

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR
ENDED SEPTEMBER 30, 2017



Introductory Section



STATE OF FLORIDA

COUNTY OF PUTNAM COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2017

Prepared by:

Finance and Accounting Department
Of the Clerk of the Circuit Court

Susan M. Frank, CPA
Director of Finance



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COUNTY OFFICIALS

BOARD OF COUNTY COMMISSIONERS

BILL PICKENS
CHIP LAIBL
TERRY TURNER
LARRY HARVEY
BUDDY GODDARD

DISTRICT No. 1
DISTRICT No. 2
DISTRICT No. 3
DISTRICT No. 4
DISTRICT No. 5

CLERK OF COURTS

TIM SMITH

SHERIFF

GATOR DELOACH

PROPERTY APPRAISER

TIM PARKER, CFA

TAX COLLECTOR

LINDA MYERS

SUPERVISOR OF ELECTIONS

CHARLES L. OVERTURE, III

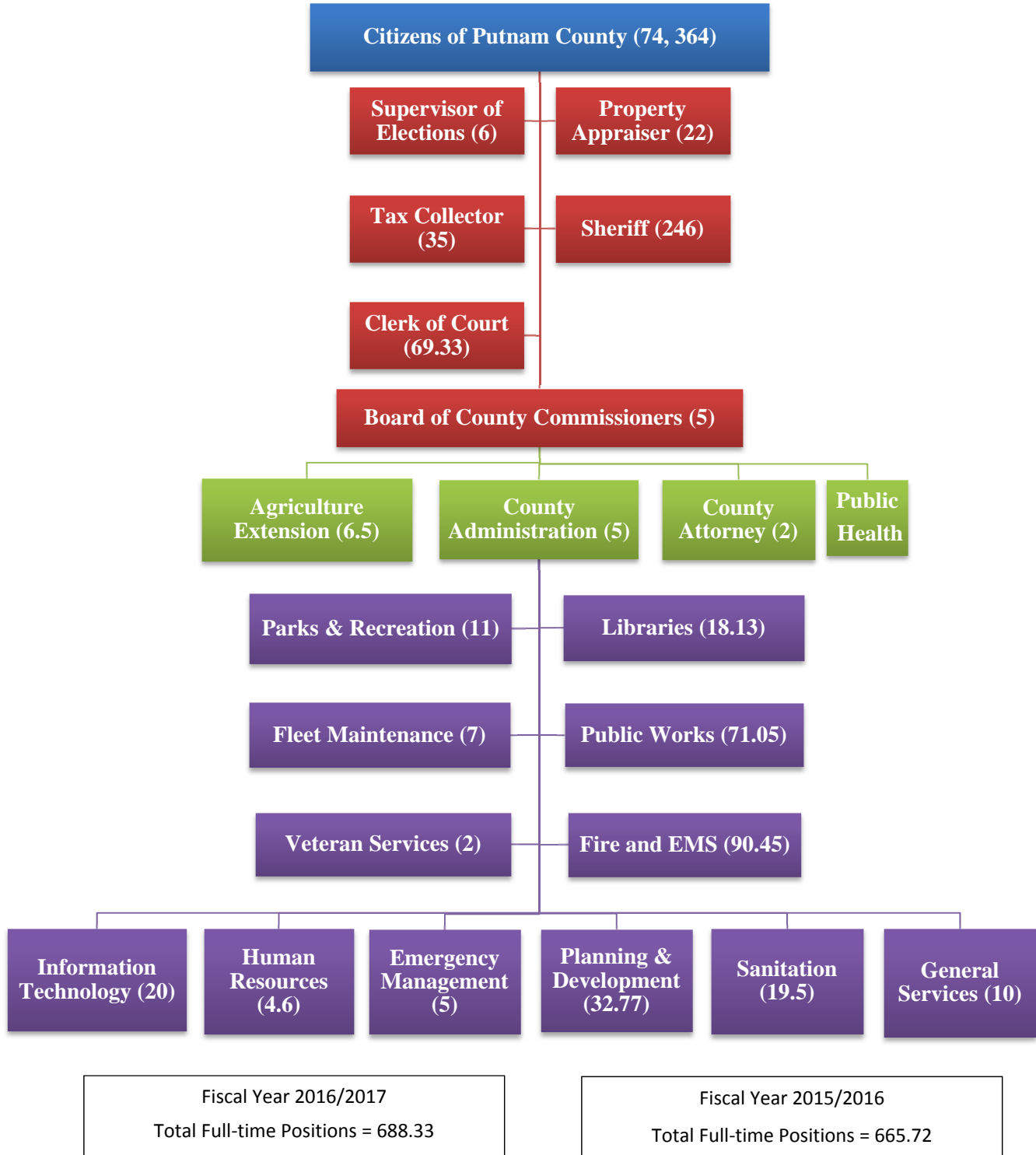
COUNTY ADMINISTRATOR

TERRY SUGGS

DIRECTOR OF FINANCE

SUSAN M. FRANK, CPA

Putnam County Organizational Chart
September 30, 2017





Government Finance Officers Association

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

Presented to

**Putnam County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrell

Executive Director/CEO



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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017
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Letter of Transmittal





Office of
Clerk of Court
Tim Smith

June 29, 2018

The Honorable Buddy Goddard
Chairman, Board of County Commissioners
P. O. Box 758
Palatka, FL 32178-0758

Dear Mr. Goddard:

In accordance with Section 218.39 of the Florida Statutes, we are pleased to submit to you, the Board of County Commissioners and the Citizens of Putnam County, the Comprehensive Annual Financial Report (CAFR) of Putnam County, Florida, for the fiscal year ended September 30, 2017.

This report was prepared by the Finance Department of the Clerk of the Circuit Court. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of the Circuit Court as Chief Financial Officer of Putnam County. We believe the data contained in this report is accurate in all material respects and is shown in a manner that fairly presents the financial position of the County at September 30, 2017, and the results of its operations and its cash flows for the year then ended.

County management is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance that the County's assets are safeguarded against loss from unauthorized use or disposition. Additionally, the Clerk of the Circuit Court, through the Finance Department, is responsible for providing reasonable assurance that financial records are reliable for preparing financial statements and that proper accountability for assets is maintained. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires judgments by management. All internal control evaluations occur within this framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The independent accounting firm of Carr, Riggs & Ingram, LLC, whose report is herein included, audited the County's Financial Statements. The goal of the audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon their independent audit, Carr, Riggs & Ingram, LLC concluded that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America for the fiscal year ended September 30, 2017.

Putnam County • P.O. Box 758 • Palatka, FL 32178-0758

Additionally, the audit was designed to meet the requirements of Generally Accepted Government Auditing Standards, the *Federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 2 CFR, Part 200, the Florida Single Audit Act, and the Rules of the Auditor General, Chapter 10.550. The standards require the auditor to report on the County's internal controls and legal compliance requirements as they specifically relate to state and federal awards. These reports are presented in the Compliance section of this report.

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

GOVERNMENT PROFILE

Putnam County was founded in January 1849. The county seat, Palatka, was established in January 1853. The County encompasses approximately 827 square miles and is located in the Northeast region of the State of Florida between Gainesville to the west and Jacksonville to the northeast. On the St. Johns River, Palatka was a major water transportation and commerce center until a fire in 1884 destroyed the majority of the downtown/riverfront area. Today, the river is primarily used for recreational boating and fishing, as are the numerous large and small lakes located throughout the County.

The Board of County Commissioners of Putnam County (the Board) operates under a non-charter form of government under the authority provided in Article III of the Constitution of the State of Florida, which empowers the creation of counties as political subdivisions of the State. Under the Constitution of the State of Florida, the offices of Clerk of Circuit Court, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections are specifically authorized and empowered to provide their functional services independently of the Board. All elected officials serve four-year terms and those currently in office are identified at the front of this CAFR.

The Board is composed of five members, one from each district within the County. However, each commissioner is elected Countywide. The Commissioners appoint a County Administrator whose duties include the administration of directives and policies of the Board and who has the responsibility for the operation of all business centers and the provision of services under the purview of the Board.

The County is financially accountable for an organization when the County appoints a voting majority of the organization's governing body and is able to impose its will on the organization; or there is a potential for the organization to provide a financial benefit or impose a financial burden on the County; or the organization is fiscally dependent on the County. The Putnam County Development Authority is included as a component unit in the County's reporting entity because the Authority has been deemed to be fiscally dependent on the County and if excluded the County's financial statements would be misleading. However, the County has determined that the Putnam County Fair Association does not meet the criteria for inclusion in the reporting entity.

Annual budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. On or before June 1, elected constitutional officers, with

the exception of the Tax Collector, submit tentative budget requests for the operation of their offices to the Board. Prior to formal presentation to the Board of County Commissioners in July, the County Administrator/Budget Officer and the other members of the Budget Review Committee review these requests and those of the County's various departments for expenditures for the next fiscal year. All previous expenditures, accomplishments and objectives are reviewed. In particular, additional personnel, vehicles, computer equipment and software, and capital outlay appropriation requests are scrutinized. In late July, the proposed budget is submitted to the Board. The final adoption of the budget by resolution occurs in September after two advertised public hearings are held to obtain taxpayer input. All budget appropriations lapse at year end and are not rolled forward into the next fiscal year unless they are included as expenditures in the next year's budget.

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. County Administration or the Budget Officer and, to some extent, the Department managers can transfer appropriations within the budget, but cannot change the total appropriation of an individual fund without the approval of the Board.

ECONOMIC CONDITION AND OUTLOOK

Putnam County is a rural county with a population of about 73,000, of which approximately 80% is located within the unincorporated areas of the County. Historically, the County has experienced relatively slow growth; however, within the next few years there are several industrial projects that will help to increase the growth rate within Putnam County.

Despite slow growth in financial resources, County management has worked hard to manage the increasing demands on services and infrastructure. Critical review and prioritization of proposed projects has allowed the County to support a reasonable amount of growth, and begin to develop the means to expand commercial development. A one-cent voter approved surtax has funded over \$77.9 million in infrastructure improvements since January 2003. This surtax was extended by voter approval to December 2032 and continues to fund improvements which promote economic development and improvements in quality of life for the citizens of Putnam County.

In the most recent fiscal years, the County has used an unprecedented amount of cash reserves to balance its budget. The continued erosion of cash reserves has weakened the County's financial stability. This is a trend that cannot continue unabated, but stagnant revenues resulting from an anemic growth in the tax base make it difficult to continue with the same level of budgeted expenditures. The budget for the 2017-2018 fiscal year reflected significantly less reliance on cash reserves, but included a tax increase to 9.8892 mills, nearly the maximum allowable level, to maintain levels of service comparable to previous years. Of particular importance, during fiscal years 2017 and 2018 the County incurred significant unbudgeted expenditures related to the impact of two major hurricanes - Matthew and Irma. As the County begins the budget process for the 2018-2019 fiscal year, it will be challenging to budget for necessary on-going services while striving to lower the millage rate and rebuild reserves. The County must make decisions that may result in cutting budgets and/or services.

The County's unemployment rate of 4.6% for September 2017 is higher than the State's rate of 3.8%, but is lower than the 6.4% rate for 2016, a decrease of 1.8%. This is indicative of the recent economic uptick. The County historically lags the State during recoveries.

The outlook for future economic growth in the County has strengthened moderately from previous years. Some of the factors affecting future growth are as follows:

- Property values throughout the County seem to have bottomed out in previous fiscal years and are expected to trend upward in the future. Total taxable assessed property values were \$3.287 billion in 2013, but have increased to \$3.383 billion in 2017.
- The completion of the East Putnam Wastewater Treatment System provides needed infrastructure for new housing and businesses in the East Palatka area.
- Florida Power & Light, Co has constructed two solar panel fields in West Putnam County.
- Seminole Electric announced construction of a natural gas-fired generator at their existing location which will create a significant amount of jobs during construction.
- Georgia Pacific announced approximately \$400 million in investments they will be making to bring a new machine online which will also generate new jobs during construction as well as continuing jobs upon completion.

MAJOR INITIATIVES

The County continues to cope with issues created by property tax reform in 2007 and the subsequent passage of Amendment 1 which has resulted in limiting local governments' growth and diminished revenues. While our surrounding counties are experiencing growth in their tax bases, Putnam's recovery is much slower. Revenue that remains constant from one fiscal year to the next creates a difficult situation for the County in being able to move forward on critical infrastructure projects as well as projects which would improve quality of life. These limited financial resources make it even more imperative that the County broaden its tax base through economic development and the creation of jobs. Some positive economic indicators are occurring in areas surrounding our County, but the trickle-down effect is slow to impact Putnam County. The overall growth in the countywide tax valuation is negligible, thus exacerbating the County's ability to cope with growing budgetary pressures.

The County continues to work with its economic development partners to attract businesses and create jobs. The Business Park on St. John's Avenue should be a major attraction to companies and businesses considering relocation. Previously, the County partnered with a private developer to construct a 52,000 square foot industrial shell building in the Park. Successful marketing of this structure may serve as the cornerstone for future development within the Park. Once this building is occupied, the County plans to apply for grant funds for infrastructure improvements such as road widening and utility line extensions.

Also, the County changed its future land use map to designate several properties throughout the County for large scale industrial use in order to provide some diversity in potential locations for businesses which may have an interest in Putnam County.

Improving roads through resurfacing, widening, and turning "dirt to pavement" will continue to be a major priority for the County, to improve quality of life and bolster efforts in economic development. The evaluation of alternative asphalt mixes has aided in stretching available dollars to maximize the number of miles that can be improved. While the one cent infrastructure surtax provides the primary

source of revenue for these road projects, the County continues to pursue additional funding from both State and Federal government grants. Surtax dollars and gasoline tax proceeds (adopted by ordinances in May 2009) continue to be allocated in excess of \$2 million annually for capital outlay road projects.

The County is also considering issuing bonds or taking out loans of approximately \$22 million dollars which will be secured by the one cent infrastructure surtax in order to complete a large amount of dirt to pave projects. When the one cent infrastructure surtax was adopted, this same concept was utilized, but that debt service was satisfied in January 2018 which frees up approximately \$2 million per year that could be used to complete another large section of dirt to pave projects in a relatively short period of time. By converting more dirt roads to pavement, the amount of expenditures related to the maintenance of roadways within the County is significantly reduced.

In FY 2011, the County was awarded \$1.66 million in grant funds to upgrade the Drayton Island and Ft. Gates ferry landings. These ferries provide access from the mainland to Drayton Island and across the St. Johns River, respectively. The grant dollars, matched with local surtax funds, will be used for improving the landings, and upgrading the Drayton Island barge. The Drayton Island barge is scheduled for delivery in July 2018. The improvements to the landings are currently underway and will be completed in FY18.

The County continues to move forward with its plan to augment volunteer fire service and fire protection in the County by establishing three strategic locations where fire personnel will be assigned 24 hours per day, 7 days per week. The first of these was the Satsuma Fire Station, which has been completed. The County intends to establish similar facilities at sites in the western and central sections of the County. The County received a \$1 million dollar appropriation from the State to construct a fire station on State Road 207. This station will provide coverage for the eastern portion of the County up to the St. Johns County line which is where future economic development is expected to occur.

The County also received a State appropriation of \$800,000 to extend water and sewer lines to the new fire station on State Road 207. Again, by extending fire protection and utility service to this portion of the County these services will provide support and incentives for economic development to occur in this area of the County.

The County spearheaded an effort to secure funding from the Florida Department of Transportation for additional turn lanes, safety enhancements, and other roadway improvements for County Road 216. County Road 216 connects US17 and State Road 100 and is also the access road for Georgia Pacific, the major industrial facility in the County. Heavy truck traffic and employees' access to the plant via that road has created safety concerns which need to be corrected. The State, the County, and Georgia Pacific have all agreed to contribute funding totaling approximately \$1.8 million to improve this essential roadway. This project would not be possible without the cooperative efforts of all three entities. Construction is currently underway on this project.

The countywide communication system used primarily by all law enforcement and emergency first responders throughout the entire County is aging, causing less widespread coverage and communication between users that is not clear and concise. A proposal to correct these deficiencies was solicited by Emergency Services, but the recommended solution will cost \$9.5 million. Due to funding constraints, the County will accomplish the project in phases. Phase 1 has been completed which consisted of acquiring and installing microwaves at each of the six tower locations at a cost of \$1.14 million. The County has received an appropriation for approximately \$790,000 to complete Phase 2 which consists of replacing the dispatch consoles and other equipment within the

Communication Center at the Sheriff's Office. Phase 3, which is the final phase, is expected to be at least \$7 million and funding for this phase has not been identified yet.

The St. Johns River Water Management District has awarded several cost share agreements in excess of \$3 million dollars for utility improvements to the County owned Paradise Point utility system as well as sewer expansion to several areas in East Palatka and Satsuma which will help to reduce the nutrient loading of the St. Johns River. This will also help the County reach the nutrient loading reduction requirements imposed by the Florida Department of Environmental Protection.

The County is moving forward with the construction of a new animal control facility. An appropriation from the State of Florida for \$500,000 was received for this project and the County budgeted another \$750,000 from the Better Place Fund for the facility. Property located beside the County jail and School District Bus Depot was donated to the County for the purpose of constructing this new facility. Site assessment is currently underway to determine if construction will be feasible on this site. Completion of this project is expected to occur before July 2019.

The County has several properties under the purview of the Parks and Recreation Department which have not been developed or are in need of additional improvements to make them more viable as park facilities. The limited resources of the County has stalled park development in recent years, resulting in improvements only occurring when the County secured grant funds for these projects. The County is currently utilizing grant funds for projects at Tanglewylde and Johnson parks. Funds have been budgeted in fiscal year 2017-2018 for improvements at Georgetown.

The coming year will provide challenges for the County as it struggles to balance the budget and maintain service levels with a millage rate that is already near the statutory maximum. Roads, drainage, communication systems, senior centers, libraries, the animal shelter, public safety, and recreation facilities are some of the County's responsibilities that demand additional attention.

FINANCIAL POLICIES

General Fund Balance: During fiscal year 2017 the General Fund used a significant amount of available reserves and ended the year with a fund balance at 10.9% of general fund revenues. Although this meets the level required by the County's Fund Balance Reserve Policy, the County cannot continue to deplete reserves. In recent years, the County has been able to provide all customary services while reducing the use of reserves by implementing reductions in personnel through attrition, scrutinizing operating expenditures, and postponing capital expenditures. The economic turn-around, late in coming to Putnam County, seems to have begun, but the dependence on reserves has taken a toll. Due to lack of available reserves, the fiscal year 2018 budget included an increase in the ad valorem tax rate.

Cash Management: In accordance with Section 218.415, Florida Statutes, the County adopted an investment policy, which guides the investment of County surplus funds. This policy establishes investment objectives, maturity and liquidity requirements, portfolio composition, risk and diversification requirements and authorized investments. This policy allows the County to achieve market rates of return using safety, liquidity and yield, in that order of priority, as its three main objectives. While rates of return were low, this policy helped assure that the County did not sustain any losses in the recent market downturn.

LONG-TERM FINANCING PLANNING

The County's long-term Capital Improvement Plan serves as the starting point in determining future financing needs, however; the decision to issue debt is made on a case by case basis after careful evaluation of all relevant factors. Some of the factors that are considered include the following:

- Current constraints under existing debt covenants
- The County's current financial condition
- Current market conditions, including current interest rates
- The type, availability and stability of revenues pledged for debt repayment
- Evaluation between the availability of internal and external funding sources

The County's responsiveness to current economic challenges and its ability to do more with less have been key factors in Putnam County's fiscal health. Fiscal conservatism, a streamlined budget, and operating efficiencies result in a positive financial position for the County at the close of FY 2017.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the year ended September 30, 2016. This was the 33rd consecutive year the County has received this prestigious award.

In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the requirements of the Certificate of Achievement Program. This report will be submitted to the GFOA to determine its eligibility for another certificate.

Acknowledgments: A Comprehensive Annual Financial Report of this nature could not have been prepared without the dedicated efforts of the Finance Department staff of the Office of Clerk of Courts. Each member of the department has our sincere appreciation for the contributions made in the presentation of this report. We thank the Board of County Commissioners and the Constitutional Officers for their leadership and support in planning the financial operations of the County in a responsible and progressive manner. We would also like to recognize and thank the members of Carr, Riggs & Ingram, LLC, our independent auditors; Mr. John Jones, retired Finance Director, Mr. Scott Fleming, Assistant Director of Finance; Mrs. Linda Vining, Staff Accountant, and Mrs. Cindy Trent, Administrative Assistant; for their valuable assistance and contributions toward this effort.

Respectfully submitted,



Tim Smith
Clerk of the Circuit Court



Susan M. Frank, CPA
Director of Finance

Financial Section



INDEPENDENT AUDITOR'S REPORT

The Honorable County Commissioners
Putnam County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the County as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, 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, and statistical section are presented for purposes of additional analysis and are 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. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report June 29, 2018, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

Palatka, Florida
June 29, 2018

Management's Discussion & Analysis



PUTNAM COUNTY, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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, 2017. 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, 2017 by \$143,663 (*net position*). Of this amount, (\$21,947) represents a deficit unrestricted net position.
- Total net position is comprised of the following:
 - 1) (\$21,947) deficit unrestricted net position which is primarily due to the County's long-term liabilities and related deferrals for employees which totaled \$36,081 at September 30, 2017. This total is made up of the following: OPEB liability \$3,751, compensated absences liability \$2,135, net pension liability of \$45,798, deferred inflows of resources of \$4,246, and deferred outflows of (\$19,849).
 - 2) Net Investment in Capital Assets of \$148,378, includes property, equipment, intangibles and infrastructure, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets, including amounts owed contractors for work completed through September 30, 2017.
 - 3) Net position of \$17,232 is restricted by constraints imposed from outside of the County such as debt covenants, grantors, laws, or regulations.
- The County's total net position decreased \$6,781 from the previous year with a decrease of \$2,247 in governmental activities and a decrease of \$4,534 from business activities.

Fund Statements

- At September 30, 2017, the County's governmental funds reported combined ending fund balances of \$25,283, a decrease of \$3,786 in comparison with the prior fiscal year. A detail of the components of ending fund balance follow in the Financial Analysis section on governmental funds.
- Governmental fund assets were \$31,084 at year end which is mostly made up of cash and equivalents of \$26,463 and \$2,090 balances due from other governments.
- Liabilities in the governmental funds totaled \$4,000 at year-end with most of the balance in accounts payable and accrued liabilities of \$3,298 and \$451 due to other governments. The governmental funds also have a \$1,801 balance of deferred inflows from receivables which are not available in the current period and therefore not recognized as revenue.
- Governmental Fund revenues increased \$1,271 or 1.9% from the prior year. Revenue categories which increased were Taxes, \$1,060; Licenses and Permits, \$51; Special Assessments, \$66; and Miscellaneous, \$505. Revenue categories which decreased were Intergovernmental Revenue, (\$208), Charges for Services, (\$181), and Fines and Forfeitures, (\$22).
- Governmental Fund expenditures decreased \$13,998 or 16.3% from the prior year. Most of the decrease is from the elimination of a short-term debt payoff (\$17,925) for the jail expansion. Other significant changes include increased expenditures of \$2,198 in transportation, \$857 in public safety, and \$483 in economic environment.
- The County's governmental funds received \$999 in debt issued for capital leases for a new phone system and two excavators, and had net transfers out of (\$990) for the year.
- The County's outstanding governmental long-term obligations increased by \$2,249. The change was due to the following: recording an increase in net pension liability of 3,178; payment of outstanding principal in the amount of \$2,021; a net increase in capital lease obligations of \$867; a decrease in Medicaid obligation of \$83; an increase in OPEB liability of \$378; and a decrease of accrued compensated absences in the amount of \$70.

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 County Transportation 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 \$143,663 at the close of the fiscal year ended September 30, 2017. By far the largest portion of the County's net position, \$148,378 or 103.3%, reflects its investment in capital assets such as land, buildings, infrastructure, intangibles and equipment, less any related outstanding debt (including amounts owed to contractors for work completed through September 30, 2017) 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
	2017	2016	2017	2016	2017	2016	
Cash and Investments	\$ 28,626	\$ 31,089	\$ 21,583	\$ 17,680	\$ 50,209	\$ 48,769	3.0%
Other Current Assets	4,155	4,082	421	1,335	4,576	5,417	-15.5%
Capital Assets, Net	133,487	131,017	51,788	56,672	185,275	187,689	-1.3%
Total Assets	166,268	166,188	73,792	75,687	240,060	241,875	-0.8%
Deferred Outflows of Resources	19,530	23,992	340	395	19,870	24,387	-18.5%
Current Liabilities	5,476	5,056	1,268	729	6,744	5,785	16.6%
Interest Rate Swaps	20	86	-	-	20	86	
Long-Term and Short-Term Debt and Other Obligations	70,753	68,504	34,504	32,393	105,257	100,897	4.3%
Total Liabilities	76,249	73,646	35,772	33,122	112,021	106,768	4.9%
Deferred Inflows of Resources	4,186	8,924	60	126	4,246	9,050	100.0%
Net Position:							
Net Investment in							
Capital Assets	113,430	109,613	34,948	38,644	148,378	148,257	0.1%
Restricted	17,232	19,519	-	-	17,232	19,519	-11.7%
Unrestricted	(25,299)	(21,522)	3,352	4,190	(21,947)	(17,332)	26.6%
TOTAL NET POSITION	\$ 105,363	\$ 107,610	\$ 38,300	\$ 42,834	\$ 143,663	\$ 150,444	-4.5%

An additional portion of the County's net position, \$17,232, 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 \$21,947 which is caused by recording \$45,798 of net pension liability. See Financial Statement Note 2 for more information on the pension liability and related changes.

Change in Net Position

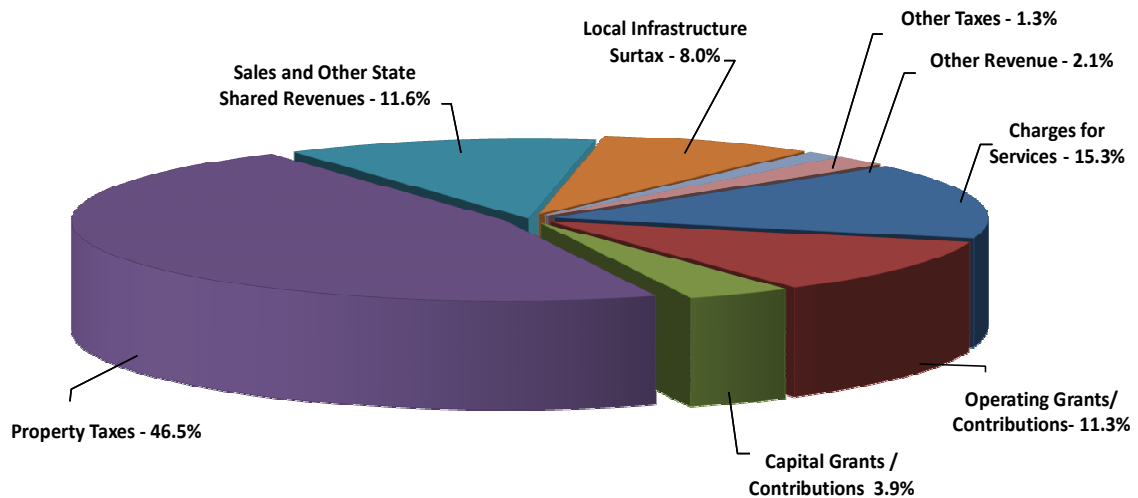
Governmental activities decreased the County's net position by \$2,247. This decrease resulted from the following: a (\$3,786) decrease in the fund balance total of Governmental Funds, the recognition of (\$8,089) of depreciation and amortization expense; the issuance of long-term debt of (\$999); the recognition of (\$374) expense for other postemployment benefit (OPEB) obligations; and the recognition of (\$2,811) of pension expense; offset by capital asset acquisitions and disposals of \$10,566; the recognition of unavailable revenues of \$343, debt principal payments of \$2,152, the recognition of accrued interest expense of \$15; the recognition of \$73 expense for compensated absences; the recognition of \$83 expense for medicaid obligation; and the inclusion of Internal Service Funds in governmental activities in the amount of \$580.

