	-	-	-
-	(53,220)	-	(8,483)	-	-	-
-	-	-	-	-	-	-
-	(53,220)	17,577	(8,483)	-	-	-
(25)	5,878	(3,096)	(26,088)	-	22	12,831
883	207,533	29,482	133,929	1,681	215,760	4,255
\$ 858	\$ 213,411	\$ 26,386	\$ 107,841	\$ 1,681	\$ 215,782	\$ 17,086



WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Special Revenue Funds		Debt Service Fund	Capital Projects Funds			Total Nonmajor Governmental Funds
	Forfeited Federal Drug	Walton County Public Purpose Corporation	Debt Service	2001 SPLOST	2007 SPLOST	Impact Fees	
<b>Revenues:</b>							
Intergovernmental	\$ 44,724	\$ 541,250	\$ 11,377	\$ -	\$ 486,572	\$ -	\$ 1,394,987
Fines and forfeitures	-	-	-	-	-	-	273,811
Charges for services	-	-	-	-	-	-	1,646,017
Interest income	85	104	-	336	1,417	568	3,935
Contributions	-	-	-	-	-	-	34,722
Other revenues	-	-	-	-	-	-	52,843
Total revenues	<u>44,809</u>	<u>541,354</u>	<u>11,377</u>	<u>336</u>	<u>487,989</u>	<u>568</u>	<u>3,406,315</u>
<b>Expenditures:</b>							
Current							
General government	-	-	-	541,530	-	-	541,530
Judicial	-	-	-	-	-	-	282,468
Public safety	35,190	-	-	-	-	-	2,690,618
Public works	-	16,039	-	-	1,130,847	-	1,146,886
Health and welfare	-	-	-	-	-	-	221,129
Culture and recreation	-	-	-	-	-	6,256	6,256
Intergovernmental	-	-	-	-	26,826	18,769	45,595
Capital outlay	-	-	-	-	-	22,788	22,788
Debt service							
Principal	-	172,501	474,387	-	-	-	646,888
Interest and fiscal charges	-	329,687	47,428	-	-	-	377,115
Total expenditures	<u>35,190</u>	<u>518,227</u>	<u>521,815</u>	<u>541,530</u>	<u>1,157,673</u>	<u>47,813</u>	<u>5,981,273</u>
Excess (deficiency) of revenues over expenditures	<u>9,619</u>	<u>23,127</u>	<u>(510,438)</u>	<u>(541,194)</u>	<u>(669,684)</u>	<u>(47,245)</u>	<u>(2,574,958)</u>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	489,215	2,567	-	-	1,411,400
Transfers out	-	-	-	-	(182,928)	-	(261,693)
Sale of capital assets	-	-	-	-	-	-	3,970
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>489,215</u>	<u>2,567</u>	<u>(182,928)</u>	<u>-</u>	<u>1,153,677</u>
Net change in fund balances	9,619	23,127	(21,223)	(538,627)	(852,612)	(47,245)	(1,421,281)
<b>Fund balances, beginning of year</b>	<u>81,605</u>	<u>88,035</u>	<u>55,748</u>	<u>538,627</u>	<u>2,180,953</u>	<u>570,922</u>	<u>5,218,351</u>
<b>Fund balances, end of year</b>	<u>\$ 91,224</u>	<u>\$ 111,162</u>	<u>\$ 34,525</u>	<u>\$ -</u>	<u>\$ 1,328,341</u>	<u>\$ 523,677</u>	<u>\$ 3,797,070</u>

**WALTON COUNTY, GEORGIA**

**LAW LIBRARY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 76,270	\$ 76,270	\$ 50,437	\$ (25,833)
Interest income	1,130	1,130	420	(710)
Total revenues	<u>77,400</u>	<u>77,400</u>	<u>50,857</u>	<u>(26,543)</u>
<b>Expenditures:</b>				
Current				
Judicial	77,400	77,400	47,946	29,454
Total expenditures	<u>77,400</u>	<u>77,400</u>	<u>47,946</u>	<u>29,454</u>
Net change in fund balance	-	-	2,911	2,911
<b>Fund balance, beginning of year</b>	<u>65,443</u>	<u>65,443</u>	<u>65,443</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 65,443</u>	<u>\$ 65,443</u>	<u>\$ 68,354</u>	<u>\$ 2,911</u>

**WALTON COUNTY, GEORGIA**

**FORFEITED DRUG SEIZURE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 40,700	\$ 115,988	\$ 115,987	\$ (1)
Interest income	-	75	75	-
Total revenues	<u>40,700</u>	<u>116,063</u>	<u>116,062</u>	<u>(1)</u>
<b>Expenditures:</b>				
Current				
Public safety	40,700	120,033	74,824	45,209
Total expenditures	<u>40,700</u>	<u>120,033</u>	<u>74,824</u>	<u>45,209</u>
Excess (deficiency) of revenues over expenditures	-	(3,970)	41,238	45,208
<b>Other financing sources</b>				
Sale of capital assets	-	3,970	3,970	-
Total other financing sources	<u>-</u>	<u>3,970</u>	<u>3,970</u>	<u>-</u>
Net change in fund balance	-	-	45,208	45,208
<b>Fund balance, beginning of year</b>	<u>47,772</u>	<u>47,772</u>	<u>47,772</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 47,772</u>	<u>\$ 47,772</u>	<u>\$ 92,980</u>	<u>\$ 45,208</u>

**WALTON COUNTY, GEORGIA**

**INMATE PHONE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 266,778	\$ 266,474	\$ 93,620	\$ (172,854)
Interest income	-	304	302	(2)
Total revenues	<u>266,778</u>	<u>266,778</u>	<u>93,922</u>	<u>(172,856)</u>
<b>Expenditures:</b>				
Current				
Public safety	266,778	266,778	111,076	155,702
Total expenditures	<u>266,778</u>	<u>266,778</u>	<u>111,076</u>	<u>155,702</u>
Net change in fund balance	-	-	(17,154)	(17,154)
<b>Fund balance, beginning of year</b>	<u>296,499</u>	<u>296,499</u>	<u>296,499</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 296,499</u>	<u>\$ 296,499</u>	<u>\$ 279,345</u>	<u>\$ (17,154)</u>

**WALTON COUNTY, GEORGIA**

**EMERGENCY 911 FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 1,678,800	\$ 1,713,213	\$ 1,517,125	\$ (196,088)
Intergovernmental	57,771	57,771	56,087	(1,684)
Other revenues	-	16,025	15,237	(788)
Total revenues	<u>1,736,571</u>	<u>1,787,009</u>	<u>1,588,449</u>	<u>(198,560)</u>
<b>Expenditures:</b>				
Current				
Public safety	2,303,387	2,550,779	2,325,679	225,100
Total expenditures	<u>2,303,387</u>	<u>2,550,779</u>	<u>2,325,679</u>	<u>225,100</u>
Deficiency of revenues over expenditures	<u>(566,816)</u>	<u>(763,770)</u>	<u>(737,230)</u>	<u>26,540</u>
<b>Other financing sources</b>				
Transfers in	566,816	763,770	763,768	(2)
Total other financing sources	<u>566,816</u>	<u>763,770</u>	<u>763,768</u>	<u>(2)</u>
Net change in fund balance	-	-	26,538	26,538
<b>Fund balance, beginning of year</b>	<u>373,867</u>	<u>373,867</u>	<u>373,867</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 373,867</u>	<u>\$ 373,867</u>	<u>\$ 400,405</u>	<u>\$ 26,538</u>

**WALTON COUNTY, GEORGIA**

**CLERK'S AUTHORITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)
Interest income	300	300	109	(191)
Total revenues	<u>25,300</u>	<u>25,300</u>	<u>109</u>	<u>(25,191)</u>
<b>Expenditures:</b>				
Current				
Judicial	25,300	11,003	-	11,003
Total expenditures	<u>25,300</u>	<u>11,003</u>	<u>-</u>	<u>11,003</u>
Excess of revenues over expenditures	<u>-</u>	<u>14,297</u>	<u>109</u>	<u>(14,188)</u>
<b>Other financing uses</b>				
Transfers out	-	(14,297)	(14,297)	-
Total other financing uses	<u>-</u>	<u>(14,297)</u>	<u>(14,297)</u>	<u>-</u>
Net change in fund balance	-	-	(14,188)	(14,188)
<b>Fund balance, beginning of year</b>	<u>116,125</u>	<u>116,125</u>	<u>116,125</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 116,125</u>	<u>\$ 116,125</u>	<u>\$ 101,937</u>	<u>\$ (14,188)</u>

**WALTON COUNTY, GEORGIA**

**JUVENILE SUPPLEMENTAL SERVICES FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 20,000	\$ 20,000	\$ 6,050	\$ (13,950)
Interest income	1,000	1,000	168	(832)
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>6,218</u>	<u>(14,782)</u>
<b>Expenditures:</b>				
Current				
Judicial	<u>181,400</u>	<u>181,400</u>	<u>36,468</u>	<u>144,932</u>
Total expenditures	<u>181,400</u>	<u>181,400</u>	<u>36,468</u>	<u>144,932</u>
Net change in fund balance	(160,400)	(160,400)	(30,250)	130,150
<b>Fund balance, beginning of year</b>	<u>229,133</u>	<u>229,133</u>	<u>229,133</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 68,733</u>	<u>\$ 68,733</u>	<u>\$ 198,883</u>	<u>\$ 130,150</u>

**WALTON COUNTY, GEORGIA**

**MULTIPLE GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 180,438	\$ 191,936	\$ 170,793	\$ (21,143)
Contributions	-	21,033	21,033	-
Other revenues	-	37,500	37,500	-
Total revenues	<u>180,438</u>	<u>250,469</u>	<u>229,326</u>	<u>(21,143)</u>
<b>Expenditures:</b>				
Current				
Public safety	91,799	91,083	74,106	16,977
Judicial	100,715	100,715	93,006	7,709
Health and welfare	135,256	205,857	194,629	11,228
Total expenditures	<u>327,770</u>	<u>397,655</u>	<u>361,741</u>	<u>35,914</u>
Deficiency of revenues over expenditures	<u>(147,332)</u>	<u>(147,186)</u>	<u>(132,415)</u>	<u>14,771</u>
<b>Other financing sources (uses)</b>				
Transfers in	147,332	149,951	138,273	(11,678)
Transfers out	-	(2,765)	(2,765)	-
Total other financing sources (uses)	<u>147,332</u>	<u>147,186</u>	<u>135,508</u>	<u>(11,678)</u>
Net change in fund balance	-	-	3,093	3,093
<b>Fund balance (deficit), beginning of year</b>	<u>(19,901)</u>	<u>(19,901)</u>	<u>(19,901)</u>	<u>-</u>
<b>Fund balance (deficit), end of year</b>	<u>\$ (19,901)</u>	<u>\$ (19,901)</u>	<u>\$ (16,808)</u>	<u>\$ 3,093</u>



**WALTON COUNTY, GEORGIA**

**SHERIFF'S PROGRAMS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Other revenues	\$ 368	\$ 368	\$ -	\$ (368)
Total revenues	<u>368</u>	<u>368</u>	<u>-</u>	<u>(368)</u>
<b>Expenditures:</b>				
Current				
Public safety	368	368	25	343
Total expenditures	<u>368</u>	<u>368</u>	<u>25</u>	<u>343</u>
Net change in fund balance	-	-	(25)	(25)
<b>Fund balance, beginning of year</b>	<u>883</u>	<u>883</u>	<u>883</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 883</u>	<u>\$ 883</u>	<u>\$ 858</u>	<u>\$ (25)</u>

