

PUTNAM COUNTY, FLORIDA

AUDIT REPORT

SEPTEMBER 30, 2016

BOARD OF COUNTY COMMISSIONERS

Bill Pickens	District No. 1
Chip Laibl	District No. 2
Vacant	District No. 3
Larry Harvey	District No. 4
Buddy Goddard	District No. 5

CLERK OF THE CIRCUIT COURT

Tim Smith

SHERIFF

H.D. "Gator" DeLoach, III

PROPERTY APPRAISER

Tim Parker

TAX COLLECTOR

Linda Myers

SUPERVISOR OF ELECTIONS

Charles L. Overturf III

INDEPENDENT AUDITOR'S REPORT	i
MANAGEMENT'S DISCUSSION AND ANALYSIS	v
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	1
Statement of Activities.....	2
Governmental Fund Financial Statements:	
Balance Sheet.....	3
Reconciliation of the Balance Sheet to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances.....	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	6
Proprietary Fund Statements:	
Statement of Net Position	7
Statement of Revenues, Expenses and Changes in Fund Net Position	8
Statement of Cash Flows	9
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	11
Notes to Financial Statements	12
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	54
Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	55

Other Postemployment Benefits:

Schedule of Funding Progress57

Schedule of Employer Contributions57

Schedules of Proportionate Share of Net Pension Liability.....58

Schedules of Employer Contributions59

SUPPLEMENTARY INFORMATION:

Combining Balance Sheet – Board and Officer General Funds.....62

Combining Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual – Board and Officer General
Funds.....64

Nonmajor Governmental Funds69

Combining Balance Sheet – Nonmajor Governmental Funds72

Combining Statement of Revenues, Expenditures and Changes in
Fund Balances – Nonmajor Governmental Funds.....79

Schedules of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual:

County Transportation Trust Fund.....86

Fishing Improvement Fund87

Fire Taxing Unit Fund88

Law Enforcement Trust Fund89

Law Enforcement Education Fund.....90

Court Improvement Fund.....91

Drivers Education Fund92

Article V Fund93

Court Technology Fund94

Crime Prevention Fund.....95

E911 System Fund96

Tourist Development Fund97

Communication Improvement Fund.....98

Economic Development Fund.....99

	Page
Miscellaneous Grants Fund	100
Community Development Block Grant Fund	101
Interlachen Lakes Estates Fund	102
West Putnam Municipal Services Benefit Unit Fund	103
Local Housing Assistance Fund	104
MSBU Fund	105
Sewage Utilities Fund	106
Water Utilities Fund	107
Commissary Fund.....	108
Federal Forfeiture Fund.....	109
Records Modernization Fund.....	110
Article V Records Modernization Fund	111
Court Fund.....	112
Supervisor of Elections Grants Fund	113
County Jail Fund.....	114
MSBU Loan Fund	115
Road Projects Fund.....	116
Better Place Plan Fund.....	117
Capital Projects Fund	118
Schedule of Net Position by Department – East Putnam Water Fund	120
Schedule of Revenues, Expenses & Changes in Fund Net Position by Department - East Putnam Water Fund	121
Internal Service Funds.....	122
Combining Statement of Net Position – Internal Service Funds.....	123
Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Internal Service Funds	124
Combining Statement of Cash Flows – Internal Service Funds	125
Fiduciary Funds	126
Combining Statement of Fiduciary Net Position – Agency Funds	127

Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	128
Discretely Presented Component Unit – Putnam County Development Authority.....	129
Statement of Net Position – Putnam County Development Authority	130
Statement of Revenues, Expenses and Changes in Fund Net Position – Putnam County Development Authority.....	131
Statement of Cash Flows – Putnam County Development Authority.....	132
Schedule of Expenditures of Federal Awards and State Financial Assistance	133
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	136
ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL:	
Management Letter.....	137
Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes.....	139
Independent Accountant's Report on Compliance with Sections 365.172(10), and 365.173(2)(d), Florida Statutes.....	140
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	141
Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General	143
Schedule of Findings and Questioned Costs.....	145
Audit Findings-Follow Up:	
Summary Schedule of Prior Audit Findings (Relative to Federal Programs and State Projects)	148
Corrective Action Plan (Relative to Current Findings).....	- -

INDEPENDENT AUDITOR'S REPORT

The Honorable County Commissioners
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the County as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents 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 information listed in the table of contents as "supplementary information", including the Schedule of Expenditures of Federal Awards and State Financial Assistance, which is required by the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2017 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.

Carly Riggs & Ingram, L.L.C.

Palatka, Florida
April 7, 2017

This Page Intentionally Left Blank

PUTNAM COUNTY, FLORIDA
Management's Discussion and Analysis
September 30, 2016

The County's discussion and analysis is designed to provide an objective and easy to read analysis of the County's financial activities for the fiscal year ended September 30, 2016. It is intended to provide a broad overview using a short-term and long-term analysis of the County's activities based on information in the financial report and fiscal policies that have been adopted by the Board of County Commissioners. Please read it in conjunction with the Letter of Transmittal and the County's financial statements. *All amounts, unless otherwise indicated, are expressed in thousands of dollars.*

Financial Highlights

Government-wide Statements

- Putnam County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2016 by \$150,444 (*net position*). Of this amount, \$(17,332) represents a deficit unrestricted net position.
- Total net position is comprised of the following:
 - 1) \$(17,332) deficit unrestricted net position which is primarily due to the County's long-term liabilities and related deferrals for employees which totaled \$32,845 at September 30, 2016. This total is made up of the following: OPEB liability \$3,359, compensated absences liability \$2,206, net pension liability of \$42,532, deferred inflows of resources of \$9,050, and deferred outflows of \$24,302.
 - 2) Net Investment in Capital Assets of \$148,257, includes property, equipment, intangibles and infrastructure, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets, including amounts owed contractors for work completed through September 30, 2016.
 - 3) Net position of \$19,519 is restricted by constraints imposed from outside of the County such as debt covenants, grantors, laws, or regulations.
- The County's total net position increased \$3,558 from the previous year with a decrease of \$595 in governmental activities and an increase of \$4,153 from business activities.

Fund Statements

- At September 30, 2016, the County's governmental funds reported combined ending fund balances of \$29,069, a decrease of \$1,442 in comparison with the prior fiscal year. A detail of the components of ending fund balance follow in the Financial Analysis section on governmental funds.
- Governmental fund assets were \$34,013 at year end which is mostly made up of cash and equivalents of \$29,274 and \$2,425 balances due from other governments.
- Liabilities in the governmental funds totaled \$3,485 at year-end with most of the balance in accounts payable and accrued liabilities of \$2,646 and \$403 due to other governments. The governmental funds also have a \$1,458 balance of deferred inflows from receivables which are not available in the current period and therefore not recognized as revenue.
- Governmental Fund revenues increased \$104 or 0.2% from the prior year. All categories of revenue decreased from the previous year except for Taxes, Licenses and Permits, and Charges for Services which increased by \$1,563, \$7, and \$98 respectively. Revenue decreases were as follows: Intergovernmental Revenue, \$1,369; Fines and Forfeitures, \$73; Special Assessments, \$12; and Miscellaneous, \$110.
- Governmental Fund expenditures increased \$2,140 or 2.6% from the prior year. Most of the increase is from \$17,848 in short-term debt service for the jail expansion. Other significant changes include (\$12,626) in capital outlay, (\$2,315) in public safety, and (\$618) in transportation.
- The County's governmental funds received \$19,707 in debt issued for the jail expansion, and had net transfers of (\$2,085) for the year.
- The County's outstanding governmental long-term obligations increased by \$34,188. The change was due to the following: the issuance of debt of \$17,965; recording an increase in net pension liability of 17,643; payment of outstanding principal in the amount of \$1,722; a decrease in Medicaid obligation of \$83; an increase in OPEB liability of \$382; and an increase of accrued compensated absences in the amount of \$3.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Putnam County's Comprehensive Annual Financial Report (CAFR). The CAFR contains the Basic Financial Statements which include three components: Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements. The report also contains the Statistical Section, Compliance Section, and Other Supplementary Information.

Government-wide Financial Statements

The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. These statements include a *Statement of Net Position* and a *Statement of Activities*.

- The *Statement of Net Position* presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows, with the difference between sum of assets and deferred outflows of resources minus liabilities and deferred inflows reported as net position. Changes in net position over time may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.
- The *Statement of Activities* presents information showing how the government's net position changed during the fiscal year. Changes in net position are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the Statement of Activities will have cash flows in future fiscal periods. For example, certain sales taxes are shown as revenues although cash receipts will occur early in the following fiscal year; an increase in unused vacation leave is recorded as an expense although related cash outflows will occur in the future. Furthermore, this statement demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Please refer to the Notes to the Financial Statements for further elaboration regarding direct expenses and program versus general revenues.

The *Government-wide Financial Statements* show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (i.e., governmental activities) and activities that attempt to recover all or most of their costs through user fees and charges (i.e., business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, court related activities, and culture and recreation. Business-type activities of the County are the Water and Wastewater Utility System, Port Authority and the Waste Management System.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. The fund statements focus on the *major* funds of the County (i.e., the most significant funds, either quantitatively or qualitatively). All of the County's funds may be divided into three categories: *governmental*, *proprietary* and *fiduciary* funds.

Governmental funds

Governmental funds are used to account for essentially the same functions that are reported as *governmental activities* in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Reconciliations of the differences between the Government-wide and the Fund Financial Statements are provided immediately after the *Balance Sheet-Governmental Funds* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds*, respectively, in the *Basic Financial Statements*.

Governmental funds presented individually in the County's statements include three major funds: the General Fund, the Better Place Plan Fund, and the Capital Projects Fund. Although there are numerous smaller governmental funds in the County, they have been presented in a total column labeled as *Other Governmental Funds*. Budget and actual comparison statements are also presented as *Required Supplementary Information* (RSI) for the General Fund and for each major special revenue fund with an annually adopted budget, if any. Combining statements for the County's non-major funds and budget and actual comparison schedules for any non-major funds or major capital project funds with annually appropriated budgets are presented in the *Supplemental Information* section of this report.

Proprietary funds

The *Proprietary Fund Financial Statements* may be found in the *Basic Financial Statements*. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report in greater detail the same functions presented as business-type activities in the Government-wide Financial Statements. The County uses enterprise funds to account for its Water and Wastewater Utility System, Port Authority and its Waste Management System. In-depth information between water and wastewater services is provided in the *Supplemental Information* section. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its Fleet Maintenance, Group Insurance Reserve and Risk Management Funds. These programs are included within governmental activities in the Government-wide Financial Statements because they predominantly benefit governmental rather than business-type functions. The internal service funds are combined into a single presentation in the Proprietary Fund Financial Statements. Individual fund data for the internal service funds are provided in the *Supplemental Information* section of the report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. *Agency funds* are the only type of fiduciary fund used by the County. The amounts in these fiduciary funds are not included in the Government-wide Financial Statements because the resources of these funds are not available to support the County's own programs. However, the *Statement of Fiduciary Net Position* in the *Basic Financial Statements* is provided for information on the fiduciary funds. In addition, the individual agency funds are presented in the *Supplemental Information* section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements.

Other Information

Combining and individual statements and schedules referred to earlier, which present more detailed views of nonmajor funds, as well as individual fund budget and actual comparison schedules for the nonmajor funds and major capital project fund, are found in the *Supplemental Information* section of the Financial Statements.

Government-wide Financial Analysis

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$150,444 at the close of the fiscal year ended September 30, 2016. By far the largest portion of the County's net position, \$148,257 or 98.5%, reflects its investment in capital assets such as land, buildings, infrastructure, intangibles and equipment, less any related outstanding debt (including amounts owed to contractors for work completed through September 30, 2016) used to acquire those assets. The County uses these capital assets to provide services to its citizens. Consequently, these assets are *not available* for future spending. Although the County's investment in its capital assets is reported net of related debt and applicable obligations, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The payment of maintenance and debt service costs on those capital assets will require future government resources.

Putnam County Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total		Percent Change
	2016	2015	2016	2015	2016	2015	
Cash and Investments	\$ 31,089	\$ 30,289	\$ 17,680	\$ 15,112	\$ 48,769	\$ 45,401	7.4%
Other Current Assets	4,082	7,957	1,335	1,866	5,417	9,823	-44.9%
Capital Assets, Net	131,017	128,765	56,672	53,785	187,689	182,550	2.8%
Total Assets	166,188	167,011	75,687	70,763	241,875	237,774	1.7%
Deferred Outflows of Resources	23,992	11,736	395	205	24,387	11,941	104.2%
Current Liabilities	5,056	7,860	729	1,681	5,785	9,541	-39.4%
Interest Rate Swaps	86	216	-	-	86	216	
Long-Term and Short-Term Debt and Other Obligations	68,504	50,422	32,393	30,412	100,897	80,834	24.8%
Total Liabilities	73,646	58,498	33,122	32,093	106,768	90,591	17.9%
Deferred Inflows of Resources	8,924	12,044	126	194	9,050	12,238	100.0%
Net Position:							
Net Investment in							
Capital Assets	109,613	104,831	38,644	32,819	148,257	137,650	7.7%
Restricted	19,519	19,527	-	-	19,519	19,527	0.0%
Unrestricted	(21,522)	(16,153)	4,190	5,862	(17,332)	(10,291)	68.4%
TOTAL NET POSITION	\$ 107,610	\$ 108,205	\$ 42,834	\$ 38,681	\$ 150,444	\$ 146,886	2.4%

An additional portion of the County's net position, \$19,519, is restricted, meaning it is subject to constraints on how the funds may be used, such as by laws, grantors, debt covenants, regulations or capital projects. At the end of the current fiscal year, the County's unrestricted net position was a deficit \$17,332 which is caused by recording \$42,532 of net pension liability. See Financial Statement Note 2 for more information on the pension liability and related changes.

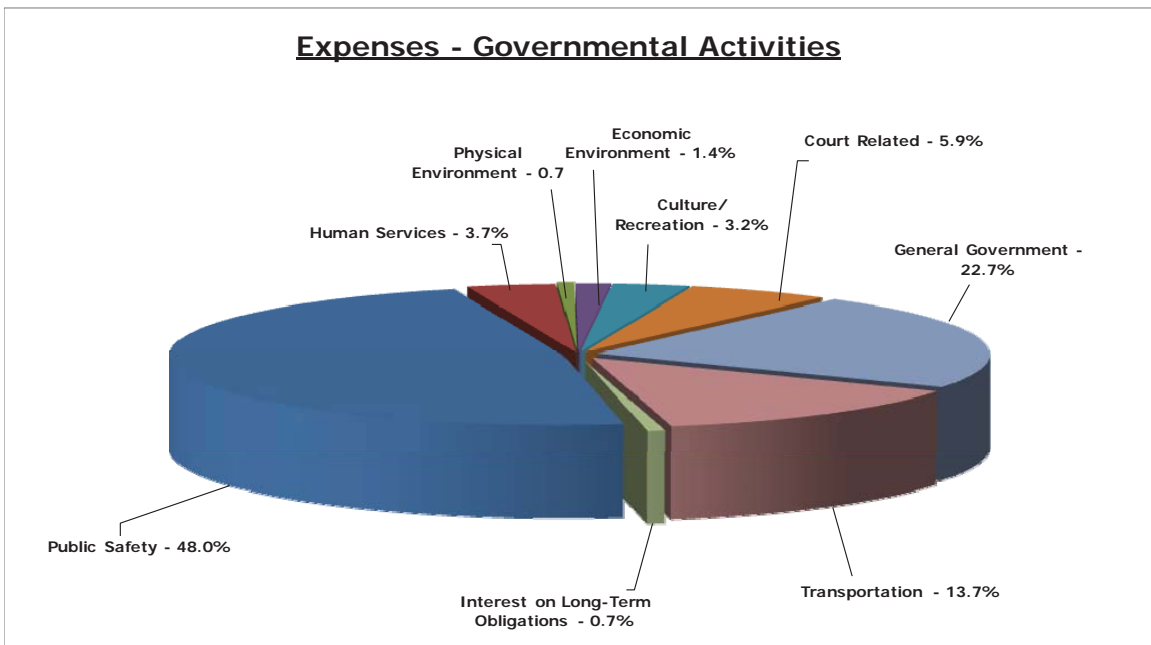
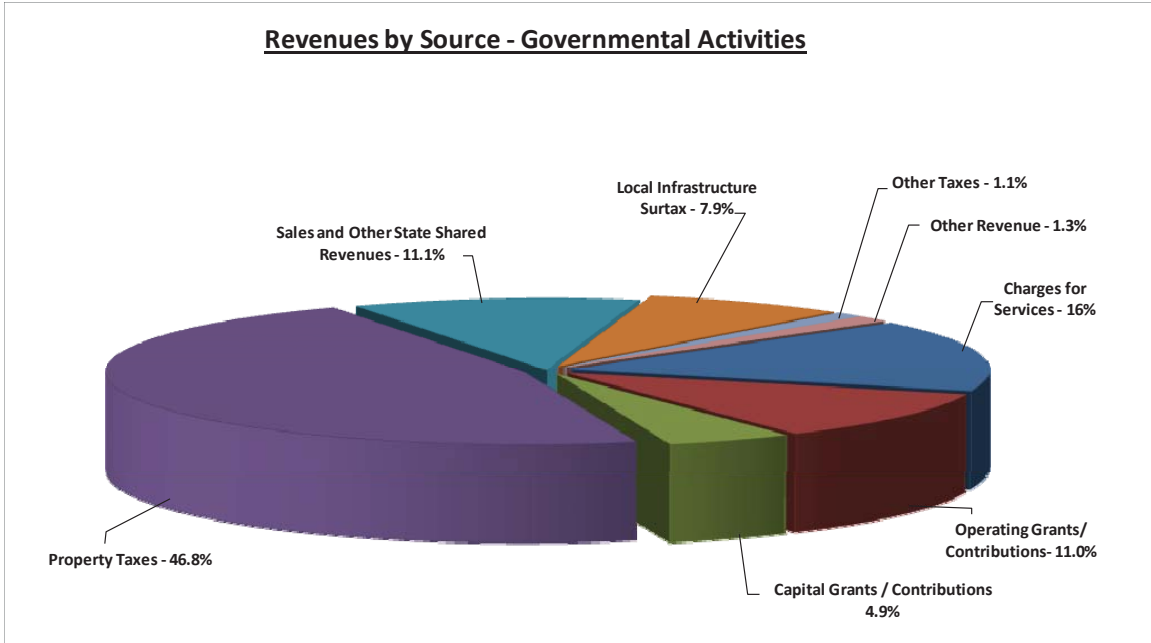
Change in Net Position

Governmental activities decreased the County's net position by \$595. This decrease resulted from the following: capital asset acquisitions and disposals \$9,905; the recognition of (\$7,641) of depreciation expense; the issuance of short and long-term debt of (\$19,707); principal payments of \$19,570; the recognition of (\$2,131) of pension expense, the recognition of accrued interest expense of (\$249); the recognition of unavailable revenues of (\$420); the recognition of (\$5) expense for compensated absences; the recognition of (\$377) expense for Other Postemployment Benefit (OPEB) obligations; the recognition of \$83 expense for Medicaid obligation; the inclusion of Internal Service Funds in governmental activities in the amount of \$1,818; and a (\$1,441) decrease in the fund balance total for the Governmental Funds.

Putnam County, Florida Summary Statement of Activities							
	Governmental Activities		Business-type Activities		Total		Percent Change
	2016	2015	2016	2015	2016	2015	
Revenues:							
Program revenues:							
Charges for services	\$ 10,881	\$ 10,726	\$ 13,112	\$ 14,854	\$ 23,993	\$ 25,580	-6.2%
Operating grants and contributions	7,468	6,657	1,409	91	8,877	6,748	31.6%
Capital grants and contributions	3,307	5,745	1,407	3,088	4,714	8,833	-46.6%
General revenues:							
Property taxes	31,889	30,776	-	-	31,889	30,776	3.6%
Sales and other state shared revenues	7,569	7,537	-	-	7,569	7,537	0.4%
Local infrastructure surtax	5,364	5,115	-	-	5,364	5,115	4.9%
Other taxes	768	806	-	-	768	806	-4.7%
Other revenue	895	968	99	150	994	1,118	-11.1%
Total revenues	68,141	68,330	16,027	18,183	84,168	86,513	-2.7%
Expenses:							
General Government	15,481	15,833	-	-	15,481	15,833	-2.2%
Public Safety	32,834	31,130	-	-	32,834	31,130	5.5%
Physical Environment	460	764	-	-	460	764	-39.8%
Transportation	9,398	9,848	-	-	9,398	9,848	-4.6%
Economic Environment	989	909	-	-	989	909	8.8%
Human Services	2,500	2,296	-	-	2,500	2,296	8.9%
Culture/Recreation	2,153	1,670	-	-	2,153	1,670	28.9%
Court Related	4,019	3,822	-	-	4,019	3,822	5.2%
Interest on L-T Obligations	503	328	-	-	503	328	53.4%
Water and Wastewater	-	-	3,534	2,441	3,534	2,441	44.8%
Solid Waste	-	-	8,324	9,336	8,324	9,336	-10.8%
Port Authority	-	-	415	345	415	345	20.3%
Total Expenses	68,337	66,600	12,273	12,122	80,610	78,722	2.4%
Increase (Decrease) in Net Position							
Before Transfers	(196)	1,730	3,754	6,061	3,558	7,791	
Transfers	(399)	(585)	399	585	-	-	
Increase (Decrease) in net position	(595)	1,145	4,153	6,646	3,558	7,791	
Net Position - Beginning of Year	108,205	107,060	38,681	32,035	146,886	139,095	
Net Position - End of Year	\$ 107,610	\$ 108,205	\$ 42,834	\$ 38,681	\$ 150,444	\$ 146,886	2.4%

Governmental Activities

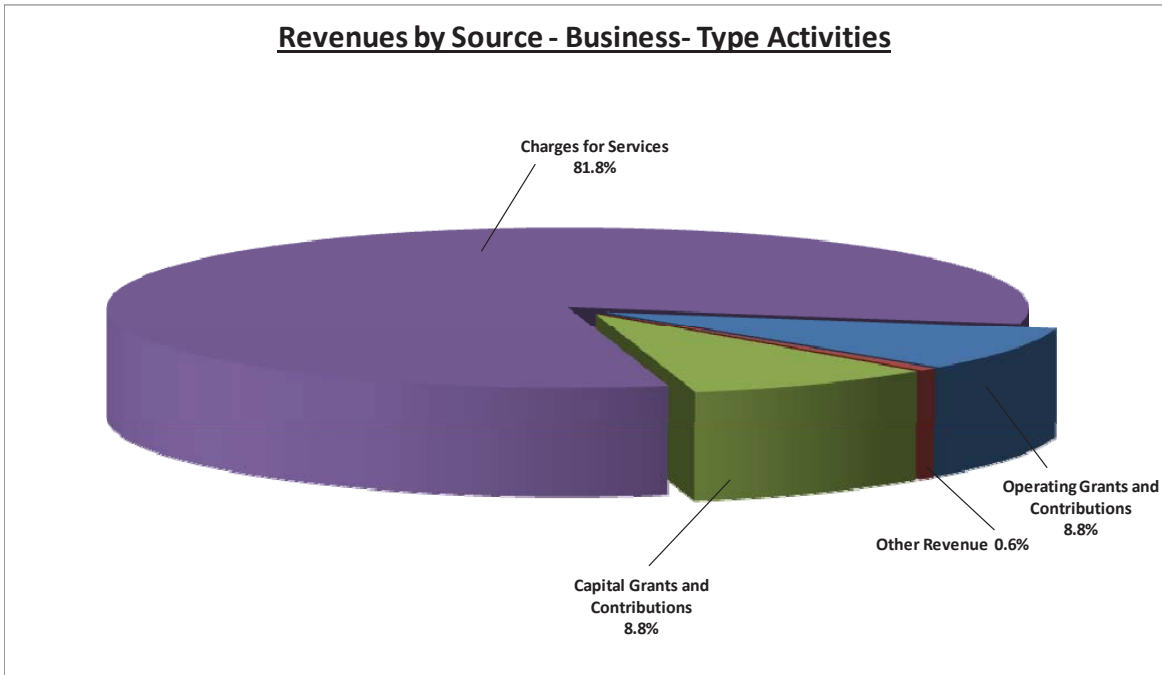
The County's governmental net position decreased \$595 from the prior year's net position. The current year change in net position is discussed above.



Business-type Activities

The net position related to business-type activities increased \$4,153 from current year activities. Key elements resulting in the current year increase are as follows:

- A change in the capacity analysis for the Central Landfill resulted in an increase of \$2,727.
- Closure and long-term care costs for the Waste Management Fund increased \$3,501 due to a revision for the Central Landfill.
- Operating Grant revenue for the East Putnam Water Fund increased \$1,318 from the previous year.
- Capital Grant revenue for the East Putnam Water Fund decreased \$1,681 from the previous year.



Financial Analysis of the County's Funds

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

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. This difference in focus and purpose creates significant variances between the Governmental Fund Financial Statements and the Government-wide Financial Statements. For the year ended September 30, 2016, the net decrease in fund balances per the Governmental Funds Financial Statements totaled (\$1,441) while the

governmental activities column of the Government-wide Financial Statements reported a decrease of \$595 in net position. A detailed reconciliation between these two amounts is provided on page 6 of the accompanying Financial Statements.

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. At September 30, 2016, the County's governmental funds reported combined ending fund balances of \$29,069. Of the total governmental fund balance, \$1,758 constitutes unassigned fund balance, which is available for spending within each particular fund. The remainder of the fund balance is made up of \$21,404 that is restricted (primarily \$7,827 for Better Place Plan – Capital, \$4,792 for Road Projects, and \$1,469 for Court Improvement); \$279 is committed for the Sheriff's commissary; and \$5,628 is assigned (primarily \$4,472 for subsequent year's expenditures).

The following funds experienced the most significant changes in fund balance for the year: the General Fund decreased (\$3,440) largely due to transfers to support the Transportation Fund (\$1,315) and Internal Service Funds (\$1,689); the Better Place Plan Fund (a major fund) decreased (\$1,449) primarily as the result of transportation related capital expenditures; the Road Projects Fund increased \$1,358 due to receipt of gas tax funds.

Proprietary Funds

The proprietary funds provide the same type of information found in the Government-wide Financial Statements, but in more detail. Two of the proprietary funds (Waste Management and East Putnam Water) are major funds. At September 30, 2016, total net position amounted to \$42,834, an increase of \$4,153 from the prior fiscal year. Unrestricted net position totaled \$4,190. Other factors concerning the finances of the Proprietary Funds were previously addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

The General Fund budget to actual schedule is presented as *Required Supplementary Information* on page 54 of the accompanying Financial Statements. Primary variances between original and final budgeted amounts for the year are composed of the following:

- Intergovernmental revenues were increased by \$101 to account for unanticipated grant revenues received. The majority of the grant revenue received was used by the Sheriff for various law enforcement activities.

A comparison of actual revenues versus the final budget reflects that Charges for Services was \$506 more than budgeted projections. This was primarily attributable to higher than anticipated revenue received for services provided by the Tax Collector.

A review of actual expenditure results versus the final budget reveals that the actual expenditures for the General Fund were \$2,589 under final budget. This was primarily attributable to General Government and Public Safety expenditures being \$1,192 and \$1,454 under budget, respectively. Both instances were the result of sound/conservative fiscal management.

Capital Asset and Debt Administration

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total		Percent Change
	2016	2015	2016	2015	2016	2015	
Land	\$ 21,168	\$ 21,168	\$ 6,176	\$ 6,176	\$ 27,344	\$ 27,344	0.0%
Intangible Assets	514	574	-	-	514	574	-10.5%
Buildings and Improvements	37,948	21,162	1,683	1,793	39,631	22,955	72.6%
Equipment	6,328	6,151	815	1,169	7,143	7,320	-2.4%
Infrastructure	64,990	63,324	-	-	64,990	63,324	2.6%
Water and Sewer Distribution System	-	-	40,534	26,766	40,534	26,766	51.4%
Landfill	-	-	7,327	4,601	7,327	4,601	59.2%
Construction in Progress	69	16,386	137	13,280	206	29,666	-99.3%
Total Capital Assets, Net	<u>\$ 131,017</u>	<u>\$ 128,765</u>	<u>\$ 56,672</u>	<u>\$ 53,785</u>	<u>\$ 187,689</u>	<u>\$ 182,550</u>	2.8%

Capital Assets

The County's financial statements present capital assets in two groups: those assets subject to depreciation such as infrastructure, equipment, operational facilities, intangible assets, and those assets not subject to depreciation such as land and construction in progress. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2016, amounts to \$187,689 (net of accumulated depreciation). This investment in capital assets includes land, buildings and building improvements, equipment, computer software, infrastructure (including roads and bridges), construction in progress, the Landfill, and the Water and Sewer Distribution System. Currently, infrastructure, land, and buildings and improvements represent the largest components of governmental capital assets.

Major capital asset events completed during the current fiscal year include the following:

- The County completed a new jail facility totaling \$18,009.
- Public Works completed a new wastewater facility totaling \$14,883.
- The County continued its program to resurface, widen and add paved roads and improve bridges during the year at a capitalized cost of \$5,389.
- The Sheriff purchased new vehicles totaling \$609.

Additional information on the County's Capital Assets may be found in Note 8 beginning on page 35 of the accompanying Financial Statements.

Long-term Obligations

County-wide, total long-term obligations increased by \$37,103 from the prior year, mostly from revenue bonds of \$17,965 for the new jail facility and an increase in net pension liability of \$17,896. Other significant changes include a \$3,732 increase in accrued landfill closure and long-term care costs, a \$(2,365) decrease in notes payable, and a \$395 increase in the liability for Other Postemployment Benefits.

Throughout fiscal year 2016, the County's governmental activities and business-type activities did not enter into any new capital lease agreements.

Governmental Activities:

- The County made the following principal payments during the year: special assessment debt - \$171, notes payable - \$1,551, and Medicaid obligation - \$83.
- Governmental obligations for compensated absences increased \$4 or 0.1% to \$2,148.
- The net pension liability increased \$17,643 to \$41,834 at year-end.

	Long-Term Obligations						Percent Change
	Governmental Activities		Business-type Activities		Total		
	2016	2015	2016	2015	2016	2015	
Revenue Bonds	\$ 17,965	\$ -	\$ 9,199	\$ 9,284	27,164	9,284	192.6%
Special Assessment Debt	317	488	-	-	317	488	-35.0%
Notes Payable	2,908	4,459	8,626	9,440	11,534	13,899	-17.0%
Capital Lease Obligations	-	-	203	372	203	372	-45.4%
Landfill Closure and Post-Closure	-	-	13,499	9,767	13,499	9,767	38.2%
Other Post Employment Benefits	3,249	2,867	110	97	3,359	2,964	13.3%
Compensated Absences	2,148	2,144	58	72	2,206	2,216	-0.5%
Medicaid Obligation	83	167	-	-	83	167	N/A
Net Pension Liability	41,834	24,191	698	446	42,532	24,637	72.6%
Total	<u>\$ 68,504</u>	<u>\$ 34,316</u>	<u>\$ 32,393</u>	<u>\$ 29,478</u>	<u>\$ 100,897</u>	<u>\$ 63,794</u>	58.2%

Business-type Activities:

- The following principal payments were made during the year: notes payable - \$1,087, revenue bonds - \$85, and capital leases - \$169.
- Accrued landfill closure and post-closure costs were increased by \$4,153 primarily due to an engineering study which identified an increased volume of the Central Landfill. That increase was offset by a reduction of \$421 due to reduced long-term care cost estimates.
- The net pension liability increased \$252 to \$698 at year-end.