Putnam County, Florida Summary Statement of Activities							
	Governmental Activities		Business-type Activities		Total		Percent Change
	2017	2016	2017	2016	2017	2016	
Revenues:							
Program revenues:							
Charges for services	\$ 10,693	\$ 10,881	\$ 12,926	\$ 13,112	\$ 23,619	\$ 23,993	-1.6%
Operating grants and contributions	7,891	7,468	109	1,409	8,000	8,877	-9.9%
Capital grants and contributions	2,716	3,307	123	1,407	2,839	4,714	-39.8%
General revenues:							
Property taxes	32,468	31,889	-	-	32,468	31,889	1.8%
Sales and other state			-	-	-	-	
shared revenues	8,063	7,569	-	-	8,063	7,569	6.5%
Local infrastructure surtax	5,610	5,364	-	-	5,610	5,364	4.6%
Other taxes	929	768	-	-	929	768	21.0%
Other revenue	1,455	895	168	99	1,623	994	63.3%
Total revenues	69,825	68,141	13,326	16,027	83,151	84,168	-1.2%
Expenses:							
General Government	15,643	15,481	-	-	15,643	15,481	1.0%
Public Safety	33,916	32,834	-	-	33,916	32,834	3.3%
Physical Environment	517	460	-	-	517	460	12.4%
Transportation	11,465	9,398	-	-	11,465	9,398	22.0%
Economic Environment	1,473	989	-	-	1,473	989	48.9%
Human Services	2,551	2,500	-	-	2,551	2,500	2.0%
Culture/Recreation	2,032	2,153	-	-	2,032	2,153	-5.6%
Court Related	3,293	4,019	-	-	3,293	4,019	-18.1%
Interest on L-T Obligations	667	503	-	-	667	503	32.6%
Water and Wastewater	-	-	2,432	3,534	2,432	3,534	-31.2%
Solid Waste	-	-	15,720	8,324	15,720	8,324	88.9%
Port Authority	-	-	223	415	223	415	-46.3%
Total Expenses	71,557	68,337	18,375	12,273	89,932	80,610	11.6%
Increase (Decrease) in Net Position							
Before Transfers	(1,732)	(196)	(5,049)	3,754	(6,781)	3,558	
Transfers	(515)	(399)	515	399	-	-	
Increase (Decrease) in net position	(2,247)	(595)	(4,534)	4,153	(6,781)	3,558	
Net Position - Beginning of Year	107,610	108,205	42,834	38,681	150,444	146,886	
Net Position - End of Year	<u>\$ 105,363</u>	<u>\$ 107,610</u>	<u>\$ 38,300</u>	<u>\$ 42,834</u>	<u>\$ 143,663</u>	<u>\$ 150,444</u>	-4.5%

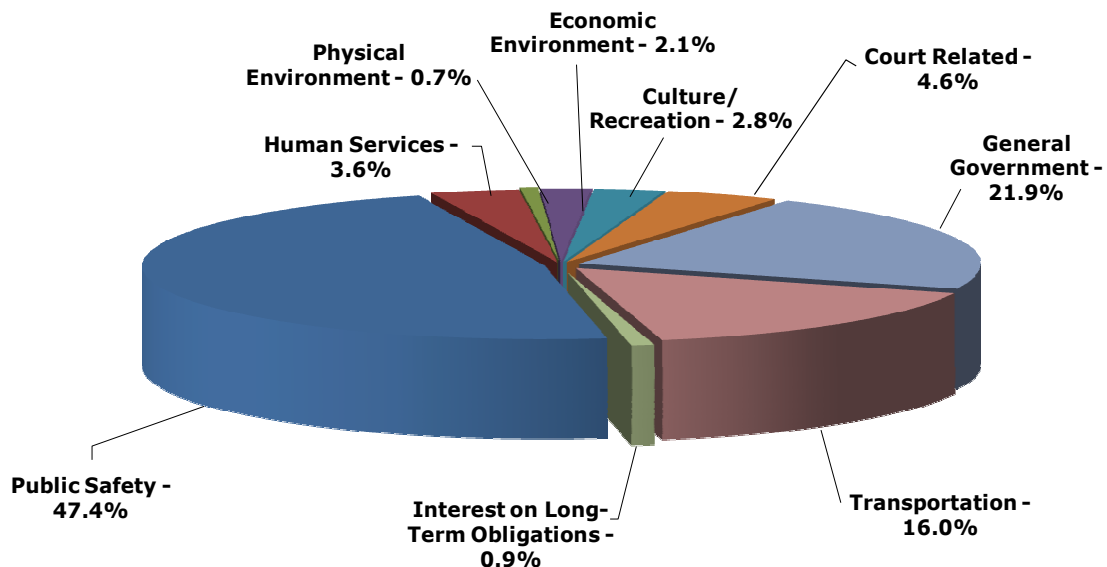
Governmental Activities

The County's governmental net position decreased \$2,247 from the prior year's net position. The current year change in net position is discussed above.

Revenues by Source - Governmental Activities



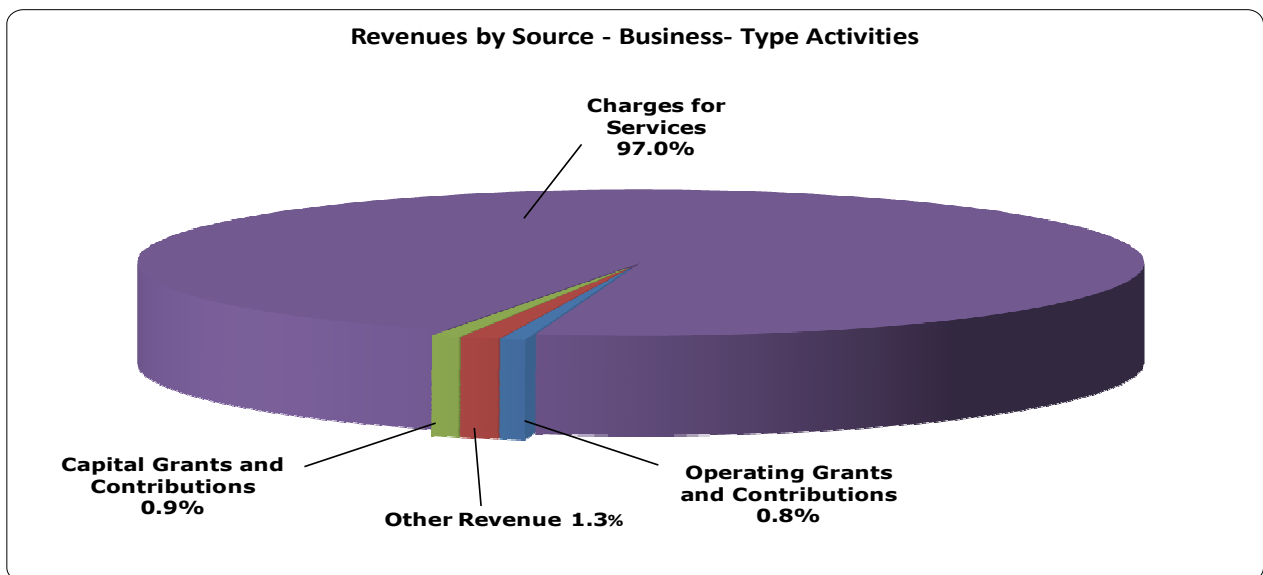
Expenses - Governmental Activities



Business-type Activities

The net position related to business-type activities decreased \$4,534 from current year activities. Key elements resulting in the current year decrease are as follows:

- Depreciation expense (including Capacity Analysis Changes) increased \$6,307 from the prior year because there were changes in the capacity analysis for the Central Landfill.
- Contractual Services expenses for the Waste Management Fund increased \$1,240 from the previous year mostly from debris removal related to hurricanes.
- Operating Grants in the East Putnam Water Fund decreased \$1,318 and Capital Grants in the East Putnam Water Fund decreased \$1,284 from the prior year.
- Other Operating expenses in the East Putnam Water Fund decreased \$1,225 from the prior year.



Financial Analysis of the County's Funds

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

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. This difference in focus and purpose creates significant variances between the Governmental Fund Financial Statements and the Government-wide Financial Statements. For the year ended September 30, 2017, the net decrease in fund balances per the Governmental Funds Financial Statements totaled \$3,786 while the governmental activities column of the Government-wide Financial Statements reported a decrease

of \$2,247 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, 2017, the County's governmental funds reported combined ending fund balances of \$25,283. Of the total governmental fund balance, \$3,254 constitutes unassigned fund balance, which is available for spending within each particular fund. The remainder of the fund balance is made up of \$18,827 that is restricted (primarily \$6,254 for Better Place Plan, \$3,814 for Road Projects, and \$1,579 for Court Improvement); \$361 is committed for the Sheriff's commissary; and \$2,841 is assigned (\$1,580 for subsequent year's expenditures and \$1,261 for road and bridge maintenance).

The following funds experienced the most significant changes in fund balance for the year: the General Fund decreased \$1,392 mostly due to transfers to support the Transportation Fund (\$1,744). The Better Place Plan Fund (a major fund) decreased \$1,574 primarily from transfers to the County Jail Fund for debt service (\$873) and transfers to the East Putnam Water Fund for operating support (\$550). The Road Projects Fund decreased \$978 from transportation related capital expenditures and the Fire Taxing Fund decreased \$788 from large capital expenditures.

Proprietary Funds

The proprietary funds provide the same type of information found in the Government-wide Financial Statements, but in more detail. Two of the proprietary funds, Waste Management and East Putnam Water, are major funds. At September 30, 2017, total net position amounted to \$38,300, a decrease of \$4,534 from the prior fiscal year. Unrestricted net position totaled \$3,352. Other factors concerning the finances of the Proprietary Funds were previously addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

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

- Intergovernmental revenues were increased by \$161 to account for unanticipated grant revenues received. The majority of the grant revenue received was used by the Sheriff for various law enforcement activities.

A comparison of actual revenues versus the final budget reflects that Charges for Services was \$129 more than budgeted projections. This was primarily attributable to higher than anticipated revenue received for services provided by the Tax Collector.

A review of actual expenditure results versus the final budget reveals that the actual expenditures for the General Fund were \$2,985 under final budget. This was primarily attributable to General Government and Public Safety expenditures being \$1,090 and \$1,461 under budget, respectively. Both instances were the result of sound/conservative fiscal management.

Capital Asset and Debt Administration

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total		Percent Change
	2017	2016	2017	2016	2017	2016	
Land	\$ 21,168	\$ 21,168	\$ 6,176	\$ 6,176	\$ 27,344	\$ 27,344	0.0%
Intangible Assets	383	514	-	-	383	514	-25.5%
Buildings and Improvements	36,839	37,948	1,575	1,683	38,414	39,631	-3.1%
Equipment	6,707	6,328	683	815	7,390	7,143	3.5%
Infrastructure	67,119	64,990	-	-	67,119	64,990	3.3%
Water and Sewer Distribution System	-	-	39,357	40,534	39,357	40,534	-2.9%
Landfill	-	-	3,744	7,327	3,744	7,327	-48.9%
Construction in Progress	1,271	69	253	137	1,524	206	639.8%
Total Capital Assets, Net	\$ 133,487	\$ 131,017	\$ 51,788	\$ 56,672	\$ 185,275	\$ 187,689	-1.3%

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, 2017, amounts to \$185,275 (net of accumulated depreciation). This investment in capital assets includes land, buildings and building improvements, equipment, computer software, infrastructure (including roads and bridges), construction in progress, the Landfill, and the Water and Sewer Distribution System. Currently, infrastructure, land, and buildings and improvements represent the largest components of governmental capital assets.

Major capital asset events 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 \$6,074.
- Sanitation purchased a new Hi-Lift Wheel Loader totaling \$253. In addition, a significant change in the capacity analysis for the Central Landfill required depreciation expense of \$3,584.
- Emergency Services commenced renovation of the County's emergency communications system totaling \$1,025.
- Emergency Medical Services purchased three ambulances totaling \$941.
- Public Works purchased three excavators totaling \$803.

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

Long-term Obligations

County-wide, total long-term obligations increased by \$4,360 from the prior year, mostly from an increase in net pension liability of \$3,266 and an increase in accrued landfill closure and long-term care costs of \$3,246. Other significant changes include a (\$2,541) decrease in notes payable and a \$712 increase in capital leases.

In fiscal year 2017, the County's governmental activities entered into a capital lease agreement for a new phone system costing \$246 and for two excavators costing \$753.

Governmental Activities:

- The County made the following principal payments during the year: special assessment debt - \$178; notes payable - \$1,610; revenue bonds - \$232; capital leases - \$132; and Medicaid obligation - \$83.
- Governmental obligations for compensated absences decreased (\$70) or 3.2% to \$2,078.
- The net pension liability increased \$3,178 or 7.6% to \$45,012 at year-end.

	Long-Term Obligations						Percent Change
	Governmental Activities		Business-type Activities		Total		
	2017	2016	2017	2016	2017	2016	
Revenue Bonds	\$ 17,734	\$ 17,965	\$ 9,048	\$ 9,199	26,782	27,164	-1.4%
Special Assessment Debt	138	317	-	-	138	317	-56.5%
Notes Payable	1,298	2,908	7,696	8,626	8,994	11,534	-22.0%
Capital Lease Obligations	866	-	48	203	914	203	350.2%
Landfill Closure and Post-Closure	-	-	16,745	13,499	16,745	13,499	24.0%
Other Post Employment Benefits	3,627	3,249	124	110	3,751	3,359	11.7%
Compensated Absences	2,078	2,148	57	58	2,135	2,206	-3.2%
Medicaid Obligation	-	83	-	-	-	83	N/A
Net Pension Liability	45,012	41,834	786	698	45,798	42,532	7.7%
Total	\$ 70,753	\$ 68,504	\$ 34,504	\$ 32,393	\$ 105,257	\$ 100,897	4.3%

Business-type Activities:

- The following principal payments were made during the year: notes payable - \$1,047, revenue bonds - \$151, and capital leases - \$154.
- Accrued landfill closure and post-closure costs were increased by \$3,288 due to a change in accounting estimate that resulted when an engineering study revealed less than expected remaining capacity within the active cells. That increase was offset by a reduction of \$43 due to reduced long-term care cost estimates.
- The net pension liability increased \$87 or 12.5% to \$786 at year-end.

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

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County for September 2017 was 5.7%. This represents a slight decrease from the previous year's average of 6.0%.
- During 2017, the taxable value of real property increased 0.4%, and the taxable value of personal property increased 1.3% over the 2016 fiscal year.
- Building permit activity revenues increased approximately 22.5% from the prior year.
- The population increased slightly from 72,957 in 2016 to an estimated 73,176 in 2017.

During the current fiscal year, the unassigned fund balance in the General Fund increased \$1,496 or 85.19% to \$3,254. The overall fund balance in the General Fund decreased (\$1,392) or 22.1% from the previous year to \$4,895. The decrease was primarily from transfers to support the Transportation Fund (\$1,744).

The ad valorem tax rate changed to 9.091 mils for fiscal year 2017, up from 9.073 mils in the previous year.

Requests for Information

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

Basic Financial Statements



Putnam County, Florida
Statement of Net Position
September 30, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Putnam County Development Authority
ASSETS				
Cash and Equivalents	\$ 27,977,287	\$ 14,417,067	\$ 42,394,354	\$ 249,555
Investments	648,444	-	648,444	-
Receivables	1,759,174	334,630	2,093,804	-
Due From Other Governments	2,185,470	86,346	2,271,816	-
Inventory	193,222	-	193,222	-
Other Assets	17,552	-	17,552	-
Restricted Cash and Equivalents	-	2,942,058	2,942,058	-
Restricted Investments	-	4,223,903	4,223,903	-
Capital Assets:				
Non-Depreciable	22,438,872	6,429,895	28,868,767	473,854
Depreciable, Net	111,047,850	45,358,075	156,405,925	81,427
TOTAL ASSETS	166,267,871	73,791,974	240,059,845	804,836
DEFERRED OUTFLOWS OF RESOURCES				
Derivative Instruments-Interest Rate Swaps	20,469	-	20,469	-
Pensions	19,509,537	339,939	19,849,476	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	19,530,006	339,939	19,869,945	-
LIABILITIES				
Accounts Payable and Accrued Liabilities	4,087,583	1,123,441	5,211,024	184
Retainage Payable to Contractors	20,588	47,243	67,831	-
Other Liabilities	1,367,487	96,604	1,464,091	-
Derivative Instruments-Interest Rate Swaps	20,469	-	20,469	-
Noncurrent Liabilities:				
Due Within One Year	3,153,244	1,724,028	4,877,272	-
Due in More Than One Year	67,600,077	32,780,126	100,380,203	-
TOTAL LIABILITIES	76,249,448	35,771,442	112,020,890	184
DEFERRED INFLOWS OF RESOURCES				
Pensions	4,186,191	60,196	4,246,387	-
NET POSITION				
Net Investment In Capital Assets	113,429,824	34,948,200	148,378,024	555,281
Restricted For:				
Affordable Housing Assistance	1,189,344	-	1,189,344	-
Court Functions and Courthouse Improvements	1,277,704	-	1,277,704	-
Law Enforcement and Other Public Safety	1,530,405	-	1,530,405	-
Road and Bridge Maintenance	339,841	-	339,841	-
Capital Projects	10,079,591	-	10,079,591	-
Public Records Modernization	1,315,118	-	1,315,118	-
Fishing Improvement	375,964	-	375,964	-
Tourist Development	817,246	-	817,246	-
Water and Sewer Utilities	241,696	-	241,696	-
Other Purposes	64,775	-	64,775	-
Unrestricted	(25,299,270)	3,352,075	(21,947,195)	249,371
TOTAL NET POSITION	\$ 105,362,238	\$ 38,300,275	\$ 143,662,513	\$ 804,652

See accompanying notes.

Putnam County, Florida
Statement of Activities
For the Year Ended September 30, 2017

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		Component Unit	
					Governmental Activities	Business-type Activities	Total	Putnam Co Develop. Auth.
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
General Government	\$ 15,643,226	\$ 3,571,165	\$ 37,269	\$ -	\$ (12,034,792)	\$ -	\$ (12,034,792)	\$ -
Public Safety	33,915,932	4,775,344	1,057,569	-	(28,083,019)	-	(28,083,019)	-
Physical Environment	516,934	210,886	56,863	-	(249,185)	-	(249,185)	-
Transportation	11,464,952	718,425	4,251,671	2,625,951	(3,868,905)	-	(3,868,905)	-
Economic Environment	1,472,703	-	1,083,479	90,106	(299,118)	-	(299,118)	-
Human Services	2,550,649	224,920	11,487	-	(2,314,242)	-	(2,314,242)	-
Culture and Recreation	2,032,275	77,209	219,297	-	(1,735,769)	-	(1,735,769)	-
Court Related	3,292,838	1,115,154	1,173,721	-	(1,003,963)	-	(1,003,963)	-
Interest on Long-Term Debt	666,842	-	-	-	(666,842)	-	(666,842)	-
TOTAL GOVERNMENTAL ACTIVITIES	71,556,351	10,693,103	7,891,356	2,716,057	(50,255,835)	-	(50,255,835)	-
BUSINESS-TYPE ACTIVITIES:								
Water and Wastewater System	2,432,010	1,045,305	-	123,200	-	(1,263,505)	(1,263,505)	-
Solid Waste	15,720,091	11,738,097	108,682	-	-	(3,873,312)	(3,873,312)	-
Port Authority	223,157	142,984	-	-	-	(80,173)	(80,173)	-
TOTAL BUSINESS-TYPE ACTIVITIES	18,375,258	12,926,386	108,682	123,200	-	(5,216,990)	(5,216,990)	-
TOTAL PRIMARY GOVERNMENT	\$ 89,931,609	\$ 23,619,489	\$ 8,000,038	\$ 2,839,257	(50,255,835)	(5,216,990)	(55,472,825)	-
COMPONENT UNIT:								
Putnam County Development Authority	\$ 8,932	\$ 10,505	\$ -	\$ -	-	-	-	1,573
GENERAL REVENUES:								
Property Taxes					32,468,085	-	32,468,085	-
Sales Taxes					3,057,127	-	3,057,127	-
Unrestricted State Shared Revenues					5,006,220	-	5,006,220	-
Local Infrastructure Surtax					5,609,556	-	5,609,556	-
Tourist Development Tax					418,821	-	418,821	-
Communications Service Tax					510,188	-	510,188	-
Investment Earnings					118,601	110,579	229,180	383
Gain on Sale of Capital Assets					-	56,901	56,901	-
Miscellaneous					1,334,750	483	1,335,233	-
Transfers					(514,811)	514,811	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					48,008,537	682,774	48,691,311	383
CHANGE IN NET POSITION					(2,247,298)	(4,534,216)	(6,781,514)	1,956
NET POSITION - BEGINNING OF YEAR					107,609,536	42,834,491	150,444,027	802,696
NET POSITION - END OF YEAR					\$ 105,362,238	\$ 38,300,275	\$ 143,662,513	\$ 804,652

See accompanying notes.

Putnam County, Florida
Balance Sheet – Governmental Funds
September 30, 2017

	General Fund	County Transportation Fund	Better Place Plan Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and Equivalents	\$ 5,716,846	\$ 2,346,141	\$ 6,048,624	\$ 12,351,708	\$ 26,463,319
Investments	-	-	-	648,444	648,444
Receivables	1,703,067	-	-	56,107	1,759,174
Due From Other Funds	73,000	-	-	34,311	107,311
Due From Other Governments	741,421	260,082	359,392	729,353	2,090,248
Other Assets	15,538	-	-	-	15,538
TOTAL ASSETS	8,249,872	2,606,223	6,408,016	13,819,923	31,084,034
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued					
Liabilities	1,317,429	1,344,602	154,205	481,920	3,298,156
Due to Other Funds	34,311	-	-	73,000	107,311
Due to Other Governments	213,403	-	-	237,575	450,978
Customer Deposits	-	-	-	143,762	143,762
TOTAL LIABILITIES	1,565,143	1,344,602	154,205	936,257	4,000,207
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	1,789,547	-	-	11,565	1,801,112
<u>FUND BALANCES</u>					
Restricted	61,238	-	6,253,811	12,511,463	18,826,512
Committed	-	-	-	360,638	360,638
Assigned	1,579,910	1,261,621	-	-	2,841,531
Unassigned	3,254,034	-	-	-	3,254,034
TOTAL FUND BALANCES	4,895,182	1,261,621	6,253,811	12,872,101	25,282,715
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 8,249,872	\$ 2,606,223	\$ 6,408,016	\$ 13,819,923	\$ 31,084,034

See accompanying notes.

Putnam County, Florida
Reconciliation of the Balance Sheet to the Statement of Net Position-
Governmental Funds
September 30, 2017

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 25,282,715

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..... 133,456,721

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

1,801,112

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 (317,571)

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

Long-Term Debt (19,169,758)

Capital Lease Obligations (866,552)

Compensated Absences (2,038,900)

OPEB Obligations (3,588,657)

(25,663,867)

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 (44,737,874)

Deferred outflows related to pensions..... 19,390,969

Deferred inflows related to pensions..... (4,165,195) (29,512,100)

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 315,228

Net Position of Governmental Activities \$ 105,362,238

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended September 30, 2017

	General Fund	County Transportation Fund	Better Place Plan Fund	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>					
Taxes	\$ 29,856,826	\$ 2,159,229	\$ 5,609,556	\$ 4,757,324	\$ 42,382,935
Licenses and Permits	468,685	2,200	-	42,062	512,947
Intergovernmental	8,597,355	2,467,443	-	4,402,928	15,467,726
Charges for Services	5,664,145	215,920	-	1,192,888	7,072,953
Fines and Forfeitures	77,722	-	-	277,015	354,737
Special Assessments	-	-	-	761,211	761,211
Miscellaneous	227,950	55,367	58,543	1,188,412	1,530,272
TOTAL REVENUES	44,892,683	4,900,159	5,668,099	12,621,840	68,082,781
<u>EXPENDITURES</u>					
Current:					
General Government	13,426,680	-	-	83,036	13,509,716
Public Safety	25,193,687	-	-	5,366,858	30,560,545
Physical Environment	355,881	-	-	109,519	465,400
Transportation	30,000	7,124,256	-	542,736	7,696,992
Economic Environment	292,711	-	-	1,176,565	1,469,276
Human Services	2,621,923	-	-	-	2,621,923
Culture and Recreation	1,491,078	-	-	214,638	1,705,716
Court Related	1,002,784	-	-	2,020,498	3,023,282
Capital Outlay	-	-	4,110,363	3,880,000	7,990,363
Debt Service:					
Principal Retirement	6,592	125,620	1,505,000	515,232	2,152,444
Interest and Fiscal Charges	3,546	11,317	76,058	591,498	682,419
TOTAL EXPENDITURES	44,424,882	7,261,193	5,691,421	14,500,580	71,878,076
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	467,801	(2,361,034)	(23,322)	(1,878,740)	(3,795,295)
<u>OTHER FINANCING SOURCES/ (USES)</u>					
Transfers In	320,918	1,743,464	-	1,216,911	3,281,293
Transfers Out	(2,426,845)	(30,183)	(1,550,295)	(264,118)	(4,271,441)
Capital Lease	245,828	752,935	-	-	998,763
TOTAL OTHER FINANCING SOURCES (USES)	(1,860,099)	2,466,216	(1,550,295)	952,793	8,615
NET CHANGE IN FUND BALANCES	(1,392,298)	105,182	(1,573,617)	(925,947)	(3,786,680)
FUND BALANCES - BEGINNING OF YEAR	6,287,480	1,156,439	7,827,428	13,798,048	29,069,395
FUND BALANCES - END OF YEAR	\$ 4,895,182	\$ 1,261,621	\$ 6,253,811	\$ 12,872,101	\$ 25,282,715

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, 2017

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (3,786,680)

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

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

Capital assets acquired by use of financial resources	10,596,600	
Current year depreciation and amortization	(8,089,097)	
Difference.....		2,507,503

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.....	343,038
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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	(31,198)
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Issuance of debt provides current financial resources to governmental funds, but increases long-term liabilities and short-term debt in the statement of net position.....	(998,763)
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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	2,152,443
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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	73,700	
OPEB Obligations	(374,486)	
Accrued Interest Payable	15,577	
Medicaid Obligation	83,334	
Total		(201,875)

Pension expense is recorded in the statement of activities for changes in the County's proportionate share of the Florida Retirement System collective pension expense. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68.....	(2,811,345)
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Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) is reported with governmental activities.....	579,579
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ (2,247,298)
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See accompanying notes.