**WALTON COUNTY, GEORGIA**

**DRUG ABUSE TREATMENT EDUCATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 113,050	\$ 113,050	\$ 85,385	\$ (27,665)
Interest income	500	500	213	(287)
Total revenues	<u>113,550</u>	<u>113,550</u>	<u>85,598</u>	<u>(27,952)</u>
<b>Expenditures:</b>				
Current				
Health and welfare	60,328	60,328	26,500	33,828
Total expenditures	<u>60,328</u>	<u>60,328</u>	<u>26,500</u>	<u>33,828</u>
Excess of revenues over expenditures	<u>53,222</u>	<u>53,222</u>	<u>59,098</u>	<u>5,876</u>
<b>Other financing uses</b>				
Transfers out	(53,222)	(53,222)	(53,220)	2
Total other financing uses	<u>(53,222)</u>	<u>(53,222)</u>	<u>(53,220)</u>	<u>2</u>
Net change in fund balance	-	-	5,878	5,878
<b>Fund balance, beginning of year</b>	<u>207,533</u>	<u>207,533</u>	<u>207,533</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 207,533</u>	<u>\$ 207,533</u>	<u>\$ 213,411</u>	<u>\$ 5,878</u>

**WALTON COUNTY, GEORGIA**

**DARE PROGRAM FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Contributions	\$ 9,160	\$ 16,910	\$ 13,689	\$ (3,221)
Total revenues	<u>9,160</u>	<u>16,910</u>	<u>13,689</u>	<u>(3,221)</u>
<b>Expenditures:</b>				
Current				
Public safety	19,960	34,489	34,362	127
Total expenditures	<u>19,960</u>	<u>34,489</u>	<u>34,362</u>	<u>127</u>
Deficiency of revenues over expenditures	(10,800)	(17,579)	(20,673)	(3,094)
<b>Other financing sources</b>				
Transfers in	10,800	17,579	17,577	(2)
Total other financing sources	<u>10,800</u>	<u>17,579</u>	<u>17,577</u>	<u>(2)</u>
Net change in fund balance	-	-	(3,096)	(3,096)
<b>Fund balance, beginning of year</b>	<u>29,482</u>	<u>29,482</u>	<u>29,482</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 29,482</u>	<u>\$ 29,482</u>	<u>\$ 26,386</u>	<u>\$ (3,096)</u>

**WALTON COUNTY, GEORGIA**

**CRIME VICTIM'S ASSISTANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 140,061	\$ 139,929	\$ 84,184	\$ (55,745)
Interest income	-	132	131	(1)
Total revenues	<u>140,061</u>	<u>140,061</u>	<u>84,315</u>	<u>(55,746)</u>
<b>Expenditures:</b>				
Current				
Judicial	119,901	119,901	101,920	17,981
Total expenditures	<u>119,901</u>	<u>119,901</u>	<u>101,920</u>	<u>17,981</u>
Excess (deficiency) of revenues over expenditures	<u>20,160</u>	<u>20,160</u>	<u>(17,605)</u>	<u>(37,765)</u>
<b>Other financing uses</b>				
Transfers out	(20,160)	(20,160)	(8,483)	11,677
Total other financing uses	<u>(20,160)</u>	<u>(20,160)</u>	<u>(8,483)</u>	<u>11,677</u>
Net change in fund balance	-	-	(26,088)	(26,088)
<b>Fund balance, beginning of year</b>	<u>133,929</u>	<u>133,929</u>	<u>133,929</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 133,929</u>	<u>\$ 133,929</u>	<u>\$ 107,841</u>	<u>\$ (26,088)</u>

**WALTON COUNTY, GEORGIA**

**SEIZED DRUG FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Other income	\$ 50,665	\$ 50,665	\$ -	\$ (50,665)
Total revenues	<u>50,665</u>	<u>50,665</u>	<u>-</u>	<u>(50,665)</u>
<b>Expenditures:</b>				
Current				
Public safety	50,665	50,665	-	50,665
Total expenditures	<u>50,665</u>	<u>50,665</u>	<u>-</u>	<u>50,665</u>
Net change in fund balance	-	-	-	-
<b>Fund balance, beginning of year</b>	<u>1,681</u>	<u>1,681</u>	<u>1,681</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,681</u>	<u>\$ 1,681</u>	<u>\$ 1,681</u>	<u>\$ -</u>

**WALTON COUNTY, GEORGIA**

**INMATE COMMISSARY FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 206,881	\$ 206,774	\$ 35,272	\$ (171,502)
Other	-	107	106	(1)
Total revenues	<u>206,881</u>	<u>206,881</u>	<u>35,378</u>	<u>(171,503)</u>
<b>Expenditures:</b>				
Current				
Public safety	206,881	206,881	35,356	171,525
Total expenditures	<u>206,881</u>	<u>206,881</u>	<u>35,356</u>	<u>171,525</u>
Net change in fund balance	-	-	22	22
<b>Fund balance, beginning of year</b>	<u>215,760</u>	<u>215,760</u>	<u>215,760</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 215,760</u>	<u>\$ 215,760</u>	<u>\$ 215,782</u>	<u>\$ 22</u>

**WALTON COUNTY, GEORGIA**

**DA FORFEITURE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 15,242	\$ 18,194	\$ 15,952	\$ (2,242)
Interest income	25	25	7	(18)
Other revenue	25	25	-	(25)
Total revenues	<u>15,292</u>	<u>18,244</u>	<u>15,959</u>	<u>(2,285)</u>
<b>Expenditures:</b>				
Current				
Judicial	<u>15,292</u>	<u>18,244</u>	<u>3,128</u>	<u>15,116</u>
Total expenditures	<u>15,292</u>	<u>18,244</u>	<u>3,128</u>	<u>15,116</u>
Net change in fund balance	-	-	12,831	12,831
<b>Fund balance, beginning of year</b>	<u>4,255</u>	<u>4,255</u>	<u>4,255</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 4,255</u>	<u>\$ 4,255</u>	<u>\$ 17,086</u>	<u>\$ 12,831</u>

**WALTON COUNTY, GEORGIA**

**FORFEITED FEDERAL DRUG FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 40,432	\$ 44,725	\$ 44,724	\$ (1)
Interest income	-	85	85	-
Total revenues	<u>40,432</u>	<u>44,810</u>	<u>44,809</u>	<u>(1)</u>
<b>Expenditures:</b>				
Current				
Public safety	<u>40,432</u>	<u>44,810</u>	<u>35,190</u>	<u>9,620</u>
Total expenditures	<u>40,432</u>	<u>44,810</u>	<u>35,190</u>	<u>9,620</u>
Net change in fund balance	-	-	9,619	9,619
<b>Fund balance, beginning of year</b>	<u>81,605</u>	<u>81,605</u>	<u>81,605</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 81,605</u>	<u>\$ 81,605</u>	<u>\$ 91,224</u>	<u>\$ 9,619</u>



**WALTON COUNTY, GEORGIA**

**WALTON COUNTY PUBLIC PURPOSE CORPORATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Integovernmental	\$ 541,250	\$ 541,250	\$ 541,250	\$ -
Interest income	150	150	104	(46)
Total revenues	<u>541,400</u>	<u>541,400</u>	<u>541,354</u>	<u>(46)</u>
<b>Expenditures:</b>				
Current				
Public works	39,212	39,212	16,039	23,173
Debt service				
Principal	172,501	172,501	172,501	-
Interest and fiscal charges	<u>329,687</u>	<u>329,687</u>	<u>329,687</u>	<u>-</u>
Total expenditures	<u>541,400</u>	<u>541,400</u>	<u>518,227</u>	<u>23,173</u>
Net change in fund balance	-	-	23,127	23,127
<b>Fund balance, beginning of year</b>	<u>88,035</u>	<u>88,035</u>	<u>88,035</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 88,035</u>	<u>\$ 88,035</u>	<u>\$ 111,162</u>	<u>\$ 23,127</u>

## **NONMAJOR GOVERNMENTAL FUNDS**

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### **Debt Service Fund**

**Debt Service Fund** – to account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

### **Capital Projects Funds**

**2001 SPLOST Fund** – to account for the expenditures of the 2001 SPLOST.

**2007 SPLOST Fund** – to account for the expenditures of the 2007 SPLOST.

**Impact Fees Fund** - to account for the collection and disbursement of impact fees.

**WALTON COUNTY, GEORGIA**

**DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 11,377	\$ 11,377	\$ -
Total revenues	<u>-</u>	<u>11,377</u>	<u>11,377</u>	<u>-</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	634,953	629,769	474,387	155,382
Interest and fiscal charges	<u>84,066</u>	<u>89,250</u>	<u>47,428</u>	<u>41,822</u>
Total expenditures	<u>719,019</u>	<u>719,019</u>	<u>521,815</u>	<u>197,204</u>
Deficiency of revenues over expenditures	<u>(719,019)</u>	<u>(707,642)</u>	<u>(510,438)</u>	<u>197,204</u>
<b>Other financing sources</b>				
Transfers in	<u>719,019</u>	<u>719,019</u>	<u>489,215</u>	<u>(229,804)</u>
Total other financing sources	<u>719,019</u>	<u>719,019</u>	<u>489,215</u>	<u>(229,804)</u>
Net change in fund balance	-	11,377	(21,223)	(32,600)
<b>Fund balance, beginning of year</b>	<u>55,748</u>	<u>55,748</u>	<u>55,748</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 55,748</u>	<u>\$ 67,125</u>	<u>\$ 34,525</u>	<u>\$ (32,600)</u>

WALTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS -  
2001 ISSUE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Judicial administration building	\$ 17,785,000	\$ 16,575,752	\$ 16,034,222	\$ 541,530	\$ 16,575,752
Jail addition	9,938,000	9,266,884	9,266,884	-	9,266,884
Recreation facilities	7,660,000	6,925,236	6,925,236	-	6,925,236
Road projects	8,317,000	5,229,157	5,229,157	-	5,229,157
Total 2001 SPLOST	<u>\$ 43,700,000</u>	<u>\$ 37,997,029</u>	<u>\$ 37,455,499</u>	<u>\$ 541,530</u>	<u>\$ 37,997,029</u>