Additional information on the County's long-term obligations can be found in Note 9 beginning on page 36 of the accompanying Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County for September 2016 was 6.0%. This represents a decrease over the previous year's average of 7.9%.
- The taxable value of real property increased 0.4%, while the taxable value of personal property decreased 5.5% in the 2016 fiscal year.
- Building permit activity revenues increased approximately 2.9% from the prior year.
- The population increased slightly from 72,756 in the prior year to an estimated 72,957.

During the current fiscal year, the unassigned fund balance in the General Fund decreased (\$1,974) or 52.9% to \$1,758. The overall fund balance in the General Fund decreased (\$3,440) or 35.4% from the previous year to \$6,287. The decrease was primarily the result of transfers to support other funds - \$1,143, and increased court related expenditures - \$470. The ad valorem tax rate changed to 9.073 mils for fiscal year 2016, up from 8.900 mils in the previous year.

Requests for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional information, contact the Putnam County Clerk of Courts, Finance and Accounting, P.O. Box 758, Palatka, Florida 32178-0758. Additional financial information can be found on our website at <http://www.putnam-fl.com/coc/> and click on *Clerks in the Sunshine*.

Putnam County, Florida
Statement of Net Position
September 30, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Putnam County Development Authority
ASSETS				
Cash and Equivalents	\$ 30,445,677	\$ 10,632,763	\$ 41,078,440	\$ 243,643
Investments	643,353	-	643,353	-
Receivables	1,359,937	470,821	1,830,758	-
Due From Other Governments	2,506,874	863,947	3,370,821	-
Inventory	199,098	-	199,098	-
Other Assets	15,092	-	15,092	-
Restricted Cash and Equivalents	-	2,856,713	2,856,713	-
Restricted Investments	-	4,190,737	4,190,737	-
Capital Assets:				
Non-Depreciable	21,237,233	6,313,695	27,550,928	473,854
Depreciable, Net	109,780,229	50,358,751	160,138,980	85,383
TOTAL ASSETS	166,187,493	75,687,427	241,874,920	802,880
DEFERRED OUTFLOWS OF RESOURCES				
Derivative Instruments-Interest Rate Swaps	86,062	-	86,062	-
Pensions	23,906,268	395,688	24,301,956	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	23,992,330	395,688	24,388,018	-
LIABILITIES				
Accounts Payable and Accrued Liabilities	3,434,952	659,804	4,094,756	184
Retainage Payable to Contractors	214,661	-	214,661	-
Other Liabilities	1,407,050	68,963	1,476,013	-
Derivative Instruments-Interest Rate Swaps	86,062	-	86,062	-
Noncurrent Liabilities:				
Due Within One Year	3,724,842	1,455,211	5,180,053	-
Due in More Than One Year	64,778,987	30,938,247	95,717,234	-
TOTAL LIABILITIES	73,646,554	33,122,225	106,768,779	184
DEFERRED INFLOWS OF RESOURCES				
Pensions	8,923,733	126,399	9,050,132	-
NET POSITION				
Net Investment In Capital Assets	109,612,811	38,644,337	148,257,148	559,237
Restricted For:				
Affordable Housing Assistance	883,892	-	883,892	-
Court Functions and Courthouse Improvements	1,282,070	-	1,282,070	-
Law Enforcement and Other Public Safety	1,558,208	-	1,558,208	-
Road and Bridge Maintenance	462,885	-	462,885	-
Capital Projects	12,824,281	-	12,824,281	-
Public Records Modernization	1,255,131	-	1,255,131	-
Fishing Improvement	355,538	-	355,538	-
Tourist Development	609,194	-	609,194	-
Water and Sewer Utilities	235,896	-	235,896	-
Other Purposes	51,572	-	51,572	-
Unrestricted	(21,521,942)	4,190,154	(17,331,788)	243,459
TOTAL NET POSITION	\$ 107,609,536	\$ 42,834,491	\$ 150,444,027	\$ 802,696

See accompanying notes.

Putnam County, Florida
Statement of Activities
For the Year Ended September 30, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit	
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Primary Government			Putnam Co Develop. Auth.
						Business-type Activities	Total		
PRIMARY GOVERNMENT:									
GOVERNMENTAL ACTIVITIES:									
General Government	\$ 15,481,374	\$ 3,743,109	\$ 46,084	\$ -	\$ (11,692,181)	\$ -	\$ (11,692,181)	\$ -	
Public Safety	32,833,564	4,791,680	1,019,107	-	(27,022,777)	-	(27,022,777)	-	
Physical Environment	460,323	187,133	33,012	-	(240,178)	-	(240,178)	-	
Transportation	9,398,013	649,749	4,270,095	3,300,670	(1,177,499)	-	(1,177,499)	-	
Economic Environment	989,290	64,827	473,750	6,465	(444,248)	-	(444,248)	-	
Human Services	2,499,904	229,373	15,704	-	(2,254,827)	-	(2,254,827)	-	
Culture and Recreation	2,152,773	82,808	231,961	-	(1,838,004)	-	(1,838,004)	-	
Court Related	4,018,851	1,132,161	1,378,045	-	(1,508,645)	-	(1,508,645)	-	
Interest on Long-Term Debt	502,991	-	-	-	(502,991)	-	(502,991)	-	
TOTAL GOVERNMENTAL ACTIVITIES	68,337,083	10,880,840	7,467,758	3,307,135	(46,681,350)	-	(46,681,350)	-	
BUSINESS-TYPE ACTIVITIES:									
Water and Wastewater System	3,534,001	980,746	1,317,849	1,407,566	-	172,160	172,160	-	
Solid Waste	8,324,581	11,721,406	90,909	-	-	3,487,734	3,487,734	-	
Port Authority	414,682	410,276	-	-	-	(4,406)	(4,406)	-	
TOTAL BUSINESS-TYPE ACTIVITIES	12,273,264	13,112,428	1,408,758	1,407,566	-	3,655,488	3,655,488	-	
TOTAL PRIMARY GOVERNMENT	\$ 80,610,347	\$ 23,993,268	\$ 8,876,516	\$ 4,714,701	(46,681,350)	3,655,488	(43,025,862)	-	
COMPONENT UNIT:									
Putnam County Development Authority	\$ 9,077	\$ 10,514	\$ -	\$ -	-	-	-	1,437	
GENERAL REVENUES:									
Property Taxes					31,889,308	-	31,889,308	-	
Sales Taxes					2,740,726	-	2,740,726	-	
Unrestricted State Shared Revenues					4,828,225	-	4,828,225	-	
Local Infrastructure Surtax					5,364,150	-	5,364,150	-	
Tourist Development Tax					331,917	-	331,917	-	
Communications Service Tax					436,444	-	436,444	-	
Investment Earnings					52,444	63,649	116,093	369	
Gain on Sale of Capital Assets					-	34,741	34,741	-	
Miscellaneous					841,671	200	841,871	-	
Transfers					(399,279)	399,279	-	-	
TOTAL GENERAL REVENUES AND TRANSFERS					46,085,606	497,869	46,583,475	369	
CHANGE IN NET POSITION					(595,744)	4,153,357	3,557,613	1,806	
NET POSITION - BEGINNING OF YEAR					108,205,280	38,681,134	146,886,414	800,890	
NET POSITION - END OF YEAR					\$ 107,609,536	\$ 42,834,491	\$ 150,444,027	\$ 802,696	

See accompanying notes.

Putnam County, Florida
Balance Sheet – Governmental Funds
September 30, 2016

	<u>General Fund</u>	<u>Better Place Plan Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 7,486,448	\$ 7,712,212	\$ -	\$ 14,074,858	\$ 29,273,518
Investments	-	-	-	643,353	643,353
Receivables	1,303,715	-	-	56,222	1,359,937
Due From Other Funds	270,000	-	-	27,855	297,855
Due From Other Governments	753,337	341,465	-	1,330,035	2,424,837
Other Assets	13,078	-	-	-	13,078
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	9,826,578	8,053,677	-	16,132,323	34,012,578
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	1,795,062	226,249	-	624,767	2,646,078
Due to Other Funds	216,043	-	-	95,000	311,043
Due to Other Governments	99,743	-	-	302,801	402,544
Customer Deposits	-	-	-	125,444	125,444
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	2,110,848	226,249	-	1,148,012	3,485,109
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	1,428,250	-	-	29,824	1,458,074
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES</u>					
Restricted	57,455	7,827,428	-	13,518,891	21,403,774
Committed	-	-	-	279,157	279,157
Assigned	4,471,990	-	-	1,156,439	5,628,429
Unassigned	1,758,035	-	-	-	1,758,035
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	6,287,480	7,827,428	-	14,954,487	29,069,395
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 9,826,578</u>	<u>\$ 8,053,677</u>	<u>\$ -</u>	<u>\$ 16,132,323</u>	<u>\$ 34,012,578</u>

See accompanying notes.

Putnam County, Florida
Reconciliation of the Balance Sheet to the Statement of Net Position-
Governmental Funds
September 30, 2016

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 29,069,395
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.		
Capital Assets - Net.....		130,980,416
Certain receivables are not available in the current period and therefore are not recognized as revenues in the Governmental Funds.....		
		1,458,074
Interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.		
Accrued Interest on Long-term Debt		(333,148)
Long-term liabilities do not require the use of current financial resources and are not reported in the funds.		
Long-Term Debt	(21,189,990)	
Compensated Absences	(2,112,600)	
Medicaid Obligation.....	(83,334)	
OPEB Obligations	<u>(3,214,171)</u>	
		(26,600,095)
A Net Pension liability is recorded when the plan's fiduciary net position is not sufficient for payment of those benefits. Additionally, deferred outflows and deferred inflows related to pensions are reported.		
Net Pension Liability	(41,588,857)	
Deferred outflows related to pensions.....	23,767,510	
Deferred inflows related to pensions.....	<u>(8,879,408)</u>	
		(26,700,755)
Internal service funds are used by management to charge the costs of fleet maintenance and insurance activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position because they primarily serve governmental activities of the county.		
Internal Service Funds		<u>(264,351)</u>
Net Position of Governmental Activities		<u>\$ 107,609,536</u>

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended September 30, 2016

	<u>General Fund</u>	<u>Better Place Plan Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>					
Taxes	\$ 29,278,741	\$ 5,364,150	\$ -	\$ 6,679,463	\$ 41,322,354
Licenses and Permits	417,209	-	-	45,122	462,331
Intergovernmental	8,131,117	-	-	7,544,988	15,676,105
Charges for Services	5,864,567	-	-	1,389,872	7,254,439
Fines and Forfeitures	47,495	-	-	329,440	376,935
Special Assessments	-	-	-	695,240	695,240
Miscellaneous	238,549	28,826	139	756,929	1,024,443
TOTAL REVENUES	43,977,678	5,392,976	139	17,441,054	66,811,847
<u>EXPENDITURES</u>					
Current:					
General Government	13,547,649	-	-	20,022	13,567,671
Public Safety	25,703,093	-	-	4,000,438	29,703,531
Physical Environment	354,022	-	-	71,980	426,002
Transportation	30,000	-	-	5,468,722	5,498,722
Economic Environment	305,555	-	-	680,966	986,521
Human Services	2,571,177	-	-	-	2,571,177
Culture and Recreation	1,666,025	-	-	231,970	1,897,995
Court Related	1,088,912	-	-	2,259,457	3,348,369
Capital Outlay	-	4,053,749	1,735,627	2,262,556	8,051,932
Debt Service:					
Principal Retirement	-	1,450,000	17,847,663	272,563	19,570,226
Interest and Fiscal Charges	-	136,084	77,161	40,447	253,692
TOTAL EXPENDITURES	45,266,433	5,639,833	19,660,451	15,309,121	85,875,838
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,288,755)	(246,857)	(19,660,312)	2,131,933	(19,063,991)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	764,462	-	-	2,553,740	3,318,202
Transfers Out	(2,916,199)	(1,202,610)	(534,383)	(749,856)	(5,403,048)
Debt Issued	-	-	19,707,301	-	19,707,301
TOTAL OTHER FINANCING SOURCES (USES)	(2,151,737)	(1,202,610)	19,172,918	1,803,884	17,622,455
NET CHANGE IN FUND BALANCES	(3,440,492)	(1,449,467)	(487,394)	3,935,817	(1,441,536)
FUND BALANCES - BEGINNING OF YEAR	9,727,972	9,276,895	487,394	11,018,670	30,510,931
FUND BALANCES - END OF YEAR	\$ 6,287,480	\$ 7,827,428	\$ -	\$ 14,954,487	\$ 29,069,395

See accompanying notes.

Putnam County, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities – Governmental Funds
For the Year Ended September 30, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (1,441,536)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.

Capital assets acquired by use of financial resources	10,008,162	
Current year depreciation and amortization	(7,641,130)	
Difference.....		2,367,032

Certain items reported in the Statement of Activities are not considered available current financial resources and therefore are not reported as revenues in the Governmental Funds..... (419,744)

In the statement of activities, only the gain or loss on the disposal of capital assets is reported. However, in the governmental funds, the change in net position differs from the change in fund balance by the net book value of the assets disposed.

Loss on disposal of capital assets (102,794)

Issuance of debt provides current financial resources to governmental funds, but increases long-term liabilities and short-term debt in the statement of net position..... (19,707,301)

Repayment of debt principal is an expenditure in governmental funds, but the repayment results in a reduction of long-term liabilities in the statement of net position.

Debt Principal Payments 19,570,226

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.

Compensated Absences	(4,900)	
OPEB Obligations	(377,480)	
Accrued Interest Payable	(249,299)	
Medicaid Obligation	83,333	
Total		(548,346)

Pension expense is recorded in the statement of activities for changes in the County's proportionate share of the Florida Retirement System collective pension expense. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68..... (2,130,890)

Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) is reported with governmental activities..... 1,817,609

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (595,744)

See accompanying notes.

Putnam County, Florida
Statement of Net Position – Proprietary Funds
September 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Non-Major</u> <u>Proprietary</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Activities</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
ASSETS					
CURRENT ASSETS:					
Cash and Equivalents	\$ 9,300,784	\$ 403,465	\$ 928,514	\$ 10,632,763	\$ 1,172,159
Receivables	276,056	124,417	70,348	470,821	-
Due from Other Funds	-	-	-	-	188,188
Due From Other Governments	83,954	779,993	-	863,947	82,037
Inventory	-	-	-	-	199,098
Other Assets	-	-	-	-	2,014
TOTAL CURRENT ASSETS	9,660,794	1,307,875	998,862	11,967,531	1,643,496
NONCURRENT ASSETS:					
Restricted Cash and Equivalents	2,167,305	689,408	-	2,856,713	-
Restricted Investments	4,190,737	-	-	4,190,737	-
Capital Assets, Net	11,807,225	40,797,642	4,067,579	56,672,446	37,046
TOTAL NONCURRENT ASSETS	18,165,267	41,487,050	4,067,579	63,719,896	37,046
TOTAL ASSETS	27,826,061	42,794,925	5,066,441	75,687,427	1,680,542
DEFERRED OUTFLOWS OF RESOURCES					
Pensions	329,012	66,676	-	395,688	138,758
LIABILITIES					
CURRENT LIABILITIES:					
Accounts Payable and Accrued Liabilities	421,000	237,905	899	659,804	670,387
Due to Other Funds	-	-	-	-	175,000
Due to Other Governments	-	-	63	63	-
Estimated Liability for Self- Insured Losses	-	-	-	-	379,062
Customer Deposits	9,805	58,270	825	68,900	-
Current Portion of Long-Term Debt	744,771	710,440	-	1,455,211	20,672
TOTAL CURRENT LIABILITIES	1,175,576	1,006,615	1,787	2,183,978	1,245,121
NONCURRENT LIABILITIES	14,371,288	16,566,959	-	30,938,247	794,205
TOTAL LIABILITIES	15,546,864	17,573,574	1,787	33,122,225	2,039,326
DEFERRED INFLOWS OF RESOURCES					
Pensions	105,100	21,299	-	126,399	44,325
NET POSITION					
Net Investment in Capital Assets Unrestricted	10,897,272 1,605,837	23,679,486 1,587,242	4,067,579 997,075	38,644,337 4,190,154	37,046 (301,397)
TOTAL NET POSITION	\$ 12,503,109	\$ 25,266,728	\$ 5,064,654	\$ 42,834,491	\$ (264,351)

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds
For the Year Ended September 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste Management Fund</u>	<u>East Putnam Water Fund</u>	<u>Non-Major Proprietary Fund</u>	<u>Total Enterprise Funds</u>	<u>Activities Internal Service Funds</u>
<u>OPERATING REVENUES</u>					
User Fees and Assessments	\$ 11,721,406	\$ 980,746	\$ 410,276	\$ 13,112,428	\$ 8,445,078
Miscellaneous	200	-	-	200	475,364
TOTAL OPERATING REVENUES	11,721,606	980,746	410,276	13,112,628	8,920,442
<u>OPERATING EXPENSES</u>					
Personal Services	725,685	210,524	-	936,209	419,566
Insurance	-	-	-	-	7,373,817
Claims Expense	-	-	-	-	206,482
Contractual Services	5,540,400	135,912	3,611	5,679,923	250,725
Repairs and Maintenance	167,109	40,139	6,804	214,052	21,811
Other Operating Expenses	478,584	1,455,287	307,325	2,241,196	504,357
Depreciation	364,967	1,152,783	96,942	1,614,692	15,238
Change in Capacity Analysis	(2,726,608)	-	-	(2,726,608)	-
Closure and Long-Term Care Costs	3,732,252	-	-	3,732,252	-
TOTAL OPERATING EXPENSES	8,282,389	2,994,645	414,682	11,691,716	8,791,996
OPERATING INCOME (LOSS)	3,439,217	(2,013,899)	(4,406)	1,420,912	128,446
<u>NON OPERATING REVENUES</u>					
<u>(EXPENSES)</u>					
Interest Revenue	64,236	(989)	402	63,649	-
Grants	90,909	1,317,849	-	1,408,758	-
Interest Expense	(42,192)	(539,356)	-	(581,548)	-
Gain on Sale of Surplus Property	34,741	-	-	34,741	-
TOTAL NONOPERATING REVENUES	147,694	777,504	402	925,600	-
<u>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</u>					
CONTRIBUTIONS AND TRANSFERS	3,586,911	(1,236,395)	(4,004)	2,346,512	128,446
Capital Grants & Contributions	-	1,407,566	-	1,407,566	3,596
Transfers In	-	650,000	-	650,000	1,688,929
Transfers Out	(235,259)	(14,082)	(1,380)	(250,721)	(3,362)
CHANGE IN NET POSITION	3,351,652	807,089	(5,384)	4,153,357	1,817,609
<u>NET POSITION - BEGINNING OF YEAR</u>					
	9,151,457	24,459,639	5,070,038	38,681,134	(2,081,960)
NET POSITION - END OF YEAR	\$ 12,503,109	\$ 25,266,728	\$ 5,064,654	\$ 42,834,491	\$ (264,351)

See accompanying notes.

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste Management Fund</u>	<u>East Putnam Water Fund</u>	<u>Non-Major Proprietary Fund</u>	<u>Total Enterprise Funds</u>	<u>Activities Internal Service Funds</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Receipts From Customers	\$11,593,106	\$ 2,374,035	\$ 347,640	\$14,314,781	\$ 8,668,386
Payments to Suppliers	(6,299,589)	(1,631,257)	(317,718)	(8,248,564)	(10,048,603)
Payments to Employees	(750,977)	(202,910)	-	(953,887)	(411,156)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	4,542,540	539,868	29,922	5,112,330	(1,791,373)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>					
Transfers In	-	-	-	-	1,688,929
Transfers Out	(235,259)	(14,082)	(1,380)	(250,721)	(3,362)
Repayment of General Fund loan	-	(915,000)	-	(915,000)	-
Grants	90,909	1,317,849	-	1,408,758	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(144,350)	388,767	(1,380)	243,037	1,685,567
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>					
Principal Paid on Debt	(711,736)	(1,564,318)	-	(2,276,054)	-
Interest Paid on Debt	(49,344)	(543,777)	-	(593,121)	-
Proceeds From Sale of Surplus Property	34,741	-	-	34,741	-
Customer Contributions	-	7,500	-	7,500	-
Debt Proceeds	-	273,672	-	273,672	-
Grants	-	1,648,099	-	1,648,099	-
Transfers In	-	650,000	-	650,000	-
Acquisitions of Capital Assets	(35,593)	(2,560,365)	-	(2,595,958)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(761,932)	(2,089,189)	-	(2,851,121)	-
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Proceeds from Investments	-	833,736	-	833,736	-
Purchase of Investments	(343,192)	-	-	(343,192)	-
Interest on Investments	64,236	5,123	402	69,761	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(278,956)	838,859	402	560,305	-
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	3,357,302	(321,695)	28,944	3,064,551	(105,806)
CASH AND EQUIVALENTS - BEGINNING OF YEAR	8,110,787	1,414,568	899,570	10,424,925	1,277,965
CASH AND EQUIVALENTS - END OF YEAR	\$11,468,089	\$ 1,092,873	\$ 928,514	\$13,489,476	\$ 1,172,159

(continued)

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Non-Major</u> <u>Proprietary</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Activities</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$ 3,439,217	\$(2,013,899)	\$ (4,406)	\$ 1,420,912	\$ 128,446
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:					
Depreciation	364,967	1,152,783	96,942	1,614,692	15,238
Capacity Analysis Change	(2,726,608)	-	-	(2,726,608)	-
Change In:					
Receivables	(186,511)	40,176	(62,637)	(208,972)	-
Due from Other Funds	-	-	-	-	(188,188)
Due From Other Governments	57,161	1,350,293	-	1,407,454	(63,202)
Inventory	-	-	-	-	7,586
Deferred Outflows	(155,195)	(35,851)	-	(191,046)	(70,849)
Other Assets	-	-	-	-	(666)
Accounts Payable and Accrued Liabilities	(121,383)	(2,669)	(40)	(124,092)	591,418
Due to Other Funds	-	-	-	-	(1,135,000)
Customer Deposits	850	2,820	-	3,670	-
Estimated Liability for Self Insured Losses	-	-	-	-	(1,155,415)
Due to Other Governments	-	-	63	63	-
Net Pension Liability	201,947	50,519	-	252,466	96,934
Deferred Inflows	(59,469)	(7,885)	-	(67,354)	(19,972)
Accrued Landfill and Post- Closure Costs	3,732,252	-	-	3,732,252	-
Compensated Absences	(14,000)	-	-	(14,000)	(2,000)
Other Noncurrent Liabilities	9,312	3,581	-	12,893	4,297
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 4,542,540</u>	<u>\$ 539,868</u>	<u>\$ 29,922</u>	<u>\$ 5,112,330</u>	<u>\$(1,791,373)</u>

(concluded)

See accompanying notes.

Putnam County, Florida
Statement of Fiduciary Net Position
September 30, 2016

	Agency Funds
<u>ASSETS</u>	
Cash and Equivalents	\$ 2,714,106
Receivables	<u>61,076</u>
TOTAL ASSETS	<u>\$ 2,775,182</u>
<u>LIABILITIES</u>	
Assets Held for Others	<u>\$ 2,775,182</u>

See accompanying notes.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

1.	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	
	A. Reporting Entity	14
	B. Future Accounting Changes	15
	C. Government-wide and Fund Financial Statements	15
	D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	16
	E. Assets, Liabilities and Net Position or Equity	18
	Cash and Investments	18
	Statement of Cash Flows	19
	Accounts Receivable	19
	Due To/From Other Funds	19
	Restricted Assets	19
	Inventories	19
	Long Term Receivables	20
	Capital Assets	20
	Capitalization of Interest	21
	Unearned Revenues	21
	Compensated Absences	21
	F. Management Estimates and Assumptions	22
	G. Deferred Inflows and Outflows	22
	H. Pensions	22
	I. Fund Balance	22
2.	STATE OF FLORIDA PENSION PLANS	23
3.	DEFERRED COMPENSATION PLAN	29
4.	PROPERTY TAXES	29
5.	DEPOSITS AND INVESTMENTS	30
6.	ACCOUNTS RECEIVABLE	33
7.	INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS	33
8.	CAPITAL ASSET ACTIVITY	35
9.	LONG-TERM OBLIGATIONS	36
10.	SHORT-TERM FINANCING	45
11.	CONDUIT DEBT	45
12.	FUND BALANCE CLASSIFICATIONS	46
13.	DEFICIT BALANCES – INDIVIDUAL FUNDS	47
14.	RISK MANAGEMENT	47
15.	ACCRUED LANDFILL CLOSURE AND LONG-TERM CARE COSTS	48

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

16.	OTHER POST-EMPLOYMENT BENEFITS	49
17.	OPERATING LEASES	52
18.	COMMITMENTS AND CONTINGENCIES	52
19.	NET POSITION RESTRICTED BY ENABLING LEGISLATION	52
20.	NONEXCHANGE FINANCIAL GUARANTEE	52

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

The financial statements of Putnam County, Florida have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units in accordance with the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's Basic Financial Statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Putnam County, Florida (the County), conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

A. Reporting Entity

The County is a non-charter, general purpose local government established under the legal authority of the Constitution of the State of Florida. It is composed of an elected Board of County Commissioners and elected Constitutional Officers, who are governed by State statutes and regulations. The Commissioners appoint a county administrator whose duties include the administration of directives and policies of the Commissioners and who has responsibility for the operation of all business centers and the provision of services under the purview of the Commissioners.

The Board of County Commissioners and the offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The office of the Tax Collector operates on a fee system, whereby the officer retains fees, commissions, and other revenues to pay all operating expenditures, including statutory compensation. Any excess income is remitted to the Board of County Commissioners and other County taxing authorities at the end of the fiscal year. The offices of the Sheriff, Property Appraiser, and Supervisor of Elections operate on a budget system, whereby County-appropriated funds are received from the Board of County Commissioners, and any unexpended appropriations are required to be returned to the Board of County Commissioners at the end of the fiscal year. The Clerk's duties as Clerk to the Board and Chief Financial Officer for the County are budgeted functions, funded by the Board. The Clerk's duties as Clerk of the Circuit and County Courts are funded by appropriations from the Florida Justice Administrative Commission.

The accompanying financial statements present the County as a primary government, and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations and, accordingly, data from these units are combined with data of the County. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the County. Each blended and discretely presented component unit has a September 30 year end.

Blended Component Units – The Putnam County Port Authority, a dependent special district created by Chapter 67-1961, Laws of Florida, to carry out the operations of the County's barge port, is a blended component unit of the primary government. The Putnam County Solid Waste District, a dependent special district, is also a blended component unit of the primary government and was created by Ordinance 87-9 of the County to provide waste disposal services.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Putnam County Board of County Commissioners serves as the governing board of the Port Authority and makes up the majority of the Board of the Solid Waste District. County management maintains operational responsibility for both entities. Additionally, the County is legally obligated to provide resources in case the component units experience deficiencies in debt service payments and resources are not available from any other remedies. These component units are presented as Enterprise Funds. Separate financial statements are not prepared.

Discretely Presented Component Unit – The Putnam County Development Authority is an independent special district created by Chapter 61-2727 as amended by Chapter 69-1523, Laws of Florida, for the purpose of promoting economic growth and development in all areas of the County. The governing Board of the Authority has nine members, of which three are appointed by the County's Board of County Commissioners. The Authority cannot issue bonded debt without the substantive approval of the Board of County Commissioners and, accordingly, the Authority is considered to be fiscally dependent on the Board of County Commissioners. The Authority is included as an Enterprise Fund because if excluded the County's financial statements would be misleading. The Authority does not issue separate financial statements.

Related Organization – The Putnam County Fair Association is a not-for-profit organization created under Chapter 616, Florida Statutes. The Association is considered a related organization because a majority of its Board of Directors is appointed by the Putnam County Board of County Commissioners. The County is not financially accountable for the Association and, accordingly, the Association is not included in the accompanying financial statements.

Joint Ventures – The County did not participate in any joint ventures during fiscal year 2015-2016.

B. Future Accounting Changes

The Governmental Accounting Standards Board has issued statements that will become effective in 2017. The statements address:

- Certain pension issues,
- Other postemployment benefit (OPEB) plans
- Tax abatement disclosures; and
- Blending certain component units.

The County is currently evaluating the effects that these statements will have on its financial statements for the year ended September 30, 2017.

C. Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) concentrate on the County as a whole, except for its fiduciary activities, and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental activities and business-type activities comprise the primary government and are reported separately from the component unit for which the County is accountable. General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The statement of activities reflects the direct expenses of a given function or segment, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes and other items not properly included among program revenues are reported as general revenues.

The County's major funds are presented in separate columns on the governmental fund financial statements and the proprietary fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB 34. The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements. Non-major governmental funds are comprised of special revenue, debt service and capital projects funds.

The effect of interfund activity has been removed from the government-wide financial statements. However, the interfund services between functions are not eliminated. The internal service activity has been eliminated except for the outside activity and is combined with the governmental activity on the government-wide financial statements. Internal service activity is reported in full on the proprietary fund financial statements. The internal service funds are combined and thus reported in a single summary column on the proprietary fund financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The accounting and financial reporting treatment is determined by the applicable measurement focus and the basis of accounting. The *basis of accounting* refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. *Measurement focus* indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities).

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Proprietary funds record both operating and non-operating revenues and expenses. The principal operating revenues are those that are obtained from the operations of the proprietary fund and include user fees, special assessments, and rental fees. Non-operating revenues are not related to the operations of the proprietary fund and include taxes, interest earnings and grants. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses are not related to operations, such as interest expense.

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. For this purpose, the County considers all revenues available if they are collected within sixty days after year-end. Primary revenues, such as property taxes, special assessments, intergovernmental revenues, charges for services, sales and franchise taxes, rents and interest are treated as susceptible to accrual under the modified accrual basis and have been recognized as revenues. Expenditures reported in governmental fund financial statements are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes principal and interest on general long-term debt, which is recognized when due.

The County reports the following major funds in the governmental fund financial statements:

General Fund – The General Fund is the general operating fund of the County. It is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund is subdivided into the following categories: Board of County Commissioners (BOCC), Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections, and Clerk of the Circuit Court.

Better Place Plan Fund – The Better Place Fund is used to account for revenues received from a one-cent discretionary surtax imposed to finance certain capital projects.

Capital Projects Fund – The Capital Projects Fund is used to account for construction or renovation projects on County facilities. For 2016, the fund accounted for the revenue and expenditures on the jail expansion.

The County reports the following major funds in the proprietary fund financial statements:

Waste Management Fund – The County's Waste Management Fund is used to account for the fees charged for providing solid waste collection and disposal services to the general public on a user fee basis, and to account for special assessments levied to County residents for mandatory solid waste collection.

East Putnam Water Fund – The East Putnam Water Fund is used to account for the collection and use of fees established to provide a water and wastewater system to residents in that region of the County.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County reports the following other fund types:

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis (i.e., risk management, liability insurance, and fleet maintenance).

Agency Funds – The Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governments. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Clerk of the Circuit Court maintains agency funds to account for assets held for others under court order; the Sheriff's agency fund accounts for assets held for use by inmates while incarcerated, and on behalf of other agencies and individuals; the Tax Collector maintains agency funds to account for taxes received but not distributed and for funds not yet distributed to the state from the sale of vehicle and other licenses and permits.

E. Assets, Liabilities and Net Position or Equity

Cash and Investments

For accounting and investment purposes, the County maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to legal or other restrictions. Investments within this pool are treated as a demand deposit account by the various funds of the County that participate. Interest earned on investments in the pool is allocated to the various funds based upon each fund's equity balance in the pool during the allocation period.

All funds that are not invested are deposited in institutions that are certified as "Qualified Public Depositories," as required under the Florida Security for Public Deposits Act. This law requires every qualified public depository to deposit, with the State Treasurer, eligible collateral equal to or in excess of an amount to be determined by the State Treasurer. The law requires the State Treasurer to ensure that funds are entirely collateralized throughout the fiscal year. Therefore, the County's total deposits and the deposits of the Putnam County Development Authority, a component unit, are insured or collateralized by the Federal Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance.