Putnam County, Florida
Statement of Net Position – Proprietary Funds
September 30, 2017

	Business-type Activities - Enterprise Funds				Governmental Activities
	Waste Management Fund	East Putnam Water Fund	Non-Major Proprietary Fund	Total Enterprise Funds	Internal Service Funds
<u>ASSETS</u>					
CURRENT ASSETS:					
Cash and Equivalents	\$ 12,498,298	\$ 934,846	\$ 983,923	\$ 14,417,067	\$ 1,513,968
Receivables	148,140	167,771	18,719	334,630	-
Due From Other Governments	46,119	26,500	13,727	86,346	95,222
Inventory	-	-	-	-	193,222
Other Assets	-	-	-	-	2,014
TOTAL CURRENT ASSETS	12,692,557	1,129,117	1,016,369	14,838,043	1,804,426
NONCURRENT ASSETS:					
Restricted Cash and Equivalents	2,167,305	774,753	-	2,942,058	-
Restricted Investments	4,223,903	-	-	4,223,903	-
Capital Assets, Net	8,115,414	39,701,397	3,971,159	51,787,970	30,001
TOTAL NONCURRENT ASSETS	14,506,622	40,476,150	3,971,159	58,953,931	30,001
TOTAL ASSETS	27,199,179	41,605,267	4,987,528	73,791,974	1,834,427
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Pensions	283,561	56,378	-	339,939	118,568
<u>LIABILITIES</u>					
CURRENT LIABILITIES:					
Accounts Payable and Accrued Liabilities	956,057	163,069	4,315	1,123,441	492,444
Retainage Payable to Contractors	47,243	-	-	47,243	-
Estimated Liability for Self-Insured Losses	-	-	-	-	272,747
Deposits	10,955	84,724	925	96,604	-
Current Portion of Long-Term Obligations	1,039,800	684,228	-	1,724,028	22,519
TOTAL CURRENT LIABILITIES	2,054,055	932,021	5,240	2,991,316	787,710
NONCURRENT LIABILITIES	16,687,987	16,092,139	-	32,780,126	829,061
TOTAL LIABILITIES	18,742,042	17,024,160	5,240	35,771,442	1,616,771
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Pensions	50,213	9,983	-	60,196	20,996
<u>NET POSITION</u>					
Net Investment in Capital Assets	7,875,603	23,101,438	3,971,159	34,948,200	30,001
Unrestricted	814,882	1,526,064	1,011,129	3,352,075	285,227
TOTAL NET POSITION	\$ 8,690,485	\$ 24,627,502	\$ 4,982,288	\$ 38,300,275	\$ 315,228

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds
For the Year Ended September 30, 2017

	Business-type Activities - Enterprise Funds				Governmental Activities
	Waste Management Fund	East Putnam Water Fund	Non-Major Proprietary Fund	Total Enterprise Funds	Internal Service Funds
<u>OPERATING REVENUES</u>					
User Fees and Assessments	\$ 11,738,097	\$ 1,045,305	\$ 142,984	\$ 12,926,386	\$ 8,471,368
Miscellaneous	483	-	-	483	155,267
TOTAL OPERATING REVENUES	11,738,580	1,045,305	142,984	12,926,869	8,626,635
<u>OPERATING EXPENSES</u>					
Personal Services	930,532	225,886	-	1,156,418	458,553
Insurance	-	-	-	-	6,852,212
Claims Expense	-	-	-	-	327,090
Contractual Services	6,779,977	26,661	4,535	6,811,173	356,460
Repairs and Maintenance	245,755	30,832	16,139	292,726	22,966
Other Operating Expenses	555,970	230,247	106,062	892,279	490,502
Depreciation	3,945,045	1,212,444	96,421	5,253,910	14,610
Closure and Long-Term Care Costs	3,245,756	-	-	3,245,756	-
TOTAL OPERATING EXPENSES	15,703,035	1,726,070	223,157	17,652,262	8,522,393
OPERATING INCOME (LOSS)	(3,964,455)	(680,765)	(80,173)	(4,725,393)	104,242
<u>NON OPERATING REVENUES</u>					
<u>(EXPENSES)</u>					
Interest Revenue	94,720	14,279	1,580	110,579	-
Contributions and Donations	17,773	-	-	17,773	-
Grants	90,909	-	-	90,909	-
Interest Expense	(17,056)	(705,940)	-	(722,996)	-
Gain on Sale of Surplus Property	56,901	-	-	56,901	-
TOTAL NONOPERATING REVENUES (EXPENSES)	243,247	(691,661)	1,580	(446,834)	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS					
	(3,721,208)	(1,372,426)	(78,593)	(5,172,227)	104,242
Capital Grants & Contributions	-	123,200	-	123,200	-
Transfers In	-	610,000	-	610,000	477,223
Transfers Out	(91,416)	-	(3,773)	(95,189)	(1,886)
CHANGE IN NET POSITION	(3,812,624)	(639,226)	(82,366)	(4,534,216)	579,579
NET POSITION - BEGINNING OF YEAR					
	12,503,109	25,266,728	5,064,654	42,834,491	(264,351)
NET POSITION - END OF YEAR	\$ 8,690,485	\$ 24,627,502	\$ 4,982,288	\$ 38,300,275	\$ 315,228

See accompanying notes.

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2017

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities Internal Service Funds</u>
	<u>Waste Management Fund</u>	<u>East Putnam Water Fund</u>	<u>Non-Major Proprietary Fund</u>	<u>Total Enterprise Funds</u>	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Receipts From Customers	\$11,905,481	\$ 1,645,988	\$ 180,986	\$13,732,455	\$ 8,801,638
Payments to Suppliers	(7,010,344)	(252,036)	(123,384)	(7,385,764)	(8,502,612)
Payments to Employees	(838,913)	(209,240)	-	(1,048,153)	(424,989)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>4,056,224</u>	<u>1,184,712</u>	<u>57,602</u>	<u>5,298,538</u>	<u>(125,963)</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>					
Transfers In	-	60,000	-	60,000	477,223
Transfers Out	(91,416)	-	(3,773)	(95,189)	(1,886)
Grants	<u>108,682</u>	<u>-</u>	<u>-</u>	<u>108,682</u>	<u>-</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>17,266</u>	<u>60,000</u>	<u>(3,773)</u>	<u>73,493</u>	<u>475,337</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>					
Principal Paid on Debt	(717,385)	(634,463)	-	(1,351,848)	-
Interest Paid on Debt	(23,812)	(712,046)	-	(735,858)	-
Proceeds From Sale of Surplus Property	56,901	-	-	56,901	-
Customer Contributions	-	7,000	-	7,000	-
Debt Proceeds	-	116,266	-	116,266	-
Grants	-	252,110	-	252,110	-
Transfers In-Capital & Debt Service	-	550,000	-	550,000	-
Acquisitions of Capital Assets	<u>(253,234)</u>	<u>(221,132)</u>	<u>-</u>	<u>(474,366)</u>	<u>(7,565)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(937,530)</u>	<u>(642,265)</u>	<u>-</u>	<u>(1,579,795)</u>	<u>(7,565)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Purchase of Investments	(33,166)	-	-	(33,166)	-
Interest on Investments	<u>94,720</u>	<u>14,279</u>	<u>1,580</u>	<u>110,579</u>	<u>-</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>61,554</u>	<u>14,279</u>	<u>1,580</u>	<u>77,413</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	<u>3,197,514</u>	<u>616,726</u>	<u>55,409</u>	<u>3,869,649</u>	<u>341,809</u>
CASH AND EQUIVALENTS - BEGINNING OF YEAR	<u>11,468,089</u>	<u>1,092,873</u>	<u>928,514</u>	<u>13,489,476</u>	<u>1,172,159</u>
CASH AND EQUIVALENTS - END OF YEAR	<u>\$14,665,603</u>	<u>\$ 1,709,599</u>	<u>\$ 983,923</u>	<u>\$17,359,125</u>	<u>\$ 1,513,968</u>

(continued)

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2017

	Business-type Activities - Enterprise Funds				Governmental Activities
	Waste Management Fund	East Putnam Water Fund	Non-Major Proprietary Fund	Total Enterprise Funds	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$ (3,964,455)	\$ (680,765)	\$ (80,173)	\$ (4,725,393)	\$ 104,242
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	3,945,045	1,212,444	96,421	5,253,910	14,610
Change In:					
Receivables	127,916	(43,354)	51,629	136,191	-
Due from Other Funds	-	-	-	-	188,188
Due From Other Governments	37,835	617,583	(13,727)	641,691	(13,185)
Inventory	-	-	-	-	5,877
Deferred Outflows	45,451	10,298	-	55,749	20,190
Accounts Payable and Accrued Liabilities	541,813	36,203	3,415	581,431	(177,944)
Retainage Payable	47,243	-	-	47,243	-
Due to Other Funds	-	-	-	-	(175,000)
Customer Deposits	1,150	26,454	100	27,704	-
Estimated Liability for Self Insured Losses	-	-	-	-	(106,315)
Due to Other Governments	-	-	(63)	(63)	-
Net Pension Liability	74,798	12,645	-	87,443	29,183
Deferred Inflows	(54,887)	(11,316)	-	(66,203)	(23,329)
Accrued Landfill and Post- Closure Costs	3,245,756	-	-	3,245,756	-
Compensated Absences	(2,000)	1,000	-	(1,000)	4,000
Other Noncurrent Liabilities	10,559	3,520	-	14,079	3,520
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 4,056,224</u>	<u>\$ 1,184,712</u>	<u>\$ 57,602</u>	<u>\$ 5,298,538</u>	<u>\$ (125,963)</u>

(concluded)

See accompanying notes.

Putnam County, Florida
Statement of Fiduciary Net Position
September 30, 2017

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and Equivalents	\$ 3,947,124
Receivables	<u>168,575</u>
TOTAL ASSETS	<u>\$ 4,115,699</u>
<u>LIABILITIES</u>	
Assets Held for Others	<u>\$ 4,115,699</u>

See accompanying notes.

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

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Putnam County, Florida
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September 30, 2017

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Putnam County, Florida
Notes to Financial Statements
September 30, 2017

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, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Joint Ventures – The County did not participate in any joint ventures during fiscal year 2016-2017.

B. Future Accounting Changes

The Governmental Accounting Standards Board has issued statements that will become effective in 2018. The statements address:

- Other postemployment benefits (OPEB) accounting and financial reporting by employers
- Debt extinguishment
- Split-interest agreements; and
- Various practice issues (Omnibus).

The County is currently evaluating the effects that these statements will have on its financial statements for the year ended September 30, 2018.

C. Government-wide and Fund Financial Statements

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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, 2017

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, 2017

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, 2017.

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, 2017

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, 2017

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 2017.

Unearned Revenues

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

Compensated Absences

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

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Management Estimates and Assumptions

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

G. Deferred Inflows and Outflows

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

H. Pensions

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

I. Fund Balance

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

Fund balance classifications are described below:

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

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Defined Benefit Plans

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

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 2 – STATE OF FLORIDA PENSION PLANS

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

Benefits Provided

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

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

Contributions

The contribution requirements of plan members and the County are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The County's contribution rates as of September 30, 2017, were as follows:

	<u>FRS</u>	<u>HIS</u>
Regular Class	6.26%	1.66%
Special Risk Class	21.61%	1.66%
Senior Management	21.05%	1.66%
Elected Officials	43.84%	1.66%
DROP from FRS	11.60%	1.66%

The County's contributions for the year ended September 30, 2017, were \$3,357,991 to the FRS and \$429,079 to the HIS.

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Pension Liabilities and Pension Expense

At September 30, 2017, 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, 2017. The County's proportions of the net pension liabilities were based on the County's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability at		
September 30, 2017	\$ 37,254,999	\$ 8,543,115
Proportion at:		
Current Measurement Date	0.1259494%	0.0798985%
Prior Measurement Date	0.1302864%	0.0826718%
Pension expense (benefit), year ended		
September 30, 2017	\$ 6,109,781	\$ 591,667

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related pension from the following sources:

	FRS	HIS
	Deferred Outflows of Resources	Deferred Inflows of Resources
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,419,112	\$ (206,374)
Changes of assumptions	12,520,310	-
Net difference between projected and actual earnings on pension plan investments	-	(923,272)
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,443,694	(1,842,608)
Employer contributions subsequent to the measurement date	955,764	-
Total	\$ 18,338,880	\$ (2,972,254)

Putnam County, Florida

**Notes to Financial Statements
September 30, 2017**

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2017. 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
2018	\$ 1,837,781	\$ 81,865
2019	5,042,648	80,969
2020	3,512,845	80,538
2021	710,955	37,700
2022	2,418,913	(1,302)
Thereafter	887,720	(158,735)
Total	<u>\$ 14,410,862</u>	<u>\$ 121,035</u>

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2017. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2017. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2016, rolled-forward using standard actuarial procedures. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	<u>FRS</u>	<u>HIS</u>
Inflation	2.60%	2.60%
Salary Increases	3.25%	3.25%
Investment rate of return	7.10%	N/A
Discount Rate	7.10%	3.58%

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

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

The following changes in key actuarial assumptions occurred in 2017:

FRS: The discount rate and the long-term expected rate of return used to determine the total pension liability decreased from 7.60% to 7.10%.

HIS: The discount rate and the municipal bond index rate used to determine the total pension liability increased from 2.85% to 3.58%.

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 2 – STATE OF FLORIDA PENSION PLANS

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on long-term target asset allocation.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1.00%	3.00%	3.00%
Fixed Income	18.00%	4.50%	4.40%
Globabl Equity	53.00%	7.80%	6.60%
Real estate (property)	10.00%	6.60%	5.90%
Private equity	6.00%	11.50%	7.80%
Strategic Investments	<u>12.00%</u>	6.10%	5.60%
	<u>100.00%</u>		

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 7.10%. 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 3.58% 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, 2017

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Sensitivity Analysis

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

	FRS			HIS		
	Current			Current		
	1% Decrease (6.10%)	Discount Rate (7.10%)	1% Increase (8.10%)	1% Decrease (2.58%)	Discount Rate (3.58%)	1% Increase (4.58%)
Employer's proportionate share of the net pension liability	\$ 67,429,298	\$37,254,999	\$12,203,418	\$ 9,748,825	\$ 8,543,115	\$ 7,538,824

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, 2017, totaled \$371,442.

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 3 – DEFERRED COMPENSATION PLAN

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

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

NOTE 4 – PROPERTY TAXES

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

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. There were no significant delinquent property taxes receivable at September 30, 2017.

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 4 – PROPERTY TAXES

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

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

NOTE 5 – DEPOSITS AND INVESTMENTS

As of September 30, 2017, the County had the following investments and maturities:

<u>Investment</u>	Investment Maturities (in years)					<u>S & P Rating</u>
	<u>Fair Value</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	\$13,212,760	\$13,212,760	\$ -	\$ -	\$ -	AAAm
Florida Local Government Investment Trust	4,872,347	987,625	2,498,052	1,311,636	75,034	AAAf
Money Market Funds	<u>5,094,306</u>	<u>5,094,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	NA
TOTAL INVESTMENTS	<u>\$23,179,413</u>	<u>\$19,294,691</u>	<u>\$2,498,052</u>	<u>\$1,311,636</u>	<u>\$ 75,034</u>	

Total Investments include \$18,307,066 classified as Cash and Equivalents in the accompanying financial statements. Investments exclude \$113,482 in a non-negotiable interest bearing time deposit of the Putnam County Development Authority, a component unit.

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 5 – DEPOSITS AND INVESTMENTS

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

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates as identified in Note 9. The County has the following recurring fair value measurements that are required to be categorized at September 30, 2017:

	Balance September 30, 2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Derivative Instruments:				
Interest Rate Swaps	\$ (20,469)	-	\$ (20,469)	-

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 51 days. The WAM for the Florida Local Government Investment Trust was 1.66 years.

Credit Risk

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 5 – DEPOSITS AND INVESTMENTS

State Investment Pool: The State Investment Pool is administered by the Florida State Board of Administration (SBA), which provides regulatory oversight. The Florida PRIME is an external investment pool that has adopted operating procedures consistent with GASB's requirements to measure its investments at amortized cost. Therefore, the fair value of the position in the pool is equal to the value of the pool shares. The Florida PRIME is rated by Standard and Poor's and has a rating at September 30, 2017 of AAAM.

Florida Local Government Investment Trust: The County participates in the Florida Local Government Investment Trust (FLGIT), an external investment pool. Regulatory oversight for the pool consists of the Board of Trustees comprised of County Clerks and County Commissioners; an Investment Board comprised of finance officers throughout the State; an Independent Investment Advisor; a Custodian Bank; and an Administrator (Florida Association of Court Clerks). Additionally, the pool's investments are periodically rated by Standard & Poor's. At September 30, 2017, the Credit Quality and Bond Fund Volatility Ratings were AAAf and S1, respectively.

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

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. All County deposits are in qualified public depositories pursuant to Chapter 280, Florida Statutes. All deposits made in qualified public depositories are fully collateralized and backed by the Public Deposit Security Trust Fund.

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

Concentration of Credit Risk

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 6 – ACCOUNTS RECEIVABLE

Accounts receivable of the General Fund consist primarily of ambulance service accounts which are reported net of an allowance for doubtful accounts of \$2,924,480 at September 30, 2017. The allowance represents approximately 63.8% of the gross ambulance service accounts receivable at September 30, 2017. The balance of the receivable consists of miscellaneous service fees.

Accounts receivable of the non-major Governmental Funds consist primarily of \$13,055 in utility customer receivables, court related receivables of \$30,391 and \$461 other miscellaneous receivables. Allowances for doubtful accounts are not considered necessary, except for an allowance of \$25,537 for court receivables. All net receivables are expected to be collected within the next year.

Accounts receivable of the Enterprise Funds consist of Landfill and Water Utility customer and rent receivables of \$1,034,464 and other miscellaneous receivables resulting from normal business activities. An allowance for doubtful accounts in the amount of \$700,000 has been established. All net receivables are expected to be collected within the next year.

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a schedule of interfund receivables and payables as of September 30, 2017:

Due To / Due From Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 73,000
Non-Major Governmental Fund	General Fund	34,311
TOTAL PRIMARY GOVERNMENT		<u><u>\$ 107,311</u></u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers for the year ended September 30, 2017, consisted of the following:

Transfer In:						
<u>Transfer Out:</u>	<u>General Fund</u>	<u>County Transportation Fund</u>	<u>Nonmajor Governmental</u>	<u>East Putnam Water</u>	<u>Internal Service</u>	<u>Total Transfers In</u>
General Fund	\$ -	1,743,464	\$ 294,391	\$ 60,000	\$ 328,990	\$ 2,426,845
Better Place Plan Fund	127,775	-	872,520	550,000	-	1,550,295
Transportation Fund	-	-	-		30,183	30,183
Nonmajor Governmental	139,414	-	50,000	-	74,704	264,118
Waste Management	53,729	-	-	-	37,687	91,416
Nonmajor Proprietary	-	-	-	-	3,773	3,773
Internal Service	-	-	-	-	1,886	1,886
Total Transfers Out	<u>\$ 320,918</u>	<u>\$ 1,743,464</u>	<u>\$ 1,216,911</u>	<u>\$ 610,000</u>	<u>\$ 477,223</u>	<u>\$ 4,368,516</u>

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

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 8 – CAPITAL ASSET ACTIVITY

Capital asset activity for the year was as follows:

	Beginning Balance October 1, 2016	Increases	Decreases	Ending Balance September 30, 2017
Primary Government				
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 21,168,227	\$ -	\$ -	\$ 21,168,227
Construction in Progress	69,006	1,270,645	(69,006)	1,270,645
Total Capital Assets Not Being Depreciated	<u>21,237,233</u>	<u>1,270,645</u>	<u>(69,006)</u>	<u>22,438,872</u>
Capital Assets Being Depreciated:				
Intangible Assets	1,414,666	-	-	1,414,666
Buildings	46,518,311	430,189	-	46,948,500
Improvements	9,979,347	-	-	9,979,347
Equipment	38,720,283	2,904,008	(1,447,830)	40,176,461
Infrastructure	95,478,008	6,073,528	(2,227,365)	99,324,171
Total Capital Assets Being Depreciated	<u>192,110,615</u>	<u>9,407,725</u>	<u>(3,675,195)</u>	<u>197,843,145</u>
Less Accumulated Depreciation For:				
Intangible Assets	(901,231)	(130,628)	-	(1,031,859)
Buildings	(14,186,496)	(1,214,156)	-	(15,400,652)
Improvements	(4,362,359)	(325,622)	-	(4,687,981)
Equipment	(32,391,803)	(2,494,090)	1,416,632	(33,469,261)
Infrastructure	(30,488,497)	(3,944,410)	2,227,365	(32,205,542)
Total Accumulated Depreciation	<u>(82,330,386)</u>	<u>(8,108,906)</u>	<u>3,643,997</u>	<u>(86,795,295)</u>
Total Capital Assets Being Depreciated, Net	<u>109,780,229</u>	<u>1,298,819</u>	<u>(31,198)</u>	<u>111,047,850</u>
Governmental Activities Capital Assets, Net	<u>\$ 131,017,462</u>	<u>\$ 2,569,464</u>	<u>\$ (100,204)</u>	<u>\$ 133,486,722</u>
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 6,176,495	\$ -	\$ -	\$ 6,176,495
Construction in Progress	137,200	116,200	-	253,400
Total Capital Assets Not Being Depreciated	<u>6,313,695</u>	<u>116,200</u>	<u>-</u>	<u>6,429,895</u>
Capital Assets Being Depreciated:				
Buildings	3,177,325	-	-	3,177,325
Improvements	967,510	-	-	967,510
Landfill	11,347,894	-	-	11,347,894
Water and Sewer Distribution System	47,102,814	-	-	47,102,814
Equipment	3,018,537	253,234	(185,829)	3,085,942
Total Capital Assets Being Depreciated	<u>65,614,080</u>	<u>253,234</u>	<u>(185,829)</u>	<u>65,681,485</u>
Less Accumulated Depreciation For:				
Buildings	(1,596,845)	(95,429)	-	(1,692,274)
Improvements	(864,465)	(13,813)	-	(878,278)
Landfill	(4,020,559)	(3,583,665)	-	(7,604,224)
Water and Sewer Distribution System	(6,569,001)	(1,176,706)	-	(7,745,707)
Equipment	(2,204,459)	(384,297)	185,829	(2,402,927)
Total Accumulated Depreciation	<u>(15,255,329)</u>	<u>(5,253,910)</u>	<u>185,829</u>	<u>(20,323,410)</u>
Total Capital Assets Being Depreciated, Net	<u>50,358,751</u>	<u>(5,000,676)</u>	<u>-</u>	<u>45,358,075</u>
Business-type Activities Capital Assets, Net	<u>\$ 56,672,446</u>	<u>\$ (4,884,476)</u>	<u>\$ -</u>	<u>\$ 51,787,970</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 8 – CAPITAL ASSET ACTIVITY

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

Governmental Activities:

General Government	\$ 521,297
Public Safety	2,763,711
Physical Environment	39,502
Transportation	4,395,092
Economic Environment	-
Human Services	12,060
Culture and Recreation	251,423
Court Related	106,013
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>19,808</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 8,108,906</u></u>

Business-type Activities:

Waste Management	\$ 3,945,045
Water and Sewer System	96,421
Port Authority	<u>1,212,444</u>
Total Depreciation Expense - Business-type Activities	<u><u>\$ 5,253,910</u></u>

NOTE 9 – LONG-TERM OBLIGATIONS

Governmental Activities

Special Assessment Debt with Governmental Commitment \$1,900,000, variable rate, 13-year note to fund specific road improvements within several Municipal Service Benefit Units. The County entered into an interest rate swap agreement to fix the interest rate at 3.90%. The note is payable from and secured by a pledge of special assessments levied pursuant to County ordinance. The County is obligated to provide other non-ad valorem revenue sources for repayment to cover deficiencies. Principal and interest totaling approximately \$47,000 is due quarterly until maturity on June 1, 2018. The note is payable from the MSBU Loan Fund (a Debt Service Fund). \$ 138,336

Notes Payable - \$10,000,000, variable rate, 11-year note from a financial institution to finance certain road projects within the County. The County entered into an interest rate swap agreement to fix the interest rate at 4.11%. The note is payable from and secured by a pledge of proceeds from the one cent local infrastructure surtax. Principal and interest payments of approximately \$290,000 are due quarterly until maturity on January 1, 2018. The note is payable from the Better Place Fund (a Capital Project Fund). 570,000

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

\$3,500,000 variable rate, 10-year note from a financial institution to finance certain road projects within the County. The County entered into an interest rate swap agreement to fix the interest rate at 3.75%. The note is payable from and secured by a pledge of proceeds of the one cent local infrastructure surtax. Principal payments are made annually; interest is paid semi-annually; total annual payments approximate \$416,000; note matures on January 1, 2018. The note is payable from the Better Place Fund (a Capital Project Fund).

415,000

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

312,722

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.)

8,884,000

\$8,965,300 from the United States Department of Agriculture, Public Improvement Revenue Bond, Series 2016 to provide financing for the Putnam County Jail. The interest rate is 3.125%. The bonds will be repaid in 40 annual principal and interest payments of approximately \$395,750 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.)

8,849,700

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.

866,552

Other Post Employment Benefits 3,627,064

Accrued Compensated Absences 2,077,900

Net Pension Liability 45,012,047

Total Long-Term Obligations, Governmental Activities \$ 70,753,321

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

Business-Type Activities

<u>Notes Payable</u> - \$4,000,000, 3.76% interest rate, 8-year note from a financial institution to finance construction of a new cell at the County Landfill. The note is payable from and secured by special assessments for waste disposal. Principal and interest payments of approximately \$145,400 are due quarterly until maturity on October 1, 2017. The note is payable from the Waste Management Fund. (an Enterprise Fund)		\$ 144,094
\$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.		907,132
\$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.		6,644,827
<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.		3,894,000
\$2,054,900 from the United States Department of Agriculture is Water Revenue Bonds, Series 2008A to provide financing for the East Putnam Water System. The interest rate is 4.50%. The loan will be repaid in 38 annual loan payments of \$113,600 beginning September 1, 2011. The bond is secured by operating proceeds from the East Putnam Water System. The Better Place Plan Fund is obligated to cover deficiencies up to \$275,000 per year.		1,884,000
\$3,057,000 from the United States Department of Agriculture is Sewer Revenue Bonds, Series 2014 (Bond R-1) to provide financing for the East Putnam Wastewater System. The interest rate is 2.75%. The loan will be repaid in 38 annual loan payments of \$126,888 beginning September 1, 2017. The bond is secured by operating proceeds from the East Putnam Wastewater System.		2,995,000
\$276,000 from the United States Department of Agriculture is Sewer Revenue Bonds, Series 2014 (Bond R-2) to provide financing for the East Putnam Wastewater System. The interest rate is 3.25%. The loan will be repaid in 38 annual loan payments of \$13,466 beginning September 1, 2017. The bond is secured by operating proceeds from the East Putnam Wastewater System.		275,000
<u>Capital Leases</u> consist of an agreement with a financial institution for a wheel loader with \$231,877 aggregate historical cost and 2.24% interest rate.		48,474
Accrued Landfill Closure and Long-Term Care Costs		16,744,585
Other Post Employment Benefits		123,975
Accrued Compensated Absences		57,000
Net Pension Liability		786,067
Total Long-Term Obligations, Business-Type Activities		<u>\$ 34,504,154</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

Interest Rate Swaps

Swap Objectives

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

Terms, Fair Values and Credit Risk

The terms, fair values and credit ratings of the outstanding swaps as of September 30, 2017 were as follows:
The notional amounts of the swaps match the principal amounts of the outstanding debt.

Interest Rate Swaps

Notional Amounts	\$312,722	\$138,336	\$570,000	\$415,000
Effective Date	5/31/2005	6/28/2005	11/28/2006	12/13/2007
Fixed Payer Rate	3.89%	3.90%	4.11%	3.75%
Variable Receiver Rate	63.7% of LIBOR plus 0.90%	63.7% of LIBOR plus 0.90%	63.7% of LIBOR plus 0.70%	63.7% of LIBOR plus 0.70%
Fair Value End of Year	(\$9,480)	(\$1,421)	(\$5,212)	(\$4,356)
Termination Date	5/1/2020	6/1/2018	1/1/2018	1/1/2018
Counterparty Credit Rating	A/A-2	A/A-2	A/A-2	A/A-2

Swap Fair Values

The fair values of the swaps are calculated based upon the net present value of the difference in future cash flows between the pay fixed and receive variable rates using a 5% discount rate. The fixed payer rate for all four swaps exceeded the variable receiver rate at September 30, 2017, and consequently all had a negative fair value at that date.

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

	As of and for the Fiscal Year Ended September 30								
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Fair Value	\$(20,469)	\$(86,062)	\$(215,969)	\$(383,856)	\$(586,649)	\$(807,776)	\$(1,070,382)	\$(1,388,448)	\$(1,714,302)
Change in Fair Value	65,593	129,907	167,887	202,793	221,127	262,606	318,066	325,854	(1,264,473)

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

The following elements of the government-wide financial statements recognize only the events related to the swap and the hedged bonds for the fiscal years ended September 30, 2009 through September 30, 2017. Amounts are presented based on their natural classification:

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Statement of Net Position:									
Cash	\$ 2,736,798	\$ 847,071	\$ 1,047,841	\$ 2,922,037	\$ 4,813,939	\$ 6,698,539	\$ 8,589,989	\$ 10,473,915	\$ 12,359,436
Deferred Outflow Resources	20,469	86,062	215,969	383,856	586,649	807,776	1,070,382	1,388,448	1,714,302
Derivative Instrument Liability	20,469	86,062	215,969	383,856	586,649	807,776	1,070,382	1,388,448	1,714,302
Notes Payable	1,436,058	3,224,690	4,947,253	6,594,181	8,180,891	9,697,778	11,160,227	12,558,605	13,903,268
Statement of Activities:									
Interest Expense	101,095	172,349	239,855	305,192	367,713	429,001	485,548	540,858	594,004

Swap Payments and Associated Debt

Assuming that interest rates remain the same, at September 30, 2017, debt service requirements on the variable rate notes and interest rate swaps would be as follows:

Year	<u>Variable Rate Notes</u>		Interest	
Ending Sept 30	Principal	Interest	Rate Swaps	Total
2018	1,233,114	12,500	17,358	1,262,972
2019	114,236	2,807	3,434	120,477
2020	88,708	779	953	90,440
Total	<u>\$ 1,436,058</u>	<u>\$ 16,086</u>	<u>\$ 21,745</u>	<u>\$ 1,473,889</u>

Credit Risk

As of September 30, 2017 the County is not subject to credit risk from the swap agreements since the fair value of each swap was negative. However, should interest rates change and the fair value of the swap become positive, the County would be exposed to credit risk.

