

PUTNAM COUNTY, FLORIDA

AUDIT REPORT

SEPTEMBER 30, 2019

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Terry Turner
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INDEPENDENT AUDITORS' 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, 2019, 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.

Auditors' 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 auditors' 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, 2019, 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.

Emphasis of Matter - Adoption of New Accounting Pronouncement

As described in Note 9 to the financial statements, the County adopted Government Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. 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 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 March 25, 2020 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 solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Carri Riggs & Ingram, L.L.C.

Palatka, Florida
March 25, 2020

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Management's Discussion & Analysis



PUTNAM COUNTY, FLORIDA
Management's Discussion and Analysis
September 30, 2019

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, 2019. 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, 2019 by \$170,853 (*net position*). Of this amount, (\$6,817) represents a deficit unrestricted net position.
- Total net position is comprised of the following:
 - 1) (\$6,817) deficit unrestricted net position which is primarily due to the County's long-term liabilities and related deferrals for employees which totaled \$44,587 at September 30, 2019. This total is made up of the following: OPEB liability \$2,577, compensated absences liability \$2,258, net pension liability of \$51,577, and deferred inflows of resources of \$5,451, offset by deferred outflows of resources of (\$17,277).
 - 2) Net Investment in Capital Assets of \$161,113, 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 retainages and amounts owed contractors for work completed through September 30, 2019.
 - 3) Net position of \$16,558 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 \$12,261 from the previous year with an increase of \$7,104 in governmental activities and an increase of \$5,157 from business activities.

Fund Statements

- At September 30, 2019, the County's governmental funds reported combined ending fund balances of \$35,717, an increase of \$6,118 over 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 \$43,646 at year end which is mostly made up of cash and equivalents of \$34,727, net receivables of \$2,228 and \$4,721 balances due from other governments.
- Liabilities in the governmental funds totaled \$5,645 at year-end with most of the balance in accounts payable and accrued liabilities of \$1,714, retainage and capital related liabilities of \$1,188, and due to other funds of \$1,283.
- The governmental funds also have a \$2,284 balance of deferred inflows from receivables which are not available in the current period and therefore not recognized as revenue.
- Governmental Fund revenues increased \$6,440 or 8.3% from the prior year. Revenue categories which increased were Taxes, \$1,127; Intergovernmental Revenue, \$5,394; Fines and Forfeitures, \$105; and Miscellaneous, \$616. Revenue categories which decreased were Licenses and Permits, (\$176); Charges for Services, (\$548); and Special Assessments, (\$78).
- Governmental Fund expenditures increased \$4,857 or 6.7% from the prior year. Most of the increase is related to increased expenditures of \$5,239 in capital outlay, \$1,209 in public safety, \$337 in economic environment, and \$308 in physical environment. These increases are offset by decreased expenditures of (\$1,144) in debt service, (\$956) in transportation, and (\$179) in human services.
- The County's governmental funds had net transfers out of (\$1,309) for the year.
- The County's outstanding governmental long-term obligations increased by \$4,889. The change was due to the following: an increase in net pension liability of \$5,347 and \$152 in accrued compensated absences; offset by payments of outstanding principal in the amount of (\$528), and decrease in OPEB liability of (\$82).

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 Road Projects Fund, and the Better Place Plan 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 \$170,853 at the close of the fiscal year ended September 30, 2019. By far the largest portion of the County's net position, \$161,113 or 94.3%, reflects its investment in capital assets such as land, buildings, infrastructure, intangibles and equipment, less any related outstanding debt (including retainages and amounts owed to contractors for work completed through September 30, 2019) 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
	2019	2018	2019	2018	2019	2018	
Cash and Investments	\$ 37,617	\$ 32,423	\$ 33,045	\$ 24,366	\$ 70,662	\$ 56,789	24.4%
Other Current Assets	7,304	5,868	1,155	4,809	8,459	10,677	-20.8%
Capital Assets, Net	143,910	136,973	51,920	51,894	195,830	188,867	3.7%
Total Assets	188,831	175,264	86,120	81,069	274,951	256,333	7.3%
Deferred Outflows of Resources	17,007	18,655	270	321	17,277	18,976	-9.0%
Current Liabilities	6,971	6,313	1,149	1,311	8,120	7,624	6.5%
Long-Term Debt - Current	2,079	2,044	1,317	1,470	3,396	3,514	-3.4%
Long-Term Debt - Non Current	71,264	66,409	33,144	32,988	104,408	99,397	5.0%
Total Liabilities	80,314	74,766	35,610	35,769	115,924	110,535	4.9%
Deferred Inflows of Resources	5,347	6,079	104	103	5,451	6,182	100.0%
Net Position:							
Net Investment in							
Capital Assets	124,845	118,198	36,267	35,521	161,112	153,719	4.8%
Restricted	16,558	16,925	-	-	16,558	16,925	-2.2%
Unrestricted	(21,226)	(22,049)	14,409	9,997	(6,817)	(12,052)	-43.4%
TOTAL NET POSITION	\$ 120,177	\$ 113,074	\$ 50,676	\$ 45,518	\$ 170,853	\$ 158,592	7.7%

An additional portion of the County's net position, \$16,558, 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 (\$6,817) which is mostly caused by recording \$51,577 of net pension liability. See Financial Statement Note 13 for more information on the pension liability and related changes.

Change in Net Position

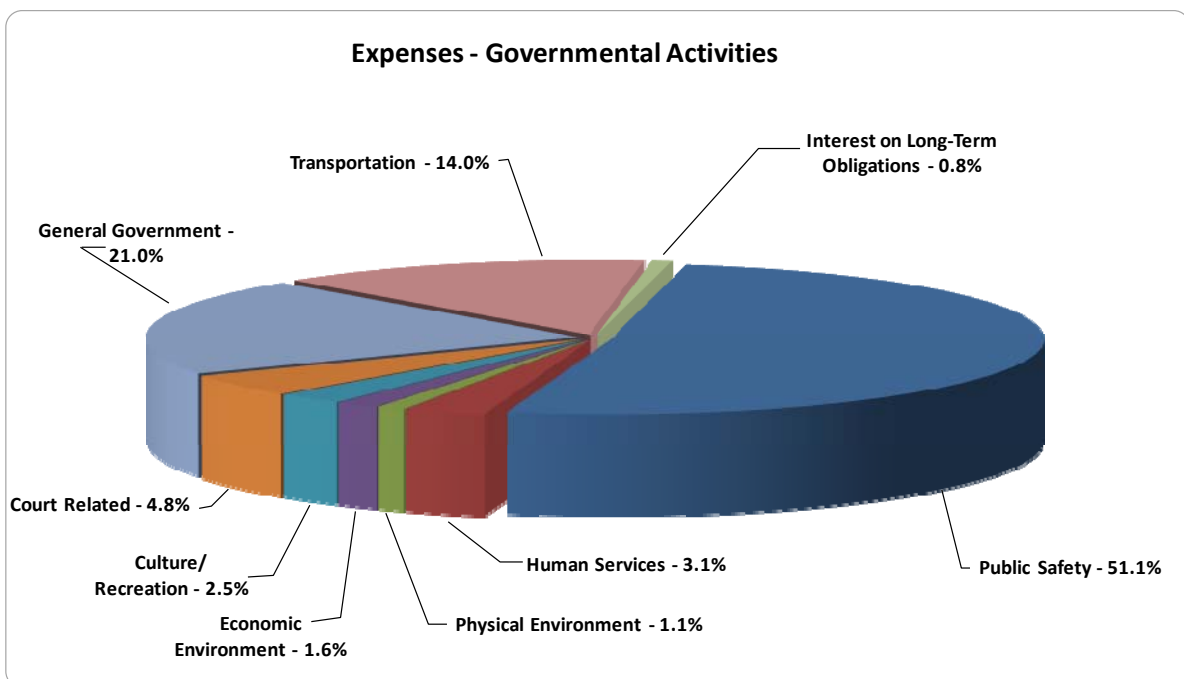
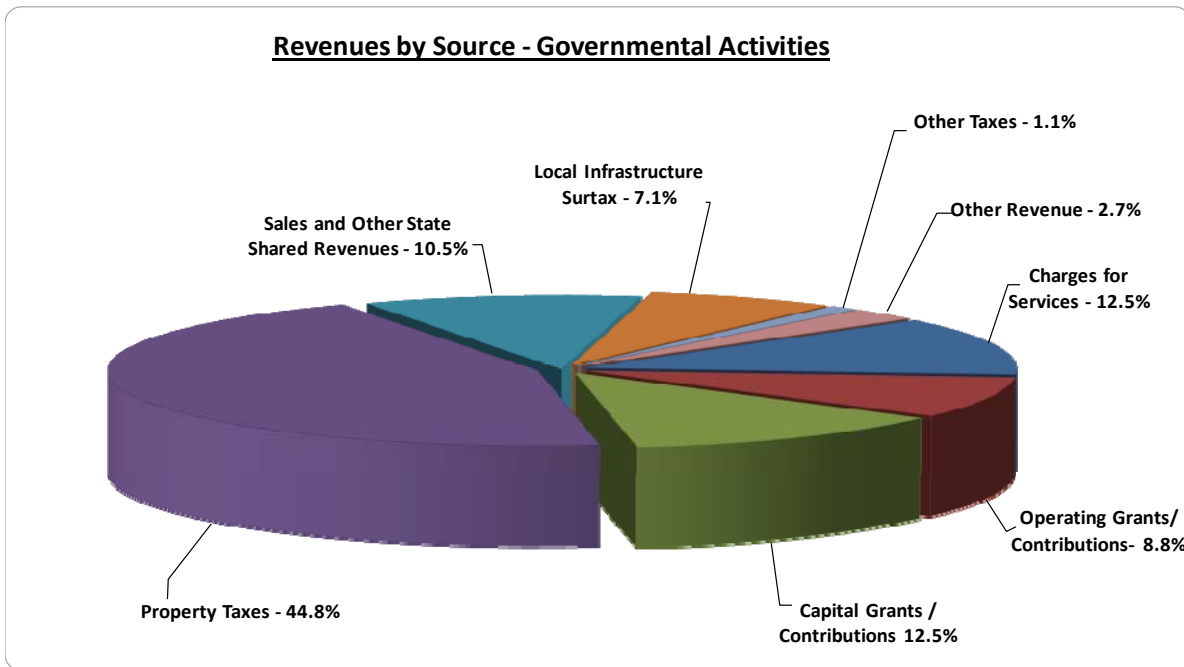
Governmental activities increased the County's net position by \$7,104. This increase resulted from the following: a \$6,118 increase in the fund balance total of Governmental Funds, capital asset acquisitions and disposals of \$15,652, the recognition of unavailable revenues of \$318, debt principal payments of \$528, and the recognition of \$189 expense for other postemployment benefit (OPEB) obligations; offset by the recognition of (\$8,703) of depreciation and amortization expense; and the recognition of (\$6,344) of pension expense; the recognition of (\$147) expense for compensated absences, the recognition of accrued interest expense of (\$7), and the inclusion of Internal Service Funds in governmental activities in the amount of (\$514).

Putnam County, Florida Summary Statement of Activities

	Governmental Activities		Business-type Activities		Total		Percent Change
	2019	2018	2019	2018	2019	2018	
Revenues:							
Program revenues:							
Charges for services	\$ 10,692	\$ 11,439	\$ 13,558	\$ 13,824	\$ 24,250	\$ 25,263	-4.0%
Operating grants and contributions	7,541	7,042	326	5,186	7,867	12,228	-35.7%
Capital grants and contributions	10,655	5,906	1,270	1,710	11,925	7,616	56.6%
General revenues:							
Property taxes	38,278	37,433	-	-	38,278	37,433	2.3%
Sales tax and other state shared revenues	8,952	8,593	-	-	8,952	8,593	4.2%
Local infrastructure surtax	6,101	6,005	-	-	6,101	6,005	1.6%
Other taxes	956	901	-	-	956	901	6.1%
Other revenue	2,263	1,578	709	315	2,972	1,893	57.0%
Total revenues	85,438	78,897	15,863	21,035	101,301	99,932	1.4%
Expenses:							
General Government	16,199	15,434	-	-	16,199	15,434	5.0%
Public Safety	39,496	34,668	-	-	39,496	34,668	13.9%
Physical Environment	817	430	-	-	817	430	90.0%
Transportation	10,855	11,061	-	-	10,855	11,061	-1.9%
Economic Environment	1,263	926	-	-	1,263	926	36.4%
Human Services	2,383	2,563	-	-	2,383	2,563	-7.0%
Culture/Recreation	1,955	1,935	-	-	1,955	1,935	1.0%
Court Related	3,724	3,462	-	-	3,724	3,462	7.6%
Interest on Long Term Obligations	578	611	-	-	578	611	-5.4%
Water and Wastewater	-	-	2,300	2,503	2,300	2,503	-8.1%
Solid Waste	-	-	8,472	12,259	8,472	12,259	-30.9%
Port Authority	-	-	160	170	160	170	-5.9%
Total Expenses	77,270	71,090	10,932	14,932	88,202	86,022	2.5%
Increase (Decrease) in Net Position							
Before Special Items and Transfers	8,168	7,807	4,931	6,103	13,099	13,910	
Special Items-Loss on Sale of Property	-	-	(837)	-	(837)	-	
Transfers	(1,064)	(1,089)	1,064	1,089	-	-	
Increase (Decrease) in net position	7,104	6,718	5,158	7,192	12,262	13,910	
Net Position - Beginning of Year	113,073	106,356	45,518	38,326	158,591	144,682	
Net Position - End of Year	\$ 120,177	\$ 113,074	\$ 50,676	\$ 45,518	\$ 170,853	\$ 158,592	7.7%

Governmental Activities

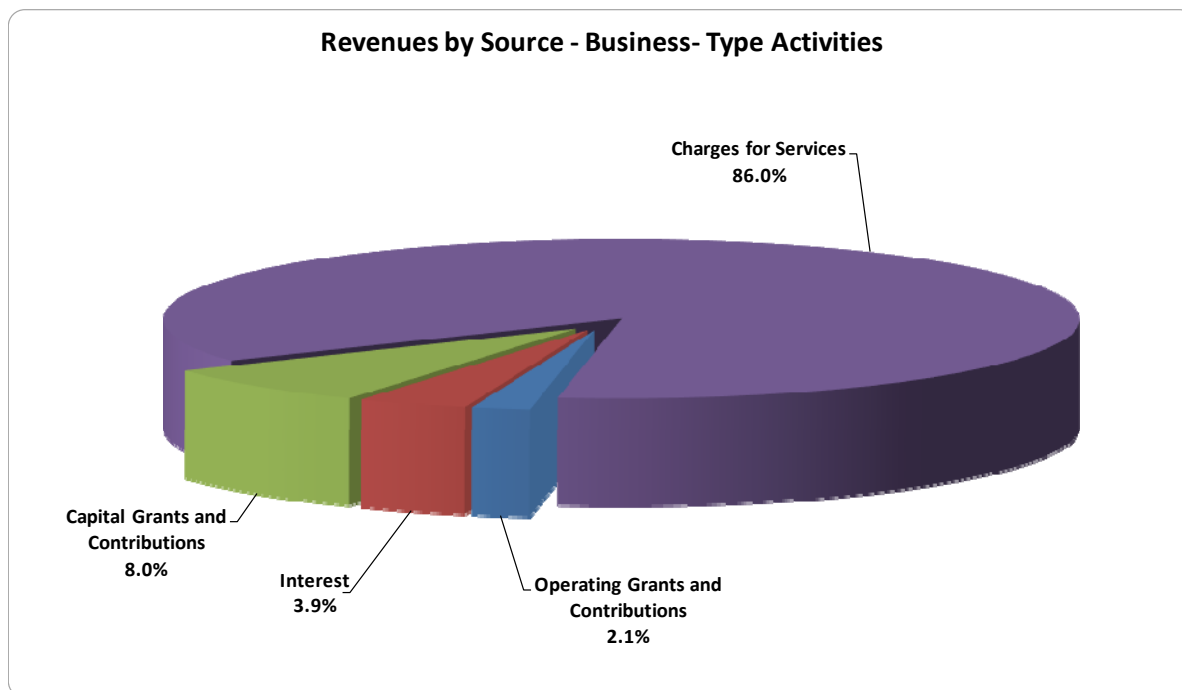
The County's governmental net position increased \$7,104 from the prior year's net position. The current year change in net position is discussed above.



Business-type Activities

Although the net position related to business-type activities increased \$5,158 for fiscal year 2019, this increase is \$2,034 lower than the prior year. Key elements resulting in the change are as follows:

- Grant revenues in the Waste Management Fund decreased (\$4,860) from the prior year because FEMA reimbursements for two major hurricanes were already received. Grant revenues in the East Putnam Water Fund decreased (\$440) because the Pico Road wastewater line was completed.
- The Port Authority recorded a loss of (\$837) on the disposal of a magnet building and property.
- Decreases are offset by \$3,572 less contractual services in the Waste Management Fund due to significantly less debris removal costs from no hurricane damages and a \$142 reduction in closure and long-term care costs for the landfill.
- Decreases are also offset by an increase of \$389 in interest income.



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, 2019, the net increase in fund balances per the Governmental Funds Financial Statements totaled \$6,118 while the governmental activities column of the Government-wide Financial Statements reported an increase of \$7,104 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, 2019, the County's governmental funds reported combined ending fund balances of \$35,717. Of the total governmental fund balance, \$5,095 constitutes unassigned fund balance, which is available for spending within each particular fund. The remainder of the fund balance is made up of \$17,329 that is restricted (primarily \$6,306 for Better Place Plan, \$1,517 for Public Records Modernization, \$1,411 for Court Improvement, \$1,341 for Local Housing Assistance, \$1,273 for Tourist Development, \$1,093 for Road Projects, and \$1,063 for Fire Protection); \$545 is committed for the Sheriff's commissary; and \$12,748 is assigned (\$11,200 for subsequent year's expenditures and \$1,548 for road and bridge maintenance).

The following funds experienced the most significant changes in fund balance for the year: the General Fund increased \$6,980 mostly due to higher ad valorem taxes and an increase in intergovernmental revenue from FEMA reimbursements. The Road Projects Fund decreased (\$1,872) from transportation related capital expenditures, the E911 Fund decreased (\$678) from transfers to the General Fund, and the Fire Taxing Fund increased \$571 from less capital outlay expenditures.

Proprietary Funds

The proprietary funds that are enterprise fund type provide the same type of information found in the Government-wide Financial Statements, business type activities, but in more detail. Two of the proprietary enterprise funds, Waste Management and East Putnam Water, are major funds. At September 30, 2019, total net position increased \$5,158 over fiscal year 2018 to a total net position of \$50,676 at the end of the fiscal year. Unrestricted net position totaled \$14,409. Other factors concerning the finances of the proprietary enterprise 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 52 of the accompanying Financial Statements. Primary variances between original and final budgeted amounts for the year are composed of the following:

- Budgeted intergovernmental revenues were increased by \$361 to account for unanticipated grant revenues received. The majority of the grant revenues received were from FEMA related reimbursements for prior year hurricanes.

A comparison of actual revenues versus the final budget reflects that Intergovernmental Revenue was \$3,112 more than budgeted projection. This was primarily attributable to receipt of FEMA funds.

A review of actual expenditure results versus the final budget reveals that the actual expenditures for the General Fund were \$11,243 under final budget. This was primarily attributable to Reserve for Contingencies, Culture and Recreation, and Public Safety expenditures being \$6,300, \$2,232 and \$1,281 under budget, respectively. Along with conservative fiscal management, expenditures are under budget because capital purchases and other projects were not completed as expected.

Capital Asset and Debt Administration

	Capital Assets (Net of Depreciation)						Percent Change
	Governmental Activities		Business-type Activities		Total		
	2019	2018	2019	2018	2019	2018	
Land	\$ 21,312	\$ 21,312	\$ 5,866	\$ 6,176	\$ 27,178	\$ 27,488	-1.1%
Intangible Assets	225	263	-	-	225	263	-14.4%
Buildings and Improvements	35,933	35,811	157	1,500	36,090	37,311	-3.3%
Equipment	8,794	7,518	1,661	433	10,455	7,951	31.5%
Infrastructure	77,283	70,563	-	-	77,283	70,563	9.5%
Water and Sewer							
Distribution System	-	-	40,586	38,180	40,586	38,180	6.3%
Landfill	-	-	3,113	3,389	3,113	3,389	-8.1%
Construction in Progress	363	1,506	537	2,216	900	3,722	-75.8%
Total Capital Assets, Net	<u>\$ 143,910</u>	<u>\$ 136,973</u>	<u>\$ 51,920</u>	<u>\$ 51,894</u>	<u>\$ 195,830</u>	<u>\$ 188,867</u>	3.7%

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, 2019, totals \$195,830 (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, equipment, computer software, infrastructure (including roads and bridges), construction in progress, the Landfill, and the Water and Sewer Distribution System. Currently, infrastructure, buildings, improvements, and the water and sewer distribution system represent the largest components of capital assets.

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

- The County continued its program to resurface, widen and add paved roads and improve bridges during the year at a capitalized cost of \$11,053.
- A new fire station was built in East Palatka at a cost of \$1,273.
- Improvements were made to update the communication system at a total of \$1,908.
- Sanitation bought heavy equipment totaling \$1,410.
- The East Putnam Water Fund spent \$2,608 for the expansion of the waste-water system and \$983 for expansion of the water system.

Additional information on the County’s Capital Assets may be found in Note 8 beginning on page 30 of the accompanying Financial Statements.

Long-term Obligations

County-wide, total long-term obligations increased \$4,892 from the prior year, mostly from an increase of \$5,374 in net pension liability and an increase of \$698 in landfill closure and long-term care costs. Increases are offset by payments on notes, capital leases, and bonds of (\$1,221.)

Putnam County, FL Long-Term Obligations							
	Governmental Activities		Business-type Activities		Total		Percent Change
	2019	2018	2019	2018	2019	2018	
Notes Payable	\$ 89	\$ 203	\$ 6,500	\$ 7,033	\$ 6,589	\$ 7,236	-8.9%
Revenue Bonds	17,248	17,494	8,731	8,892	25,979	26,386	-1.5%
Capital Lease Obligations	539	707	-	-	539	707	-23.8%
Landfill Closure and Post-Closure Costs	-	-	18,283	17,584	18,283	17,584	4.0%
Other Post Employment Benefits	2,500	2,582	77	93	2,577	2,675	-3.7%
Compensated Absences	2,209	2,057	49	63	2,258	2,120	6.5%
Net Pension Liability	50,757	45,410	820	793	51,577	46,203	11.6%
Total	\$ 73,342	\$ 68,453	\$ 34,460	\$ 34,458	\$ 107,802	\$ 102,911	4.8%

Governmental Activities:

- The County made the following principal payments during the year: notes payable - \$114; revenue bonds - \$246; and capital leases - \$167.
- Governmental obligations for compensated absences increased \$152 or 7.4% to \$2,209.
- The net pension liability increased \$5,347 or 11.8% to \$50,757 at year-end.

Business-type Activities:

- The following principal payments were made during the year: notes payable - \$533 and revenue bonds - \$161.
- Accrued landfill closure and post-closure costs increased by \$907, but that increase was offset by a reduction of (\$209) from reduced long-term care cost estimates.
- The net pension liability increased \$28 or 3.5% to \$820 at year-end.

Additional information on the County's long-term obligations can be found in Note 9 beginning on page 32 of the accompanying Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County for September 2019 was 4.4%. This represents a slight decrease from the previous year's average of 5.0%.
- During 2019, the taxable value of real property increased 3.52%, and the taxable value of personal property increased 15.24% over the 2018 fiscal year.
- Building permit activity revenues decreased approximately 22.8% from the prior year.
- The population increased slightly from 72,981 in 2018 to an estimated 73,268 in 2019.

During the current fiscal year, the unassigned fund balance in the General Fund increased \$2,984 or 141.4% over the prior year to \$5,095. The overall fund balance in the General Fund increased \$6,980 or 74.3% from the previous year to \$16,371. This was primarily from the increase of \$3,002 in intergovernmental revenue.

The ad valorem tax rate changed to 9.5946 mills for fiscal year 2019, down from 9.889 mills 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*.