**WALTON COUNTY, GEORGIA**

**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS -  
2007 ISSUE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<b>Project</b>	<b>Original Estimated Cost</b>	<b>Current Estimated Cost</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total</b>
<b>Walton County</b>					
E911 towers and radio	\$ 11,000,000	\$ 9,898,137	\$ 9,898,137	\$ -	\$ 9,898,137
Water and sewer improvements	12,500,000	8,704,197	8,516,181	188,015	8,704,196
Roads and bridges	18,400,000	15,666,356	13,786,672	1,125,760	14,912,432
Parks and recreation facilities	15,400,000	6,705,649	6,705,649	-	6,705,649
Public safety improvements	12,200,000	6,025,383	6,025,383	-	6,025,383
Senior citizens center upgrades	1,000,000	274,588	274,588	-	274,588
Animal control	700,000	710,712	710,712	-	710,712
Total Walton County	<u>71,200,000</u>	<u>47,985,022</u>	<u>45,917,322</u>	<u>1,313,775</u>	<u>47,231,097</u>
<b>City of Monroe</b>					
Transportation, drainage and sidewalks	9,136,000	7,387,464	7,387,405	59	7,387,464
Public safety improvements	2,500,000	-	-	-	-
Solid waste improvements	1,500,000	-	-	-	-
Water and sewer improvements	4,060,000	-	-	-	-
Airport improvements	1,500,000	-	-	-	-
Electric, CATV and fiber improvements	1,500,000	-	-	-	-
Total City of Monroe	<u>20,196,000</u>	<u>7,387,464</u>	<u>7,387,405</u>	<u>59</u>	<u>7,387,464</u>
<b>City of Loganville</b>					
Transportation, drainage and sidewalks	4,212,000	4,722,642	4,722,642	-	4,722,642
Water and sewer upgrades	2,520,000	-	-	-	-
Total City of Loganville	<u>6,732,000</u>	<u>4,722,642</u>	<u>4,722,642</u>	<u>-</u>	<u>4,722,642</u>
<b>City of Social Circle</b>					
Transportation, drainage and sidewalks	3,536,000	3,599,769	3,599,769	-	3,599,769
Public safety improvements	1,500,000	-	-	-	-
Cemetery and park improvements	200,000	-	-	-	-
Total City of Social Circle	<u>5,236,000</u>	<u>3,599,769</u>	<u>3,599,769</u>	<u>-</u>	<u>3,599,769</u>
<b>City of Walnut Grove</b>					
Transportation, drainage and sidewalks	2,340,000	1,959,086	1,959,086	-	1,959,086
Public safety facilities	950,000	-	-	-	-
Library building project	450,000	-	-	-	-
Total City of Walnut Grove	<u>3,740,000</u>	<u>1,959,086</u>	<u>1,959,086</u>	<u>-</u>	<u>1,959,086</u>
<b>City of Good Hope</b>					
Transportation, drainage and sidewalks	468,000	543,298	495,795	17,851	513,646
Administration facility improvements	280,000	-	-	-	-
Total City of Good Hope	<u>748,000</u>	<u>543,298</u>	<u>495,795</u>	<u>17,851</u>	<u>513,646</u>
<b>City of Jersey</b>					
Transportation, drainage and sidewalks	234,000	234,858	4,870	8,916	13,786
Water and sewer improvements	140,000	51,200	-	-	-
Total City of Jersey	<u>374,000</u>	<u>286,058</u>	<u>4,870</u>	<u>8,916</u>	<u>13,786</u>
<b>City of Between</b>					
Administration facilities	374,000	-	-	-	-
Total City of Between	<u>374,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total 2007 SPLOST	<u>\$ 108,600,000</u>	<u>\$ 66,483,339</u>	<u>\$ 64,086,889</u>	<u>\$ 1,340,601</u>	<u>\$ 65,427,490</u>

**WALTON COUNTY, GEORGIA**

**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS -  
2013 ISSUE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<b>Walton County</b>					
Jail expansion	\$ 25,200,000	\$ 25,200,000	\$ 1,234	\$ -	\$ 1,234
Fire station construction	3,600,000	3,600,000	1,607,857	88,643	1,696,500
911 building expansion	2,400,000	2,400,000	21,581	465,131	486,712
Government building upgrades	2,400,000	2,400,000	668,763	30,421	699,184
Road improvements	2,400,000	2,400,000	802,317	400,504	1,202,821
Water & sewer improvements	2,400,000	2,400,000	219,331	336,595	555,926
Parks & recreation upgrages	1,600,000	1,600,000	-	-	-
Total Walton County	<u>40,000,000</u>	<u>40,000,000</u>	<u>3,321,083</u>	<u>1,321,294</u>	<u>4,642,377</u>
<b>City of Between</b>	<u>360,644</u>	<u>360,644</u>	<u>143,256</u>	<u>58,134</u>	<u>201,390</u>
<b>City of Good Hope</b>	<u>198,838</u>	<u>198,838</u>	<u>78,981</u>	<u>32,050</u>	<u>111,031</u>
<b>City of Jersey</b>	<u>333,840</u>	<u>333,840</u>	<u>132,604</u>	<u>53,811</u>	<u>186,415</u>
<b>City of Loganville</b>	<u>5,841,678</u>	<u>5,841,678</u>	<u>2,320,352</u>	<u>941,599</u>	<u>3,261,951</u>
<b>City of Monroe</b>	<u>9,200,000</u>	<u>9,200,000</u>	<u>3,654,301</u>	<u>1,482,916</u>	<u>5,137,217</u>
<b>City of Social Circle</b>	<u>3,100,000</u>	<u>3,100,000</u>	<u>1,231,352</u>	<u>499,683</u>	<u>1,731,035</u>
<b>City of Walnut Grove</b>	<u>965,000</u>	<u>965,000</u>	<u>383,298</u>	<u>155,542</u>	<u>538,840</u>
Total 2013 SPLOST	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>	<u>\$ 11,265,227</u>	<u>\$ 4,545,029</u>	<u>\$ 15,810,256</u>

## **NONMAJOR ENTERPRISE FUNDS**

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Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise where the intent of the County is that the costs (including depreciation) of providing the goods and services be financed or recovered primarily through user charges.

**Emergency Medical Services (EMS)** – to account for the activities of the County's ambulance service.

**Solid Waste Fund** – to account for the activities of the County's landfill, disposal sites and recycling center.

**WALTON COUNTY, GEORGIA**

**COMBINING STATEMENT OF NET POSITION  
ENTERPRISE FUNDS  
JUNE 30, 2016**

<b>ASSETS</b>	<b>EMS</b>	<b>Solid Waste</b>	<b>Total</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 4,011	\$ 20,613	\$ 24,624
Accounts receivable, net of allowance	272,518	51,663	324,181
Inventory	-	426	426
Prepaid items	15,100	433	15,533
Total current assets	<u>291,629</u>	<u>73,135</u>	<u>364,764</u>
<b>NONCURRENT ASSETS</b>			
Capital assets:			
Nondepreciable	-	352,120	352,120
Depreciable, net of accumulated depreciation	646,128	361,670	1,007,798
Total noncurrent assets	<u>646,128</u>	<u>713,790</u>	<u>1,359,918</u>
Total assets	<u>937,757</u>	<u>786,925</u>	<u>1,724,682</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	36,961	38,977	75,938
Accrued expenses	42,647	8,157	50,804
Due to other funds	7,069	36,163	43,232
Landfill postclosure care costs - current portion	-	5,747	5,747
Capital leases - current portion	71,513	42,893	114,406
Compensated absences - current portion	62,986	18,506	81,492
Total current liabilities	<u>221,176</u>	<u>150,443</u>	<u>371,619</u>
<b>NONCURRENT LIABILITIES</b>			
Landfill postclosure care costs - long term portion	-	5,747	5,747
Capital leases - long term portion	144,764	167,329	312,093
Compensated absences - long term portion	52,324	199	52,523
Total long term liabilities	<u>197,088</u>	<u>173,275</u>	<u>370,363</u>
Total liabilities	<u>418,264</u>	<u>323,718</u>	<u>741,982</u>
<b>NET POSITION</b>			
Net investment in capital assets	429,851	503,568	933,419
Unrestricted	89,642	(40,361)	49,281
Total net position	<u>\$ 519,493</u>	<u>\$ 463,207</u>	<u>\$ 982,700</u>



**WALTON COUNTY, GEORGIA**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>EMS</u>	<u>Solid Waste</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 2,323,791	\$ 927,535	\$ 3,251,326
Contributions	530	-	530
Other revenue	8,262	30	8,292
Total operating revenues	<u>2,332,583</u>	<u>927,565</u>	<u>3,260,148</u>
<b>OPERATING EXPENSES</b>			
Personnel costs	3,081,857	681,281	3,763,138
Purchased services	175,110	107,291	282,401
Supplies	206,672	-	206,672
Disposal fees	-	347,258	347,258
Depreciation and amortization	144,658	34,736	179,394
Total operating expenses	<u>3,608,297</u>	<u>1,170,566</u>	<u>4,778,863</u>
Operating loss	<u>(1,275,714)</u>	<u>(243,001)</u>	<u>(1,518,715)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest income	126	15	141
Interest expense	(557)	(947)	(1,504)
Total nonoperating revenues (expenses)	<u>(431)</u>	<u>(932)</u>	<u>(1,363)</u>
Loss before transfers	(1,276,145)	(243,933)	(1,520,078)
Transfers in	<u>1,476,671</u>	<u>289,259</u>	<u>1,765,930</u>
Change in net position	200,526	45,326	245,852
<b>NET POSITION, beginning of year</b>	<u>318,967</u>	<u>417,881</u>	<u>736,848</u>
<b>NET POSITION, end of year</b>	<u>\$ 519,493</u>	<u>\$ 463,207</u>	<u>\$ 982,700</u>

**WALTON COUNTY, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>EMS</u>	<u>Solid Waste</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 2,339,195	\$ 929,710	\$ 3,268,905
Payments to suppliers	(539,404)	(446,433)	(985,837)
Payments to employees	(3,123,687)	(717,029)	(3,840,716)
Net cash used in operating activities	<u>(1,323,896)</u>	<u>(233,752)</u>	<u>(1,557,648)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	1,476,671	289,259	1,765,930
Net cash provided by noncapital financing activities	<u>1,476,671</u>	<u>289,259</u>	<u>1,765,930</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds received from capital lease	259,525	220,835	480,360
Principal paid	(43,248)	(10,613)	(53,861)
Interest paid	(557)	(947)	(1,504)
Acquisitions of capital assets	(376,018)	(264,747)	(640,765)
Net cash used in capital and related financing activities	<u>(160,298)</u>	<u>(55,472)</u>	<u>(215,770)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	126	15	141
Net cash provided by investing activities	<u>126</u>	<u>15</u>	<u>141</u>
Net increase (decrease) in cash and cash equivalents	(7,397)	50	(7,347)
<b>Cash and cash equivalents:</b>			
Beginning of year	11,408	20,563	31,971
End of year	<u>\$ 4,011</u>	<u>\$ 20,613</u>	<u>\$ 24,624</u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>			
Operating loss	\$ (1,275,714)	\$ (243,001)	\$ (1,518,715)
Adjustments to reconcile operating loss to net cash used in operating activities			
Depreciation	144,658	34,736	179,394
Change in assets and liabilities:			
Decrease in accounts receivable	6,612	2,145	8,757
Decrease in inventory	-	8,059	8,059
Increase in prepaid items	(1,362)	(433)	(1,795)
Decrease in accounts payable	(163,161)	(8,805)	(171,966)
Decrease in accrued expenses	(59,228)	(17,832)	(77,060)
Decrease in landfill postclosure liability	-	(5,747)	(5,747)
Increase (decrease) in compensated absences	17,398	(17,916)	(518)
Increase in due to other funds	6,901	15,042	21,943
Net cash used in operating activities	<u>\$ (1,323,896)</u>	<u>\$ (233,752)</u>	<u>\$ (1,557,648)</u>

## INTERNAL SERVICE FUNDS

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Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Health Benefits Fund** – to account for charges to other funds and for the payment of health insurance and the payment of claims.

**Workers Compensation Fund** – to account for charges to other funds and for the payment of the workers' compensation insurance and claims.