Termination Risk

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for long-term obligations at September 30, 2017, excluding obligations under capital leases, are as follows:

Year Ending September 30	Governmental Activities		Business-Type Activities	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	1,472,014	584,585	819,001	534,496
2019	360,536	553,042	693,866	513,786
2020	342,808	540,766	713,160	493,545
2021	261,900	531,075	733,670	472,885
2022	270,100	522,891	754,563	451,610
2023-2027	1,482,700	2,482,428	4,021,376	1,921,314
2028-2032	1,729,200	2,235,831	2,774,937	1,354,112
2033-2037	2,017,000	1,948,216	1,545,480	1,049,505
2038-2042	2,352,500	1,612,725	1,638,000	759,835
2043-2047	2,743,500	1,221,466	1,950,000	415,840
2048-2052	3,199,900	765,141	870,000	92,988
2053-2055	2,937,600	232,966	230,000	9,765
	<u>\$ 19,169,758</u>	<u>\$ 13,231,132</u>	<u>\$ 16,744,053</u>	<u>\$ 8,069,681</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

The annual requirements under capital lease obligations are as follows:

Year Ending September 30	Governmental Activities	Business-Type Activities
2018	197,761	49,571
2019	197,761	-
2020	197,761	-
2021	197,761	-
2022	187,625	-
Total Minimum Lease Payments	\$ 978,669	\$ 49,571
Less Amount Representing Interest	(112,117)	(1,097)
Present Value of Minimum Lease Payments	<u>\$ 866,552</u>	<u>\$ 48,474</u>

Changes in long-term debt transactions of the County for the year ended September 30, 2017 are summarized below:

Governmental Activities					
	Balance October 1, 2016	Increases	Decreases	Balance September 30, 2017	Due Within One Year
Special Assessment Debt with Governmental Commitment	\$ 316,473	\$ -	\$ (178,137)	\$ 138,336	\$ 138,336
Notes Payable	2,908,217	-	(1,610,495)	1,297,722	1,094,778
Revenue Bonds	17,965,300	-	(231,600)	17,733,700	238,900
Capital Leases	-	998,763	(132,211)	866,552	159,800
Medicaid Obligation	83,334	-	(83,334)	-	-
Other Post Employment Benefits	3,249,058	378,006	-	3,627,064	-
Accrued Compensated Absences	2,147,600	2,384,500	(2,454,200)	2,077,900	1,295,800
Net Pension Liability	41,833,847	3,178,200	-	45,012,047	225,630
Total Long-Term Obligations, Governmental Activities	<u>\$68,503,829</u>	<u>\$ 6,939,469</u>	<u>\$ (4,689,977)</u>	<u>\$ 70,753,321</u>	<u>\$3,153,244</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

Business-Type Activities					
	Balance October 1, <u>2016</u>	<u>Increases</u>	<u>Decreases</u>	Balance September 30, <u>2017</u>	Due Within <u>One Year</u>
Notes Payable	8,626,330	\$ 116,266	\$ (1,046,543)	\$ 7,696,053	\$ 663,001
Revenue Bonds	9,199,000	-	(151,000)	9,048,000	156,000
Capital Leases	202,779	-	(154,305)	48,474	48,474
Accrued Landfill Closure and Post-Closure Care Costs	13,498,829	3,245,756	-	16,744,585	821,498
Other Post Employment Benefits	109,896	14,079	-	123,975	-
Accrued Compensated Absences	58,000	62,000	(63,000)	57,000	30,700
Net Pension Liability	698,624	87,443	-	786,067	4,355
Total Long-Term Obligations, Business-Type Activities	<u>\$ 32,393,458</u>	<u>\$ 3,525,544</u>	<u>\$ (1,414,848)</u>	<u>\$ 34,504,154</u>	<u>\$ 1,724,028</u>

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 \$18.47 million. Principal payments of \$549,477 were made in the current year, while interest payments totaling \$440,518 were made.

The County has pledged a portion of future discretionary infrastructure surtax revenue to repay notes of \$10 million and \$3.5 million issued in 2007 and 2008, respectively. Proceeds from the notes financed various road improvement projects throughout the County. The notes are payable solely from the one cent local infrastructure surtax and mature January 1, 2018. Annual principal and interest payments on the notes are expected to require approximately 29.7% of estimated annual net revenues. The total principal and interest remaining to be paid on the notes is \$1,001,943. For the current year, principal and interest paid was \$1.58 million and surtax revenue was \$5.61 million

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 9 – LONG-TERM OBLIGATIONS

The County has pledged future special assessment revenues to repay a \$1.9 million note issued in 2005. Proceeds from the note provided financing for road improvement projects within certain Municipal Service Benefit Units. The note will mature in 2018. Annual principal and interest payments on the note are expected to exceed 100% of future special assessment revenues as some special assessments were prepaid and set aside for future debt service. Any potential future shortfalls will be made up from other non-ad valorem revenue sources. The total principal and interest remaining to be paid on the note is \$141,078. For the current year, principal and interest paid were \$188,035 and special assessment revenue was \$252,413.

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 \$331,524. For the current year, principal and interest paid was \$120,456, while revenue was \$26,702.

The County has pledged specific landfill collection special assessments to repay a \$4 million note issued in fiscal year 2009. The proceeds from the note were designated to construct a new cell at the central landfill. The note will mature in 2018. Annual principal and interest payments are expected to require less than 5% of revenues. The total principal and interest remaining to be paid on the note is \$145,097. For the current year, principal and interest paid was \$576,499, while revenue was \$11.74 million.

The County has pledged future wastewater system customer service revenues to repay \$3.333 million in wastewater system revenue bonds and state revolving fund notes totaling \$1.4 issued in fiscal year 2015 and 2016. Additionally, the County has pledged discretionary infrastructure surtax revenue to supplement wastewater customer revenues if necessary to meet payments on the note. Proceeds from the bonds and note provided financing for the East Putnam Regional Wastewater System. The note will mature in 2025 and the bonds will mature in 2054. Annual principal and interest payments are expected to exceed 100% of future wastewater revenues. Any shortfalls in payments of the note will be made up from the discretionary infrastructure surtax while other non-ad valorem revenue sources will be applied to any shortfalls in bond payments. The total of principal and interest payments remaining to be made is \$6.199 million. For the current year, principal and interest paid was \$350,407.

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 29.9% 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 \$30.93 million. For the current year, principal and interest paid was \$793,016.

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

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 a previous year, the Putnam County Development Authority issued two Pollution Control Revenue Refunding Bonds in an aggregate principal amount of \$125,250,000 to refund several series issued prior to July 1, 1995. At September 30, 2017, the aggregate bonds outstanding were \$125,250,000.

NOTE 11 – 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. In January, 2017, the County leased six new road graders which expire September, 2021 (almost five years.)

Future minimum lease payments under these leases are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Amount</u>
2018	287,787
2019	287,787
2020	287,787
2021	261,366
Total future minimum lease payments	<u>\$ 1,124,727</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 12 – FUND BALANCE CLASSIFICATIONS

A schedule of County fund balances is provided as follows:

	<u>Major Governmental Funds</u>			<u>Total</u>	<u>Total</u>
	<u>General</u>	<u>Better</u>	<u>County</u>	<u>Non-Major</u>	<u>Governmental</u>
<u>FUND BALANCES:</u>	<u>Fund</u>	<u>Place Plan</u>	<u>Transportation</u>	<u>Funds</u>	<u>Funds</u>
Restricted for:					
Debt Service	-	-	-	655,328	655,328
Better Place Plan - Capital Projects	-	6,253,811	-	-	6,253,811
Fishing Improvement	-	-	-	375,964	375,964
Fire Protection	-	-	-	8	8
Law Enforcement	17,992	-	-	89,946	107,938
Court Improvements	-	-	-	1,579,476	1,579,476
Drivers Education	-	-	-	254,701	254,701
Court Article V Support	-	-	-	50,739	50,739
Court Technology	-	-	-	266,991	266,991
Crime Prevention	-	-	-	52,714	52,714
E911 System	-	-	-	682,973	682,973
Tourist Development	-	-	-	817,246	817,246
Communication Improvement	-	-	-	8,865	8,865
Economic Development	-	-	-	62,491	62,491
MSBU Road Maintenance	-	-	-	844,973	844,973
Local Housing Assistance	-	-	-	1,189,344	1,189,344
Sewage Utilities	-	-	-	11,489	11,489
Water Utilities	-	-	-	241,696	241,696
Interlachen Lakes Estates Lake Access	43,246	-	-	-	43,246
Federal Forfeiture - Law Enforcement	-	-	-	132,642	132,642
Public Records Modernization	-	-	-	1,315,118	1,315,118
Voter Equipment and Education	-	-	-	64,775	64,775
Road Projects	-	-	-	3,813,984	3,813,984
Committed to:					
Commissary - Inmate Benefits	-	-	-	360,638	360,638
Assigned to:					
Subsequent Year's Expenditures	1,579,910	-	-	-	1,579,910
Road and Bridge Maintenance	-	-	1,261,621	-	1,261,621
Unassigned:	<u>3,254,034</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,254,034</u>
Total Fund Balances	<u>\$ 4,895,182</u>	<u>\$6,253,811</u>	<u>\$1,261,621</u>	<u>\$ 12,872,101</u>	<u>\$25,282,715</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 13 – DEFICIT BALANCES – INDIVIDUAL FUNDS

At September 30, 2017, the Fleet Maintenance Fund, an Internal Service Fund, reflected a deficit net position of \$26,799. County Management anticipates that future rate increases for services rendered will eliminate this deficit in the near future.

NOTE 14 – RISK MANAGEMENT

Public Entity Risk Pool

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

Self-Insurance Program – Worker's Compensation

As described below, the County administers a self-insurance program for worker's compensation coverage. Liabilities are reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated, including an estimate for those incurred but not reported (IBNR). The 2017 IBNR estimate of \$772,747 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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 14 – RISK MANAGEMENT

Changes in the fund's claims liability were:

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims Incurred and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Fiscal Year Liability</u>	<u>Due Within One Year</u>
2015-2016	2,034,477	206,482	(727,123)	1,513,836	1,013,836
2016-2017	1,513,836	(79,354)	(327,090)	1,107,392	607,392

Group Insurance

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

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

State and federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for twenty or thirty years after closure. Although closure and long-term care costs will be paid only near or after the date the landfills stop accepting waste, the County reports a portion of these closure and long-term care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$16,744,585 reported as landfill closure and long-term care liability at September 30, 2017, 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	67.01%
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 \$7,203,747 as the remaining estimated capacity is used (estimated to be 6.2 years for Central Landfill Phase II, Cells 1, 2, & 3). These amounts are based on what it would cost to perform all closure and long-term care in 2017. Actual costs may be higher or lower due to inflation, deflation, changes in technology, or changes in regulations.

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

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

Additionally, the Florida Department of Environmental Protection (D.E.P.) requires that landfill operators escrow landfill long-term maintenance costs in addition to closure costs, in an amount sufficient to cover the following year's long-term care costs. The County has escrowed \$6,391,208 to cover D.E.P.'s landfill post-closure maintenance cost requirements and closure costs of current operating landfills, as of September 30, 2017. This is shown as restricted cash and equivalents and restricted investments of the business-type activities in the accompanying financial statements.

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

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

Plan Description

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

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

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

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

At September 30, 2017, participants consisted of:

Active Employees	505
Retirees Participants	52

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

Annual OPEB Cost and Net OPEB Obligation

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

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
September 30, 2015	\$ 805,397	\$ 261,000	32.41%	\$ 2,964,284
September 30, 2016	566,366	171,696	30.32%	3,358,954
September 30, 2017	563,781	171,696	30.45%	3,751,039

Determination of Change of Net OPEB Obligation at September 30, 2017

Annual Required Contribution	\$ 652,920
Interest on prior year Net OPEB Obligation	134,358
Adjustment to ARC	(223,497)
Annual OPEB Cost	563,781
Assumed Contributions Made	(171,696)
Estimated Increase in Net OPEB Obligations	<u>\$ 392,085</u>
Net OPEB Obligation at September 30, 2016	<u>3,358,954</u>
Net OPEB Obligation at September 30, 2017	<u>\$ 3,751,039</u>

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

Actuarial Accrued Liability (AAL)	\$ 5,091,108
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 5,091,108</u>
Funded Ratio	0.00%
Covered Payroll	\$ 25,880,178
Ratio of UAAL to Covered Payroll	19.67%

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

Funding Policy

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

Actuarial Methods and Assumptions

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

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

The following actuarial methods and assumptions were used:

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2017

NOTE 17 – COMMITMENTS AND CONTINGENCIES

At September 30, 2017, the County was committed under signed contracts for approximately \$1,676,300 of road construction, resurfacing and engineering work and \$113,700 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 18 – NET POSITION RESTRICTED BY ENABLING LEGISLATION

The government-wide statement of net position reports \$17,231,884 of restricted net position, of which \$5.3 million is restricted by enabling legislation.

NOTE 19 – NONEXCHANGE FINANCIAL GUARANTEES

In accordance with the State Housing Initiatives Partnership Local Housing Assistance Plan, as adopted by the Board of County Commissioners, Putnam County has guaranteed \$19,316 mortgage down payment amounts for very low to moderate income citizens at September 30, 2017. Guarantees to various lending institutions are equal to a maximum of 20% of the actual mortgage amount. The guarantees extend until the borrowers attain a principal balance of 79.9% of their loans with the last maturity date of May 1, 2019. In the event that an applicant is unable to make required loan payments, Putnam County is required to pay the remaining down payment amount. The County has determined that there is no guarantee liability at September 30, 2017.

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, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget</u>
<u>REVENUES</u>				
Taxes	\$ 29,791,294	\$ 29,791,294	\$ 29,856,826	\$ 65,532
Licenses and Permits	378,350	378,350	468,685	90,335
Intergovernmental	8,325,824	8,487,008	8,597,355	110,347
Charges for Services	5,534,899	5,535,239	5,664,145	128,906
Fines and Forfeitures	50,150	50,150	77,722	27,572
Miscellaneous	180,073	180,073	227,950	47,877
TOTAL REVENUES	44,260,590	44,422,114	44,892,683	470,569
<u>EXPENDITURES</u>				
Current:				
General Government	14,277,680	14,516,848	13,426,680	1,090,168
Public Safety	26,612,764	26,654,660	25,193,687	1,460,973
Physical Environment	385,153	385,153	355,881	29,272
Transportation	30,000	30,000	30,000	-
Economic Environment	315,836	315,836	292,711	23,125
Human Services	2,222,139	2,222,139	2,621,923	(399,784)
Culture and Recreation	2,078,729	2,128,729	1,491,078	637,651
Court Related	1,154,896	1,154,896	1,002,784	152,112
Reserve for Contingencies	202,000	2,000	-	2,000
Debt Service:				
Principal Retirement	-	-	6,592	(6,592)
Interest and Fiscal Charges	-	-	3,546	(3,546)
TOTAL EXPENDITURES	47,279,197	47,410,261	44,424,882	2,985,379
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,018,607)	(2,988,147)	467,801	3,455,948
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	305,744	621,676	320,918	(300,758)
Transfers Out	(1,795,627)	(2,387,847)	(2,426,845)	(38,998)
Capital Lease	-	245,828	245,828	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,489,883)	(1,520,343)	(1,860,099)	(339,756)
NET CHANGE IN FUND BALANCES	(4,508,490)	(4,508,490)	(1,392,298)	3,116,192
FUND BALANCES - BEGINNING OF YEAR	4,508,490	4,508,490	6,287,480	1,778,990
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 4,895,182	\$ 4,895,182

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – County Transportation Trust Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Taxes	\$ 1,992,995	\$ 1,992,995	\$ 2,159,229	\$ 166,234
Licenses and Permits	4,000	4,000	2,200	(1,800)
Intergovernmental Revenue	2,284,296	2,284,296	2,467,443	183,147
Charges for Services	201,000	201,000	215,920	14,920
Miscellaneous Revenue	10,500	10,500	55,367	44,867
TOTAL REVENUES	4,492,791	4,492,791	4,900,159	407,368
<u>EXPENDITURES</u>				
Current:				
Transportation	5,806,412	7,755,411	7,124,256	631,155
Debt Service:				
Principal Retirement	-	125,620	125,620	-
Interest and Fiscal Charges	-	11,317	11,317	-
TOTAL EXPENDITURES	5,806,412	7,892,348	7,261,193	631,155
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,313,621)	(3,399,557)	(2,361,034)	1,038,523
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	410,464	1,743,464	1,743,464	-
Transfers Out	(30,183)	(30,183)	(30,183)	-
Capital Lease	-	752,936	752,935	-
NET CHANGE IN FUND BALANCES	(933,340)	(933,340)	105,182	1,038,523
FUND BALANCES, October 1, 2016	933,340	933,340	1,156,439	223,099
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 1,261,621	\$ 1,261,622

Putnam County, Florida
Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended September 30, 2017

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, 2017

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

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

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

(concluded)

Putnam County, Florida
Other Post-Employment Benefits
For the Year Ended September 30, 2017

SCHEDULE OF FUNDING PROGRESS

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as & of Covered Payroll
2015	10/1/2013	-	\$ 5,959,528	\$ 5,959,528	0.0%	\$ 25,380,000	23.48%
2016	10/1/2015	-	5,091,108	5,091,108	0.0%	25,688,000	19.82%
2017	10/1/2015	-	5,091,108	5,091,108	0.0%	25,880,178	19.67%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended <u>September 30,</u>	Annual Required Contribution	% Contributed
2015	\$ 861,210	30.31%
2016	652,920	26.30%
2017	652,920	26.30%

NOTES

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

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

Florida Retirement System	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.1259494%	0.1302864%	0.1255929%
Employer's proportionate share of the net pension liability (asset)	\$ 37,254,999	\$ 32,897,416	\$ 16,222,010
Employer's covered payroll**	\$ 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	146.14%	128.66%	64.61%
Plan fiduciary net position as a percentage of the total pension liability	83.89%	84.88%	92.00%
Health Insurance Subsidy Program	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.0798985%	0.0826718%	0.0825509%
Employer's proportionate share of the net pension liability (asset)	\$ 8,543,115	\$ 9,635,055	\$ 8,414,610
Employer's covered payroll**	\$ 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	33.51%	37.68%	33.52%
Plan fiduciary net position as a percentage of the total pension liability	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, 2017.

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

Florida Retirement System	2017	2016	2015
Contractually required contribution	\$ 3,357,991	\$ 3,248,814	\$ 3,108,405
Contributions in relation to the contractually required contribution	3,357,991	3,248,814	3,108,405
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's covered payroll *	\$ 25,880,178	\$ 25,687,995	\$ 25,442,040
Contributions as a percentage of covered payroll	12.98%	12.65%	12.22%

Health Insurance Subsidy Program	2017	2016	2015
Contractually required contribution	\$ 429,079	\$ 426,360	\$ 344,803
Contributions in relation to the contractually required contribution	429,079	426,360	344,803
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's covered payroll *	\$ 25,880,178	\$ 25,687,995	\$ 25,442,040
Contributions as a percentage of covered payroll	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, 2017.

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, 2017

	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	\$ 3,446,147	\$ 1,156,961	\$ 469,066	\$ 403,399
Receivables	1,662,157	14,680	2,252	23,978
Due From Other Funds	1,467,035	-	-	-
Due From Other Governments	689,022	-	52,399	-
Other Assets	281	2,798	12,459	-
TOTAL ASSETS	<u>7,264,642</u>	<u>1,174,439</u>	<u>536,176</u>	<u>427,377</u>
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	617,341	289,595	304,586	55,702
Due to Other Funds	-	865,107	30,933	341,238
Due to Other Governments	3,638	1,745	200,657	7,363
TOTAL LIABILITIES	<u>620,979</u>	<u>1,156,447</u>	<u>536,176</u>	<u>404,303</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	1,766,473	-	-	23,074
<u>FUND BALANCES</u>				
Restricted	43,246	17,992	-	-
Assigned	1,579,910	-	-	-
Unassigned	3,254,034	-	-	-
TOTAL FUND BALANCES	<u>4,877,190</u>	<u>17,992</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 7,264,642</u>	<u>\$ 1,174,439</u>	<u>\$ 536,176</u>	<u>\$ 427,377</u>

(continued)

Putnam County, Florida
Combining Balance Sheet
Board and Officer General Funds
For the Year Ended September 30, 2017

	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	\$ 172,888	\$ 68,385	\$ -	\$ 5,716,846
Receivables	-	-	-	1,703,067
Due From Other Funds	-	-	(1,394,035)	73,000
Due From Other Governments	-	-	-	741,421
Other Assets	-	-	-	15,538
TOTAL ASSETS	172,888	68,385	(1,394,035)	8,249,872
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	19,816	30,389	-	1,317,429
Due to Other Funds	153,072	37,996	(1,394,035)	34,311
Due to Other Governments	-	-	-	213,403
TOTAL LIABILITIES	172,888	68,385	(1,394,035)	1,565,143
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	1,789,547
<u>FUND BALANCES</u>				
Restricted	-	-	-	61,238
Assigned	-	-	-	1,579,910
Unassigned	-	-	-	3,254,034
TOTAL FUND BALANCES	-	-	-	4,895,182
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 172,888	\$ 68,385	\$ (1,394,035)	\$ 8,249,872

(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, 2017

	Board of County Commissioners Sub-fund			Sheriff Sub-fund		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Final	Amounts	Original	Final	Amounts
REVENUES						
Taxes	\$ 29,791,294	\$ 29,791,294	\$ 29,856,826	\$ -	\$ -	\$ -
Licenses and Permits	378,350	378,350	468,685	-	-	-
Intergovernmental	7,915,682	8,076,866	8,362,868	-	-	-
Charges for Services	4,003,084	4,003,084	3,871,610	-	-	-
Fines and Forfeitures	47,250	47,250	73,947	2,900	2,900	3,775
Miscellaneous	147,200	147,200	160,569	-	-	35,112
TOTAL REVENUES	42,282,860	42,444,044	42,794,505	2,900	2,900	38,887
EXPENDITURES						
Current:						
General Government	8,439,433	8,678,261	7,967,478	-	-	-
Public Safety	7,955,867	7,962,867	7,593,329	18,656,897	18,691,793	17,600,358
Physical Environment	385,153	385,153	355,881	-	-	-
Transportation	30,000	30,000	30,000	-	-	-
Economic Environment	315,836	315,836	292,711	-	-	-
Human Services	2,222,139	2,222,139	2,621,923	-	-	-
Culture and Recreation	2,078,729	2,128,729	1,491,078	-	-	-
Court Related	331,320	331,320	288,605	535,036	535,036	493,639
Reserve for Contingencies	200,000	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	6,592	-	-	-
Interest and Fiscal Charges	-	-	3,546	-	-	-
TOTAL EXPENDITURES	21,958,477	22,054,305	20,651,143	19,191,933	19,226,829	18,093,997
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	20,324,383	20,389,739	22,143,362	(19,189,033)	(19,223,929)	(18,055,110)
OTHER FINANCING SOURCES (USES)						
Transfers In	305,744	621,676	1,961,224	19,189,033	19,223,929	19,223,929
Transfers Out	(25,138,617)	(25,765,733)	(25,746,424)	-	-	(1,165,107)
Debt Issued	-	245,828	245,828	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(24,832,873)	(24,898,229)	(23,539,372)	19,189,033	19,223,929	18,058,822
NET CHANGE IN FUND BALANCES	(4,508,490)	(4,508,490)	(1,396,010)	-	-	3,712
FUND BALANCES - BEGINNING OF YEAR	4,508,490	4,508,490	6,273,200	-	-	14,280
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 4,877,190	\$ -	\$ -	\$ 17,992

(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, 2017

	Clerk of the Circuit Court Sub-fund			Tax Collector Sub-fund		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	410,142	410,142	234,487	-	-	-
Charges for Services	314,800	314,800	364,395	2,248,406	2,248,406	2,467,516
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	28,200	28,200	14,501	4,673	4,673	12,447
TOTAL REVENUES	753,142	753,142	613,383	2,253,079	2,253,079	2,479,963
EXPENDITURES						
Current:						
General Government	1,964,155	1,964,155	1,861,463	2,214,844	2,214,844	2,138,725
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Court Related	288,540	288,540	220,540	-	-	-
Reserve for Contingencies	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	2,252,695	2,252,695	2,082,003	2,214,844	2,214,844	2,138,725
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,499,553)	(1,499,553)	(1,468,620)	38,235	38,235	341,238
OTHER FINANCING SOURCES (USES)						
Transfers In	1,499,553	1,499,553	1,499,553	-	-	-
Transfers Out	-	-	(30,933)	(38,235)	(38,235)	(341,238)
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,499,553	1,499,553	1,468,620	(38,235)	(38,235)	(341,238)
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, 2017

	Property Appraiser Sub-fund			Supervisor of Elections Sub-fund		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	28,609	28,949	28,454	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	472	-	-	4,849
TOTAL REVENUES	28,609	28,949	28,926	-	-	4,849
EXPENDITURES						
Current:						
General Government	1,798,423	1,798,763	1,613,331	920,825	920,825	913,513
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	1,798,423	1,798,763	1,613,331	922,825	922,825	913,513
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,769,814)	(1,769,814)	(1,584,405)	(922,825)	(922,825)	(908,664)
OTHER FINANCING SOURCES (USES)						
Transfers In	1,769,814	1,769,814	1,737,477	922,825	922,825	922,825
Transfers Out	-	-	(153,072)	-	-	(14,161)
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,769,814	1,769,814	1,584,405	922,825	922,825	908,664
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, 2017

	Subtotals			Interfund Eliminations and consolidations		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Final	Amounts	Original	Final	Amounts
REVENUES						
Taxes	\$ 29,791,294	\$ 29,791,294	\$ 29,856,826	\$ -	\$ -	\$ -
Licenses and Permits	378,350	378,350	468,685	-	-	-
Intergovernmental	8,325,824	8,487,008	8,597,355	-	-	-
Charges for Services	6,594,899	6,595,239	6,731,975	(1,060,000)	(1,060,000)	(1,067,830)
Fines and Forfeitures	50,150	50,150	77,722	-	-	-
Miscellaneous	180,073	180,073	227,950	-	-	-
TOTAL REVENUES	45,320,590	45,482,114	45,960,513	(1,060,000)	(1,060,000)	(1,067,830)
EXPENDITURES						
Current:						
General Government	15,337,680	15,576,848	14,494,510	(1,060,000)	(1,060,000)	(1,067,830)
Public Safety	26,612,764	26,654,660	25,193,687	-	-	-
Physical Environment	385,153	385,153	355,881	-	-	-
Transportation	30,000	30,000	30,000	-	-	-
Economic Environment	315,836	315,836	292,711	-	-	-
Human Services	2,222,139	2,222,139	2,621,923	-	-	-
Culture and Recreation	2,078,729	2,128,729	1,491,078	-	-	-
Court Related	1,154,896	1,154,896	1,002,784	-	-	-
Reserve for Contingencies	202,000	2,000	-	-	-	-
Debt Service:						
Principal Retirement	-	-	6,592	-	-	-
Interest and Fiscal Charges	-	-	3,546	-	-	-
TOTAL EXPENDITURES	48,339,197	48,470,261	45,492,712	(1,060,000)	(1,060,000)	(1,067,830)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,018,607)	(2,988,147)	467,801	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers In	23,686,969	24,037,797	25,345,008	(23,381,225)	(23,416,121)	(25,024,090)
Transfers Out	(25,176,852)	(25,803,968)	(27,450,935)	23,381,225	23,416,121	25,024,090
Debt Issued	-	245,828	245,828	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,489,883)	(1,520,343)	(1,860,099)	-	-	-
NET CHANGE IN FUND BALANCES	(4,508,490)	(4,508,490)	(1,392,298)	-	-	-
FUND BALANCES - BEGINNING OF YEAR	4,508,490	4,508,490	6,287,480	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 4,895,182	\$ -	\$ -	\$ -