Basic Financial Statements



Putnam County, Florida
Statement of Net Position
September 30, 2019

	<u>Primary Government</u>			<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Putnam County Development Authority</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 36,945,602	\$ 24,846,436	\$ 61,792,038	\$ 192,033
Investments	671,710	-	671,710	114,898
Receivables	2,254,005	615,307	2,869,312	-
Due From Other Governments	4,840,332	539,493	5,379,825	-
Inventory	193,775	-	193,775	-
Other Assets	15,508	-	15,508	-
Restricted Cash and Equivalents	-	3,058,945	3,058,945	-
Restricted Investments	-	5,139,523	5,139,523	-
Capital Assets:				
Non-Depreciable	21,675,917	6,402,955	28,078,872	473,853
Depreciable, Net	122,234,084	45,517,240	167,751,324	73,516
TOTAL ASSETS	188,830,933	86,119,899	274,950,832	854,300
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Derivative Instruments-Interest Rate Swaps	704	-	704	-
OPEB	293,900	9,100	303,000	-
Pensions	16,712,919	261,128	16,974,047	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	17,007,523	270,228	17,277,751	-
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	3,440,035	641,634	4,081,669	184
Retainage and Capital Related Liabilities	1,187,718	421,815	1,609,533	-
Other Liabilities	2,343,523	85,605	2,429,128	-
Derivative Instruments-Interest Rate Swaps	704	-	704	-
Noncurrent Liabilities:				
Due Within One Year	2,078,522	1,316,758	3,395,280	-
Due in More Than One Year	71,263,971	33,144,003	104,407,974	-
TOTAL LIABILITIES	80,314,473	35,609,815	115,924,288	184
<u>DEFERRED INFLOWS OF RESOURCES</u>				
OPEB	371,208	11,493	382,701	-
Pensions	4,975,639	92,925	5,068,564	-
TOTAL DEFERRED INFLOWS OF RESOURCES	5,346,847	104,418	5,451,265	-
<u>NET POSITION</u>				
Net Investment In Capital Assets	124,845,430	36,267,181	161,112,611	547,369
Restricted For:				
Affordable Housing Assistance	1,340,731	-	1,340,731	-
Court Functions and Courthouse Improvements	887,301	-	887,301	-
Law Enforcement and Other Public Safety	1,218,735	-	1,218,735	-
Road and Bridge Maintenance	556,200	-	556,200	-
Capital Projects	8,572,952	-	8,572,952	-
Public Records Modernization	1,516,900	-	1,516,900	-
Tourist Development	1,272,940	-	1,272,940	-
Debt Service	396,143	-	396,143	-
Fishing Improvement	400,226	-	400,226	-
Water Utilities	271,478	-	271,478	-
Other Purposes	124,169	-	124,169	-
Unrestricted	(21,226,069)	14,408,713	(6,817,356)	306,747
TOTAL NET POSITION	\$ 120,177,136	\$ 50,675,894	\$ 170,853,030	\$ 854,116

See accompanying notes.

**Putnam County, Florida
Statement of Activities
For the Year Ended September 30, 2019**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Putnam Co. Develop. Auth.
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental	Business-type	Total	
					Activities	Activities		
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
General Government	\$ 16,198,955	\$ 3,075,520	\$ 25,643	\$ -	\$ (13,097,792)	\$ -	\$ (13,097,792)	\$ -
Public Safety	39,495,684	5,134,699	1,399,876	1,765,070	(31,196,039)	-	(31,196,039)	-
Physical Environment	817,402	247,013	83,081	-	(487,308)	-	(487,308)	-
Transportation	10,854,787	756,916	4,357,443	6,025,433	285,005	-	285,005	-
Economic Environment	1,262,937	54,716	377,005	2,626,037	1,794,821	-	1,794,821	-
Human Services	2,382,672	198,581	20,816	-	(2,163,275)	-	(2,163,275)	-
Culture and Recreation	1,955,247	85,112	164,955	238,160	(1,467,020)	-	(1,467,020)	-
Court Related	3,724,116	1,139,450	1,112,146	-	(1,472,520)	-	(1,472,520)	-
Interest on Long-Term Debt	578,253	-	-	-	(578,253)	-	(578,253)	-
TOTAL GOVERNMENTAL ACTIVITIES	77,270,053	10,692,007	7,540,965	10,654,700	(48,382,381)	-	(48,382,381)	-
BUSINESS-TYPE ACTIVITIES:								
Water and Wastewater System	2,299,874	934,735	-	1,270,391	-	(94,748)	(94,748)	-
Solid Waste	8,472,023	12,500,191	325,959	-	-	4,354,127	4,354,127	-
Port Authority	159,855	123,014	-	-	-	(36,841)	(36,841)	-
TOTAL BUSINESS-TYPE ACTIVITIES	10,931,752	13,557,940	325,959	1,270,391	-	4,222,538	4,222,538	-
TOTAL PRIMARY GOVERNMENT	\$ 88,201,805	\$ 24,249,947	\$ 7,866,924	\$ 11,925,091	(48,382,381)	4,222,538	(44,159,843)	-
COMPONENT UNIT:								
Putnam County Development Authority	\$ 26,636	\$ 30,105	\$ -	\$ -	-	-	-	3,469
General Revenues:								
Property Taxes					38,278,392	-	38,278,392	-
Sales Taxes					3,340,475	-	3,340,475	-
Unrestricted State Shared Revenues					5,611,601	-	5,611,601	-
Local Infrastructure Surtax					6,100,849	-	6,100,849	-
Tourist Development Tax					584,272	-	584,272	-
Communications Service Tax					371,816	-	371,816	-
Investment Earnings					727,632	619,950	1,347,582	1,490
Miscellaneous					1,534,999	87,951	1,622,950	-
Special Item - Loss on Sale of Property					-	(836,813)	(836,813)	-
Transfers					(1,063,847)	1,063,847	-	-
TOTAL GENERAL REVENUES, SPECIAL ITEMS, & TRANSFERS					55,486,189	934,935	56,421,124	1,490
CHANGE IN NET POSITION					7,103,808	5,157,473	12,261,281	4,959
NET POSITION - BEGINNING OF YEAR					113,073,328	45,518,421	158,591,749	849,157
NET POSITION - END OF YEAR					\$ 120,177,136	\$ 50,675,894	\$ 170,853,030	\$ 854,116

See accompanying notes.

Putnam County, Florida
Balance Sheet – Governmental Funds
September 30, 2019

	<u>General Fund</u>	<u>Road Projects Fund</u>	<u>Better Place Plan Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 16,084,523	\$ 531,345	\$ 6,284,103	\$ 11,827,200	\$ 34,727,171
Investments	-	-	-	671,710	671,710
Receivables, net	2,011,625	175,000	-	41,843	2,228,468
Due From Other Funds	1,175,000	-	-	107,547	1,282,547
Due From Other Governments	1,487,712	1,529,897	399,690	1,303,343	4,720,642
Other Assets	15,508	-	-	-	15,508
TOTAL ASSETS	<u>20,774,368</u>	<u>2,236,242</u>	<u>6,683,793</u>	<u>13,951,643</u>	<u>43,646,046</u>
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued					
Liabilities	1,248,562	19,095	3,076	443,192	1,713,925
Retainage and Capital					
Related Liabilities	4,716	733,857	374,872	74,273	1,187,718
Due to Other Funds	107,547	390,000	-	785,000	1,282,547
Due to Other Governments	553,717	-	-	463,300	1,017,017
Customer Deposits	204,955	-	-	238,525	443,480
TOTAL LIABILITIES	<u>2,119,497</u>	<u>1,142,952</u>	<u>377,948</u>	<u>2,004,290</u>	<u>5,644,687</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - Unavailable	2,284,060	-	-	-	2,284,060
<u>FUND BALANCES</u>					
Restricted	75,799	1,093,290	6,305,845	9,854,219	17,329,153
Committed	-	-	-	545,188	545,188
Assigned	11,200,000	-	-	1,547,946	12,747,946
Unassigned	5,095,012	-	-	-	5,095,012
TOTAL FUND BALANCES	<u>16,370,811</u>	<u>1,093,290</u>	<u>6,305,845</u>	<u>11,947,353</u>	<u>35,717,299</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$20,774,368</u>	<u>\$ 2,236,242</u>	<u>\$ 6,683,793</u>	<u>\$ 13,951,643</u>	<u>\$ 43,646,046</u>

See accompanying notes.

Putnam County, Florida
Reconciliation of the Balance Sheet to the Statement of Net Position-
Governmental Funds
September 30, 2019

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 35,717,299

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..... 143,895,675

Certain receivables are not available in the current period and therefore are not recognized as revenues in the Governmental Funds.....

2,284,060

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 (296,689)

Long-term liabilities do not require the use of current financial resources and are not reported in the funds.

Long-Term Debt (17,337,208)
Capital Lease Obligations (539,645)
Compensated Absences (2,148,000)
OPEB Obligations (2,467,146)
OPEB Deferred Outflows 290,063
OPEB Deferred Inflows (366,361)

(22,568,297)

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 (50,427,720)
Deferred outflows related to pensions..... 16,608,152
Deferred inflows related to pensions..... (4,938,357)

(38,757,925)

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 (96,987)

Net Position of Governmental Activities \$ 120,177,136

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended September 30, 2019

	<u>General Fund</u>	<u>Road Projects Fund</u>	<u>Better Place Plan Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>					
Taxes	\$ 35,143,764	\$ 1,234,678	\$ 6,100,849	\$ 6,307,451	\$ 48,786,742
Licenses and Permits	670,716	-	-	50,460	721,176
Intergovernmental	12,666,381	4,760,975	-	6,454,315	23,881,671
Charges for Services	5,999,678	-	-	1,522,593	7,522,271
Fines and Forfeitures	77,730	-	-	459,341	537,071
Special Assessments	-	-	-	512,168	512,168
Miscellaneous	791,194	408,789	131,196	1,039,566	2,370,745
TOTAL REVENUES	55,349,463	6,404,442	6,232,045	16,345,894	84,331,844
<u>EXPENDITURES</u>					
Current:					
General Government	13,412,033	-	-	49,610	13,461,643
Public Safety	28,520,559	-	-	4,384,318	32,904,877
Physical Environment	536,372	-	-	135,315	671,687
Transportation	47,105	-	-	5,251,580	5,298,685
Economic Environment	398,056	-	-	861,111	1,259,167
Human Services	2,372,310	-	-	-	2,372,310
Culture and Recreation	1,676,174	-	-	165,096	1,841,270
Court Related	1,263,448	-	-	2,130,266	3,393,714
Capital Outlay	-	8,459,512	4,148,340	1,981,341	14,589,193
Debt Service:					
Principal Retirement	45,392	-	-	482,252	527,644
Interest and Fiscal Charges	15,434	-	-	569,537	584,971
TOTAL EXPENDITURES	48,286,883	8,459,512	4,148,340	16,010,426	76,905,161
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,062,580	(2,055,070)	2,083,705	335,468	7,426,683
<u>OTHER FINANCING SOURCES/(USES)</u>					
Transfers In	820,091	303,999	120,434	1,700,015	2,944,539
Transfers Out	(902,253)	(120,434)	(2,209,731)	(1,020,780)	(4,253,198)
TOTAL OTHER FINANCING SOURCES (USES)	(82,162)	183,565	(2,089,297)	679,235	(1,308,659)
NET CHANGE IN FUND BALANCES	6,980,418	(1,871,505)	(5,592)	1,014,703	6,118,024
FUND BALANCES - BEGINNING OF YEAR	9,390,393	2,964,795	6,311,437	10,932,650	29,599,275
FUND BALANCES - END OF YEAR	\$ 16,370,811	\$ 1,093,290	\$ 6,305,845	\$ 11,947,353	\$ 35,717,299

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, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 6,118,024
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	15,735,961	
Current year depreciation and amortization	<u>(8,702,981)</u>	
Difference.....		7,032,980
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.....		
		318,567
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		(83,911)
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		527,643
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	(147,400)	
OPEB Obligations	188,953	
Accrued Interest Payable	<u>6,718</u>	
Total		48,271
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.....		
		(6,343,939)
Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) is reported with governmental activities.....		
		<u>(513,827)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 7,103,808</u>

See accompanying notes.

Putnam County, Florida
Statement of Net Position – Proprietary Funds
September 30, 2019

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u>	<u>East</u>	<u>Non-Major</u>	<u>Total</u>	<u>Activities</u>
	<u>Management</u>	<u>Putnam</u>	<u>Proprietary Fund</u>	<u>Enterprise</u>	<u>Internal</u>
	<u>Fund</u>	<u>Water Fund</u>	<u>(Port Authority)</u>	<u>Funds</u>	<u>Service</u>
					<u>Funds</u>
<u>ASSETS</u>					
CURRENT ASSETS:					
Cash and Equivalents	\$ 22,407,393	\$ 597,378	\$ 1,841,665	\$ 24,846,436	\$ 2,218,431
Receivables, net	454,933	156,798	3,576	615,307	25,537
Due From Other Governments	293,706	245,787	-	539,493	119,690
Inventory	-	-	-	-	193,775
TOTAL CURRENT ASSETS	23,156,032	999,963	1,845,241	26,001,236	2,557,433
NONCURRENT ASSETS:					
Restricted Cash and Equivalents	2,167,305	891,640	-	3,058,945	-
Restricted Investments	5,139,523	-	-	5,139,523	-
Capital Assets, Net	8,499,859	41,186,483	2,233,853	51,920,195	14,326
TOTAL NONCURRENT ASSETS	15,806,687	42,078,123	2,233,853	60,118,663	14,326
TOTAL ASSETS	38,962,719	43,078,086	4,079,094	86,119,899	2,571,759
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
OPEB	6,746	2,354	-	9,100	3,837
Pensions	219,075	42,053	-	261,128	104,767
TOTAL DEFERRED OUTFLOWS	225,821	44,407	-	270,228	108,604
<u>LIABILITIES</u>					
CURRENT LIABILITIES:					
Accounts Payable and Accrued Liabilities	462,951	176,478	2,205	641,634	1,429,421
Retainage and Capital Related Liabilities	-	421,815	-	421,815	-
Estimated Liability for Self-Insured Losses	-	-	-	-	383,026
Deposits	11,540	73,040	1,025	85,605	-
Current Portion of Long-Term Obligations	590,221	726,537	-	1,316,758	33,981
TOTAL CURRENT LIABILITIES	1,064,712	1,397,870	3,230	2,465,812	1,846,428
NONCURRENT LIABILITIES	18,463,209	14,680,794	-	33,144,003	888,793
TOTAL LIABILITIES	19,527,921	16,078,664	3,230	35,609,815	2,735,221
<u>DEFERRED INFLOWS OF RESOURCES</u>					
OPEB	8,520	2,973	-	11,493	4,847
Pensions	77,960	14,965	-	92,925	37,282
TOTAL DEFERRED INFLOWS	86,480	17,938	-	104,418	42,129
<u>NET POSITION</u>					
Net Investment in Capital Assets	8,499,859	25,533,469	2,233,853	36,267,181	14,326
Unrestricted	11,074,280	1,492,422	1,842,011	14,408,713	(111,313)
TOTAL NET POSITION	\$ 19,574,139	\$ 27,025,891	\$ 4,075,864	\$ 50,675,894	\$ (96,987)

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds
For the Year Ended September 30, 2019

	<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 (Port Authority)</u>	<u>Total Enterprise Funds</u>	<u>Activities Internal Service Funds</u>
<u>OPERATING REVENUES</u>					
User Fees and Assessments	\$ 12,500,191	\$ 934,735	\$ 123,014	\$ 13,557,940	\$ 8,745,541
Miscellaneous	57,346	21,048	9,557	87,951	107,389
TOTAL OPERATING REVENUES	12,557,537	955,783	132,571	13,645,891	8,852,930
<u>OPERATING EXPENSES</u>					
Personal Services	831,345	199,474	-	1,030,819	501,520
Insurance	-	-	-	-	6,622,293
Claims Expense	-	-	-	-	1,529,967
Contractual Services	5,510,086	5,786	8,577	5,524,449	492,736
Repairs and Maintenance	242,392	104,140	29,223	375,755	25,148
Other Operating Expenses	585,438	261,943	67,879	915,260	428,209
Depreciation	604,431	1,221,473	54,176	1,880,080	11,696
Closure and Long-Term Care Costs	698,331	-	-	698,331	-
TOTAL OPERATING EXPENSES	8,472,023	1,792,816	159,855	10,424,694	9,611,569
OPERATING INCOME (LOSS)	4,085,514	(837,033)	(27,284)	3,221,197	(758,639)
<u>NON OPERATING REVENUES (EXPENSES)</u>					
Interest Revenue	579,244	14,237	26,469	619,950	-
Grants	325,959	-	-	325,959	-
Interest Expense	-	(507,058)	-	(507,058)	-
TOTAL NONOPERATING REVENUES/ (EXPENSES)	905,203	(492,821)	26,469	438,851	-
INCOME (LOSS) BEFORE SPECIAL ITEMS, CAPITAL GRANTS & CONTRIBUTIONS, AND TRANSFERS	4,990,717	(1,329,854)	(815)	3,660,048	(758,639)
Special Items - Sale of Property	-	-	(836,813)	(836,813)	-
Capital Grants & Contributions	-	1,270,391	-	1,270,391	-
Transfers In	-	1,131,022	-	1,131,022	246,698
Transfers Out	(63,333)	-	(3,842)	(67,175)	(1,886)
TOTAL INCOME (LOSS) FROM SPECIAL ITEMS, CAPITAL GRANTS & CONTRIBUTIONS, AND TRANSFERS	(63,333)	2,401,413	(840,655)	1,497,425	244,812
CHANGE IN NET POSITION	4,927,384	1,071,559	(841,470)	5,157,473	(513,827)
NET POSITION, Beginning of Year	14,646,755	25,954,332	4,917,334	45,518,421	416,840
NET POSITION, End of Year	\$ 19,574,139	\$ 27,025,891	\$ 4,075,864	\$ 50,675,894	\$ (96,987)

See accompanying notes.

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2019

	<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 Fund</u> <u>(Port Authority)</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Activities</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
<u>CASH FLOWS FROM OPERATING</u>					
<u>ACTIVITIES</u>					
Receipts From Customers	\$12,206,570	\$ 908,563	\$ 134,608	\$13,249,741	\$ 8,865,293
Payments to Suppliers	(6,433,031)	(382,575)	(108,487)	(6,924,093)	(8,253,597)
Payments to Employees	(775,109)	(200,816)	-	(975,925)	(471,510)
NET CASH PROVIDED (USED) BY					
OPERATING ACTIVITIES	<u>4,998,430</u>	<u>325,172</u>	<u>26,121</u>	<u>5,349,723</u>	<u>140,186</u>
<u>CASH FLOWS FROM NONCAPITAL</u>					
<u>FINANCING ACTIVITIES</u>					
Transfers In	-	97,810	-	97,810	246,698
Transfers Out	(63,333)	-	(3,842)	(67,175)	(1,886)
Grants	3,795,922	-	-	3,795,922	-
NET CASH PROVIDED (USED) BY					
NONCAPITAL FINANCING ACTIVITIES	<u>3,732,589</u>	<u>97,810</u>	<u>(3,842)</u>	<u>3,826,557</u>	<u>244,812</u>
<u>CASH FLOWS FROM CAPITAL AND</u>					
<u>RELATED FINANCING ACTIVITIES</u>					
Principal Paid on Debt	-	(693,859)	-	(693,859)	-
Interest Paid on Debt	-	(513,793)	-	(513,793)	-
Proceeds From Sale of Property	-	-	750,000	750,000	-
Grants	-	1,826,494	-	1,826,494	-
Transfers In-Capital & Debt Service	-	1,033,212	-	1,033,212	-
Acquisitions of Capital Assets	(1,575,934)	(1,943,284)	-	(3,519,218)	-
NET CASH PROVIDED (USED) BY CAPITAL					
AND RELATED FINANCING ACTIVITIES	<u>(1,575,934)</u>	<u>(291,230)</u>	<u>750,000</u>	<u>(1,117,164)</u>	<u>-</u>
<u>CASH FLOWS FROM INVESTING</u>					
<u>ACTIVITIES</u>					
Purchase of Investments	(897,022)	-	-	(897,022)	-
Interest on Investments	579,244	14,237	26,469	619,950	-
NET CASH PROVIDED (USED) BY					
INVESTING ACTIVITIES	<u>(317,778)</u>	<u>14,237</u>	<u>26,469</u>	<u>(277,072)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND					
EQUIVALENTS	6,837,307	145,989	798,748	7,782,044	384,998
CASH AND EQUIVALENTS - BEGINNING OF					
YEAR	<u>17,737,391</u>	<u>1,343,029</u>	<u>1,042,917</u>	<u>20,123,337</u>	<u>1,833,433</u>
CASH AND EQUIVALENTS - END OF YEAR	<u>\$24,574,698</u>	<u>\$ 1,489,018</u>	<u>\$1,841,665</u>	<u>\$27,905,381</u>	<u>\$ 2,218,431</u>

(continued)

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2019

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u>	<u>East</u>	<u>Non-Major</u>	<u>Total</u>	<u>Activities</u>
	<u>Management</u>	<u>Putnam</u>	<u>Proprietary Fund</u>	<u>Enterprise</u>	<u>Internal</u>
	<u>Fund</u>	<u>Water Fund</u>	<u>(Port Authority)</u>	<u>Funds</u>	<u>Service</u>
					<u>Funds</u>
RECONCILIATION OF OPERATING INCOME					
(LOSS) TO NET CASH PROVIDED					
(USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	\$ 4,085,514	\$ (837,033)	\$ (27,284)	\$ 3,221,197	\$ (758,639)
Adjustments to reconcile operating					
income (loss) to net cash provided					
(used) by operating activities:					
Depreciation	604,431	1,221,473	54,176	1,880,080	11,696
Change In:					
Due From Other Governments	(5,918)	-	-	(5,918)	35,268
Inventory	-	-	-	-	25,088
Deferred Outflows	36,255	(1,189,469)	-	(1,153,214)	19,859
Other Assets	-	-	-	-	2,632
Accounts Payable and Accrued					
Liabilities	(91,513)	(9,910)	(2,808)	(104,231)	711,375
Estimated Liability for Self					
Insured Losses	-	-	-	-	110,279
Customer Deposits	(733)	(14,234)	(9,900)	(24,867)	-
Compensated Absences	(15,000)	1,000	-	(14,000)	5,000
OPEB Liability	(12,406)	(3,243)	-	(15,649)	(9,230)
Net Pension Liability	40,584	(12,874)	-	27,710	11,668
Deferred Inflows	3,201	(1,284)	-	1,917	727
Accrued Landfill and Post-					
Closure Costs	698,331	-	-	698,331	-
Asset Retirement Obligation	-	1,203,732	-	1,203,732	-
	<u>-</u>	<u>1,203,732</u>	<u>-</u>	<u>1,203,732</u>	<u>-</u>
NET CASH PROVIDED (USED)					
BY OPERATING ACTIVITIES	<u>\$ 4,998,430</u>	<u>\$ 325,172</u>	<u>\$ 26,121</u>	<u>\$ 5,349,723</u>	<u>\$ 140,186</u>

(concluded)

See accompanying notes.

Putnam County, Florida
Statement of Fiduciary Net Position
September 30, 2019

	Agency Funds
<u>ASSETS</u>	
Cash and Equivalents	\$ 3,009,069
Receivables	<u>211,215</u>
TOTAL ASSETS	<u>\$ 3,220,284</u>
<u>LIABILITIES</u>	
Assets Held for Others	<u>\$ 3,220,284</u>

See accompanying notes.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

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Putnam County, Florida
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September 30, 2019

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Putnam County, Florida
Notes to Financial Statements
September 30, 2019

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 Clerks of Court Operations Corporation.

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, 2019

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 separately issued financial statements for the Authority are available at the Authority's office at 1100 Reid Street, Palatka, FL 32177 or on their website at (www.putnamcountydevelopmentauthority.com).

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

Joint Ventures – The County did not participate in any joint ventures during fiscal year 2018-2019.