**WALTON COUNTY, GEORGIA**

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2016**

	<u>Health Benefits</u>	<u>Workers Compensation</u>	<u>Total</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 739,928	\$ 736,791	\$ 1,476,719
Investments	1,006,297	-	1,006,297
Accounts receivable	35,761	-	35,761
Interest receivable	9	224	233
Due from other funds	3,053	14,900	17,953
Prepaid items	-	106,172	106,172
Total assets	<u>1,785,048</u>	<u>858,087</u>	<u>2,643,135</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	4,121	411	4,532
Claims payable - current portion	958,918	344,834	1,303,752
Total current liabilities	<u>963,039</u>	<u>345,245</u>	<u>1,308,284</u>
<b>NONCURRENT LIABILITIES</b>			
Claims payable - long-term portion	-	307,521	307,521
Total long term liabilities	<u>-</u>	<u>307,521</u>	<u>307,521</u>
Total liabilities	<u>963,039</u>	<u>652,766</u>	<u>1,615,805</u>
<b>NET POSITION</b>			
Unrestricted	822,009	205,321	1,027,330
Total net position	<u>\$ 822,009</u>	<u>\$ 205,321</u>	<u>\$ 1,027,330</u>

**WALTON COUNTY, GEORGIA**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Health Benefits</u>	<u>Workers Compensation</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges to other funds	\$ 8,565,320	\$ 487,125	\$ 9,052,445
Total operating revenues	<u>8,565,320</u>	<u>487,125</u>	<u>9,052,445</u>
<b>OPERATING EXPENSES</b>			
Administrative	1,162,731	-	1,162,731
Claims	7,005,611	281,154	7,286,765
Fiduciary fees	3,426	4,962	8,388
Insurance	112,808	215,572	328,380
Total operating expenses	<u>8,284,576</u>	<u>501,688</u>	<u>8,786,264</u>
Operating income (loss)	<u>280,744</u>	<u>(14,563)</u>	<u>266,181</u>
<b>NONOPERATING REVENUES</b>			
Interest income	239	1,781	2,020
Total nonoperating revenues	<u>239</u>	<u>1,781</u>	<u>2,020</u>
Income (loss) before transfers	280,983	(12,782)	268,201
Transfers in	<u>64,374</u>	<u>-</u>	<u>64,374</u>
Change in net position	345,357	(12,782)	332,575
<b>NET POSITION, beginning of year</b>	<u>476,652</u>	<u>218,103</u>	<u>694,755</u>
<b>NET POSITION, end of year</b>	<u>\$ 822,009</u>	<u>\$ 205,321</u>	<u>\$ 1,027,330</u>

**WALTON COUNTY, GEORGIA**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Health Benefits</u>	<u>Workers Compensation</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from interfund activity	\$ 8,533,878	\$ 481,727	\$ 9,015,605
Payments to suppliers	(8,126,954)	(486,691)	(8,613,645)
Net cash provided by (used in) operating activities	<u>406,924</u>	<u>(4,964)</u>	<u>401,960</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	<u>64,374</u>	-	<u>64,374</u>
Net cash provided by noncapital financing activities	<u>64,374</u>	-	<u>64,374</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of investments	(212,729)	-	(212,729)
Interest received	233	1,619	1,852
Net cash provided (used) by investing activities	<u>(212,496)</u>	<u>1,619</u>	<u>(210,877)</u>
Net increase (decrease) in cash and cash equivalents	258,802	(3,345)	255,457
<b>Cash and cash equivalents:</b>			
Beginning of year	<u>481,126</u>	<u>740,136</u>	<u>1,221,262</u>
End of year	<u>\$ 739,928</u>	<u>\$ 736,791</u>	<u>\$ 1,476,719</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 280,744	\$ (14,563)	\$ 266,181
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Increase in accounts receivable	(28,389)	-	(28,389)
Increase in due from other funds	(3,053)	(5,398)	(8,451)
(Increase) decrease in prepaid items	9,488	(88)	9,400
Increase (decrease) in accounts payable	3,643	(2)	3,641
Increase in claims payable	144,491	15,087	159,578
Net cash provided by (used in) operating activities	<u>\$ 406,924</u>	<u>\$ (4,964)</u>	<u>\$ 401,960</u>

## **AGENCY FUNDS**

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Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, and other governments.

**Tax Commissioner** - to account for the collection of all property taxes which are collected and disbursed to the County and other government units.

**Sheriff** - to account for collection of cash bonds, fines, forfeitures and other fees which are disbursed to other parties.

The following agency funds are used to account for fines, fees and other moneys 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**

**WALTON COUNTY, GEORGIA**

**COMBINING STATEMENT OF ASSETS AND LIABILITIES  
AGENCY FUNDS  
JUNE 30, 2016**

<b>ASSETS</b>	<b>Tax Commissioner</b>	<b>Clerk of Superior Court</b>	<b>Probate Court</b>	<b>Magistrate Court</b>	<b>Juvenile Court</b>	<b>Sheriff</b>	<b>Total</b>
Cash and cash equivalents	\$ 1,288,384	\$ 568,823	\$ 82,512	\$ 52,053	\$ 116	\$ -	\$ 1,991,888
Taxes receivable	729,028	-	-	-	-	-	729,028
<b>Total assets</b>	<b>\$ 2,017,412</b>	<b>\$ 568,823</b>	<b>\$ 82,512</b>	<b>\$ 52,053</b>	<b>\$ 116</b>	<b>\$ -</b>	<b>\$ 2,720,916</b>
<b>LIABILITIES</b>							
Due to others	\$ 1,288,384	\$ 568,823	\$ 82,512	\$ 52,053	\$ 116	\$ -	\$ 1,991,888
Uncollected taxes	729,028	-	-	-	-	-	729,028
<b>Total liabilities</b>	<b>\$ 2,017,412</b>	<b>\$ 568,823</b>	<b>\$ 82,512</b>	<b>\$ 52,053</b>	<b>\$ 116</b>	<b>\$ -</b>	<b>\$ 2,720,916</b>



**WALTON COUNTY, GEORGIA**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Balance July 1, 2015</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2016</b>
<b><u>Tax Commissioner</u></b>				
<b>ASSETS</b>				
Cash	\$ 1,484,056	\$ 91,412,453	\$ (91,608,125)	\$ 1,288,384
Taxes receivable	1,206,185	71,925,735	(72,402,892)	729,028
Total assets	<u>\$ 2,690,241</u>	<u>\$ 163,338,188</u>	<u>\$ (164,011,017)</u>	<u>\$ 2,017,412</u>
<b>LIABILITIES</b>				
Due to others	\$ 1,484,056	\$ 91,412,453	\$ (91,608,125)	\$ 1,288,384
Uncollected taxes	1,206,185	71,925,735	(72,402,892)	729,028
Total liabilities	<u>\$ 2,690,241</u>	<u>\$ 163,338,188</u>	<u>\$ (164,011,017)</u>	<u>\$ 2,017,412</u>
<b><u>Clerk of Superior Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 419,156	\$ 3,790,869	\$ (3,641,202)	\$ 568,823
Total assets	<u>\$ 419,156</u>	<u>\$ 3,790,869</u>	<u>\$ (3,641,202)</u>	<u>\$ 568,823</u>
<b>LIABILITIES</b>				
Due to others	\$ 419,156	\$ 3,790,869	\$ (3,641,202)	\$ 568,823
Total liabilities	<u>\$ 419,156</u>	<u>\$ 3,790,869</u>	<u>\$ (3,641,202)</u>	<u>\$ 568,823</u>
<b><u>Probate Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 79,181	\$ 1,395,331	\$ (1,392,000)	\$ 82,512
Total assets	<u>\$ 79,181</u>	<u>\$ 1,395,331</u>	<u>\$ (1,392,000)</u>	<u>\$ 82,512</u>
<b>LIABILITIES</b>				
Due to others	\$ 79,181	\$ 1,395,331	\$ (1,392,000)	\$ 82,512
Total liabilities	<u>\$ 79,181</u>	<u>\$ 1,395,331</u>	<u>\$ (1,392,000)</u>	<u>\$ 82,512</u>
(Continued)				

**WALTON COUNTY, GEORGIA**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016
<b><u>Magistrate Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 49,235	\$ 662,150	\$ (659,332)	\$ 52,053
Total assets	<u>\$ 49,235</u>	<u>\$ 662,150</u>	<u>\$ (659,332)</u>	<u>\$ 52,053</u>
<b>LIABILITIES</b>				
Due to others	\$ 49,235	\$ 662,150	\$ (659,332)	\$ 52,053
Total liabilities	<u>\$ 49,235</u>	<u>\$ 662,150</u>	<u>\$ (659,332)</u>	<u>\$ 52,053</u>
<b><u>Juvenile Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 159	\$ 10,320	\$ (10,363)	\$ 116
Total assets	<u>\$ 159</u>	<u>\$ 10,320</u>	<u>\$ (10,363)</u>	<u>\$ 116</u>
<b>LIABILITIES</b>				
Due to others	\$ 159	\$ 10,320	\$ (10,363)	\$ 116
Total liabilities	<u>\$ 159</u>	<u>\$ 10,320</u>	<u>\$ (10,363)</u>	<u>\$ 116</u>
<b><u>Sheriff</u></b>				
<b>ASSETS</b>				
Cash	\$ 5,035	\$ 1,176,181	\$ (1,181,216)	\$ -
Total assets	<u>\$ 5,035</u>	<u>\$ 1,176,181</u>	<u>\$ (1,181,216)</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Due to others	\$ 5,035	\$ 1,176,181	\$ (1,181,216)	\$ -
Total liabilities	<u>\$ 5,035</u>	<u>\$ 1,176,181</u>	<u>\$ (1,181,216)</u>	<u>\$ -</u>
<b><u>Total Agency Funds</u></b>				
<b>ASSETS</b>				
Cash	\$ 2,036,822	\$ 98,447,304	\$ (98,492,238)	\$ 1,991,888
Taxes receivable	1,206,185	71,925,735	(72,402,892)	729,028
Total assets	<u>\$ 3,243,007</u>	<u>\$ 170,373,039</u>	<u>\$ (170,895,130)</u>	<u>\$ 2,720,916</u>
<b>LIABILITIES</b>				
Due to others	\$ 2,036,822	\$ 98,447,304	\$ (98,492,238)	\$ 1,991,888
Uncollected taxes	1,206,185	71,925,735	(72,402,892)	729,028
Total liabilities	<u>\$ 3,243,007</u>	<u>\$ 170,373,039</u>	<u>\$ (170,895,130)</u>	<u>\$ 2,720,916</u>

**COMPONENT UNIT – DEVELOPMENT AUTHORITY**

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# WALTON COUNTY, GEORGIA

## STATEMENT OF CASH FLOWS COMPONENT UNIT - DEVELOPMENT AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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### CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 302,000
Payments to suppliers	(271,960)
Payments to employees	<u>(132,931)</u>

Net cash used in operating activities (102,891)

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisitions of capital assets	(2,773)
Proceeds from sale of land	4,500,000
Payments on note payable	<u>(2,664,398)</u>
Net cash provided by capital and related financing activities	<u>1,832,829</u>

### CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	<u>403</u>
Net cash provided by investing activities	<u>403</u>

Net decrease in cash and cash equivalents 1,730,341

### Cash and cash equivalents:

Beginning of year	<u>45,233</u>
End of year	<u>\$ 1,775,574</u>

### Reconciliation of operating loss to net cash used in operating activities:

Operating loss	\$ (103,009)
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation	1,251
Change in assets and liabilities:	
Increase in accounts payable	601
Decrease in accrued liabilities	<u>(1,734)</u>
Net cash used in operating activities	<u>\$ (102,891)</u>

**COMPONENT UNIT – COMMISSION ON CHILDREN AND YOUTH**

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**WALTON COUNTY, GEORGIA**

**BALANCE SHEET  
COMPONENT UNIT - COMMISSION ON CHILDREN & YOUTH  
JUNE 30, 2016**

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<b>ASSETS</b>			
Cash		\$	68,769
Due from primary government			<u>12,824</u>
Total assets		\$	<u><u>81,593</u></u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts payable		\$	<u>2,016</u>
Total liabilities			<u>2,016</u>
<b>FUND BALANCE</b>			
Unassigned			<u>79,577</u>
Total liabilities and fund balance		\$	<u><u>81,593</u></u>

**WALTON COUNTY, GEORGIA**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
COMPONENT UNIT - COMMISSION ON CHILDREN & YOUTH  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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<b>Revenues</b>	
Intergovernmental	\$ 83,713
Charges for services	<u>13,739</u>
Total revenues	<u>97,452</u>
<b>Expenditures</b>	
Health and welfare	<u>112,968</u>
Total expenditures	<u>112,968</u>
Net change in fund balance	(15,516)
<b>Fund balance, beginning of year</b>	<u>95,093</u>
<b>Fund balance, end of year</b>	<u><u>\$ 79,577</u></u>

# STATISTICAL SECTION

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This part of Walton County's comprehensive annual financial report 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.