(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, 2017

	Totals		
	Budgeted Amounts		Actual
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
<u>REVENUES</u>			
Taxes	\$ 29,791,294	\$ 29,791,294	\$ 29,856,826
Licenses and Permits	378,350	378,350	468,685
Intergovernmental	8,325,824	8,487,008	8,597,355
Charges for Services	5,534,899	5,535,239	5,664,145
Fines and Forfeitures	50,150	50,150	77,722
Miscellaneous	180,073	180,073	227,950
TOTAL REVENUES	44,260,590	44,422,114	44,892,683
<u>EXPENDITURES</u>			
Current:			
General Government	14,277,680	14,516,848	13,426,680
Public Safety	26,612,764	26,654,660	25,193,687
Physical Environment	385,153	385,153	355,881
Transportation	30,000	30,000	30,000
Economic Environment	315,836	315,836	292,711
Human Services	2,222,139	2,222,139	2,621,923
Culture and Recreation	2,078,729	2,128,729	1,491,078
Court Related	1,154,896	1,154,896	1,002,784
Reserve for Contingencies	202,000	2,000	-
Debt Service:			
Principal Retirement	-	-	6,592
Interest and Fiscal Charges	-	-	3,546
TOTAL EXPENDITURES	47,279,197	47,410,261	44,424,882
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,018,607)	(2,988,147)	467,801
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers In	305,744	621,676	320,918
Transfers Out	(1,795,627)	(2,387,847)	(2,426,845)
Capital Lease	-	245,828	245,828
TOTAL OTHER FINANCING SOURCES (USES)	(1,489,883)	(1,520,343)	(1,860,099)
NET CHANGE IN FUND BALANCES	(4,508,490)	(4,508,490)	(1,392,298)
FUND BALANCES - BEGINNING OF YEAR	4,508,490	4,508,490	6,287,480
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 4,895,182

(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:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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:

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

Major Governmental Capital Projects Fund

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, 2017

	<u>Special Revenue Funds</u>			
	<u>Fishing Improvement</u>	<u>Fire Taxing Unit</u>	<u>Law Enforcement Trust</u>	<u>Law Enforcement Education</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 374,719	\$ 104,755	\$ 84,207	\$ 4,785
Investments	-	-	-	-
Receivables	-	461	-	-
Due From Other Funds	-	8,756	-	-
Due From Other Governments	1,871	7,562	-	954
TOTAL ASSETS	376,590	121,534	84,207	5,739
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	626	121,526	-	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	-	-	-
TOTAL LIABILITIES	626	121,526	-	-
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	-
<u>FUND BALANCES</u>				
Restricted	375,964	8	84,207	5,739
Committed	-	-	-	-
Assigned	-	-	-	-
TOTAL FUND BALANCES	375,964	8	84,207	5,739
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 376,590	\$ 121,534	\$ 84,207	\$ 5,739

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2017

	<u>Special Revenue Funds</u>				
	<u>Court Improvement</u>	<u>Drivers Education</u>	<u>Article V</u>	<u>Court Technology</u>	<u>Crime Prevention</u>
<u>ASSETS</u>					
Cash and Equivalents	\$1,572,782	\$ 253,610	\$ 54,284	\$ 262,260	\$ 57,009
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	6,694	1,091	3,130	4,876	1,207
TOTAL ASSETS	1,579,476	254,701	57,414	267,136	58,216
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	-	-	6,675	145	5,502
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	-	-	6,675	145	5,502
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	-	-	-	-	-
<u>FUND BALANCES</u>					
Restricted	1,579,476	254,701	50,739	266,991	52,714
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	1,579,476	254,701	50,739	266,991	52,714
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$1,579,476	\$ 254,701	\$ 57,414	\$ 267,136	\$ 58,216

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2017

	Special Revenue Funds			
	<u>E911 System</u>	<u>Tourist Development</u>	<u>Communication Improvement</u>	<u>Economic Development</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 501,423	\$ 838,591	\$ 16,651	\$ 74,991
Investments	-	-	-	-
Receivables	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governments	183,228	28,501	1,422	-
TOTAL ASSETS	684,651	867,092	18,073	74,991
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	1,678	49,846	9,208	12,500
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	-	-	-
TOTAL LIABILITIES	1,678	49,846	9,208	12,500
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	-
<u>FUND BALANCES</u>				
Restricted	682,973	817,246	8,865	62,491
Committed	-	-	-	-
Assigned	-	-	-	-
TOTAL FUND BALANCES	682,973	817,246	8,865	62,491
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 684,651	\$ 867,092	\$ 18,073	\$ 74,991

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2017

	Special Revenue Funds				
	Miscell- aneous Grants	Community Development Block Grant	Interlachen Lakes Estates	West Putnam Municipal Services Benefit Unit	Local Housing Assistance
<u>ASSETS</u>					
Cash and Equivalents	\$ 1,343	\$ 1,677	\$ 195,807	\$ 185,345	\$ 553,073
Investments	-	-	-	-	648,444
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	32,019	52,823	8,446	4,608	-
TOTAL ASSETS	33,362	54,500	204,253	189,953	1,201,517
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	3,651	4,500	23,612	35,835	12,173
Due to Other Funds	23,000	50,000	-	-	-
Due to Other Governments	-	-	-	-	-
Customer Deposits	-	-	-	-	-
TOTAL LIABILITIES	26,651	54,500	23,612	35,835	12,173
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	6,711	-	-	-	-
<u>FUND BALANCES</u>					
Restricted	-	-	180,641	154,118	1,189,344
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	-	-	180,641	154,118	1,189,344
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 33,362	\$ 54,500	\$ 204,253	\$ 189,953	\$1,201,517

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2017

	<u>Special Revenue Funds</u>			
	<u>MSBU</u>	<u>Sewage Utilities</u>	<u>Water Utilities</u>	<u>Commissary</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 510,204	\$ 9,723	\$ 242,173	\$ 354,909
Investments	-	-	-	-
Receivables	-	5,293	7,762	36,788
Due From Other Funds	-	-	-	-
Due From Other Governments	6,653	-	-	-
TOTAL ASSETS	516,857	15,016	249,935	391,697
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	6,643	1,762	3,872	31,059
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Customer Deposits	-	1,765	4,367	-
TOTAL LIABILITIES	6,643	3,527	8,239	31,059
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	-
<u>FUND BALANCES</u>				
Restricted	510,214	11,489	241,696	-
Committed	-	-	-	360,638
Assigned	-	-	-	-
TOTAL FUND BALANCES	510,214	11,489	241,696	360,638
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 516,857	\$ 15,016	\$ 249,935	\$ 391,697

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2017

	Special Revenue Funds				
	Federal Forfeiture	Records Moderni- zation	Article V Records Moderni- zation	Court Fund	Supervisor of Elections Grant Fund
<u>ASSETS</u>					
Cash and Equivalents	\$ 132,642	\$ 294,085	\$1,021,033	\$ 306,506	\$ 39,220
Investments	-	-	-	-	-
Receivables	-	-	-	5,803	-
Due From Other Funds	-	-	-	-	25,555
Due From Other Governments	-	-	-	118,461	-
TOTAL ASSETS	132,642	294,085	1,021,033	430,770	64,775
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	-	-	-	50,711	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	237,575	-
Customer Deposits	-	-	-	137,630	-
TOTAL LIABILITIES	-	-	-	425,916	-
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Revenues - unavailable	-	-	-	4,854	-
<u>FUND BALANCES</u>					
Restricted	132,642	294,085	1,021,033	-	64,775
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
TOTAL FUND BALANCES	132,642	294,085	1,021,033	-	64,775
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 132,642	\$ 294,085	\$1,021,033	\$ 430,770	\$ 64,775

(continued)

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2017

	Debt Service Funds		Capital Projects Fund	Total Nonmajor Governmental Funds
	County Jail	MSBU Loan	Road Projects	
<u>ASSETS</u>				
Cash and Equivalents	\$ 515,764	\$ 136,631	\$ 3,651,506	\$ 12,351,708
Investments	-	-	-	648,444
Receivables	-	-	-	56,107
Due From Other Funds	-	-	-	34,311
Due From Other Governments	-	2,933	262,874	729,353
TOTAL ASSETS	515,764	139,564	3,914,380	13,819,923
<u>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	-	-	100,396	481,920
Due to Other Funds	-	-	-	73,000
Due to Other Governments	-	-	-	237,575
Customer Deposits	-	-	-	143,762
TOTAL LIABILITIES	-	-	100,396	936,257
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Revenues - unavailable	-	-	-	11,565
<u>FUND BALANCES</u>				
Restricted	515,764	139,564	3,813,984	12,511,463
Committed	-	-	-	360,638
Assigned	-	-	-	-
TOTAL FUND BALANCES	515,764	139,564	3,813,984	12,872,101
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 515,764	\$ 139,564	\$ 3,914,380	\$ 13,819,923

(concluded)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2017

	<u>Special Revenue Funds</u>			
	<u>Fishing Improvement</u>	<u>Fire Taxing Unit</u>	<u>Law Enforcement Trust</u>	<u>Law Enforcement Education</u>
<u>REVENUES</u>				
Taxes	\$ -	\$3,127,133	\$ -	\$ -
Licenses and Permits	42,062	-	-	-
Intergovernmental Revenue	25,323	178,266	-	-
Charges For Services	-	-	-	-
Fines and Forfeitures	-	-	518	16,173
Special Assessments	-	-	-	-
Miscellaneous Revenue	605	7,040	169	14
TOTAL REVENUES	67,990	3,312,439	687	16,187
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	-	3,984,380	96,034	15,305
Physical Environment	47,564	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	47,564	3,984,380	96,034	15,305
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,426	(671,941)	(95,347)	882
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	8,756	-	-
Transfers Out	-	(124,704)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(115,948)	-	-
NET CHANGE IN FUND BALANCES	20,426	(787,889)	(95,347)	882
FUND BALANCES, October 1, 2016	355,538	787,897	179,554	4,857
FUND BALANCES, September 30, 2017	\$ 375,964	\$ 8	\$ 84,207	\$ 5,739

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2017

	<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	112,948	-	46,712	90,120	-
Fines and Forfeitures	-	18,480	-	-	19,769
Special Assessments	-	-	-	-	-
Miscellaneous Revenue	2,575	425	84	460	98
TOTAL REVENUES	115,523	18,905	46,796	90,580	19,867
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	45,000	-	-	17,983
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	5,071	-	65,276	98,995	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	5,071	45,000	65,276	98,995	17,983
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	110,452	(26,095)	(18,480)	(8,415)	1,884
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	110,452	(26,095)	(18,480)	(8,415)	1,884
FUND BALANCES, October 1, 2016	1,469,024	280,796	69,219	275,406	50,830
FUND BALANCES, September 30, 2017	\$1,579,476	\$ 254,701	\$ 50,739	\$ 266,991	\$ 52,714

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2017

	Special Revenue Funds			
	E911 System	Tourist Development	Communication Improvement	Economic Development
<u>REVENUES</u>				
Taxes	\$ -	\$ 418,821	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	564,241	-	-	39,870
Charges For Services	-	-	28,814	-
Fines and Forfeitures	-	-	26,702	-
Special Assessments	-	-	-	-
Miscellaneous Revenue	943	1,299	50	156
TOTAL REVENUES	565,184	420,120	55,566	40,026
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	379,352	-	53,536	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	212,068	-	211,871
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	105,495	-
Interest and Fiscal Charges	-	-	14,961	-
TOTAL EXPENDITURES	379,352	212,068	173,992	211,871
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	185,832	208,052	(118,426)	(171,845)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	126,400	207,515
Transfers Out	(139,414)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(139,414)	-	126,400	207,515
NET CHANGE IN FUND BALANCES	46,418	208,052	7,974	35,670
FUND BALANCES, October 1, 2016	636,555	609,194	891	26,821
FUND BALANCES, September 30, 2017	\$ 682,973	\$ 817,246	\$ 8,865	\$ 62,491

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2017

	Special Revenue Funds				
	Miscell- aneous Grants	Community Development Block Grant	Interlachen Lake Estates	West Putnam Municipal Services Benefit Unit	Local Housing Assistance
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	402,634	569,319	-	-	483,015
Charges For Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Special Assessments	-	-	251,741	138,486	-
Miscellaneous Revenue	26	-	399	341	5,744
TOTAL REVENUES	402,660	569,319	252,140	138,827	488,759
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	188,022	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	274,737	174,236	-
Economic Environment	-	569,319	-	-	183,307
Culture/Recreation	214,638	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	402,660	569,319	274,737	174,236	183,307
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	-	-	(22,597)	(35,409)	305,452
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING					
SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	(22,597)	(35,409)	305,452
FUND BALANCES, October 1, 2016	-	-	203,238	189,527	883,892
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 180,641	\$ 154,118	\$1,189,344

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2017

	<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	-	43,288	33,312	-
Fines and Forfeitures	-	-	-	-
Special Assessments	118,571	-	-	-
Miscellaneous Revenue	851	9	394	637,496
TOTAL REVENUES	119,422	43,297	33,706	637,496
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	-	-	-	556,015
Physical Environment	-	34,049	27,906	-
Transportation	93,763	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	93,763	34,049	27,906	556,015
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	25,659	9,248	5,800	81,481
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	25,659	9,248	5,800	81,481
FUND BALANCES, October 1, 2016	484,555	2,241	235,896	279,157
FUND BALANCES, September 30, 2017	\$ 510,214	\$ 11,489	\$ 241,696	\$ 360,638

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2017

	Special Revenue Funds			
	Federal Forfeiture	Records Modernization	Article V Records Modernization	Court Fund
<u>REVENUES</u>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenue	-	-	-	939,234
Charges For Services	-	30,098	85,614	721,982
Fines and Forfeitures	6,316	-	19,916	169,141
Special Assessments	-	-	-	-
Miscellaneous Revenue	-	522	1,234	883
TOTAL REVENUES	6,316	30,620	106,764	1,831,240
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	57,481	-	-
Public Safety	31,231	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	19,916	1,831,240
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	31,231	57,481	19,916	1,831,240
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(24,915)	(26,861)	86,848	-
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	(24,915)	(26,861)	86,848	-
FUND BALANCES, October 1, 2016	157,557	320,946	934,185	-
FUND BALANCES, September 30, 2017	\$ 132,642	\$ 294,085	\$1,021,033	\$ -

(continued)

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2017

	<u>Special Revenue Fund</u>	<u>Debt Service Funds</u>		<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Supervisor of Elections Grants</u>	<u>County Jail</u>	<u>MSBU Loan</u>	<u>Road Projects</u>	
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ 1,211,370	\$ 4,757,324
Licenses and Permits	-	-	-	-	42,062
Intergovernmental Revenue	37,019	-	-	1,164,007	4,402,928
Charges For Services	-	-	-	-	1,192,888
Fines and Forfeitures	-	-	-	-	277,015
Special Assessments	-	-	252,413	-	761,211
Miscellaneous Revenue	19	-	266	526,310	1,188,412
TOTAL REVENUES	37,038	-	252,679	2,901,687	12,621,840
<u>EXPENDITURES</u>					
Current:					
General Government Services	25,555	-	-	-	83,036
Public Safety	-	-	-	-	5,366,858
Physical Environment	-	-	-	-	109,519
Transportation	-	-	-	-	542,736
Economic Environment	-	-	-	-	1,176,565
Culture/Recreation	-	-	-	-	214,638
Court Related	-	-	-	-	2,020,498
Capital Outlay	-	-	-	3,880,000	3,880,000
Debt Service:					
Principal Retirement	-	231,600	178,137	-	515,232
Interest and Fiscal Charges	-	561,416	15,121	-	591,498
TOTAL EXPENDITURES	25,555	793,016	193,258	3,880,000	14,500,580
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	11,483	(793,016)	59,421	(978,313)	(1,878,740)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	1,720	872,520	-	-	1,216,911
Transfers Out	-	-	-	-	(264,118)
TOTAL OTHER FINANCING					
SOURCES (USES)	1,720	872,520	-	-	952,793
NET CHANGE IN FUND BALANCES	13,203	79,504	59,421	(978,313)	(925,947)
FUND BALANCES, October 1, 2016	51,572	436,260	80,143	4,792,297	13,798,048
FUND BALANCES, September 30, 2017	\$ 64,775	\$ 515,764	\$ 139,564	\$ 3,813,984	\$ 12,872,101

(concluded)

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Fishing Improvement Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget</u>
<u>REVENUES</u>				
Licenses and Permits	\$ 40,750	\$ 40,750	\$ 42,062	\$ 1,312
Intergovernmental Revenue	-	40,373	25,323	(15,050)
Miscellaneous Revenue	150	150	605	455
TOTAL REVENUES	40,900	81,273	67,990	(13,283)
<u>EXPENDITURES</u>				
Current:				
Physical Environment	121,800	162,173	47,564	114,609
Reserve for Contingencies	12,000	12,000	-	12,000
TOTAL EXPENDITURES	133,800	174,173	47,564	126,609
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(92,900)	(92,900)	20,426	113,326
FUND BALANCES, October 1, 2016	92,900	92,900	355,538	262,638
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 375,964	\$ 375,964

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, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
				<u>Budget</u>
<u>REVENUES</u>				
Taxes	\$ 3,117,336	\$ 3,117,336	\$ 3,127,133	\$ 9,797
Intergovernmental Revenue	176,000	176,000	178,266	2,266
Miscellaneous Revenue	1,600	1,600	7,040	5,440
TOTAL REVENUES	3,294,936	3,294,936	3,312,439	17,503
<u>EXPENDITURES</u>				
Current:				
Public Safety	4,687,347	4,289,641	3,984,380	305,261
Reserve for Contingencies	-	355,071	-	355,071
TOTAL EXPENDITURES	4,687,347	4,644,712	3,984,380	660,332
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,392,411)	(1,349,776)	(671,941)	677,835
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	2,200	2,200	8,756	6,556
Transfers Out	(82,069)	(124,704)	(124,704)	-
TOTAL OTHER FINANCING SOURCES (USES)	(79,869)	(122,504)	(115,948)	6,556
NET CHANGE IN FUND BALANCES	(1,472,280)	(1,472,280)	(787,889)	684,391
FUND BALANCES, October 1, 2016	1,472,280	1,472,280	787,897	(684,383)
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 8	\$ 8

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, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget</u>
<u>REVENUES</u>				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 518	\$ (19,482)
Miscellaneous Revenue	100	100	169	69
TOTAL REVENUES	20,100	20,100	687	(19,413)
<u>EXPENDITURES</u>				
Current:				
Public Safety	100,000	100,000	96,034	3,966
Reserve for Contingencies	10,000	10,000	-	10,000
TOTAL EXPENDITURES	110,000	110,000	96,034	13,966
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(89,900)	(89,900)	(95,347)	(5,447)
FUND BALANCES, October 1, 2016	89,900	89,900	179,554	89,654
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 84,207	\$ 84,207

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, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Charges for Services	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Fines and Forfeitures	-	-	16,173	16,173
Miscellaneous Revenue	-	-	14	14
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	20,000	20,000	16,187	(3,813)
	<hr/>	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>				
Current:				
Public Safety	30,000	30,000	15,305	14,695
	<hr/>	<hr/>	<hr/>	<hr/>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(10,000)	(10,000)	882	10,882
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, October 1, 2016	10,000	10,000	4,857	(5,143)
	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 5,739	\$ 5,739
	<hr/>	<hr/>	<hr/>	<hr/>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Improvement Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Charges for Services	\$ 115,000	\$ 115,000	\$ 112,948	\$ (2,052)
Miscellaneous Revenue	300	300	2,575	2,275
TOTAL REVENUES	115,300	115,300	115,523	223
<u>EXPENDITURES</u>				
Current:				
Court Related	122,000	122,000	5,071	116,929
EXCESS OF REVENUES OVER EXPENDITURES	(6,700)	(6,700)	110,452	117,152
FUND BALANCES, October 1, 2016	6,700	6,700	1,469,024	1,462,324
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 1,579,476	\$ 1,579,476

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Drivers Education Fund
For the Year Ended September 30, 2017

	<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>				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 18,480	\$ (1,520)
Miscellaneous Revenue	125	125	425	300
TOTAL REVENUES	20,125	20,125	18,905	(1,220)
<u>EXPENDITURES</u>				
Current:				
Public Safety	45,000	45,000	45,000	-
EXCESS OF REVENUES OVER EXPENDITURES	(24,875)	(24,875)	(26,095)	(1,220)
FUND BALANCES, October 1, 2016	24,875	24,875	280,796	255,921
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 254,701	\$ 254,701

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Article V Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final Budget</u>
<u>REVENUES</u>				
Charges for Services	\$ 60,000	\$ 60,000	\$ 46,712	\$ (13,288)
Miscellaneous Revenue	30	30	84	54
TOTAL REVENUES	60,030	60,030	46,796	(13,234)
<u>EXPENDITURES</u>				
Current:				
Court Related	106,630	106,630	65,276	41,354
DEFICIENCY OF REVENUES OVER EXPENDITURES	(46,600)	(46,600)	(18,480)	28,120
<u>OTHER FINANCING USES</u>				
Transfers Out	(15,000)	(15,000)	-	15,000
NET CHANGE IN FUND BALANCES	(61,600)	(61,600)	(18,480)	43,120
FUND BALANCES, October 1, 2016	61,600	61,600	69,219	7,619
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 50,739	\$ 50,739

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Technology Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
				<u>Budget</u>
<u>REVENUES</u>				
Charges for Services	\$ 77,000	\$ 77,000	\$ 90,120	\$ 13,120
Miscellaneous Revenue	150	150	460	310
TOTAL REVENUES	77,150	77,150	90,580	13,430
<u>EXPENDITURES</u>				
Current:				
Court Related	237,241	237,241	98,995	138,246
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(160,091)	(160,091)	(8,415)	151,676
FUND BALANCES, October 1, 2016	160,091	160,091	275,406	115,315
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 266,991	\$ 266,991

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Crime Prevention Fund
For the Year Ended September 30, 2017

	<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>				
Fines and Forfeitures	\$ 21,000	\$ 21,000	\$ 19,769	\$ (1,231)
Miscellaneous Revenue	40	40	98	58
TOTAL REVENUES	21,040	21,040	19,867	(1,173)
<u>EXPENDITURES</u>				
Current:				
Public Safety	25,000	25,000	17,983	7,017
Reserve for Contingencies	2,500	2,500	-	2,500
TOTAL EXPENDITURES	27,500	27,500	17,983	9,517
DEFICIENCY OF REVENUES OVER EXPENDITURES	(6,460)	(6,460)	1,884	8,344
FUND BALANCES, October 1, 2016	6,460	6,460	50,830	44,370
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 52,714	\$ 52,714

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – E911 System Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Intergovernmental Revenue	\$ 270,000	\$ 498,715	\$ 564,241	\$ 65,526
Miscellaneous Revenue	-	-	943	943
TOTAL REVENUES	270,000	498,715	565,184	66,469
<u>EXPENDITURES</u>				
Current:				
Public Safety	328,652	442,952	379,352	63,600
Reserve for Contingencies	25,000	-	-	-
TOTAL EXPENDITURES	353,652	442,952	379,352	63,600
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	(83,652)	55,763	185,832	130,069
<u>OTHER FINANCING USES</u>				
Transfers Out	-	(139,415)	(139,414)	1
NET CHANGE IN FUND BALANCES	(83,652)	(83,652)	46,418	130,070
FUND BALANCES, October 1, 2016	83,652	83,652	636,555	552,903
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 682,973	\$ 682,973

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Tourist Development Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Taxes	\$ 285,000	\$ 285,000	\$ 418,821	\$ 133,821
Miscellaneous Revenue	200	200	1,299	1,099
TOTAL REVENUES	285,200	285,200	420,120	134,920
<u>EXPENDITURES</u>				
Current:				
Economic Environment	250,500	250,500	212,068	38,432
Reserve for Contingencies	50,000	50,000	-	50,000
TOTAL EXPENDITURES	300,500	300,500	212,068	88,432
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	(15,300)	(15,300)	208,052	223,352
FUND BALANCES, October 1, 2016	15,300	15,300	609,194	593,894
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 817,246	\$ 817,246

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Communication Improvement Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Charges for Services	\$ 28,800	\$ 28,800	\$ 28,814	\$ 14
Fines and Forfeitures	31,000	31,000	26,702	(4,298)
Miscellaneous Revenue	-	-	50	50
TOTAL REVENUES	59,800	59,800	55,566	(4,234)
<u>EXPENDITURES</u>				
Current:				
Public Safety	65,759	65,759	53,536	12,223
Debt Service:				
Principal	105,495	105,495	105,495	-
Interest and Fiscal Charges	14,946	14,946	14,961	(15)
TOTAL EXPENDITURES	186,200	186,200	173,992	12,208
DEFICIENCY OF REVENUES OVER EXPENDITURES	(126,400)	(126,400)	(118,426)	7,974
<u>OTHER FINANCING SOURCES</u>				
Transfers In	126,400	126,400	126,400	-
NET CHANGE IN FUND BALANCES	-	-	7,974	7,974
FUND BALANCES, October 1, 2016	-	-	891	891
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 8,865	\$ 8,865

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Economic Development Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>With Final</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Budget</u>
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ 30,000	\$ 39,870	\$ 9,870
Miscellaneous Revenue	-	-	156	156
TOTAL REVENUES	-	30,000	40,026	10,026
<u>EXPENDITURES</u>				
Current:				
Economic Environment	207,515	237,515	211,871	25,644
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(207,515)	(207,515)	(171,845)	35,670
<u>OTHER FINANCING SOURCES</u>				
Transfers In	207,515	207,515	207,515	-
NET CHANGE IN FUND BALANCES	-	-	35,670	35,670
FUND BALANCES, October 1, 2016	-	-	26,821	26,821
FUND BALANCES, September 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,491</u>	<u>\$ 62,491</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Intergovernmental Revenue	\$ 398,740	\$ 464,876	\$ 402,634	\$ (62,242)
Miscellaneous Revenue	-	-	26	26
TOTAL REVENUES	398,740	464,876	402,660	(62,216)
<u>EXPENDITURES</u>				
Current:				
Public Safety	193,785	250,171	188,022	62,149
Culture/Recreation	204,955	214,705	214,638	67
TOTAL EXPENDITURES	398,740	464,876	402,660	62,216
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2016	-	-	-	-
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Community Development Block Grant Fund
For the Year Ended September 30, 2017

	<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>				
Intergovernmental Revenue	\$ 720,325	\$ 720,325	\$ 569,319	\$ (151,006)
<u>EXPENDITURES</u>				
Current:				
Economic Environment	720,325	720,325	569,319	151,006
TOTAL EXPENDITURES	720,325	720,325	569,319	151,006
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2016	-	-	-	-
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ -	\$ -

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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Special Assessments	\$ 220,000	\$ 220,000	\$ 251,741	\$ 31,741
Miscellaneous Revenue	90	90	399	309
TOTAL REVENUES	220,090	220,090	252,140	32,050
<u>EXPENDITURES</u>				
Current:				
Transportation	253,675	253,675	274,737	(21,062)
Reserve for Contingencies	25,000	25,000	-	25,000
TOTAL EXPENDITURES	278,675	278,675	274,737	3,938
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(58,585)	(58,585)	(22,597)	35,988
FUND BALANCES, October 1, 2016	58,585	58,585	203,238	144,653
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 180,641	\$ 180,641

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, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
				<u>Budget</u>
<u>REVENUES</u>				
Special Assessments	\$ 122,500	\$ 122,500	\$ 138,486	\$ 15,986
Miscellaneous Revenue	90	90	341	251
TOTAL REVENUES	122,590	122,590	138,827	16,237
<u>EXPENDITURES</u>				
Current:				
Transportation	155,875	155,875	174,236	(18,361)
Reserve for Contingencies	25,000	25,000	-	25,000
TOTAL EXPENDITURES	180,875	180,875	174,236	6,639
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(58,285)	(58,285)	(35,409)	22,876
FUND BALANCES, October 1, 2016	58,285	58,285	189,527	131,242
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 154,118	\$ 154,118

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, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Intergovernmental Revenue	\$ 312,000	\$ 312,000	\$ 483,015	\$ 171,015
Miscellaneous Revenue	5,600	5,600	5,744	144
TOTAL REVENUES	317,600	317,600	488,759	171,159
<u>EXPENDITURES</u>				
Current:				
Economic Environment	735,000	735,000	183,307	551,693
Reserve for Contingencies	25,000	25,000	-	25,000
TOTAL EXPENDITURES	760,000	760,000	183,307	576,693
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	(442,400)	(442,400)	305,452	747,852
FUND BALANCES, October 1, 2016	442,400	442,400	883,892	441,492
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 1,189,344	\$ 1,189,344