B. Future Accounting Changes

The Governmental Accounting Standards Board has issued statements that will become effective in 2020. The statements address:

- Fiduciary Activities and
- Majority Equity Interests

The County is currently evaluating the effects that these statements will have on its financial statements for the year ended September 30, 2020.

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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services.

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, deferred outflows, liabilities, deferred inflows, 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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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

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.

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, 2019

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 an agency fund 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, 2019

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, 2019.

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, 2019

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, 2019

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. The County had no capitalized interest during 2019.

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 been used to eliminate the liability for compensated absences: the General Fund, the County Transportation Trust Fund, the Fire Taxing 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, 2019

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, deferred outflows, liabilities, deferred inflows, 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. In prior years, the following governmental funds have been used to eliminate the pension liabilities: the General Fund, the County Transportation Trust Fund, the Fire Taxing Unit Fund, the E911 System Fund, and the Court Fund.

I. Post-employment Benefits other than Pensions (OPEB)

In addition to pension benefits noted above, the County provides health care and life insurance benefits for retired employees (OPEB). For purposes of measuring total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense, the economic resources measurement focus and full accrual basis of accounting are utilized. Benefit payments are recognized when due and payable in accordance with the benefit terms. In prior years, the following governmental funds have been used to eliminate the OPEB liabilities: the General Fund, the County Transportation Trust Fund, the Fire Taxing Unit Fund, the E911 System Fund, and the Court Fund.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. 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.

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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 2 – 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 and 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. Code 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. Code s. 457 (g) (1).

NOTE 3 – 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, 2019.

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.

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 4 – DEPOSITS AND INVESTMENTS

As of September 30, 2019, the County had the following investments and maturities:

<u>Investment</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>				<u>S & P Rating</u>
		<u>Less Than 1</u>	<u>1 - 2</u>	<u>2 - 3</u>	<u>3 - 5</u>	
State Investment Pool - Florida						
Prime, amortized cost	\$ 9,160,336	\$ 9,160,336	\$ -	\$ -	\$ -	AAAm
Florida Local Government Investment Trust:						
Day to Day Fund	2,762,444	2,762,444	-	-	-	AAAm
Short-Term Bond Fund	3,048,789	453,355	1,440,858	1,066,161	88,415	AAAf
Florida Cooperative Liquid Assets Securities System	20,850,357	20,850,357	-	-	-	AAAm
Money Market Funds	5,131,539	5,131,539	-	-	-	NA
TOTAL INVESTMENTS	\$40,953,465	\$38,358,031	\$1,440,858	\$1,066,161	\$ 88,415	

Total Investments of the primary government include \$35,142,232 classified as Cash and Equivalents in the accompanying financial statements.

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.

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 as Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates. The County's Fair Value Measurement for the Interest Rate Swap is \$704 at September 30, 2019.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 4 – DEPOSITS AND INVESTMENTS

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 37 days. The WAM for the Florida Local Government Investment Trust Day to Day Fund was 30.45 days, and the WAM for the Short Term Bond Fund was 2.0 years. The WAM for the Florida Cooperative Liquid Assets Securities System was 54 days.

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 to be invested the Local Government Surplus Trust Funds Investment Pool (State Investment Pool); or any intergovernmental 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.

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, 2019 of AAAM. The Florida PRIME has the ability to impose redemption gates (thus restricting withdrawals) per F.S. 218.409 (8)(a) and to impose penalties for early withdrawals per F.S. 218.409 (4). However, at September 30, 2019, there were no redemption fees, maximum transaction amounts, or any other requirements to limit a participant's daily access to their account value.

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). The Day to Day Fund's fair value of the pool is equal to the value of the pool shares. However, the Short-Term Bond Fund is a floating rate net asset value. Additionally, the pool's investments are periodically rated by Standard & Poor's. At September 30, 2019, the Credit Quality and Bond Fund Volatility Ratings for the Short Term bond fund were AA Af and S1, respectively. The Credit Quality rating for the Day to Day Fund was AAAM.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 4 – DEPOSITS AND INVESTMENTS

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.

Florida Cooperative Liquid Assets Securities System: The County also participates in the Florida Cooperative Liquid Assets Securities System (FLCLASS), an external investment pool. Regulatory oversight is administered by Public Trust Advisors, LLC. FLCLASS follows FASB Accounting Standards Topic (ASC) 820 Fair Value Measurement and Disclosure for financial reporting purposes. FLCLASS does not meet all of the specific criteria outlined in GASB 79 Paragraph 4, therefore FLCLASS participants measure their investments in FLCLASS at fair value. FLCLASS reports the amortize cost of investments, which approximates fair value, to its participants. FLCLASS is rated by Standard and Poor's Global Ratings and has a rating at September 30, 2019 of AAAM.

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, 2019

NOTE 5 – ACCOUNTS RECEIVABLE

Accounts receivable of the General Fund consist primarily of \$6,149,240 ambulance service accounts which are reported net of an allowance for doubtful accounts of \$4,184,240 at September 30, 2019. The allowance represents approximately 68.0% of the gross ambulance service accounts receivable at September 30, 2019. The balance of the receivable consists of \$33,850 from the sale of surplus land and miscellaneous service fees.

Accounts receivable of the Road Projects Fund consists of \$175,000 from Georgia-Pacific Co., for reimbursements of road work on County Road 216.

Accounts receivable of the non-major Governmental Funds consist primarily of \$28,354 in receivables in the Sheriff Commissary fund, \$12,006 in utility customer receivables, and \$1,483 other miscellaneous receivables. Allowances for doubtful accounts are not considered necessary. All receivables are expected to be collected within the next year.

Accounts receivable of the Enterprise Funds consist of Landfill fees and miscellaneous receivables of \$454,933, East Putnam Utility customer receivables of \$766,798, and \$3,576 receivables from renting the Port Authority warehouse. An allowance for doubtful accounts of \$610,000 has been established on the East Putnam Utility receivables. All net receivables are expected to be collected within the next year.

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a schedule of interfund receivables and payables as of September 30, 2019:

Due To / Due From Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Road Projects Fund	\$ 390,000
General Fund	Nonmajor Capital Projects Fund	745,000
General Fund	Nonmajor Governmental Funds	40,000
Non-Major Governmental Fund	General Fund	107,547
TOTAL PRIMARY GOVERNMENT		<u>\$ 1,282,547</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers for the year ended September 30, 2019, consisted of the following:

<u>Transfer Out:</u>	Transfer In:						Total Transfers In
	General Fund	Road Projects Fund	Better Place Plan Fund	Nonmajor Governmental	East Putnam Water	Internal Service	
General Fund	\$ -	\$ -	\$ -	\$ 674,734	\$ 60,000	\$ 167,519	\$ 902,253
Road Project Fund	-	-	120,434	-	-	-	120,434
Better Place Plan Fund	-	303,999	-	872,520	1,033,212	-	2,209,731
Nonmajor Governmental	766,362	-	-	152,761	37,810	63,847	1,020,780
Waste Management	53,729	-	-	-	-	9,604	63,333
Nonmajor Proprietary	-	-	-	-	-	3,842	3,842
Internal Service	-	-	-	-	-	1,886	1,886
Total Transfers Out	\$ 820,091	\$ 303,999	\$ 120,434	\$ 1,700,015	\$ 1,131,022	\$ 246,698	\$ 4,322,259

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.

NOTE 7– OPERATING LEASES

The Transportation Fund (a Special Revenue Fund) leases three boom mowers used to maintain road right of ways within the County. These leases have five-year terms which expire in April, 2021. The Transportation Fund also leases six road graders which expire September, 2021.

Future minimum lease payments under these leases are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Amount</u>
2020	287,787
2021	261,366
Total future minimum lease payments	<u>\$ 549,153</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 8 – CAPITAL ASSET ACTIVITY

Capital asset activity for the year was as follows:

	Beginning Balance October 1, 2018	Increases	Decreases	Ending Balance September 30, 2019
Primary Government				
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 21,312,435	\$ -	\$ -	\$ 21,312,435
Construction in Progress	1,506,063	75,167	(1,217,748)	363,482
Total Capital Assets Not Being Depreciated	<u>22,818,498</u>	<u>75,167</u>	<u>(1,217,748)</u>	<u>21,675,917</u>
Capital Assets Being Depreciated:				
Intangible Assets	1,414,666	-	-	1,414,666
Buildings	46,968,050	1,394,851	(27,428)	48,335,473
Improvements	10,454,390	305,820	(21,450)	10,738,760
Equipment	42,256,925	4,179,901	(4,208,061)	42,228,765
Infrastructure	104,275,380	11,053,441	(3,621,292)	111,707,529
Total Capital Assets Being Depreciated	<u>205,369,411</u>	<u>16,934,013</u>	<u>(7,878,231)</u>	<u>214,425,193</u>
Less Accumulated Depreciation For:				
Intangible Assets	(1,152,404)	(37,466)	-	(1,189,870)
Buildings	(16,602,265)	(1,206,114)	15,714	(17,792,665)
Improvements	(5,009,240)	(361,311)	21,450	(5,349,101)
Equipment	(34,739,459)	(2,831,406)	4,135,864	(33,435,001)
Infrastructure	(33,711,912)	(4,333,852)	3,621,292	(34,424,472)
Total Accumulated Depreciation	<u>(91,215,280)</u>	<u>(8,770,149)</u>	<u>7,794,320</u>	<u>(92,191,109)</u>
Total Capital Assets Being Depreciated, Net	<u>114,154,131</u>	<u>8,163,864</u>	<u>(83,911)</u>	<u>122,234,084</u>
Governmental Activities Capital Assets, Net	<u>\$ 136,972,629</u>	<u>\$ 8,239,031</u>	<u>\$ (1,301,659)</u>	<u>\$ 143,910,001</u>
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 6,176,495	\$ -	\$ (310,550)	\$ 5,865,945
Construction in Progress	2,215,700	283,610	(1,962,300)	537,010
Total Capital Assets Not Being Depreciated	<u>8,392,195</u>	<u>283,610</u>	<u>(2,272,850)</u>	<u>6,402,955</u>
Capital Assets Being Depreciated:				
Buildings	3,212,973	-	(2,167,238)	1,045,735
Improvements	967,510	-	-	967,510
Landfill	11,347,894	-	-	11,347,894
Water and Sewer Distribution System	47,102,814	3,590,139	-	50,692,953
Equipment	3,090,549	1,581,624	(60,436)	4,611,737
Total Capital Assets Being Depreciated	<u>65,721,740</u>	<u>5,171,763</u>	<u>(2,227,674)</u>	<u>68,665,829</u>
Less Accumulated Depreciation For:				
Buildings	(1,788,547)	(53,415)	890,975	(950,987)
Improvements	(891,987)	(13,709)	-	(905,696)
Landfill	(7,959,413)	(275,754)	-	(8,235,167)
Water and Sewer Distribution System	(8,922,413)	(1,184,185)	-	(10,106,598)
Equipment	(2,657,560)	(408,488)	115,907	(2,950,141)
Total Accumulated Depreciation	<u>(22,219,920)</u>	<u>(1,935,551)</u>	<u>1,006,882</u>	<u>(23,148,589)</u>
Total Capital Assets Being Depreciated, Net	<u>43,501,820</u>	<u>3,236,212</u>	<u>(1,220,792)</u>	<u>45,517,240</u>
Business-type Activities Capital Assets, Net	<u>\$ 51,894,015</u>	<u>\$ 3,519,822</u>	<u>\$ (3,493,642)</u>	<u>\$ 51,920,195</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 8 – CAPITAL ASSET ACTIVITY

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

Governmental Activities:

General Government	\$ 676,434
Public Safety	2,848,524
Physical Environment	38,989
Transportation	4,848,443
Economic Environment	-
Human Services	10,362
Culture and Recreation	243,651
Court Related	92,050
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	11,696
Total Depreciation Expense - Governmental Activities	\$ 8,770,149

Business-type Activities:

Waste Management	\$ 604,431
Water and Sewer System	1,221,473
Port Authority	54,176
Total Depreciation Expense - Business-type Activities	\$ 1,880,080

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 9 – LONG-TERM OBLIGATIONS

Governmental Activities

Notes Payable - \$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). \$ 88,708

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 each. 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.) 8,640,900

\$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 each. 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.) 8,607,600

Capital Leases consist of agreements with financial institutions for the following equipment: phone system with \$245,828 aggregate historical cost and 8.71% interest rate; excavator with \$386,436 aggregate historical cost and 2.99% interest rate; and an excavator with \$366,500 aggregate historical cost and 2.99% interest rate. 539,645

Other Post Employment Benefits 2,499,786

Accrued Compensated Absences 2,209,000

Net Pension Liability 50,756,854

Total Long-Term Obligations, Governmental Activities \$ 73,342,493

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 9 – LONG-TERM OBLIGATIONS

Business-Type Activities

<p><u>Notes Payable</u> - \$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 semiannual principal and interest payments of \$28,386 until maturity on June 2035. The note is secured by operating proceeds from the Wastewater System. The Better Place Plan Fund is obligated to cover any deficiencies.</p>	\$ 817,071
<p>\$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 \$327,026. The note is secured by operating proceeds of the Water System and matures in the 2030 fiscal year.</p>	5,683,128
<p><u>Revenue Bonds</u> - \$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.</p>	3,765,000
<p>\$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.</p>	1,825,000
<p>\$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.</p>	2,868,000
<p>\$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.</p>	273,000
<p>Accrued Landfill Closure and Long-Term Care Costs</p>	18,282,810
<p>Other Post Employment Benefits</p>	77,396
<p>Accrued Compensated Absences</p>	49,000
<p>Net Pension Liability</p>	820,356
<p>Total Long-Term Obligations, Business-Type Activities</p>	\$ 34,460,761

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 9 – LONG-TERM OBLIGATIONS

Changes in long-term debt transactions of the County for the year ended September 30, 2019 are summarized below:

Governmental Activities					
	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019	Due Within One Year
Direct Borrowings:					
- Notes Payable	\$ 202,944	\$ -	\$ (114,236)	\$ 88,708	\$ 88,708
- Revenue Bonds	17,494,800	-	(246,300)	17,248,500	254,100
Capital Leases	706,752	-	(167,107)	539,645	174,863
Other Post Employment Benefits	2,581,990	-	(82,204)	2,499,786	-
Accrued Compensated					
Absences	2,056,600	2,447,200	(2,294,800)	2,209,000	1,413,400
Net Pension Liability	45,410,166	5,346,688	-	50,756,854	147,451
Total Long-Term Obligations, Governmental Activities	<u>\$68,453,252</u>	<u>\$ 7,793,888</u>	<u>\$ (2,904,647)</u>	<u>\$ 73,342,493</u>	<u>\$2,078,522</u>

Business-Type Activities					
	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019	Due Within One Year
Direct Borrowings:					
- Notes Payable	7,033,058	\$ -	\$ (532,859)	\$ 6,500,199	\$ 547,159
- Revenue Bonds	8,892,000	-	(161,000)	8,731,000	166,000
Accrued Landfill Closure and Post-Closure Care Costs	17,584,479	698,331	-	18,282,810	574,545
Other Post Employment Benefits	93,045	-	(15,649)	77,396	-
Accrued Compensated					
Absences	63,000	75,000	(89,000)	49,000	26,460
Net Pension Liability	792,646	27,710	-	820,356	2,594
Total Long-Term Obligations, Business-Type Activities	<u>\$ 34,458,228</u>	<u>\$ 801,041</u>	<u>\$ (798,508)</u>	<u>\$ 34,460,761</u>	<u>\$ 1,316,758</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 9 – LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for long-term obligations at September 30, 2019, excluding obligations under capital leases, are as follows:

Year Ending September 30	Governmental Activities		Business-Type Activities	
	Direct Borrowings		Direct Borrowings	
	Principal	Interest	Principal	Interest
2020	\$ 342,808	\$ 540,766	\$ 713,159	\$ 493,546
2021	261,900	531,075	733,670	472,885
2022	270,100	522,891	754,563	451,610
2023	278,600	514,449	774,860	429,685
2024	287,300	505,744	798,573	407,145
2025-2029	1,576,700	2,388,313	4,251,833	1,682,655
2030-2034	1,839,000	2,126,069	1,604,322	1,208,528
2035-2039	2,145,100	1,820,181	1,533,219	938,146
2040-2044	2,501,700	1,463,400	1,756,000	629,817
2045-2049	2,917,700	1,047,316	1,750,000	259,392
2050-2054	3,403,000	562,022	561,000	47,990
2055-2056	1,513,300	71,278	-	-
	<u>\$ 17,337,208</u>	<u>\$ 12,093,504</u>	<u>\$ 15,231,199</u>	<u>\$ 7,021,399</u>

The annual requirements under capital lease obligations are as follows:

Year Ending September 30	Governmental Activities
2020	\$ 197,761
2021	197,761
2022	187,625
Total Minimum Lease Payments	<u>\$ 583,147</u>
Less Amount Representing Interest	<u>(43,502)</u>
Present Value of Minimum Lease Payments	<u>\$ 539,645</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 9 – LONG-TERM OBLIGATIONS

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 \$16.48 million. Principal payments of \$583,425 were made in the current year, while interest payments totaling \$406,421 were made.

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 \$90,458. For the current year, principal and interest paid was \$121,420, while revenue was \$26,557.

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 2035 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 \$5.776 million. For the current year, principal and interest paid was \$211,072.

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 25.97% 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 \$29.34 million. For the current year, principal and interest paid was \$793,012.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 9 – LONG-TERM OBLIGATIONS

Events of Default and Remedies

GASB Statement No. 88 *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements* was implemented by the County in the year ended September 30, 2019. The County has no unused lines of credit or assets pledged as collateral for debt. However, the following bonds and notes have terms related to significant events of default with finance-related consequences and/or acceleration clauses:

\$17,965,300 USDA Jail Bonds contain a provision that in an event of default all pledged funds shall be applied to the payment of the interest and principal due on the bonds.

\$3,333,000 USDA Wastewater Bonds contain a provision that in an event of default the bondholder may take any action necessary to collect the amounts then due and thereafter to become due or to enforce performance of the obligation.

\$1,402,009 State of Florida Revolving Fund loan for the East Putnam Wastewater Loan contains a provision that in the event of default, the department may accelerate the repayment schedule or increase the financing rate on the unpaid principal to as much as 1.667 times the financing rate.

\$9,783,912 State of Florida Revolving Fund loan for the East Putnam Water Loan contains a provision that in the event of default, the department may accelerate the repayment schedule or increase the financing rate on the unpaid principal to as much as 1.667 times the financing rate.

NOTE 10 – 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 May 2018, the Authority issued Pollution Control revenue refunding bonds in an aggregate principal amount of \$125,248,878 to refund several series issued prior to 2007. At September 30, 2019, the aggregate bonds outstanding is approximately \$125,066,000.

NOTE 11 – 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 to thirty years after closure.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 11 – ACCRUED LANDFILL CLOSURE AND LONG-TERM CARE COSTS

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 \$18,282,810 reported as landfill closure and long-term care liability at September 30, 2019, 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	72.57%
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 \$6,231,085 as the remaining estimated capacity is used (estimated to be 8.8 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 2019. Actual costs may be higher or lower due to inflation, deflation, changes in technology, or changes in regulations.

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 \$7,306,828 to cover D.E.P.'s landfill post-closure maintenance cost requirements and closure costs of current operating landfills, as of September 30, 2019. This is shown as restricted cash and equivalents and restricted investments of the business-type activities in the accompanying financial statements.

NOTE 12 – 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, 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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 12 – STATE OF FLORIDA PENSION PLANS

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.

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 Pension Plan. The County's contribution rates as of September 30, 2019, were as follows:

	<u>FRS</u>	<u>HIS</u>
Regular Class	6.81%	1.66%
Special Risk Class	23.82%	1.66%
Senior Management	23.75%	1.66%
Elected Officials	47.16%	1.66%
DROP from FRS	12.94%	1.66%

The County's contributions for the year ended September 30, 2019, were \$4,005,301 to the FRS and \$450,873 to the HIS.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 12 – STATE OF FLORIDA PENSION PLANS

Pension Liabilities and Pension Expense

At September 30, 2019, the County reported a liability for its proportionate shares of the net pension liability of the FRS Pension Plan and the HIS Program. The net pension liabilities were measured as of June 30, 2019. 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.

	<u>FRS</u>	<u>HIS</u>
Net Pension Liability	\$ 42,742,966	\$ 8,834,244
Proportion at:		
Current Measurement Date	0.1241135%	0.0789547%
Prior Measurement Date	0.1253707%	0.0797470%
Pension expense (benefit)	\$ 10,313,445	\$ 605,876

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related pension from the following sources:

	<u>FRS</u>		<u>HIS</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,535,208	\$ (26,526)	\$ 107,302	\$ (10,817)
Changes of assumptions	10,978,233	-	1,022,922	(722,039)
Net difference between projected and actual earnings on pension plan investments	-	(2,364,764)	5,701	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	852,740	(1,345,757)	305,007	(598,661)
Employer contributions subsequent to the measurement date	1,050,947	-	115,987	-
Total	<u>\$ 15,417,128</u>	<u>\$ (3,737,047)</u>	<u>\$1,556,919</u>	<u>\$ (1,331,517)</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 12 – 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, 2020. 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
2020	\$ 3,898,259	\$ 100,091
2021	1,138,034	57,663
2022	2,820,503	19,404
2023	2,120,046	(105,696)
2024	525,925	(11,208)
Thereafter	126,367	49,161
Total	<u>\$ 10,629,134</u>	<u>\$ 109,415</u>

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2019. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2019. For the HIS Program, actuarial valuations are conducted biennially. The July 1, 2018 HIS valuation is the most recent actuarial valuation and was used to develop the total pension liability at June 30, 2019 using standard actuarial rollforward procedures. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.60%	2.60%
Salary Increases	3.25%	3.25%
Investment rate of return	6.90%	N/A
Discount Rate	6.90%	3.50%

Mortality assumptions for the FRS Pension Plan were based on the PUB2010 with Scale MP-2018. Mortality assumptions for the HIS Program were based on the Generational RP-2000 with Projection Scale BB.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 12 – STATE OF FLORIDA PENSION PLANS

For both plans, the actuarial assumptions used were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2019:

FRS: The discount rate and the long-term expected rate of return used to determine the total pension liability decreased from 7.00% to 6.90%.

HIS: The discount rate and the municipal bond index rate used to determine the total pension liability decreased from 3.87% to 3.50%.

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.

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1.00%	3.30%	3.30%
Fixed Income	18.00%	4.10%	4.10%
Global Equity	54.00%	8.00%	6.80%
Real estate	10.00%	6.70%	6.10%
Private equity	11.00%	11.20%	8.40%
Strategic Investments	6.00%	5.90%	5.70%
	<u>100.00%</u>		

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.90%. 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 3.50% 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, 2019

NOTE 13 – 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			Current		
	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Employer's proportionate share of the net pension liability	\$ 73,888,356	\$42,742,966	\$16,731,298	\$10,084,742	\$ 8,834,244	\$ 7,792,720

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, 2019, totaled \$620,101.

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

Pursuant to a resolution of the Board of County Commissioners, the County provides health care and life insurance benefits for retired employees. The single-employer defined benefit plan for post-employment benefits other than pension benefits (OPEB Plan) is administered by the Board of County Commissioners. The County can amend the benefit provisions provided by the OPEB plan. Funding for the OPEB Plan is on a pay-as-you-go basis from the County's general assets when due. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Benefits Provided

The OPEB Plan provides a health insurance subsidy for retirees and eligible dependents of the Board of County Commissioners, Clerk of Court, Supervisor of Elections, Property Appraiser, Sheriff, and Tax Collector. Additionally, life insurance benefits are available to retirees at the cost paid by the County for active employees. Life insurance benefits are \$10,000 or \$20,000.

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 separate stand-alone financial reports.

Contributions

The contribution requirements of plan members are established each year during open enrollment when rates are set by insurance providers. Contributions are not based on a measure of pay. Contributions are accounted for in the County's Group Insurance Reserve Fund. County retiree plan members receiving benefits contribute to pay-as-you-go financing depending on the family members covered and the plan selected.