	<u>Page</u>
<b>Financial Trends .....</b>	<b>112-117</b>

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

<b>Revenue Capacity.....</b>	<b>118-123</b>
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**These schedules contain information to help the reader assess the government's most significant local revenue source, property tax.**

<b>Debt Capacity.....</b>	<b>124-128</b>
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**These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.**

<b>Demographic and Economic Information .....</b>	<b>129 and 130</b>
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**These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.**

<b>Operating Information.....</b>	<b>131-133</b>
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**These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.**



WALTON COUNTY, GEORGIA

NET POSITION BY COMPONENT  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental activities</b>										
Net investment in capital assets	\$ 89,275,978	\$ 90,713,448	\$ 89,664,056	\$ 85,913,569	\$ 90,801,446	\$ 94,687,494	\$ 102,657,027	\$ 100,876,698	\$ 99,896,126	\$ 93,583,836
Restricted	28,816,979	8,903,723	5,348,476	5,343,022	18,694,711	10,701,672	9,448,476	13,816,123	17,137,324	21,130,586
Unrestricted	553,044	22,727,375	24,365,511	25,598,720	11,893,449	22,952,221	21,822,655	23,118,507	20,061,348	18,569,998
Total governmental activities net position	\$ 118,646,001	\$ 122,344,546	\$ 119,378,043	\$ 116,855,311	\$ 121,389,606	\$ 128,341,387	\$ 133,928,158	\$ 137,811,328	\$ 137,094,798	\$ 133,284,420
<b>Business-type activities</b>										
Net investment in capital assets	\$ 28,786,737	\$ 23,584,893	\$ 24,915,940	\$ 33,376,233	\$ 35,965,437	\$ 40,400,413	\$ 43,139,230	\$ 46,026,963	\$ 50,670,584	\$ 80,963,684
Restricted	3,168,528	8,474,648	7,751,281	7,598,747	6,961,893	5,589,892	5,590,932	6,192,221	4,378,761	1,408,533
Unrestricted	6,537,085	8,149,911	8,633,228	28,352,560	28,959,419	28,766,415	27,386,469	30,236,244	35,667,949	9,982,189
Total business-type activities net position	\$ 38,492,350	\$ 40,209,452	\$ 41,300,449	\$ 69,327,540	\$ 71,886,749	\$ 74,756,720	\$ 76,116,631	\$ 82,455,428	\$ 90,717,294	\$ 92,354,406
<b>Primary government</b>										
Net investment in capital assets	\$ 118,062,715	\$ 114,298,341	\$ 114,579,996	\$ 119,289,802	\$ 126,766,883	\$ 135,087,907	\$ 145,796,257	\$ 146,903,661	\$ 150,566,710	\$ 174,547,520
Restricted	31,985,507	17,378,371	13,099,757	12,941,769	25,656,604	16,291,564	15,039,408	20,008,344	21,516,085	22,539,119
Unrestricted	7,090,129	30,877,286	32,998,739	53,951,280	40,852,868	51,718,636	49,209,124	53,354,751	55,729,297	28,552,187
Total primary government activities net position	\$ 157,138,351	\$ 162,553,998	\$ 160,678,492	\$ 186,182,851	\$ 193,276,355	\$ 203,098,107	\$ 210,044,789	\$ 220,266,756	\$ 227,812,092	\$ 225,638,826

Data Source: Audited Financial Statements

**WALTON COUNTY, GEORGIA**

**CHANGES IN NET POSITION  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>EXPENSES</b>										
Government activities:										
General Government	\$ 7,738	\$ 7,736	\$ 8,474	\$ 7,199	\$ 7,442	\$ 7,442	\$ 6,941	\$ 7,545	\$ 7,946	\$ 9,688
Judicial	4,354	4,541	4,937	4,904	5,148	4,790	4,908	5,104	5,495	5,855
Public Safety	19,065	19,477	20,739	21,439	21,703	21,080	21,166	22,042	23,346	27,716
Public Works	5,891	14,528	13,627	12,065	8,832 (1)	9,446	11,594	11,427	11,653	12,371
Health and Welfare	2,190	1,127	1,250	1,232	1,030	963	1,049	1,120	1,119	1,132
Housing & Development	2,445	2,294	1,508	1,454	1,438	1,331	1,289	1,340	1,428	1,610
Culture & Recreation	2,763	3,133	3,855	3,942	3,868	3,703	3,549	3,777	3,526	3,742
Interest on Long-Term Debt	1,358	2,390	1,989	1,922	1,320	1,201	611	430	406	375
Total government activities expenses	45,804	55,226	56,379	54,157	50,781	49,956	51,107	52,785	54,920	62,489
Business-type activities										
Water and Sewer	7,827	9,938	8,990	7,973	7,492	7,301	7,538	7,624	7,646	10,966
EMS	2,390	2,760	2,719	2,777	2,787	2,686	2,717	2,817	2,934	3,609
Solid Waste	1,042	1,092	1,103	1,145	1,157	1,157	1,059	1,149	1,147	1,171
Total business-type activities	11,259	13,790	12,812	11,895	11,436	11,144	11,314	11,590	11,727	15,746
Total primary government expenses	\$ 57,063	\$ 69,016	\$ 69,191	\$ 66,052	\$ 62,217	\$ 61,100	\$ 62,421	\$ 64,375	\$ 66,647	\$ 78,235
<b>PROGRAM REVENUES</b>										
Charges for services:										
General Government	\$ 2,065	\$ 2,183	\$ 2,547	\$ 2,538	\$ 2,600	\$ 2,539	\$ 2,778	\$ 2,437	\$ 2,228	\$ 2,373
Judicial	2,015	2,016	1,497	1,366	1,211	1,099	1,109	1,134	1,346	1,414
Public Safety	1,928	2,222	2,290	2,021	2,163	2,009	1,811	1,861	2,449	2,625
Public Works	14	4	476	1,031	1,134	1,160	1,340	1,202	541	545
Health and Welfare	189	-	-	63	81	57	109	143	153	133
Housing & Development	2,186	542	415	77	64	46	49	242	274	319
Culture & Recreation	340	603	704	872	856	891	857	638	596	600
Total charges for services:	8,737	7,570	7,929	7,968	8,109	7,801	8,053	7,657	7,586	8,009
Operating grants and contributions	1,391	527	774	698	649	961	1,671	1,842	2,057	2,389
Capital grants and contributions	5,592	1,124	18	1,060	288	122	241	80	167	93
Total governmental activities program revenues	15,720	9,221	8,721	9,726	9,046	8,884	9,965	9,579	9,810	10,491
Business type activities:										
Charges for services:										
Water	7,946	7,691	7,332	8,382	8,720	9,028	9,105	9,368	10,171	10,774
EMS	1,463	1,130	1,535	1,123	1,555	1,753	1,867	1,627	1,971	2,333
Solid Waste	505	504	435	606	567	619	591	694	766	927
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	3,735	489	-	899	894	901	902	4,351	5,331	998
Total business-type activities program revenues	13,649	9,814	9,302	11,010	11,736	12,301	12,465	16,040	18,240	15,032
Total primary government program revenues	\$ 29,369	\$ 19,035	\$ 18,023	\$ 20,736	\$ 20,782	\$ 21,185	\$ 22,429	\$ 25,619	\$ 28,050	\$ 25,523
Net (expenses)/revenue										
Governmental activities	\$ (30,084)	\$ (46,005)	\$ (47,658)	\$ (44,431)	\$ (41,735)	\$ (41,072)	\$ (41,143)	\$ (43,206)	\$ (45,109)	\$ (51,998)
Business-type activities	2,390	(3,976)	(3,510)	(885)	300	1,157	1,151	4,450	6,513	(714)
Total primary government net expense	\$ (27,694)	\$ (49,981)	\$ (51,168)	\$ (45,316)	\$ (41,435)	\$ (39,915)	\$ (39,992)	\$ (38,756)	\$ (38,596)	\$ (52,712)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Taxes										
Property taxes	\$ 24,818	\$ 28,255	\$ 28,063	\$ 30,445	\$ 30,432	\$ 30,347	\$ 28,854	\$ 29,879	\$ 29,931	\$ 30,476
Sales taxes	17,467	16,376	14,497	15,083	14,761	15,863	15,931	15,518	16,128	15,958
Insurance premium taxes	1,846	1,941	1,988	1,960	1,906	2,355	2,515	2,614	2,760	2,955
Other Taxes	1,755	1,484	1,257	812	833	854	856	906	930	1,017
Total taxes	45,886	48,056	45,805	48,300	47,932	49,419	48,157	48,917	49,748	50,406
Unrestricted grants and contributions	1,391	-	1,540	97	-	-	-	-	-	-
Other	-	-	-	261	245	245	-	-	-	-
Unrestricted investment earnings	2,797	3,519	1,076	-	68	47	54	45	43	67
Gain on sales of capital assets	-	-	-	78	-	-	-	-	42	-
Transfers	(1,461)	(2,598)	(3,730)	(6,828)	(1,976)	(1,688)	(1,446)	(1,873)	(1,895)	(2,285)
Total governmental activities	48,613	48,977	44,691	41,908	46,269	48,023	46,764	47,089	47,939	48,188
Business-type activities:										
Investment earnings	382	2,760	872	203	53	25	20	16	16	66
Other revenues	-	-	-	1,043	230	-	-	-	-	-
Transfers	1,461	2,598	3,730	6,828	1,976	1,688	1,446	1,873	1,895	2,285
Special Item - Capital Contributions	33,081	-	-	-	-	-	-	-	-	-
Total business-type activities	34,924	5,358	4,602	8,074	2,259	1,713	1,466	1,889	1,911	2,351
Total primary government	\$ 83,537	\$ 54,335	\$ 49,293	\$ 49,982	\$ 48,528	\$ 49,736	\$ 48,230	\$ 48,978	\$ 49,849	\$ 50,539
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ 18,529	\$ 2,972	\$ (2,967)	\$ (2,523)	\$ 4,534	\$ 6,951	\$ 5,622	\$ 3,883	\$ 2,829	\$ (3,810)
Business-type activities	37,314	1,382	1,092	7,189	2,559	2,870	2,617	6,339	8,424	1,637
Total primary government	\$ 55,843	\$ 4,354	\$ (1,875)	\$ 4,666	\$ 7,093	\$ 9,821	\$ 8,239	\$ 10,222	\$ 11,253	\$ (2,173)