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – MSBU Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Special Assessments	\$ 121,500	\$ 121,500	\$ 118,571	\$ (2,929)
Miscellaneous Revenue	125	125	851	726
TOTAL REVENUES	121,625	121,625	119,422	(2,203)
<u>EXPENDITURES</u>				
Current:				
Transportation	114,625	115,925	93,763	22,162
Reserve for Contingencies	7,000	5,700	-	5,700
TOTAL EXPENDITURES	121,625	121,625	93,763	27,862
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	-	-	25,659	25,659
FUND BALANCES, October 1, 2016	-	-	484,555	484,555
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 510,214	\$ 510,214

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Sewage Utilities Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Charges for Services	\$ 41,605	\$ 41,605	\$ 43,288	\$ 1,683
Miscellaneous Revenue	-	-	9	9
TOTAL REVENUES	41,605	41,605	43,297	1,692
<u>EXPENDITURES</u>				
Current:				
Physical Environment	41,605	41,605	34,049	7,556
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	9,248	9,248
FUND BALANCES, October 1, 2016	-	-	2,241	2,241
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 11,489	\$ 11,489

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Water Utilities Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Charges for Services	\$ 32,500	\$ 32,500	\$ 33,312	\$ 812
Miscellaneous Revenue	-	-	394	394
TOTAL REVENUES	32,500	32,500	33,706	1,206
<u>EXPENDITURES</u>				
Current:				
Physical Environment	32,500	32,500	27,906	4,594
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	5,800	5,800
FUND BALANCES, October 1, 2016	-	-	235,896	235,896
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 241,696	\$ 241,696

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Commissary Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Miscellaneous Revenue	\$ 519,600	\$ 637,500	\$ 637,496	\$ (4)
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>519,600</u>	<u>637,500</u>	<u>556,015</u>	<u>81,485</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	81,481	81,481
FUND BALANCES, October 1, 2016	<u>-</u>	<u>-</u>	<u>279,157</u>	<u>279,157</u>
FUND BALANCES, September 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 360,638</u>	<u>\$ 360,638</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Fines and Forfeitures	\$ 20,000	\$ 6,317	\$ 6,316	\$ (1)
<u>EXPENDITURES</u>				
Current:				
Public Safety	20,000	32,000	31,231	769
EXCESS OF REVENUES OVER EXPENDITURES	-	(25,683)	(24,915)	768
FUND BALANCES, October 1, 2016	-	25,683	157,557	131,874
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 132,642	\$ 132,642

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Records Modernization Fund
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Charges for Services	\$ 28,000	\$ 28,000	\$ 30,098	\$ 2,098
Miscellaneous Revenue	300	300	522	222
TOTAL REVENUES	28,300	28,300	30,620	2,320
<u>EXPENDITURES</u>				
Current:				
General Government Services	80,000	80,000	57,481	22,519
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(51,700)	(51,700)	(26,861)	24,839
FUND BALANCES, October 1, 2016	51,700	51,700	320,946	269,246
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 294,085	\$ 294,085

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, 2017

	<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>				
Charges for Services	\$ 80,000	\$ 80,000	\$ 85,614	\$ 5,614
Fines and Forfeitures	28,000	19,916	19,916	-
Miscellaneous Revenue	600	600	1,234	634
TOTAL REVENUES	108,600	100,516	106,764	6,248
<u>EXPENDITURES</u>				
Current:				
Court Related	108,600	100,516	19,916	80,600
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	86,848	86,848
FUND BALANCES, October 1, 2016	-	-	934,185	934,185
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 1,021,033	\$ 1,021,033

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Intergovernmental Revenue	\$ 929,442	\$ 929,442	\$ 939,234	\$ 9,792
Charges for Services	769,842	769,842	721,982	(47,860)
Fines and Forfeitures	125,794	133,878	169,141	35,263
Miscellaneous Revenue	1,110	1,110	883	(227)
TOTAL REVENUES	1,826,188	1,834,272	1,831,240	(3,032)
<u>EXPENDITURES</u>				
Current:				
Court Related	1,826,188	1,834,272	1,831,240	3,032
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2016	-	-	-	-
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ -	\$ -

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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Intergovernmental Revenue	\$ -	\$ -	\$ 37,019	\$ 37,019
Miscellaneous Revenues	-	-	19	19
TOTAL REVENUES	-	-	37,038	37,038
<u>EXPENDITURES</u>				
Current:				
General Government Services	100,274	100,274	25,555	74,719
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(100,274)	(100,274)	11,483	111,757
<u>OTHER FINANCING SOURCES</u>				
Transfers In	-	-	1,720	1,720
NET CHANGE IN FUND BALANCES	(100,274)	(100,274)	13,203	113,477
FUND BALANCES, October 1, 2016	100,274	100,274	51,572	(48,702)
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 64,775	\$ 64,775

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual-County Jail Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
TOTAL REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>EXPENDITURES</u>				
Current:				
Reserve for Contingencies	79,320	79,320	-	79,320
Debt Service:				
Principal Retirement	231,600	231,600	231,600	-
Interest and Fiscal Charges	<u>561,600</u>	<u>561,600</u>	<u>561,416</u>	<u>184</u>
TOTAL EXPENDITURES	<u>872,520</u>	<u>872,520</u>	<u>793,016</u>	<u>79,504</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(872,520)	(872,520)	(793,016)	79,504
OTHER FINANCING SOURCES				
Transfers In	<u>872,520</u>	<u>872,520</u>	<u>872,520</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	79,504	79,504
FUND BALANCES, October 1, 2016	<u>-</u>	<u>-</u>	<u>436,260</u>	<u>436,260</u>
FUND BALANCES, September 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 515,764</u>	<u>\$ 515,764</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>With Final</u>
	<u>Original</u>	<u>Final</u>		<u>Budget</u>
<u>REVENUES</u>				
Special Assessments	\$ 205,000	\$ 205,000	\$ 252,413	\$ 47,413
Miscellaneous Revenue	60	60	266	206
	<u>205,060</u>	<u>205,060</u>	<u>252,679</u>	<u>47,619</u>
TOTAL REVENUES	<u>205,060</u>	<u>205,060</u>	<u>252,679</u>	<u>47,619</u>
<u>EXPENDITURES</u>				
Current:				
Reserve for Contingencies	11,531	11,531	-	11,531
Debt Service:				
Principal Retirement	178,137	178,137	178,137	-
Interest and Fiscal Charges	15,392	15,392	15,121	271
	<u>205,060</u>	<u>205,060</u>	<u>193,258</u>	<u>11,802</u>
TOTAL EXPENDITURES	<u>205,060</u>	<u>205,060</u>	<u>193,258</u>	<u>11,802</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	59,421	59,421
FUND BALANCES, October 1, 2016	-	-	80,143	80,143
FUND BALANCES, September 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,564</u>	<u>\$ 139,564</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Road Projects Fund
For the Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Final</u>
<u>REVENUES</u>				<u>Budget</u>
Taxes	\$ 1,080,937	\$ 1,080,937	\$ 1,211,370	\$ 130,433
Intergovernmental Revenue	6,108,525	6,413,998	1,164,007	(5,249,991)
Miscellaneous Revenue	-	387,559	526,310	138,751
TOTAL REVENUES	7,189,462	7,882,494	2,901,687	(4,980,807)
<u>EXPENDITURES</u>				
Capital Outlay-Transportation	8,608,525	9,301,557	3,880,000	5,421,557
EXCESS OF REVENUES				
OVER EXPENDITURES	(1,419,063)	(1,419,063)	(978,313)	440,750
FUND BALANCES, October 1, 2016	1,419,063	1,419,063	4,792,297	3,373,234
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 3,813,984	\$ 3,813,984

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, 2017

	Budgeted Amounts			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>REVENUES</u>				
Taxes	\$ 5,291,666	\$ 5,291,666	\$ 5,609,556	\$ 317,890
Miscellaneous Revenue	20,000	20,000	58,543	38,543
TOTAL REVENUES	5,311,666	5,311,666	5,668,099	356,433
<u>EXPENDITURES</u>				
Capital Outlay:				
General Government	400,000	400,000	5,610	394,390
Public Safety	2,440,000	2,477,877	1,345,276	1,132,601
Transportation	5,083,321	5,083,321	2,734,477	2,348,844
Culture & Recreation	1,735,600	1,569,947	25,000	1,544,947
Debt Service:				
Principal Retirement	1,505,000	1,505,000	1,505,000	-
Interest and Fiscal Charges	76,263	76,263	76,058	205
TOTAL EXPENDITURES	11,240,184	11,112,408	5,691,421	5,420,987
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,928,518)	(5,800,742)	(23,322)	5,777,420
<u>OTHER FINANCING USES</u>				
Transfers Out	(1,422,520)	(1,550,296)	(1,550,295)	1
NET CHANGE IN FUND BALANCES	(7,351,038)	(7,351,038)	(1,573,617)	5,777,421
FUND BALANCES, October 1, 2016	7,351,038	7,351,038	7,827,428	476,390
FUND BALANCES, September 30, 2017	\$ -	\$ -	\$ 6,253,811	\$ 6,253,811

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, 2017

	East Putnam Water Fund
<u>ASSETS</u>	
CURRENT ASSETS:	
Cash and Equivalents	\$ 934,846
Receivables	167,771
Due From Other Governments	26,500
TOTAL CURRENT ASSETS	1,129,117
NONCURRENT ASSETS:	
Restricted Cash and Equivalents	
Water	691,003
Wastewater	83,750
Capital Assets, Net	
Water	25,428,713
Wastewater	14,272,684
TOTAL NONCURRENT ASSETS	40,476,150
TOTAL ASSETS	41,605,267
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pensions	56,378
<u>LIABILITIES</u>	
CURRENT LIABILITIES:	
Accounts Payable & Accrued Liabilities	163,069
Deposits	84,724
Current Portion of Compensated Absences	8,600
Current Portion of Net Pension Liability	722
Current Portion of Long-Term Debt	
Water	566,279
Wastewater	108,627
TOTAL CURRENT LIABILITIES	932,021
NONCURRENT LIABILITIES	
Water	12,023,634
Wastewater	4,068,505
TOTAL NONCURRENT LIABILITIES	16,092,139
TOTAL LIABILITIES	17,024,160
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pensions	9,983
<u>NET POSITION</u>	
Net Investment in Capital Assets	
Water	13,005,886
Wastewater	10,095,552
Unrestricted	1,526,064
TOTAL NET POSITION	\$ 24,627,502

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, 2017

	Water Services Department	Waste- Water Services Department	Total
<u>OPERATING REVENUES</u>			
User Fees and Assessments	\$ 675,143	\$ 370,162	\$ 1,045,305
<u>OPERATING EXPENSES</u>			
Personal Services	225,886	-	225,886
Contractual Services	11,020	15,641	26,661
Repairs and Maintenance	24,619	6,213	30,832
Other Operating Expenses	103,507	126,740	230,247
Depreciation	813,729	398,715	1,212,444
 TOTAL OPERATING EXPENSES	 1,178,761	 547,309	 1,726,070
 OPERATING INCOME (LOSS)	 (503,618)	 (177,147)	 (680,765)
<u>NON OPERATING REVENUES</u>			
<u>(EXPENSES)</u>			
Interest Revenue	14,279	-	14,279
Interest Expense	(440,518)	(265,422)	(705,940)
 TOTAL NONOPERATING REVENUES (EXPENSES)	 (426,239)	 (265,422)	 (691,661)
 INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	 (929,857)	 (442,569)	 (1,372,426)
Capital Contributions - Grants	116,200	-	116,200
Capital Contributions - Customers	-	7,000	7,000
Transfers In	610,000	-	610,000
 CHANGE IN NET POSITION	 (203,657)	 (435,569)	 (639,226)
 NET POSITION-BEGINNING OF YEAR			 25,266,728
 NET POSITION-END OF YEAR			 <u>\$ 24,627,502</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, 2017

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>CURRENT ASSETS</u>				
Cash and Equivalents	\$ 87,773	\$ 203,335	\$ 1,222,860	\$ 1,513,968
Due from Other Governments	3,396	91,826	-	95,222
Inventory	193,222	-	-	193,222
Other Assets	-	-	2,014	2,014
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL CURRENT ASSETS	284,391	295,161	1,224,874	1,804,426
<u>NONCURRENT ASSETS</u>				
Capital Assets, Net	30,001	-	-	30,001
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	314,392	295,161	1,224,874	1,834,427
	<hr/>	<hr/>	<hr/>	<hr/>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pensions	101,991	-	16,577	118,568
<u>CURRENT LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	129,396	27,190	335,858	492,444
Estimated Liability for Self-Insured Losses	-	-	272,747	272,747
Compensated Absences	15,100	-	5,900	21,000
Net Pension Liability	1,307	-	212	1,519
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	145,803	27,190	614,717	787,710
	<hr/>	<hr/>	<hr/>	<hr/>
<u>NONCURRENT LIABILITIES</u>				
Compensated Absences	12,900	-	5,100	18,000
Estimated Liability for Self Insured Losses	-	-	500,000	500,000
OPEB Liability	31,883	-	6,524	38,407
Net Pension Liability	234,535	-	38,119	272,654
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL NONCURRENT LIABILITIES	279,318	-	549,743	829,061
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	425,121	27,190	1,164,460	1,616,771
	<hr/>	<hr/>	<hr/>	<hr/>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Pensions	18,061	-	2,935	20,996
<u>NET POSITION</u>				
Net Investment in Capital Assets	30,001	-	-	30,001
Unrestricted	(56,800)	267,971	74,056	285,227
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL NET POSITION	\$ (26,799)	\$ 267,971	\$ 74,056	\$ 315,228
	<hr/>	<hr/>	<hr/>	<hr/>

Putnam County, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2017

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>OPERATING REVENUES</u>				
User Charges	\$ 1,164,191	\$5,864,467	\$ 1,442,710	\$ 8,471,368
Miscellaneous	6	151,874	3,387	155,267
	<u>1,164,197</u>	<u>6,016,341</u>	<u>1,446,097</u>	<u>8,626,635</u>
TOTAL OPERATING REVENUES				
<u>OPERATING EXPENSES</u>				
Personal Services	397,491	-	61,062	458,553
Insurance	14,427	6,104,250	733,535	6,852,212
Claims Expense	-	-	327,090	327,090
Contractual Services	338,192	18,268	-	356,460
Repairs and Maintenance	22,966	-	-	22,966
Other Operating Expenses	489,993	-	509	490,502
Depreciation Expense	14,610	-	-	14,610
	<u>1,277,679</u>	<u>6,122,518</u>	<u>1,122,196</u>	<u>8,522,393</u>
TOTAL OPERATING EXPENSES				
OPERATING INCOME (LOSS)	<u>(113,482)</u>	<u>(106,177)</u>	<u>323,901</u>	<u>104,242</u>
Transfers In	231,970	56,611	188,642	477,223
Transfers Out	(1,886)	-	-	(1,886)
	<u>116,602</u>	<u>(49,566)</u>	<u>512,543</u>	<u>579,579</u>
CHANGE IN NET POSITION				
NET POSITION, October 1, 2016	<u>(143,401)</u>	<u>317,537</u>	<u>(438,487)</u>	<u>(264,351)</u>
NET POSITION, September 30, 2017	<u>\$ (26,799)</u>	<u>\$ 267,971</u>	<u>\$ 74,056</u>	<u>\$ 315,228</u>

Putnam County, Florida
Combining Statement of Cash Flows – Internal Service Funds
For the Year Ended September 30, 2017

	<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	\$ 1,160,980	\$6,194,561	\$ 1,446,097	\$ 8,801,638
Payments to Suppliers	(939,322)	(6,095,983)	(1,467,307)	(8,502,612)
Payments to Employees	(367,691)	-	(57,298)	(424,989)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(146,033)</u>	<u>98,578</u>	<u>(78,508)</u>	<u>(125,963)</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Transfers In	231,970	56,611	188,642	477,223
Transfers Out	(1,886)	-	-	(1,886)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>230,084</u>	<u>56,611</u>	<u>188,642</u>	<u>475,337</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Purchase of Capital Assets	(7,565)	-	-	(7,565)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	76,486	155,189	110,134	341,809
CASH AND EQUIVALENTS, October 1, 2016	<u>11,287</u>	<u>48,146</u>	<u>1,112,726</u>	<u>1,172,159</u>
CASH AND EQUIVALENTS, September 30, 2017	<u><u>\$ 87,773</u></u>	<u><u>\$ 203,335</u></u>	<u><u>\$ 1,222,860</u></u>	<u><u>\$ 1,513,968</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	(113,482)	(106,177)	323,901	104,242
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	14,610	-	-	14,610
Changes in:				
Due From Other Funds	-	188,188	-	188,188
Due From Other Governments	(3,217)	(9,968)	-	(13,185)
Inventory	5,877	-	-	5,877
Deferred Outflows	15,910	-	4,280	20,190
Accounts Payable & Accrued Liabilities	95,379	26,535	(299,858)	(177,944)
Due to Other Funds	(175,000)	-	-	(175,000)
Estimated Liability for Self Insured Losses	-	-	(106,315)	(106,315)
Net Pension Liability	27,676	-	1,507	29,183
Deferred Inflows	(19,602)	-	(3,727)	(23,329)
Compensated Absences	3,000	-	1,000	4,000
Other Noncurrent Liabilities	2,816	-	704	3,520
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (146,033)</u></u>	<u><u>\$ 98,578</u></u>	<u><u>\$ (78,508)</u></u>	<u><u>\$ (125,963)</u></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, 2017

	<u>Clerk of the Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 1,778,952	\$ 101,562	\$ 2,066,610	\$3,947,124
Receivables	-	9,490	159,085	168,575
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 1,778,952</u>	<u>\$ 111,052</u>	<u>\$ 2,225,695</u>	<u>\$4,115,699</u>
<u>LIABILITIES</u>				
Assets Held for Others	\$ 1,778,952	\$ 111,052	\$ 2,225,695	\$4,115,699
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Putnam County, Florida
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2017

	Balance October 1, 2016	Additions	Deductions	Balance September 30, 2017
<u>CLERK OF THE CIRCUIT COURT</u>				
Assets:				
Cash and Equivalents	\$ 663,309	\$ 3,925,726	\$ 2,810,083	\$ 1,778,952
Liabilities:				
Assets Held for Others	\$ 663,309	\$ 6,497,735	\$ 5,382,092	\$ 1,778,952
<u>SHERIFF</u>				
Assets:				
Cash and Equivalents	\$ 88,801	\$ 861,703	\$ 848,942	\$ 101,562
Receivables	9,193	9,490	9,193	9,490
Total Assets	97,994	871,193	858,135	111,052
Liabilities:				
Assets Held for Others	\$ 97,994	\$ 889,547	\$ 876,489	\$ 111,052
<u>TAX COLLECTOR</u>				
Assets:				
Cash and Equivalents	\$ 1,961,996	\$104,817,341	\$104,712,727	\$ 2,066,610
Receivables	51,883	15,629,893	15,522,691	159,085
Total Assets	\$ 2,013,879	\$120,447,234	\$120,235,418	\$ 2,225,695
Liabilities:				
Assets Held for Others	\$ 2,013,879	\$ 97,003,792	\$ 96,791,976	\$ 2,225,695
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and Equivalents	\$ 2,714,106	\$109,604,770	\$108,371,752	\$ 3,947,124
Receivables	61,076	15,639,383	15,531,884	168,575
Total Assets	\$ 2,775,182	\$125,244,153	\$123,903,636	\$ 4,115,699
Liabilities:				
Assets Held for Others	\$ 2,775,182	\$104,391,074	\$103,050,557	\$ 4,115,699

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, 2017

CURRENT ASSETS

Cash and Equivalents	\$ 249,555
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NONCURRENT ASSETS

Non Depreciable Capital Assets	473,854
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Depreciable Capital Assets, Net	<u>81,427</u>
---------------------------------	---------------

TOTAL ASSETS	<u>804,836</u>
--------------	----------------

CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	<u>184</u>
--	------------

NET POSITION

Net Investment in Capital Assets	555,281
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Unrestricted	<u>249,371</u>
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TOTAL NET POSITION	<u><u>\$ 804,652</u></u>
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Putnam County Development Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended September 30, 2017

<u>OPERATING REVENUES</u>	
User Charges	<u>\$ 10,505</u>
<u>OPERATING EXPENSES</u>	
Contractual Services	3,704
Other Operating Expenses	1,272
Depreciation Expense	<u>3,956</u>
TOTAL OPERATING EXPENSES	<u>8,932</u>
OPERATING INCOME (LOSS)	<u>1,573</u>
<u>NON OPERATING REVENUES</u>	
Interest Revenue	<u>383</u>
CHANGE IN NET POSITION	1,956
NET POSITION, October 1, 2016	<u>802,696</u>
NET POSITION, September 30, 2017	<u>\$ 804,652</u>

Putnam County Development Authority
Statement of Cash Flows
For the Year Ended September 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Customers	\$ 10,505
Payments to Suppliers	<u>(4,976)</u>

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>5,529</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest on Investments	<u>383</u>
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NET DECREASE IN CASH AND EQUIVALENTS	5,912
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CASH AND EQUIVALENTS, October 1, 2016	<u>243,643</u>
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CASH AND EQUIVALENTS, September 30, 2017	<u><u>\$ 249,555</u></u>
--	--------------------------

RECONCILIATION OF OPERATING INCOME
(LOSS) TO NET CASH PROVIDED (USED)
BY OPERATING ACTIVITIES:

Operating Income (Loss)	1,573
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	<u>3,956</u>

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 5,529</u></u>
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Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2017

<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, FORESTRY SERVICES</u>					
Passed Through State Department of Financial Services Secure Rural Schools Act	10.665	--	\$ 13,204		\$ -
<u>DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>					
Passed Through the State Dept. of Economic Opportunity Community Development Block Grant	14.228	16-DB-OK-04-64-01-H09	569,319		-
<u>DEPARTMENT OF JUSTICE</u>					
Direct Assistance:					
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0211	4,896		-
Passed Through Office of Attorney General:					
Crime Victim Assistance	16.575	VOCA-2016_PCSO 0-00413	85,885		-
Passed Through Florida Coalition Against Domestic Violence:					
Violence Against Women Formula Grant	16.588	17-8023-LE-ENH	55,040		
Violence Against Women Formula Grant	16.588	18-8023-LE-ENH	18,347	73,387	-
Passed Through Florida Department of Law Enforcement:					
Byrne Justice Assistance Grant Program	16.738	2016-DJ-BX-0681	26,137		
Byrne Justice Assistance Grant Program	16.738	2017-JAGC-PUTN-2-F9-001	13,777	39,914	-
<u>DEPARTMENT OF TRANSPORTATION</u>					
Passed Through Florida Department of Transportation:					
Highway Planning and Construction - Bike Trail	20.205	433996-1-38-01/G0H67	730		
Highway Planning and Construction - Ferry Landings	20.205	AQP01	62,111		
Federal Highway Administration-Tanglewylde Nature Park	20.219	T15035	5,503		-
Total Highway Planning and Construction Cluster				68,344	
National Priority Safety Program-Seat Belt Safety	20.616	M2HVE-17-20-01/G0F04	4,134		
<u>GENERAL SERVICES ADMINISTRATION</u>					
Passed Through State Department of Management Services:					
Federal Surplus Property	39.003	--	7,766		-
<u>NATIONAL ENDWOMENT FOR THE HUMANITIES</u>					
Prime Time Family Reading Time	45.129	CC_PT17_PUTNAM_1707	4,090		-

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, 2017

<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>ELECTIONS ASSISTANCE COMMISSION</u>					
Passed Through Department of State, Division of Elections					
HAVA Title II Voting Systems Assistance	90.401	MOA-2015-2016-0006-PUT	25,555		-
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
Passed Through State Department of Revenue:					
Child Support Enforcement - Title IV-D Reimbursements	93.563	COC54	234,487		-
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>					
Office of National Drug Control and Policy					
Passed Through St. Johns County, Florida:					
High Intensity Drug Trafficking (HIDTA)	95.001	G17NF0001A	3,061		
HIDTA - DEA Task Force Overtime	95.001	DEAOTF	16,717	19,778	-
<u>DEPARTMENT OF HOMELAND SECURITY</u>					
Passed Through State Division of Emergency Management:					
Disaster Grants - Public Assist. - Hurricane Matthew	97.036	17-PA-U504-64-02-262	65,390		
Hazard Mitigation Grant - Welaka Front Street PH II	97.039	16-HM-3H-04-64-01-228	251,161		
Emergency Management Performance Grants	97.042	17-FG-P9-04-64-01-128	23,379		
Emergency Management Performance Grants	97.042	18-FG-7A-04-64-01-150	17,373	40,752	-
Homeland Security Grant Program - Planning & Training	97.067	16-DS-T9-04-64-01-334	31,007		-
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,539,069</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, 2017

<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	17-BG-83-04-64-01-061	\$ 90,462		
Emergency Management Program	31.063	18-BG-W9-04-64-01-12	14,645	105,107	\$ -
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>					
Small County Consolidated Grants	37.012	SC727	90,909		-
Statewide Surface Water Restoration & Wastewater Projects:					
- Dog Branch Creek	37.039	S0890	30,400		
- Water Transmission Main Extension	37.039	LP54062	116,200	146,600	-
<u>DEPARTMENT OF ECONOMIC OPPORTUNITY</u>					
Rural Infrastructure Fund	40.013	D0043	13,817		-
Competitive FL Partnership Technical Assistance	40.038	P0243	26,054		-
<u>DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES</u>					
Mosquito Control - State Aid	42.003	#023811	31,540		-
<u>DEPARTMENT OF STATE AND SECRETARY OF STATE</u>					
State Aid to Libraries	45.030	17-ST-53	210,522		-
<u>FLORIDA HOUSING FINANCE CORPORATION</u>					
State Housing Initiatives Program	52.901	2014 - 2015	65,482		
State Housing Initiatives Program	40.901	2015 - 2016	82,103		
State Housing Initiatives Program	40.901	2016 - 2017	29,773		
State Housing Initiatives Program	40.901	2017 - 2018	5,949	183,307	-
<u>DEPARTMENT OF TRANSPORTATION</u>					
Small County Outreach Program - Holloway Rd	55.009	430700-1-58-01	33,259		
Small County Outreach Program - Ft. Gates Ferry Rd	55.009	433032-1-58-01	305,185		
Small County Outreach Program - Keown Avenue	55.009	438632-1-54-01	116,797		
Small County Outreach Program - Ashley Lake Blvd	55.009	436460-1-54-01	37,020		
Small County Outreach Program - Lake Susan Rd	55.009	435331-2-54-01	44,491	536,752	-
Transportation Regional Incentive Program:					
- Resurface CR216	55.026	434551-54-01	268,099		-

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, 2017

<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>DEPARTMENT OF HEALTH</u>					
Emergency Medical Services Matching Award	64.003	M4223	8,858		-
County Grant Awards	64.005	C4054	2,297		-
<u>DEPARTMENT OF MANAGEMENT SERVICES</u>					
Wireless 911 Emergency Telephone System	72.001	16-04-18	29,908		
Wireless 911 Emergency Telephone System	72.001	16-10-22	90,686		
Wireless 911 Emergency Telephone System	72.001	16-10-23	53,028		
Wireless 911 Emergency Telephone System	72.001	16-04-24	70,000	243,622	-
<u>FISH AND WILDLIFE CONSERVATION COMMISSION</u>					
Derelict Vessel Removal Program	77.005	FWC 16169	17,073		
Derelict Vessel Removal Program	77.005	FWNE-16-OFF-013153	8,250	25,323	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 1,892,807</u>		<u>\$ -</u>

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

Putnam County, Florida
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2017

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, 2017. 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.