Employees Covered by benefit terms

At September 30, 2019, the following employees were covered by the benefit terms:

Active Employees	578
Retirees	<u>161</u>
Total	<u>739</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS

Total OPEB Liability

At September 30, 2019, The County reported a total OPEB liability of \$2,577,182. The OPEB liability was measured as of September 30, 2018, and was determined by an actuarial valuation as of September 30, 2018.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the September 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary Increases	3.25%, including inflation
Healthcare cost	Under 65 years of age:
Trend Rates	4.30% for 2018, increasing to 4.80% in 2037. The ultimate rate of 3.90% begins in 2073.
	64 years and older:
	4.90% for 2018, increasing to 5.50% in 2037. The ultimate rate of 4.0% begins in 2083.
	The dental trend is 2.97% each year.
Mortality	Rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate with adjustments for mortality improvements based on Scale AA.

The discount rate used to measure the total OPEB liability was 4.18%, which is based on the Bond Buyer General Obligation 20-Bond Municipal Index. An actuarial experience study has not yet been performed for the plan.

Changes in the Total OPEB Liability

	<u>Increase/Decrease in Total OPEB Liability</u>
Balance at September 30, 2018	\$ 2,675,035
Changes for the year:	
Service cost	192,642
Interest	101,398
Changes in assumptions or inputs	(226,427)
Benefit payments	(165,466)
Balance at September 30, 2019	<u>\$ 2,577,182</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS

Changes in assumptions or inputs reflect a change in the discount rate from 3.64% in 2018 to 4.18% in 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of Putnam County, calculated using the discount rate of 4.18%, as well as what Putnam County's total OPEB liability would be if it were calculated using a discount rate that is 1.0% lower (3.18%) or 1.0% higher (5.18%) than the current rate.

	1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB liability	\$ 2,968,321	\$ 2,577,182	\$ 2,255,570

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of Putnam County, calculated using the current healthcare cost trend rate, as well as what Putnam County's total OPEB liability would be if it were calculated using trend rates that are 1.0% lower or 1.0% higher than the current rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB liability	\$ 2,340,699	\$ 2,577,182	\$ 2,886,515

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2019, the County recognized OPEB expense of \$247,825. At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	(382,701)	
Contributions made subsequent to to measurement date	-	303,000
Total	<u>\$ (382,701)</u>	<u>\$ 303,000</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year ended September 30,	
2020	\$ (46,215)
2021	(46,215)
2022	(46,215)
2023	(46,215)
2024	(46,215)
Thereafter	<u>(151,626)</u>
Total	<u>\$ (382,701)</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

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 2019 IBNR estimate of \$883,026 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.

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
2017-2018	1,107,392	1,447,273	(1,102,373)	1,452,292	952,292
2018-2019	1,452,292	2,244,183	(1,529,967)	2,166,508	1,666,508

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 14 – RISK MANAGEMENT

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 – COMMITMENTS AND CONTINGENCIES

At September 30, 2019, the County was committed under signed contracts for approximately \$1,250,500 of road construction, resurfacing and engineering work and \$295,400 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 16 – NET POSITION RESTRICTED BY ENABLING LEGISLATION

The government-wide statement of net position reports \$16,557,775 of restricted net position, of which \$6.35 million is restricted by enabling legislation.

NOTE 17 – SPECIAL ITEMS

In March 2019, the Putnam County Port Authority sold a magnet building with land in the business park for \$750,000. The building was purchased in 2006 and had a net book value of \$1,586,813 resulting in a loss of \$836,813 on disposal.

NOTE 18 – DEFICIT BALANCES – INDIVIDUAL FUNDS

At September 30, 2019, two Internal Service Funds, the Fleet Maintenance Fund and the Risk Management Fund, reflected deficit net positions of \$18,044 and \$415,853, respectively. County Management anticipates that future rate increases for services rendered will eliminate these deficits in the following year.

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 19 – 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>Road Projects Fund</u>	<u>Better Place Plan Fund</u>		
FUND BALANCES:					
Restricted for:					
Debt Service	-	-	-	688,541	688,541
Better Place Plan - Capital Projects	-	-	6,305,845	-	6,305,845
Fishing Improvement	-	-	-	400,226	400,226
Fire Protection	-	-	-	1,062,737	1,062,737
Law Enforcement	31,589	-	-	34,519	66,108
Court Improvements	-	-	-	1,410,586	1,410,586
Drivers Education	-	-	-	250,186	250,186
Court Article V Support	-	-	-	6,531	6,531
Court Technology	-	-	-	261,383	261,383
Crime Prevention	-	-	-	44,856	44,856
E911 System	-	-	-	89,004	89,004
Tourist Development	-	-	-	1,272,940	1,272,940
Communication Improvement	-	-	-	45,441	45,441
Economic Development	-	-	-	25,371	25,371
MSBU Road Maintenance	-	-	-	777,088	777,088
Local Housing Assistance	-	-	-	1,340,731	1,340,731
Water Utilities	-	-	-	271,478	271,478
Interlachen Lakes Estates Lake Access	44,210	-	-	-	44,210
Federal Forfeiture - Law Enforcement	-	-	-	310,954	310,954
Public Records Modernization	-	-	-	1,516,900	1,516,900
Voter Equipment and Education	-	-	-	44,747	44,747
Road Projects	-	1,093,290	-	-	1,093,290
Committed to:					
Commissary - Inmate Benefits	-	-	-	545,188	545,188
Assigned to:					
Subsequent Year's Expenditures	11,200,000	-	-	-	11,200,000
Road and Bridge Maintenance	-	-	-	1,547,946	1,547,946
Unassigned:	5,095,012	-	-	-	5,095,012
Total Fund Balances	<u>\$16,370,811</u>	<u>\$1,093,290</u>	<u>\$6,305,845</u>	<u>\$ 11,947,353</u>	<u>\$35,717,299</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2019

NOTE 20 – SUBSEQUENT EVENTS

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the County. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain. The financial statement impact cannot be reasonably estimated at this time as the duration of the effects of the pandemic is uncertain.

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, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 34,639,945	\$ 34,639,945	\$ 35,143,764	\$ 503,819
Licenses and Permits	489,000	489,000	670,716	181,716
Intergovernmental	9,193,271	9,554,622	12,666,381	3,111,759
Charges for Services	6,012,674	6,010,545	5,999,678	(10,867)
Fines and Forfeitures	55,700	103,439	77,730	(25,709)
Miscellaneous	215,429	226,597	791,194	564,597
TOTAL REVENUES	50,606,019	51,024,148	55,349,463	4,325,315
<u>EXPENDITURES</u>				
Current:				
General Government	14,249,916	14,328,527	13,412,033	916,494
Public Safety	29,125,706	29,801,115	28,520,559	1,280,556
Physical Environment	397,118	606,294	536,372	69,922
Transportation	30,000	30,000	47,105	(17,105)
Economic Environment	419,841	411,036	398,056	12,980
Human Services	2,808,563	2,810,563	2,372,310	438,253
Culture and Recreation	3,804,642	3,908,642	1,676,174	2,232,468
Court Related	1,271,478	1,272,753	1,263,448	9,305
Reserve for Contingencies	7,291,440	6,299,703	-	6,299,703
Debt Service:				
Principal Retirement	45,392	45,392	45,392	-
Interest and Fiscal Charges	15,434	15,434	15,434	-
TOTAL EXPENDITURES	59,459,530	59,529,459	48,286,883	11,242,576
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,853,511)	(8,505,311)	7,062,580	15,567,891
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	1,015,354	1,015,354	820,091	(195,263)
Transfers Out	(899,344)	(1,247,544)	(902,253)	345,291
Debt Issued	1,366,875	1,366,875	-	(1,366,875)
TOTAL OTHER FINANCING SOURCES (USES)	1,482,885	1,134,685	(82,162)	(1,216,847)
NET CHANGE IN FUND BALANCES	(7,370,626)	(7,370,626)	6,980,418	14,351,044
FUND BALANCES - BEGINNING OF YEAR	7,370,626	7,370,626	9,390,393	2,019,767
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 16,370,811	\$ 16,370,811

Putnam County, Florida
Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended September 30, 2019

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, 2019

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
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
For the Year Ended September 30, 2019
Last 10 Fiscal Years*

	2019	2018
Total OPEB Liability - beginning	\$ 2,675,035	\$ 2,731,745
Changes for the year:		
Service cost	192,642	211,926
Interest	101,398	88,028
Changes in assumptions or inputs	(226,427)	(225,552)
Benefit payments	(165,466)	(131,112)
Total OPEB Liability - ending	\$ 2,577,182	\$ 2,675,035
Covered employee payroll	\$ 26,091,587	\$ 25,491,810
Total OPEB liability as a percentage of covered-employee payroll	9.88%	10.49%

Notes to schedules:

Changes in assumptions or inputs reflect a change in the discount rate from 3.64% in 2018 to 4.18% in 2019.

*GASB Statement No. 75 was implemented in 2018. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

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

Florida Retirement System	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.1241135%	0.1253707%	0.1259494%	0.1302864%	0.1255929%
Employer's proportionate share of the net pension liability (asset)	\$ 42,742,966	\$ 37,762,297	\$ 37,254,999	\$ 32,897,416	\$ 16,222,010
Employer's covered payroll**	\$ 26,901,444	\$ 26,091,587	\$ 25,491,810	\$ 25,570,176	\$ 25,105,924
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	158.89%	144.73%	146.14%	128.66%	64.61%
Plan fiduciary net position as a percentage of the total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.0789547%	0.0797470%	0.0798985%	0.0826718%	0.0825509%
Employer's proportionate share of the net pension liability (asset)	\$ 8,834,244	\$ 8,440,515	\$ 8,543,115	\$ 9,635,055	\$ 8,414,610
Employer's covered payroll**	\$ 26,901,444	\$ 26,091,587	\$ 25,491,810	\$ 25,570,176	\$ 25,105,924
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	32.84%	32.35%	33.51%	37.68%	33.52%
Plan fiduciary net position as a percentage of the total pension liability	2.63%	2.15%	1.64%	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 payroll Includes defined benefit plan actives, investment plan members, and members in DROP for the measurement period ending June 30, 2019.

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

Florida Retirement System	2019	2018	2017	2016	2015
Contractually required contribution	\$ 4,005,301	\$ 3,511,262	\$ 3,357,991	\$ 3,248,814	\$ 3,108,405
Contributions in relation to the contractually required contribution	4,005,301	3,511,262	3,357,991	3,248,814	3,108,405
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll *	\$27,188,362	\$ 25,832,377	\$ 25,880,178	\$ 25,687,995	\$ 25,442,040
Contributions as a percentage of covered payroll	14.73%	13.59%	12.98%	12.65%	12.22%

Health Insurance Subsidy Program	2019	2018	2017	2016	2015
Contractually required contribution	\$ 450,873	\$ 420,584	\$ 429,079	\$ 426,360	\$ 344,803
Contributions in relation to the contractually required contribution	450,873	420,584	429,079	426,360	344,803
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll *	\$27,188,362	\$ 25,832,377	\$ 25,880,178	\$ 25,687,995	\$ 25,442,040
Contributions as a percentage of covered payroll	1.66%	1.63%	1.66%	1.66%	1.36%

Notes to schedules:

* Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP for the fiscal year ended September 30, 2019.

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, 2019

	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	\$13,061,505	\$ 1,364,177	\$ 890,236	\$ 510,777
Receivables, net	2,006,046	1,784	2,549	1,246
Due From Other Funds	2,823,003	-	-	-
Due From Other Governments	1,437,369	-	50,195	148
Other Assets	-	1,825	8,221	1,160
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	19,327,923	1,367,786	951,201	513,331
	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	672,806	250,397	219,828	50,989
Retainage and Capital Related Liabilities	4,716	-	-	-
Due to Other Funds	-	1,085,800	60,035	402,127
Due to Other Governments	36,444	-	484,472	32,801
Customer Deposits	18,089	-	186,866	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	732,055	1,336,197	951,201	485,917
	<hr/>	<hr/>	<hr/>	<hr/>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	2,256,646	-	-	27,414
	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES</u>				
Restricted	44,210	31,589	-	-
Assigned	11,200,000	-	-	-
Unassigned	5,095,012	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	16,339,222	31,589	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$19,327,923</u>	<u>\$ 1,367,786</u>	<u>\$ 951,201</u>	<u>\$ 513,331</u>

(continued)

**Putnam County, Florida
Combining Balance Sheet
Board and Officer General Funds
For the Year Ended September 30, 2019**

	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	\$ 150,053	\$ 107,775	\$ -	\$16,084,523
Receivables, net	-	-	-	2,011,625
Due From Other Funds	-	-	(1,648,003)	1,175,000
Due From Other Governments	-	-	-	1,487,712
Other Assets	4,302	-	-	15,508
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>154,355</u>	<u>107,775</u>	<u>(1,648,003)</u>	<u>20,774,368</u>
<u>LIABILITIES, DEFERRED OUTFLOWS AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	22,560	31,982	-	1,248,562
Retainage and Capital Related Liabilities	-	-	-	4,716
Due to Other Funds	131,795	75,793	(1,648,003)	107,547
Due to Other Governments	-	-	-	553,717
Customer Deposits	-	-	-	204,955
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>154,355</u>	<u>107,775</u>	<u>(1,648,003)</u>	<u>2,119,497</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	2,284,060
<u>FUND BALANCES</u>				
Restricted	-	-	-	75,799
Assigned	-	-	-	11,200,000
Unassigned	-	-	-	5,095,012
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,370,811</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
	<u>\$ 154,355</u>	<u>\$ 107,775</u>	<u>\$ (1,648,003)</u>	<u>\$20,774,368</u>

(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, 2019

	Board of County Commissioners Sub-fund			Sheriff Sub-fund		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Final	Amounts	Original	Final	Amounts
REVENUES						
Taxes	\$ 34,639,945	\$ 34,639,945	\$ 35,143,764	\$ -	\$ -	\$ -
Licenses and Permits	489,000	489,000	670,716	-	-	-
Intergovernmental	8,891,129	9,252,480	12,408,362	-	-	-
Charges for Services	4,055,702	4,055,702	4,119,601	-	-	-
Fines and Forfeitures	53,700	53,700	46,567	2,000	49,739	31,163
Miscellaneous	185,007	196,175	616,157	-	-	127,698
TOTAL REVENUES	48,314,483	48,687,002	53,005,167	2,000	49,739	158,861
EXPENDITURES						
Current:						
General Government	8,157,667	8,235,247	7,793,045	-	-	-
Public Safety	7,901,725	8,218,044	7,835,812	21,223,981	21,583,071	20,684,747
Physical Environment	397,118	606,294	536,372	-	-	-
Transportation	30,000	30,000	47,105	-	-	-
Economic Environment	419,841	411,036	398,056	-	-	-
Human Services	2,808,563	2,810,563	2,372,310	-	-	-
Culture and Recreation	3,804,642	3,908,642	1,676,174	-	-	-
Court Related	343,780	345,055	291,109	617,260	617,260	596,368
Reserve for Contingencies	7,289,440	6,297,703	-	-	-	-
Debt Service:						
Principal Retirement	45,392	45,392	45,392	-	-	-
Interest and Fiscal Charges	15,434	15,434	15,434	-	-	-
TOTAL EXPENDITURES	31,213,602	30,923,410	21,010,809	21,841,241	22,200,331	21,281,115
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	17,100,881	17,763,592	31,994,358	(21,839,241)	(22,150,592)	(21,122,254)
OTHER FINANCING SOURCES (USES)						
Transfers In	961,625	961,625	2,414,365	21,839,241	22,150,592	22,150,592
Transfers Out	(26,800,007)	(27,462,718)	(27,441,091)	-	-	(1,015,552)
Debt Issued	1,366,875	1,366,875	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(24,471,507)	(25,134,218)	(25,026,726)	21,839,241	22,150,592	21,135,040
NET CHANGE IN FUND BALANCES	(7,370,626)	(7,370,626)	6,967,632	-	-	12,786
FUND BALANCES - BEGINNING OF YEAR	7,370,626	7,370,626	9,371,590	-	-	18,803
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 16,339,222	\$ -	\$ -	\$ 31,589

(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, 2019

	Clerk of the Circuit Court Sub-fund			Tax Collector Sub-fund		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
<u>REVENUES</u>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	302,142	302,142	256,776	-	-	-
Charges for Services	457,000	457,000	441,573	2,610,669	2,610,669	2,598,817
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	20,000	20,000	25,946	10,422	10,422	12,297
TOTAL REVENUES	779,142	779,142	724,295	2,621,091	2,621,091	2,611,114
<u>EXPENDITURES</u>						
Current:						
General Government	2,164,499	2,164,499	1,984,084	2,285,682	2,285,682	2,208,987
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Court Related	310,438	310,438	375,971	-	-	-
Reserve for Contingencies	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	2,474,937	2,474,937	2,360,055	2,285,682	2,285,682	2,208,987
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,695,795)	(1,695,795)	(1,635,760)	335,409	335,409	402,127
<u>OTHER FINANCING SOURCES (USES)</u>						
Transfers In	1,695,795	1,695,795	1,695,795	-	-	-
Transfers Out	-	-	(60,035)	(335,409)	(335,409)	(402,127)
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,695,795	1,695,795	1,635,760	(335,409)	(335,409)	(402,127)
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, 2019

	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	-	-	-	-	-	1,243
Charges for Services	29,303	27,174	26,652	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	5,173	-	-	3,923
TOTAL REVENUES	29,303	27,174	31,825	-	-	5,166
EXPENDITURES						
Current:						
General Government	1,889,068	1,890,099	1,762,954	893,000	893,000	849,928
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Court Related	-	-	-	-	-	-
Reserve for Contingencies	-	-	-	2,000	2,000	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	1,889,068	1,890,099	1,762,954	895,000	895,000	849,928
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,859,765)	(1,862,925)	(1,731,129)	(895,000)	(895,000)	(844,762)
OTHER FINANCING SOURCES (USES)						
Transfers In	1,859,765	1,862,925	1,862,924	895,000	895,000	895,000
Transfers Out	-	-	(131,795)	-	-	(50,238)
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,859,765	1,862,925	1,731,129	895,000	895,000	844,762
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, 2019

	Subtotals			Interfund Eliminations and consolidations		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Final	Amounts	Original	Final	Amounts
REVENUES						
Taxes	\$ 34,639,945	\$ 34,639,945	\$ 35,143,764	\$ -	\$ -	\$ -
Licenses and Permits	489,000	489,000	670,716	-	-	-
Intergovernmental	9,193,271	9,554,622	12,666,381	-	-	-
Charges for Services	7,152,674	7,150,545	7,186,643	(1,140,000)	(1,140,000)	(1,186,965)
Fines and Forfeitures	55,700	103,439	77,730	-	-	-
Miscellaneous	215,429	226,597	791,194	-	-	-
TOTAL REVENUES	51,746,019	52,164,148	56,536,428	(1,140,000)	(1,140,000)	(1,186,965)
EXPENDITURES						
Current:						
General Government	15,389,916	15,468,527	14,598,998	(1,140,000)	(1,140,000)	(1,186,965)
Public Safety	29,125,706	29,801,115	28,520,559	-	-	-
Physical Environment	397,118	606,294	536,372	-	-	-
Transportation	30,000	30,000	47,105	-	-	-
Economic Environment	419,841	411,036	398,056	-	-	-
Human Services	2,808,563	2,810,563	2,372,310	-	-	-
Culture and Recreation	3,804,642	3,908,642	1,676,174	-	-	-
Court Related	1,271,478	1,272,753	1,263,448	-	-	-
Reserve for Contingencies	7,291,440	6,299,703	-	-	-	-
Debt Service:						
Principal Retirement	45,392	45,392	45,392	-	-	-
Interest and Fiscal Charges	15,434	15,434	15,434	-	-	-
TOTAL EXPENDITURES	60,599,530	60,669,459	49,473,848	(1,140,000)	(1,140,000)	(1,186,965)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,853,511)	(8,505,311)	7,062,580	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers In	27,251,426	27,565,937	29,018,676	(26,236,072)	(26,550,583)	(28,198,585)
Transfers Out	(27,135,416)	(27,798,127)	(29,100,838)	26,236,072	26,550,583	28,198,585
Debt Issued	1,366,875	1,366,875	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,482,885	1,134,685	(82,162)	-	-	-
NET CHANGE IN FUND BALANCES	(7,370,626)	(7,370,626)	6,980,418	-	-	-
FUND BALANCES - BEGINNING OF YEAR	7,370,626	7,370,626	9,390,393	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 16,370,811	\$ -	\$ -	\$ -

(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, 2019

	Totals		
	Budgeted Amounts		Actual Amounts
	Original	Final	
<u>REVENUES</u>			
Taxes	\$ 34,639,945	\$ 34,639,945	\$ 35,143,764
Licenses and Permits	489,000	489,000	670,716
Intergovernmental	9,193,271	9,554,622	12,666,381
Charges for Services	6,012,674	6,010,545	5,999,678
Fines and Forfeitures	55,700	103,439	77,730
Miscellaneous	215,429	226,597	791,194
TOTAL REVENUES	50,606,019	51,024,148	55,349,463
<u>EXPENDITURES</u>			
Current:			
General Government	14,249,916	14,328,527	13,412,033
Public Safety	29,125,706	29,801,115	28,520,559
Physical Environment	397,118	606,294	536,372
Transportation	30,000	30,000	47,105
Economic Environment	419,841	411,036	398,056
Human Services	2,808,563	2,810,563	2,372,310
Culture and Recreation	3,804,642	3,908,642	1,676,174
Court Related	1,271,478	1,272,753	1,263,448
Reserve for Contingencies	7,291,440	6,299,703	-
Debt Service:			
Principal Retirement	45,392	45,392	45,392
Interest and Fiscal Charges	15,434	15,434	15,434
TOTAL EXPENDITURES	59,459,530	59,529,459	48,286,883
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,853,511)	(8,505,311)	7,062,580
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers In	1,015,354	1,015,354	820,091
Transfers Out	(899,344)	(1,247,544)	(902,253)
Debt Issued	1,366,875	1,366,875	-
TOTAL OTHER FINANCING SOURCES (USES)	1,482,885	1,134,685	(82,162)
NET CHANGE IN FUND BALANCES	(7,370,626)	(7,370,626)	6,980,418
FUND BALANCES - BEGINNING OF YEAR	7,370,626	7,370,626	9,390,393
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 16,370,811

(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.

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.

Non-major Governmental Funds

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.

Debt Service Funds

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.

Non-major Governmental Funds

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:

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

Major Governmental Capital Projects Fund

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

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.