Data Source: Audited Financial Statements

(1) Significant decline is related to a decrease in intergovernmental expenses related to the 2007 SPLOST Fund

WALTON COUNTY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 1,228,606	\$ 356,976	\$ 306,496	\$ 307,821	\$ 467,731	\$ 468,462
Restricted	-	-	-	-	-	-	39,900	-	-	-
Assigned	-	-	-	-	6,294,453	6,139,984	-	-	-	-
Unassigned	-	-	-	-	14,828,182	15,064,042	19,672,933	21,497,710	22,199,549	20,610,778
Reserved	93,983	203,423	161,057	239,843	-	-	-	-	-	-
Unreserved	17,599,673	20,126,127	21,305,694	22,824,783	-	-	-	-	-	-
Total general fund	\$ 17,693,656	\$ 20,329,550	\$ 21,466,751	\$ 23,064,626	\$ 22,351,241	\$ 21,561,002	\$ 20,019,329	\$ 21,805,531	\$ 22,667,280	\$ 21,079,240
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 21,932	\$ 238,506	\$ 231,535	\$ 233,046	\$ 239,240	\$ 252,531
Restricted	-	-	-	-	18,694,711	16,858,948	9,408,576	13,816,123	17,137,324	21,130,586
Committed	-	-	-	-	463,953	535,430	480,491	450,146	542,624	522,371
Unassigned (deficit)	-	-	-	-	-	-	-	(13,723)	(19,901)	(16,808)
Reserved	70,369,621	58,521,430	36,779,653	22,477,885	-	-	-	-	-	-
Unreserved, reported in :										
Special revenue funds	1,043,373	1,303,750	1,297,855	1,367,372	-	-	-	-	-	-
Debt service funds	-	-	-	(95,388)	-	-	-	-	-	-
Capital projects funds	-	-	-	(56,721)	-	-	-	-	-	-
Total all other governmental funds	\$ 71,412,994	\$ 59,825,180	\$ 38,077,508	\$ 23,693,148	\$ 19,180,596	\$ 17,632,884	\$ 10,120,602	\$ 14,485,592	\$ 17,899,287	\$ 21,888,680
Total reserved	\$ 70,463,604	\$ 58,724,853	\$ 36,940,710	\$ 22,717,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total unreserved	\$ 18,643,046	\$ 21,429,877	\$ 22,603,549	\$ 24,040,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total all funds	\$ 89,106,650	\$ 80,154,730	\$ 59,544,259	\$ 46,757,774	\$ 41,531,837	\$ 39,193,886	\$ 30,139,931	\$ 36,291,123	\$ 40,566,567	\$ 42,967,920

Data Source: Audited Financial Statements

Fund balance format changed in 2011 as a result of the provisions of GASB 54

**WALTON COUNTY, GEORGIA**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>REVENUES</b>										
Taxes	\$ 45,719,807	\$ 47,844,287	\$ 44,794,165	\$ 48,126,321	\$ 48,636,167	\$ 49,786,120	\$ 48,190,254	\$ 48,956,967	\$ 49,883,846	\$ 50,637,212
Licenses & permits	1,736,390	725,568	343,592	227,959	237,616	249,962	361,909	439,796	502,777	615,541
Intergovernmental	2,517,377	635,376	2,037,334	1,638,859	993,859	1,033,340	1,824,366	1,868,398	2,148,669	2,424,482
Charges for services	4,951,533	4,367,440	2,044,463	5,751,231	6,062,943	5,915,036	5,756,856	5,548,519	5,351,895	5,542,336
Fines and forfeitures	1,834,655	2,021,821	5,302,864	1,902,633	1,775,018	1,618,059	1,354,311	1,195,747	1,383,221	1,430,674
Interest	2,796,924	3,519,417	1,075,584	167,846	95,180	59,316	62,113	47,524	56,054	71,325
Contributions	417,588	17,602	181,474	103,423	82,547	46,886	23,148	111,118	57,947	54,090
Other	211,609	948,996	227,159	260,961	245,455	245,393	573,918	464,416	345,828	420,997
<b>Total Revenues</b>	<b>60,185,883</b>	<b>60,080,507</b>	<b>56,006,635</b>	<b>58,179,233</b>	<b>58,128,785</b>	<b>58,954,112</b>	<b>58,146,875</b>	<b>58,632,485</b>	<b>59,730,237</b>	<b>61,196,657</b>
<b>EXPENDITURES</b>										
General Government	6,624,164	6,809,149	7,396,882	6,613,667	6,833,387	6,727,572	6,590,075	6,906,399	7,303,325	8,683,195
Judicial	4,213,524	4,442,352	4,686,430	4,901,904	5,094,439	4,954,557	4,907,060	5,032,415	5,444,271	5,902,717
Public Safety	16,452,780	18,017,628	18,715,114	20,816,214	20,036,200	20,806,809	20,246,278	21,339,494	22,099,626	24,552,845
Public Works	3,848,879	7,753,064	8,074,423	7,695,131	6,691,128	7,044,565	6,313,838	8,120,222	7,275,237	7,519,824
Health and Welfare	1,384,163	1,125,504	1,244,884	1,224,269	1,065,791	1,024,319	973,626	977,954	976,387	989,426
Culture & Recreation	2,475,434	2,636,610	3,149,723	3,287,364	3,128,025	3,061,956	2,865,348	3,057,368	2,843,600	3,123,128
Housing & Development	1,737,745	2,421,540	1,413,834	1,460,143	1,420,065	1,353,850	1,294,540	1,379,526	1,402,038	1,622,753
Intergovernmental	1,332,099	4,454,747	3,402,578	3,234,696	1,247,970	2,480,625	4,511,216	3,501,794	3,263,626	3,269,330
Capital outlay	7,826,655	11,743,598	13,563,745	2,937,784	2,454,870	3,704,550	2,651,787	351,512	1,844,133	595,845
Principal on long term debt	4,623,463	4,463,182	8,441,887	9,944,065	11,513,229	12,517,879	14,319,050	508,562	661,904	646,888
Interest	347,194	2,737,582	2,797,766	2,469,790	1,893,967	1,664,342	1,093,327	423,780	409,550	377,115
Issuance Costs	582,941	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>51,449,041</b>	<b>66,604,956</b>	<b>72,887,266</b>	<b>64,585,027</b>	<b>61,379,071</b>	<b>65,341,024</b>	<b>65,766,145</b>	<b>51,599,026</b>	<b>53,523,697</b>	<b>57,283,066</b>
Excess (deficiency) of revenues over (under) expenditures	8,736,842	(6,524,449)	(16,880,631)	(6,405,794)	(3,250,286)	(6,386,912)	(7,619,270)	7,033,459	6,206,540	3,913,591
<b>OTHER FINANCING SOURCES (USES)</b>										
Bond debt issued	58,915,000	-	-	-	-	-	-	-	-	-
Premium on bond debt	2,367,366	-	-	-	-	-	-	-	-	-
Proceeds from capital leases	-	-	-	360,412	-	5,680,069	-	970,442	-	810,385
Proceeds from sale of capital assets	85,887	-	-	87,308	-	56,933	11,585	20,877	49,801	27,204
Transfers in	2,424,080	1,599,601	1,250,249	2,951,097	5,021,031	5,467,118	6,794,571	1,158,250	3,478,292	1,708,815
Transfers out	(3,885,316)	(4,197,432)	(4,980,089)	(9,779,508)	(6,996,682)	(7,155,159)	(8,240,841)	(3,031,836)	(5,459,189)	(4,058,642)
<b>Total other financing sources (uses)</b>	<b>59,907,017</b>	<b>(2,597,831)</b>	<b>(3,729,840)</b>	<b>(6,380,691)</b>	<b>(1,975,651)</b>	<b>4,048,961</b>	<b>(1,434,685)</b>	<b>(882,267)</b>	<b>(1,931,096)</b>	<b>(1,512,238)</b>
<b>Net change in fund balance</b>	<b>\$ 68,643,859</b>	<b>\$ (9,122,280)</b>	<b>\$ (20,610,471)</b>	<b>\$ (12,786,485)</b>	<b>\$ (5,225,937)</b>	<b>\$ (2,337,951)</b>	<b>\$ (9,053,955)</b>	<b>\$ 6,151,192</b>	<b>\$ 4,275,444</b>	<b>\$ 2,401,353</b>
Debt service as a percentage of noncapital expenditures	13.06%	15.11%	23.38%	25.21%	23.04%	23.90%	25.01%	1.93%	2.13%	1.89%

Data Source: Audited Financial Statements

# WALTON COUNTY, GEORGIA

## GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE Last Ten Fiscal Years (modified accrual basis of accounting) (amounts expressed in thousands)

Fiscal Year	Property Tax	Sales Tax (1)	Franchise Tax	Alcoholic Beverage Tax	Insurance Premium Tax	Real Estate Transfer Tax	Other Tax	Total
2016	\$ 30,097	\$ 15,958	\$ 483	\$ 255	\$ 2,955	\$ 611	\$ 278	\$ 50,637
2015	29,584	16,128	435	234	2,760	482	260	49,884
2014	29,485	15,518	406	220	2,614	434	280	48,957
2013	28,342	15,931	379	213	2,515	545	264	48,189
2012	30,333	15,863	346	218	2,355	381	290	49,786
2011	30,475	15,098	328	226	1,906	324	279	48,636
2010	29,950	15,034	315	234	1,960	370	263	48,126
2009	27,340	14,209	295	238	1,988	467	257	44,794
2008	28,255	16,376	268	218	1,941	715	71	47,844
2007	24,818	17,467	227	211	1,846	1,034	117	45,720

Source: Tax Commissioner

(1) Includes 1% Special Local Option Sales Tax

# WALTON COUNTY, GEORGIA

## GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Last Ten Fiscal Years

(modified accrual basis of accounting)  
(amounts expressed in thousands)

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Health and Welfare	Culture and Recreation	Housing and Development	Debt Service	Other (1)	Total
2016	\$ 8,683	\$ 5,903	\$ 24,553	\$ 7,520	\$ 989	\$ 3,123	\$ 1,623	\$ 1,024	\$ 3,865	\$ 57,283
2015	7,303	5,444	22,100	7,275	976	2,844	1,402	1,071	5,108	53,524
2014	6,906	5,033	21,340	8,120	978	3,057	1,380	932	3,853	51,599
2013	6,590	4,907	20,246	6,314	974	2,865	1,295	15,412	7,163	65,766
2012	6,728	4,955	20,807	7,045	1,024	3,062	1,354	14,182	6,184	65,341
2011	6,833	5,094	20,036	6,691	1,066	3,128	1,420	13,407	3,704	61,379
2010	6,614	4,902	20,816	7,695	1,224	3,287	1,460	12,414	6,173	64,585
2009	7,397	4,686	18,715	8,074	1,245	3,150	1,414	11,240	16,967	72,888
2008	6,809	4,442	18,018	7,753	1,126	2,637	2,422	7,201	16,199	66,607
2007	6,624	4,214	16,453	3,849	1,384	2,475	1,738	5,553	9,159	51,449