Statistical Section



**Board of County Commissioners
Putnam County, Florida**

Statistical Section

(Not Audited)

Fiscal Year Ended September 30, 2017

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**STATISTICAL SECTION
TABLE OF CONTENTS**

Topic	Page(s)
Financial Trends	
The data in the following schedules is presented to assist the reader in understanding and assessing the changes in Putnam County's (the County's) financial position over the past ten fiscal years.	
Net Position by Component	S-2
Changes in Net Position	S-3, S-4
Fund Balances, Governmental Funds	S-5
Changes in Fund Balances	S-6
Revenue Capacity	
Revenue capacity information is provided to enable readers to understand and assess the County's capacity for generating its own-source revenues. The County's most significant own-source revenue is property taxes.	
Taxable and Estimated Actual Value of Taxable Property	S-7
Direct and Overlapping Property Tax Rates	S-8
Principal Taxpayers	S-9
Property Tax Levies and Collections	S-10
Debt Capacity	
The information within the following pages is intended to assist readers in comprehending the County's outstanding debt position and its ability to issue additional debt.	
Ratios of Outstanding Debt by Type	S-11
Legal Debt Margin	S-12
Pledged Revenue Coverage	S-13 thru S-15
Demographic and Economic Information	
Demographic and economic indicators are expected to help the reader understand the socio-economic environment within which the County operates and assist financial statement comparison.	
County Demographic Statistics	S-16
Principal Employers	S-17
Operating Information	
This section is intended to provide data about the County's operational and functional resources that, when used in conjunction with the financial information, may assist the reader in evaluating the County's economic condition.	
Full Time Equivalent County Government Employees by Function	S-18
Operating Indicators by Function/Program	S-19, S-20
Capital Asset Statistics by Function/Program	S-21

Sources & Notes:

Unless otherwise indicated, the data that comprises the contents of this statistical section has been taken from the Comprehensive Annual Financial Reports of Putnam County, Florida.

Governmental Accounting Standards Board (GASB) Statement 34 was implemented commencing with the County's fiscal year ended September 30, 2003.

GASB Statements 68 and 71 were implemented commencing with the County's fiscal year ended September 30, 2015.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Years Ended September 30th									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Governmental Activities</u>										
Net Investment in Capital Assets	\$ 89,352,076 2	\$ 91,150,420 3	\$ 87,820,648 4	\$ 94,993,906	\$ 99,548,402	\$ 103,227,300	\$ 103,723,550	\$ 104,830,681	\$ 109,612,811	\$ 113,429,824
Restricted	13,690,695	11,812,032	18,990,563	19,165,713	23,483,649	22,793,970	19,564,313	19,527,457	19,518,667	17,231,684
Unrestricted	9,529,517	15,925,787	14,936,799	17,978,326	11,729,066	8,099,594	10,242,776	(16,152,858) 6	(21,521,942) 6	(25,299,270) 6
Total Governmental Activities Net Position	\$ 112,572,288	\$ 118,888,239	\$ 121,748,010	\$ 132,137,945	\$ 134,761,117	\$ 134,120,864	\$ 133,530,639	\$ 108,205,280	\$ 107,609,536	\$ 105,362,238
<u>Business-Type Activities</u>										
Net Investment in Capital Assets	\$ 15,680,338 2	\$ 25,219,829 3	\$ 27,649,660	\$ 27,024,045	\$ 25,496,880	\$ 25,415,922	\$ 28,132,012	\$ 32,819,491	\$ 38,644,337	\$ 34,948,200
Unrestricted	(2,675,812) 1	(2,799,772) 1	(2,027,404)	(1,348,109) 1	(1,298,493) 1	(420,461) 1	4,364,327 5	5,861,643	4,190,154	3,352,075
Total Business-Type Activities Net Position	\$ 13,004,526	\$ 22,420,057	\$ 25,622,256	\$ 25,675,936	\$ 24,198,387	\$ 24,995,461	\$ 32,496,339	\$ 38,681,134	\$ 42,834,491	\$ 38,300,275
<u>Primary Government</u>										
Net Investment in Capital Assets	\$ 105,032,414	\$ 116,370,249	\$ 115,470,308	\$ 122,017,951	\$ 125,045,282	\$ 128,643,222	\$ 131,855,562	\$ 137,650,172	\$ 148,257,148	\$ 148,378,024
Restricted	13,690,695	11,812,032	18,990,563	19,165,713	23,483,649	22,793,970	19,564,313	19,527,457	19,518,667	17,231,684
Unrestricted	6,853,705	13,126,015	12,909,395	16,630,217	10,430,573	7,679,133	14,607,103	(10,291,215)	(17,331,788)	(21,947,195)
Total Primary Government Net Position	\$ 125,576,814	\$ 141,308,296	\$ 147,370,266	\$ 157,813,881	\$ 158,959,504	\$ 159,116,325	\$ 166,026,978	\$ 146,886,414	\$ 150,444,027	\$ 143,662,513

Sources: Data for the schedule above has been obtained from the Statements of Net Position of Putnam County's Comprehensive Annual Financial Reports for the stated fiscal years.

Notes:

- FYE 2008 – 2013: The deficits in Unrestricted Net Position for Business-Type Activities have been largely attributable to revised engineering estimates of landfill long term care costs.
- FYE 2008 – Debt totaling \$10,532,729 was reclassified from Governmental Activities to Business-Type Activities and 2008 capitalized interest reported in Business-Type Activities was reduced for the amount of interest earned associated with the construction of the East Putnam Water System.
- FYE 2009 – Restated Governmental Activities Net Position increased by \$237,405 in recognition of intangible assets per GASB Statement 51. Business-type Activities Net Position increased by \$280,730 through an adjustment made for an overstated debt principal balance associated with the East Putnam Water Fund.
- FYE 2010 – Net Position for Governmental Activities was restated to adjust for an understatement of accumulated depreciation in the amount of \$54,190.
- FYE 2014 – Business-type Activities – The Unrestricted Business-Type Net Position increased from the prior year by \$4,784,788, largely the result of a Capital Grant in the amount of \$4,080,327.
- FYE 2015 – FYE 2017– Governmental Activities – The deficit in the Unrestricted Governmental Net Position is largely attributable to the implementation of GASB Statement 68 and GASB Statement 71, regarding Pension Liabilities. Please refer to *Management's Discussion and Analysis* of the respective fiscal year for more information.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

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

	Fiscal Years Ended September 30th				
	2008	2009	2010	2011	2012
Expenses – Governmental Activities					
General Government	\$16,081,345	\$16,476,338	\$16,864,555	\$15,567,471	\$14,609,716
Public Safety	29,310,776	28,419,085	29,667,802	30,392,654	28,858,269
Physical Environment	431,209	426,078	523,562	541,488	403,747
Transportation	9,708,977	10,281,596	10,086,384	10,057,346	9,814,498
Economic Environment	1,938,559	1,530,062	1,095,222	1,455,904	2,415,464
Human Services	1,945,096	2,228,920	1,915,494	2,067,720	2,940,060
Culture and Recreation	2,326,242	1,997,217	1,986,088	1,884,115	2,029,314
Court Related	3,292,156	3,135,103	3,259,218	3,272,880	3,113,986
Interest on Long-Term Debt	1,053,154	517,142	623,052	585,435	513,942
Total Governmental Activities Expenses	66,087,514	65,011,541	66,021,377	65,825,013	64,698,996
Expenses – Business-Type Activities:					
Water & Wastewater System	126,763	(50,066)	2,016,184	1,862,689	1,869,331
Solid Waste	6,826,973	6,585,260	7,702,979	8,396,038	8,925,237
Port Authority	132,600	109,575	280,881	178,335	291,530
Total Business-Type Activities Expenses	7,086,336	6,644,769	10,000,044	10,437,062	11,086,098
Total Primary Government Expenses	\$73,173,850	\$71,656,310	\$76,021,421	\$76,262,075	\$75,785,094
Program Revenues – Governmental Activities					
Charges for Services:					
General Government	\$4,409,907	\$5,140,901	5,097,648	\$3,618,964	\$3,268,440
Public Safety	4,064,473	4,349,902	4,489,708	4,401,599	4,377,476
Court Related	2,011,207	1,277,128	281,908	298,419	318,727
Other	1,236,842	1,063,701	989,422	1,071,697	1,007,484
Operating Grants and Contributions	4,688,946	6,305,996	6,095,126	6,785,430	7,800,977
Capital Grants and Contributions	6,317,883	5,347,830	4,441,553	11,955,793	7,374,458
Total Governmental Activities Program Revenues	22,729,258	23,485,458	21,395,365	28,131,902	24,147,562
Program Revenue – Business-Type Activities:					
Charges for Services:					
Water and Wastewater System	54,395	48,835	687,763	861,544	896,059
Solid Waste	6,195,938	6,320,713	7,971,866	7,857,039	7,634,922
Port Authority	128,884	100,238	202,304	96,643	170,442
Operating Grants and Contributions	582,555	285,779	78,787	70,588	70,588
Capital Grants and Contributions	-	7,027,458	1,124,495	700,618	-
Total Business-Type Activities Program Revenues	6,961,772	13,783,023	10,065,215	9,586,432	8,772,011
Total Primary Government Program Revenues	\$29,691,030	\$37,268,481	\$31,460,580	\$37,718,334	\$32,919,573
Net (Expense)/Revenue					
Governmental Activities	(\$43,358,256)	(\$41,526,083)	(\$44,626,012)	(\$37,693,111)	(\$40,551,434)
Business-Type Activities	(\$124,564)	\$7,138,254	\$65,171	(\$850,630)	(2,314,087)
Total Primary Government Net Expense	(\$43,482,820)	(\$34,387,829)	(\$44,560,841)	(\$38,543,741)	(\$42,865,521)
General Revenue and Other Changes in Net Position--Governmental Activities:					
Taxes:					
Property Taxes	\$37,130,894	\$36,881,354	\$35,202,650	\$33,374,674	\$31,055,841
Sales Taxes and Other State Shared Revenue	4,992,856	4,567,633	6,804,975	6,791,270	6,996,156
Local Infrastructure Surtax	4,714,955	4,361,575	3,942,051	4,203,564	4,447,881
Other Taxes	2,541,817	2,517,987	3,414,019	3,610,950	715,333
Investment Earnings	1,590,779	166,666	98,045	75,452	68,947
Gain (Loss) – Sale of Capital Assets	-	-	-	-	-
Miscellaneous	472,549	1,363,004	979,614	670,821	563,855
Transfers	(2,524,923)	(2,016,185)	(2,955,571)	(643,685)	(673,407)
Total Governmental Activities	48,918,927	47,842,034	47,485,783	48,083,046	43,174,606
General Revenue and Other Changes in Net Position--Business-Type Activities:					
Investment Earnings	227,221	133,655	104,060	38,698	93,277
Gain (Loss) – Sale of Capital Assets	107,353	120,363	60,811	150,300	63,346
Miscellaneous	6,675	7,074	16,586	71,627	6,508
Transfers	2,524,923	2,016,185	2,955,571	643,685	673,407
Total Business-Type Activities	2,866,172	2,277,277	3,137,028	904,310	836,538
Total Primary Government-General Revenues & Other Changes in Net Position	\$51,785,099	\$50,119,311	\$50,622,811	\$48,987,356	\$44,011,144
Changes in Net Position					
Government Activities	\$5,560,671	\$6,315,951	\$2,859,771	\$10,389,935	\$2,623,172
Business-Type Activities	2,741,608	9,415,531	3,202,199	53,680	(1,477,549)
Total Primary Government Changes in Net Position	\$8,302,279	\$15,731,482	\$6,061,970	\$10,443,615	\$1,145,623

Sources: The information shown in the schedule above has been taken from Putnam County's Statements of Activities for the fiscal years as shown.

Notes: FYE 2008 – Changes in Net Position has been restated per Note 19, Notes to Financial Statements (FYE 2009).
FYE 2009 – Changes in Net Position has been restated per Note 19, Notes to Financial Statements (FYE 2010).
FYE 2010 – Changes in Net Position has been restated per Note 20, Notes to Financial Statements (FYE 2011).
FYE 2012 – Other Taxes decreased due to the reclassification of gas taxes to Operating Grants & Contributions (GASB Statement 34, Paragraph 50).
Changes in Net Position – Business-Type Activities reflects a deficit value, resulting primarily from a solid waste capacity analysis.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

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

	Fiscal Years Ended September 30 th				
	2013	2014	2015	2016	2017
Expenses – Governmental Activities					
General Government	\$15,273,429	\$15,262,970	\$15,833,048	\$15,481,374	\$15,643,226
Public Safety	29,053,530	30,023,992	31,130,700	32,833,564	33,915,932
Physical Environment	561,174	588,965	764,026	460,323	516,934
Transportation	9,230,447	9,667,973	9,848,038	9,398,013	11,464,952
Economic Environment	1,710,560	1,995,483	908,696	989,290	1,472,703
Human Services	2,287,476	2,125,020	2,295,735	2,499,904	2,550,649
Culture and Recreation	2,010,082	2,226,544	1,670,193	2,152,773	2,032,275
Court Related	3,686,521	3,921,791	3,821,760	4,018,851	3,292,838
Interest on Long-Term Debt	399,406	307,217	328,261	502,991	666,842
Total Governmental Activities Expenses	64,212,625	66,119,955	66,600,457	68,337,083	71,556,351
Expenses - Business-Type Activities:					
Water & Wastewater System	1,955,597	1,892,357	2,441,404	3,534,001	2,432,010
Solid Waste	6,958,185	5,358,094	9,336,233	8,324,581	15,720,091
Port Authority	165,732	298,250	344,846	414,682	223,157
Total Business-Type Activities Expenses	9,079,514	7,548,701	12,122,483	12,273,264	18,375,258
Total Primary Government Expenses	\$73,292,139	\$73,668,656	\$78,722,940	\$80,610,347	\$89,931,609
Program Revenues – Governmental Activities					
Charges for Services:					
General Government	\$3,449,887	3,465,000	3,810,560	3,743,109	3,571,165
Public Safety	4,407,224	4,447,940	4,527,792	4,791,680	4,775,344
Court Related	730,182	1,430,873	1,295,392	1,132,161	1,115,154
Other	1,049,501	1,106,433	1,092,637	1,213,890	1,231,440
Operating Grants and Contributions	7,858,343	6,696,708	6,657,398	7,467,758	7,891,356
Capital Grants and Contributions	4,119,514	4,010,600	5,745,494	3,307,135	2,716,057
Total Governmental Activities Program Revenues	21,614,651	21,157,554	23,129,273	21,655,733	21,300,516
Program Revenues - Business-Type Activities:					
Charges for Services:					
Water and Wastewater System	968,530	1,071,317	1,122,706	980,746	1,045,305
Solid Waste	7,804,385	8,848,338	13,494,327	11,721,406	11,738,097
Port Authority	161,132	174,344	237,688	410,276	142,984
Operating Grants and Contributions	70,588	90,909	90,909	1,408,758	108,682
Capital Grants and Contributions	-	4,080,327	3,088,096	1,407,566	123,200
Total Business-Type Activities Program Revenues	9,004,635	14,265,235	18,033,726	15,928,752	13,158,268
Total Primary Government Program Revenues	\$30,619,286	\$35,422,789	\$41,162,999	\$37,584,485	34,458,784
Net (Expense)/Revenue					
Governmental Activities	(\$42,597,974)	(\$44,962,401)	(\$43,471,184)	(\$46,681,350)	(\$50,255,835)
Business-Type Activities	(74,879)	6,716,534	5,911,243	3,655,488	(5,216,990)
Total Primary Government Net Expense	(\$42,672,853)	(\$38,245,867)	(\$37,559,941)	(\$43,025,862)	(\$55,472,825)
General Revenue and Other Changes in Net Position– Governmental Activities:					
Taxes:					
Property Taxes	\$29,504,837	\$31,152,255	\$30,775,731	\$31,889,308	\$32,468,085
Sales Taxes and Other State Shared Revenue	7,149,473	7,457,010	7,536,735	7,568,951	8,063,347
Local Infrastructure Surtax	4,585,867	4,824,959	5,115,218	5,364,150	5,609,556
Other Taxes	693,986	740,601	805,829	768,361	929,009
Investment Earnings	53,626	35,779	38,612	52,444	118,601
Gain (Loss) – Sale of Capital Assets	-	-	-	-	-
Miscellaneous	806,504	776,286	928,557	841,671	1,334,750
Transfers	(836,572)	(614,714)	(584,531)	(399,279)	(514,811)
Total Governmental Activities	41,957,721	44,372,176	44,616,151	46,085,606	48,008,537
General Revenue and Other Changes in Net Position - Business-Type Activities:					
Investment Earnings	28,875	35,513	72,593	63,649	110,579
Gain (Loss) – Sale of Capital Assets	-	133,873	77,603	34,741	56,901
Miscellaneous	6,506	244	507	200	483
Transfers	836,572	614,714	584,531	399,279	514,811
Total Business-Type Activities	871,953	784,344	735,234	497,869	682,774
Total Primary Government – General Revenue & Other Changes in Net Position	\$42,829,674	\$45,156,520	\$45,351,385	\$46,583,475	\$48,691,311
Changes in Net Position					
Government Activities	(\$640,253)	(590,225)	\$1,144,967	(\$595,744)	(\$2,247,298)
Business-Type Activities	797,074	7,500,878	6,646,477	4,153,357	(4,534,216)
Total Primary Government Changes in Net Position	\$156,821	\$6,910,653	\$7,791,444	\$3,557,613	(\$6,781,514)

Sources: The information contained within the schedule above has been taken from Putnam County's Statements of Activities for the fiscal years as shown.

Notes: FYE 2013 – Changes in Net Position – Government Activities is reported above as a deficit of \$640,253 for FYE 2013. There were several contributing factors to the decrease which have been addressed in the Management's Discussion and Analysis, Changes in Net Position – page ix, of the 2013 CAFR.

FYE 2014 – Changes in Net Position – Business-Type Activities reflects an increase primarily attributable to grant revenue (\$4,080,327) received for the East Putnam Water Fund.

FYE 2016 – Changes in Net Position – Governmental Activities reflects a negative \$595,744 which is largely attributable to an increase in the net pension liability.

FYE 2017 – Changes in Net Position – Governmental Activities decreased by \$2.2 million and Business-Type Activities decreased approximately \$4.5 million; refer to Management's Discussion and Analysis, pages x and xii, respectively, for further information.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	Fiscal Years Ended September 30th -----									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>General Fund</u>										
Non-Spendable	\$ 151,831	\$ 2,439,982	\$ 2,465,354	\$ 847,082	\$ 809,234	\$ 3,069,012	\$ 63,912	\$ -	\$ -	\$ -
Restricted	74,007	74,212	66,782	39,369	39,427	44,520	52,143	54,922	57,455	61,238
Committed	-	-	-	627,897	-	-	-	-	-	-
Assigned	1,018,416	863,764	1,538,754	1,826,156	2,587,699	4,629,810	5,202,276	5,940,642	4,471,990	1,579,910
Unassigned	8,694,113	8,607,040	11,123,891	13,425,709	12,395,072	6,168,438	7,370,175	3,732,408	1,758,035	3,254,034
Total General Fund	\$ 9,938,367	\$ 11,984,998	\$ 15,194,781	\$ 16,766,213	\$ 15,831,432	\$ 13,911,780	\$ 12,688,506	\$ 9,727,972	\$ 6,287,480	\$ 4,895,182
<u>All Other Governmental Funds</u>										
Non-Spendable	\$ 163,637	\$ 263,236	\$ 163,237	\$ 760,197	\$ 512,048	\$ -	\$ 166,167	\$ -	\$ -	\$ -
Restricted	18,611,909	20,895,125	23,857,908	16,956,905	17,816,593	18,033,639	19,274,502	19,918,949	21,346,319	18,765,274
Committed	-	-	-	-	-	320,820	421,560	414,412	279,157	360,638
Assigned	1,914,040	2,019,163	2,262,112	1,985,562	1,608,090	654,721	44,687	950,964	1,156,439	1,261,621
Unassigned	(6,233,529)	(8,594,338)	(8,804,398)	(511,396)	(541,568)	(547,413)	(846,043)	(501,366)	-	-
Total All Other Governmental Funds	\$ 14,456,057	\$ 14,583,186	\$ 17,478,859	\$ 19,191,268	\$ 19,395,163	\$ 18,461,767	\$ 19,060,873	\$ 20,782,959	\$ 22,781,915	\$ 20,387,533

Sources:

The above information has been obtained from Putnam County's Balance Sheet-Governmental Funds for the fiscal years as shown.

Notes:

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, effective for periods beginning after June 15, 2010, was implemented by the County effective with fiscal year ended September 30, 2011, retroactively back to fiscal year ended September 30, 2002.

Detailed information on governmental fund balances may be found in the Notes to Financial Statements, (FYE 2012 & 2013, Notes 11 and 12; FYE 2011, 2014, 2016, & 2017, Notes 12 and 13; FYE 2015, Notes 13 and 14).

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

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

	Fiscal Years Ended September 30th -----									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Revenues</u>										
Taxes	\$44,355,656	\$43,732,844	\$42,598,576	\$41,168,556	\$38,914,462	\$37,516,475	\$39,700,819	\$39,759,193	\$41,322,354	\$ 42,382,935
Licenses & Permits	601,592	597,326	465,499	420,923	373,642	409,552	386,338	455,499	462,331	512,947
Charges for Services	8,371,316	9,292,103	8,226,785	6,377,444	6,435,750	6,991,716	6,633,868	7,156,217	7,254,439	7,072,953
Fines & Forfeitures	828,851	561,211	621,059	247,296	478,338	335,976	414,181	449,691	376,935	354,737
Special Assessments	-	-	-	-	-	-	762,763	707,522	695,240	761,211
Intergovernmental	15,271,255	15,671,299	16,814,647	25,375,467	19,596,750	16,462,114	14,773,952	17,045,094	15,676,105	15,467,726
Other	3,884,741	1,922,602	1,435,729	1,130,106	718,306	1,010,051	860,044	1,134,834	1,024,443	1,530,272
Total Revenues	\$73,313,411	\$71,777,385	\$70,162,295	\$74,719,792	\$66,517,248	\$62,725,884	\$63,531,965	\$66,708,050	\$66,811,847	\$ 68,082,781
<u>Expenditures</u>										
General Government	\$20,888,844	\$14,413,990	\$14,103,301	\$12,712,203	\$11,984,390	\$12,577,187	12,796,506	\$13,284,771	\$13,567,671	13,509,716
Public Safety	27,052,878	28,751,920	28,973,485	29,636,293	29,814,609	27,615,610	28,047,480	32,018,301	29,703,531	30,560,545
Physical Environment	13,644,704	2,506,210	597,338	530,387	1,254,438	761,769	435,590	603,718	426,002	465,400
Transportation	6,978,886	7,151,081	6,886,583	6,502,646	5,790,663	5,674,924	5,812,999	6,116,824	5,498,722	7,696,992
Economic Environment	1,935,904	1,533,616	1,094,825	1,452,112	2,418,774	1,703,954	1,989,812	911,495	986,521	1,469,276
Human Services	1,928,002	2,215,082	1,906,826	2,290,281	2,434,410	2,451,774	2,195,787	2,367,008	2,571,177	2,621,923
Culture & Recreation	1,966,155	2,019,084	1,759,711	5,889,434	1,783,008	1,800,652	1,898,548	2,054,248	1,897,995	1,705,716
Court-Related	3,231,596	3,154,933	3,282,314	4,039,912	3,480,473	3,551,380	3,948,024	3,688,756	3,348,369	3,023,282
Capital Outlay	6,784,516	4,661,133	1,875,260	5,992,548	5,208,136	5,966,546	4,176,440	20,678,148	8,051,932	7,990,363
Debt Service										
Principal Retirement	2,220,948	2,556,574	2,189,458	3,693,101	2,589,490	2,508,443	2,113,440	1,709,078	19,570,226	2,152,444
Interest & Fiscal Charges	852,098	706,791	640,860	599,585	521,161	426,887	323,809	303,970	253,692	682,419
Total Expenditures	\$87,484,531	\$69,670,414	\$63,309,961	\$73,338,502	\$67,279,552	\$65,039,126	63,738,435	\$83,736,317	85,875,838	71,878,076
Excess of Revenues Over (Under) Expenditures	(\$14,171,120)	\$2,106,971	\$6,852,334	\$1,381,290	(\$762,304)	(\$2,313,242)	(\$206,470)	(\$17,028,267)	(\$19,063,991)	(\$ 3,795,295)
<u>Other Financing Sources (Uses)</u>										
Proceeds from Borrowing	\$14,032,728	\$289,955	\$173,873	\$1,630,797	-	-	-	\$16,105,662	\$19,707,301	-
Capital Leases	808,937	-	-	1,117,804	566,234	-	-	-	-	998,763
Transfers In	24,168,695	24,031,657	24,208,529	670,897	708,705	1,043,537	1,666,252	2,158,565	3,318,202	3,281,293
Transfers Out	(24,287,947)	(24,254,823)	(25,129,280)	(1,516,947)	(1,243,521)	(1,583,343)	(2,083,950)	(2,474,408)	(5,403,048)	(4,271,441)
Total Other Financing Sources (Uses)	\$14,722,413	\$ 66,789	(\$ 746,878)	\$1,902,551	\$31,418	(\$539,806)	(\$417,698)	\$15,789,819	\$17,622,455	\$ 8,615
Net Change in Fund Balances	\$ 551,293	\$2,173,760	\$6,105,456	\$3,283,841	(\$730,886)	(\$2,853,048)	(\$624,168)	(\$1,238,448)	(\$1,441,536)	(\$3,786,680)
Debt Service as a Percentage of Non-Capital Expenditures	5.13%	5.44%	4.87%	7.19%	5.41%	5.19%	4.26%	3.43%	26.13%	4.63%

Source:

Information for this schedule was taken from the County's Comprehensive Annual Financial Reports for the fiscal years indicated.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

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

Fiscal Year Ended Sep 30	Real Property						Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Total Taxable Assessed Value As a Percentage of Estimated Actual Value	Assessed Taxable Value Per Capita	
	Residential	Agricultural	Commercial	Industrial	Other	Net							Less
						Adjustments							Exemptions
(1)	(2)	(2)	(3)	(4)	(5)	(6)	(7)	(8)					
2008	4,005,411	573,985	350,694	156,853	978,694	(1,409,020)	(1,325,739)	838,820	4,169,698	8.5765	7,533,900	55.35 %	\$ 56
2009	4,058,022	651,200	357,277	159,474	1,019,299	(1,465,330)	(1,587,543)	855,685	4,048,084	8.5765	7,760,796	52.16 %	\$ 54
2010	3,901,162	700,797	354,037	158,189	1,059,238	(1,443,874)	(1,649,362)	865,501	3,945,688	8.5765	7,707,062	51.20 %	\$ 53
2011	3,571,781	701,895	352,012	156,273	1,035,837	(1,322,348)	(1,643,008)	869,432	3,721,874	8.5765	7,362,370	50.55 %	\$ 50
2012	3,150,197	651,821	334,835	149,323	957,256	(1,075,250)	(1,565,576)	883,575	3,486,181	8.5765	7,056,889	49.40 %	\$ 48
2013	2,865,071	633,212	311,323	140,501	898,733	(925,141)	(1,499,239)	862,998	3,287,458	8.5765	6,638,738	49.52 %	\$ 45
2014	2,819,835	540,347	321,672	139,751	818,753	(815,973)	(1,411,909)	954,521	3,366,997	8.9000	6,440,567	52.28%	\$ 46
2015	2,788,415	537,349	337,852	181,969	824,902	(794,778)	(1,417,738)	943,388	3,401,359	8.9000	6,518,599	52.18%	\$ 47
2016	2,760,441	531,813	348,856	180,513	850,143	(770,213)	(1,433,456)	893,285	3,361,382	9.0730	6,487,257	51.82%	\$46
2017	2,775,791	530,165	352,723	182,085	841,894	(775,219)	(1,429,903)	905,321	3,382,857	9.0914	6,477,853	52.22%	\$46

Sources: Except as noted, data for the above table has been taken from the Putnam County Property Appraiser's Office – Forms DR-403PC, DR-403V and DR-422.

Notes: Real and tangible Personal Property taxes are assessed as of January 1, levied as of October 1 and become due and payable as of November 1 of each year. For further information on the property tax calendar refer to Note 4 of the *Notes to Financial Statements* of this CAFR.

The Florida Statutes (F.S.) govern the procedures for establishing and increasing millage rates. The Board of County Commissioners sets the millage rates (F.S. 200.011 and 200.065). Millage rates levied by counties may not exceed 10.0 mills except by vote of a county's qualified electors (F.S. 200.071). Such voted levies are limited for periods not to exceed two (2) years (F.S. 200.091).