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2019

	Special Revenue Funds				
	County Transportation Trust	Fishing Improvement	Fire Taxing Unit	Law Enforcement Trust	Law Enforcement Education
<u>ASSETS</u>					
Cash and Equivalents	\$ 1,372,673	\$ 350,378	\$ 1,152,270	\$ 31,691	\$ 1,809
Investments	-	-	-	-	-
Receivables	514	-	-	-	-
Due From Other Funds	-	-	11,744	-	-
Due From Other Governments	291,230	50,878	12,210	-	1,019
TOTAL ASSETS	1,664,417	401,256	1,176,224	31,691	2,828
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	116,471	1,030	113,487	-	-
Retainage and Capital Related Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	116,471	1,030	113,487	-	-
<u>FUND BALANCES</u>					
Restricted	-	400,226	1,062,737	31,691	2,828
Committed	-	-	-	-	-
Assigned	1,547,946	-	-	-	-
TOTAL FUND BALANCES	1,547,946	400,226	1,062,737	31,691	2,828
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,664,417	\$ 401,256	\$ 1,176,224	\$ 31,691	\$ 2,828

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2019

	Special Revenue Funds				
	Court Improvement	Drivers Education	Article V	Court Technology	Crime Prevention
<u>ASSETS</u>					
Cash and Equivalents	\$ 1,406,705	\$ 248,947	\$ 10,653	\$ 255,732	\$ 44,002
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	7,619	1,239	3,649	7,778	1,429
TOTAL ASSETS	1,414,324	250,186	14,302	263,510	45,431
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	3,738	-	7,771	2,127	575
Retainage and Capital Related Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	3,738	-	7,771	2,127	575
<u>FUND BALANCES</u>					
Restricted	1,410,586	250,186	6,531	261,383	44,856
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	1,410,586	250,186	6,531	261,383	44,856
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,414,324	\$ 250,186	\$ 14,302	\$ 263,510	\$ 45,431

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2019

	<u>Special Revenue Funds</u>			
	<u>E911 System</u>	<u>Tourist Development</u>	<u>Communication Improvement</u>	<u>Economic Development</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 67,189	\$ 1,242,228	\$ 58,411	\$ 37,871
Investments	-	-	-	-
Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governments	24,448	48,624	2,229	-
TOTAL ASSETS	<u>91,637</u>	<u>1,290,852</u>	<u>60,640</u>	<u>37,871</u>
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	2,633	17,912	6,014	12,500
Retainage and Capital Related Liabilities	-	-	9,185	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	-	-	-
TOTAL LIABILITIES	<u>2,633</u>	<u>17,912</u>	<u>15,199</u>	<u>12,500</u>
<u>FUND BALANCES</u>				
Restricted	89,004	1,272,940	45,441	25,371
Committed	-	-	-	-
Assigned	-	-	-	-
TOTAL FUND BALANCES	<u>89,004</u>	<u>1,272,940</u>	<u>45,441</u>	<u>25,371</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 91,637</u>	<u>\$ 1,290,852</u>	<u>\$ 60,640</u>	<u>\$ 37,871</u>

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2019

	<u>Special Revenue Funds</u>			
	<u>Miscellaneous Grants</u>	<u>Interlachen Lakes Estates</u>	<u>West Putnam Municipal Services Benefit Unit</u>	<u>Local Housing Assistance</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 5,724	\$ 162,857	\$ 126,425	\$ 706,516
Investments	-	-	-	671,710
Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governments	39,726	12,440	4,884	-
TOTAL ASSETS	45,450	175,297	131,309	1,378,226
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	5,450	18,446	9,315	37,495
Retainage and Capital Related Liabilities	-	-	-	-
Due to Other Funds	40,000	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	-	-	-
TOTAL LIABILITIES	45,450	18,446	9,315	37,495
<u>FUND BALANCES</u>				
Restricted	-	156,851	121,994	1,340,731
Committed	-	-	-	-
Assigned	-	-	-	-
TOTAL FUND BALANCES	-	156,851	121,994	1,340,731
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 45,450	\$ 175,297	\$ 131,309	\$ 1,378,226

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2019

	<u>Special Revenue Funds</u>			
	<u>MSBU</u>	<u>Water Utilities</u>	<u>Commissary</u>	<u>Federal Forfeiture</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 506,727	\$ 264,286	\$ 551,034	\$ 240,706
Investments	-	-	-	-
Receivables	-	12,006	28,354	-
Due From Other Funds	-	-	-	70,248
Due From Other Governments	2,826	-	-	-
TOTAL ASSETS	509,553	276,292	579,388	310,954
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	11,310	172	34,200	-
Retainage and Capital Related Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	4,642	-	-
TOTAL LIABILITIES	11,310	4,814	34,200	-
<u>FUND BALANCES</u>				
Restricted	498,243	271,478	-	310,954
Committed	-	-	545,188	-
Assigned	-	-	-	-
TOTAL FUND BALANCES	498,243	271,478	545,188	310,954
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 509,553	\$ 276,292	\$ 579,388	\$ 310,954

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2019

	Special Revenue Funds			
	Records	Article V	Court	Supervisor
	Modernization	Records	Fund	of Elections
	Modernization	Modernization	Grant Fund	Grant Fund
<u>ASSETS</u>				
Cash and Equivalents	\$ 310,467	\$ 1,206,433	\$ 736,931	\$ 19,192
Investments	-	-	-	-
Receivables	-	-	969	-
Due From Other Funds	-	-	-	25,555
Due From Other Governments	-	-	1,829	-
	<u>310,467</u>	<u>1,206,433</u>	<u>739,729</u>	<u>44,747</u>
TOTAL ASSETS	310,467	1,206,433	739,729	44,747
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	-	-	42,546	-
Retainage and Capital Related Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	463,300	-
Customer Deposits	-	-	233,883	-
	<u>-</u>	<u>-</u>	<u>739,729</u>	<u>-</u>
TOTAL LIABILITIES	-	-	739,729	-
<u>FUND BALANCES</u>				
Restricted	310,467	1,206,433	-	44,747
Committed	-	-	-	-
Assigned	-	-	-	-
	<u>310,467</u>	<u>1,206,433</u>	<u>-</u>	<u>44,747</u>
TOTAL FUND BALANCES	310,467	1,206,433	-	44,747
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 310,467	\$ 1,206,433	\$ 739,729	\$ 44,747

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2019

	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>County Jail</u>	<u>Capital Projects</u>	
<u>ASSETS</u>			
Cash and Equivalents	\$ 688,541	\$ 20,802	\$ 11,827,200
Investments	-	-	671,710
Receivables	-	-	41,843
Due From Other Funds	-	-	107,547
Due From Other Governments	-	789,286	1,303,343
TOTAL ASSETS	688,541	810,088	13,951,643
<u>LIABILITIES, DEFERRED OUTFLOWS, AND FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts Payable and Accrued Liabilities	-	-	443,192
Retainage and Capital Related Liabilities	-	65,088	74,273
Due to Other Funds	-	745,000	785,000
Due to Other Governments	-	-	463,300
Customer Deposits	-	-	238,525
TOTAL LIABILITIES	-	810,088	2,004,290
<u>FUND BALANCES</u>			
Restricted	688,541	-	9,854,219
Committed	-	-	545,188
Assigned	-	-	1,547,946
TOTAL FUND BALANCES	688,541	-	11,947,353
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 688,541	\$ 810,088	\$ 13,951,643

(concluded)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2019

	<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>
<u>REVENUES</u>					
Taxes	\$2,216,735	\$ -	\$3,506,444	\$ -	\$ -
Licenses and Permits	6,014	44,446	-	-	-
Intergovernmental Revenue	2,545,147	48,600	204,819	-	-
Charges For Services	264,423	-	-	-	-
Fines and Forfeitures	-	-	-	19,337	13,101
Special Assessments	-	-	-	-	-
Miscellaneous Revenue	41,563	5,765	36,423	602	49
TOTAL REVENUES	<u>5,073,882</u>	<u>98,811</u>	<u>3,747,686</u>	<u>19,939</u>	<u>13,150</u>
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	-	3,104,406	64,319	12,688
Physical Environment	-	90,268	-	-	-
Transportation	4,744,648	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	121,716	-	-	-	-
Interest and Fiscal Charges	15,220	-	-	-	-
TOTAL EXPENDITURES	<u>4,881,584</u>	<u>90,268</u>	<u>3,104,406</u>	<u>64,319</u>	<u>12,688</u>
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	<u>192,298</u>	<u>8,543</u>	<u>643,280</u>	<u>(44,380)</u>	<u>462</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	204,542	-	11,744	-	-
Transfers Out	(30,300)	-	(83,547)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>174,242</u>	<u>-</u>	<u>(71,803)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>366,540</u>	<u>8,543</u>	<u>571,477</u>	<u>(44,380)</u>	<u>462</u>
FUND BALANCES, October 1, 2018	<u>1,181,406</u>	<u>391,683</u>	<u>491,260</u>	<u>76,071</u>	<u>2,366</u>
FUND BALANCES, September 30, 2019	<u>\$1,547,946</u>	<u>\$ 400,226</u>	<u>\$1,062,737</u>	<u>\$ 31,691</u>	<u>\$ 2,828</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, 2019

	<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	94,055	-	49,869	98,486	-
Fines and Forfeitures	-	15,319	-	-	20,241
Special Assessments	-	-	-	-	-
Miscellaneous Revenue	25,865	3,632	67	3,565	651
TOTAL REVENUES	<u>119,920</u>	<u>18,951</u>	<u>49,936</u>	<u>102,051</u>	<u>20,892</u>
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	20,000	-	-	23,939
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	99,477	-	80,457	97,315	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>99,477</u>	<u>20,000</u>	<u>80,457</u>	<u>97,315</u>	<u>23,939</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>20,443</u>	<u>(1,049)</u>	<u>(30,521)</u>	<u>4,736</u>	<u>(3,047)</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	36,900	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>36,900</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>20,443</u>	<u>(1,049)</u>	<u>6,379</u>	<u>4,736</u>	<u>(3,047)</u>
FUND BALANCES, October 1, 2018	<u>1,390,143</u>	<u>251,235</u>	<u>152</u>	<u>256,647</u>	<u>47,903</u>
FUND BALANCES, September 30, 2019	<u>\$1,410,586</u>	<u>\$ 250,186</u>	<u>\$ 6,531</u>	<u>\$ 261,383</u>	<u>\$ 44,856</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, 2019

	<u>Special Revenue Funds</u>			
	<u>E911 System</u>	<u>Tourist Development</u>	<u>Communication Improvement</u>	<u>Economic Development</u>
<u>REVENUES</u>				
Taxes	\$ -	\$ 584,272	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	359,749	-	-	-
Charges For Services	-	-	31,216	-
Fines and Forfeitures	-	-	26,557	-
Special Assessments	-	-	-	-
Miscellaneous Revenue	9,907	20,545	11,137	1,553
TOTAL REVENUES	<u>369,656</u>	<u>604,817</u>	<u>68,910</u>	<u>1,553</u>
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	281,747	-	92,544	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	408,250	-	179,500
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	114,236	-
Interest and Fiscal Charges	-	-	7,184	-
TOTAL EXPENDITURES	<u>281,747</u>	<u>408,250</u>	<u>213,964</u>	<u>179,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>87,909</u>	<u>196,567</u>	<u>(145,054)</u>	<u>(177,947)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	186,141	107,954
Transfers Out	(766,362)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(766,362)</u>	<u>-</u>	<u>186,141</u>	<u>107,954</u>
NET CHANGE IN FUND BALANCES	(678,453)	196,567	41,087	(69,993)
FUND BALANCES, October 1, 2018	<u>767,457</u>	<u>1,076,373</u>	<u>4,354</u>	<u>95,364</u>
FUND BALANCES, September 30, 2019	<u>\$ 89,004</u>	<u>\$ 1,272,940</u>	<u>\$ 45,441</u>	<u>\$ 25,371</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, 2019

	<u>Special Revenue Funds</u>			
	<u>Miscellaneous Grants</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	367,260	-	-	356,593
Charges For Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Special Assessments	-	244,056	136,469	-
Miscellaneous Revenue	141	2,957	2,088	82,061
TOTAL REVENUES	<u>367,401</u>	<u>247,013</u>	<u>138,557</u>	<u>438,654</u>
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	202,305	-	-	-
Physical Environment	-	-	-	-
Transportation	-	267,122	138,450	-
Economic Environment	-	-	-	273,361
Culture/Recreation	165,096	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	<u>367,401</u>	<u>267,122</u>	<u>138,450</u>	<u>273,361</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(20,109)</u>	<u>107</u>	<u>165,293</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>-</u>	<u>(20,109)</u>	<u>107</u>	<u>165,293</u>
FUND BALANCES, October 1, 2018	<u>-</u>	<u>176,960</u>	<u>121,887</u>	<u>1,175,438</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ 156,851</u>	<u>\$ 121,994</u>	<u>\$ 1,340,731</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, 2019

	<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	-	44,267	34,837	-
Fines and Forfeitures	-	-	-	-
Special Assessments	101,862	-	-	-
Miscellaneous Revenue	7,415	347	3,674	740,927
TOTAL REVENUES	109,277	44,614	38,511	740,927
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	-	-	-	579,982
Physical Environment	-	25,239	19,808	-
Transportation	101,360	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	101,360	25,239	19,808	579,982
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,917	19,375	18,703	160,945
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	-	-
Transfers Out	-	(37,810)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(37,810)	-	-
NET CHANGE IN FUND BALANCES	7,917	(18,435)	18,703	160,945
FUND BALANCES, October 1, 2018	490,326	18,435	252,775	384,243
FUND BALANCES, September 30, 2019	<u>\$ 498,243</u>	<u>\$ -</u>	<u>\$ 271,478</u>	<u>\$ 545,188</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, 2019

	<u>Special Revenue Funds</u>				
	<u>Federal Forfeiture</u>	<u>Records Modernization</u>	<u>Article V Records Modernization</u>	<u>Court Fund</u>	<u>Supervisor of Elections Grants</u>
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	855,370	24,310
Charges For Services	-	32,806	93,562	779,072	-
Fines and Forfeitures	171,842	-	-	192,944	-
Special Assessments	-	-	-	-	-
Miscellaneous Revenue	-	3,507	15,221	7,336	12
TOTAL REVENUES	<u>171,842</u>	<u>36,313</u>	<u>108,783</u>	<u>1,834,722</u>	<u>24,322</u>
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	12,197	-	-	37,413
Public Safety	2,388	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	18,295	1,834,722	-
Capital Outlay	-	-	-	-	8,660
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>2,388</u>	<u>12,197</u>	<u>18,295</u>	<u>1,834,722</u>	<u>46,073</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>169,454</u>	<u>24,116</u>	<u>90,488</u>	<u>-</u>	<u>(21,751)</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>169,454</u>	<u>24,116</u>	<u>90,488</u>	<u>-</u>	<u>(21,751)</u>
FUND BALANCES, October 1, 2018	<u>141,500</u>	<u>286,351</u>	<u>1,115,945</u>	<u>-</u>	<u>66,498</u>
FUND BALANCES, September 30, 2019	<u>\$ 310,954</u>	<u>\$ 310,467</u>	<u>\$1,206,433</u>	<u>\$ -</u>	<u>\$ 44,747</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, 2019

	<u>Debt</u> <u>Service Funds</u>		<u>Capital</u> <u>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>County</u> <u>Jail</u>	<u>MSBU</u> <u>Loan</u>	<u>Capital</u> <u>Projects</u>	
<u>REVENUES</u>				
Taxes	\$ -	\$ -	\$ -	\$ 6,307,451
Licenses and Permits	-	-	-	50,460
Intergovernmental Revenue	-	-	1,692,467	6,454,315
Charges For Services	-	-	-	1,522,593
Fines and Forfeitures	-	-	-	459,341
Special Assessments	-	29,781	-	512,168
Miscellaneous Revenue	11,430	1,126	-	1,039,566
TOTAL REVENUES	11,430	30,907	1,692,467	16,345,894
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	49,610
Public Safety	-	-	-	4,384,318
Physical Environment	-	-	-	135,315
Transportation	-	-	-	5,251,580
Economic Environment	-	-	-	861,111
Culture/Recreation	-	-	-	165,096
Court Related	-	-	-	2,130,266
Capital Outlay	-	-	1,972,681	1,981,341
Debt Service:				
Principal Retirement	246,300	-	-	482,252
Interest and Fiscal Charges	546,713	420	-	569,537
TOTAL EXPENDITURES	793,013	420	1,972,681	16,010,426
EXCESS (DEFICIENCY) OF				
REVENUES OVER EXPENDITURES	(781,583)	30,487	(280,214)	335,468
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	872,520	-	280,214	1,700,015
Transfers Out	-	(102,761)	-	(1,020,780)
TOTAL OTHER FINANCING				
SOURCES (USES)	872,520	(102,761)	280,214	679,235
NET CHANGE IN FUND BALANCES	90,937	(72,274)	-	1,014,703
FUND BALANCES, October 1, 2018	597,604	72,274	-	10,932,650
FUND BALANCES, September 30, 2019	\$ 688,541	\$ -	\$ -	\$ 11,947,353

(concluded)

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – County Transportation
For the Year Ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u> <u>Budget</u>
<u>REVENUES</u>				
Taxes	\$ 2,116,019	\$ 2,116,019	\$ 2,216,735	\$ 100,716
Licenses and Permits	3,000	3,000	6,014	3,014
Intergovernmental Revenue	2,337,886	2,337,886	2,545,147	207,261
Charges for Services	224,342	224,342	264,423	40,081
Miscellaneous Revenue	23,000	23,000	41,563	18,563
TOTAL REVENUES	4,704,247	4,704,247	5,073,882	369,635
<u>EXPENDITURES</u>				
Current:				
Transportation	5,298,011	5,404,659	4,744,648	660,011
Debt Service:				
Principal Retirement	239,899	239,899	121,716	118,183
Interest and Fiscal Charges	33,975	33,975	15,220	18,755
TOTAL EXPENDITURES	5,571,885	5,678,533	4,881,584	796,949
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(867,638)	(974,286)	192,298	1,166,584
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	53,581	160,229	204,542	44,313
Transfers Out	(30,300)	(30,300)	(30,300)	-
NET CHANGE IN FUND BALANCES	(844,357)	(844,357)	366,540	1,210,897
FUND BALANCES, October 1, 2018	844,357	844,357	1,181,406	337,049
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 1,547,946	\$ 1,547,946

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Fishing Improvement Fund
For the Year Ended September 30, 2019

	<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	\$ 40,750	\$ 40,750	\$ 44,446	\$ 3,696
Intergovernmental Revenue	-	48,600	48,600	-
Miscellaneous Revenue	1,500	1,500	5,765	4,265
TOTAL REVENUES	42,250	90,850	98,811	7,961
<u>EXPENDITURES</u>				
Current:				
Physical Environment	226,100	274,700	90,268	184,432
Reserve for Contingencies	191,954	191,954	-	191,954
TOTAL EXPENDITURES	418,054	466,654	90,268	376,386
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(375,804)	(375,804)	8,543	384,347
FUND BALANCES, October 1, 2018	375,804	375,804	391,683	15,879
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 400,226	\$ 400,226

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, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 3,460,917	\$ 3,460,917	\$ 3,506,444	\$ 45,527
Intergovernmental Revenue	188,500	188,500	204,819	16,319
Miscellaneous Revenue	3,000	3,000	36,423	33,423
TOTAL REVENUES	<u>3,652,417</u>	<u>3,652,417</u>	<u>3,747,686</u>	<u>95,269</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	3,737,617	3,737,617	3,104,406	633,211
Reserve for Contingencies	83,553	83,553	-	83,553
TOTAL EXPENDITURES	<u>3,821,170</u>	<u>3,821,170</u>	<u>3,104,406</u>	<u>716,764</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(168,753)</u>	<u>(168,753)</u>	<u>643,280</u>	<u>812,033</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	2,300	2,300	11,744	9,444
Transfers Out	(83,547)	(83,547)	(83,547)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(81,247)</u>	<u>(81,247)</u>	<u>(71,803)</u>	<u>9,444</u>
NET CHANGE IN FUND BALANCES	(250,000)	(250,000)	571,477	821,477
FUND BALANCES, October 1, 2018	<u>250,000</u>	<u>250,000</u>	<u>491,260</u>	<u>241,260</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,062,737</u>	<u>\$ 1,062,737</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, 2019

	<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	\$ 20,000	\$ 20,000	\$ 19,337	\$ (663)
Miscellaneous Revenue	150	150	602	452
TOTAL REVENUES	<u>20,150</u>	<u>20,150</u>	<u>19,939</u>	<u>(211)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	63,432	63,432	64,319	(887)
Reserve for Contingencies	6,718	6,718	-	6,718
TOTAL EXPENDITURES	<u>70,150</u>	<u>70,150</u>	<u>64,319</u>	<u>5,831</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(50,000)	(50,000)	(44,380)	5,620
FUND BALANCES, October 1, 2018	<u>50,000</u>	<u>50,000</u>	<u>76,071</u>	<u>26,071</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,691</u>	<u>\$ 31,691</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, 2019

	<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	\$ 13,000	\$ 13,000	\$ 13,101	\$ 101
Miscellaneous Revenue	200	200	49	(151)
TOTAL REVENUES	<u>13,200</u>	<u>13,200</u>	<u>13,150</u>	<u>(50)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>14,389</u>	<u>14,389</u>	<u>12,688</u>	<u>1,701</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,189)	(1,189)	462	1,651
FUND BALANCES, October 1, 2018	<u>1,189</u>	<u>1,189</u>	<u>2,366</u>	<u>1,177</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,828</u>	<u>\$ 2,828</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, 2019

	<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	\$ 95,000	\$ 95,000	\$ 94,055	\$ (945)
Miscellaneous Revenue	5,000	5,000	25,865	20,865
TOTAL REVENUES	100,000	100,000	119,920	19,920
<u>EXPENDITURES</u>				
Current:				
Court Related	241,000	302,123	99,477	202,646
Reserve for Contingencies	1,209,000	1,147,877	-	1,147,877
TOTAL EXPENDITURES	1,450,000	1,450,000	99,477	1,350,523
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,350,000)	(1,350,000)	20,443	1,370,443
FUND BALANCES, October 1, 2018	1,350,000	1,350,000	1,390,143	40,143
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 1,410,586	\$ 1,410,586

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Drivers Education Fund
For the Year Ended September 30, 2019

	<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	\$ 16,000	\$ 16,000	\$ 15,319	\$ (681)
Miscellaneous Revenue	1,000	1,000	3,632	2,632
TOTAL REVENUES	<u>17,000</u>	<u>17,000</u>	<u>18,951</u>	<u>1,951</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	25,000	25,000	20,000	5,000
Reserve for Contingencies	242,000	242,000	-	242,000
TOTAL EXPENDITURES	<u>267,000</u>	<u>267,000</u>	<u>20,000</u>	<u>247,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(250,000)	(250,000)	(1,049)	248,951
FUND BALANCES, October 1, 2018	<u>250,000</u>	<u>250,000</u>	<u>251,235</u>	<u>1,235</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,186</u>	<u>\$ 250,186</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, 2019

	<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	\$ 42,000	\$ 49,868	\$ 49,869	\$ 1
Miscellaneous Revenue	100	100	67	(33)
TOTAL REVENUES	42,100	49,968	49,936	(32)
<u>EXPENDITURES</u>				
Current:				
Court Related	79,000	86,868	80,457	6,411
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(36,900)	(36,900)	(30,521)	6,379
<u>OTHER FINANCING USES</u>				
Transfers In	36,900	36,900	36,900	-
NET CHANGE IN FUND BALANCES	-	-	6,379	6,379
FUND BALANCES, October 1, 2018	-	-	152	152
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 6,531	\$ 6,531

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Technology Fund
For the Year Ended September 30, 2019

	<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	\$ 85,000	\$ 85,000	\$ 98,486	\$ 13,486
Miscellaneous Revenue	2,500	2,500	3,565	1,065
TOTAL REVENUES	<u>87,500</u>	<u>87,500</u>	<u>102,051</u>	<u>14,551</u>
<u>EXPENDITURES</u>				
Current:				
Court Related	<u>301,161</u>	<u>301,161</u>	<u>97,315</u>	<u>203,846</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(213,661)	(213,661)	4,736	218,397
FUND BALANCES, October 1, 2018	<u>213,661</u>	<u>213,661</u>	<u>256,647</u>	<u>42,986</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 261,383</u>	<u>\$ 261,383</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, 2019

	<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	\$ 17,000	\$ 17,000	\$ 20,241	\$ 3,241
Miscellaneous Revenue	100	100	651	551
TOTAL REVENUES	<u>17,100</u>	<u>17,100</u>	<u>20,892</u>	<u>3,792</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	50,000	50,000	23,939	26,061
Reserve for Contingencies	<u>2,830</u>	<u>2,830</u>	<u>-</u>	<u>2,830</u>
TOTAL EXPENDITURES	<u>52,830</u>	<u>52,830</u>	<u>23,939</u>	<u>28,891</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(35,730)	(35,730)	(3,047)	32,683
FUND BALANCES, October 1, 2018	<u>35,730</u>	<u>35,730</u>	<u>47,903</u>	<u>12,173</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,856</u>	<u>\$ 44,856</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, 2019

	<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	\$ 264,600	\$ 332,338	\$ 359,749	\$ 27,411
Miscellaneous Revenue	-	-	9,907	9,907
TOTAL REVENUES	264,600	332,338	369,656	37,318
<u>EXPENDITURES</u>				
Current:				
Public Safety	745,606	330,151	281,747	48,404
Reserve for Contingencies	3,281	3,281	-	3,281
TOTAL EXPENDITURES	748,887	333,432	281,747	51,685
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(484,287)	(1,094)	87,909	89,003
<u>OTHER FINANCING USES</u>				
Transfers Out	(100,000)	(766,362)	(766,362)	-
NET CHANGE IN FUND BALANCES	(584,287)	(767,456)	(678,453)	89,003
FUND BALANCES, October 1, 2018	584,287	767,456	767,457	1
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 89,004	\$ 89,004