Investments are stated at fair value, except for some investments in the State Board of Administration Local Government Surplus Trust Fund Investment Pool. The State Investment Pool is administered by the Florida State Board of Administration (SBA), who provides regulatory oversight. The SBA is not a registrant with the Securities and Exchange Commission (SEC). Investments in the SBA are classified as Cash and Equivalents in the accompanying financial statements

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Cash Flows

For purposes of the statement of cash flows, the County considers cash and cash equivalents to be cash on hand, demand deposits, and highly liquid investments with original maturities of three months or less when purchased.

Accounts Receivable

The accounts receivable of the County are recorded in the government-wide, governmental, and proprietary fund financial statements and are net of an allowance for doubtful accounts, which is generally equivalent to the receivables that are over 90 days.

Due To/From Other Funds

Activity between funds during the year is recorded by moving cash; however, after September 30th cash can no longer move between funds; therefore a “due from” and “due to” are used to record any activity representing current interfund loans. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statement of net position as “internal balances”.

Restricted Assets

Certain resources of the County are classified as restricted assets on the statement of net position because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources as they are needed.

Inventories

Inventories, consisting primarily of materials and supplies, are stated at cost, which approximates fair market value. The “first-in/first-out” (FIFO) method is used to determine cost. No inventories were reported in any governmental funds at September 30, 2016.

All inventories are recorded as expenditures, or expense, as they are used (consumption method). An offsetting non-spendable fund balance is reported in the governmental fund financial statements to indicate that the asset is not available for appropriation or expenditure.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Long-Term Receivables

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they are not considered “available spendable resources,” since they do not represent net current position. Recognition of governmental fund type revenues represented by noncurrent receivables is not made until they become current receivables.

Capital Assets

Capital assets include property, plant, equipment, infrastructure, and intangible assets such as computer software. Infrastructure assets are defined as public domain assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the governmental unit. Capital assets are reported in the government-wide financial statements in the applicable governmental or business-type activities column, as well as the proprietary fund financial statements. The established threshold for capitalizing property, plant and equipment is generally \$3,000. The threshold for capitalizing infrastructure ranges from \$5,000 to \$25,000. The Office of the Sheriff, however, has established a capitalization threshold of \$5,000 for all classes of capital assets. The threshold for the capitalization of all intangible assets is \$50,000.

The reported values of general infrastructure exclude normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

The County holds legal title to the capital assets of the Board of County Commissioners, Property Appraiser, Tax Collector, Clerk of the Circuit Court, and Supervisor of Elections and is accountable for them under Florida Law. The Sheriff, under Florida Law, is accountable for maintaining capital asset records for equipment used in the operations of the Office.

Capital assets are recorded at cost, or estimated historical cost. Contributed assets are recorded at estimated acquisition value at the time received.

Amortization of intangible assets is included with depreciation expense.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Depreciation or amortization, as appropriate, is calculated using the straight-line method over the following estimated useful lives:

Intangible Assets	7 – 40 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Equipment	5 – 15 Years
Water Distribution System	40 Years

Infrastructure assets are depreciated using a group depreciation method over a period of 10-100 years.

The landfill is depreciated proportionately based on capacity used.

Capitalization of Interest

Interest costs related to construction are capitalized for proprietary activities. For assets constructed with governmental fund resources, interest is not capitalized. During the current year the County had \$15,506 of capitalized interest on the East Putnam Wastewater Project.

Unearned Revenues

Unearned revenue represents revenues collected in advance of services performed. This revenue will be recognized when the services are rendered.

Compensated Absences

The various County agencies maintain policies that permit employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation of service if certain criteria are met. These benefits, plus their related tax and retirement costs, are classified as compensated absences. The policies of the various County agencies vary as to the amount and the vesting of employee vacation and sick time. Generally, the policies allow limited vesting of unused employee vacation leave time and in some instances sick time. The amount of vacation time is determined by the period of employment. In prior years, the following governmental funds have typically been used to eliminate the liability for compensated absences: the General Fund, the County Transportation Trust Fund, the Fire Tax Unit Fund, the E911 System Fund and the Court Fund.

Compensated absences liabilities are accrued when incurred in the government-wide and proprietary fund financial statements. No expenditure is reported in the governmental fund statements for these amounts until payment is due. The compensated absences liability is based on current rates of pay.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from estimates used.

G. Deferred Inflows and Outflows

Deferred outflows of resources are defined as a consumption of resources by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of resources by the government that is applicable to a future reporting period. Deferred outflows of resources have a positive effect on net position, similar to assets, and deferred inflows of resources have a negative effect on net position, similar to liabilities. Notwithstanding those similarities, deferred outflows of resources are not assets and deferred inflows of resources are not liabilities, and accordingly, are not included in those sections of the statement of financial position.

H. 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 Florida Retirement System Pension Plan and Health Insurance Subsidy Program and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. 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.

I. Fund Balance

The County follows the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions to classify fund balances for its governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which the amounts in the fund can be spent.

Fund balance classifications are described below:

Nonspendable Fund Balance – Non-spendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the County's highest level of decision-making authority, which is by Ordinance approved by the County Commission. Committed amounts cannot be used for any other purpose unless the Commission removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) formal action of the County Commission, other than by Ordinance, or (b) an official to which the Commission has delegated the authority, by formal action, to assign amounts used for specific purposes. The Commission has delegated this authority to the County Administrator.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The County's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Defined Benefit Plans

The County participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services and Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Financial services website at (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 and 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 2 – STATE OF FLORIDA PENSION PLANS

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under one of the state administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the County are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS. The County's contribution rates as of September 30, 2016, were as follows:

	<u>FRS</u>	<u>HIS</u>
Regular Class	5.86%	1.66%
Special Risk Class	20.91%	1.66%
Senior Management	20.11%	1.66%
Elected Officials	40.81%	1.66%
DROP from FRS	11.33%	1.66%

The County's contributions for the year ended September 30, 2016, were \$3,248,814 to the FRS and \$426,360 to the HIS.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Pension Liabilities and Pension Expense

At September 30, 2016, the County reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2016 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation dated July 1, 2016. The County's proportions of the net pension liabilities were based on the County's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS	
Net pension liability at			
September 30, 2016	\$ 32,897,416	\$ 9,635,055	
Proportion at:			
Current Measurement Date	0.1302864%	0.0826718%	
Prior Measurement Date	0.1255929%	0.0825509%	
Pension expense (benefit), year ended			
September 30, 2016	\$ 5,025,903	\$ 780,340	

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,518,879	\$ (306,297)	\$ -	\$ (21,945)
Changes of assumptions	1,990,195	-	1,511,985	-
Net difference between projected and actual earnings on pension plan investments	15,134,029	(6,630,448)	4,872	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,919,805	(1,741,877)	236,449	(349,565)
Employer contributions subsequent to the measurement date	876,547	-	109,195	-
Total	\$ 22,439,455	\$ (8,678,622)	\$ 1,862,501	\$ (371,510)

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2016. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30,	FRS	HIS
2017	\$ 1,759,982	\$ 247,481
2018	1,759,982	247,481
2019	5,075,206	246,553
2020	3,492,186	246,108
2021	591,869	202,065
Thereafter	205,061	192,108
Total	\$ 12,884,286	\$ 1,381,796

Actuarial Assumptions

The total pension liability for each of the defined benefit plans measured as of June 30, 2016 was determined by an actuarial valuation as of July 1, 2016, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	<u>FRS</u>	<u>HIS</u>
Inflation	2.60%	2.60%
Salary Increases	3.25%	3.25%
Investment rate of return	7.60%	N/A
Discount Rate	7.60%	2.85%

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

The following changes in key actuarial assumptions occurred in 2016:

FRS: The discount rate and the investment rate of return were reduced from 7.65% to 7.60%.

HIS: The discount rate decreased from 3.80% to 2.85% and the municipal bond index rate decreased from 3.80% to 2.85%.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 2 – STATE OF FLORIDA PENSION PLANS

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary’s assumptions based on long-term target asset allocation. The reduced investment return assumption of 7.60 percent, which was adopted by the Florida Retirement System Actuarial Assumption Conference, conflicts with the consulting actuary’s judgment of a reasonable assumption as defined by Actuarial Standards of Practice No. 27.

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1.00%	3.00%	3.00%
Fixed Income	18.00%	4.70%	4.60%
Global Equity	53.00%	8.10%	6.80%
Real estate (property)	10.00%	6.40%	5.80%
Private equity	6.00%	11.50%	7.80%
Strategic Investments	<u>12.00%</u>	6.10%	5.60%
	<u>100.00%</u>		

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 7.60%. FRS’ fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 2.85% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the County’s proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	Current			Discount		
	1% Decrease (6.60%)	Discount Rate (7.60%)	1% Increase (8.60%)	1% Decrease (1.85%)	Rate (2.85%)	1% Increase (3.85%)
Employer's proportionate share of the net pension liability	\$ 60,566,370	\$32,897,416	\$ 9,866,666	\$11,053,596	\$ 9,635,055	\$ 8,457,741

Pension Plans’ Fiduciary Net Position

Detailed information about the pension plans’ fiduciary net position is available in the State’s separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (“FRS Investment Plan”), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2016, totaled \$376,023.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 3 – DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan (the “Plan”) created in accordance with Section 457 of the Internal Revenue Code. This Plan (refer to Section 112.215, Florida Statutes), is available to all regular payroll County employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (notwithstanding the mandates of 26 U.S.C. s. 457 (b) (6), all of the assets specified in subparagraph 1) held in trust for the exclusive benefit of participants and their beneficiaries as mandated by 26 U.S.C. s. 457 (g) (1).

NOTE 4 – PROPERTY TAXES

Property taxes become due and payable on November 1st of each year and are delinquent on April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 delinquent date. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1st of each year.

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. There were no significant delinquent property taxes receivable at September 30, 2016.

Tax revenues are recognized when levied, to the extent that they result in current receivables in governmental funds. By year-end, substantially all property taxes have been collected. Accordingly, there is no ad-valorem property taxes receivable reported in the accompanying financial statements.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 4 – PROPERTY TAXES

Details of the County’s tax calendar are presented below:

Lien Date	January 1
Levy Date	October 1
Installment Payments:	
1st Installment	No later than June 30
2nd Installment	No later than September 30
3rd Installment	No later than December 31
4th Installment	No later than March 31
Regular Payments:	
Discount Periods	November - February
No Discount Period	March
Delinquent Date	April 1

NOTE 5 – DEPOSITS AND INVESTMENTS

As of September 30, 2016, the County had the following investments and maturities:

<u>Investment</u>	Fair Value	Investment Maturities (in years)				S & P Rating
		Less Than 1	1 - 2	2 - 3	3 - 5	
State Investment Pool - Florida Prime, amortized cost	\$ 11,705,344	\$ 11,705,344	\$ -	\$ -	\$ -	AAAm
Florida Local Government Investment Trust	4,834,090	1,629,572	1,864,025	1,301,820	38,673	AAAf
Money Market Funds	4,025,259	4,025,259	-	-	-	NA
TOTAL INVESTMENTS	\$ 20,564,693	\$ 17,360,175	\$ 1,864,025	\$ 1,301,820	\$ 38,673	

Total Investments include \$15,730,603 classified as Cash and Equivalents in the accompanying financial statements. Investments exclude \$113,255 in a non-negotiable interest bearing time deposit of the Putnam County Development Authority, a component unit.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The County uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 5 – DEPOSITS AND INVESTMENTS

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the County's own data in measuring unobservable inputs.

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates as identified in Note 9. The County has the following recurring fair value measurements as of September 30, 2016:

	Balance September 30, 2016	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments at fair value:				
Florida Local Government Investment Trust	\$ 4,834,090			
Derivative Instruments:				
Interest Rate Swaps	(86,062)	-	(86,062)	-

Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the maturity of investments to less than five years. Additionally, the investment policy requires the portfolio to be diversified by type of investment, issuer, and dates of maturity in order to protect against fluctuations in the market economy. The weighted average days to maturity (WAM) of the Florida PRIME fund were 50 days. The WAM for the Florida Local Government Investment Trust was 1.61 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The various agencies of the County and its component unit invest excess public funds pursuant to the guidelines established in Section 218.415, Florida Statutes, and County Investment Resolution 2003-112 (investment policy), which authorizes investments of excess public funds in the following instruments: The Local Government Surplus Trust Funds Investment Pool (State Investment Pool); Securities and Exchange Commission registered money market funds with the highest credit quality rating; savings accounts; interest bearing time deposits in qualified public depositories; direct obligations of the U.S. Treasury; Federal agencies and instrumentalities; certain securities (limited to obligations of the U.S. Government or any agency or instrumentalities thereof); certificates of deposit and other evidence of deposit at financial institutions, bankers' acceptances, and commercial paper rated in the highest tier by a nationally recognized rating agency; and other investments authorized by law or by ordinance for the County.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 5 – DEPOSITS AND INVESTMENTS

State Investment Pool: The State Investment Pool is administered by the Florida State Board of Administration (SBA), which provides regulatory oversight. The Florida PRIME is an external investment pool that has adopted operating procedures consistent with GASB's requirements to measure its investments at amortized cost. Therefore, the fair value of the position in the pool is equal to the value of the pool shares. The Florida PRIME is rated by Standard and Poor's and has a rating at September 30, 2016 of AAAM.

Florida Local Government Investment Trust: The County participates in the Florida Local Government Investment Trust (FLGIT), an external investment pool. Regulatory oversight for the pool consists of the Board of Trustees comprised of County Clerks and County Commissioners; an Investment Board comprised of finance officers throughout the State; an Independent Investment Advisor; a Custodian Bank; and an Administrator (Florida Association of Court Clerks). Additionally, the pool's investments are periodically rated by Standard & Poor's. At September 30, 2016, the Credit Quality and Bond Fund Volatility Ratings were AA Af and S1, respectively.

The County may have indirect exposure to derivatives through its participation in the FLGIT. Information about the nature and extent of the County's indirect exposure to risks from derivatives and similar debt and investment items is not available. Management is aware of this aspect of the investments held in the FLGIT and has adhered to the County's investment policy requirements to monitor such investment activity on a consistent periodic basis.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County 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. All County deposits are in qualified public depositories pursuant to Chapter 280, Florida Statutes. All deposits made in qualified public depositories are fully collateralized and backed by the Public Deposit Security Trust Fund.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy and Florida Statutes require that securities purchased by and all collateral obtained by the County be properly designated as an asset of the County and held in safekeeping by a third party.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Unless market conditions otherwise require, the investment policy requires that no more than fifteen (15%) of the County's investment portfolio may be in any one class of security other than those issued or guaranteed by the U.S. Government or its agencies.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 6 – ACCOUNTS RECEIVABLE

Accounts receivable of the General Fund consist primarily of ambulance service accounts which are reported net of an allowance for doubtful accounts of \$2,122,669 at September 30, 2016. The allowance represents approximately 62.3% of the gross ambulance service accounts receivable at September 30, 2016. The balance of the receivable consists of miscellaneous service fees.

Accounts receivable of the non-major Governmental Funds consist primarily of \$9,798 in utility customer receivables, court related receivables of \$38,079 and other miscellaneous receivables. Allowances for doubtful accounts are not considered necessary, except for an allowance of \$31,867 for court receivables. All net receivables are expected to be collected within the next year.

Accounts receivable of the Enterprise Funds consist of Landfill and Water Utility customer and rent receivables of \$1,704,227 and other miscellaneous receivables resulting from normal business activities. An allowance for doubtful accounts in the amount of \$1,233,552 has been established. All net receivables are expected to be collected within the next year.

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a schedule of interfund receivables and payables as of September 30, 2016:

Due To / Due From Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 95,000
General Fund	Internal Service Funds	175,000
Internal Service Fund	General Fund	188,188
Non-Major Governmental Fund	General Fund	27,855
TOTAL PRIMARY GOVERNMENT		<u><u>\$ 486,043</u></u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers for the year ended September 30, 2016, consisted of the following:

	Transfer In:				
<u>Transfer Out:</u>	<u>General</u> <u>Fund</u>	<u>Nonmajor</u> <u>Governmental</u>	<u>East</u> <u>Putnam</u> <u>Water</u>	<u>Internal</u> <u>Service</u>	<u>Total</u> <u>Transfers</u> <u>In</u>
General Fund	\$ -	\$ 1,891,712	\$ 60,000	\$ 964,487	\$ 2,916,199
Better Place Plan Fund	176,350	436,260	590,000	-	1,202,610
Capital Project Fund	534,383	-	-	-	534,383
Nonmajor Governmental	-	164,195	-	585,661	749,856
Waste Management	53,729	61,573	-	119,957	235,259
East Putnam Water	-	-	-	14,082	14,082
Nonmajor Proprietary	-	-	-	1,380	1,380
Internal Service	-	-	-	3,362	3,362
Total Transfers Out	\$ 764,462	\$ 2,553,740	\$ 650,000	\$ 1,688,929	\$ 5,657,131

Some balances resulted from the time lag between the dates that (a) interfund goods and services are provided or reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments are made between funds.

Other balances are transfers that include transfers to provide match for grant requirements; transfer moneys to other funds based on budgetary requirements; and to move moneys from a fund that by statute or budgetary authority must collect revenues to funds that are required by statute or budgetary authority to expend them.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 8 – CAPITAL ASSET ACTIVITY

Capital asset activity for the year was as follows:

	Beginning Balance October 1, <u>2015</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance September 30, <u>2016</u>
Primary Government				
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 21,168,227	\$ -	\$ -	\$ 21,168,227
Construction in Progress	16,385,651	69,006	(16,385,651)	69,006
Total Capital Assets Not Being Depreciated	<u>37,553,878</u>	<u>69,006</u>	<u>(16,385,651)</u>	<u>21,237,233</u>
Capital Assets Being Depreciated:				
Intangible Assets	1,346,976	67,690	-	1,414,666
Buildings	28,384,589	18,277,268	(143,546)	46,518,311
Improvements	9,930,352	48,995	-	9,979,347
Equipment	37,463,187	2,571,605	(1,314,509)	38,720,283
Infrastructure	90,541,709	5,389,468	(453,169)	95,478,008
Total Capital Assets Being Depreciated	<u>167,666,813</u>	<u>26,355,026</u>	<u>(1,911,224)</u>	<u>192,110,615</u>
Less Accumulated Depreciation For:				
Intangible Assets	(773,384)	(127,847)	-	(901,231)
Buildings	(13,128,357)	(1,111,968)	53,829	(14,186,496)
Improvements	(4,024,093)	(338,266)	-	(4,362,359)
Equipment	(31,312,043)	(2,381,191)	1,301,431	(32,391,803)
Infrastructure	(27,217,948)	(3,723,718)	453,169	(30,488,497)
Total Accumulated Depreciation	<u>(76,455,825)</u>	<u>(7,682,990)</u>	<u>1,808,429</u>	<u>(82,330,386)</u>
Total Capital Assets Being Depreciated, Net	<u>91,210,988</u>	<u>18,672,036</u>	<u>(102,795)</u>	<u>109,780,229</u>
Governmental Activities Capital Assets, Net	<u>\$ 128,764,866</u>	<u>\$ 18,741,042</u>	<u>\$ (16,488,446)</u>	<u>\$ 131,017,462</u>
<u>Business-type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 6,176,495	\$ -	\$ -	\$ 6,176,495
Construction in Progress	13,279,677	133,800	(13,276,277)	137,200
Total Capital Assets Not Being Depreciated	<u>19,456,172</u>	<u>133,800</u>	<u>(13,276,277)</u>	<u>6,313,695</u>
Capital Assets Being Depreciated:				
Buildings	3,177,325	-	-	3,177,325
Improvements	967,510	-	-	967,510
Landfill	11,347,894	-	-	11,347,894
Water and Sewer Distribution System	32,220,082	14,882,732	-	47,102,814
Equipment	3,037,018	35,594	(54,075)	3,018,537
Total Capital Assets Being Depreciated	<u>50,749,829</u>	<u>14,918,326</u>	<u>(54,075)</u>	<u>65,614,080</u>
Less Accumulated Depreciation For:				
Buildings	(1,501,417)	(95,428)	-	(1,596,845)
Improvements	(850,131)	(14,334)	-	(864,465)
Landfill	(6,747,167)	2,726,608	-	(4,020,559)
Water and Sewer Distribution System	(5,454,307)	(1,114,694)	-	(6,569,001)
Equipment	(1,868,298)	(390,236)	54,075	(2,204,459)
Total Accumulated Depreciation	<u>(16,421,320)</u>	<u>1,111,916</u>	<u>54,075</u>	<u>(15,255,329)</u>
Total Capital Assets Being Depreciated, Net	<u>34,328,509</u>	<u>16,030,242</u>	<u>-</u>	<u>50,358,751</u>
Business-type Activities Capital Assets, Net	<u>\$ 53,784,681</u>	<u>\$ 16,164,042</u>	<u>\$ (13,276,277)</u>	<u>\$ 56,672,446</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 8 – CAPITAL ASSET ACTIVITY

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

Governmental Activities:

General Government	\$ 501,951
Public Safety	2,765,094
Physical Environment	38,453
Transportation	3,910,058
Economic Environment	17,344
Human Services	34,196
Culture and Recreation	268,329
Court Related	105,704
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	41,861
Total Depreciation Expense - Governmental Activities	\$ 7,682,990

Business-type Activities:

Waste Management	\$(2,361,641)
Water and Sewer System	1,152,783
Port Authority	96,942
Total Depreciation Expense - Business-type Activities	\$(1,111,916)

NOTE 9 – LONG-TERM OBLIGATIONS

Governmental Activities

Special Assessment Debt with Governmental Commitment \$1,900,000, variable rate, 13-year note to fund specific road improvements within several Municipal Service Benefit Units. The County entered into an interest rate swap agreement to fix the interest rate at 3.90%. The note is payable from and secured by a pledge of special assessments levied pursuant to County ordinance. The County is obligated to provide other non-ad valorem revenue sources for repayment to cover deficiencies. Principal and interest totaling approximately \$46,900 is due quarterly until maturity on June 1, 2018. The note is payable from the MSBU Loan Fund (a Debt Service Fund). \$ 316,473

Notes Payable - \$10,000,000, variable rate, 11-year note from a financial institution to finance certain road projects within the County. The County entered into an interest rate swap agreement to fix the interest rate at 4.11%. The note is payable from and secured by a pledge of proceeds from the one cent local infrastructure surtax. Principal and interest payments of approximately \$290,000 are due quarterly until maturity on January 1, 2018. The note is payable from the Better Place Fund (a Capital Project Fund). 1,675,000

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

\$3,500,000 variable rate, 10-year note from a financial institution to finance certain road projects within the County. The County entered into an interest rate swap agreement to fix the interest rate at 3.75%. The note is payable from and secured by a pledge of proceeds of the one cent local infrastructure surtax. Principal payments are made annually; interest is paid semi-annually; total annual payments approximate \$420,000; note matures on January 1, 2018. The note is payable from the Better Place Fund (a Capital Project Fund).

815,000

\$1,356,000, variable rate, 15-year note from a financial institution to construct and equip several communications towers within the County. The County entered into an interest rate swap agreement to fix the interest rate at 3.89%. The note is payable and secured by a pledge of a specific traffic ticket surcharge designated for communications improvements. The County is obligated to provide other non-ad valorem revenue sources for repayment to cover deficiencies. Principal and interest payments of approximately \$30,000 are due quarterly until maturity on May 1, 2020. The note is payable from the Communications Improvement Fund (a Special Revenue Fund).

418,217

Revenue Bonds - \$9,000,000 from the United States Department of Agriculture, Public Improvement Revenue Bond, Series 2016 to provide financing for the Putnam County Jail. The interest rate is 3.125%. The bonds will be repaid in 40 annual principal and interest payments of approximately \$397,250 beginning March 2017. The bond is secured by pledged revenues from the local government half-cent sales tax clearing trust fund. The bond is payable from the County Jail Fund (a Debt Service Fund.)

9,000,000

\$8,965,300 from the United States Department of Agriculture, Public Improvement Revenue Bond, Series 2016 to provide financing for the Putnam County Jail. The interest rate is 3.125%. The bonds will be repaid in 40 annual principal and interest payments of approximately \$395,750 beginning March 2017. The bond is secured by pledged revenues from the local government half-cent sales tax clearing trust fund. The bond is payable from the County Jail Fund (a Debt Service Fund.)

8,965,300

Medicaid Obligation in the amount of \$610,961. Pursuant to Florida House Bill 5301, the County incurred a liability during fiscal year 2012 for previously unpaid and disputed Medicaid billings from the State. Payments made from the County's Revenue Sharing proceeds were \$83,333 for the years ending September 30, 2016, 2015 and 2014. Payments of \$166,667, and \$110,961 were made for the years ending September 30, 2013 and 2012, respectively. A final payment of \$83,334 will be made in 2017 from the same revenue source.

83,334

Other Post Employment Benefits 3,249,058

Accrued Compensated Absences 2,147,600

Net Pension Liability 41,833,847

Total Long-Term Obligations, Governmental Activities \$ 68,503,829

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

Business-Type Activities

Notes Payable - \$4,000,000, 3.76% interest rate, 8-year note from a financial institution to finance construction of a new cell at the County Landfill. The note is payable from and secured by special assessments for waste disposal. Principal and interest payments of approximately \$145,449 are due quarterly until maturity on October 1, 2017. The note is payable from the Waste Management Fund. (an Enterprise Fund) \$ 707,174

\$1,402,009 from the State of Florida State Revolving Fund loans to provide financing for the East Putnam Wastewater System. The interest rate is 1.31% and will be repaid in 20 semiannual loan payments of \$49,682. The note is secured by operating proceeds from the Wastewater System. The Better Place Plan Fund is obligated to cover any deficiencies. The note matures in fiscal year 2025. 812,851

\$9,783,912 from the State of Florida in three series of State Revolving Fund loans to provide financing for the East Putnam Water System. The interest rates range from 2.64% to 2.82%. The loan will be repaid in 40 semiannual loan payments of \$329,149. The note is secured by operating proceeds of the Water System and matures in the 2030 fiscal year. 7,106,305

Revenue Bonds - \$4,268,000 from the United States Department of Agriculture is Water Revenue Bonds, Series 2008B to provide financing for the East Putnam Water System. The interest rate is 4.25%. The loan will be repaid in 38 annual loan payments of \$228,300 beginning September 1, 2011. The bond is secured by operating proceeds from the East Putnam Water System. The Better Place Plan Fund is obligated to cover deficiencies up to \$275,000 per year. 3,954,000

\$2,054,900 from the United States Department of Agriculture is Water Revenue Bonds, Series 2008A to provide financing for the East Putnam Water System. The interest rate is 4.50%. The loan will be repaid in 38 annual loan payments of \$113,600 beginning September 1, 2011. The bond is secured by operating proceeds from the East Putnam Water System. The Better Place Plan Fund is obligated to cover deficiencies up to \$275,000 per year. 1,912,000

\$3,057,000 from the United States Department of Agriculture is Sewer Revenue Bonds, Series 2014 (Bond R-1) to provide financing for the East Putnam Wastewater System. The interest rate is 2.75%. The loan will be repaid in 38 annual loan payments of \$126,888 beginning September 1, 2017. The bond is secured by operating proceeds from the East Putnam Wastewater System. 3,057,000

\$276,000 from the United States Department of Agriculture is Sewer Revenue Bonds, Series 2014 (Bond R-2) to provide financing for the East Putnam Wastewater System. The interest rate is 3.25%. The loan will be repaid in 38 annual loan payments of \$13,466 beginning September 1, 2017. The bond is secured by operating proceeds from the East Putnam Wastewater System. 276,000

Capital Leases consist of agreements with financial institutions for equipment with an aggregate historical cost of \$837,015. This includes the following equipment at the landfill: compactor with \$514,753 aggregate historical cost and 2.74% interest rate and a wheel loader with \$231,877 aggregate historical cost and 2.24% interest rate. 202,779

Accrued Landfill Closure and Long-Term Care Costs 13,498,829

Other Post Employment Benefits 109,896

Accrued Compensated Absences 58,000

Net Pension Liability 698,624

Total Long-Term Obligations, Business-Type Activities \$ 32,393,458

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

Interest Rate Swaps

Swap Objectives

The County has entered into four floating-to-fixed interest rate swap agreements in connection with issuing variable rate notes. The intention of the swaps was to protect against the potential of rising interest rates by creating synthetic fixed rate debt at a cost anticipated to be less than the County would have paid to issue fixed rate debt.

Terms, Fair Values and Credit Risk

The terms, fair values and credit ratings of the outstanding swaps as of September 30, 2016 were as follows: The notional amounts of the swaps match the principal amounts of the outstanding debt.

Interest Rate Swaps

Notional Amounts	\$418,217	\$316,473	\$1,675,000	\$815,000
Effective Date	5/31/2005	6/28/2005	11/28/2006	12/13/2007
Fixed Payer Rate	3.89%	3.90%	4.11%	3.75%
Variable Receiver Rate	63.7% of LIBOR plus 0.90%	63.7% of LIBOR plus 0.90%	63.7% of LIBOR plus 0.70%	63.7% of LIBOR plus 0.70%
Fair Value End of Year	(\$19,148)	(\$7,399)	(\$40,088)	(\$19,427)
Termination Date	5/1/2020	6/1/2018	1/1/2018	1/1/2018
Counterparty Credit Rating	A/A-2	A/A-2	A/A-2	A/A-2

Swap Fair Values

The fair values of the swaps are calculated based upon the net present value of the difference in future cash flows between the pay fixed and receive variable rates using a 5% discount rate. The fixed payer rate for all four swaps exceeded the variable receiver rate at September 30, 2016, and consequently all had a negative fair value at that date.

The Aggregate fair values and changes in fair values of the swaps are as follows:

	As of and for the Fiscal Year Ended September 30								
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Fair Value	\$ (86,062)	\$ (215,969)	\$ (383,856)	\$ (586,649)	\$ (807,776)	\$ (1,070,382)	\$ (1,388,448)	\$ (1,714,302)	\$ (449,829)
Change in Fair Value	129,907	167,887	202,793	221,127	262,606	318,066	325,854	(1,264,473)	(461,925)

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

The following elements of the government-wide financial statements recognize only the events related to the swap and the hedged bonds for the fiscal years ended September 30, 2008 through September 30, 2016. Amounts are presented based on their natural classification:

	2016	2015	2014	2013	2012	2011	2010	2009	2008
Statement of Net Position:									
Cash	\$ 847,071	\$ 1,047,841	\$ 2,922,037	\$ 4,813,939	\$ 6,698,539	\$ 8,589,989	\$10,473,915	\$12,359,436	\$14,244,725
Deferred Outflow Resources	86,062	215,969	383,856	586,649	807,776	1,070,382	1,388,448	1,714,302	449,829
Derivative Instrument Liability	86,062	215,969	383,856	586,649	807,776	1,070,382	1,388,448	1,714,302	449,829
Notes Payable	3,224,690	4,947,253	6,594,181	8,180,891	9,697,778	11,160,227	12,558,605	13,903,268	15,194,553
Statement of Activities:									
Interest Expense	172,349	239,855	305,192	367,713	429,001	485,548	540,858	594,004	582,064

Swap Payments and Associated Debt

Assuming that interest rates remain the same, at September 30, 2016, debt service requirements on the variable rate notes and interest rate swaps would be as follows:

Year Ending Sept 30	<u>Variable Rate Notes</u>		Interest Rate Swaps	Total
	Principal	Interest		
2017	1,788,632	32,468	67,112	1,888,212
2018	1,233,114	10,167	19,691	1,262,972
2019	114,236	2,317	3,925	120,478
2020	88,708	642	1,089	90,439
Total	<u>\$ 3,224,690</u>	<u>\$ 45,594</u>	<u>\$ 91,817</u>	<u>\$ 3,362,101</u>

Credit Risk

As of September 30, 2016 the County is not subject to credit risk from the swap agreements since the fair value of each swap was negative. However, should interest rates change and the fair value of the swap become positive, the County would be exposed to credit risk.