Source: Finance Department

(1) - Includes intergovernmental expenditures and capital outlay

**WALTON COUNTY, GEORGIA**

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

Fiscal Year	Tax Year	Real Property			Personal Property			Less Exemptions:			Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value		
		Residential Property	Agricultural Property (1)	Commercial & Industrial Property	Inventories & Equipment	Motor Vehicles	Mobile Homes	Other (2)	Real Property	Personal Property				Total Taxable Assessed Value	
2016	2015	\$ 1,592,942	\$ 175,833	\$ 288,304	\$ 84,904	\$ 279,356	\$ 146,490	\$ 8,738	\$ 4,038	\$ 183,979	\$ 67,325	\$ 2,329,301	11.855	\$ 5,823,252	40.00%
2015	2014	1,436,751	156,171	295,228	83,410	281,473	190,777	8,524	4,201	149,490	70,898	2,236,147	12.280	5,590,366	40.00%
2014	2013	1,372,897	157,857	278,063	84,494	246,170	227,029	10,169	3,847	151,180	64,560	2,164,786	12.410	5,411,965	40.00%
2013	2012	1,381,176	157,739	324,373	83,515	232,162	216,600	10,243	4,407	152,985	51,102	2,206,127	12.410	5,515,317	40.00%
2012	2011	1,583,810	261,062	325,583	81,366	223,263	217,337	10,592	3,924	236,455	37,834	2,432,647	12.175	6,081,618	40.00%
2011	2010	1,808,305	303,668	345,840	83,515	210,292	221,024	10,592	3,908	311,502	22,490	2,653,152	11.032	6,632,880	40.00%
2010	2009	1,863,686	303,587	343,052	74,120	218,176	251,611	11,991	4,940	308,471	20,497	2,742,195	10.882	6,855,488	40.00%
2009	2008	2,074,423	336,236	340,304	70,214	233,542	243,221	11,876	4,839	410,139	24,246	2,880,270	10.055	7,200,675	40.00%
2008	2007	1,990,790	333,143	315,531	69,626	184,530	229,630	11,923	4,677	407,648	25,311	2,706,891	10.064	6,767,228	40.00%
2007	2006	1,765,565	305,189	295,482	64,936	180,082	206,398	12,672	4,638	340,191	26,335	2,468,436	10.064	6,171,090	40.00%

Source: Tax Assessor

(1) Includes Conservation Use, Preferential Property and Forest Land.

(2) Includes Timber, Airplanes, Boats, RV's, etc.

# WALTON COUNTY, GEORGIA

## PROPERTY TAX RATES (DIRECT AND OVERLAPPING GOVERNMENTS)

Last Ten Fiscal Years

(Mills - rate per \$1,000 of taxable assessed value)

Fiscal Year	Operating Millage	School District			State	Total Direct & Overlapping Rates
		Operating Millage	Debt Service Millage	Total School Millage		
<b>2016</b>	11.855	19.250	3.350	22.600	0.050	34.505
<b>2015</b>	12.280	19.502	3.500	23.002	0.100	35.382
<b>2014</b>	12.410	19.802	3.700	23.502	0.150	36.062
<b>2013</b>	12.410	19.300	3.500	22.800	0.200	35.410
<b>2012</b>	12.175	19.600	2.200	21.800	0.250	34.225
<b>2011</b>	11.032	18.600	2.200	20.800	0.250	32.082
<b>2010</b>	10.882	18.250	2.200	20.450	0.250	31.582
<b>2009</b>	10.055	17.490	2.450	19.940	0.250	30.245
<b>2008</b>	10.064	17.240	2.700	19.940	0.250	30.254
<b>2007</b>	10.064	17.240	2.700	19.940	0.250	30.254

Source: Tax Commissioner

Overlapping rates are those of local and county governments that apply to property owners within the County.

Not all potential overlapping rates apply to all County property owners (e.g., the rates for special districts apply only proportion of the government's property owners whose property is located within the geographic boundaries of the special district). The County only has one direct rate for operating millage. As such, there are no components to disclose.



**WALTON COUNTY, GEORGIA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND FIVE YEARS AGO**  
**June 30, 2016**  
**(amounts expressed in thousands)**

Item	Taxpayer	2016		2011			
		Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
1	Wal-Mart Stores East LP	\$37,501	1	1.61%	\$5,484	8	0.21%
2	Walton EMC	30,246	2	1.30%			
3	Walton County Power LLC	16,299	3	0.70%	24,709	1	0.93%
4	Monroe HMA, Inc.	14,848	4	0.64%	5,798	7	0.22%
5	Transcontinental Pipeline	14,627	5	0.63%			
6	MPC Generating LLC	13,618	6	0.58%	20,767	2	0.78%
7	Georgia Power Company	13,408	7	0.58%			
8	Hitachi Automotive Systems	13,060	8	0.56%			
9	Doyle I LLC	11,857	9	0.51%			
10	Georgia Transmission Corp	11,137	10	0.48%			
11	Wal-Mart Real Estate				9,744	3	0.44%
12	L & P Materials MFG, Inc.				7,975	4	0.30%
13	Pike Electric, INC				7,271	5	0.27%
14	Murray E. Kenneth, Sr.				6,284	6	0.24%
15	Georgia General				5,145	9	0.19%
16	Unisia of Georgia Corp.				3,600	10	0.14%
Totals		<u>\$176,601</u>		<u>7.58%</u>	<u>\$96,777</u>		<u>3.72%</u>

Source: Tax Commissioner

Note: Information prior to 2011 was not available from the Tax Commissioner or the Tax Assessor, therefore 2011 was used.

# WALTON COUNTY, GEORGIA

## PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Fiscal Years (amounts expressed in thousands)

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Fiscal Year	Total Levy	Collected within Fiscal year of the Levy		Collections in Subsequent Years	Total Tax Collections	% of Total Levy Collected	Outstanding Delinquent Taxes
		Amount	Percentage of Original Levy				
<b>2016</b>	\$ 25,244	\$ 25,031	99.16%	\$ -	\$ 25,031	99.16%	\$ 213
<b>2015</b>	24,565	24,275	98.82	251	24,526	99.84	40
<b>2014</b>	23,649	23,271	98.40	356	23,627	99.91	21
<b>2013</b>	23,865	23,434	98.19	400	23,834	99.87	31
<b>2012</b>	26,094	25,392	97.31	675	26,067	99.90	27
<b>2011</b>	26,279	25,367	96.53	891	26,258	99.92	21
<b>2010</b>	26,450	25,318	95.72	1,119	26,437	99.95	13
<b>2009</b>	26,021	24,736	95.06	1,266	26,002	99.93	19
<b>2008</b>	24,447	23,728	97.06	697	24,425	99.91	22
<b>2007</b>	22,201	21,921	98.74	279	22,200	100.00	1

Source: Tax Commissioner

# WALTON COUNTY, GEORGIA

## SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS

Last Ten Fiscal Years

(amounts expressed in thousands)

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<b>Fiscal Year</b>	<b>Special Assessment Billings</b>	<b>Special Assessments Collected</b>	<b>Collected as Percentage of Billings</b>
2016	\$ 493	\$ 491	99.59%
2015	488	487	99.80
2014	531	531	100.00
2013	488	482	98.77
2012	506	491	97.04
2011	539	539	100.00
2010	498	495	99.40
2009	495	462	93.33
2008	437	437	100.00
2007	415	413	99.52

Source: Tax Commissioner

# WALTON COUNTY, GEORGIA

## TOP 10 WATER CUSTOMERS CURRENT YEAR AND NINE YEARS AGO

Customer	2016				2007			
	Usage in Kgallons	Annual Revenue	Rank	Percentage of Total Revenue	Usage in Kgallons	Annual Revenue	Rank	Percentage of Total Revenue
City of Loganville	352,520,000	\$ 923,524	1	10.38%	22,340,000	\$ 43,563	1	2.41%
Walton County BOE	15,338,000	144,458	2	1.62%				
City of Social Circle	13,625,000	35,698	3	0.40%				
Youth Mobile Home Park	7,823,000	72,885	4	0.82%				
Jackson Mobile Home Park	3,428,000	32,026	5	0.36%				
Simmeron Mobile Home Park (1)	3,234,000	60,385	6	0.68%				
Arcovia Properties, Inc.	3,211,000	28,824	7	0.32%				
Summers Landing	1,567,000	14,799	8	0.17%	1,974,000	12,187	3	0.67%
Walton County Board of Commissioners	1,082,000	18,516	9	0.21%				
Summit BHC Monroe, LLC	390,000	4,434	10	0.05%				
Bold Springs Nursery					10,181,000	62,919	2	3.47%
Roosevelt Builders					625,000	5,430	4	0.30%
Brian Hickie					577,000	5,377	5	0.30%
Forever Green Lawncare					551,000	3,295	6	0.18%
Georgia Scapes & Irrigation Inc.					496,000	2,984	7	0.16%
Mary Loggins					469,000	3,774	8	0.21%
John Howell					375,000	2,873	9	0.16%
Brian Maclaurin					343,000	3,061	10	0.17%
<b>Total</b>	<b>402,218,000</b>	<b>1,335,549</b>		<b>15.01%</b>	<b>37,931,000</b>	<b>145,463</b>		<b>8.03%</b>
<b>All Others</b>	<b>872,375,000</b>	<b>7,562,125</b>		<b>84.99%</b>	<b>271,156,000</b>	<b>1,665,843</b>		<b>91.97%</b>
<b>Annual Totals</b>	<b>1,274,593,000</b>	<b>\$ 8,897,674</b>		<b>100.00%</b>	<b>1,100,873,000</b>	<b>\$ 1,811,306</b>		<b>100.00%</b>

Source: Water Department

(1) Includes Sewage Fees

# WALTON COUNTY, GEORGIA

## RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

(amounts expressed in thousands, except per capita amounts)

Fiscal Year	Governmental Activities				Direct Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Capital Leases	Installment Sales	Intergovernmental Contracts	Water Revenue Bonds	Water Capital Leases and GEFA Notes	Water Notes Payable	Water Intergovernmental Contracts			
2016	\$ -	\$ 6,416	\$ -	\$ 1,495	\$ 76,238	\$ 27,854	\$ -	\$ -	\$ 112,003	4.93%	\$ 1,253
2015	-	6,008	-	1,740	79,129	26,464	-	-	113,341	5.54	1,304
2014	-	6,429	-	1,981	82,454	12,008	-	-	102,872	5.33	1,228
2013	-	5,728	-	2,220	83,814	1,012	-	-	92,774	4.74	1,086
2012	13,915	5,896	-	2,456	83,945	-	-	-	106,212	5.68	1,268
2011	26,165	288	-	2,652	80,420	-	-	5,907	115,432	6.03	1,365
2010	37,415	360	-	2,843	78,345	403	2,922	6,279	128,567	6.78	1,535
2009	46,915	-	253	3,034	78,950	477	3,327	6,639	139,595	5.17	1,599
2008	54,915	-	506	3,223	79,530	547	3,695	6,753	149,169	5.61	1,739
2007	58,915	25	759	3,239	19,560	614	7,584	6,861	97,557	3.84	1,172

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.