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Tourist Development Fund
For the Year Ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 448,404	\$ 448,404	\$ 584,272	\$ 135,868
Miscellaneous Revenue	5,000	5,000	20,545	15,545
TOTAL REVENUES	<u>453,404</u>	<u>453,404</u>	<u>604,817</u>	<u>151,413</u>
<u>EXPENDITURES</u>				
Current:				
Economic Environment	448,904	648,904	408,250	240,654
Reserve for Contingencies	984,139	784,139	-	784,139
TOTAL EXPENDITURES	<u>1,433,043</u>	<u>1,433,043</u>	<u>408,250</u>	<u>1,024,793</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(979,639)</u>	<u>(979,639)</u>	<u>196,567</u>	<u>1,176,206</u>
FUND BALANCES, October 1, 2018	<u>979,639</u>	<u>979,639</u>	<u>1,076,373</u>	<u>96,734</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,272,940</u>	<u>\$ 1,272,940</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, 2019

	<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	\$ 28,814	\$ 28,814	\$ 31,216	\$ 2,402
Fines and Forfeitures	22,000	22,000	26,557	4,557
Miscellaneous Revenue	100	100	11,137	11,037
TOTAL REVENUES	<u>50,914</u>	<u>50,914</u>	<u>68,910</u>	<u>17,996</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	116,489	116,489	92,544	23,945
Debt Service:				
Principal	114,236	114,236	114,236	-
Interest and Fiscal Charges	6,330	6,330	7,184	(854)
TOTAL EXPENDITURES	<u>237,055</u>	<u>237,055</u>	<u>213,964</u>	<u>23,091</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(186,141)	(186,141)	(145,054)	41,087
<u>OTHER FINANCING SOURCES</u>				
Transfers In	186,141	186,141	186,141	-
NET CHANGE IN FUND BALANCES	-	-	41,087	41,087
FUND BALANCES, October 1, 2018	<u>-</u>	<u>-</u>	<u>4,354</u>	<u>4,354</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,441</u>	<u>\$ 45,441</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, 2019

	<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	\$ 800	\$ 800	\$ 1,553	\$ 753
<u>EXPENDITURES</u>				
Current:				
Economic Environment	<u>198,754</u>	<u>198,754</u>	<u>179,500</u>	<u>19,254</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(197,954)	(197,954)	(177,947)	20,007
<u>OTHER FINANCING SOURCES</u>				
Transfers In	<u>107,954</u>	<u>107,954</u>	<u>107,954</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(90,000)	(90,000)	(69,993)	20,007
FUND BALANCES, October 1, 2018	<u>90,000</u>	<u>90,000</u>	<u>95,364</u>	<u>5,364</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,371</u>	<u>\$ 25,371</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Miscellaneous Grants Fund
For the Year Ended September 30, 2019

	<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	\$ 497,943	\$ 497,943	\$ 367,260	\$ (130,683)
Miscellaneous Revenue	-	-	141	141
TOTAL REVENUES	<u>497,943</u>	<u>497,943</u>	<u>367,401</u>	<u>(130,542)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	280,143	280,143	202,305	77,838
Culture/Recreation	217,800	217,800	165,096	52,704
TOTAL EXPENDITURES	<u>497,943</u>	<u>497,943</u>	<u>367,401</u>	<u>130,542</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2018	-	-	-	-
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2019

	<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	\$ 205,000	\$ 205,000	\$ 244,056	\$ 39,056
Miscellaneous Revenue	650	650	2,957	2,307
TOTAL REVENUES	<u>205,650</u>	<u>205,650</u>	<u>247,013</u>	<u>41,363</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	<u>314,656</u>	<u>314,656</u>	<u>267,122</u>	<u>47,534</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(109,006)	(109,006)	(20,109)	88,897
FUND BALANCES, October 1, 2018	<u>109,006</u>	<u>109,006</u>	<u>176,960</u>	<u>67,954</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,851</u>	<u>\$ 156,851</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, 2019

	<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	\$ 130,000	\$ 130,000	\$ 136,469	\$ 6,469
Miscellaneous Revenue	480	480	2,088	1,608
TOTAL REVENUES	130,480	130,480	138,557	8,077
<u>EXPENDITURES</u>				
Current:				
Transportation	201,596	201,596	138,450	63,146
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(71,116)	(71,116)	107	(55,069)
FUND BALANCES, October 1, 2018	71,116	71,116	121,887	50,771
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 121,994	\$ 121,994

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, 2019

	<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	\$ -	\$ -	\$ 356,593	\$ 356,593
Miscellaneous Revenue	-	-	82,061	82,061
TOTAL REVENUES	-	-	438,654	438,654
<u>EXPENDITURES</u>				
Current:				
Economic Environment	1,000,000	1,000,000	273,361	726,639
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,000,000)	(1,000,000)	165,293	1,165,293
FUND BALANCES, October 1, 2018	1,000,000	1,000,000	1,175,438	175,438
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 1,340,731	\$ 1,340,731

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – MSBU Fund
For the Year Ended September 30, 2019

	<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	\$ 105,000	\$ 105,000	\$ 101,862	\$ (3,138)
Miscellaneous Revenue	500	500	7,415	6,915
TOTAL REVENUES	<u>105,500</u>	<u>105,500</u>	<u>109,277</u>	<u>3,777</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	221,290	221,290	101,360	119,930
Reserve for Contingencies	351,216	351,216	-	351,216
TOTAL EXPENDITURES	<u>572,506</u>	<u>572,506</u>	<u>101,360</u>	<u>471,146</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(467,006)	(467,006)	7,917	474,923
FUND BALANCES, October 1, 2018	<u>467,006</u>	<u>467,006</u>	<u>490,326</u>	<u>23,320</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 498,243</u>	<u>\$ 498,243</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, 2019

	<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	\$ 43,750	\$ 44,267	\$ 44,267	\$ -
Miscellaneous Revenue	100	348	347	(1)
TOTAL REVENUES	<u>43,850</u>	<u>44,615</u>	<u>44,614</u>	<u>(1)</u>
<u>EXPENDITURES</u>				
Current:				
Physical Environment	26,459	25,239	25,239	-
Reserve for Contingencies	34,533	-	-	-
TOTAL EXPENDITURES	<u>60,992</u>	<u>25,239</u>	<u>25,239</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(17,142)</u>	<u>19,376</u>	<u>19,375</u>	<u>(1)</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers out	-	(37,810)	(37,810)	-
FUND BALANCES, October 1, 2018	<u>17,142</u>	<u>18,434</u>	<u>18,435</u>	<u>1</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2019

	<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	\$ 32,500	\$ 32,500	\$ 34,837	\$ 2,337
Miscellaneous Revenue	500	500	3,674	3,174
TOTAL REVENUES	33,000	33,000	38,511	5,511
<u>EXPENDITURES</u>				
Current:				
Physical Environment	31,200	31,200	19,808	11,392
Reserve for Contingencies	247,795	247,795	-	247,795
TOTAL EXPENDITURES	278,995	278,995	19,808	259,187
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(245,995)	(245,995)	18,703	264,698
FUND BALANCES, October 1, 2018	245,995	245,995	252,775	6,780
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 271,478	\$ 271,478

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Commissary Fund
For the Year Ended September 30, 2019

	<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	\$ 558,574	\$ 740,930	\$ 740,927	\$ (3)
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>558,574</u>	<u>740,930</u>	<u>579,982</u>	<u>160,948</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	160,945	160,945
FUND BALANCES, October 1, 2018	<u>-</u>	<u>-</u>	<u>384,243</u>	<u>384,243</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 545,188</u>	<u>\$ 545,188</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, 2019

	<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	\$ 11,000	\$ 344,625	\$ 171,842	\$ (172,783)
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>11,000</u>	<u>344,625</u>	<u>2,388</u>	<u>342,237</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	169,454	169,454
FUND BALANCES, October 1, 2018	<u>-</u>	<u>-</u>	<u>141,500</u>	<u>141,500</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,954</u>	<u>\$ 310,954</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, 2019

	<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	\$ 32,806	\$ 2,806
Miscellaneous Revenue	1,840	1,840	3,507	1,667
TOTAL REVENUES	31,840	31,840	36,313	4,473
<u>EXPENDITURES</u>				
Current:				
General Government Services	90,000	90,000	12,197	77,803
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(58,160)	(58,160)	24,116	82,276
FUND BALANCES, October 1, 2018	58,160	58,160	286,351	228,191
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 310,467	\$ 310,467

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, 2019

	<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	\$ 90,000	\$ 90,000	\$ 93,562	\$ 3,562
Miscellaneous Revenue	5,700	5,700	15,221	9,521
TOTAL REVENUES	95,700	95,700	108,783	13,083
<u>EXPENDITURES</u>				
Current:				
Court Related	272,205	272,205	18,295	253,910
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(176,505)	(176,505)	90,488	266,993
FUND BALANCES, October 1, 2018	176,505	176,505	1,115,945	939,440
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 1,206,433	\$ 1,206,433

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Fund
For the Year Ended September 30, 2019

	<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	\$ 1,015,230	\$ 1,015,230	\$ 855,370	\$ (159,860)
Charges for Services	694,315	694,315	779,072	84,757
Fines and Forfeitures	149,400	149,400	192,944	43,544
Miscellaneous Revenue	3,780	3,780	7,336	3,556
TOTAL REVENUES	1,862,725	1,862,725	1,834,722	(28,003)
<u>EXPENDITURES</u>				
Current:				
Court Related	1,862,725	1,862,725	1,834,722	28,003
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2018	-	-	-	-
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ -	\$ -

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, 2019

	<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	\$ 64,795	\$ 64,795	\$ 24,310	\$ (40,485)
Miscellaneous Revenues	-	-	12	12
TOTAL REVENUES	64,795	64,795	24,322	(40,473)
<u>EXPENDITURES</u>				
Current:				
General Government Services	64,795	64,795	37,413	27,382
Capital Outlay - General Government	-	-	8,660	(8,660)
TOTAL EXPENDITURES	64,795	64,795	46,073	18,722
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(21,751)	(21,751)
FUND BALANCES, October 1, 2018	-	-	66,498	66,498
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,747</u>	<u>\$ 44,747</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual-County Jail Fund
For the Year Ended September 30, 2019

	<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	\$ 1,250	\$ 1,250	\$ 11,430	\$ 10,180
<u>EXPENDITURES</u>				
Current:				
Reserve for Contingencies	677,346	677,346	-	677,346
Debt Service:				
Principal Retirement	246,300	246,300	246,300	-
Interest and Fiscal Charges	546,713	546,713	546,713	-
TOTAL EXPENDITURES	<u>1,470,359</u>	<u>1,470,359</u>	<u>793,013</u>	<u>677,346</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,469,109)	(1,469,109)	(781,583)	687,526
<u>OTHER FINANCING SOURCES</u>				
Transfers In	872,520	872,520	872,520	-
NET CHANGE IN FUND BALANCES	(596,589)	(596,589)	90,937	687,526
FUND BALANCES, October 1, 2018	<u>596,589</u>	<u>596,589</u>	<u>597,604</u>	<u>1,015</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 688,541</u>	<u>\$ 688,541</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – MSBU Loan Fund
For the Year Ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Special Assessments	\$ -	\$ 29,781	\$ 29,781	\$ -
Miscellaneous Revenue	-	1,126	1,126	-
TOTAL REVENUES	-	30,907	30,907	-
<u>EXPENDITURES</u>				
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	71,035	420	420	-
TOTAL EXPENDITURES	71,035	420	420	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(71,035)	30,487	30,487	-
<u>OTHER FINANCING USES</u>				
Transfers Out	-	(102,761)	(102,761)	-
FUND BALANCES, October 1, 2018	71,035	72,274	72,274	-
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Capital Projects Fund
For the Year Ended September 30, 2019

	<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	\$ 1,713,631	\$ 1,713,631	\$ 1,692,467	\$ (21,164)
<u>EXPENDITURES</u>				
Capital Outlay-Public Safety	1,713,631	2,013,631	1,972,681	40,950
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(300,000)	(280,214)	19,786
<u>OTHER FINANCING USES</u>				
Transfers In	-	300,000	280,214	(19,786)
FUND BALANCES, October 1, 2018	-	-	-	-
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Road Projects Fund
For the Year Ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,159,905	\$ 1,159,905	\$ 1,234,678	\$ 74,773
Intergovernmental Revenue	7,623,612	8,559,633	4,760,975	(3,798,658)
Miscellaneous Revenue	187,000	187,000	408,789	221,789
TOTAL REVENUES	8,970,517	9,906,538	6,404,442	(3,502,096)
<u>EXPENDITURES</u>				
Capital Outlay-Transportation	11,056,317	11,992,338	8,459,512	3,532,826
Reserve for Contingencies	800,000	800,000	-	800,000
TOTAL EXPENDITURES	11,856,317	12,792,338	8,459,512	4,332,826
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,885,800)	(2,885,800)	(2,055,070)	830,730
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	85,800	85,800	303,999	218,199
Transfer Out	-	-	(120,434)	(120,434)
TOTAL OTHER FINANCING SOURCES (USES)	85,800	85,800	183,565	97,765
NET CHANGE IN FUND BALANCES	(2,800,000)	(2,800,000)	(1,871,505)	1,048,929
FUND BALANCES, October 1, 2018	2,800,000	2,800,000	2,964,795	164,795
FUND BALANCES, September 30, 2019	\$ -	\$ -	\$ 1,093,290	\$ 1,093,290

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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 6,113,591	\$ 6,113,591	\$ 6,100,849	\$ (12,742)
Miscellaneous Revenue	50,000	50,000	131,196	81,196
TOTAL REVENUES	<u>6,163,591</u>	<u>6,163,591</u>	<u>6,232,045</u>	<u>68,454</u>
<u>EXPENDITURES</u>				
Capital Outlay:				
General Government	50,000	50,000	-	50,000
Public Safety	2,853,573	2,853,573	776,643	2,076,930
Physical Environment	-	51,443	40,300	11,143
Transportation	5,375,082	5,375,082	3,298,833	2,076,249
Culture & Recreation	275,000	275,000	32,564	242,436
Reserve for Contingencies	1,645,991	1,196,985	-	1,196,985
TOTAL EXPENDITURES	<u>10,199,646</u>	<u>9,802,083</u>	<u>4,148,340</u>	<u>5,653,743</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,036,055)	(3,638,492)	2,083,705	5,722,197
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	120,434	120,434
Transfers Out	(2,063,945)	(2,461,508)	(2,209,731)	251,777
NET CHANGE IN FUND BALANCES	(6,100,000)	(6,100,000)	(5,592)	6,094,408
FUND BALANCES, October 1, 2018	<u>6,100,000</u>	<u>6,100,000</u>	<u>6,311,437</u>	<u>211,437</u>
FUND BALANCES, September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,305,845</u>	<u>\$ 6,305,845</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, 2019

	Water Services Department	Waste-Water Services Department	Total
<u>ASSETS</u>			
CURRENT ASSETS:			
Cash and Equivalents	\$ 597,378	\$ -	\$ 597,378
Receivables, Net	119,476	37,322	156,798
Due From Other Governments	9,937	235,850	245,787
TOTAL CURRENT ASSETS	726,791	273,172	999,963
NONCURRENT ASSETS:			
Restricted Cash and Equivalents	776,475	115,165	891,640
Capital Assets, Net	24,791,536	16,394,947	41,186,483
TOTAL NONCURRENT ASSETS	25,568,011	16,510,112	42,078,123
TOTAL ASSETS	26,294,802	16,783,284	43,078,086
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
OPEB	2,354	-	2,354
Pensions	42,053	-	42,053
TOTAL DEFERRED OUTFLOWS	44,407	-	44,407
<u>LIABILITIES</u>			
CURRENT LIABILITIES:			
Accounts Payable & Accrued Liabilities	154,442	22,036	176,478
Retainage & Capital Related Liabilities	44,941	376,874	421,815
Deposits	71,150	1,890	73,040
Current Portion of Compensated Absences	12,960	-	12,960
Current Portion of Net Pension Liability	418	-	418
Current Portion of Long-Term Debt	600,950	112,209	713,159
TOTAL CURRENT LIABILITIES	884,861	513,009	1,397,870
NONCURRENT LIABILITIES			
Compensated Absences	11,040	-	11,040
Notes Payable	5,182,179	770,861	5,953,040
Revenue Bonds	5,490,000	3,075,000	8,565,000
OPEB	20,018	-	20,018
Net Pension Liability	131,696	-	131,696
TOTAL NONCURRENT LIABILITIES	10,834,933	3,845,861	14,680,794
TOTAL LIABILITIES	11,719,794	4,358,870	16,078,664
<u>DEFERRED INFLOWS OF RESOURCES</u>			
OPEB	2,973	-	2,973
Pensions	14,965	-	14,965
TOTAL DEFERRED INFLOWS	17,938	-	17,938
<u>NET POSITION</u>			
Net Investment in Capital Assets	13,473,466	12,060,003	25,533,469
Unrestricted	1,128,011	364,411	1,492,422
TOTAL NET POSITION	\$ 14,601,477	\$ 12,424,414	\$ 27,025,891

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, 2019

	<u>Water Services Department</u>	<u>Waste-Water Services Department</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
User Fees and Assessments	\$ 615,991	\$ 318,744	\$ 934,735
Miscellaneous	21,048	-	21,048
TOTAL OPERATING REVENUES	<u>637,039</u>	<u>318,744</u>	<u>955,783</u>
<u>OPERATING EXPENSES</u>			
Personal Services	199,474	-	199,474
Contractual Services	2,854	2,932	5,786
Repairs and Maintenance	96,958	7,182	104,140
Other Operating Expenses	196,655	65,288	261,943
Depreciation	816,441	405,032	1,221,473
TOTAL OPERATING EXPENSES	<u>1,312,382</u>	<u>480,434</u>	<u>1,792,816</u>
OPERATING INCOME (LOSS)	<u>(675,343)</u>	<u>(161,690)</u>	<u>(837,033)</u>
<u>NON OPERATING REVENUES (EXPENSES)</u>			
Interest Revenue	13,233	1,004	14,237
Interest Expense	(406,421)	(100,637)	(507,058)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(393,188)</u>	<u>(99,633)</u>	<u>(492,821)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(1,068,531)</u>	<u>(261,323)</u>	<u>(1,329,854)</u>
Capital Contributions - Grants	844,541	425,850	1,270,391
Transfers In	847,962	283,060	1,131,022
CHANGE IN NET POSITION	<u>\$ 623,972</u>	<u>\$ 447,587</u>	<u>\$ 1,071,559</u>
NET POSITION, Beginning of Year			<u>\$ 25,954,332</u>
NET POSITION, End of Year			<u><u>\$ 27,025,891</u></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, 2019

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>CURRENT ASSETS</u>				
Cash and Equivalents	\$ 147,587	\$ 293,532	\$ 1,777,312	\$ 2,218,431
Receivables	-	695	24,842	25,537
Due from Other Governments	1,209	118,481	-	119,690
Inventory	193,775	-	-	193,775
TOTAL CURRENT ASSETS	342,571	412,708	1,802,154	2,557,433
<u>NONCURRENT ASSETS</u>				
Capital Assets, Net	14,326	-	-	14,326
TOTAL ASSETS	356,897	412,708	1,802,154	2,571,759
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
OPEB	2,895	404	538	3,837
Pensions	79,746	11,579	13,442	104,767
TOTAL DEFERRED OUTFLOWS	82,641	11,983	13,980	108,604
<u>CURRENT LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	116,397	28,336	1,284,688	1,429,421
Estimated Liability for Self-Insured Losses	-	-	383,026	383,026
Compensated Absences	18,360	8,100	6,480	32,940
Net Pension Liability	792	115	134	1,041
TOTAL CURRENT LIABILITIES	135,549	36,551	1,674,328	1,846,428
<u>NONCURRENT LIABILITIES</u>				
Compensated Absences	15,640	6,900	5,520	28,060
Estimated Liability for Self Insured Losses	-	-	500,000	500,000
OPEB Liability	24,622	3,439	4,579	32,640
Net Pension Liability	249,737	36,260	42,096	328,093
TOTAL NONCURRENT LIABILITIES	289,999	46,599	552,195	888,793
TOTAL LIABILITIES	425,548	83,150	2,226,523	2,735,221
<u>DEFERRED INFLOWS OF RESOURCES</u>				
OPEB	3,656	511	680	4,847
Pensions	28,378	4,120	4,784	37,282
TOTAL DEFERRED INFLOWS	32,034	4,631	5,464	42,129
<u>NET POSITION</u>				
Net Investment in Capital Assets	14,326	-	-	14,326
Unrestricted	(32,370)	336,910	(415,853)	(111,313)
TOTAL NET POSITION	\$ (18,044)	\$ 336,910	\$ (415,853)	\$ (96,987)

Putnam County, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2019

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>OPERATING REVENUES</u>				
User Charges	\$ 1,338,597	\$ 5,879,238	\$ 1,527,706	\$ 8,745,541
Miscellaneous	2,919	1,206	103,264	107,389
TOTAL OPERATING REVENUES	<u>1,341,516</u>	<u>5,880,444</u>	<u>1,630,970</u>	<u>8,852,930</u>
<u>OPERATING EXPENSES</u>				
Personal Services	382,850	51,507	67,163	501,520
Insurance	14,427	5,834,258	773,608	6,622,293
Claims Expense	-	-	1,529,967	1,529,967
Contractual Services	476,543	16,193	-	492,736
Repairs and Maintenance	25,148	-	-	25,148
Other Operating Expenses	427,506	453	250	428,209
Depreciation Expense	11,696	-	-	11,696
TOTAL OPERATING EXPENSES	<u>1,338,170</u>	<u>5,902,411</u>	<u>2,370,988</u>	<u>9,611,569</u>
OPERATING INCOME (LOSS)	<u>3,346</u>	<u>(21,967)</u>	<u>(740,018)</u>	<u>(758,639)</u>
Transfers In	-	54,608	192,090	246,698
Transfers Out	(1,886)	-	-	(1,886)
CHANGE IN NET POSITION	1,460	32,641	(547,928)	(513,827)
NET POSITION, Beginning of Year	<u>(19,504)</u>	<u>304,269</u>	<u>132,075</u>	<u>416,840</u>
NET POSITION, End of Year	<u>\$ (18,044)</u>	<u>\$ 336,910</u>	<u>\$ (415,853)</u>	<u>\$ (96,987)</u>

Putnam County, Florida
Combining Statement of Cash Flows – Internal Service Funds
For the Year Ended September 30, 2019

	<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	\$ 1,341,126	\$ 5,915,407	\$ 1,608,760	\$ 8,865,293
Payments to Suppliers	(839,932)	(5,824,056)	(1,589,609)	(8,253,597)
Payments to Employees	(359,312)	(51,438)	(60,760)	(471,510)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>141,882</u>	<u>39,913</u>	<u>(41,609)</u>	<u>140,186</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Transfers In	-	54,608	192,090	246,698
Transfers Out	(1,886)	-	-	(1,886)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(1,886)</u>	<u>54,608</u>	<u>192,090</u>	<u>244,812</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	139,996	94,521	150,481	384,998
CASH AND EQUIVALENTS, October 1, 2018	<u>7,591</u>	<u>199,011</u>	<u>1,626,831</u>	<u>1,833,433</u>
CASH AND EQUIVALENTS, September 30, 2019	<u>\$ 147,587</u>	<u>\$ 293,532</u>	<u>\$ 1,777,312</u>	<u>\$ 2,218,431</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	3,346	(21,967)	(740,018)	(758,639)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	11,696	-	-	11,696
Changes in:				
Accounts Receivable	-	(695)	(24,842)	(25,537)
Due From Other Governments	(390)	35,658	-	35,268
Inventory	25,088	-	-	25,088
Deferred Outflows	14,295	3,651	1,913	19,859
Other Assets	-	-	2,632	2,632
Accounts Payable & Accrued Liabilities	80,098	27,113	604,164	711,375
Estimated Liability for Self Insured Losses	-	-	110,279	110,279
Compensated Absences	4,000	-	1,000	5,000
OPEB Liability	(7,944)	(1,213)	(73)	(9,230)
Net Pension Liability	10,974	(2,260)	2,954	11,668
Deferred Inflows	719	(374)	382	727
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 141,882</u>	<u>\$ 39,913</u>	<u>\$ (41,609)</u>	<u>\$ 140,186</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, 2019