Termination Risk

The County or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the contract. The swaps can be terminated due to illegality, a credit event upon merger or an event of default.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for long-term obligations at September 30, 2016, excluding obligations under capital leases, are as follows:

Year Ending September 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2017	2,020,232	662,515	1,264,552	568,784
2018	1,472,014	584,585	864,565	531,538
2019	360,536	553,042	739,793	510,450
2020	342,808	540,766	759,512	489,784
2021	261,900	531,075	780,621	468,525
2022-2026	1,437,800	2,527,359	4,023,309	2,004,969
2027-2031	1,676,700	2,288,228	3,075,978	1,425,860
2032-2036	1,955,800	2,009,334	1,334,000	1,096,855
2037-2041	2,281,300	1,684,016	1,582,000	821,288
2042-2046	2,660,400	1,304,603	1,883,000	489,840
2047-2051	3,103,000	862,109	1,176,000	135,815
2052-2055	3,617,500	346,013	342,000	19,410
	<u>\$ 21,189,990</u>	<u>\$ 13,893,645</u>	<u>\$ 17,825,330</u>	<u>\$ 8,563,118</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

The annual requirements under capital lease obligations are as follows:

Year Ending September 30	Business-Type Activities
2017	159,400
2018	49,571
Total Minimum Lease Payments	<u>\$ 208,971</u>
Less Amount Representing Interest	<u>(6,192)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 202,779</u></u>

Changes in long-term debt transactions of the County for the year ended September 30, 2016 are summarized below:

	Governmental Activities			Balance September 30, 2016	Due Within One Year
	Balance October 1, 2015	Increases	Decreases		
Special Assessment Debt with Governmental Commitment	\$ 487,658	\$ -	\$ (171,185)	\$ 316,473	\$ 178,137
Notes Payable	4,459,595	-	(1,551,378)	2,908,217	1,610,495
Revenue Bonds	-	17,965,300	-	17,965,300	231,600
Medicaid Obligation	166,667	-	(83,333)	83,334	83,334
Other Post Employment Benefits	2,867,281	381,777	-	3,249,058	-
Accrued Compensated Absences	2,144,700	2,420,300	(2,417,400)	2,147,600	1,348,400
Net Pension Liability	<u>24,190,462</u>	<u>17,643,385</u>	<u>-</u>	<u>41,833,847</u>	<u>272,876</u>
Total Long-Term Obligations, Governmental Activities	<u><u>\$34,316,363</u></u>	<u><u>\$ 38,410,762</u></u>	<u><u>\$(4,223,296)</u></u>	<u><u>\$ 68,503,829</u></u>	<u><u>\$3,724,842</u></u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

Business-Type Activities					
	Balance			Balance	Due
	October 1,	Increases	Decreases	September 30,	Within
	2015			2016	One Year
Notes Payable	9,439,985	\$ 273,672	\$ (1,087,327)	\$ 8,626,330	\$ 1,113,552
Revenue Bonds	9,284,000	-	(85,000)	9,199,000	151,000
Capital Leases	372,124	-	(169,345)	202,779	154,305
Accrued Landfill Closure and Post-Closure Care Costs	9,766,577	3,732,252	-	13,498,829	173,156
Other Post Employment Benefi	97,003	12,893	-	109,896	-
Accrued Compensated Absences	72,000	73,000	(87,000)	58,000	32,000
Net Pension Liability	446,158	252,466	-	698,624	5,054
Total Long-Term Obligations, Business-Type Activities	\$ 29,477,847	\$ 4,344,283	\$ (1,428,672)	\$ 32,393,458	\$ 1,629,067

Pledged Revenues

The County has pledged future water customer revenues to repay \$6.323 million in water system revenue bonds issued in fiscal year 2009 and State Revolving Fund notes totaling \$9.784 million issued during fiscal years 2008 through 2011. Additionally, the County has pledged up to \$275,000 per annum of discretionary infrastructure surtax revenue through December 31, 2032 to supplement water customer revenues if necessary. Proceeds from the bonds and notes provided financing for the East Putnam Regional Water System. The notes will mature in 2030 and the bonds will mature in 2048. Annual principal and interest payments are expected to exceed 100% of future water revenues. Any shortfalls will be made up from the discretionary surtax and other non-ad valorem revenue sources. The total of principal and interest payments remaining to be made is \$19.47 million. Principal payments of \$534,026 were made in the current year, while interest payments totaling \$456,817 were made.

The County has pledged a portion of future discretionary infrastructure surtax revenue to repay notes of \$10 million and \$3.5 million issued in 2007 and 2008, respectively. Proceeds from the notes financed various road improvement projects throughout the County. The notes are payable solely from the one cent local infrastructure surtax and mature January 1, 2018. Annual principal and interest payments on the notes are expected to require approximately 35% of estimated annual net revenues. The total principal and interest remaining to be paid on the notes is \$2.58 million. For the current year, principal and interest paid was \$1.586 million and surtax revenue was \$5.364 million.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 9 – LONG-TERM OBLIGATIONS

The County has pledged future special assessment revenues to repay a \$1.9 million note issued in 2005. Proceeds from the note provided financing for road improvement projects within certain Municipal Service Benefit Units. The note will mature in 2018. Annual principal and interest payments on the note are expected to exceed 100% of future special assessment revenues as some special assessments were prepaid and set aside for future debt service. Any potential future shortfalls will be made up from other non-ad valorem revenue sources. The total principal and interest remaining to be paid on the note is \$329,107. For the current year, principal and interest paid were \$192,535 and special assessment revenue was \$210,879.

The County has pledged specific traffic ticket surcharge revenues designated for communications improvements to repay a \$1.356 million note issued in 2005. The proceeds from the note were used to construct and equip several communications towers within the County. The note will mature in 2020. Annual principal and interest payments on the note are expected to exceed 100% of future revenues. Any potential future shortfalls will be made up from other non-ad valorem revenue sources. The total principal and interest remaining to be paid on the note is \$451,965. For the current year, principal and interest paid was \$120,475, while revenue was \$31,102.

The County has pledged specific landfill collection special assessments to repay a \$4 million note issued in fiscal year 2009. The proceeds from the note were designated to construct a new cell at the central landfill. The note will mature in 2018. Annual principal and interest payments are expected to require less than 5% of revenues. The total principal and interest remaining to be paid on the note is \$726,909. For the current year, principal and interest paid was \$576,697, while revenue was \$11.722 million.

The County has pledged future wastewater system customer service revenues to repay \$3.333 million in wastewater system revenue bonds and state revolving fund notes totaling \$1.4 issued in fiscal year 2015 and 2016. Additionally, the County has pledged discretionary infrastructure surtax revenue to supplement wastewater customer revenues if necessary to meet payments on the note. Proceeds from the bonds and note provided financing for the East Putnam Regional Wastewater System. The note will mature in 2025 and the bonds will mature in 2054. Annual principal and interest payments are expected to exceed 100% of future wastewater revenues. Any shortfalls in payments of the note will be made up from the discretionary infrastructure surtax while other non-ad valorem revenue sources will be applied to any shortfalls in bond payments. The total of principal and interest payments remaining to be made is \$6.196 million. For the current year, principal and interest paid was \$193,954.

The County has pledged a portion of future half-cent sales tax revenue to repay \$17.965 million of public improvement bonds issued in 2016. Proceeds from the bonds financed construction of improvements to the county jail. Annual principal and interest payments are expected to be approximately 30% of estimated revenues. The bonds are payable from the County Jail Fund, a Debt Service Fund and mature March 2056. The total principal and interest remaining to be paid is \$31.719 million. No principal or interest payments were made in 2016.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 10 – SHORT-TERM FINANCING

The County obtained a \$18,519,600 bond anticipation note from a financial institution for expanding the jail. At September 30, 2015 the balance was \$16,105,662. An additional \$1,742,001 was drawn on the note in 2016. The \$17,847,663 balance of principal and interest was repaid in March 2016 with bond proceeds from the United States Department of Agriculture. See page 37 for more information on these bonds.

The County obtained \$3,856,396 in short-term financing for the East Putnam Waste Water project from the Florida Department of Environmental Protection State Revolving Loan Program. The debt carried an interest rate of 1.31%. During 2015, \$2,922,013 of the loan was repaid from grant funds previously received from the Florida Department of Environmental Protection that had been held in escrow for that purpose. During 2016, the remaining \$934,383 loan was repaid with the remaining funds held in escrow.

	Balance October 1, 2015	Increases	Decreases	Balance September 30, 2016
<u>Governmental Activities:</u>				
Bond Anticipation Note	\$ 16,105,662	\$ 1,742,001	\$ 17,847,663	\$ -
<u>Business-Type Activities</u>				
State Revolving Loan	934,383	-	934,383	-
Total	\$ 934,383	\$ -	\$ 934,383	\$ -

NOTE 11 – CONDUIT DEBT

The Putnam County Development Authority, a discretely presented component unit of Putnam County, has issued Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Neither the Authority, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

In a previous year, the Putnam County Development Authority issued two Pollution Control Revenue Refunding Bonds in an aggregate principal amount of \$125,250,000 to refund several series issued prior to July 1, 1995. At September 30, 2016, the aggregate bonds outstanding were \$125,250,000.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 12 – FUND BALANCE CLASSIFICATIONS

A schedule of County fund balances is provided as follows:

	<u>Major Governmental Funds</u>		<u>Total Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Better Place Plan Fund</u>		
<u>FUND BALANCES:</u>				
Restricted for:				
Debt Service	-	-	516,403	516,403
Better Place Plan - Capital Projects	-	7,827,428	-	7,827,428
Fishing Improvement	-	-	355,538	355,538
Fire Protection	-	-	787,897	787,897
Law Enforcement	14,280	-	184,411	198,691
Court Improvements	-	-	1,469,024	1,469,024
Drivers Education	-	-	280,796	280,796
Court Article V Support	-	-	69,219	69,219
Court Technology	-	-	275,406	275,406
Crime Prevention	-	-	50,830	50,830
E911 System	-	-	636,555	636,555
Communication Improvement	-	-	891	891
Economic Development	-	-	26,821	26,821
Tourist Development	-	-	609,194	609,194
MSBU Road Maintenance	-	-	877,320	877,320
Local Housing Assistance	-	-	883,892	883,892
Sewage Utilities	-	-	2,241	2,241
Water Utilities	-	-	235,896	235,896
Interlachen Lakes Estates Lake Access	43,175	-	-	43,175
Federal Forfeiture - Law Enforcement	-	-	157,557	157,557
Public Records Modernization	-	-	1,255,131	1,255,131
Voter Equipment and Education	-	-	51,572	51,572
Road Projects	-	-	4,792,297	4,792,297
Committed to:				
Commissary - Inmate Benefits	-	-	279,157	279,157
Assigned to:				
Subsequent Year's Expenditures	4,471,990	-	-	4,471,990
Road and Bridge Maintenance	-	-	1,156,439	1,156,439
Unassigned:	1,758,035	-	-	1,758,035
Total Fund Balances	<u>\$ 6,287,480</u>	<u>\$7,827,428</u>	<u>\$14,954,487</u>	<u>\$29,069,395</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 13 – DEFICIT BALANCES – INDIVIDUAL FUNDS

At September 30, 2016, the Fleet Maintenance Fund and the Risk Management Fund which are Internal Service Funds reflected deficit net positions of \$143,401 and \$438,487 respectively. County Management anticipates that future rate increases for services rendered will eliminate these deficits in the near future.

NOTE 14 – RISK MANAGEMENT

Public Entity Risk Pool

The County is exposed to various risks of loss related to general liability, personal injury, and errors and omissions. The County joined the Florida Association of Counties Trust (the "Trust"), a public entity risk pool currently operating as a common risk management and insurance program for several member counties. The County pays an annual premium to the Trust for its coverage. The premiums are designed to fund the liability risks assumed by the Trust and are based on certain actual exposures of each member. The premiums are paid from the Risk Management Fund, an Internal Service Fund.

Self-Insurance Program – Worker's Compensation

As described below, the County administers a self-insurance program for worker's compensation coverage. Liabilities are reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated, including an estimate for those incurred but not reported (IBNR). The 2016 IBNR estimate of \$879,062 is determined based on historical experience and current trends. The claims liabilities are shown at current dollar value.

The County provides worker's compensation insurance for its employees via the Risk Management Fund to account for and finance its self-insured risks of loss. The Risk Management Fund provides coverage up to a maximum of \$600,000 for each occurrence. The County purchases commercial insurance for claims in excess of coverage provided by the fund. Settlements have not exceeded insurance coverage for the last three years.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 14 – RISK MANAGEMENT

All appropriate funds of the County participate in the program and make payments to the Risk Management Fund to pay prior and current year claims and to establish a reserve for losses.

Changes in the fund's claims liability were:

	Beginning of Fiscal Year Liability	Claims Incurred and Changes in Estimates	Claims Payments	End of Fiscal Year Liability	Due Within One Year
2014-2015	\$ 1,658,088	\$ 1,709,713	\$ (1,333,324)	\$ 2,034,477	\$ 1,534,477
2015-2016	2,034,477	206,482	(727,123)	1,513,836	1,013,836

Group Insurance

The County purchases health, life and accidental death and dismemberment insurance for its employees via the Group Insurance Reserve Fund (an Internal Service Fund). The County is "fully insured" and has no liability for claims above the monthly premiums charged by the commercial insurer. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. All funds of the County participate in the program and make payments to the Group Insurance Reserve Fund to pay the premiums.

NOTE 15 – ACCRUED LANDFILL CLOSURE AND LONG-TERM CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for twenty or thirty years after closure. Although closure and long-term care costs will be paid only near or after the date the landfills stop accepting waste, the County reports a portion of these closure and long-term care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$13,498,829 reported as landfill closure and long-term care liability at September 30, 2016, represents the cumulative amounts reported to date based on the use of the following estimated capacity of the landfills:

Central Landfill Phase II, Cells 1, 2, & 3	35.43%
Class III Landfill	100%
Huntington Landfill	100%
Central Landfill Phase I	100%

The County will recognize the remaining estimated cost of closure and long-term care of \$20,987,273 as the remaining estimated capacity is used (estimated to be 6.2 years for Central Landfill Phase II, Cells 1, 2, & 3). These amounts are based on what it would cost to perform all closure and long-term care in 2016. Actual costs may be higher or lower due to inflation, deflation, changes in technology, or changes in regulations.

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 15 – ACCRUED LANDFILL CLOSURE AND LONG-TERM CARE COSTS

Additionally, the Florida Department of Environmental Protection (D.E.P.) requires that landfill operators escrow landfill long-term maintenance costs in addition to closure costs, in an amount sufficient to cover the following year's long-term care costs. The County has escrowed \$6,358,042 to cover D.E.P.'s landfill post-closure maintenance cost requirements and closure costs of current operating landfills, as of September 30, 2016. This is shown as restricted cash and equivalents and restricted investments of the business-type activities in the accompanying financial statements.

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

Pursuant to a resolution of the Board of County Commissioners, the County provides certain health care benefits for retired employees. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County.

Plan Description

The County administers a single-employer defined benefit plan for post-employment benefits other than pension benefits (OPEB Plan). The OPEB Plan provides a health insurance subsidy for retirees and eligible dependents of the Clerk of Court, Supervisor of Elections, Property Appraiser, Sheriff, Tax Collector and County. Additionally, life insurance up to \$20,000 is available to retirees at the cost paid by the County for active employees. The Putnam County Board of County Commissioners can amend the benefit provisions.

The health insurance subsidy is provided to retirees with at least six years of service who retire and begin receiving benefits from the Florida Retirement System (FRS). Retirees must maintain health care coverage after employment to be eligible for the subsidy. The amount of monthly subsidy is based on the number of years of total service with the County or Constitutional Officer and is equal to four dollars a month for each year of service. The minimum monthly subsidy is \$24 and the maximum monthly subsidy is \$120 for employees that retire with 30 or more years of service.

Pursuant to the provisions of Section 112.0801 Florida Statutes any employee who retires and immediately begins receiving FRS benefits has the option of paying premiums to continue in the County's healthcare plan at the same group rate that is applicable to active employees. The retiree pays 100% of the blended group rate premium less the subsidy mentioned above, therefore receiving an implicit subsidy.

The plan does not issue a stand-alone financial report.

At September 30, 2016, participants consisted of:

Active Employees	502
Retirees Participants	49

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligations were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
September 30, 2014	\$ 814,503	\$ 220,044	27.02%	\$ 2,419,887
September 30, 2015	805,397	261,000	32.41%	2,964,284
September 30, 2016	566,366	171,696	30.32%	3,358,954

Determination of Change of Net OPEB Obligation at September 30, 2016

Annual Required Contribution	\$ 652,920
Interest on prior year Net OPEB Obligation	118,571
Adjustment to ARC	<u>(205,125)</u>
Annual OPEB Cost	566,366
Assumed Contributions Made	<u>(171,696)</u>
Estimated Increase in Net OPEB Obligations	<u>\$ 394,670</u>
Net OPEB Obligation at September 30, 2015	<u>2,964,284</u>
Net OPEB Obligation at September 30, 2016	<u>\$ 3,358,954</u>

The funded status of the OPEB Plan as of October 1, 2015 was as follows:

Actuarial Accrued Liability (AAL)	\$ 5,091,108
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 5,091,108</u>
Funded Ratio	0.00%
Covered Payroll	\$ 25,688,000
Ratio of UAAL to Covered Payroll	19.82%

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

Funding Policy

Funding for the OPEB Plan is on a pay-as-you-go basis from the County's general assets when due. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for this purpose.

Actuarial Methods and Assumptions

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer (ARC) are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following actuarial methods and assumptions were used:

Actuarial Cost Method	Unit Credit Actuarial Cost Method
Amortization Method	Level Annual Payments
Amortization Period	30 Years, Closed
Remaining Amortization Period	22 Years
Asset Valuation Method	Unfunded
Actuarial Assumptions:	
Discount Rate	4%
Healthcare Cost Trend Rates	11% Initial; 3.8% ultimate for dental and 4.0% ultimate for medical
Inflation Rate	2.3%

Putnam County, Florida
Notes to Financial Statements
September 30, 2016

NOTE 17 – OPERATING LEASES

The Transportation Fund (a Special Revenue Fund) leased seven road graders used to maintain roads within the County. These leases had five-year terms which expired in 2016. In May 2016, the County leased 3 new boom mowers which also have five-year terms. Future minimum lease payments under these leases are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Amount</u>
2017	\$ 79,263
2018	79,263
2019	79,263
2020	79,263
2021	<u>52,844</u>
Total future minimum lease payments	<u>\$ 369,896</u>

NOTE 18 – COMMITMENTS AND CONTINGENCIES

At September 30, 2016, the County was committed under signed contracts for approximately \$900,000 of road construction, resurfacing and engineering work and \$50,000 for building and other construction projects.

The County is party to lawsuits and claims arising out of the normal conduct of its activities. While the results of the lawsuits and claims against the County cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the financial position of the County.

NOTE 19 – NET POSITION RESTRICTED BY ENABLING LEGISLATION

The government-wide statement of net position reports \$19,518,667 of restricted net position, of which \$8.0 million is restricted by enabling legislation.

NOTE 20 – NONEXCHANGE FINANCIAL GUARANTEES

In accordance with the State Housing Initiatives Partnership Local Housing Assistance Plan, as adopted by the Board of County Commissioners, Putnam County has guaranteed \$28,476 mortgage down payment amounts for very low to moderate income citizens at September 30, 2016. Guarantees to various lending institutions are equal to a maximum of 20% of the actual mortgage amount. The guarantees extend until the borrowers attain a principal balance of 79.9% of their loans with the last maturity date of May 1, 2019. In the event that an applicant is unable to make required loan payments, Putnam County is required to pay the remaining down payment amount. The County has determined that there is no guarantee liability at September 30, 2016.

REQUIRED SUPPLEMENTARY INFORMATION

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 29,368,553	\$ 29,368,553	\$ 29,278,741	\$ (89,812)
Licenses and Permits	366,700	366,700	417,209	50,509
Intergovernmental	7,990,616	8,091,542	8,131,117	39,575
Charges for Services	5,358,589	5,358,591	5,864,567	505,976
Fines and Forfeitures	47,950	47,950	47,495	(455)
Miscellaneous	293,263	293,263	238,549	(54,714)
TOTAL REVENUES	43,425,671	43,526,599	43,977,678	451,079
EXPENDITURES				
Current:				
General Government	14,264,024	14,739,951	13,547,649	1,192,302
Public Safety	27,139,588	27,157,339	25,703,093	1,454,246
Physical Environment	363,075	363,075	354,022	9,053
Transportation	30,000	30,000	30,000	-
Economic Environment	316,702	316,702	305,555	11,147
Human Services	2,236,982	2,236,982	2,571,177	(334,195)
Culture and Recreation	1,885,969	1,871,769	1,666,025	205,744
Court Related	1,137,709	1,137,709	1,088,912	48,797
Reserve for Contingencies	202,000	2,000	-	2,000
TOTAL EXPENDITURES	47,576,049	47,855,527	45,266,433	2,589,094
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,150,378)	(4,328,928)	(1,288,755)	3,040,173
OTHER FINANCING SOURCES (USES)				
Transfers In	260,000	510,627	764,462	253,835
Transfers Out	(2,086,729)	(3,012,062)	(2,916,199)	95,863
TOTAL OTHER FINANCING SOURCES (USES)	(1,826,729)	(2,501,435)	(2,151,737)	349,698
NET CHANGE IN FUND BALANCES	(5,977,107)	(6,830,363)	(3,440,492)	3,389,871
FUND BALANCES - BEGINNING OF YEAR	5,977,107	6,830,363	9,727,972	2,897,609
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 6,287,480	\$ 6,287,480

Putnam County, Florida
Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended September 30, 2016

Basis of Budgetary Accounting

Annual budgets are legally adopted for governmental funds, hereafter described, on a basis consistent with generally accepted accounting principles.

The following procedures are used in establishing the budgetary data reflected in the financial statements:

Prior to June 1, constitutional officers, with the exception of the office of the Tax Collector, submit tentative budgets for the operations of their offices to the Board. Budgets for the operations of the office of the Tax Collector are submitted to the Department of Revenue for approval. Additionally, the Property Appraiser submits his budget to the Department of Revenue for approval prior to the submission to the Board.

Prior to July 15, the County Administrator/Budget Officer submits to the Board a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Board to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of a resolution. All budget appropriations lapse at year-end.

As required by Florida Statutes, Sections 218.35 and 28.36, the Clerk of Circuit Court prepares his annual budget in two parts:

The budget relating to the state court system, which is filed with the Clerks of Court Operations Corporation and the budget relating to the requirements of the Clerk as Clerk of the Board of County Commissioners, County Auditor, County Recorder and Custodian or Treasurer of all County funds and other county-related duties.

County Departments of the Clerk's Office are budgeted with appropriations from the Board of County commissioners. All excess fees (unspent revenues) along with Clerk investment earnings on Board funds are remitted to the Board of County Commissioners on or before October 31st of each year.

Florida Statutes provide that it is unlawful to make expenditures that exceed the total amount budgeted for each fund. Therefore, the fund level is the legal level of control for budget considerations. Chapter 129, Florida Statutes, governs the manner in which the budget may be legally amended once it has been approved. Pursuant to Chapter 129, only the Board of County Commissioners can approve budget amendments that change the total approved budget appropriation of an individual fund. The County Administrator/Budget Officer and Department managers can transfer appropriations within the budget, but cannot change the total appropriation of an individual fund without the approval of the Board of County Commissioners.

Pursuant to the provisions of Chapter 129, Florida Statutes, the amount that the County may appropriate is limited to ninety-five (95%) percent of estimated revenues. In order to present a conservative as well as balanced budget, the County presents only ninety-five (95%) percent of estimated revenues.

(continued)

Putnam County, Florida
Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended September 30, 2016

Appropriations from the reserve for contingencies may be made to increase the appropriation for any particular expenditure in the same fund, or to create an appropriation in the fund for any lawful purpose, but no expenditures shall be charged directly to the reserve for contingencies.

A receipt of a nature or from a source not anticipated in the budget and received for a particular purpose, including but not limited to grants, donations, gifts, or reimbursements for damages, may, by resolution of the Board be recorded in its minutes, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget of the proper fund.

Supplemental appropriations funded from sources not described above, require public hearings and action by the Board in the same manner as adopting the original budget.

(concluded)

Putnam County, Florida
Other Post-Employment Benefits
For the Year Ended September 30, 2016

SCHEDULE OF FUNDING PROGRESS

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as & of Covered Payroll
2014	10/1/2013	-	5,959,528	5,959,528	0.0%	24,525,000	24.30%
2015	10/1/2013	-	5,959,528	5,959,528	0.0%	25,380,000	23.48%
2016	10/1/2015	-	5,091,108	5,091,108	0.0%	25,688,000	19.82%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended <u>September 30,</u>	Annual Required Contribution	% Contributed
2014	\$ 861,210	25.55%
2015	861,210	30.31%
2016	652,920	26.30%

NOTES

1. See Note 16 to the financial statements for further information regarding the County's OPEB plan.

Putnam County, Florida
Schedules of Proportionate Share of Net Pension Liability
Last 10 Fiscal Years*

Florida Retirement System	2016	2015
Employer's proportion of the net pension liability (asset)	0.1302864%	0.1255929%
Employer's proportionate share of the net pension liability (asset)	\$ 32,897,416	\$ 16,222,010
Employer's covered-employee payroll**	\$ 25,570,176	\$ 25,105,924
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	128.66%	64.61%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%
Health Insurance Subsidy Program	2016	2015
Employer's proportion of the net pension liability (asset)	0.0826718%	0.0825509%
Employer's proportionate share of the net pension liability (asset)	\$ 9,635,055	\$ 8,414,610
Employer's covered-employee payroll**	\$ 25,570,176	\$ 25,105,924
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	37.68%	33.52%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%

Notes to schedules:

*The amounts presented for each fiscal year were determined as of the measurement date, which was June 30th of the current fiscal year.

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

**Covered employee payroll Includes defined benefit plan actives, investment plan members, and members in DROP for the measurement period ending June 30, 2016.

**Putnam County, Florida
Schedules of Employer Contributions
Last 10 Fiscal Years**

Florida Retirement System	2016	2015
Contractually required contribution	\$ 3,248,814	\$ 3,108,405
Contributions in relation to the contractually required contribution	3,248,814	3,108,405
Contribution deficiency (excess)	\$ -	\$ -
Employer's covered-employee payroll *	\$ 25,687,995	\$ 25,442,040
Contributions as a percentage of covered-employee payroll	12.65%	12.22%
Health Insurance Subsidy Program	2016	2015
Contractually required contribution	\$ 426,360	\$ 344,803
Contributions in relation to the contractually required contribution	426,360	344,803
Contribution deficiency (excess)	\$ -	\$ -
Employer's covered-employee payroll *	\$ 25,687,995	\$ 25,442,040
Contributions as a percentage of covered-employee payroll	1.66%	1.36%

Notes to schedules:

* Covered employee payroll includes defined benefit plan actives, investment plan members, and members in DROP for the fiscal year ended September 30, 2016.

GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

SUPPLEMENTARY INFORMATION

GENERAL FUND BY CATEGORY

The six categories shown below together represent the General Fund, the primary operating fund of the County.

General Fund—Board of County Commissioners – To account for the revenues and expenditures of the Board of County Commissioners (BOCC) portion of the General Fund—which are activities that benefit all County residents. Countywide activities include Administration, County Attorney, Human Resources, Information Technology, Emergency Management and Emergency Medical Services, Parks and Recreation, and certain payments to Constitutional Officers and nonprofit agencies.

General Fund—Sheriff – To account for the revenues and expenditures necessary to carry out the duties and obligations of the Sheriff as specified in Section 30.15, Florida Statutes. The funds for the Sheriff's operation are received from the BOCC pursuant to Section 30.49, Florida Statutes.

General Fund—Clerk of Circuit Court – To account for revenues and expenditures of the Clerk of Circuit Court whose responsibilities include: County recorder for official records of Putnam County; accountant for the BOCC, custodian of all County funds, County auditor, and keeping BOCC records and meeting minutes as ex-officio Clerk to the Board of County Commissioners; as well as court-related activities that are not accounted for in the "Clerk of Circuit Court – Court Fund and Public Records Modernization Funds."

General Fund—Tax Collector – To account for revenues and expenditures of the Tax Collector pursuant to Section 197, Florida Statutes.

General Fund—Property Appraiser – To account for revenues and expenditures of the Property Appraiser in the performance of Constitutional responsibilities. These responsibilities include determining the assessed value of all real and tangible property within the County, maintaining associated financial and property records, and providing the Tax Collector with the certified value of real and tangible property and tax millage levied by the respective taxing authorities.

General Fund—Supervisor of Elections – To account for revenues and expenditures of the Supervisor of Elections in the performance of Constitutional responsibilities pursuant to Chapters 97 through 102, Florida Statutes. The funds for the Supervisor of Elections' operation are received from the BOCC pursuant to Section 129.202, Florida Statutes.