# WALTON COUNTY, GEORGIA

## RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years (amounts expressed in thousands)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2016	\$ -	\$ -	\$ -	0.00%	\$ -
2015	-	-	-	0.00	-
2014	-	-	-	0.00	-
2013	-	-	-	0.00	-
2012	13,915	5,610	8,305	0.14	99
2011	26,165	5,225	20,940	0.32	248
2010	37,415	5,343	32,072	0.47	383
2009	46,915	5,348	41,567	0.58	476
2008	54,915	6,462	48,453	0.72	565
2007	58,915	3,600	55,315	0.90	665

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

# WALTON COUNTY, GEORGIA

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT as of June 30, 2016 (amounts expressed in thousands)

Jurisdiction	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct:			
Capital Leases	\$ 6,416	100%	\$ 6,416
Intergovernmental Contracts	1,495	100%	1,495
Total direct debt	<u>7,911</u>		<u>7,911</u>
Overlapping:			
Walton County School District:			
General Obligation Bonds (1)	<u>49,085</u>	100%	<u>49,085</u>
Total Direct and Overlapping	<u>\$ 56,996</u>		<u>\$ 56,996</u>

Sources: Assess value data used to estimate applicable percentages provided by the State Department of Revenue. Debt outstanding provided by the Walton County School District.

(1) General obligation bonds are general obligations of the issuer to which its full faith and credit and taxing powers are pledged.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the county. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

# WALTON COUNTY, GEORGIA

## LEGAL DEBT MARGIN INFORMATION Last Ten Fiscal Years (amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed Valuations: (1)										
Assessed Value	\$ 2,834,962	\$ 3,139,850	\$ 3,314,655	\$ 3,071,163	\$ 2,987,144	\$ 2,706,936	\$ 2,410,214	\$ 2,380,526	\$ 2,456,534	\$ 2,580,605
Debt limit (10% of total assessed value)	283,496	313,985	331,466	307,116	288,714	270,694	241,021	238,053	245,653	258,061
Amount of Debt applicable to limit:										
General obligation bonds	58,915	54,915	46,915	37,415	26,165	13,915	-	-	-	-
Less: Amount set aside for repayment of general obligation debt	(3,600)	(6,462)	(5,348)	(5,343)	(4,538)	(4,799)	-	-	-	-
Total net debt applicable to limit	55,315	48,453	41,567	32,072	21,627	9,116	-	-	-	-
Legal debt margin	\$ 228,181	\$ 265,532	\$ 289,899	\$ 275,044	\$ 277,087	\$ 261,578	\$ 241,021	\$ 238,053	\$ 245,653	\$ 258,061
Total net debt applicable to the limit as a percentage of debt limit	19.51%	15.43%	12.54%	10.44%	7.24%	3.37%	0.00%	0.00%	0.00%	0.00%

Source: (1) Tax Assessor



# WALTON COUNTY, GEORGIA

## PLEDGED-REVENUE COVERAGE Last Ten Fiscal Years (amounts expressed in thousands)

Fiscal Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
<b>2016</b>	\$ 10,840	\$ 5,288	\$ 5,552	\$ 3,265	\$ 2,597	0.95
<b>2015</b>	10,187	4,940	5,247	3,230	3,370	0.80
<b>2014</b>	9,563	4,786	4,777	1,870	3,495	0.89
<b>2013</b>	9,124	4,724	4,400	1,635	3,619	0.84
<b>2012</b>	9,052	4,605	4,447	1,250	3,547	0.93
<b>2011</b>	8,773	4,187	4,586	1,250	3,660	0.93
<b>2010</b>	8,382	4,618	3,764	605	3,798	0.85
<b>2009</b>	7,332	5,042	2,290	580	3,592	0.55
<b>2008</b>	7,691	5,507	2,184	555	927	1.47
<b>2007</b>	7,946	4,705	3,241	653	1,183	1.77

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

(1) Include operating revenues plus interest income.

(2) Total operating expenses exclusive of depreciation.

# WALTON COUNTY, GEORGIA

## DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Fiscal Years

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Fiscal Year	Population (2)	Personal Income (000's omitted)	Per Capita Personal Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (1)
<b>2016</b>	89,399	\$ 2,273,774	\$ 25,434	39.1	14,076	5.0%
<b>2015</b>	86,886	2,044,167	23,527	38.0	13,908	5.7%
<b>2014</b>	83,771	1,931,843	23,061	37.4	13,694	6.9%
<b>2013</b>	85,390	1,958,249	22,933	37.0	13,656	8.6%
<b>2012</b>	83,768	1,869,199	22,314	37.3	13,210	9.9%
<b>2011</b>	84,580	1,914,637	22,637	35.2	14,966	10.1%
<b>2010</b>	83,758	1,894,941	22,624	37.4	14,836	10.3%
<b>2009</b>	87,311	2,702,014	30,947	36.7	14,642	10.2%
<b>2008</b>	85,782	2,661,129	31,022	34.6	14,530	6.5%
<b>2007</b>	83,241	2,539,017	30,502	34.5	13,891	4.7%

Data Sources

(1) Census Reporter

(2) Georgia Department of Labor

(3) Walton County Department of Education

Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

# WALTON COUNTY, GEORGIA

## PRINCIPAL EMPLOYERS Current Year and Nine Years Ago

Employer	2016			2007		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Walton County Board of Education	1,971	1	4.79%	2,374	1	6.06%
Hitachi Automotive Systems Americas, Inc.	900	2	2.19%			
Wal-Mart Supply Chain	780	3	1.90%	950	2	2.42%
Walton County Government	777	4	1.89%	517	3	1.32%
Clearview Regional Medical Center	410	5	1.00%	355	5	0.91%
Leggett & Platt, Inc.	320	6	0.78%	300	6	0.77%
Wal-Mart Store - Monroe	320	7	0.78%			
Standridge Color Corporation	300	8	0.73%	380	4	0.97%
Wal-Mart Store - Loganville	270	9	0.66%			
Tucker Door & Trim	240	10	0.58%	138	9	0.35%
Goodyear Tire and Rubber				237	7	0.60%
Base Manufacturing				125	10	0.32%
Certain Teed Corporation				178	8	0.45%
Total	<u>6,288</u>		<u>15.30%</u>	<u>5,554</u>		<u>14.17%</u>

Source: Walton County Chamber of Commerce.

# WALTON COUNTY, GEORGIA

## FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Fiscal Years

Function	Full-Time Equivalent Employees as of Fiscal Year End									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government	191	192	155	147	148	141	138	139	132	139
Public Safety										
Sheriffs Office										
Deputies (1)	155	164	160	151	155	156	154	155	151	151
Civilians	24	23	23	20	20	20	20	20	19	18
Total Sheriffs Office	179	187	183	171	175	176	174	175	170	169
Fire										
Firefighters and Officers	84	82	50	49	51	52	50	51	50	50
Civilians	2	2	1	1	1	1	1	1	1	1
Total Fire	86	84	51	50	52	53	51	52	51	51
EMS, E911 & Animal Control	82	83	59	48	56	56	57	58	56	58
Total Public Safety	347	354	293	269	283	285	282	285	277	278
Public Works										
Supervision and Administration	16	15	17	16	15	15	17	16	16	16
Maintenance	42	44	33	36	33	35	37	36	33	37
Total Public Works	58	59	50	52	48	50	54	52	49	53
Recycling	7	7	9	9	9	9	10	10	10	10
Culture and Recreation	28	28	24	24	24	25	26	25	24	26
Water	27	27	23	22	23	25	28	26	29	28
Total	658	667	554	523	535	535	538	537	521	534

Source: Human Resources Department  
(1) Deputies field includes Detention Officers

# WALTON COUNTY, GEORGIA

## OPERATING INDICATORS BY FUNCTION Last Ten Fiscal Years

Function	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Sheriff										
Physical Arrests (1)	3,512	3,904	3,715	4,756	4,896	5,172	5,964	5,628	5,415	5,412
Traffic Violations (2)	5,735	6,215	8,282	11,263	12,894	12,550	14,382	14,468	7,428	6,524
Fire										
Number of Calls Answered	5,000	4,500	4,200	4,200	4,000	3,100	3,112	3,067	2,935	2,993
Pre- Fire Plans	108	108	106	106	103	103	103	103	103	103
Highways and Streets										
Street Resurfacing (miles)	31.00	31.15	22.45	28.43	29.70	40.84	52.00	27.60	59.81	37.50
Potholes Repaired	189	185	131	104	50	37	115	45	43	131
Sanitation										
Refuse Collected (tons/year)	3,941	3,620	3,702	3,337	3,598	3,588	3,262	3,234	3,369	3,037
Recyclables Collected (tons/year)	838	1,183	713	730	730	830	1,136	649	1,020	1,045
Culture and Recreation										
Athletic Facility Permits Issued	66	79	81	38	42	71	43	41	28	26
Park Facility Permits Issued	254	205	257	326	193	151	151	125	94	71
Community Center Memberships (3)	2,900	2,863	2,719	3,491	3,257	3,000	1,500	1,000	500	N/A
Water										
New Connections	215	178	189	149	42	41	47	110	258	660
Water Mains Breaks	31	32	20	22	20	11	7	12	5	7

Source: County Departments

(1) Information is Calendar Year as reported to the Governor's Office of Highway Safety. 2016 is year-to-date thru October 5, 2016.

(2) Information is Calendar Year as reported to the Governor's Office of Highway Safety. 2016 is year-to-date thru August 2016.

(3) Family Memberships (each consist of 1 or more individuals) = 863. Senior Memberships (life-time memberships) = 2,000.

# WALTON COUNTY, GEORGIA

## CAPITAL ASSET STATISTICS BY FUNCTION Last Ten Fiscal Years

Function	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Public Safety										
Sheriffs Office										
Stations	3	3	2	2	2	2	2	2	2	2
Vehicles	150	150	138	134	129	126	129	120	131	115
Fire										
Stations	12	12	11	11	11	11	11	11	11	11
Vehicles	42	42	41	37	36	36	37	36	36	36
Highways and Streets										
Streets (miles)	709	709	709	709	709	744	744	744	744	744
Streetlights (1)	3,231	3,231	3,231	3,219	3,234	3,312	3,334	3,330	3,058	2,803
Equipment	53	48	46	49	46	50	51	51	51	51
Vehicles	45	44	42	43	43	44	48	48	48	48
Recycling										
Vehicles	3	3	3	3	3	3	3	3	3	3
Equipment	68	68	68	68	68	63	63	63	63	63
Solid Waste										
Vehicles	6	4	5	4	4	5	4	4	4	4
Equipment	9	9	9	23	15	15	15	15	13	12
Culture and Recreation										
Parks Acreage - County Owned	267.70	267.70	267.70	276.70	276.70	273.70	273.70	273.70	236.70	221.70
Parks - County Owned	11	11	11	11	11	11	11	11	10	8
Parks Acreage - County Maintained	380.40	380.40	380.40	380.40	380.40	87.70	87.70	87.70	87.70	87.70
Parks - County Maintained	17	17	17	17	17	6	6	6	6	6
Community Centers	3	3	3	3	3	3	3	3	3	1
Water & Sewer										
Water Mains (miles)	530	530	527	526	526	526	512	500	475	450
Fire Hydrants	2,796	2,791	2,777	2,776	2,776	2,776	2,703	2,640	2,508	2,376
Maximum Daily Capacity (thousands of gallons)	10,750	10,750	10,750	10,750	10,750	10,750	10,750	9,000	8,750	8,750

Source: County Departments  
(1) Walton EMC  
N/A - Information not available