	Clerk of the Circuit Court	Sheriff	Tax Collector	Totals
<u>ASSETS</u>				
Cash and Equivalents	\$ 1,042,982	\$ 78,379	\$ 1,887,708	\$ 3,009,069
Receivables	-	103	211,112	211,215
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 1,042,982</u>	<u>\$ 78,482</u>	<u>\$ 2,098,820</u>	<u>\$ 3,220,284</u>
<u>LIABILITIES</u>				
Assets Held for Others	<u>\$ 1,042,982</u>	<u>\$ 78,482</u>	<u>\$ 2,098,820</u>	<u>\$ 3,220,284</u>

Putnam County, Florida
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2019

	<u>Balance October 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2019</u>
<u>CLERK OF THE CIRCUIT COURT</u>				
Assets:				
Cash and Equivalents	\$ 1,366,675	\$ 5,631,994	\$ 5,955,687	\$ 1,042,982
Receivables	4,728	-	4,728	-
Total Assets	<u>1,371,403</u>	<u>5,631,994</u>	<u>5,960,415</u>	<u>1,042,982</u>
Liabilities:				
Assets Held for Others	<u>\$ 1,371,403</u>	<u>\$ 11,390,859</u>	<u>\$ 11,719,280</u>	<u>\$ 1,042,982</u>
<u>SHERIFF</u>				
Assets:				
Cash and Equivalents	\$ 132,265	\$ 1,208,904	\$ 1,262,790	\$ 78,379
Receivables	-	103	-	103
Total Assets	<u>132,265</u>	<u>1,209,007</u>	<u>1,262,790</u>	<u>78,482</u>
Liabilities:				
Assets Held for Others	<u>\$ 132,265</u>	<u>\$ 1,257,873</u>	<u>\$ 1,311,656</u>	<u>\$ 78,482</u>
<u>TAX COLLECTOR</u>				
Assets:				
Cash and Equivalents	\$ 1,669,580	\$ 69,538,954	\$ 69,320,826	\$ 1,887,708
Receivables	222,380	19,135,054	19,146,322	211,112
Total Assets	<u>\$ 1,891,960</u>	<u>\$ 88,674,008</u>	<u>\$ 88,467,148</u>	<u>\$ 2,098,820</u>
Liabilities:				
Assets Held for Others	<u>\$ 1,891,960</u>	<u>\$ 88,674,008</u>	<u>\$ 88,467,148</u>	<u>\$ 2,098,820</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and Equivalents	\$ 3,168,520	\$ 76,379,852	\$ 76,539,303	\$ 3,009,069
Receivables	227,108	19,135,157	19,151,050	211,215
Total Assets	<u>\$ 3,395,628</u>	<u>\$ 95,515,009</u>	<u>\$ 95,690,353</u>	<u>\$ 3,220,284</u>
Liabilities:				
Assets Held for Others	<u>\$ 3,395,628</u>	<u>\$ 101,322,740</u>	<u>\$ 101,498,084</u>	<u>\$ 3,220,284</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, 2019

ASSETS:

CURRENT ASSETS

Cash and Equivalents	\$ 192,033
Investments in Certificates of Deposits	114,898
TOTAL CURRENT ASSETS	306,931

NONCURRENT ASSETS

Non Depreciable Capital Assets	473,853
Depreciable Capital Assets, Net	73,516
TOTAL NONCURRENT ASSETS	547,369

TOTAL ASSETS	854,300
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LIABILITIES:

CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	184
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NET POSITION

Net Investment in Capital Assets	547,369
Unrestricted	306,931
TOTAL NET POSITION	\$ 854,116

Putnam County Development Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended September 30, 2019

<u>OPERATING REVENUES</u>	
Rent	\$ 10,505
Bond Fees	19,600
TOTAL OPERATING REVENUES	<u>30,105</u>
 <u>OPERATING EXPENSES</u>	
Contractual Services	21,050
Other Operating Expenses	1,630
Depreciation Expense	<u>3,956</u>
TOTAL OPERATING EXPENSES	<u>26,636</u>
OPERATING INCOME (LOSS)	<u>3,469</u>
 <u>NON OPERATING REVENUES</u>	
Interest Revenue	<u>1,490</u>
CHANGE IN NET POSITION	4,959
NET POSITION, October 1, 2018	<u>849,157</u>
NET POSITION, September 30, 2019	<u><u>\$ 854,116</u></u>

Putnam County Development Authority
Statement of Cash Flows
For the Year Ended September 30, 2019

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Customers	\$ 30,105
Payments to Suppliers	<u>(22,680)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>7,425</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest on Cash & Equivalents	<u>301</u>
CHANGE IN CASH AND EQUIVALENTS	7,726
CASH AND EQUIVALENTS, October 1, 2018	<u>184,307</u>
CASH AND EQUIVALENTS, September 30, 2019	<u><u>\$ 192,033</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	\$ 3,469
Depreciation	<u>3,956</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 7,425</u></u>
NONCASH INVESTING ACTIVITIES:	
Change in fair value of investments	\$ 1,189

Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2019

<u>Federal Agency</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Program Total</u>	<u>Expenditures to Subrecipients</u>
<u>DEPARTMENT OF AGRICULTURE</u>					
Emergency Watershed Protection Program	10.923	NR184209XXXXC025	\$ 594,220		-
<u>DEPARTMENT OF JUSTICE</u>					
Direct Assistance:					
State Criminal Alien Assistance Program	16.606	2019-AP-BX-0077	4,499		
Asset Forfeiture Program-Equitable Sharing	16.922	--	2,388		
Passed Through Office of Attorney General:					
Crime Victim Assistance	16.575	VOCA-2018-PCSO 0-00230	107,494		
Passed Through Florida Coalition Against Domestic Violence:					
Violence Against Women Formula Grant	16.588	19-8023-LE-ENH	51,861		
Violence Against Women Formula Grant	16.588	19-8023-LE-Equipment	15,986		
Violence Against Women Formula Grant	16.588	20-8023-LE-ENH	13,160	81,007	
Passed Through Bureau of Justice Assistance					
Bulletproof Vest Partnership	16.607	--	2,154		-
Passed Through Florida Depart. of Law Enforcement:					
Byrne Justice Assistance Grant Program	16.738	2017-MU-BX-0187	12,677		
Byrne Justice Assistance Grant Program	16.738	2017-DJ-BX-0683	23,925		
Byrne Justice Assistance Grant Program	16.738	2018-DJ-BX-0152	21,971	58,573	
<u>DEPARTMENT OF TRANSPORTATION</u>					
Passed Through Florida Department of Transportation:					
Highway Planning and Construction Cluster:					
- Sport Complex	20.205	433996-1-38-01	47,192		
Highway Planning and Construction Cluster:					
- Crescent City Bike Trail	20.205	430512-1-58-01 and 430512-1-68-40	12,956		-
Highway Planning and Construction Cluster:					
- Recreational Trails Program (Tanglewylde Park)	20.219	T15035	182,658		
Total Highway Planning and Construction Cluster				242,806	

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, 2019

<u>Federal Agency</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Program Total</u>	<u>Expenditures to Subrecipients</u>
<u>GENERAL SERVICES ADMINISTRATION</u>					
Passed Through State Department of Management Services:					
Federal Surplus Property	39.003	--	5,760		-
<u>ELECTIONS ASSISTANCE COMMISSION</u>					
Passed Through Department of State, Division of Elections					
HAVA Title II Voting Systems Assistance	90.401	MOA 2012-2013-001-PUT	5,228		
HAVA Title II Voting Systems Assistance	90.401	MOA 2015-2016-0006-PUT	25,555		
HAVA Title II Voting Systems Assistance	90.401	MOA 2016-2017-001-PUT	6,632		
HAVA Title II Voting Systems Assistance	90.401	MOA 2018-2019-001-PUT	8,660		-
HAVA Title II Voting Systems Assistance	90.401	MOA 2018-2019-004-PUT	1,243	47,318	
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
Passed Through State Department of Revenue:					
Child Support Enforcement - Title IV-D Reimbursements	93.563	CSS90/1901 FLCSES	277,592		-
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>					
Office of National Drug Control and Policy					
Passed Through St. Johns County, Florida:					
HIDTA - DEA Task Force Overtime	95.001	DEAOTF	18,378	18,378	-
<u>DEPARTMENT OF HOMELAND SECURITY</u>					
Passed Through State Division of Emergency Management:					
Disaster Grants - Public Assist. - Hurricane Irma	97.036	PA-00-04-64-02-042	2,869,770		
Disaster Grants - Public Assist. - Hurricane Irma	97.036	8402F/Z0005	9,472	2,879,242	-
Hazard Mitigation - Paradise Pt WW Treatment Facility	97.039	DR-4283-061-R/H0073	34,500		
Hazard Mitigation - Pt Buena Vista WW Treatment Facility	97.039	DR-4283-071-R/H0088	101,250	135,750	
Emergency Management Performance Grants	97.042	19-FG-AF-04-64-01-120	45,836		-
Emergency Management Performance Grants	97.042	G0032	24,679	70,515	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,527,696</u>		<u>\$ -</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, 2019

<u>State Agency</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Project Total</u>	<u>Expenditures to Subrecipients</u>
<u>EXECUTIVE OFFICE OF THE GOVERNOR</u>					
Division of Emergency Management					
Emergency Management Program	31.063	19-BG-21-04-64-01-047	\$ 103,141		\$ -
Emergency Management Program	31.063	A0031	15,119	118,260	-
Hurricane Shelter Retrofit Project	31.068	18SR-3B-04-64-01-392	9,480		
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>					
Small County Consolidated Grants	37.012	SC927	90,909		-
Statewide Surface Water Restoration & Wastewater Projects: Dog Branch Creek	37.039	LP54061	98,522		-
Water line to East Palatka Fire Station	37.039	LP54063	844,541	943,063	-
<u>FLORIDA HOUSING FINANCE CORPORATION</u>					
State Housing Initiatives Program	40.901	2014 - 2015	231,970		-
State Housing Initiatives Program	40.901	2015 - 2016	41,390	273,360	-
<u>DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES</u>					
Mosquito Control - State Aid	42.003	25506	34,481		-
<u>FLORIDA DEPARTMENT OF FINANCIAL SERVICES</u>					
Direct Assistance - Local Gov't Fire Service Grant	43.007	2372A/FM390	903,180		-
<u>DEPARTMENT OF STATE AND SECRETARY OF STATE</u>					
State Aid to Libraries	45.030	19-ST-53	164,955		-
Historic Preservation Grant - Old Jail Restoration	45.031	19.h.sm.100.007/9H007	50,000		-
<u>DEPARTMENT OF EDUCATION</u>					
Coach Aaron Feis Guardian Program	48.14	96U-90210-9D001	150,527		-
<u>DEPARTMENT OF TRANSPORTATION</u>					
Small County Outreach Program - Ft. Gates Ferry Rd	55.009	433032-1-58-01	1,017,706		-
Small County Outreach Program - Ashley Lake Blvd	55.009	436460-1-54-01	1,344,202		-
Small County Outreach Program - Lake Susan Rd	55.009	435331-2-54-01	1,094,767		-
Small County Outreach Program - East Towles Rd	55.009	442645-1-54-01	112,510		-
Small County Outreach Program - St. Johns Ave.	55.009	440003-1-54-01	404,449	3,973,634	-
Transportation Regional Incentive Program: - Resurface CR216	55.026	434551-1-54-01	34,451		-
<u>DEPARTMENT OF HEALTH</u>					
Florida EMS County Grant Program	64.005	C7054	4,121		-
<u>DEPARTMENT OF MANAGEMENT SERVICES</u>					
E911 State Grant Program	72.001	18-11-12	63,187		-
E911 State Grant Program	72.001	18-11-13	4,550	67,737	-
Putnam County Public Safety Communications - Equipment Upgrade	72.005	DMS 18/19-002	789,286		-
<u>FISH AND WILDLIFE CONSERVATION COMMISSION</u>					
Derelict Vessel Removal Grant	77.005	18265	48,600		-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 7,656,044		\$ -

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, 2019

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, 2019. 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 has elected not to use the 10% de minimis indirect cost rate as outlined in the Uniform Guidance.

NOTE 4 – SUBRECIPIENTS

The County did not provide federal or state awards to sub-recipients.

NOTE 5 – PRIOR YEAR EXPENDITURES

Expenditures of \$2,879,242 for Hurricane Irma were incurred in a prior year and expenditures of \$79,522 for Coach Aaron Feis Guardian Program were incurred in a prior year.

NOTE 6 - OTHER

The County does not participate in any loan or loan guarantee programs, nor did the County receive any non-cash federal or state assistance in fiscal year 2019.

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, 2019, and have issued our report thereon dated March 25, 2020. 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 and questioned costs that accompanies this letter. Prior year findings 2018-001 is repeated as 2019-001. The County corrected prior year findings 2018-002 and 2018-003.

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.

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
March 25, 2020



Carr, Riggs & Ingram, LLC
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INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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, 2019.

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 25, 2020



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INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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, 2019.

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 25, 2020

INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 25, 2020.

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 and questioned costs as items 2019-001 and 2019-002, 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 a matter that is reported in the accompanying schedule of findings and questioned costs as item 2019-003.

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.

Cam, Riggs & Ingram, L.L.C.

Palatka, Florida
March 25, 2020

INDEPENDENT AUDITORS' 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, 2019. The County's major federal program and state projects are identified in the summary of auditors' 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.

Auditors' 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, 2019.

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
March 25, 2020

Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors’ report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Federal and State Awards:

- | | |
|---|------------|
| 1. Type of auditors’ report issued on compliance for major programs/projects | Unmodified |
| 2. Internal control over major programs/projects: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a) and Chapter 10.557, Rules of the Auditor General? | None noted |
| 4. Identification of major programs/projects: | |

<u>Federal Program</u>	<u>Federal CFDA Number</u>
Disaster Grants-Public Assistance	97.036

<u>State Projects</u>	<u>State CFSA Number</u>
Statewide Surface Water Restoration and Wastewater Projects	37.039
Local Government Fire Service Grants	43.007
Small County Outreach Program	55.009
Putnam County Public Safety Communications Equipment Upgrade Project	72.005

- | | |
|--|-----------|
| 5. Dollar threshold used to distinguish between type A and type B federal programs and state projects: | \$750,000 |
| 6. Auditee qualified as low-risk auditee under 2 CFR 200.520? | Yes |

Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS

(Similar item reported in previous audit report as item 2018-001 and 2017-002)

2019-001 **Criteria:** The County is responsible for designing and implementing controls, including information technology (IT) controls that provide reasonable assurance that a risk of material misstatement would not occur as a result of a control.

Condition: The County's IT controls relative to financial reporting systems do 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 should be strengthened. During the year ending September 30, 2019, an IT strategic plan was not in place and policies and procedures for backups had not been documented. As of March 1, 2020, the County is working on developing a data backup and recovery policy.

Cause: The County has not performed an IT risk assessment.

Effect: Inconsistent processes or unnecessary vulnerability of systems could occur without approved plans, policies & procedures.

Recommendation: a) Create and implement an IT strategic plan and perform an IT risk assessment addressing both internal and external risks to IT systems. b) Develop formalized data back-up policies & procedures to ensure the availability of financial data back-ups.

Views of responsible officials: See accompanying corrective action plan.

2019-002 **Criteria:** Ambulance billings should be processed and bills should be mailed out for collections on a timely basis to ensure the County is maximizing the collectability of the receivables for ambulance services provided by the County.

Condition: Ambulance billings were not being input into the billing system and bills were not being mailed out on a timely basis. During the fiscal year ending September 30, 2019, ambulance billings were approximately 6 months behind.

Cause: Unavailable staff in place to keep up with the billings on a timely basis.

Effect: The collectability of the ambulance receivables will decrease when the bills are not processed timely.

Recommendation: Ambulance billings should be processed and bills should be mailed out on a monthly basis.

Views of responsible officials: See accompanying corrective action plan.

Schedule of Findings and Questioned Costs

2019-003 **Criteria:** The County’s “Payments to the Contractor” form requires certification by the construction engineer in charge and approval of payment by the department director.

Condition: For one vendor there were several instances where the certification by the construction engineer in charge was not obtained.

Cause: Department director was approving payment without the certification by the construction engineer in charge.

Effect: Without the certification of the construction engineer in charge, invoices from the one vendor could have been paid prior to work being completed.

Recommendation: Both the certification signature by the construction engineer in charge and approval of payment by the department director should be obtained on the “Payments to the Contractor” form prior to payment being made to vendors.

Views of responsible officials: See accompanying corrective action plan.

**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 relative to federal programs and state projects.



PUTNAM COUNTY

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

BOARD OF COUNTY COMMISSIONERS

BILL PICKENS
District 1

JEFF RAWLS
District 2

TERRY TURNER
District 3

LARRY HARVEY
District 4

BUDDY GODDARD
District 5

March 25, 2020

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, 2019. The responses are keyed to the numbering of the Schedule of Findings:

- 2019-001 County administration is currently evaluating IT procedures, risks, and back up policies to ensure the availability and stability of financial data. At this time, the data backup and recovery policy is almost complete.
- 2019-002 The County implemented new billing software and hired another billing clerk at the ambulance department. The new software is more efficient because it has built in programming to verify patient demographic information. It also has a feature to verify insurance coverages which reduces billing time. Previously, the billing department had to search various websites for insurance coverage for each patient. Management is continuing to monitor the billing progress of the department to ensure that billings become current during fiscal year 2020.
- 2019-003 The County has directed that an engineer/project manager will be assigned to each project and must approve contractor pay requests – the "payments to the Contractor" form. In addition, the Finance department will not process payment for contractor pay requests without a separate signature from the engineer/project manager.

Sincerely,

A handwritten signature in blue ink, appearing to read "Terry Suggs".

Terry Suggs
County Administrator

**Putnam County
Clerk of the Circuit Court**

Audit Report

September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

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**Putnam County Clerk of the Circuit Court
September 30, 2019**

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INDEPENDENT AUDITORS' 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 Putnam County Clerk of the Circuit Court (the "Office") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's 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.

Auditors' 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 auditors' 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 financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2019, and the 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

As discussed in Note 1 to the financial statements, the financial statements referred to above 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 intended to present the financial position and changes in financial position of the major funds, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The combining statement of fiduciary net position is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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, 2020 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Carly Riggs & Ingram, L.L.C.

Palatka, Florida
January 30, 2020

Putnam County Clerk of the Circuit Court

**Balance Sheet - Governmental Funds
As of September 30, 2019**

	General Fund	Court Fund	Records Modernization Fund	Article V Records Modernization Fund	Total Governmental Funds
Assets					
Equity in pooled cash and equivalents	\$ 890,236	\$ 736,931	\$ 310,467	\$ 1,206,433	\$ 3,144,067
Accounts receivable	2,549	969	-	-	3,518
Due from other governments	50,195	1,829	-	-	52,024
Other assets	8,221	-	-	-	8,221
Total assets	\$ 951,201	\$ 739,729	\$ 310,467	\$ 1,206,433	\$ 3,207,830
Liabilities and fund balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 219,828	\$ 42,546	\$ -	\$ -	\$ 262,374
Due to other county agencies	60,035	17,918	-	-	77,953
Due to other governments	484,472	445,382	-	-	929,854
Customer deposits	186,866	233,883	-	-	420,749
Total liabilities	951,201	739,729	-	-	1,690,930
Fund Balances:					
Restricted:					
Restricted for records modernization	-	-	310,467	-	310,467
Restricted for court-related technology and program enhancements	-	-	-	1,206,433	1,206,433
Total fund balances	-	-	310,467	1,206,433	1,516,900
Total liabilities and fund balances	\$ 951,201	\$ 739,729	\$ 310,467	\$ 1,206,433	\$ 3,207,830

See accompanying notes.

Putnam County Clerk of the Circuit Court
Statement of Revenues, Expenditures and Changes in Fund Balances
Year ended September 30, 2019

	General Fund	Court Fund	Records Modernization Fund	Article V Records Modernization Fund	Total Governmental Funds
Revenues					
Intergovernmental	\$ 256,776	\$ 985,778	\$ -	\$ -	\$1,242,554
Charges for services	441,573	779,072	32,806	93,562	1,347,013
Fines and forfeitures	-	192,944	-	-	192,944
Interest	23,461	7,043	3,507	15,221	49,232
Other miscellaneous revenue	2,485	293	-	-	2,778
Total revenues	724,295	1,965,130	36,313	108,783	2,834,521
Expenditures					
Current:					
General government services	1,984,084	-	12,197	-	1,996,281
Court related	375,971	1,834,722	-	18,295	2,228,988
Total expenditures	2,360,055	1,834,722	12,197	18,295	4,225,269
Excess of revenues over (under) expenditures	(1,635,760)	130,408	24,116	90,488	(1,390,748)
Other financing sources (uses)					
Appropriation from board of county commissioners	1,695,795	-	-	-	1,695,795
Budget appropriation reverted to board of county commissioners	(60,035)	-	-	-	(60,035)
Reversion to the clerks of court operations corporation	-	(130,408)	-	-	(130,408)
Total other financing sources (uses)	1,635,760	(130,408)	-	-	1,505,352
Net change in fund balances	-	-	24,116	90,488	114,604
Fund balances - October 1, 2018	-	-	286,351	1,115,945	1,402,296
Fund balances - September 30, 2019	\$ -	\$ -	\$ 310,467	\$1,206,433	\$1,516,900

See accompanying notes.

Putnam County Clerk of the Circuit Court

**Statement of Fiduciary Net Position
As of September 30, 2019**

	Agency Funds
Assets	
Equity in pooled cash and equivalents	\$ 1,042,982
Liabilities	
Assets held for others	1,042,982
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 have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These 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 the government-wide financial statements, the reconciliations to those government-wide financial statements, management’s discussion and analysis, or the pension or other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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, deferred 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.

Putnam County Clerk of the Circuit Court Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

Putnam County Clerk of the Circuit Court Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

Putnam County Clerk of the Circuit Court

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 following:

- a. The Local Government Surplus Funds Trust fund (the "State Pool") or any intergovernmental 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 the highest credit quality rating from a nationally recognized rating agency.
- c. Interest bearing time deposits and savings accounts in state-certified qualified public depositories.
- d. Direct obligations of the U.S. Treasury.

Putnam County Clerk of the Circuit Court

Notes to Financial Statements

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

At September 30, 2019, surplus funds are invested in Florida Cooperative Liquid Assets Securities System (FLCLASS) which is an intergovernmental investment pool authorized per Section 218.415, Florida Statutes. FLCLASS is administered by Public Trust Advisors, LLC, who provides regulatory oversight.

FLCLASS follows FASB Accounting Standards Topic (ASC) 820 Fair Value Measurement and Disclosure for financial reporting purposes. FLCLASS does not meet all of the specific criteria outlined in GASB 79 Paragraph 4, therefore FLCLASS participants measure their investments in FLCLASS at fair value. FLCLASS reports the amortized cost of investments, which approximates fair value, to its participants.

Investment in FLCLASS

The Office's investments in FLCLASS are included in Equity in Pooled Cash and Equivalents in the accompanying financial statements. At year-end the Office had \$324,544 invested in Florida Cooperative Liquid Assets Securities System (FLCLASS).

The Office's investment in FLCLASS 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. FLCLASS is rated by Standard and Poor's Global Ratings and has a rating at September 30, 2019 of AAAM.

Interest Rate Risk – 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 Office 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 FLCLASS at September 30, 2019 is 54 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of FLCLASS at September 30, 2019 is 81 days.