Putnam County, Florida
Combining Balance Sheet
Board and Officer General Funds
For the Year Ended September 30, 2016

	Board of County Commissioners <u>Sub-fund</u>	Sheriff <u>Sub-fund</u>	Clerk of Circuit Court <u>Sub-fund</u>	Tax Collector <u>Sub-fund</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 5,112,364	\$ 1,252,499	\$ 683,652	\$ 216,323
Receivables	1,300,532	2,077	1,106	-
Due From Other Funds	1,246,502	-	-	-
Due From Other Governments	685,648	-	61,597	6,092
Other Assets	-	878	12,200	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>8,345,046</u>	<u>1,255,454</u>	<u>758,555</u>	<u>222,415</u>
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	657,574	433,543	593,091	43,662
Due to Other Funds	-	805,814	72,522	159,791
Due to Other Governments	3,624	1,817	92,942	1,360
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>661,198</u>	<u>1,241,174</u>	<u>758,555</u>	<u>204,813</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	1,410,648	-	-	17,602
<u>FUND BALANCES</u>				
Restricted	43,175	14,280	-	-
Assigned	4,471,990	-	-	-
Unassigned	1,758,035	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	<u>6,273,200</u>	<u>14,280</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 8,345,046</u>	<u>\$ 1,255,454</u>	<u>\$ 758,555</u>	<u>\$ 222,415</u>

(continued)

**Putnam County, Florida
Combining Balance Sheet
Board and Officer General Funds
For the Year Ended September 30, 2016**

	Property Appraiser General <u>Sub-Fund</u>	Supervisor of Elections General <u>Sub-Fund</u>	Interfund Eliminations & <u>Consolidations</u>	Total General <u>Fund</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 134,375	\$ 87,235	\$ -	\$ 7,486,448
Receivables	-	-	-	1,303,715
Due From Other Funds	-	-	(976,502)	270,000
Due From Other Governments	-	-	-	753,337
Other Assets	-	-	-	13,078
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	134,375	87,235	(976,502)	9,826,578
	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	26,006	41,186	-	1,795,062
Due to Other Funds	108,369	46,049	(976,502)	216,043
Due to Other Governments	-	-	-	99,743
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	134,375	87,235	(976,502)	2,110,848
	<hr/>	<hr/>	<hr/>	<hr/>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	1,428,250
	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES</u>				
Restricted	-	-	-	57,455
Assigned	-	-	-	4,471,990
Unassigned	-	-	-	1,758,035
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	-	-	-	6,287,480
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 134,375	\$ 87,235	\$ (976,502)	\$ 9,826,578
	<hr/>	<hr/>	<hr/>	<hr/>

(concluded)

Putnam County, Florida
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Board and Officer General Funds
For the Year Ended September 30, 2016

	Board of County Commissioners Sub-fund			Sheriff Sub-fund		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
REVENUES						
Taxes	\$ 29,368,553	\$ 29,368,553	\$ 29,278,741	\$ -	\$ -	\$ -
Licenses and Permits	366,700	366,700	417,209	-	-	-
Intergovernmental	7,616,474	7,717,400	7,792,152	-	-	-
Charges for Services	3,846,579	3,846,579	4,291,105	-	-	-
Fines and Forfeitures	44,350	44,350	44,748	3,600	3,600	2,747
Miscellaneous	221,435	221,435	198,581	-	-	15,882
TOTAL REVENUES	41,464,091	41,565,017	42,022,536	3,600	3,600	18,629
EXPENDITURES						
Current:						
General Government	8,358,825	8,834,603	8,019,307	-	-	-
Public Safety	8,407,002	8,323,827	7,630,998	18,732,586	18,833,512	18,072,095
Physical Environment	363,075	363,075	354,022	-	-	-
Transportation	30,000	30,000	30,000	-	-	-
Economic Environment	316,702	316,702	305,555	-	-	-
Human Services	2,236,982	2,236,982	2,571,177	-	-	-
Culture and Recreation	1,885,969	1,871,769	1,666,025	-	-	-
Court Related	331,820	331,820	306,678	557,783	557,783	525,900
Reserve for Contingencies	200,000	-	-	-	-	-
TOTAL EXPENDITURES	22,130,375	22,308,778	20,883,762	19,290,369	19,391,295	18,597,995
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	19,333,716	19,256,239	21,138,774	(19,286,769)	(19,387,695)	(18,579,366)
OTHER FINANCING SOURCES (USES)						
Transfers In	260,000	510,627	1,687,236	19,286,769	19,387,695	19,387,695
Transfers Out	(25,570,823)	(26,597,229)	(26,269,017)	-	-	(805,814)
TOTAL OTHER FINANCING SOURCES (USES)	(25,310,823)	(26,086,602)	(24,581,781)	19,286,769	19,387,695	18,581,881
NET CHANGE IN FUND BALANCES	(5,977,107)	(6,830,363)	(3,443,007)	-	-	2,515
FUND BALANCES - BEGINNING OF YEAR	5,977,107	6,830,363	9,716,207	-	-	11,765
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 6,273,200	\$ -	\$ -	\$ 14,280

(continued)

Putnam County, Florida
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Board and Officer General Funds
For the Year Ended September 30, 2016

	Clerk of the Circuit Court Sub-fund			Tax Collector Sub-fund		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	374,142	374,142	338,965	-	-	-
Charges for Services	371,330	371,330	318,765	2,156,953	2,156,953	2,282,578
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	58,670	58,670	13,244	13,158	13,158	6,904
TOTAL REVENUES	804,142	804,142	670,974	2,170,111	2,170,111	2,289,482
EXPENDITURES						
Current:						
General Government	2,141,867	2,141,867	1,927,949	2,157,109	2,157,109	2,129,691
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Court Related	248,106	248,106	256,334	-	-	-
Reserve for Contingencies	-	-	-	-	-	-
TOTAL EXPENDITURES	2,389,973	2,389,973	2,184,283	2,157,109	2,157,109	2,129,691
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,585,831)	(1,585,831)	(1,513,309)	13,002	13,002	159,791
OTHER FINANCING SOURCES (USES)						
Transfers In	1,585,831	1,585,831	1,585,831	-	-	-
Transfers Out	-	-	(72,522)	(13,002)	(13,002)	(159,791)
TOTAL OTHER FINANCING SOURCES (USES)	1,585,831	1,585,831	1,513,309	(13,002)	(13,002)	(159,791)
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-
FUND BALANCES - BEGINNING OF YEAR	-	-	-	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

Putnam County, Florida
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Board and Officer General Funds
For the Year Ended September 30, 2016

	Property Appraiser Sub-fund			Supervisor of Elections Sub-fund		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	28,727	28,729	29,784	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	799	-	-	3,139
TOTAL REVENUES	28,727	28,729	30,583	-	-	3,139
EXPENDITURES						
Current:						
General Government	1,710,223	1,710,372	1,603,857	941,000	941,000	924,510
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Court Related	-	-	-	-	-	-
Reserve for Contingencies	-	-	-	2,000	2,000	-
TOTAL EXPENDITURES	1,710,223	1,710,372	1,603,857	943,000	943,000	924,510
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,681,496)	(1,681,643)	(1,573,274)	(943,000)	(943,000)	(921,371)
OTHER FINANCING SOURCES (USES)						
Transfers In	1,681,496	1,681,643	1,681,643	943,000	943,000	943,000
Transfers Out	-	-	(108,369)	-	-	(21,629)
TOTAL OTHER FINANCING SOURCES (USES)	1,681,496	1,681,643	1,573,274	943,000	943,000	921,371
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-
FUND BALANCES - BEGINNING OF YEAR	-	-	-	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

Putnam County, Florida
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Board and Officer General Funds
For the Year Ended September 30, 2016

	Subtotals			Interfund Eliminations and consolidations		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
REVENUES						
Taxes	\$ 29,368,553	\$ 29,368,553	\$ 29,278,741	\$ -	\$ -	\$ -
Licenses and Permits	366,700	366,700	417,209	-	-	-
Intergovernmental	7,990,616	8,091,542	8,131,117	-	-	-
Charges for Services	6,403,589	6,403,591	6,922,232	(1,045,000)	(1,045,000)	(1,057,665)
Fines and Forfeitures	47,950	47,950	47,495	-	-	-
Miscellaneous	293,263	293,263	238,549	-	-	-
TOTAL REVENUES	44,470,671	44,571,599	45,035,343	(1,045,000)	(1,045,000)	(1,057,665)
EXPENDITURES						
Current:						
General Government	15,309,024	15,784,951	14,605,314	(1,045,000)	(1,045,000)	(1,057,665)
Public Safety	27,139,588	27,157,339	25,703,093	-	-	-
Physical Environment	363,075	363,075	354,022	-	-	-
Transportation	30,000	30,000	30,000	-	-	-
Economic Environment	316,702	316,702	305,555	-	-	-
Human Services	2,236,982	2,236,982	2,571,177	-	-	-
Culture and Recreation	1,885,969	1,871,769	1,666,025	-	-	-
Court Related	1,137,709	1,137,709	1,088,912	-	-	-
Reserve for Contingencies	202,000	2,000	-	-	-	-
TOTAL EXPENDITURES	48,621,049	48,900,527	46,324,098	(1,045,000)	(1,045,000)	(1,057,665)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,150,378)	(4,328,928)	(1,288,755)	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers In	23,757,096	24,108,796	25,285,405	(23,497,096)	(23,598,169)	(24,520,943)
Transfers Out	(25,583,825)	(26,610,231)	(27,437,142)	23,497,096	23,598,169	24,520,943
TOTAL OTHER FINANCING SOURCES (USES)	(1,826,729)	(2,501,435)	(2,151,737)	-	-	-
NET CHANGE IN FUND BALANCES	(5,977,107)	(6,830,363)	(3,440,492)	-	-	-
FUND BALANCES - BEGINNING OF YEAR	5,977,107	6,830,363	9,727,972	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 6,287,480	\$ -	\$ -	\$ -

(continued)

Putnam County, Florida
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Board and Officer General Funds
For the Year Ended September 30, 2016

	Totals		
	Budgeted Amounts		Actual Amounts
	Original	Final	
<u>REVENUES</u>			
Taxes	\$ 29,368,553	\$ 29,368,553	\$ 29,278,741
Licenses and Permits	366,700	366,700	417,209
Intergovernmental	7,990,616	8,091,542	8,131,117
Charges for Services	5,358,589	5,358,591	5,864,567
Fines and Forfeitures	47,950	47,950	47,495
Miscellaneous	293,263	293,263	238,549
TOTAL REVENUES	43,425,671	43,526,599	43,977,678
<u>EXPENDITURES</u>			
Current:			
General Government	14,264,024	14,739,951	13,547,649
Public Safety	27,139,588	27,157,339	25,703,093
Physical Environment	363,075	363,075	354,022
Transportation	30,000	30,000	30,000
Economic Environment	316,702	316,702	305,555
Human Services	2,236,982	2,236,982	2,571,177
Culture and Recreation	1,885,969	1,871,769	1,666,025
Court Related	1,137,709	1,137,709	1,088,912
Reserve for Contingencies	202,000	2,000	-
TOTAL EXPENDITURES	47,576,049	47,855,527	45,266,433
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,150,378)	(4,328,928)	(1,288,755)
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers In	260,000	510,627	764,462
Transfers Out	(2,086,729)	(3,012,062)	(2,916,199)
TOTAL OTHER FINANCING SOURCES (USES)	(1,826,729)	(2,501,435)	(2,151,737)
NET CHANGE IN FUND BALANCES	(5,977,107)	(6,830,363)	(3,440,492)
FUND BALANCES - BEGINNING OF YEAR	5,977,107	6,830,363	9,727,972
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 6,287,480

(concluded)

Non-major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The County maintains the following Special Revenue Funds:

County Transportation Trust Fund – to account for the operations of the road and bridge department. Financing is provided principally by the County's share of state gasoline taxes.

Fishing Improvement Fund – to account for maintenance of the County's lakes and rivers with financing provided by recreational vessels' license fees and state grants.

Fire Taxing Unit Fund – to account for interlocal agreements with municipal fire departments within the County. Financing is provided from ad valorem taxes.

Law Enforcement Trust Fund – to account for law enforcement related projects funded by the proceeds from confiscated property forfeitures.

Law Enforcement Education Fund – to account for law enforcement training funded with proceeds from fines.

Court Improvement Fund – to account for physical improvements and security for the courthouse. Funding is provided by State of Florida grants and court related revenues.

Drivers Education Fund – to account for receipts and disbursements of designated traffic fines imposed by ordinance in accordance with Section 318.1215, Florida Statutes.

Article V Fund – to account for certain revenues generated pursuant to Article V of the Constitution of the State of Florida.

Court Technology Fund – to account for certain revenues generated pursuant to Article V of the Constitution of the State of Florida that must be expended to enhance court technology.

Crime Prevention Fund – to account for neighborhood crime prevention projects funded by the collection of fines pursuant to Section 775.083, Florida Statutes.

E911 System Fund – to account for the improvements and operations of the 911 emergency telephone system in the County. Financing is provided from telephone user charges.

Tourist Development Fund – to account for revenues and expenditures relating to tourist development in the County through the assessment of a tourist tax.

Communication Improvement Fund – to account for the collection of traffic infractions surcharge to be used to develop and improve a county wide public safety communications system.

Economic Development Fund – to account for revenues and expenditures made to promote economic development.

Miscellaneous Grants Fund – to account for projects financed with federal and state funds that are nonrecurring and of short-term duration.

Community Development Block Grant Fund – to account for grant revenues received and expended to assist low to moderate income individuals with housing rehabilitation.

Non-major Governmental Funds

Interlachen Lakes Estates Fund – to account for the collection and use of special assessments paid by the residents of Interlachen Lakes Estates Municipal Services Benefit Unit.

West Putnam Municipal Services Benefit Unit Fund – to account for the collection and use of special assessments paid by the residents of unincorporated West Putnam for road improvements.

Local Housing Assistance (SHIP) Fund – to account for funds received from the State to be used to assist eligible low income individuals to buy or construct new housing or rehabilitate older homes.

MSBU Fund – to account for the collection and use of special assessments levied to provide specific road improvements and maintenance within several Municipal Service Benefit Units.

Sewage Utilities Fund – to account for the collection and use of fees established to provide one or more small sewage systems.

Water Utilities Fund – to account for the collection and use of fees established to provide one or more small water systems.

Commissary Fund – to account for the commissary operations of the County's Detention Facility. Revenues are provided by sales of products to inmates. The profits can only be spent for the benefit of inmates.

Federal Forfeiture Fund – to account for monies received from federal forfeitures. Expenditures can only be made in accordance with the Federal Equitable Sharing Program.

Records Modernization Fund – to account for fees charged pursuant to Section 28.24, Florida Statutes, and related expenditures to modernize the public records storage and retrieval system of the County.

Article V Records Modernization Fund – to account for fees charged pursuant to Article V of the Constitution of the State of Florida, and related expenditures to fund court-related technology as defined in Section 29.008, Florida Statutes.

Court Fund – to account for certain revenues generated by and disbursements related to the Court System pursuant to Article V of the Constitution of the State of Florida.

Supervisor of Elections Grants Fund – to account for proceeds and expenditures related to state and federal grants designed to improve the elections process.

Non-major Governmental Funds

Debt Service Fund

A debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The County maintains the following Debt Service Funds:

County Jail Fund – to account for funds acquired to pay bonded debt used to fund expansion of County jail facility.

MSBU Loan Fund – to account for special assessments collected to repay special assessment debt used to fund road paving projects within certain municipal service benefit units.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The County maintains the following non-major Capital Projects Fund:

Road Projects Fund – to account for resources to be used in developing and enhancing the County's Road System.

Major Governmental Capital Projects Funds

Better Place Plan Fund – The Better Place Fund is used to account for revenues received from a one-cent discretionary surtax imposed to finance certain capital projects.

Capital Projects – to account for resources to be used to construct or renovate various County facilities.

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2016

	Special Revenue Funds				
	County Transportation Trust	Fishing Improvement	Fire Taxing Unit	Law Enforcement Trust	Law Enforcement Education
<u>ASSETS</u>					
Cash and Equivalents	\$ 1,020,162	\$ 353,198	\$ 904,449	\$ 179,554	\$ 3,318
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due From Other Funds	-	-	2,300	-	-
Due From Other Governments	224,111	2,966	10,260	-	1,539
TOTAL ASSETS	1,244,273	356,164	917,009	179,554	4,857
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	87,834	626	129,112	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	87,834	626	129,112	-	-
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	-	-	-	-	-
<u>FUND BALANCES</u>					
Restricted	-	355,538	787,897	179,554	4,857
Committed	-	-	-	-	-
Assigned	1,156,439	-	-	-	-
TOTAL FUND BALANCES	1,156,439	355,538	787,897	179,554	4,857
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,244,273	\$ 356,164	\$ 917,009	\$ 179,554	\$ 4,857

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2016

	<u>Special Revenue Funds</u>				
	<u>Court Improvement</u>	<u>Drivers Education</u>	<u>Article V</u>	<u>Court Technology</u>	<u>Crime Prevention</u>
<u>ASSETS</u>					
Cash and Equivalents	\$1,458,360	\$ 279,052	\$ 70,174	\$ 347,038	\$ 49,214
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	10,664	1,744	3,939	7,382	1,616
TOTAL ASSETS	<u>1,469,024</u>	<u>280,796</u>	<u>74,113</u>	<u>354,420</u>	<u>50,830</u>
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	-	-	4,894	79,014	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>4,894</u>	<u>79,014</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	-	-	-	-	-
<u>FUND BALANCES</u>					
Restricted	1,469,024	280,796	69,219	275,406	50,830
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>1,469,024</u>	<u>280,796</u>	<u>69,219</u>	<u>275,406</u>	<u>50,830</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$1,469,024</u>	<u>\$ 280,796</u>	<u>\$ 74,113</u>	<u>\$ 354,420</u>	<u>\$ 50,830</u>

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2016

	Special Revenue Funds			
	<u>E911</u>	<u>Tourist</u>	<u>Communication</u>	<u>Economic</u>
	<u>System</u>	<u>Development</u>	<u>Improvement</u>	<u>Development</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 615,329	\$ 616,860	\$ 3,371	\$ 33,386
Investments	-	-	-	-
Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governments	22,881	22,716	2,590	5,935
	<u>638,210</u>	<u>639,576</u>	<u>5,961</u>	<u>39,321</u>
TOTAL ASSETS	<u>638,210</u>	<u>639,576</u>	<u>5,961</u>	<u>39,321</u>
<u>LIABILITIES, DEFERRED INFLOWS,</u>				
<u>AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	1,655	30,382	70	12,500
Due to Other Funds	-	-	5,000	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	-	-	-
	<u>1,655</u>	<u>30,382</u>	<u>5,070</u>	<u>12,500</u>
TOTAL LIABILITIES	<u>1,655</u>	<u>30,382</u>	<u>5,070</u>	<u>12,500</u>
<u>DEFERRED INFLOWS OF</u>				
<u>RESOURCES</u>				
Revenues - unavailable	-	-	-	-
<u>FUND BALANCES</u>				
Restricted	636,555	609,194	891	26,821
Committed	-	-	-	-
Assigned	-	-	-	-
	<u>636,555</u>	<u>609,194</u>	<u>891</u>	<u>26,821</u>
TOTAL FUND BALANCES	<u>636,555</u>	<u>609,194</u>	<u>891</u>	<u>26,821</u>
TOTAL LIABILITIES, DEFERRED				
INFLOWS OF RESOURCES				
AND FUND BALANCES	<u>\$ 638,210</u>	<u>\$ 639,576</u>	<u>\$ 5,961</u>	<u>\$ 39,321</u>

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2016

	Special Revenue Funds				
	Miscell- aneous Grants	Community Development Block Grant	Interlachen Lakes Estates	West Putnam Municipal Services Benefit Unit	Local Housing Assistance
<u>ASSETS</u>					
Cash and Equivalents	\$ 1,868	\$ 1,388	\$ 199,982	\$ 199,605	\$ 253,348
Investments	-	-	-	-	643,353
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	136,033	23,112	7,544	4,685	-
TOTAL ASSETS	137,901	24,500	207,526	204,290	896,701
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	59,043	4,500	4,288	14,763	12,809
Due to Other Funds	70,000	20,000	-	-	-
Due to Other Governments	-	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	129,043	24,500	4,288	14,763	12,809
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	8,858	-	-	-	-
<u>FUND BALANCES</u>					
Restricted	-	-	203,238	189,527	883,892
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	-	-	203,238	189,527	883,892
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 137,901	\$ 24,500	\$ 207,526	\$ 204,290	\$ 896,701

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2016

	Special Revenue Funds			
	<u>MSBU</u>	<u>Sewage Utilities</u>	<u>Water Utilities</u>	<u>Commissary</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 489,668	\$ 2,249	\$ 236,063	\$ 272,383
Investments	-	-	-	-
Receivables	-	4,267	5,531	38,665
Due From Other Funds	-	-	-	-
Due From Other Governments	3,124	-	-	-
	492,792	6,516	241,594	311,048
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	8,237	2,605	1,506	31,891
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	1,670	4,192	-
	8,237	4,275	5,698	31,891
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	-
<u>FUND BALANCES</u>				
Restricted	484,555	2,241	235,896	-
Committed	-	-	-	279,157
Assigned	-	-	-	-
	484,555	2,241	235,896	279,157
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 492,792	\$ 6,516	\$ 241,594	\$ 311,048

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2016

	Special Revenue Funds				
	<u>Federal</u>	<u>Records</u>	<u>Article V</u>	<u>Court</u>	<u>Supervisor</u>
	<u>Forfeiture</u>	<u>Moderni-</u>	<u>Records</u>	<u>Fund</u>	<u>of Elections</u>
		<u>zation</u>	<u>Moderni-</u>		<u>Grant Fund</u>
			<u>zation</u>		
<u>ASSETS</u>					
Cash and Equivalents	\$ 157,699	\$ 320,946	\$ 934,185	\$ 409,512	\$ 26,017
Investments	-	-	-	-	-
Receivables	-	-	-	7,759	-
Due From Other Funds	-	-	-	-	25,555
Due From Other Governments	-	-	-	50,430	-
TOTAL ASSETS	157,699	320,946	934,185	467,701	51,572
<u>LIABILITIES, DEFERRED INFLOWS,</u>					
<u>AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and					
Accrued Liabilities	142	-	-	39,106	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	302,801	-
Customer Deposits	-	-	-	119,582	-
TOTAL LIABILITIES	142	-	-	461,489	-
<u>DEFERRED INFLOWS OF</u>					
<u>RESOURCES</u>					
Revenues - unavailable	-	-	-	6,212	-
<u>FUND BALANCES</u>					
Restricted	157,557	320,946	934,185	-	51,572
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	157,557	320,946	934,185	-	51,572
TOTAL LIABILITIES, DEFERRED					
INFLOWS OF RESOURCES					
AND FUND BALANCES	\$ 157,699	\$ 320,946	\$ 934,185	\$ 467,701	\$ 51,572

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2016

	Debt Service Funds		Capital Projects Fund	Total Nonmajor Governmental Funds
	County <u>Jail</u>	MSBU <u>Loan</u>	Road <u>Projects</u>	<u>Funds</u>
ASSETS				
Cash and Equivalents	\$ 436,260	\$ 76,542	\$ 4,123,678	\$ 14,074,858
Investments	-	-	-	643,353
Receivables	-	-	-	56,222
Due From Other Funds	-	-	-	27,855
Due From Other Governments	-	3,601	783,163	1,330,035
	<u>436,260</u>	<u>80,143</u>	<u>4,906,841</u>	<u>16,132,323</u>
TOTAL ASSETS				
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Accrued Liabilities	-	-	99,790	624,767
Due to Other Funds	-	-	-	95,000
Due to Other Governments	-	-	-	302,801
Customer Deposits	-	-	-	125,444
	<u>-</u>	<u>-</u>	<u>99,790</u>	<u>1,148,012</u>
TOTAL LIABILITIES				
DEFERRED INFLOWS OF RESOURCES				
Revenues - unavailable	-	-	14,754	29,824
FUND BALANCES				
Restricted	436,260	80,143	4,792,297	13,518,891
Committed	-	-	-	279,157
Assigned	-	-	-	1,156,439
	<u>436,260</u>	<u>80,143</u>	<u>4,792,297</u>	<u>14,954,487</u>
TOTAL FUND BALANCES				
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u>\$ 436,260</u>	<u>\$ 80,143</u>	<u>\$ 4,906,841</u>	<u>\$ 16,132,323</u>

(concluded)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2016

	<u>Special Revenue Funds</u>				
	<u>County Transportation Trust</u>	<u>Fishing Improvement</u>	<u>Fire Taxing Unit</u>	<u>Law Enforcement Trust</u>	<u>Law Enforcement Education</u>
REVENUES					
Taxes	\$2,089,149	\$ -	\$3,086,065	\$ -	\$ -
Licenses and Permits	3,300	41,822	-	-	-
Intergovernmental Revenue	2,561,006	-	184,750	-	-
Charges For Services	170,805	-	-	-	-
Fines and Forfeitures	-	-	-	5,574	17,394
Special Assessments	-	-	-	-	-
Miscellaneous Revenue	7,059	154	916	81	2
TOTAL REVENUES	<u>4,831,319</u>	<u>41,976</u>	<u>3,271,731</u>	<u>5,655</u>	<u>17,396</u>
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	-	2,499,696	26,173	24,270
Physical Environment	-	8,853	-	-	-
Transportation	5,024,720	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>5,024,720</u>	<u>8,853</u>	<u>2,499,696</u>	<u>26,173</u>	<u>24,270</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(193,401)</u>	<u>33,123</u>	<u>772,035</u>	<u>(20,518)</u>	<u>(6,874)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	1,314,830	-	2,300	-	-
Transfers Out	(428,560)	-	(321,296)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>886,270</u>	<u>-</u>	<u>(318,996)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	692,869	33,123	453,039	(20,518)	(6,874)
FUND BALANCES, October 1, 2015	<u>463,570</u>	<u>322,415</u>	<u>334,858</u>	<u>200,072</u>	<u>11,731</u>
FUND BALANCES, September 30, 2016	<u>\$1,156,439</u>	<u>\$ 355,538</u>	<u>\$ 787,897</u>	<u>\$ 179,554</u>	<u>\$ 4,857</u>

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2016

	<u>Special Revenue Funds</u>				
	<u>Court Improvement</u>	<u>Drivers Education</u>	<u>Article V</u>	<u>Court Technology</u>	<u>Crime Prevention</u>
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges For Services	120,606	-	48,803	82,298	-
Fines and Forfeitures	-	19,850	-	-	19,897
Special Assessments	-	-	-	-	-
Miscellaneous Revenue	436	121	37	152	29
TOTAL REVENUES	121,042	19,971	48,840	82,450	19,926
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	-	-	-	38,530
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	37,506	-	82,215	177,060	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	37,506	-	82,215	177,060	38,530
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	83,536	19,971	(33,375)	(94,610)	(18,604)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	83,536	19,971	(33,375)	(94,610)	(18,604)
FUND BALANCES, October 1, 2015	1,385,488	260,825	102,594	370,016	69,434
FUND BALANCES, September 30, 2016	\$ 1,469,024	\$ 280,796	\$ 69,219	\$ 275,406	\$ 50,830

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2016

	Special Revenue Funds			
	<u>E911</u> <u>System</u>	<u>Tourist</u> <u>Development</u>	<u>Communication</u> <u>Improvement</u>	<u>Economic</u> <u>Development</u>
<u>REVENUES</u>				
Taxes	\$ -	\$ 331,917	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	395,919	-	-	46,465
Charges For Services	-	-	26,413	-
Fines and Forfeitures	-	-	31,102	-
Special Assessments	-	-	-	-
Miscellaneous Revenue	221	246	-	1
TOTAL REVENUES	396,140	332,163	57,515	46,466
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	265,655	-	49,277	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	262,132	-	206,465
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	101,378	-
Interest and Fiscal Charges	-	-	19,097	-
TOTAL EXPENDITURES	265,655	262,132	169,752	206,465
EXCESS (DEFICIENCY) OF				
REVENUES OVER EXPENDITURES	130,485	70,031	(112,237)	(159,999)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	493,615	274,934
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING				
SOURCES (USES)	-	-	493,615	274,934
NET CHANGE IN FUND BALANCES	130,485	70,031	381,378	114,935
FUND BALANCES, October 1, 2015	506,070	539,163	(380,487)	(88,114)
FUND BALANCES, September 30, 2016	\$ 636,555	\$ 609,194	\$ 891	\$ 26,821

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2016

	<u>Special Revenue Funds</u>				
	<u>Miscell- aneous Grants</u>	<u>Community Development Block Grant</u>	<u>Interlachen Lake Estates</u>	<u>West Putnam Municipal Services Benefit Unit</u>	<u>Local Housing Assistance</u>
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	482,958	52,650	-	-	374,562
Charges For Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Special Assessments	-	-	233,383	136,656	-
Miscellaneous Revenue	9	-	93	95	71,394
TOTAL REVENUES	<u>482,967</u>	<u>52,650</u>	<u>233,476</u>	<u>136,751</u>	<u>445,956</u>
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	250,997	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	204,908	154,033	-
Economic Environment	-	52,650	-	-	159,719
Culture/Recreation	231,970	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>482,967</u>	<u>52,650</u>	<u>204,908</u>	<u>154,033</u>	<u>159,719</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>28,568</u>	<u>(17,282)</u>	<u>286,237</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>28,568</u>	<u>(17,282)</u>	<u>286,237</u>
FUND BALANCES, October 1, 2015	<u>-</u>	<u>-</u>	<u>174,670</u>	<u>206,809</u>	<u>597,655</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 203,238</u>	<u>\$ 189,527</u>	<u>\$ 883,892</u>

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2016

	<u>Special Revenue Funds</u>			
	<u>MSBU</u>	<u>Sewage Utilities</u>	<u>Water Utilities</u>	<u>Commissary</u>
<u>REVENUES</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges For Services	-	45,108	32,979	-
Fines and Forfeitures	-	-	-	-
Special Assessments	114,322	-	-	-
Miscellaneous Revenue	210	-	101	671,350
TOTAL REVENUES	<u>114,532</u>	<u>45,108</u>	<u>33,080</u>	<u>671,350</u>
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	-	-	-	806,605
Physical Environment	-	40,768	22,359	-
Transportation	85,061	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	<u>85,061</u>	<u>40,768</u>	<u>22,359</u>	<u>806,605</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>29,471</u>	<u>4,340</u>	<u>10,721</u>	<u>(135,255)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	30,666	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>30,666</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>29,471</u>	<u>35,006</u>	<u>10,721</u>	<u>(135,255)</u>
FUND BALANCES, October 1, 2015	<u>455,084</u>	<u>(32,765)</u>	<u>225,175</u>	<u>414,412</u>
FUND BALANCES, September 30, 2016	<u>\$ 484,555</u>	<u>\$ 2,241</u>	<u>\$ 235,896</u>	<u>\$ 279,157</u>

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2016

	<u>Special Revenue Funds</u>			
	<u>Federal Forfeiture</u>	<u>Records Modernization</u>	<u>Article V Records Modernization</u>	<u>Court Fund</u>
<u>REVENUES</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	-	-	-	1,039,080
Charges For Services	-	27,885	78,183	756,792
Fines and Forfeitures	70,102	-	27,046	138,475
Special Assessments	-	-	-	-
Miscellaneous Revenue	-	250	552	1,283
TOTAL REVENUES	<u>70,102</u>	<u>28,135</u>	<u>105,781</u>	<u>1,935,630</u>
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	39,235	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	27,046	1,935,630
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	<u>39,235</u>	<u>-</u>	<u>27,046</u>	<u>1,935,630</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>30,867</u>	<u>28,135</u>	<u>78,735</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>30,867</u>	<u>28,135</u>	<u>78,735</u>	<u>-</u>
FUND BALANCES, October 1, 2015	<u>126,690</u>	<u>292,811</u>	<u>855,450</u>	<u>-</u>
FUND BALANCES, September 30, 2016	<u>\$ 157,557</u>	<u>\$ 320,946</u>	<u>\$ 934,185</u>	<u>\$ -</u>

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2016

	<u>Special Revenue Fund</u>	<u>Debt Service Funds</u>		<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Supervisor of Elections Grants</u>	<u>County Jail</u>	<u>MSBU Loan</u>	<u>Road Projects</u>	
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ 1,172,332	\$ 6,679,463
Licenses and Permits	-	-	-	-	45,122
Intergovernmental Revenue	36,034	-	-	2,371,564	7,544,988
Charges For Services	-	-	-	-	1,389,872
Fines and Forfeitures	-	-	-	-	329,440
Special Assessments	-	-	210,879	-	695,240
Miscellaneous Revenue	47	-	56	2,034	756,929
TOTAL REVENUES	<u>36,081</u>	<u>-</u>	<u>210,935</u>	<u>3,545,930</u>	<u>17,441,054</u>
<u>EXPENDITURES</u>					
Current:					
General Government Services	20,022	-	-	-	20,022
Public Safety	-	-	-	-	4,000,438
Physical Environment	-	-	-	-	71,980
Transportation	-	-	-	-	5,468,722
Economic Environment	-	-	-	-	680,966
Culture/Recreation	-	-	-	-	231,970
Court Related	-	-	-	-	2,259,457
Capital Outlay	74,278	-	-	2,188,278	2,262,556
Debt Service:					
Principal Retirement	-	-	171,185	-	272,563
Interest and Fiscal Charges	-	-	21,350	-	40,447
TOTAL EXPENDITURES	<u>94,300</u>	<u>-</u>	<u>192,535</u>	<u>2,188,278</u>	<u>15,309,121</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(58,219)</u>	<u>-</u>	<u>18,400</u>	<u>1,357,652</u>	<u>2,131,933</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	1,135	436,260	-	-	2,553,740
Transfers Out	-	-	-	-	(749,856)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,135</u>	<u>436,260</u>	<u>-</u>	<u>-</u>	<u>1,803,884</u>
NET CHANGE IN FUND BALANCES	<u>(57,084)</u>	<u>436,260</u>	<u>18,400</u>	<u>1,357,652</u>	<u>3,935,817</u>
FUND BALANCES, October 1, 2015	<u>108,656</u>	<u>-</u>	<u>61,743</u>	<u>3,434,645</u>	<u>11,018,670</u>
FUND BALANCES, September 30, 2016	<u>\$ 51,572</u>	<u>\$ 436,260</u>	<u>\$ 80,143</u>	<u>\$ 4,792,297</u>	<u>\$ 14,954,487</u>

(concluded)

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – County Transportation Trust Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,883,000	\$ 1,883,000	\$ 2,089,149	\$ 206,149
Licenses and Permits	5,000	5,000	3,300	(1,700)
Intergovernmental Revenue	2,304,615	2,304,615	2,561,006	256,391
Charges for Services	118,400	118,400	170,805	52,405
Miscellaneous Revenue	14,000	14,000	7,059	(6,941)
TOTAL REVENUES	<u>4,325,015</u>	<u>4,325,015</u>	<u>4,831,319</u>	<u>506,304</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	5,571,418	5,571,418	5,024,720	546,698
Debt Service:				
Principal Retirement	33,583	33,583	-	33,583
Interest and Fiscal Charges	5,017	5,017	-	5,017
TOTAL EXPENDITURES	<u>5,610,018</u>	<u>5,610,018</u>	<u>5,024,720</u>	<u>585,298</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,285,003)	(1,285,003)	(193,401)	1,091,602
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	1,314,830	1,314,830	1,314,830	-
Transfers Out	(29,827)	(428,560)	(428,560)	-
NET CHANGE IN FUND BALANCES	-	(398,733)	692,869	1,091,602
FUND BALANCES, October 1, 2015	<u>-</u>	<u>398,733</u>	<u>463,570</u>	<u>64,837</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,156,439</u>	<u>\$ 1,156,439</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Fishing Improvement Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Licenses and Permits	\$ 41,500	\$ 41,500	\$ 41,822	\$ 322
Miscellaneous Revenue	400	400	154	(246)
TOTAL REVENUES	<u>41,900</u>	<u>41,900</u>	<u>41,976</u>	<u>76</u>
<u>EXPENDITURES</u>				
Current:				
Physical Environment	120,100	120,100	8,853	111,247
Reserve for Contingencies	5,000	5,000	-	5,000
TOTAL EXPENDITURES	<u>125,100</u>	<u>125,100</u>	<u>8,853</u>	<u>116,247</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(83,200)	(83,200)	33,123	116,323
FUND BALANCES, October 1, 2015	<u>83,200</u>	<u>83,200</u>	<u>322,415</u>	<u>239,215</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 355,538</u>	<u>\$ 355,538</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Fire Taxing Unit Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 3,147,817	\$ 3,147,817	\$ 3,086,065	\$ (61,752)
Intergovernmental Revenue	186,500	186,500	184,750	(1,750)
Miscellaneous Revenues	1,800	1,800	916	(884)
TOTAL REVENUES	<u>3,336,117</u>	<u>3,336,117</u>	<u>3,271,731</u>	<u>(64,386)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	4,152,914	3,815,771	2,499,696	1,316,075
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(816,797)	(479,654)	772,035	1,251,689
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	2,000	2,000	2,300	300
Transfers Out	(33,547)	(321,296)	(321,296)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(31,547)</u>	<u>(319,296)</u>	<u>(318,996)</u>	<u>300</u>
NET CHANGE IN FUND BALANCES	(848,344)	(798,950)	453,039	1,251,989
FUND BALANCES, October 1, 2015	<u>848,344</u>	<u>798,950</u>	<u>334,858</u>	<u>(464,092)</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 787,897</u>	<u>\$ 787,897</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Law Enforcement Trust Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 25,000	\$ 25,000	\$ 5,574	\$ (19,426)
Miscellaneous Revenue	150	150	81	(69)
TOTAL REVENUES	<u>25,150</u>	<u>25,150</u>	<u>5,655</u>	<u>(19,495)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>85,000</u>	<u>85,000</u>	<u>26,173</u>	<u>58,827</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(59,850)	(59,850)	(20,518)	39,332
FUND BALANCES, October 1, 2015	<u>59,850</u>	<u>59,850</u>	<u>200,072</u>	<u>140,222</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,554</u>	<u>\$ 179,554</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Law Enforcement Education Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 22,000	\$ 22,000	\$ 17,394	\$ (4,606)
Miscellaneous Revenue	-	-	2	2
TOTAL REVENUES	<u>22,000</u>	<u>22,000</u>	<u>17,396</u>	<u>(4,604)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	23,000	23,000	24,270	(1,270)
Reserve for Contingencies	1,500	1,500	-	1,500
TOTAL EXPENDITURES	<u>24,500</u>	<u>24,500</u>	<u>24,270</u>	<u>230</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(2,500)	(2,500)	(6,874)	(4,374)
FUND BALANCES, October 1, 2015	<u>2,500</u>	<u>2,500</u>	<u>11,731</u>	<u>9,231</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,857</u>	<u>\$ 4,857</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Improvement Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 180,000	\$ 180,000	\$ 120,606	\$ (59,394)
Miscellaneous Revenue	250	250	436	186
TOTAL REVENUES	180,250	180,250	121,042	(59,208)
<u>EXPENDITURES</u>				
Current:				
Court Related	180,250	180,250	37,506	142,744
EXCESS OF REVENUES OVER EXPENDITURES	-	-	83,536	83,536
FUND BALANCES, October 1, 2015	-	-	1,385,488	1,385,488
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,469,024</u>	<u>\$ 1,469,024</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Drivers Education Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 30,000	\$ 30,000	\$ 19,850	\$ (10,150)
Miscellaneous Revenue	150	150	121	(29)
TOTAL REVENUES	30,150	30,150	19,971	(10,179)
<u>EXPENDITURES</u>				
Current:				
Public Safety	30,150	30,150	-	30,150
EXCESS OF REVENUES OVER EXPENDITURES	-	-	19,971	19,971
FUND BALANCES, October 1, 2015	-	-	260,825	260,825
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,796</u>	<u>\$ 280,796</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Article V Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 88,000	\$ 88,000	\$ 48,803	\$ (39,197)
Miscellaneous Revenue	75	75	37	(38)
TOTAL REVENUES	88,075	88,075	48,840	(39,235)
<u>EXPENDITURES</u>				
Current:				
Court Related	108,980	108,980	82,215	26,765
DEFICIENCY OF REVENUES OVER EXPENDITURES	(20,905)	(20,905)	(33,375)	(12,470)
<u>OTHER FINANCING USES</u>				
Transfers Out	(5,000)	(5,000)	-	5,000
NET CHANGE IN FUND BALANCES	(25,905)	(25,905)	(33,375)	(7,470)
FUND BALANCES, October 1, 2015	25,905	25,905	102,594	76,689
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,219</u>	<u>\$ 69,219</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Technology Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 77,000	\$ 77,000	\$ 82,298	\$ 5,298
Miscellaneous Revenue	150	150	152	2
TOTAL REVENUES	77,150	77,150	82,450	5,300
<u>EXPENDITURES</u>				
Current:				
Court Related	234,266	234,266	177,060	57,206
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(157,116)	(157,116)	(94,610)	62,506
FUND BALANCES, October 1, 2015	157,116	157,116	370,016	212,900
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,406</u>	<u>\$ 275,406</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Crime Prevention Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 30,000	\$ 30,000	\$ 19,897	\$ (10,103)
Miscellaneous Revenue	50	50	29	(21)
TOTAL REVENUES	30,050	30,050	19,926	(10,124)
<u>EXPENDITURES</u>				
Current:				
Public Safety	34,975	38,530	38,530	-
DEFICIENCY OF REVENUES OVER EXPENDITURES	(4,925)	(8,480)	(18,604)	(10,124)
FUND BALANCES, October 1, 2015	4,925	8,480	69,434	60,954
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,830</u>	<u>\$ 50,830</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – E911 System Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 366,616	\$ 366,616	\$ 395,919	\$ 29,303
Miscellaneous Revenue	119	119	221	102
TOTAL REVENUES	<u>366,735</u>	<u>366,735</u>	<u>396,140</u>	<u>29,405</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>366,735</u>	<u>419,764</u>	<u>265,655</u>	<u>154,109</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(53,029)	130,485	183,514
FUND BALANCES, October 1, 2015	<u>-</u>	<u>53,029</u>	<u>506,070</u>	<u>453,041</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 636,555</u>	<u>\$ 636,555</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Tourist Development Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 250,000	\$ 250,000	\$ 331,917	\$ 81,917
Miscellaneous Revenue	150	150	246	96
TOTAL REVENUES	<u>250,150</u>	<u>250,150</u>	<u>332,163</u>	<u>82,013</u>
<u>EXPENDITURES</u>				
Current:				
Economic Environment	250,500	275,500	262,132	13,368
Reserve for Contingencies	25,000	-	-	-
TOTAL EXPENDITURES	<u>275,500</u>	<u>275,500</u>	<u>262,132</u>	<u>13,368</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(25,350)	(25,350)	70,031	95,381
FUND BALANCES, October 1, 2015	<u>25,350</u>	<u>25,350</u>	<u>539,163</u>	<u>513,813</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 609,194</u>	<u>\$ 609,194</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Communication Improvement Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 30,000	\$ 30,000	\$ 26,413	\$ (3,587)
Fines and Forfeitures	48,000	48,000	31,102	(16,898)
TOTAL REVENUES	<u>78,000</u>	<u>78,000</u>	<u>57,515</u>	<u>(20,485)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	40,900	40,900	49,277	(8,377)
Reserve for Contingencies	-	410,488	-	410,488
Debt Service:				
Principal	101,227	101,227	101,378	(151)
Interest and Fiscal Charges	19,000	19,000	19,097	(97)
TOTAL EXPENDITURES	<u>161,127</u>	<u>571,615</u>	<u>169,752</u>	<u>401,863</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(83,127)	(493,615)	(112,237)	381,378
<u>OTHER FINANCING SOURCES</u>				
Transfers In	83,127	493,615	493,615	-
NET CHANGE IN FUND BALANCES	-	-	381,378	381,378
FUND BALANCES, October 1, 2015	-	-	(380,487)	(380,487)
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 891</u>	<u>\$ 891</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Economic Development Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ 40,000	\$ 46,465	\$ 6,465
Miscellaneous Revenue	-	-	1	1
TOTAL REVENUES	-	40,000	46,466	6,466
<u>EXPENDITURES</u>				
Current:				
Economic Environment	186,820	226,820	206,465	20,355
Reserve for Contingencies	-	88,114	-	88,114
TOTAL EXPENDITURES	186,820	314,934	206,465	108,469
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(186,820)	(274,934)	(159,999)	114,935
<u>OTHER FINANCING SOURCES</u>				
Transfers In	186,820	274,934	274,934	-
NET CHANGE IN FUND BALANCES	-	-	114,935	114,935
FUND BALANCES, October 1, 2015	-	-	(88,114)	(88,114)
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ 26,821	\$ 26,821

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Miscellaneous Grants Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 380,325	\$ 484,631	\$ 482,958	\$ (1,673)
Miscellaneous Revenue	-	-	9	9
TOTAL REVENUES	380,325	484,631	482,967	(1,664)
<u>EXPENDITURES</u>				
Current:				
Public Safety	174,396	252,670	250,997	1,673
Culture/Recreation	205,929	231,961	231,970	(9)
TOTAL EXPENDITURES	380,325	484,631	482,967	1,664
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2015	-	-	-	-
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Community Development Block Grant Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ 750,000	\$ 52,650	\$ (697,350)
<u>EXPENDITURES</u>				
Current:				
Economic Environment	-	750,000	52,650	697,350
TOTAL EXPENDITURES	-	750,000	52,650	697,350
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2015	-	-	-	-
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Interlachen Lakes Estates Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Special Assessments	\$ 220,000	\$ 220,000	\$ 233,383	\$ 13,383
Miscellaneous Revenue	100	100	93	(7)
TOTAL REVENUES	<u>220,100</u>	<u>220,100</u>	<u>233,476</u>	<u>13,376</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	253,675	253,675	204,908	48,767
Reserve for Contingencies	5,000	5,000	-	5,000
TOTAL EXPENDITURES	<u>258,675</u>	<u>258,675</u>	<u>204,908</u>	<u>53,767</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(38,575)	(38,575)	28,568	67,143
FUND BALANCES, October 1, 2015	<u>38,575</u>	<u>38,575</u>	<u>174,670</u>	<u>136,095</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 203,238</u>	<u>\$ 203,238</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – West Putnam Municipal Services Benefit Unit Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Special Assessments	\$ 122,500	\$ 122,500	\$ 136,656	\$ 14,156
Miscellaneous Revenue	100	100	95	(5)
TOTAL REVENUES	122,600	122,600	136,751	14,151
<u>EXPENDITURES</u>				
Current:				
Transportation	155,875	155,875	154,033	1,842
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(33,275)	(33,275)	(17,282)	15,993
FUND BALANCES, October 1, 2015	33,275	33,275	206,809	173,534
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ 189,527	\$ 189,527

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Local Housing Assistance Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 336,707	\$ 336,707	\$ 374,562	\$ 37,855
Miscellaneous Revenue	3,550	3,550	71,394	67,844
TOTAL REVENUES	<u>340,257</u>	<u>340,257</u>	<u>445,956</u>	<u>105,699</u>
<u>EXPENDITURES</u>				
Current:				
Economic Environment	675,000	675,000	159,719	515,281
Reserve for Contingencies	25,000	25,000	-	25,000
TOTAL EXPENDITURES	<u>700,000</u>	<u>700,000</u>	<u>159,719</u>	<u>540,281</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(359,743)	(359,743)	286,237	645,980
FUND BALANCES, October 1, 2015	<u>359,743</u>	<u>359,743</u>	<u>597,655</u>	<u>237,912</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 883,892</u>	<u>\$ 883,892</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – MSBU Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Special Assessments	\$ 121,500	\$ 121,500	\$ 114,322	\$ (7,178)
Miscellaneous Revenue	125	125	210	85
TOTAL REVENUES	<u>121,625</u>	<u>121,625</u>	<u>114,532</u>	<u>(7,093)</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	114,625	114,625	85,061	29,564
Reserve for Contingencies	7,000	7,000	-	7,000
TOTAL EXPENDITURES	<u>121,625</u>	<u>121,625</u>	<u>85,061</u>	<u>36,564</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	29,471	29,471
FUND BALANCES, October 1, 2015	<u>-</u>	<u>-</u>	<u>455,084</u>	<u>455,084</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 484,555</u>	<u>\$ 484,555</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Sewage Utilities Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 45,740	\$ 45,740	\$ 45,108	\$ (632)
<u>EXPENDITURES</u>				
Current:				
Physical Environment	48,940	48,940	40,768	8,172
Reserve for Contingencies	-	30,666	-	30,666
TOTAL EXPENDITURES	48,940	79,606	40,768	38,838
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,200)	(33,866)	4,340	38,206
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	30,666	30,666	-
NET CHANGE IN FUND BALANCES	(3,200)	(3,200)	35,006	38,206
FUND BALANCES, October 1, 2015	3,200	3,200	(32,765)	(35,965)
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,241</u>	<u>\$ 2,241</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Water Utilities Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 33,450	\$ 33,450	\$ 32,979	\$ (471)
Miscellaneous Revenue	125	125	101	(24)
TOTAL REVENUES	<u>33,575</u>	<u>33,575</u>	<u>33,080</u>	<u>(495)</u>
<u>EXPENDITURES</u>				
Current:				
Physical Environment	<u>33,575</u>	<u>33,575</u>	<u>22,359</u>	<u>11,216</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	10,721	10,721
FUND BALANCES, October 1, 2015	<u>-</u>	<u>-</u>	<u>225,175</u>	<u>225,175</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 235,896</u>	<u>\$ 235,896</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Commissary Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 480,488	\$ 671,350	\$ 671,350	\$ -
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>480,488</u>	<u>806,952</u>	<u>806,605</u>	<u>347</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(135,602)	(135,255)	347
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In				
FUND BALANCES, October 1, 2015	<u>-</u>	<u>135,602</u>	<u>414,412</u>	<u>278,810</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 279,157</u>	<u>\$ 279,157</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Federal Forfeiture Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 55,000	\$ 55,000	\$ 70,102	\$ 15,102
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>55,000</u>	<u>55,000</u>	<u>39,235</u>	<u>15,765</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	30,867	30,867
FUND BALANCES, October 1, 2015	<u>-</u>	<u>-</u>	<u>126,690</u>	<u>126,690</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 157,557</u>	<u>\$ 157,557</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Records Modernization Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 27,000	\$ 27,000	\$ 27,885	\$ 885
Miscellaneous Revenue	350	350	250	(100)
TOTAL REVENUES	27,350	27,350	28,135	785
<u>EXPENDITURES</u>				
Current:				
General Government Services	77,350	77,350	-	77,350
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(50,000)	(50,000)	28,135	78,135
FUND BALANCES, October 1, 2015	50,000	50,000	292,811	242,811
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ 320,946	\$ 320,946

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Article V Records Modernization Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 80,000	\$ 80,000	\$ 78,183	\$ (1,817)
Fines and Forfeitures	32,500	32,500	27,046	(5,454)
Miscellaneous Revenue	500	500	552	52
TOTAL REVENUES	113,000	113,000	105,781	(7,219)
<u>EXPENDITURES</u>				
Current:				
Court Related	213,000	213,000	27,046	185,954
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(100,000)	(100,000)	78,735	178,735
FUND BALANCES, October 1, 2015	100,000	100,000	855,450	755,450
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ 934,185	\$ 934,185

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 1,045,230	\$ 1,138,895	\$ 1,039,080	\$ (99,815)
Charges for Services	836,194	670,000	756,792	86,792
Fines and Forfeitures	118,390	127,556	138,475	10,919
Miscellaneous Revenue	10,616	1,380	1,283	(97)
TOTAL REVENUES	2,010,430	1,937,831	1,935,630	(2,201)
<u>EXPENDITURES</u>				
Current:				
Court Related	2,010,430	1,937,831	1,935,630	2,201
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2015	-	-	-	-
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Supervisor of Elections - Grant Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ -	\$ 36,034	\$ 36,034
Miscellaneous Revenues	-	-	47	47
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	-	-	36,081	36,081
<u>EXPENDITURES</u>				
Current:				
General Government Services	108,590	108,590	94,300	14,290
	<hr/>	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(108,590)	(108,590)	(58,219)	50,371
<u>OTHER FINANCING SOURCES</u>				
Transfers In	-	-	1,135	1,135
	<hr/>	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	(108,590)	(108,590)	(57,084)	51,506
FUND BALANCES, October 1, 2015	108,590	108,590	108,656	66
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ 51,572	\$ 51,572
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual-County Jail Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
TOTAL REVENUES	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>				
Current:				
Reserve for Contingencies	-	39,660	-	39,660
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	300,000	396,600	-	396,600
TOTAL EXPENDITURES	300,000	436,260	-	436,260
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(300,000)	(436,260)	-	436,260
OTHER FINANCING SOURCES				
Transfers In	300,000	436,260	436,260	-
NET CHANGE IN FUND BALANCES	-	-	436,260	436,260
FUND BALANCES, October 1, 2015	-	-	-	-
FUND BALANCES, September 30, 2016	\$ -	\$ -	\$ 436,260	\$ 436,260

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – MSBU Loan Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Special Assessments	\$ 230,000	\$ 230,000	\$ 210,879	\$ (19,121)
Miscellaneous Revenue	75	75	56	(19)
TOTAL REVENUES	<u>230,075</u>	<u>230,075</u>	<u>210,935</u>	<u>(19,140)</u>
<u>EXPENDITURES</u>				
Current:				
Reserve for Contingencies	36,617	36,617	-	36,617
Debt Service:				
Principal Retirement	171,185	171,185	171,185	-
Interest and Fiscal Charges	22,273	22,273	21,350	923
TOTAL EXPENDITURES	<u>230,075</u>	<u>230,075</u>	<u>192,535</u>	<u>37,540</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	18,400	18,400
FUND BALANCES, October 1, 2015	<u>-</u>	<u>-</u>	<u>61,743</u>	<u>61,743</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,143</u>	<u>\$ 80,143</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Road Projects Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,015,000	\$ 1,015,000	\$ 1,172,332	\$ 157,332
Intergovernmental Revenue	11,741,385	11,893,385	2,371,564	(9,521,821)
Miscellaneous Revenue	1,000	1,000	2,034	1,034
TOTAL REVENUES	12,757,385	12,909,385	3,545,930	(9,363,455)
<u>EXPENDITURES</u>				
Capital Outlay-Transportation	12,757,385	12,909,385	2,188,278	10,721,107
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,357,652	1,357,652
FUND BALANCES, October 1, 2015	-	-	3,434,645	3,434,645
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,792,297</u>	<u>\$ 4,792,297</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Better Place Plan Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 4,500,000	\$ 4,500,000	\$ 5,364,150	\$ 864,150
Miscellaneous Revenue	6,500	6,500	28,826	22,326
TOTAL REVENUES	<u>4,506,500</u>	<u>4,506,500</u>	<u>5,392,976</u>	<u>886,476</u>
<u>EXPENDITURES</u>				
Capital Outlay:				
General Government	700,000	523,650	-	523,650
Public Safety	275,000	275,000	275,000	-
Transportation	3,130,014	5,137,641	3,557,006	1,580,635
Culture & Recreation	225,000	225,000	221,743	3,257
Debt Service:				
Principal Retirement	1,450,000	1,450,000	1,450,000	-
Interest and Fiscal Charges	136,486	136,486	136,084	402
TOTAL EXPENDITURES	<u>5,916,500</u>	<u>7,747,777</u>	<u>5,639,833</u>	<u>2,107,944</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,410,000)	(3,241,277)	(246,857)	2,994,420
<u>OTHER FINANCING USES</u>				
Transfers Out	(590,000)	(1,202,610)	(1,202,610)	-
NET CHANGE IN FUND BALANCES	(2,000,000)	(4,443,887)	(1,449,467)	2,994,420
FUND BALANCES, October 1, 2015	<u>2,000,000</u>	<u>4,443,887</u>	<u>9,276,895</u>	<u>4,833,008</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,827,428</u>	<u>\$ 7,827,428</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Capital Projects Fund
For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ -	\$ -	\$ 139	\$ 139
<u>EXPENDITURES</u>				
Capital Outlay:				
Public Safety	8,000,000	1,735,700	1,735,627	73
Debt Service:				
Principal Retirement	-	17,894,440	17,847,663	46,777
Interest and Fiscal Charges	-	77,161	77,161	-
TOTAL EXPENDITURES	<u>8,000,000</u>	<u>19,707,301</u>	<u>19,660,451</u>	<u>46,850</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,000,000)	(19,707,301)	(19,660,312)	46,989
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers Out	-	-	(534,383)	534,383
Debt Issued	<u>8,000,000</u>	<u>19,707,301</u>	<u>19,707,301</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	(487,394)	581,372
FUND BALANCES, October 1, 2015	<u>-</u>	<u>-</u>	<u>487,394</u>	<u>487,394</u>
FUND BALANCES, September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Business-type Activities – Enterprise Funds

Enterprise Funds

The County uses Enterprise funds to account for the activity in its Water and Wastewater Utility System, Port Authority, and its Waste Management System.

East Putnam Water Fund – This fund accounts for the operations of the water and wastewater utility systems. Customers are charged for services provided. The following Schedule of Net Position by Department and Schedule of Revenues, Expenses and Changes in Fund Net Position by Department provides more in-depth information between the water and wastewater services accounted for in the fund.

Putnam County, Florida
Schedule of Net Position by Department
East Putnam Water Fund
September 30, 2016

	East Putnam Water Fund
<u>ASSETS</u>	
CURRENT ASSETS:	
Cash and Equivalents	\$ 403,465
Receivables	124,417
Due From Other Governments	779,993
TOTAL CURRENT ASSETS	1,307,875
NONCURRENT ASSETS:	
Restricted Cash and Equivalents	
Water	649,567
Wastewater	39,841
Capital Assets, Net	
Water	26,126,242
Wastewater	14,671,400
TOTAL NONCURRENT ASSETS	41,487,050
TOTAL ASSETS	42,794,925
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pensions	66,676
<u>LIABILITIES</u>	
CURRENT LIABILITIES:	
Accounts Payable & Accrued Liabilities	237,905
Customer Deposits	58,270
Current Portion of Compensated Absences	8,100
Current Portion of Long-Term Debt	
Water	550,334
Wastewater	152,006
TOTAL CURRENT LIABILITIES	1,006,615
NONCURRENT LIABILITIES	
Water	12,573,114
Wastewater	3,993,845
TOTAL NONCURRENT LIABILITIES	16,566,959
TOTAL LIABILITIES	17,573,574
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pensions	21,299
<u>NET POSITION</u>	
Net Investment in Capital Assets	
Water	13,153,937
Wastewater	10,525,549
Unrestricted	1,587,242
TOTAL NET POSITION	\$ 25,266,728

Putnam County, Florida
Schedule of Revenues, Expenses and Changes in Fund Net Position by Department
East Putnam Water Fund
For the Year Ended September 30, 2016

	<u>Water Services Department</u>	<u>Waste- Water Services Department</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
User Fees and Assessments	\$ 655,279	\$ 325,467	\$ 980,746
<u>OPERATING EXPENSES</u>			
Personal Services	210,524	-	210,524
Contractual Services	135,662	250	135,912
Repairs and Maintenance	33,888	6,251	40,139
Other Operating Expenses	1,381,338	73,949	1,455,287
Depreciation	814,751	338,032	1,152,783
TOTAL OPERATING EXPENSES	<u>2,576,163</u>	<u>418,482</u>	<u>2,994,645</u>
OPERATING INCOME (LOSS)	<u>(1,920,884)</u>	<u>(93,015)</u>	<u>(2,013,899)</u>
<u>NON OPERATING REVENUES</u>			
<u>(EXPENSES)</u>			
Interest Revenue	5,123	(6,112)	(989)
Grants	1,317,849	-	1,317,849
Interest Expense	<u>(456,817)</u>	<u>(82,539)</u>	<u>(539,356)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>866,155</u>	<u>(88,651)</u>	<u>777,504</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(1,054,729)	(181,666)	(1,236,395)
Capital Contributions - Grants	133,800	1,266,266	1,400,066
Capital Contributions - Customers	-	7,500	7,500
Transfers In	650,000	-	650,000
Transfers Out	<u>(14,082)</u>	<u>-</u>	<u>(14,082)</u>
CHANGE IN NET POSITION	(285,011)	1,092,100	807,089
NET POSITION-BEGINNING OF YEAR			<u>24,459,639</u>
NET POSITION-END OF YEAR			<u>\$ 25,266,728</u>

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

The County administers the following Internal Service Funds:

Fleet Maintenance Fund - to account for the costs of providing a maintenance facility for automotive equipment used by other departments.

Group Insurance Reserve Fund - to accumulate funds for the payment of premiums for employees' health and accident insurance.

Risk Management Fund - to account for the costs and the allocation of costs relating to various insurance carried by the County except health and life insurance benefits for County employees.

Putnam County, Florida
Combining Statement of Net Position -
Internal Service Funds
September 30, 2016

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>CURRENT ASSETS</u>				
Cash and Equivalents	\$ 11,287	\$ 48,146	\$ 1,112,726	\$ 1,172,159
Due from Other Funds	-	188,188	-	188,188
Due from Other Governments	179	81,858	-	82,037
Inventory	199,098	-	-	199,098
Other Assets	-	-	2,014	2,014
	210,564	318,192	1,114,740	1,643,496
<u>NONCURRENT ASSETS</u>				
Capital Assets, Net	37,046	-	-	37,046
	247,610	318,192	1,114,740	1,680,542
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pensions	117,901	-	20,857	138,758
<u>CURRENT LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	34,016	655	635,716	670,387
Due to Other Funds	175,000	-	-	175,000
Estimated Liability for Self-Insured Losses	-	-	379,062	379,062
Compensated Absences	13,500	-	5,400	18,900
Net Pension Liability	1,506	-	266	1,772
	224,022	655	1,020,444	1,245,121
<u>NONCURRENT LIABILITIES</u>				
Compensated Absences	11,500	-	4,600	16,100
Estimated Liability for Self Insured Losses	-	-	500,000	500,000
OPEB Liability	29,067	-	5,820	34,887
Net Pension Liability	206,660	-	36,558	243,218
	247,227	-	546,978	794,205
TOTAL NONCURRENT LIABILITIES	247,227	-	546,978	794,205
	471,249	655	1,567,422	2,039,326
TOTAL LIABILITIES	471,249	655	1,567,422	2,039,326
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Pensions	37,663	-	6,662	44,325
<u>NET POSITION</u>				
Net Investment in Capital Assets	37,046	-	-	37,046
Unrestricted	(180,447)	317,537	(438,487)	(301,397)
	(143,401)	317,537	(438,487)	(264,351)
TOTAL NET POSITION	\$ (143,401)	\$ 317,537	\$ (438,487)	\$ (264,351)

Putnam County, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2016

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>OPERATING REVENUES</u>				
User Charges	\$ 1,001,329	\$ 6,285,190	\$ 1,158,559	\$ 8,445,078
Miscellaneous	-	474,920	444	475,364
TOTAL OPERATING REVENUES	<u>1,001,329</u>	<u>6,760,110</u>	<u>1,159,003</u>	<u>8,920,442</u>
<u>OPERATING EXPENSES</u>				
Personal Services	359,034	-	60,532	419,566
Insurance	19,895	6,662,278	691,644	7,373,817
Claims Expense	-	-	206,482	206,482
Contractual Services	226,016	21,209	3,500	250,725
Repairs and Maintenance	21,811	-	-	21,811
Other Operating Expenses	502,971	251	1,135	504,357
Depreciation Expense	15,238	-	-	15,238
TOTAL OPERATING EXPENSES	<u>1,144,965</u>	<u>6,683,738</u>	<u>963,293</u>	<u>8,791,996</u>
OPERATING INCOME (LOSS)	<u>(143,636)</u>	<u>76,372</u>	<u>195,710</u>	<u>128,446</u>
Capital Contribution	3,596	-	-	3,596
Transfers In	807,547	701,740	179,642	1,688,929
Transfers Out	(3,362)	-	-	(3,362)
CHANGE IN NET POSITION	664,145	778,112	375,352	1,817,609
NET POSITION, October 1, 2015	<u>(807,546)</u>	<u>(460,575)</u>	<u>(813,839)</u>	<u>(2,081,960)</u>
NET POSITION, September 30, 2016	<u>\$ (143,401)</u>	<u>\$ 317,537</u>	<u>\$ (438,487)</u>	<u>\$ (264,351)</u>

Putnam County, Florida
Combining Statement of Cash Flows – Internal Service Funds
For the Year Ended September 30, 2016

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from Customers	\$ 1,002,100	\$ 6,507,949	\$ 1,158,337	\$ 8,668,386
Payments to Suppliers	(1,451,315)	(7,173,325)	(1,423,963)	(10,048,603)
Payments to Employees	(353,519)	-	(57,637)	(411,156)
	<u>(802,734)</u>	<u>(665,376)</u>	<u>(323,263)</u>	<u>(1,791,373)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Transfers In	807,547	701,740	179,642	1,688,929
Transfers Out	(3,362)	-	-	(3,362)
	<u>804,185</u>	<u>701,740</u>	<u>179,642</u>	<u>1,685,567</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES				
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS				
	1,451	36,364	(143,621)	(105,806)
CASH AND EQUIVALENTS, October 1, 2015				
	<u>9,836</u>	<u>11,782</u>	<u>1,256,347</u>	<u>1,277,965</u>
CASH AND EQUIVALENTS, September 30, 2016				
	<u>\$ 11,287</u>	<u>\$ 48,146</u>	<u>\$ 1,112,726</u>	<u>\$ 1,172,159</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	(143,636)	76,372	195,710	128,446
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	15,238	-	-	15,238
Changes in:				
Due From Other Funds	-	(188,188)	-	(188,188)
Due From Other Governments	771	(63,973)	-	(63,202)
Inventory	7,586	-	-	7,586
Deferred Outflows	(59,606)	-	(11,243)	(70,849)
Other Assets	-	-	(666)	(666)
Accounts Payable & Accrued Liabilities	(43,208)	413	634,213	591,418
Due to Other Funds	(645,000)	(490,000)	-	(1,135,000)
Estimated Liability for Self Insured Losses	-	-	(1,155,415)	(1,155,415)
Net Pension Liability	81,071	-	15,863	96,934
Deferred Inflows	(17,531)	-	(2,441)	(19,972)
Compensated Absences	(2,000)	-	-	(2,000)
Other Noncurrent Liabilities	3,581	-	716	4,297
	<u>(802,734)</u>	<u>(665,376)</u>	<u>(323,263)</u>	<u>(1,791,373)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
	<u>\$ (802,734)</u>	<u>\$ (665,376)</u>	<u>\$ (323,263)</u>	<u>\$ (1,791,373)</u>

Fiduciary Funds

Agency Funds

Agency funds are used to report resources held in a purely custodial capacity.