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
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 302,142	\$ 302,142	\$ 256,776	\$ (45,366)
Charges for services	457,000	457,000	441,573	(15,427)
Interest	12,000	12,000	23,461	11,461
Other miscellaneous revenue	8,000	8,000	2,485	(5,515)
Total revenues	779,142	779,142	724,295	(54,847)
Expenditures				
Current:				
General government services	2,164,499	2,164,499	1,984,084	180,415
Court related	310,438	310,438	375,971	(65,533)
Total expenditures	2,474,937	2,474,937	2,360,055	114,882
Excess of revenues over (under) expenditures	(1,695,795)	(1,695,795)	(1,635,760)	60,035
Other financing sources (uses)				
Appropriation from board of county commissioners	1,695,795	1,695,795	1,695,795	-
Budget appropriation reverted to board of county commissioners	-	-	(60,035)	(60,035)
Total other financing sources (uses)	1,695,795	1,695,795	1,635,760	(60,035)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2018	-	-	-	-
Fund balances - September 30, 2019	\$ -	\$ -	\$ -	\$ -

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
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,015,230	\$ 1,015,230	\$ 985,778	\$ (29,452)
Charges for services	694,315	694,315	779,072	84,757
Fines and forfeitures	149,400	149,400	192,944	43,544
Interest	2,400	2,400	7,043	4,643
Other miscellaneous revenue	1,380	1,380	293	(1,087)
Total revenues	1,862,725	1,862,725	1,965,130	102,405
Expenditures				
Current:				
Court related	1,862,725	1,862,725	1,834,722	28,003
Excess of revenues over (under) expenditures	-	-	130,408	130,408
Other financing sources (uses)				
Reversion to the Clerks of court operations corporation	-	-	(130,408)	(130,408)
Net changes in fund balances	-	-	-	-
Fund balances - October 1, 2018	-	-	-	-
Fund balances - September 30, 2019	\$ -	\$ -	\$ -	\$ -

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
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 30,000	\$ 30,000	\$ 32,806	\$ 2,806
Interest	1,840	1,840	3,507	1,667
Total revenues	31,840	31,840	36,313	4,473
Expenditures				
Current:				
General government services	90,000	90,000	12,197	77,803
Excess of revenues over (under) expenditures	(58,160)	(58,160)	24,116	82,276
Fund balances - October 1, 2018	58,160	58,160	286,351	228,191
Fund balances - September 30, 2019	\$ -	\$ -	\$ 310,467	\$ 310,467

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
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 90,000	\$ 90,000	\$ 93,562	\$ 3,562
Interest	5,700	5,700	15,221	9,521
Total revenues	95,700	95,700	108,783	13,083
Expenditures				
Current:				
Court related	272,205	272,205	18,295	253,910
Excess of revenues over (under) expenditures	(176,505)	(176,505)	90,488	266,993
Fund Balances - October 1, 2018	176,505	176,505	1,115,945	939,440
Fund Balances - September 30, 2019	\$ -	\$ -	\$1,206,433	\$1,206,433

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, 2019

	Circuit Court Trust Fund	Jury and Witness Fund	Total Agency Funds
Assets			
Equity in pooled cash and equivalents	\$ 1,022,147	\$ 20,835	\$ 1,042,982
Liabilities			
Assets held for others	1,022,147	20,835	1,042,982
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, 2019, and have issued our report thereon dated January 30, 2020. 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. The Office corrected prior year finding 2018-002.

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, 2020

INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated January 30, 2020.

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.

Carly Riggs & Ingram, L.L.C.

Palatka, Florida
January 30, 2020

INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide 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, 2019.

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, 2020

INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide 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, 2019. However, we did note an immaterial instance of noncompliance as reported in the schedule of findings as item 2019-001.

The Office's response to item 2019-001 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
January 30, 2020

INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements reference above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide 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, 2019.

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, 2020

Schedule of Findings

2019-001 (A similar finding was reported in previous audit reports as items 2018-001 and 2017-001.)

Criteria: Section 28.35(2)(d), Florida Statutes, establishes a uniform system of workload measures and performance standards, which the clerks are charged to meet.

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

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

Cause: External factors, including poor demographics.

Effect: Certain Florida Clerks of Court Operations Corporation objectives were not achieved.

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



Office of
Clerk of Court
Tim Smith

January 30, 2020

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

SUBJECT: CORRECTIVE ACTION PLAN FOR CURRENT AUDIT FINDINGS FOR THE FISCAL
YEAR ENDED SEPTEMBER 30, 2019

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, 2019.

19-001 Collection standards were not met during fiscal year 2019 and may never be completely resolved due to limited resources and numerous demographic factors such as:

- Putnam County is a rural county with extremely low personal income levels.
- Putnam County has lagged behind other counties in recovering from the economic depression of ten years ago. The unemployment rates for the last three years were 7.6%, 6.0%, and 5.6%.
- Although Putnam's graduation rates have increased in the last year, they are still some of the lowest in Florida causing more poverty and higher crime.
- Putnam has no interstate highway system to provide the county with a high number of civil traffic infractions which have a high rate of collection.
- The Judiciary in Putnam County has issued orders converting fines to civil liens at the conclusion of many cases. Thus, the defendants are released with no fees collected.
- Fines assessed on criminal violations are typically not collected because the defendants are incarcerated for long sentences and have no ability to pay.

The Putnam County Clerk's Office has strived to improve collections with the following procedures:

- The Office began sending electronic notification of fines due in 2017. Notifications are sent by email and text, as well as by regular mail.
- The Clerk's Office contracts with a collection agency to pursue delinquent fines and court costs.
- Staff from the Office attend each court event to gather contact information from defendants such as address and phone numbers. Partial pay contracts are offered and explained to defendants.

Sincerely,

Tim Smith
Clerk of Circuit Court

Putnam County Sheriff

Audit Report

September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com

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September 30, 2019

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INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's 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.

Auditors' 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 auditors' 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, 2019, 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

As discussed in Note 1 to the financial statements, the financial statements referred to above 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 intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 financial statements. The combining statement of fiduciary net position-agency funds is presented for purposes of additional analysis and is not a required part of the 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the 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 27, 2020 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Palatka, Florida
February 27, 2020

Balance Sheet – Governmental Funds
September 30, 2019

	General Fund	Commissary Fund	Forfeiture Fund	Total Governmental Funds
Assets				
Cash and equivalents	\$ 1,364,177	\$ 551,034	\$ 240,706	\$ 2,155,917
Accounts receivable	1,784	28,354	-	30,138
Due from other funds	-	-	70,248	70,248
Other assets	1,825	-	-	1,825
Total assets	\$ 1,367,786	\$ 579,388	\$ 310,954	\$ 2,258,128
Liabilities and fund balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 250,397	\$ 34,200	\$ -	\$ 284,597
Due to other funds	70,248	-	-	70,248
Due to other county agencies	1,015,552	-	-	1,015,552
Total liabilities	1,336,197	34,200	-	1,370,397
Fund balances:				
Restricted for law enforcement	31,589	-	310,954	342,543
Committed for inmate benefits	-	545,188	-	545,188
Total fund balances	31,589	545,188	310,954	887,731
Total liabilities and fund balances	\$ 1,367,786	\$ 579,388	\$ 310,954	\$ 2,258,128

*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, 2019

	General Fund	Commissary Fund	Forfeiture Fund	Total Governmental Funds
Revenues				
Fines and forfeitures	\$ 31,163	\$ -	\$ 171,842	\$ 203,005
Miscellaneous revenue	127,698	740,927	-	868,625
Total revenues	158,861	740,927	171,842	1,071,630
Expenditures				
Current:				
Public safety	20,684,747	579,982	2,388	21,267,117
Court related	596,368	-	-	596,368
Total expenditures	21,281,115	579,982	2,388	21,863,485
Excess of revenues over (under) expenditures	(21,122,254)	160,945	169,454	(20,791,855)
Other financing sources (uses)				
Appropriation from board of county commissioners	22,150,592	-	-	22,150,592
Reversion to board of county commissioners	(1,015,552)	-	-	(1,015,552)
Total other financing sources (uses)	21,135,040	-	-	21,135,040
Net change in fund balances	12,786	160,945	169,454	343,185
Fund balances – October 1, 2018	18,803	384,243	141,500	544,546
Fund balances – September 30, 2019	\$ 31,589	\$ 545,188	\$ 310,954	\$ 887,731

*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, 2019

	Agency Funds
<hr/>	
Assets	
Cash and equivalents	\$ 78,379
Accounts receivable	103
<hr/>	
Total assets	78,482
Liabilities	
Assets held for others	78,482
<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 have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund 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, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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.

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

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Office also reports the following fiduciary fund type:

Agency Funds – Agency Funds are used to account for resources 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.

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.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Equivalent

Cash and Equivalent 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.

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.

The Office 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, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Fines and forfeitures	\$ 2,000	\$ 49,739	\$ 31,163	\$ (18,576)
Miscellaneous revenues	-	-	127,698	127,698
Total revenues	2,000	49,739	158,861	109,122
Expenditures				
Current:				
Public safety	21,223,981	21,583,071	20,684,747	898,324
Court related	617,260	617,260	596,368	20,892
Total expenditures	21,841,241	22,200,331	21,281,115	919,216
Excess of revenues over (under) expenditures	(21,839,241)	(22,150,592)	(21,122,254)	1,028,338
Other financing sources (uses)				
Appropriation from board of county commissioners	21,839,241	22,150,592	22,150,592	-
Reversion to board of county commissioners	-	-	(1,015,552)	(1,015,552)
Total other financing sources (uses)	21,839,241	22,150,592	21,135,040	(1,015,552)
Net change in fund balances	-	-	12,786	12,786
Fund balances - October 1, 2018	-	-	18,803	17,992
Fund balances - September 30, 2019	\$ -	\$ -	\$ 31,589	\$ 31,589

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, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous revenue	\$ 558,574	\$ 740,930	\$ 740,927	\$ (3)
Expenditures				
Current:				
Public safety	558,574	740,930	579,982	160,948
Excess of revenues over expenditures	-	-	160,945	160,945
Fund balances - October 1, 2018	-	-	384,243	384,243
Fund balances - September 30, 2019	\$ -	\$ -	\$ 545,188	\$ 545,188

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 - Forfeiture Fund
Year ended September 30, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Fines and forfeitures	\$ 11,000	\$ 344,625	\$ 171,842	\$ (172,783)
Expenditures				
Current:				
Public safety	11,000	344,625	2,388	342,237
Excess of revenues over expenditures	-	-	169,454	169,454
Fund balances - October 1, 2018	-	-	141,500	141,500
Fund balances - September 30, 2019	\$ -	\$ -	\$ 310,954	\$ 310,954

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, 2019**

	Inmate Bank Fund	Trust Fund	Total Agency Funds
Assets			
Cash and equivalents	\$ 40,738	\$ 37,641	\$ 78,379
Accounts receivable	-	103	103
Total assets	40,738	37,744	78,482
Liabilities			
Assets held for others	40,738	37,744	78,482
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, 2019, and have issued our report thereon dated February 27, 2020. 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 27, 2020

INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 27, 2020.

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.

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

Palatka, Florida
February 27, 2020

INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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, 2019.

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 27, 2020

Sheriff

H.D. "Gator" DeLoach
Putnam County Sheriff's Office



130 Orié Griffin Blvd.
Palatka, FL 32177
(386) 329-0800
www.pcsso.us

February 29, 2020

Sherill F. Norman, CPA
State of Florida
AUDITOR GENERAL
111 W. Madison Street
Tallahassee, FL 32399-1450

Dear Ms. Norman:

I am proud to report there were no findings associated with the most recent financial audit of the Putnam County Sheriff's Office.

If you need further information or if I can be of assistance, please do not hesitate to contact me.

Respectfully,

A handwritten signature in blue ink, appearing to read "H.D. DeLoach, III".

H.D. "Gator" DeLoach, III
Sheriff

South District Office
1196 S. Highway 17
Satsuma, FL 32189
(386) 649-4234



A State Accredited Agency

West District Office
108 N. County Road 315
Interlachen, FL 32148
(386) 329-0848

Putnam County Tax Collector

Audit Report

September 30, 2019



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CPAs and Advisors

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September 30, 2019

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INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's 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.

Auditors' 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 auditors' 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, 2019, 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

As discussed in Note 1 to the financial statements, the financial statements referred to above 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 intended to present the financial position and changes in financial position, where applicable, of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 March 11, 2020, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Palatka, Florida
March 11, 2020

Putnam County Tax Collector

Balance Sheet – Governmental Funds
September 30, 2019

	General Fund
Assets	
Equity in pooled cash and cash equivalents	\$ 510,777
Accounts receivable	1,246
Due from other governments	148
Other assets	1,160
<hr/>	
Total assets	\$ 513,331
<hr/>	
Liabilities	
Accounts payable and accrued liabilities	\$ 50,989
Due to other county agencies	402,127
Due to other governments	32,801
<hr/>	
Total liabilities	485,917
Deferred inflows of resources	
Collections made in advance	27,414
<hr/>	
Fund balance	-
<hr/>	
Total liabilities, deferred inflows of resources and fund balance	\$ 513,331
<hr/>	

*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, 2019**

	General Fund
<hr/>	
Revenues	
Charges for services	\$ 2,598,817
Miscellaneous revenue	12,297
<hr/>	
Total revenues	2,611,114
Expenditures	
Current:	
General government services	2,208,987
<hr/>	
Excess of revenues over expenditures	402,127
Other financing uses	
Reversion to board of county commissioners	(402,127)
<hr/>	
Net change in fund balance	-
Fund balance - October 1, 2018	-
<hr/>	
Fund balance - September 30, 2019	\$ -
<hr/> <hr/>	

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

Statement of Fiduciary Net Position
September 30, 2019

	Agency Funds
<hr/>	
Assets	
Equity in pooled cash and cash equivalents	\$ 1,887,708
Accounts receivable	211,112
<hr/>	
Total assets	2,098,820
Liabilities	
Assets held for others	2,098,820
<hr/>	
Net position	\$ -
<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 have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund 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, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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 fund:

Agency Fund – The Agency Fund is 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.

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.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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.

Notes to Financial Statements

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

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 holds a money market account with a financial institution in which it invests surplus funds during the year. The balance in the account was \$432,949 at September 30, 2019.

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, 2019**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 2,610,669	\$ 2,610,669	\$ 2,598,817	\$ (11,852)
Miscellaneous revenue	10,422	10,422	12,297	1,875
Total revenues	2,621,091	2,621,091	2,611,114	(9,977)
Expenditures				
Current:				
General government services	2,285,682	2,285,682	2,208,987	76,695
Excess of revenues over expenditures	335,409	335,409	402,127	66,718
Other financing uses				
Reversion to board of county commissioners	(335,409)	(335,409)	(402,127)	(66,718)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2017	-	-	-	-
Fund balances - September 30, 2018	\$ -	\$ -	\$ -	\$ -

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**



Carr, Riggs & Ingram, LLC
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Palatka, Florida 32177

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

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, 2019, and have issued our report thereon dated March 11, 2020. 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
March 11, 2020

INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated March 11, 2020 .

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.

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

Palatka, Florida
March 11, 2020



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INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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, 2019.

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 11, 2020

Linda Myers
Putnam County Tax Collector



March 12, 2020

The Honorable Sherill F. Norman
Florida Auditor General
Claude Pepper Building, Ste. G74
111 W. 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, 2018 to September 30, 2019.

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.

Sincere Regards,


Linda Myers, CFC, CPA

LM/EH

Putnam County Property Appraiser

Audit Report

September 30, 2019



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September 30, 2019

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The Honorable Timothy E. Parker
Property Appraiser
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund of the Putnam County, Florida Property Appraiser (the "Office") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Office's 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.

Auditors' 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 auditors' 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 major fund of the Office as of September 30, 2019, 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

As discussed in Note 1 to the financial statements, the financial statements referred to above 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 intended to present the financial position and changes in financial position of the major fund only for that portion of the major fund of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 February 3, 2020 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Palatka, Florida
February 3, 2020

Putnam County Property Appraiser

Balance Sheet – Governmental Funds
September 30, 2019

	General Fund
<hr/>	
Assets	
Cash and equivalents	\$ 150,053
Other assets	4,302
Total assets	\$ 154,355
<hr/>	
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued liabilities	\$ 22,560
Due to other county agencies	131,795
Total liabilities	154,355
Fund balance	-
Total liabilities and fund balance	\$ 154,355

*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 2019

	General Fund
Revenues	
Charges for services	\$ 26,652
Miscellaneous revenue	5,173
Total revenues	31,825
Expenditures	
Current:	
General government services	1,762,954
Excess of revenues under expenditures	(1,731,129)
Other financing sources (uses)	
Appropriation from board of county commissioners	1,862,924
Reversion to board of county commissioners	(131,795)
Total other financing sources (uses)	1,731,129
Net change in fund balance	-
Fund balance – October 1, 2018	-
Fund balance – September 30, 2019	\$ -

*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 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 have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund 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, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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.

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.

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.

Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 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 2019

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 29,303	\$ 27,174	\$ 26,652	\$ (522)
Miscellaneous revenue	-	-	5,173	5,173
Total revenues	29,303	27,174	31,825	4,651
Expenditures				
Current:				
General government services	1,889,068	1,890,099	1,762,954	127,145
Excess of revenues over (under) expenditures	(1,859,765)	(1,862,925)	(1,731,129)	131,796
Other financing sources (uses)				
Appropriation from board of county commissioners	1,859,765	1,862,925	1,862,924	(1)
Reversion to board of county commissioners	-	-	(131,795)	(131,795)
Total other financing sources (uses)	1,859,765	1,862,925	1,731,129	(131,796)
Net change in fund balances	-	-	-	-
Fund balances – October 1, 2018	-	-	-	-
Fund balances – September 30, 2019	\$ -	\$ -	\$ -	\$ -

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, 2019, and have issued our report thereon dated February 3, 2020. 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

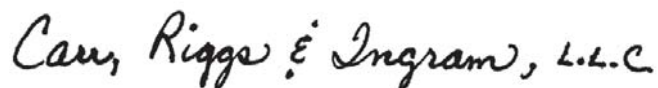
The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also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



Palatka, Florida
February 3, 2020

INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 3, 2020.

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
February 3, 2020

INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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, 2019.

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 3, 2020



Timothy E. Parker, C.F.A
Putnam County Property Appraiser

386/329-0286 • Fax: 386/329-0447
www.putnam-fl.com/app • appraiser@putnam-fl.com

February 4, 2020

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, 2018 to September 30, 2019.

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
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312 Oak Street
Palatka, FL 32178

Interlachen Annex
Hitchcock's Plaza, SR #20
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**Putnam County
Supervisor of Elections**

Audit Report

September 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com



Putnam County Supervisor of Elections

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INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's 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.

Auditors' 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 auditors' 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, 2019, 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

As discussed in Note 1 to the financial statements, the financial statement referred to above 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 intended to present the financial position and changes in financial position of each major fund, only for that portion of each major fund, of Putnam County, Florida, that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 March 2, 2020, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

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

Palatka, Florida
March 2, 2020

Putnam County Supervisor of Elections

Balance Sheet – Governmental Funds
September 30, 2019

	General Fund	Grant Fund	Total Governmental Funds
Assets			
Cash and equivalents	\$ 107,775	\$ 19,192	\$ 126,967
Due from other funds	-	25,555	25,555
Total assets	\$ 107,775	\$ 44,747	\$ 152,522
Liabilities and fund balances			
Liabilities:			
Accounts payable and accrued liabilities	31,982	-	31,982
Due to other funds	25,555	-	25,555
Due to other county agencies	50,238	-	50,238
Total liabilities	107,775	-	107,775
Fund balances			
Restricted for elections	-	44,747	44,747
Total liabilities and fund balances	\$ 107,775	\$ 44,747	\$ 152,522

See accompanying notes.

Putnam County Supervisor of Elections

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year ended September 30, 2019

	General Fund	Grant Fund	Total Governmental Funds
Revenues			
Intergovernment revenue	1,243	25,555	\$ 26,798
Miscellaneous revenue	3,923	12	3,935
Total revenues	5,166	25,567	30,733
Expenditures			
Current:			
General government services	799,588	37,413	837,001
Capital outlay	50,340	8,660	59,000
Total expenditures	849,928	46,073	896,001
Excess of revenues under expenditures	(844,762)	(20,506)	(865,268)
Other financing sources (uses)			
Appropriation from board of county commissioners	895,000	-	895,000
Reversion to board of county commissioners	(50,238)	-	(50,238)
Reversion to State for unspent grant funds	-	(1,245)	(1,245)
Total other financing sources (uses)	844,762	(1,245)	843,517
Net change in fund balances	-	(21,751)	(21,751)
Fund balances - October 1	-	66,498	66,498
Fund balances - September 30	\$ -	\$ 44,747	\$ 44,747

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 have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund 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, management’s discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of each major fund of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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 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.

**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, 2019

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernment revenue	\$ -	\$ -	\$ 1,243	\$ 1,243
Miscellaneous revenue	-	-	3,923	3,923
Total revenues	-	-	5,166	5,166
Expenditures				
Current:				
General government services	893,000	893,000	799,588	93,412
Capital outlay	-	-	50,340	(50,340)
Reserve for contingencies	2,000	2,000	-	2,000
Total expenditures	895,000	895,000	849,928	45,072
Excess of revenues under expenditures	(895,000)	(895,000)	(844,762)	50,238
Other financing sources (uses)				
Appropriation from board of county commissioners	895,000	895,000	895,000	-
Reversion to board of county commissioners	-	-	(50,238)	50,238
Total other financing sources	895,000	895,000	844,762	50,238
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, 2019

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 64,795	\$ 64,795	\$ 25,555	\$ (39,240)
Miscellaneous revenue	-	-	12	12
Total revenues	64,795	64,795	25,567	(39,228)
Expenditures				
Current:				
General government services	64,795	64,795	37,413	27,382
Capital outlay	-	-	8,660	(8,660)
Total expenditures	64,795	64,795	46,073	18,722
Excess of revenues under expenditures	-	-	(20,506)	(20,506)
Other financing uses				
Reversion to State for unspent grant funds	-	-	(1,245)	(1,245)
Total financing uses	-	-	(1,245)	(1,245)
Net change in fund balances	-	-	(21,751)	(21,751)
Fund balances - October 1	-	-	66,498	66,498
Fund balances - September 30	\$ -	\$ -	\$ 44,747	\$ 44,747

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. The final budget includes grant-length budgets for additional grants obtained during the year.

**Additional Elements Required by
the Auditor General**

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, 2019, and have issued our report thereon dated March 2, 2020. 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. These requirements of the Rules of the Auditor General are addressed in the Schedule of Findings that accompanies this letter.

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 2, 2020

INDEPENDENT AUDITORS' 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, 2019, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated March 2, 2020.

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 2019-001, 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.

Cau, Riggs & Ingram, L.L.C.

Palatka, Florida
March 2, 2020

INDEPENDENT ACCOUNTANTS' 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, 2019. Management is responsible for the Office's compliance with the specified 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Office complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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, 2019.

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 2, 2020

Schedule of Findings

2019-001 (Reported previously as item 2018-001 and 2017-001.)

Criteria: Financial statements must be presented in accordance with generally accepted accounting principles.

Condition: As part of the audit process, it was necessary for us to propose material adjustments to the Office's financial statements. It was also necessary for us to assist with the preparation of the Office's financial statements.

Cause: Material audit adjustments were necessary to properly state certain balances at year-end. Also, personnel are unable to prepare financial statements, including notes, in accordance with generally accepted accounting principles.

Effect: Our proposed adjustments were accepted by management, enabling the financial statements to be fairly presented in conformity with generally accepted accounting principles.

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
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Telephone: 386-329-0224
Facsimile: 386-329-0455
Web: www.putnam-fl.com/soe

March 7, 2020

The Honorable Jason Fischer, Chair
Joint Legislative Auditing Committee
111 West Madison St., Rm 876
Tallahassee, FL 32399-1400

Dear Sir:

The financial statement audit of the Putnam County Elections Office for the fiscal year ending September 30, 2019 has been completed by Carr, Riggs, and Ingram, LLC.

Their audit disclosed a material weakness in internal control identified as item 2019-001 in the Schedule of Findings.

The Office will evaluate our procedures in regard to the preparation of financial statements and reporting and make adjustments, taking into account limited resources, to conform to GAAP.

Sincerely,

A handwritten signature in blue ink that reads 'Charles L. Overturf III'. The signature is fluid and cursive, with a double-lined flourish at the end.

Charles L. Overturf III
Supervisor of Elections