The County maintains the following Agency Funds:

Clerk of the Circuit Court Agency Fund – to account for assets held by the Office as an agent for individuals, private organizations, and/or other governments.

Sheriff Agency Fund – to account for assets held by the Office as an agent for individuals, private organizations, and/or other governments.

Tax Collector Agency Fund – to account for assets held by the Office as an agent for individuals, private organizations, and/or other governments.

Putnam County, Florida
Combining Statement of Fiduciary Net Position – Agency Funds
September 30, 2016

	Clerk of the Circuit Court	Sheriff	Tax Collector	Totals
<u>ASSETS</u>				
Cash and Equivalents	\$ 663,309	\$ 88,801	\$ 1,961,996	\$2,714,106
Receivables	-	9,193	51,883	61,076
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 663,309</u>	<u>\$ 97,994</u>	<u>\$ 2,013,879</u>	<u>\$2,775,182</u>
<u>LIABILITIES</u>				
Assets Held for Others	<u>\$ 663,309</u>	<u>\$ 97,994</u>	<u>\$ 2,013,879</u>	<u>\$2,775,182</u>

Putnam County, Florida
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2016

	<u>Balance</u> <u>October 1,</u> <u>2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2016</u>
<u>CLERK OF THE CIRCUIT COURT</u>				
Assets:				
Cash and Equivalents	\$ 681,884	\$ 2,944,275	\$ 2,962,850	\$ 663,309
Receivables	-	-	-	-
Total Assets	<u>681,884</u>	<u>2,944,275</u>	<u>2,962,850</u>	<u>663,309</u>
Liabilities:				
Assets Held for Others	<u>\$ 681,884</u>	<u>\$ 2,944,325</u>	<u>\$ 2,962,900</u>	<u>\$ 663,309</u>
<u>SHERIFF</u>				
Assets:				
Cash and Equivalents	\$ 81,142	\$ 861,147	\$ 853,488	\$ 88,801
Receivables	13	9,193	13	9,193
Total Assets	<u>81,155</u>	<u>870,340</u>	<u>853,501</u>	<u>97,994</u>
Liabilities:				
Assets Held for Others	<u>\$ 81,155</u>	<u>\$ 888,144</u>	<u>\$ 871,305</u>	<u>\$ 97,994</u>
<u>TAX COLLECTOR</u>				
Assets:				
Cash and Equivalents	\$ 1,934,986	\$ 91,678,771	\$ 91,651,761	\$ 1,961,996
Receivables	28,454	9,985,816	9,962,387	51,883
Due From Other Funds	-	-	-	-
Total Assets	<u>\$ 1,963,440</u>	<u>\$ 101,664,587</u>	<u>\$ 101,614,148</u>	<u>\$ 2,013,879</u>
Liabilities:				
Assets Held for Others	<u>\$ 1,963,440</u>	<u>\$ 93,829,604</u>	<u>\$ 93,779,165</u>	<u>\$ 2,013,879</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and Equivalents	\$ 2,698,012	\$ 95,484,193	\$ 95,468,099	\$ 2,714,106
Receivables	28,467	9,995,009	9,962,400	61,076
Due From Other Funds	-	-	-	-
Total Assets	<u>\$ 2,726,479</u>	<u>\$ 105,479,202</u>	<u>\$ 105,430,499</u>	<u>\$ 2,775,182</u>
Liabilities:				
Assets Held for Others	<u>\$ 2,726,479</u>	<u>\$ 97,662,073</u>	<u>\$ 97,613,370</u>	<u>\$ 2,775,182</u>

Discretely Presented Component Unit

The Putnam County Development Authority – promotes economic growth and development in all areas of the county.

Putnam County Development Authority
Statement of Net Position
September 30, 2016

<u>CURRENT ASSETS</u>	
Cash and Equivalents	\$ 243,643
 <u>NONCURRENT ASSETS</u>	
Non Depreciable Capital Assets	473,854
Depreciable Capital Assets, Net	<u>85,383</u>
 TOTAL ASSETS	 <u>802,880</u>
 <u>CURRENT LIABILITIES</u>	
Accounts Payable and Accrued Liabilities	<u>184</u>
 <u>NET POSITION</u>	
Net Investment in Capital Assets	559,237
Unrestricted	<u>243,459</u>
 TOTAL NET POSITION	 <u><u>\$ 802,696</u></u>

Putnam County Development Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended September 30, 2016

<u>OPERATING REVENUES</u>	
User Charges	\$ 10,514
<u>OPERATING EXPENSES</u>	
Contractual Services	2,584
Other Operating Expenses	2,537
Depreciation Expense	3,956
TOTAL OPERATING EXPENSES	9,077
OPERATING INCOME (LOSS)	1,437
<u>NON OPERATING REVENUES</u>	
Interest Revenue	369
CHANGE IN NET POSITION	1,806
NET POSITION, October 1, 2015	800,890
NET POSITION, September 30, 2016	\$ 802,696

Putnam County Development Authority
Statement of Cash Flows
For the Year Ended September 30, 2016

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Customers	\$ 10,514
Payments to Suppliers	<u>(5,129)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>5,385</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest on Investments	<u>369</u>
NET DECREASE IN CASH AND EQUIVALENTS	5,754
CASH AND EQUIVALENTS, October 1, 2015	<u>237,889</u>
CASH AND EQUIVALENTS, September 30, 2016	<u>\$ 243,643</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating Income (Loss)	1,437
Adjustments to Reconcile	
Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	3,956
Change in:	
Accounts Payable and Accrued Liabilities	<u>(8)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 5,385</u>

Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

<u>Federal Agency</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Program Total</u>
<u>DEPARTMENT OF AGRICULTURE, FORESTRY SERVICES</u>				
Direct Assistance				
Volunteer Fire Assistance Grant	10.664	--	10,000	
<u>DEPARTMENT OF AGRICULTURE, RURAL UTILITIES SERVICE</u>				
Direct Assistance				
Community Facilities Loans and Grants - Jail Expansion	10.766	Series 2016	1,820,158	
Water and Waste Disposal Systems- Rural Development	10.760	Grant	541,067	
<u>DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>				
Passed Through the State Dept. of Economic Opportunity				
Community Development Block Grant	14.228	16-DB-OK-04-64-01-H09	52,650	
<u>DEPARTMENT OF JUSTICE</u>				
Direct Assistance:				
State Criminal Alien Assistance Program	16.606	2015-AP-BX-0560	3,039	
Passed Through Office of Attorney General:				
Crime Victim Assistance	16.575	V086-14068	88,212	
Passed Through Florida Coalition Against Domestic Violence:				
Violence Against Women Formula Grant	16.588	16-8023-LE-ENH	47,967	
Violence Against Women Formula Grant	16.588	17-8023-LE-ENH	6,115	54,082
Passed Through Florida Department of Law Enforcement:				
Byrne Justice Assistance Grant Program	16.738	2015-JAGC-PUTN-3-H3-032	13,239	
Byrne Justice Assistance Grant Program	16.738	2015-DJ-BX-0375	25,635	38,874
<u>DEPARTMENT OF TRANSPORTATION</u>				
Passed Through Florida Department of Transportation:				
Highway Planning and Construction - Bike Trail	20.205	430512-1-38-01	3,851	
Highway Planning and Construction - Bike Trail	20.205	430512-1-38-01 (settlement)	30,436	
Highway Planning and Construction - Ferry Landings	20.205	AQP01	213,286	247,573
National Priority Safety Program-Electronic Patient Care	20.616	M3DA-16-18-26/G0836	68,251	
National Priority Safety Program-Seat Belt Safety	20.616	M2HVE-16-20-01/G0549	7,306	75,557
<u>GENERAL SERVICES ADMINISTRATION</u>				
Passed Through State Department of Management Services:				
Federal Surplus Property	39.003	--	70,155	

The accompanying notes are an integral part of this schedule.
(continued)

Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

<u>Federal Agency</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Program Total</u>
<u>ELECTIONS ASSISTANCE COMMISSION</u>				
Passed Through Department of State, Division of Elections				
HAVA Title II Voting Systems Assistance	90.401	--	74,278	
HAVA Title II Voting Systems Assistance	90.401	MOA 2013-2014-0001-R	7,303	
HAVA Title II Voting Systems Assistance	90.401	MOA 2015-2016-0001-PUT	7,569	89,150
 <u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed Through State Department of Revenue:				
Child Support Enforcement - Title IV-D Reimbursements	93.563	COC54	338,965	
Election Assistance for Individuals with Disabilities	93.617	MOA 2015-2016-0004-PUT	2,910	
 <u>EXECUTIVE OFFICE OF THE PRESIDENT</u>				
Office of National Drug Control and Policy				
Passed Through St. Johns County, Florida:				
High Intensity Drug Trafficking (HIDTA)	95.001	G15NF0001A	1,344	
High Intensity Drug Trafficking (HIDTA)	95.001	G16NF0001A	1,133	
HIDTA - DEA Task Force Overtime	95.001	DEAOTF	15,247	17,724
 <u>DEPARTMENT OF HOMELAND SECURITY</u>				
Passed Through State Division of Emergency Management:				
Disaster Grants - Public Assist. - Tropical Storm Debby	97.036	13-DB-73-04-64-02-611	684,734	
Disaster Grants - Public Assist. - Tropical Storm Fay	97.036	09-FA-B9-04-64-00-910	1,838	
Disaster Grants - Public Assist. - North East FL Flooding	97.036	09-MW-00-04-64-13-505	140,239	826,811
Hazard Mitigation Grant - Welaka Front Street Ph I	97.039	11-HM-3H-04-64-01-002	1,350	
Hazard Mitigation Grant - Welaka Front Street PH II	97.039	16-HM-3H-04-64-01-228	9,889	11,239
Emergency Management Performance Grants	97.042	16-FG-5A-04-64-01-121	25,327	
Emergency Management Performance Grants	97.042	17-FG-P9-04-64-01-128	33,592	58,919
Homeland Security Grant Program	97.067	15-DS-P4-04-64-01-331	12,308	
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,359,393</u>	

The accompanying notes are an integral part of this schedule.

(continued)

Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

<u>State Agency</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Project Total</u>
<u>EXECUTIVE OFFICE OF THE GOVERNOR</u>				
Division of Emergency Management				
Emergency Management Program	31.063	16-BG-83-04-64-01-054	91,193	
Emergency Management Program	31.063	17-BG-83-04-64-01-061	15,345	106,538
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>				
Small County Consolidated Grants	37.012	SC627	90,909	
Statewide Surface Water Restoration & Wastewater Projects:				
- Centralized Wastewater System Project	37.039	LP-54060	725,202	
- Dog Branch Creek	37.039	S0890	106,400	
- Water Transmission Main Extension	37.039	LP54062	133,800	965,402
Wastewater Treatment Facility Construction	37.077	WW17005P	267,541	
<u>DEPARTMENT OF ECONOMIC OPPORTUNITY</u>				
Rural Infrastructure Fund	40.013	D0043	6,465	
Division of Community Dev.-Community Planning	40.038	P0175	40,000	
<u>DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES</u>				
Mosquito Control - State Aid	42.003	22269	33,012	
<u>DEPARTMENT OF STATE AND SECRETARY OF STATE</u>				
State Aid to Libraries	45.030	16-ST-54	231,961	
<u>FLORIDA HOUSING FINANCE CORPORATION</u>				
State Housing Initiatives Program	52.901	2013 - 2014	14,779	
State Housing Initiatives Program	52.901	2014 - 2015	112,793	
State Housing Initiatives Program	40.901	2015 - 2016	25,035	
State Housing Initiatives Program	40.901	2016 - 2017	7,112	159,719
<u>DEPARTMENT OF TRANSPORTATION</u>				
Small County Outreach Program - Holloway Rd	55.009	430700-1-58-01	224,574	
Small County Outreach Program - Ft. Gates Ferry Rd	55.009	433032-1-58-01	179,311	403,885
Transportation Regional Incentive Program:				
- Resurface CR216	55.026	434551-54-01	182,776	
<u>DEPARTMENT OF HEALTH</u>				
County Grant Awards	64.005	C4054	5,023	
<u>DEPARTMENT OF MANAGEMENT SERVICES</u>				
Wireless 911 Emergency Telephone System	72.001	14-10-17	(3,500)	
Wireless 911 Emergency Telephone System	72.001	15-10-14	57,961	
Wireless 911 Emergency Telephone System	72.001	15-04-20	74,199	128,660
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 2,621,891</u>	

The accompanying notes are an integral part of this schedule.

(concluded)

Putnam County, Florida
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state award activity of the County under programs of the federal and state government for the year ended September 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General.

Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on this schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized when they become a demand on current available financial resources. Expenditures on contracts dated before or on December 26, 2014 are recognized following the cost principles in OMB Circular A-133, and expenditures on all subsequent contracts are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

The County did not charge an indirect cost rate to any federal or state programs.

NOTE 4 – SUBRECIPIENTS

The County did not provide federal or state awards to subrecipients.

Additional Elements Required
By the Rules of the Auditor General

MANAGEMENT LETTER

The Honorable County Commissioners
Putnam County, Florida

We have audited the financial statements of Putnam County, Florida (the "County"), as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated April 7, 2017. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit report are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. These requirements of the Rules of the Auditor General are addressed in the schedule of findings that accompanies this letter.

Financial Condition

As required by the Rules of the Auditor General, the scope of our audit included a review of the provisions of Section 218.503, Florida Statutes, "Determination of Financial Emergency." In connection with our audit, we determined that the County has not met one or more of the conditions described in Section 218.503(1), Florida Statutes.

Also, as required by the Rules of the Auditor General, we applied financial condition assessment procedures, as of the end of the fiscal year, pursuant to Rule 10.556(8). It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by management. The application of such procedures did not reveal evidence of "deteriorating financial condition" as that term is defined in Rule 10.554.

Annual Financial Report

As required by the Rules of the Auditor General, we determined that the annual financial report for the fiscal year ended September 30, 2016, filed with the Department of Financial Services pursuant to Section 218.32, Florida Statutes, is in substantial agreement with the audit report for the fiscal year ended September 30, 2016.

Other Matters

As required by the Rules of the Auditor General, we performed separate audits of each of the County's constitutional officers. The comments included in those separately-issued reports should be considered in conjunction with this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Car, Riggs & Ingram, L.L.C.

Palatka, Florida
April 7, 2017



Carr, Riggs & Ingram, LLC
906 South State Road 19
Palatka, Florida 32177

(386) 325-4561
(386) 328-1014 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable County Commissioners
Putnam County, Florida

We have examined the Putnam County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
April 7, 2017

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES

The Honorable County Commissioners
Putnam County, Florida

We have examined Putnam County, Florida's (the "County") compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2016. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016. However, we did note an immaterial instance of noncompliance as reported in the schedule of findings as item 2016-004.

The County's response to item 2016-004 is described in its accompanying letter of response. The County's response was not subjected to the examination procedures applied in the examination of compliance with sections 365.172(10) and 365.173(2)(d), Florida Statutes, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
April 7, 2017

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

The Honorable County Commissioners
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 7, 2017.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings as items 2016-001 through 2016-003, which we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we did note an immaterial instance of noncompliance that is reported in the accompanying schedule of findings as item 2016-005.

We also noted certain matters that we have reported in separately-issued reports for the County's constitutional officers.

The County's Response to Finding

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

Purpose of this Report

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

Carly Riggs & Ingram, L.L.C.

Palatka, Florida
April 7, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

The Honorable County Commissioners
Putnam County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Putnam County, Florida's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2016. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General. Those standards, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

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

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Putnam County, Florida's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Carly Riggs & Ingram, L.L.C.

Palatka, Florida
April 7, 2017

Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITOR’S RESULTS

- (i) The independent auditor’s report on the financial statements expressed unmodified opinions.
- (ii) The audit did not disclose material weaknesses, but did report significant deficiencies in internal control over financial reporting.
- (iii) No instances of noncompliance considered material to the financial statements were disclosed by the audit.
- (iv) The audit did not report significant deficiencies or disclose material weaknesses in internal control over major federal programs or major state projects.
- (v) The auditor’s report on compliance for each major federal program and state project expressed an unmodified opinion.
- (vi) The audit did not disclose findings relative to major federal programs or major state projects.
- (vii) The County’s major federal programs and major state projects were:

<u>Federal Programs</u>	<u>Federal CFDA Number</u>
Highway Planning and Construction	20.205
Disaster Grants – Public Assistance	97.036
<u>State Projects</u>	<u>State CFSA Number</u>
Statewide Surface Water Restoration & Wastewater Projects	37.039
State Aid to Libraries	45.030
Transportation Regional Incentive Program	55.026

- (viii) A threshold of \$750,000 and \$300,000 was used to distinguish between Type A and Type B programs for federal programs and state projects, respectively.
- (ix) The County qualified as a low-risk auditee as that term is defined in the Uniform Guidance.

Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS

(Similar item reported in previous audit report as item 2015-001)
2016-001 Condition: The County’s information technology (IT) controls currently provide reasonable assurance that a risk of material misstatement would not occur as a result of an IT control. However, certain additional IT controls could be strengthened. Duties for initiating and processing ACH transactions are not fully separated. However, another person does view the account activity daily after transactions are made. Also, additional controls were implemented subsequent to September 30, 2016.

Recommendation: To the extent possible, steps should be taken to separate the duties, so that no one individual has access to both initiating and approving transactions.

(Similar item reported in previous audit report as item 2015-002)
2016-002 Condition: In our test of purchase card (p-card) transactions, we noted that ten purchases did not include supporting receipts for approver review, and one purchase did not document the reason for not obtaining quotes as policy requires.

Recommendation: The County should ensure that supporting receipts are available in the approval process, and that quotes are obtained in accordance with policy.

2016-003 Condition: Management was unable to rely on the results of the year-end physical inventory of the Fleet department supplies, which appeared to contain errors. However, they did have accounting records to support the reasonableness of balances reported in the financial statements.

Recommendation: Management should review the procedures used by the Fleet department when conducting its physical inventory and implement steps to improve the integrity of the process and results.

2016-004 Condition: Total balances carried forward in the E-911 Fund exceed the 30% allowable under Section 365.173(2)(d), Florida Statutes.

Recommendation: Management should monitor fund balances and incur expenditures for purposes allowed in Section 365.173(2)(d), Florida Statutes.

2016-005 Condition: The budget for four funds: (Economic Development, Sewage Utilities, Communications Improvement Fund and MSBU Loan funds) included reserves for contingencies that exceeded the 10% maximum allowed by Section 129.01(2)(c)1, Florida Statutes.

Recommendation: The budget should be monitored so reserves for contingencies do not exceed 10% of total appropriations, in accordance with statutes.

Schedule of Findings and Questioned Costs

**SECTION III – FINDINGS AND QUESTIONED COSTS -
FEDERAL PROGRAMS**

-None -

**SECTION IV – FINDINGS AND QUESTIONED COSTS -
STATE PROJECTS**

-None -

Summary Schedule of Prior Audit Findings
(Relative to Federal Programs and State Projects)

There were no prior audit findings.



PUTNAM COUNTY

2509 Crill Avenue, Suite 200
PALATKA, FLORIDA 32177
(386) 329-0205

BOARD OF COUNTY COMMISSIONERS

BILL PICKENS
District 1

CHIP LAIBL
District 2

TOMMY STILWELL
District 3

LARRY HARVEY
District 4

BUDDY GODDARD
District 5

April 7, 2017

The Honorable Sherill F. Norman
Florida Auditor General
P. O. Box 1735
Tallahassee, FL 32302

Dear Ms. Norman:

In accordance with Section 218.39, Florida Statutes, the following statements are submitted in response to the Putnam County Board of County Commissioners Audit Report for the fiscal year ending September 30, 2016. The responses are keyed to the numbering in the Schedule of Findings:

- 2016-001 The process of initiating and making ACH payments was corrected in October 2016. A secondary approval by management is now required before ACH payments can be completed.
- 2016-002 The County will implement required training for all p-card holders and will continue to monitor purchases closely to ensure compliance with purchasing policies. The current policy will also be reviewed for clarification.
- 2016-003 Management will review procedures used by the Fleet department when conducting its physical inventory to ascertain the cause of the previous errors noted and implement necessary steps to improve the integrity of the process and results.
- 2016-004 Management will closely monitor E-911 expenditures to assure compliance with Florida Statutes.
- 2016-005 The County's budget officer will monitor all budget activities to assure compliance with all relevant Florida Statutes.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Harvey".

Larry Harvey
Chairman, Board of County Commissioners

**Putnam County
Clerk of the Circuit Court**

Audit Report

September 30, 2016



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRICpa.com

**Putnam County Clerk of the Circuit Court
September 30, 2016**

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1
Special Purpose Financial Statements	
Governmental Funds:	
Balance Sheet	4
Statement of Revenues, Expenditures and Changes in Fund Balance	5
Fiduciary Funds:	
Statement of Fiduciary Net Position – Agency Funds	6
Notes to Financial Statements	7
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	12
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Court Fund	13
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Records Modernization Fund	14
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Article V Records Modernization Fund	15
Supplementary Information	
Combining Statement of Fiduciary Net Position – Agency Funds	16
Additional Elements Required by the Rules of the Auditor General	
Management Letter	17
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18

Table of Contents

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes.	20
Independent Accountant's Report on Compliance with Sections 28.35 and 28.36, Florida Statutes.	21
Independent Accountant's Report on Compliance with Section 61.181, Florida Statutes.	22
Schedule of Findings	23
Elected Official's Response to Auditor's Comments	--

INDEPENDENT AUDITOR'S REPORT

The Honorable Tim Smith
Clerk of the Circuit Court
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Putnam County Clerk of the Circuit Court (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2016, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 Office's special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special purpose financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2017 on our consideration of the Office'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 Office's internal control over financial reporting and compliance.

Caru, Riggs & Ingram, L.L.C.

Palatka, Florida
March 15, 2017

Putnam County Clerk of the Circuit Court

Balance Sheet - Governmental Funds

As of September 30,

2016

	General Fund	Court Fund	Records Modernization Fund	Article V Records Modernization Fund	Total Governmental Funds
Assets					
Equity in pooled cash and equivalents	\$ 683,652	\$ 409,512	\$ 320,946	\$ 934,185	\$ 2,348,295
Accounts receivable	1,106	7,759	-	-	8,865
Due from other governments	61,597	50,430	-	-	112,027
Other Assets	12,200	-	-	-	12,200
Total assets	\$ 758,555	\$ 467,701	\$ 320,946	\$ 934,185	\$ 2,481,387
Liabilities and fund balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 593,091	\$ 39,106	\$ -	\$ -	\$ 632,197
Due to other county agencies	81,554	22,781	-	-	104,335
Due to other governments	83,910	280,020	-	-	363,930
Customer Deposits	-	119,582	-	-	119,582
Total liabilities	758,555	461,489	-	-	1,220,044
Deferred Inflows of Resources					
Revenues - unavailable	-	6,212	-	-	6,212
Fund Balances:					
Restricted:					
Restricted for records modernization	-	-	320,946	-	320,946
Restricted for court-related technology and program enhancements	-	-	-	934,185	934,185
Total fund balances	-	-	320,946	934,185	1,255,131
Total liabilities, deferred inflows and fund balances	\$ 758,555	\$ 467,701	\$ 320,946	\$ 934,185	\$ 2,481,387

See accompanying notes.

Putnam County Clerk of the Circuit Court
Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended September 30,

2016

	General Fund	Court Fund	Records Modernization Fund	Article V Records Modernization Fund	Total Governmental Funds
Revenues					
Intergovernmental	\$ 338,965	\$ 1,138,895	\$ -	\$ -	\$ 1,477,860
Charges for services	318,765	756,792	27,885	78,183	1,181,625
Fines and forfeitures	-	138,475	-	27,046	165,521
Interest	671	153	250	552	1,626
Other miscellaneous revenue	12,573	1,130	-	-	13,703
Total revenues	670,974	2,035,445	28,135	105,781	2,840,335
Expenditures					
Current:					
General government services	1,927,949	-	-	-	1,927,949
Court related	256,334	1,935,630	-	27,046	2,219,010
Total expenditures	2,184,283	1,935,630	-	27,046	4,146,959
Excess of revenues over (under) expenditures	(1,513,309)	99,815	28,135	78,735	(1,306,624)
Other financing sources (uses)					
Appropriation from board of county commissioners	1,585,831	-	-	-	1,585,831
Budget appropriation reverted to board of county commissioners	(72,522)	-	-	-	(72,522)
Reversion to the clerks of court operations corporation	-	(99,815)	-	-	(99,815)
Total other financing sources (uses)	1,513,309	(99,815)	-	-	1,413,494
Net change in fund balances	-	-	28,135	78,735	106,870
Fund balances - October 1, 2015	-	-	292,811	855,450	1,148,261
Fund balances - September 30, 2016	\$ -	\$ -	\$ 320,946	\$ 934,185	\$ 1,255,131

See accompanying notes.

Putnam County Clerk of the Circuit Court

Statement of Fiduciary Net Position

As of September 30,

2016

	Agency Funds
<hr/>	
Assets	
Equity in pooled cash and equivalents	\$ 663,309
Liabilities	
Assets held for others	663,309
<hr/>	
Net position	\$ -

See accompanying notes.

Putnam County Clerk of the Circuit Court

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Putnam County Clerk of the Circuit Court (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Putnam County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management’s discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Court Fund – The Court Fund is used to account for all court-related activities funded by appropriations from the state and certain fees retained by the office.

Records Modernization Fund – The Records Modernization Fund is used to account for fees charges pursuant to Section 28.24(12)(d), Florida Statutes, and related expenditures to modernize the public records storage and retrieval system of the County.

Putnam County Clerk of the Circuit Court Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Article V Records Modernization Fund – The Article V Records Modernization Fund is used to account for fees and fines charged pursuant to Sections 28.24(12)(e)(1) and 28.37, Florida Statutes, and related expenditures to fund court-related technology as defined in Section 29.008, Florida Statutes, and court-related program enhancements.

The Office also reports the following fiduciary fund:

Agency Funds – Agency Funds are used to account for assets held in a custodial capacity.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Fund balance classifications are described below:

Non-spendable Fund Balance – Non-spendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Putnam County Clerk of the Circuit Court Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Putnam County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Equity in Pooled Cash and Equivalents

The Office maintains a cash and equivalents pool that is available for use by all funds. Each fund's portion of this pool is displayed on the balance sheet as "Equity in Pooled Cash and Equivalents". If a fund overdraws its account in the pool, a liability and corresponding receivable (i.e., due to/from other funds) are reported on the balance sheet. Management has designated the General Fund as the fund to report a receivable.

Putnam County Clerk of the Circuit Court
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

A deferred inflow of resources is an acquisition of net assets that is applicable to a future reporting period.

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 various estimates. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits

All deposits of the Office are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security or Public Deposits Act. Every qualified public depository is required by this law to deposit with the State Treasurer eligible collateral equal to, or in excess of, an amount to be determined by the State Treasurer. The State Treasurer is required to ensure that all funds are entirely collateralized throughout the fiscal year.

Investments

The Office has adopted an investment policy pursuant to Section 218.415, Florida Statutes, which allows for surplus funds to be invested in the Local Government Surplus Funds Trust fund (the "State Pool") or any intergovernmental investment pool; Securities and Exchange Commission registered money market funds; interest bearing time deposits and savings accounts in state-certified qualified public depositories and direct obligations of the U.S. Treasury. Surplus funds are invested in the State Pool. The State Pool is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight.

The Florida PRIME has adopted operating procedures consistent with GASB's requirements to measure its investments at amortized cost. Florida PRIME is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the Office's investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares.

Investment in State Pool

The Office's investments in the State Pool are included in Equity in Pooled Cash and Equivalents in the accompanying financial statements.

At year-end the Office had \$111,231 invested in the Local Government Surplus Funds Trust Fund (the "State Pool").

Putnam County Clerk of the Circuit Court
Notes to Financial Statements

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

The Office's investment in the State Pool exposes it to credit risk. The Office does not have a formal investment policy relating to this risk, which is hereafter described.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Florida PRIME is rated by Standard and Poors and has a rating at September 30, 2016 of AAAm.

NOTE 3 – RISK MANAGEMENT

For health insurance and worker's compensation, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

Required Supplementary Information

Putnam County Clerk of the Circuit Court

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

For the Year Ended September 30,

2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 374,142	\$ 374,142	\$ 338,965	\$ (35,177)
Charges for services	371,330	371,330	318,765	(52,565)
Interest	1,050	1,050	671	(379)
Other miscellaneous revenue	57,620	57,620	12,573	(45,047)
Total revenues	804,142	804,142	670,974	(133,168)
Expenditures				
Current:				
General government services	2,141,867	2,141,867	1,927,949	213,918
Court related	248,106	248,106	256,334	(8,228)
Total expenditures	2,389,973	2,389,973	2,184,283	205,690
Excess of revenues over (under) expenditures	(1,585,831)	(1,585,831)	(1,513,309)	72,522
Other financing sources (uses)				
Appropriation from board of county commissioners	1,585,831	1,585,831	1,585,831	-
Budget appropriation reverted to board of county commissioners	-	-	(72,522)	(72,522)
Total other financing sources (uses)	1,585,831	1,585,831	1,513,309	(72,522)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2015	-	-	-	-
Fund balances - September 30, 2016	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Putnam County Clerk of the Circuit Court

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

For the Year Ended September 30,

2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,045,230	\$ 1,138,895	\$ 1,138,895	\$ -
Charges for services	836,194	670,000	756,792	86,792
Fines and forfeitures	118,390	127,556	138,475	10,919
Interest	180	180	153	(27)
Other miscellaneous revenue	10,436	1,200	1,130	(70)
Total revenues	2,010,430	1,937,831	2,035,445	97,614
Expenditures				
Current:				
Court related	2,010,430	1,937,831	1,935,630	2,201
Excess of revenues over (under) expenditures	-	-	99,815	99,815
Other financing sources (uses)				
Reversion to the clerks of court operations corporation	-	-	(99,815)	(99,815)
Net changes in fund balances	-	-	-	-
Fund balances - October 1, 2015	-	-	-	-
Fund balances - September 30, 2016	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

Pursuant to Section 28.36, Florida Statutes, the budget is subject to the General Appropriations Act of the Florida Legislature. The State of Florida releases this appropriation on a monthly basis. The fund is the legal level of control.

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes.

Putnam County Clerk of the Circuit Court

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Records Modernization Fund

<i>For the Year Ended September 30,</i>				2016
	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 27,000	\$ 27,000	\$ 27,885	\$ 885
Interest	350	350	250	(100)
Total revenues	27,350	27,350	28,135	785
Expenditures				
Current:				
General government services	77,350	77,350	-	77,350
Excess of revenues over (under) expenditures	(50,000)	(50,000)	28,135	78,135
Fund balances - October 1, 2015	50,000	50,000	292,811	242,811
Fund balances - September 30, 2016	\$ -	\$ -	\$ 320,946	\$ 320,946

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Putnam County Clerk of the Circuit Court

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Article V Records Modernization Fund

<i>For the Year Ended September 30,</i>				2016
	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 80,000	\$ 80,000	\$ 78,183	\$ (1,817)
Fines and forfeitures	32,500	32,500	27,046	(5,454)
Interest	500	500	552	52
Total revenues	113,000	113,000	105,781	(7,219)
Expenditures				
Current:				
Court related	213,000	213,000	27,046	185,954
Excess of revenues over (under) expenditures	(100,000)	(100,000)	78,735	178,735
Fund Balances - October 1, 2015	100,000	100,000	855,450	755,450
Fund Balances - September 30, 2016	\$ -	\$ -	\$ 934,185	\$ 934,185

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

Putnam County Clerk of the Circuit Court

Combining Statement of Fiduciary Net Position
Agency Funds

As of September 30,	2016		
	Circuit Court Trust Fund	Jury and Witness Fund	Total Agency Funds
Assets			
Equity in pooled cash and equivalents	\$ 648,485	\$ 14,824	\$ 663,309
Liabilities			
Assets held for others	648,485	14,824	663,309
Net position	\$ -	\$ -	\$ -

Additional Elements Required by the
Rules of the Auditor General

MANAGEMENT LETTER

The Honorable Tim Smith
Clerk of the Circuit Court
Putnam County, Florida

We have audited the financial statements of the office of the Putnam County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 15, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. These requirements of the Rules of the Auditor General are addressed in the accompanying Schedule of Findings.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
March 15, 2017

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

The Honorable Tim Smith
Clerk of the Circuit Court
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Putnam County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated March 15, 2017.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings as item 2016-002, which we consider to be a significant deficiency.

Compliance and Other Matters

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

The Office's Response to Findings

The Office's response to the findings identified in our audit is described in its accompanying letter of response. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Cary Riggs & Ingram, L.L.C.

Palatka, Florida
March 15, 2017

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Tim Smith
Clerk of the Circuit Court
Putnam County, Florida

We have examined the office of the Putnam County Clerk of Court's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
March 15, 2017

INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

The Honorable Tim Smith
Clerk of the Circuit Court
Putnam County, Florida

We have examined the office of the Putnam County Clerk of Court’s (the “Office”), compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2016. Management is responsible for the Office’s compliance with those requirements. Our responsibility is to express an opinion on the Office’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office’s compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016. However, we did note an immaterial instance of noncompliance as reported in the schedule of findings as item 2016-001.

The Office’s response to item 2016-001 is described in its accompanying letter of response. The Office’s response was not subjected to the examination procedures applied in the examination of compliance with sections 28.35 and 28.36, Florida Statutes, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
March 15, 2017



INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

The Honorable Tim Smith
Clerk of the Circuit Court
Putnam County, Florida

We have examined the Office of the Putnam County Clerk of Court's compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
March 15, 2017

Putnam County Clerk of the Circuit Court

Schedule of Findings

2016-001 (A similar finding was reported in previous audit report as item 2015-001.)

Condition – The Office did not achieve the following performance measures:

- Collections performance standards for Circuit Criminal, County Criminal, and Juvenile Delinquency and Civil Traffic.
- Timeliness standards for County Criminal and Criminal Traffic.

Recommendation – The Office should continue to pursue the goal of meeting the performance standards for which it has the ability to control.

2016-002 (Reported in previous audit report as item 2015-002.)

Condition – Duties for initiating and processing ACH transactions are not fully separated. However, another person does view the account activity daily after transactions are made.

Recommendation – To the extent possible, steps should be taken to separate the duties, so that no one individual has access to both initiating and approving transactions.



Office of
Clerk of Court
Tim Smith

March 15, 2017

The Honorable Sherill F. Norman
Florida Auditor General
P. O. Box 1735
Tallahassee, FL 32302

**SUBJECT: CORRECTIVE ACTION PLAN FOR CURRENT AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
CLERK OF THE CIRCUIT COURT, PUTNAM COUNTY, FL**

Dear Mrs. Norman:

The following statements are submitted in response to the Putnam County Clerk of the Circuit Court Audit Report for the fiscal year ending September 30, 2016. The responses are keyed to the numbering of the Schedule of Findings:

- 16-1 Collection standards were not met largely due to the recent economic climate. Additionally, prior legislated budget reductions have negatively impacted this office's ability to meet certain output and timeliness standards. Efforts continue to meet all performance standards.
- 16-2 The process of initiating and making ACH payments was corrected in October 2016. The office now requires a secondary approval by management before ACH payments can be completed.

Sincerely,

Tim Smith
Clerk of Circuit Court

Putnam County Sheriff

Audit Report

September 30, 2016



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

Table of Contents
September 30, 2016

REPORT

Independent Auditor's Report	1
------------------------------	---

SPECIAL PURPOSE FINANCIAL STATEMENTS

Governmental Funds:

Balance Sheet	4
---------------	---

Statement of Revenues, Expenditures and Changes in Fund Balances	5
--	---

Fiduciary Funds:

Statement of Fiduciary Net Position	6
-------------------------------------	---

Notes to Financial Statements	7
-------------------------------	---

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	11
--	----

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Commissary Fund	12
---	----

SUPPLEMENTARY INFORMATION

Combining Statement of Fiduciary Net Position – Agency Funds	13
--	----

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR

GENERAL

Management Letter	14
-------------------	----

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	15
---	----

Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes	17
--	----

Elected Official's Response to Auditor's Comments	18
---	----

INDEPENDENT AUDITOR'S REPORT

The Honorable H.D. "Gator" DeLoach, III
Sheriff
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Putnam County Sheriff (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2016, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 Office's special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special purpose financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2017, on our consideration of the Office'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 Office's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

Palatka, Florida
January 30, 2017

**Balance Sheet – Governmental Funds
As of September 30, 2016**

	General Fund	Commissary Fund	Forfeiture Fund (Non-major)	Total Governmental Funds
Assets				
Cash and equivalents	\$ 1,252,499	\$ 272,383	\$ 157,699	\$ 1,682,581
Accounts receivable	2,077	38,665	-	40,742
Other assets	878	-	-	878
Total assets	\$ 1,255,454	\$ 311,048	\$ 157,699	\$ 1,724,201
Liabilities and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 433,543	\$ 31,891	\$ 142	\$ 465,576
Due to other county agencies	807,631	-	-	807,631
Total liabilities	1,241,174	31,891	142	1,273,207
Fund balances				
Restricted for law enforcement	14,280	-	157,557	171,837
Committed for inmate benefits	-	279,157	-	279,157
Total fund balances	14,280	279,157	157,557	450,994
Total liabilities and fund balances	\$ 1,255,454	\$ 311,048	\$ 157,699	\$ 1,724,201

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended September 30, 2016**

	General Fund	Commissary Fund	Forfeiture Fund (Non-major)	Total Governmental Funds
Revenues				
Fines and forfeitures	\$ 2,747	\$ -	70,102	\$ 72,849
Miscellaneous revenue	15,882	671,350	-	687,232
Total revenues	18,629	671,350	70,102	760,081
Expenditures				
Current:				
Public safety	18,072,095	806,605	39,235	18,917,935
Court related	525,900	-	-	525,900
Total expenditures	18,597,995	806,605	39,235	19,443,835
Excess of revenues over (under) expenditures	(18,579,366)	(135,255)	30,867	(18,683,754)
Other financing sources (uses)				
Appropriation from board of county commissioners	19,387,695	-	-	19,387,695
Reversion to board of county commissioners	(805,814)	-	-	(805,814)
Total other financing sources (uses)	18,581,881	-	-	18,581,881
Net change in fund balances	2,515	(135,255)	30,867	(101,873)
Fund balances – October 1, 2015	11,765	414,412	126,690	552,867
Fund balances – September 30, 2016	\$ 14,280	\$ 279,157	\$ 157,557	\$ 450,994

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*



Putnam County Sheriff

Statement of Fiduciary Net Position
As of September 30, 2016

	Agency Funds
<hr/>	
Assets	
Cash and equivalents	\$ 88,801
Accounts receivable	9,193
<hr/>	
Total assets	97,994
Liabilities	
Assets held for others	97,994
<hr/>	
Net position	\$ -
<hr/> <hr/>	

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Putnam County Sheriff (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Putnam County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management’s discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental funds:

General Fund - the General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Commissary Fund – the Commissary Fund is used to account for the commissary operations of the County’s Detention Facility. Revenues are provided by sales of products to inmates. The profits can only be spent for the benefit of the inmates.

The Office also reports the following fiduciary fund type:

Agency Funds – Agency Funds are used to account for resources held in a custodial capacity.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. For this purpose, the Office considers revenues available if they are collected within sixty days of the end of the current fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Cash and Equivalents

Cash and Equivalents consist of deposits placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Accounts Receivable

The Office considers accounts receivable to be fully collectible and no allowance for doubtful accounts is provided.

Capital Assets and Long-Term Liabilities

Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

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 various estimates. Actual results could differ from those estimates.

Notes to Financial Statements

NOTE 2 – RISK MANAGEMENT

For health insurance and worker's compensation, the Putnam County Sheriff participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

The Sheriff also participates in the Florida Sheriff's self-insurance fund for risk related to professional liability and certain tangible personal property. For the past three years, there have been no insurance settlements significantly in excess of insurance coverage.

NOTE 3 – CONTINGENCIES

The Office is involved in claims in the normal course of operations. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.

Required Supplementary Information

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year ended September 30, 2016**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Fines and forfeitures	\$ 3,600	\$ 3,600	\$ 2,747	\$ (853)
Miscellaneous revenues	-	-	15,882	15,882
Total revenues	3,600	3,600	18,629	15,029
Expenditures				
Current:				
Public safety	18,732,586	18,833,512	18,072,095	761,417
Court related	557,783	557,783	525,900	31,883
Total expenditures	19,290,369	19,391,295	18,597,995	793,300
Excess of revenues over (under) expenditures	(19,286,769)	(19,387,695)	(18,579,366)	808,329
Other financing sources (uses)				
Appropriation from board of county commissioners	19,286,769	19,387,695	19,387,695	-
Reversion to board of county commissioners	-	-	(805,814)	(805,814)
Total other financing sources (uses)	19,286,769	19,387,695	18,581,881	(805,814)
Net change in fund balances	-	-	2,515	2,515
Fund balances - October 1, 2015	-	-	11,765	11,765
Fund balances - September 30, 2016	\$ -	\$ -	\$ 14,280	\$ 14,280

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Commissary Fund
Year ended September 30, 2016**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous revenue	\$ 480,488	\$ 671,350	\$ 671,350	\$ -
Expenditures				
Current:				
Public safety	480,488	806,952	806,605	347
Excess of revenues over (under) expenditures	-	(135,602)	(135,255)	347
Fund balances - October 1, 2015	-	135,602	414,412	278,810
Fund balances - September 30, 2016	\$ -	\$ -	\$ 279,157	\$ 279,157

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

**Combining Statement of Fiduciary Net Position
Agency Funds
As of September 30, 2016**

	Inmate Bank Fund	Trust Fund	Total Agency Funds
Assets			
Cash and equivalents	\$ 52,769	\$ 36,032	\$ 88,801
Accounts receivable	-	9,193	9,193
Total assets	52,769	45,225	97,994
Liabilities			
Assets held for others	52,769	45,225	97,994
Net position	\$ -	\$ -	\$ -

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable H.D. "Gator" DeLoach, III
Sheriff
Putnam County, Florida

We have audited the financial statements of the office of the Putnam County Sheriff (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated January 30, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
January 30, 2017

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

The Honorable H.D. "Gator" DeLoach, III
Sheriff
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Putnam County Sheriff (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated January 30, 2017.

Internal Control Over Financial Reporting

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

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

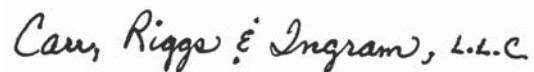
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." The signature is written in a cursive style.

Palatka, Florida
January 30, 2017

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable H.D. "Gator" DeLoach, III
Sheriff
Putnam County, Florida

We have examined the Putnam County Sheriff's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
January 30, 2017

Sheriff

H.D. "Gator" DeLoach
Putnam County Sheriff's Office



130 Orié Griffin Blvd.
Palatka, FL 32177
(386) 329-0800
www.pcsso.us

January 30, 2017

Sherill F. Norman, CPA
State of Florida
AUDITOR GENERAL
111 W. Madison Street
Tallahassee, FL 32399-1450

Dear Ms. Norman,

I am pleased to report there were no findings associated with the most recent financial audit of the Putnam County Sheriff's Office.

Audits are often viewed by staff as the bane of their existence, because of the time and labor required to compile and provide records. Conversely, I approach them as a way to showcase the work our staff performs on a daily basis with excellence.

Please do not hesitate to contact me if I can be of assistance in any way.

Sincerely,

A handwritten signature in black ink, appearing to read "H.D. DeLoach III".

H.D. "Gator" DeLoach, III
Sheriff of Putnam County

South District Office
1196 S. Highway 17
Satsuma, FL 32189
(386) 649-4234



West District Office
108 N. County Road 315
Interlachen, FL 32148
(386) 329-0848

Putnam County Tax Collector

Audit Report

September 30, 2016



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

Table of Contents
September 30, 2016

REPORT

Independent Auditor's Report 1

SPECIAL PURPOSE FINANCIAL STATEMENTS

Governmental Funds:

Balance Sheet 4

Statement of Revenues, Expenditures and Changes in Fund Balance 5

Fiduciary Funds:

Statement of Fiduciary Net Position 6

Notes to Financial Statements 7

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget
and Actual – General Fund 11

SUPPLEMENTARY INFORMATION

Combining Statement of Fiduciary Net Position – Agency Funds 12

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR

GENERAL

Management Letter 13

Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards* 14

Independent Accountant's Report on Compliance with Section 218.415, Florida
Statutes 16

Elected Official's Response to Auditor's Comments --



INDEPENDENT AUDITOR'S REPORT

The Honorable Linda Myers
Tax Collector
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the office of the Putnam County Tax Collector (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Office as of September 30, 2016, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 Office's special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the special purpose financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2017 on our consideration of the Office'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 Office's internal control over financial reporting and compliance.

Caru, Riggs & Ingram, L.L.C.

Palatka, Florida
February 10, 2017

Putnam County Tax Collector

Balance Sheet – Governmental Funds
September 30, 2016

	General Fund
Assets	
Equity in pooled cash	\$ 216,323
Due from other governments	6,092
Total assets	\$ 222,415
Liabilities	
Accounts payable and accrued liabilities	\$ 43,662
Due to other county agencies	161,151
Total liabilities	204,813
Deferred inflows of resources	
Collections made in advance	17,602
Fund balance	-
Total liabilities, deferred inflows of resources and fund balance	\$ 222,415

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Statement of Revenues, Expenditures and
Changes in Fund Balance – Governmental Funds
Year ended September 30, 2016

	General Fund
Revenues	
Charges for services	\$ 2,282,578
Miscellaneous revenue	6,904
Total revenues	2,289,482
Expenditures	
Current:	
General government services	2,129,691
Excess of revenues over expenditures	159,791
Other financing uses	
Reversion to board of county commissioners	(159,791)
Net change in fund balance	-
Fund balance - October 1, 2015	-
Fund balance - September 30, 2016	\$ -

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*



Putnam County Tax Collector

Statement of Fiduciary Net Position
September 30, 2016

	Agency Funds
<hr/>	
Assets	
Equity in pooled cash	\$ 1,961,996
Accounts receivable	51,883
<hr/>	
Total assets	2,013,879
Liabilities	
Assets held for others	2,013,879
<hr/>	
Net position	\$ -
<hr/> <hr/>	

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Putnam County Tax Collector (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Putnam County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management’s discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no nonmajor governmental funds

The Office reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

The Office also reports the following fiduciary funds:

Agency Funds – Agency Funds are used to account for assets held in a custodial capacity.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Equity in Pooled Cash

The Office maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is displayed as "Equity in Pooled Cash." If a fund overdraws its account in the pool, a liability and corresponding receivable (i.e. due to/from other funds) are reported on the balance sheet. Management has designated the General Fund as the fund to report a receivable.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Putnam County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Deferred Inflow of Resources

A *deferred inflow* of resources is an acquisition of net assets that is applicable to a future reporting period.

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 various estimates. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits

All deposits are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be

Notes to Financial Statements

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

Investments

Pursuant to Section 218.415, Florida Statutes, the Office adopted a policy that allows it to invest surplus funds in the following:

- (a) The Local Government Surplus Funds Trust Fund, or any governmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes.
- (b) Securities and Exchange Commission registered money market funds with highest credit quality rating from a nationally recognized rating agency.
- (c) Repurchase agreements fully collateralized by U.S. government obligations, as provided in Section 218.415(16)(g), Florida Statutes.
- (d) Interest bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes.
- (e) Other investment accounts authorized by law or by ordinance for the County.

The Office held no investments during the year ended September 30, 2016.

NOTE 3 – RISK MANAGEMENT

For health insurance and worker's compensation, the Putnam County Tax Collector participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

NOTE 4 – CONTINGENCIES

The Office is involved in claims in the normal course of operations. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.

Required Supplementary Information

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 2,156,953	\$ 2,156,953	\$ 2,282,578	\$ 125,625
Miscellaneous revenue	13,158	13,158	6,904	(6,254)
Total revenues	2,170,111	2,170,111	2,289,482	119,371
Expenditures				
Current:				
General government services	2,157,109	2,157,109	2,129,691	27,418
Excess of revenue over expenditures	13,002	13,002	159,791	146,789
Other financing uses				
Reversion to board of county commissioners	(13,002)	(13,002)	(159,791)	(146,789)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2015	-	-	-	-
Fund balances - September 30, 2016	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Supplementary Information

Putnam County Tax Collector

Combining Statement of Fiduciary Net Position
 Agency Funds
 September 30, 2016

	Tax Fund	Tag Fund	Escrow Fund	Total Agency Funds
Assets				
Equity in pooled cash	\$ 1,867,501	\$ 88,419	\$ 6,076	\$ 1,961,996
Accounts receivable	27,271	24,612	-	51,883
Total assets	1,894,772	113,031	6,076	2,013,879
Liabilities				
Assets held for others	1,894,772	113,031	6,076	2,013,879
Net position	\$ -	\$ -	\$ -	\$ -

Additional Elements Required by the Rules of the Auditor General

MANAGEMENT LETTER

The Honorable Linda Myers
Tax Collector
Putnam County, Florida

We have audited the financial statements of the office of the Putnam County Tax Collector (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated February 10, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
February 10, 2017

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

The Honorable Linda Myers
Tax Collector
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the major fund and the aggregate remaining fund information of the office of the Putnam County Tax Collector (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated February 10, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Car, Riggs & Ingram, L.L.C.

Palatka, Florida
February 10, 2017



Carr, Riggs & Ingram, LLC
906 South State Road 19
Palatka, Florida 32177

(386) 325-4561
(386) 328-1014 (fax)
www.cricpa.com

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Linda Myers
Tax Collector
Putnam County, Florida

We have examined the Putnam County Tax Collector's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
February 10, 2017



Linda Myers
Tax Collector

February 10, 2017

The Honorable Sherrill Norman
Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Madan:

An Audit of the operations of the Putnam County Tax Collector's for the fiscal year ending September 30, 2016 has been completed by Carr, Riggs & Ingram, LLC.

I am pleased to report that their audit did not disclose any deficiencies in internal control over financial reporting or instances of noncompliance that require disclosure under Government Auditing Standards.

Sincerely,

Linda Myers
Constitutional Tax Collector

LM/ccr

Putnam County Property Appraiser

Audit Report

September 30, 2016



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

Table of Contents
September 30, 2016

REPORT

Independent Auditor's Report	1
------------------------------	---

SPECIAL PURPOSE FINANCIAL STATEMENTS

Governmental Funds:

Balance Sheet	3
Statement of Revenues, Expenditures and Changes in Fund Balance	4
Notes to Financial Statements	5

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	8
--	---

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR

GENERAL

Management Letter	9
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	10
Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes	12
Elected Official's Response to Auditor's Comments	--

INDEPENDENT AUDITOR'S REPORT

The Honorable Timothy E. Parker
Property Appraiser
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the office of the Putnam County Property Appraiser (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Office as of September 30, 2016, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2017 on our consideration of the Office'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 Office's internal control over financial reporting and compliance.

Caru, Riggs & Ingram, L.L.C.

Palatka, Florida
January 23, 2017

Balance Sheet – Governmental Funds
September 30, 2016

	General Fund
Assets	
Cash and equivalents	\$ 134,375
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	\$ 26,006
Due to other county agencies	108,369
Total liabilities	134,375
Fund balance	-
Total liabilities and fund balance	\$ 134,375

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

Putnam County Property Appraiser

Statement of Revenues, Expenditures
and Changes in Fund Balance – Governmental Funds
Year ended September, 30 2016

	General Fund
Revenues	
Charges for services	\$ 29,784
Miscellaneous revenue	799
<hr/>	
Total revenues	30,583
Expenditures	
Current:	
General government services	1,603,857
<hr/>	
Excess of revenues under expenditures	(1,573,274)
<hr/>	
Other financing sources (uses)	
Appropriation from board of county commissioners	1,681,643
Reversion to board of county commissioners	(108,369)
<hr/>	
Total other financing sources (uses)	1,573,274
<hr/>	
Net change in fund balance	-
<hr/>	
Fund balance – October 1, 2015	-
<hr/>	
Fund balance – September 30, 2016	\$ -
<hr/> <hr/>	

*The accompanying "Notes to Financial Statements"
form an integral part of this statement.*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Putnam County Property Appraiser (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Putnam County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management’s discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental fund:

General Fund – the General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted for by the Putnam County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Cash and Equivalents

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

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 various estimates. Actual results could differ from those estimates.

NOTE 2 – RISK MANAGEMENT

For health insurance and worker's compensation, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

NOTE 3 – CONTINGENCIES

The Office is involved in various lawsuits regarding the assessments of real and tangible personal property. It is the opinion of legal counsel that the outcome of these lawsuits cannot be estimated at this time.

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September, 30 2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 28,727	\$ 28,729	\$ 29,784	\$ 1,055
Miscellaneous revenue	-	-	799	799
Total revenues	28,727	28,729	30,583	1,854
Expenditures				
Current:				
General government services	1,710,223	1,710,372	1,603,857	106,515
Excess of revenues over (under) expenditures	(1,681,496)	(1,681,643)	(1,573,274)	108,369
Other financing sources (uses)				
Appropriation from board of county commissioners	1,681,496	1,681,643	1,681,643	-
Reversion to board of county commissioners	-	-	(108,369)	(108,369)
Total other financing sources (uses)	1,681,496	1,681,643	1,573,274	(108,369)
Net change in fund balances	-	-	-	-
Fund balances – October 1, 2015	-	-	-	-
Fund balances – September 30, 2016	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable Timothy E. Parker
Property Appraiser
Putnam County, Florida

We have audited the financial statements of the office of the Putnam County Property Appraiser (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated January 23, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
January 23, 2017

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

The Honorable Timothy E. Parker
Property Appraiser
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the office of the Putnam County Property Appraiser (the "Office"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements, and have issued our report thereon dated January 23, 2017

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Caru, Riggs & Ingram, L.L.C.

Palatka, Florida
January 23, 2017

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Timothy E. Parker
Property Appraiser
Putnam County, Florida

We have examined the Putnam County Property Appraiser's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
January 23, 2017



Timothy E. Parker, C.F.A
Putnam County Property Appraiser

386/329-0286 • 1-800-826-1437 x0286 • Fax: 386/329-0447
www.putnam-fl.com/app • appraiser@putnam-fl.com

January 23, 2017

Honorable Sherrill F. Norman, Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399

Dear Ms. Norman:

Pursuant to the provisions of Section 218.39(6) Florida Statutes, the following is a statement in response to the audit of our office conducted by Carr, Riggs & Ingram, LLC for the period of October 1, 2015 to September 30, 2016.

We are pleased that the results of the auditor's tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. We are further pleased that the audit noted no matters involving the internal control over financial reporting and its operation that were considered to be reportable conditions or material weaknesses.

Yours very truly,

Timothy E. Parker, C. F. A.
State-Certified General Appraiser RZ2438
Property Appraiser

TEP/dhh

cc: Director of Finance, Putnam County

Crescent City Annex
115 N. Summit Street
386/698-4284

Main Office
P.O. Box 1920
312 Oak Street
Palatka, FL 32178

Interlachen Annex
Hitchcock's Plaza, SR #20
386/684-3383

**Putnam County
Supervisor of Elections**

Audit Report

September 30, 2016



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com



Putnam County Supervisor of Elections

Table of Contents September 30, 2016

REPORT

Independent Auditor's Report	1
------------------------------	---

SPECIAL PURPOSE FINANCIAL STATEMENTS

Governmental Funds:

Balance Sheet	3
---------------	---

Statement of Revenues, Expenditures and Changes in Fund Balances	4
--	---

Notes to Financial Statements	5
-------------------------------	---

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	8
--	---

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Grant Fund	9
--	---

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR

GENERAL

Management Letter	10
-------------------	----

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	11
---	----

Independent Auditor's Report on Compliance with Section 218.415, Florida Statutes	13
---	----

Schedule of Findings	14
----------------------	----

Elected Official's Response to Auditor's Comments	--
---	----



Carr, Riggs & Ingram, LLC
906 South State Road 19
Palatka, Florida 32177

(386) 325-4561
(386) 328-1014 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Charles Overturf
Supervisor of Elections
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the office of the Putnam County Supervisor of Elections (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Office as of September 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2017, on our consideration of the Office'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 Office's internal control over financial reporting and compliance.

Caru, Riggs & Ingram, L.L.C.

Palatka, Florida
April 4, 2017

Putnam County Supervisor of Elections

Balance Sheet – Governmental Funds
September 30, 2016

	General Fund	Grant Fund	Total Governmental Funds
Assets			
Cash and equivalents	\$ 87,235	\$ 26,017	\$ 113,252
Due from other funds	-	25,555	25,555
Total assets	\$ 87,235	\$ 51,572	\$ 138,807
Liabilities and fund balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 41,186	\$ -	\$ 41,186
Due to other funds	25,555	-	25,555
Due to other county agencies	20,494	-	20,494
Total liabilities	87,235	-	87,235
Fund balances			
Restricted for elections	-	51,572	51,572
Total liabilities and fund balances	\$ 87,235	\$ 51,572	\$ 138,807

See accompanying notes.

Putnam County Supervisor of Elections

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year ended September 30, 2016

	General Fund	Grant Fund	Total Governmental Funds
Revenues			
Intergovernment revenue	\$ -	\$ 36,034	\$ 36,034
Miscellaneous revenue	3,139	47	3,186
Total revenues	3,139	36,081	39,220
Expenditures			
Current:			
General government services	884,392	20,022	904,414
Capital outlay	40,118	74,278	114,396
Total expenditures	924,510	94,300	1,018,810
Excess of revenues over (under) expenditures	(921,371)	(58,219)	(979,590)
Other financing sources (uses)			
Appropriation from board of county commissioners	943,000	-	943,000
Reversion to board of county commissioners	(20,494)	-	(20,494)
Transfers in	-	1,135	1,135
Transfers out	(1,135)	-	(1,135)
Total other financing sources (uses)	921,371	1,135	922,506
Net change in fund balances	-	(57,084)	(57,084)
Fund balances - October 1	-	108,656	108,656
Fund balances - September 30	\$ -	\$ 51,572	\$ 51,572

See accompanying notes.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the Putnam County Supervisor of Elections (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The Supervisor of Elections is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law.

The Office is an integral part of Putnam County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management’s discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements.

Fund Accounting

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no nonmajor governmental funds.

The Office reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Grant Fund – Used to account for and report grant resources that are restricted for voter education and voting equipment.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Office follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision-making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are recorded and accounted by the Putnam County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

Cash and Equivalent

All cash and equivalents are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

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 various estimates. Actual results could differ from those estimates.

NOTE 2 – RISK MANAGEMENT

For health insurance and worker's compensation, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

**Required Supplementary
Information**

Putnam County Supervisor of Elections

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
Year ended September 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous revenue	\$ -	\$ -	\$ 3,139	\$ 3,139
Expenditures				
Current:				
General government services	941,000	941,000	884,392	56,608
Capital outlay	-	-	40,118	(40,118)
Reserve for contingencies	2,000	2,000	-	2,000
Total expenditures	943,000	943,000	924,510	18,490
Excess of revenues over (under) expenditures	(943,000)	(943,000)	(921,371)	21,629
Other financing sources (uses)				
Appropriation from board of county commissioners	943,000	943,000	943,000	-
Reversion to board of county commissioners	-	-	(20,494)	(20,494)
Transfers out	-	-	(1,135)	(1,135)
Total other financing sources (uses)	943,000	943,000	921,371	(21,629)
Net change in fund balances	-	-	-	-
Fund balances - October 1	-	-	-	-
Fund balances - September 30	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

Putnam County Supervisor of Elections

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Grant Fund Year ended September 30, 2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental revenue	\$ -	\$ -	\$ 36,034	\$ 36,034
Miscellaneous revenue	-	-	47	47
Total revenues	-	-	36,081	36,081
Expenditures				
Current:				
General government services	34,387	34,387	20,022	14,365
Capital outlay	74,203	74,203	74,278	(75)
Total expenditures	108,590	108,590	94,300	14,290
Excess of revenues over (under) expenditures	(108,590)	(108,590)	(58,219)	50,371
Other financing sources				
Transfers in	-	-	1,135	1,135
Net change in fund balances	(108,590)	(108,590)	(57,084)	51,506
Fund balances - October 1	108,590	108,590	108,656	66
Fund balances - September 30	\$ -	\$ -	\$ 51,572	\$ 51,572

Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

**Additional Elements Required by
the Auditor General**



Carr, Riggs & Ingram, LLC
906 South State Road 19
Palatka, Florida 32177

(386) 325-4561
(386) 328-1014 (fax)
www.cricpa.com

MANAGEMENT LETTER

The Honorable Charles Overturf
Putnam County Supervisor of Elections
Putnam County, Florida

We have audited the financial statements of the Putnam County Supervisor of Elections, as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated April 4, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit report are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
April 4, 2017

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

The Honorable Charles Overturf
Putnam County Supervisor of Elections
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund of the office of the Putnam County Supervisor of Elections (the “Office”), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office’s special purpose financial statements, and have issued our report thereon dated April 4, 2017.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control described in the accompanying schedule of findings as item 2016-001, that we consider to be a material weakness.

Compliance and Other Matters

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

Office's Response to Finding

The Office's response to the finding identified in our audit is described in its accompanying letter of response. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Caru, Riggs & Ingram, L.L.C.

Palatka, Florida
April 4, 2017

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Charles Overturf
Putnam County Supervisor of Elections
Putnam County, Florida

We have examined the Putnam County Supervisor of Elections' (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Palatka, Florida
April 4, 2017

Schedule of Findings

2016-001

Condition: As part of the audit process, we proposed material adjustments to the Office's financial statements. Our proposed adjustments were accepted by management, enabling the financial statements to be fairly presented in conformity with generally accepted accounting practices. It was also necessary for us to assist with the preparation of the Office's financial statements.

Recommendation: The Office should consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process.

Charles L. Overturf III
Supervisor of Elections
Putnam County, Florida



2509 Crill Ave., Suite 900
Palatka, Florida 32177
Telephone: 386-329-0224
Facsimile: 386-329-0455
Web: www.putnam-fl.com/soe

April 4, 2017

The Honorable Sherrill F. Norman, CPA
Auditor General
111 West Madison St.
Tallahassee, FL 32399-1450

Dear Ma'am:

The financial statement audit of the Putnam County Elections Office for the fiscal year ending September 30, 2016 has been completed by Carr, Riggs, and Ingram, LLC.

Their audit disclosed a material weakness in internal control identified as item 2016-001 in the Schedule of Findings.

The Office will evaluate our procedures in regard to the preparation of financial statements and reporting and make the adjustments necessary to conform to GAAP.

Sincerely,

A handwritten signature in blue ink that reads "Charles L. Overturf III".

Charles L. Overturf III
Supervisor of Elections