- (1) Other (Real Property) values include Centrally Assessed Real Property values, i.e. railroad tracks, water easements, etc. which have been assessed by the State of Florida.
- (2) Adjustments and exemptions are governed by chapters 193 and 196, respectively, of the Florida Statutes, as well as Article VII of the Constitution of the State of Florida.
- (3) Personal Property values include both general county Personal Property, as well as, Centrally Assessed Personal Property, i.e. railroad cars, etc., which have been assessed by the State of Florida.
- (4) Total Taxable Assessed Value is net of adjustments and exemptions and includes taxable Personal Property.
- (5) Total Direct Tax Rate is the rate per \$1,000 assessed value imposed by Putnam County (countywide). Please refer to page S-8 for overlapping rates.
- (6) The Property Appraiser's Office follows the guidelines provided in F.S. 193.011 to determine the Estimated Actual Value (Just Value) of each piece of real or personal property.
- (7) Total Taxable Assessed Value divided by Estimated Actual Value.
- (8) Assessed Taxable Value Per Capita = Total Taxable Assessed Value divided by the Countywide Population total, listed on page S-16 of this CAFR's Statistical Section, by fiscal year.
- (9) Fiscal year 2014 – It was decided to establish a separate Agricultural Real Property category, after realizing that agricultural values approached, if not exceeded, commercial real property values for all years. Consequently, Other Real Property values for 2007-2013 decreased correspondingly by values of Agricultural Real Property for the same year.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

DIRECT AND OVERLAPPING PROPERTY TAX RATES - LAST TEN FISCAL YEARS
(Per \$1,000 of Taxable Value)

		Fiscal Years Ended September 30 th -----									
Notes		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 ^b
County Direct Rate(s)											
	Board of County Commissioners - General Fund	8.5765	8.5765	8.5765	8.5765	8.5765	8.5765	8.9000	8.9000	9.0730	9.0914
	Total Putnam County Direct Rate	8.5765	8.5765	8.5765	8.5765	8.5765	8.5765	8.9000	8.9000	9.0730	9.0914
Overlapping Rate(s)											
	Putnam County School District										
a	General Fund	5.4940	5.9550	6.3140	6.6310	5.9570	6.0200	5.8560	5.7040	5.7040	5.3000
a	Bond/Debt/Capital Outlay	2.0000	1.7500	1.4990	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
	Total School Board	7.4940	7.7050	7.8130	7.8610	7.4570	7.5200	7.3560	7.2040	7.2040	6.8000
	Fire Municipal Service Taxing Unit (MSTU)	0.7425	0.7425	0.7425	0.7425	0.7425	0.7425	.07425	0.7425	1.1000	1.1000
	Water Management Districts										
	St. Johns River Water Management District	0.4158	0.4158	0.4158	0.4158	0.3313	0.3313	0.3283	0.3164	0.3023	0.2885
	Suwannee River Water Management District	0.4399	0.4399	0.4399	0.4399	0.4143	0.4143	0.4143	0.4141	0.4104	0.4093
	Municipalities										
	Crescent City	8.1723	8.1723	8.1723	8.1723	8.1723	8.1723	8.5914	8.5914	8.5914	8.5914
	Interlachen	8.5000	8.4658	8.8287	8.8287	8.8287	8.8287	8.7993	8.8821	8.8821	8.8821
	Palatka	8.5000	8.6500	8.6500	8.6500	8.6500	9.1749	9.1749	9.1749	9.1749	6.4000
	Pomona Park	4.7737	5.0867	6.2874	6.2874	6.2874	5.7874	5.7874	5.7874	5.7874	5.7874
	Welaka	5.5050	5.5050	5.5050	5.5050	5.5050	5.5050	5.5050	5.5050	5.5559	5.5050

Sources: Data for the above table was taken from the Putnam County Annual Budget Report for the respective fiscal years, except for FY 2017. The FY 2017 data was provided by the Putnam County Property Appraiser's office.

Notes:

Correction to prior years' data:

- a. Putnam County School District – millage rates for the general fund for both 2010 and 2011 have been increased by 0.25 (representing critical operating millage): a corresponding decrease of 0.25 was made in the millage rates for the Bond/Debt/Capital Outlay for the same years. The total millage rate for the Putnam County School District remained unchanged.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA
PRINCIPAL TAXPAYERS – CURRENT AND NINE YEARS AGO**

Taxpayer	2017 -----			2008 -----		
	Taxable Assessed Value (1)	Rank	Total Assessed Value % (2)	Taxable Assessed Value (1)	Rank	Total Assessed Value % (2)
Seminole Electric Cooperative, Inc.	\$ 304,858,949	1	9.01%	\$ 264,164,463	1	6.33%
Georgia-Pacific Corporation	297,473,274	2	8.79%	243,543,367	2	5.84%
Florida Power & Light	161,253,867	3	4.77%	157,762,750	3	3.78%
Continental Palatka, LLC (3)	107,445,998	4	3.18%	84,996,320	4	2.04%
Wal-Mart Stores East, Inc.	16,380,350	5	0.48%	13,302,600	9	0.32%
CSX Transportation, Inc.	15,773,560	6	0.47%	11,923,019	10	0.29%
NF Putnam Community Medical Center (4)	14,841,073	7	0.44%	17,426,730	7	0.42%
9520 Bonita Beach Road, LLC	12,581,810	8	0.37%	-	-	-
BellSouth Telecommunications	11,619,124	9	0.34%	21,868,827	6	0.52%
Comcast	10,965,946	10	0.32%	-	-	-
Clay Electric	-	-	-	40,361,745	5	0.97%
Veritas Steel, LLC (f/k/a PDM Bridge) (5)	-	-	-	13,698,813	8	0.33%
Principal Taxpayers Totals	\$ 953,193,951		28.18%	\$ 869,048,634		20.84%
All Other Taxpayers Totals	\$ 2,429,662,590		71.82%	\$ 3,300,649,815		79.16%
Grand Totals (6)	\$ 3,382,856,541		100.00%	\$ 4,169,698,449		100.00%

Sources: The sources for the data shown in the table above for FYE 2017 and for FYE 2008 were the tax rolls for 2016 and 2007, respectively, as provided by the Putnam County Property Appraiser's Office.

Notes:

- (1) Significant changes in assessed values over the ten year period may be the results of property additions, deletions, as well as just normal business attrition.
- (2) Percentages are a function of Taxable Assessed Value / Total Taxable Assessed Value for the specific year.
- (3) Continental Palatka, LLC is a subsidiary of the newly formed company Continental Building Products, LLC, which took over the assets and operations of LaFarge North America. The sale was completed August 30, 2013 and operations commenced under the new ownership on September 3rd of the same year.
- (4) Putnam Community Medical Center (PCMC) was purchased by Hospital Corporation of America (HCA) from Lifepoint Hospitals in March of 2015. The administrative changeover of PCMC to HCA was made, officially, May 1, 2015. The rebranding of PCMC to NF Putnam Community Medical Center occurred February 6, 2016. NF Putnam Community Medical Center has joined with NF Regional Medical Center and Lake City Medical Center to create North Florida Regional Healthcare System.
- (5) Veritas Steel, LLC was formed by Atlas Holdings, LLC on October 1, 2013 to acquire certain assets of the steel bridge fabricator PDM Bridge, also formerly known as Steel Bridges, LLC.
- (6) Taxable Assessed Value includes real, tangible personal and centrally assessed properties.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year 9/30/XX	Fiscal Year Taxes Levied	Fiscal Year Current Collections	Current Collections Percentage of Levy	Delinquent Collections	Total Collections	Total Collections Percentage of Levy
2008	38,558,366	36,918,496	95.75%	212,398	37,130,894	96.30%
2009	37,435,830	35,434,153	94.65%	483,885	35,918,038	95.95%
2010	36,488,381	34,833,535	95.46%	369,115	35,202,650	96.48%
2011	34,405,724	33,142,219	96.33%	232,455	33,374,674	97.00%
2012	32,228,609	30,830,544	95.66%	225,297	31,055,841	96.36%
2013	30,394,849	29,157,477	95.93%	347,360	29,504,837	97.07%
2014	32,223,589	30,950,783	96.05%	201,472	31,152,255	96.68%
2015	32,548,474	30,566,176	93.91%	209,555	30,775,731	94.55%
2016	33,775,185	31,503,423	93.27%	385,885	31,889,308	94.42%
2017	34,048,057	32,111,238	94.31%	356,847	32,468,085	95.36%

Sources:

Total taxes levied for the given fiscal years have been taken from Forms DR-422 and DR-403CC obtained from the office of the Putnam County Property Appraiser.

Total taxes collected, both current and delinquent, have been obtained from the County's financial records.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

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

	2008 (1)	2009 (2) & (3)	2010	2011 (4)	2012	2013 (5)	2014	2015 (6)	2016 (7)	2017 (8)
<u>Governmental Activities</u>										
Loans/Notes	\$16,808,909	\$15,166,962	\$13,473,758	\$11,714,252	\$10,022,201	\$8,339,879	\$6,594,181	\$4,947,253	\$3,224,690	\$ 1,436,058
Capital Leases	1,719,266	1,094,593	772,213	1,587,218	1,256,013	429,892	62,150	-	-	866,552
Public Improvement Revenue Bonds, Series 2016	-	-	-	-	-	-	-	-	\$17,965,300	17,733,700
Total Governmental Activities	\$18,528,175	\$16,261,555	\$14,245,971	\$13,301,470	\$11,278,214	\$8,769,771	\$ 6,656,331	\$4,947,253	\$21,189,990	\$20,036,310
<u>Business-Type Activities</u>										
Loans/Notes	\$10,532,729	\$12,657,018	\$12,960,885	\$12,468,344	\$11,591,090	\$10,692,661	\$9,764,271	\$9,439,985	\$8,626,330	\$ 7,696,053
Revenue Bonds	-	6,322,900	6,322,900	6,255,000	6,184,000	6,110,000	6,033,000	9,284,000	9,199,000	9,048,000
Capital Leases	356,820	273,157	185,903	455,185	426,644	924,683	631,333	372,124	202,779	48,474
Total Business-Type Activities	\$10,889,549	\$19,253,075	\$19,469,688	\$19,178,529	\$18,201,734	\$17,727,344	\$16,428,604	\$19,096,109	\$18,028,109	\$16,792,527
<u>Total Primary Government</u>										
Total Outstanding Debt	\$29,417,724	\$35,514,630	\$33,715,659	\$32,479,999	\$29,479,948	\$26,497,115	\$23,084,935	\$24,043,362	\$39,218,099	\$36,828,837
Total Outstanding Debt as a % of API (9)	1.53%	1.88%	1.73%	1.64%	1.52%	1.38%	1.17%	1.17%	1.87%	1.72%
Total Outstanding Debt per Capita (9)	\$392	\$475	\$453	\$439	\$403	\$364	\$318	\$330	\$538	\$503

Sources & Notes:

Except as otherwise provided, information for this schedule has been taken from the County's financial and non-financial records for the fiscal years shown in the table above.

- (1) FYE 2008 – Governmental Activities: Loans and notes payable increased by the amount of \$3,500,000, as a result of a note issued to advance road projects pursuant to the County's Better Place Plan (BPP). Revenues to be received from the one cent sales surtax pledged security for a \$10 million issued in fiscal year 2007 and the newly acquired \$3.5 million note, both for BPP projects. For more information on the Pledged Revenue Coverage refer to pages S-13 through S-15 of this Statistical Section. The County, also, entered into a capital lease arrangement for a new phone system in the amount of \$767,937. Business-Type Activities: (Restatement for FYE 2008) A Water Revenue Bond Anticipation Note (BAN) in the amount of \$5,956,600, as well as a loan from the Florida State Revolving Fund (SRF) in the amount of \$4,576,128 represent the increases to Loans and Notes Payables. Both instruments were acquired to assist in financing the development of the East Putnam (E.P.) Water System. The BAN was retired by the issuance of the Water Revenue Bonds – Series 2008A and 2008B on December 12, 2008. Both instruments in FYE 2008 were previously reported under Governmental Activities. Additionally, Solid Waste Management acquired a compactor under a capital lease agreement in the amount of \$454,227.
- (2) FYE 2009 – Governmental Activities: The County acquired a wheel loader and an excavator by lease arrangements totaling just under \$290 thousand. Business-Type Activities: To finance construction of a new landfill cell, the County issued a note payable in the amount of \$4 million, which is secured by special assessments for waste disposal. The SRF loan (refer to note 3 above) increased by approximately \$4.4million. Water Revenue Bonds were issued for slightly over \$6.3 million.
- (3) FYE 2009 – Re-statement – Business-type Activities: SRF loan payable has been reduced by \$280,730 to correctly reflect the amount of debt issued (refer to Note 19, Notes to Financial Statements, FYE 2010).
- (4) FYE 2011 – Governmental Activities: PCSO acquired \$1,177,430 of additional vehicles and computers with lease arrangements. Business-type Activities: Capital lease arrangements were used to purchase a wheel loader and a bulldozer.
- (5) FYE 2013 – Business-type Activities: Capital leases increased with the addition of a compactor (\$514,753) and a wheel loader (\$231,877).
- (6) FYE 2015 – Business-type Activities: The Sewer Revenue Bonds, Series 2013, were issued to retire the Sewer BAN, Series 2014, on October 10, 2014. The BAN assisted in the financing of the development of the East Putnam Regional (EPR) Wastewater System. Additionally, the State Revolving Fund Loan was increased by \$635,088 (long-term portion) to assist in the financing of the EPR Wastewater System.
- (7) FYE 2016 – Governmental Activities: The BOCC approved the issuance of \$17,965,300 in Public Improvement Revenue Bonds, Series 2016 used to finance the expansion of the Putnam County Jail.
- (8) FYE 2017 – Governmental Activities: The BOCC entered into capital lease agreements just slightly less than \$1.0 million for 2 excavators and a new phone system.
- (9) Outstanding Debt as a percentage of API and Outstanding Debt per Capita have been calculated by dividing the Total Outstanding Debt for the Primary Government by the Annual Personal Income (API) and the Countywide Population, as applicable, found on page S-16 of this Statistical Section. Total Debt as a Percentage of API, for fiscal years ended 2007-2014, incurred de minimis changes (decreases ranged from .01% to .04%) based on revisions to API, (see Note 2 of page S-16). There were no changes to the Total Outstanding Debt per Capita in any of those years.
- (10) Additional information on the County's outstanding debt may be found in Note 9 of the *Notes to Financial Statements*.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

LEGAL DEBT MARGIN

Neither the Constitution of the State of Florida, nor the Florida Statutes, has established any legal debt limitations regarding non-state, tax supported debt.

Additionally, the Putnam County Board of County Commissioners, as a local Florida government, has issued no policies to place limits on fiscal debt.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Years Ended September 30 th											
Notes	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Governmental Activities											
Florida Capital Improvement Notes –Series 2006 & 2007B											
Gross Revenue	1	\$ 4,745,191	\$ 4,362,000	\$ 3,947,865	\$ 4,210,944	\$ 4,456,078	\$ 4,595,665	\$ 4,832,723	\$ 5,132,662	5,392,976	\$5,668,099
Less: Operating Expenditures		-	-	-	-	-	-	-	-	-	-
Capital Outlay Expenditures	1	(5,173,995)	(741,564)	0	(413,128)	(789,151)	(2,977,917)	(1,322,825)	(1,295,444)	(4,053,749)	(4,110,363)
Pledged Revenues for Water Revenue Bonds & SRF Loan	2	-	-	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(590,000)	(550,000)
Transfers for Public Improv. Revenue Bonds-Series 2016 Debt Svc.	3	-	-	-	-	-	-	-	-	(436,260)	(872,520)
Transfers-out to meet requirements of other funds		-	-	-	(75,512)	-	(416,000)	-	(138,177)	(176,350)	(127,775)
Net Revenue Available		(428,804)	3,620,436	3,447,865	3,222,304	3,166,927	701,748	3,009,898	3,199,041	136,617	7,441
Debt Service											
Principal Payments:		760,000	1,085,000	1,130,000	1,175,000	1,230,000	1,275,000	1,335,000	1,385,000	1,450,000	1,505,000
Interest Payments:		476,630	487,255	446,874	400,264	352,415	300,878	248,261	193,179	136,084	76,058
Total Debt Service		1,236,630	1,572,255	1,576,874	1,575,264	1,582,415	1,575,878	1,583,261	1,578,179	1,586,084	1,581,058
Coverage Ratio		(0.35)	2.30	2.19	2.05	2.00	0.45	1.90	2.03	0.09	0.00
Putnam County Public Improvement (Jail) Revenue Bonds, R-1 & R-2											
Gross Revenue	3	-	-	-	-	-	-	-	-	-	\$ 0
Less: Operating Expenditures		-	-	-	-	-	-	-	-	-	0
Transfer from BPP Project Sales Surtax		-	-	-	-	-	-	-	-	-	793,200
Net Revenue Available		-	-	-	-	-	-	-	-	-	793,200
Debt Service:											
Principal		-	-	-	-	-	-	-	-	-	231,600
Interest		-	-	-	-	-	-	-	-	-	561,416
Total Debt Service		-	-	-	-	-	-	-	-	-	793,016
Coverage Ratio		-	-	-	-	-	-	-	-	-	1.00

Sources: Data for this schedule has been obtained from Putnam County’s financial and non-financial records.

Notes: Please refer to Note 9 of the *Notes to Financial Statements*, as well as page S-11 of this *Statistical Section* for further information regarding Putnam County’s long-term obligations.

Factors considered in determining “Coverage Ratio”:

- Operating expenditures/expenses do not include interest, depreciation, or amortization.
- Debt service interest includes fiscal charges, but does not include capitalized interest and interest paid from debt proceeds.
- In general, the Coverage Ratio = Net Available Revenues/Total Debt Service.

1. Florida Capital Improvement Revenue Notes (CIRN), Series 2006 (\$10,000,000) and Series 2007B (\$3,500,000) were issued for the purposes of funding Better Place Plan infrastructure projects. They are secured by revenues received from whatsoever source in connection with the Better Place Plan (BPP). BPP revenues are derived mainly from Putnam County’s one-cent sales surtax that became effective January 1, 2003 and will sunset January 1, 2018, the maturity date of both notes. The BPP fund is a capital projects fund and, consequently, expenditures are typically capital outlays, rather than operating expenditures. The capital outlays and transfers out were deemed to be not inconsequential in determining an accurate coverage ratio and, therefore, have been included herein. This serves as a re-statement of years prior to FYE 2016. Deficits in coverage for fiscal years 2007 and 2008 would have been absolved through debt issuance. Accumulated fund balance was more than adequate to eliminate the deficits in coverage shown in fiscal years ending in 2013, 2016 and 2017.
2. Revenues from the County’s One-Cent Sales Surtax serve, also, as a pledge to assist in covering any deficiencies in the primary revenue stream that secures the Water Revenue Bonds and the State Revolving Fund Loans (SRF Loans) for both the County’s Water and Wastewater Systems. The annual pledge for the Water Revenue Bonds may not exceed \$275,000, while the pledge for the SRF Loans may be that which is needed to meet loan repayments. See the Water Revenue Bonds and SRF Loans shown on pages S-14 and S-15 of this Statistical Section.
3. The Public Improvement Revenue Bonds-Series 2016 were issued in March 2016 for an amount of \$17,965,300 for which payments commenced in FYE 2017. The bonds retired a Bond Anticipation Note (BAN), which assisted in interim financing of the Putnam County jail expansion and improvement project. A transfer of \$872,520 was made from the BPP Fund to the Capital Improvement Jail Fund, which included \$79,320 in bond debt reserves, consequently, only \$793,200 has been shown on this schedule as available to cover current principal and interest requirements.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Years Ended September 30 th -----										
Notes	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-Type Activities										
Solid Waste Management Note – 2009 - \$4,000,000										
Gross Revenue – Annual Special Assessments for Waste Disposal	4	-	-	\$6,825,384	\$6,778,552	\$6,586,223	\$6,794,698	\$7,690,046	\$12,319,219	\$10,194,823
Less: Operating Expenses		-	-	(5,843,106)	(5,901,951)	(5,823,584)	(5,888,663)	(6,134,025)	(7,592,502)	(6,011,493)
Net Available Revenue		-	-	982,278	886,601	762,639	906,035	1,556,021	4,726,717	4,183,330
Debt Service:										
Principal		-	-	323,163	449,806	466,963	484,775	503,266	522,462	542,391
Interest		-	-	147,756	123,375	110,447	92,464	54,422	34,306	13,419
Total Debt Service		-	-	470,919	573,181	577,410	577,239	577,688	576,697	576,499
Coverage Ratio		-	-	2.09	1.55	1.32	1.57	2.70	8.19	7.25
										4.90
Water Revenue Bond Anticipation Note - 2007	5									
Gross Revenue -		-	\$ 6,322,900	-	-	-	-	-	-	-
Less: Operating Expenses		-	-	-	-	-	-	-	-	-
Net Available Revenue		-	6,322,900	-	-	-	-	-	-	-
Debt Service:										
Principal		-	5,956,600	-	-	-	-	-	-	-
Interest		-	0	-	-	-	-	-	-	-
Total Debt Service		-	5,956,600	-	-	-	-	-	-	-
Coverage Ratio		-	1.06	-	-	-	-	-	-	-
Water Revenue Bonds - Series 2008 A & B – East Putnam Water System	5									
Gross Revenue from Operations		-	-	\$ 688,663	\$ 861,544	\$ 896,059	\$ 968,530	\$ 1,071,461	\$ 1,122,706	\$ 655,279
Interest Income		-	-	840	530	1,917	2,199	2,277	0	0
Less: Operating Expenses		-	-	(466,929)	(509,817)	(512,396)	(619,041)	(574,586)	(1,147,749)	(1,659,541)
Net Operating Revenue:		-	-	222,574	352,257	385,580	351,688	499,152	(25,043)	(1,004,262)
Net Operating Revenues used for SRF Water Loan Coverage (see Page S-15)		-	-	(222,574)	(285,496)	(318,910)	(285,105)	(432,782)	0	0
Net Operating Revenues used for Water Revenue Bond Coverage		-	-	0	66,671	66,670	66,583	66,370	0	0
Sales Surtax Pledge (see Note 2, Page S-13)		-	-	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Total Available Sources		-	-	275,000	341,761	341,760	341,583	341,370	249,957	(729,262)
Debt Service:										
Principal – Water Revenue Bonds, Series 2008A & B		-	-	-	67,900	71,000	74,000	77,000	82,000	85,000
Interest – Water Revenue Bonds, Series 2008A & B		-	-	271,498	273,861	270,670	267,583	264,370	261,019	257,458
Total Debt Service		-	-	271,498	341,761	341,760	341,583	341,370	343,019	342,458
Coverage Ratio		-	-	1.01	1.00	1.00	1.00	1.00	0.73	(2.13)
										1.00

Sources & Notes: Data for this schedule has been obtained from Putnam County's financial and non-financial records.

This page is a continuation of the Pledged–Revenue Schedule shown on Page S-13.

This Pledged Revenue Coverage schedule has been modified, as of FYE 2016, to reflect coverage ratios based on the seniority of the revenue bonds for both the water and wastewater systems to the State Revolving Fund loans for the same.

4. Waste Management obtained a note payable, face amount \$4,000,000 on September 23, 2009, to be paid over a period of eight years. The note is a limited obligation in that it is payable, only, by a pledge of all proceeds of annual special assessments levied to pay for the costs of collection and disposal of solid waste.
FYE 2011: Corrected Gross Revenues to reflect only special assessment income, as designated by the note, rather than total user fees and assessments. It was necessary, also, to determine an amount of operating expenses that would have been proportionately related to the special assessments revenues. Therefore, for each fiscal year, a ratio of Total Special Assessments Revenues (for collection and disposal) to Total Operating Revenues was determined and, then, applied to Total Operating Costs to arrive at operating expenses related to the Special Assessments activities.
FYE 2014: Solid Waste Management Note - it was discovered that certain special assessments had been improperly classified and, therefore, had not been included herein. Because Operating Expenses were determined by a ratio of Special Assessment Revenues to Total Operating Revenues, the Special Assessments Operating Expenses correspondingly increased as the Special Assessment Revenues increased. Additionally, it was discovered that adjustments needed to be made for interest expense accruals in 2010 and 2011. The overall effect of these combined adjustments in the coverage ratios were less than 1%.
FYE 2016: Waste Management Note – For fiscal years ended 2011, 2014 and 2015 operating expenses were corrected to reflect audit adjustments, resulting in the following changes to the coverage ratios; FYE 2011 - (.01), FYE 2014 - .18 and FYE 2015 - .03.
5. A Water Revenue BAN (interim financing of the East Putnam Water System) was paid off with Water Revenue Bonds Series 2008A and 2008B which were issued December 12, 2008. Pledged revenues for the bonds are the gross revenues of the East Putnam Water System, as well as the Sales Surtax Revenue in an amount not to exceed \$275,000 (refer to Note 2, page S-13 of this Statistical Section).As the revenue bonds are senior to the SRF Loan, water system net revenues are first applied to cover the debt service of the bonds, then any remainder is applied in coverage of the debt services of the SRF Loans for the Water System and Wastewater System, in that order. It was necessary to classify the operating revenues and expenses of the East Putnam Water Fund (see page 8 of the Basic Financial Statements) as attributable to either the Water System or the Wastewater System in order to determine accurate debt coverage ratios of the revenue bonds and SRF Loans for the Water and Wastewater Systems.. Consequently, figures of these two systems, as shown on pages S-14 and S-15 of this Statistical Section, must be added together to arrive at the totals of revenues and expenses reported in the *Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds* for the East Putnam Water Fund (page 8).

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Years Ended September 30 th -----										
Notes	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-type Activities										
Sewer Revenue Bonds – Series 2014- East Putnam Wastewater System	6									
Gross Revenues from Operations	-	-	-	-	-	-	-	-	\$ 325,467	\$ 370,162
Interest Income	-	-	-	-	-	-	-	-	0	7,139
Less: Operating Expenses	-	-	-	-	-	-	-	-	(182,321)	(261,537)
Net Operating Revenues	-	-	-	-	-	-	-	-	143,146	115,764
Net Operating Revenue used for SRF Wastewater Loan Coverage	-	-	-	-	-	-	-	-	(63,615)	0
Net Operating Revenue Used for Sewer Revenue Bond Coverage	-	-	-	-	-	-	-	-	77,531	115,764
Local Sales Surtax Revenues (BPP Project Fund) Pledged	-	-	-	-	-	-	-	-	0	0
Transfer-in from General Fund	-	-	-	-	-	-	-	-	0	40,129
Total Revenues & Other Sources Available for Sewer Revenue Bond Coverage	-	-	-	-	-	-	-	-	77,531	155,893
Debt Service:										
Principal Payments	-	-	-	-	-	-	-	-	0	63,000
Interest Payments	-	-	-	-	-	-	-	-	77,531	92,893
Total Debt Service	-	-	-	-	-	-	-	-	77,531	155,893
Coverage Ratio	-	-	-	-	-	-	-	-	1.00	1.00
State Revolving Fund (SRF) Loan for East Putnam Water System	7									
Net Operating Revenue from East Putnam Water System	-	-	\$ 222,574	\$ 285,496	\$ 318,910	\$ 285,105	\$ 432,782	\$ 0	\$ 0	\$ 363,426
Sales Surtax Pledge	-	-	225,000	225,000	225,000	225,000	225,000	225,000	315,000	275,000
Transfers from General Fund	-	-	293,498	196,952	152,952	152,952	152,952	150,000	60,000	9,801
Other Transfers	-	-	0	0	0	0	14,884	0	0	0
Net Available Revenues & Other Sources	-	-	741,072	707,448	696,862	663,057	825,618	375,000	375,000	648,227
Debt Service										
SRF Water Loan Principal Payments	-	-	248,569	404,981	410,291	413,655	425,124	436,912	449,026	461,477
SRF Water Loan Interest Payments	-	-	526,809	253,317	246,702	235,176	223,562	211,626	199,358	186,750
Total Debt Service	-	-	775,378	658,298	656,993	648,831	648,686	648,538	648,384	648,227
Coverage Ratio	-	-	0.96	1.07	1.06	1.02	1.27	0.58	0.58	1.00
State Revolving Fund (SRF) Loan for East Putnam Wastewater System	8									
Net Operating Revenue from East Putnam Water System	-	-	-	-	-	-	-	-	\$ 0	\$ 0
Net Operating Revenue from the East Putnam Wastewater System	-	-	-	-	-	-	-	-	65,615	0
Sales Surtax Pledged	-	-	-	-	-	-	-	-	0	0
Transfers In from the General Fund	-	-	-	-	-	-	-	-	0	10,070
Net Available Revenues & Other Sources	-	-	-	-	-	-	-	-	65,615	10,070
Debt Service										
SRF Wastewater Loan Principal Payments	-	-	-	-	-	-	-	-	95,909	21,985
SRF Wastewater Loan Interest Payments	-	-	-	-	-	-	-	-	5,008	12,328
SRF Wastewater Loan Fiscal Charges	-	-	-	-	-	-	-	-	0	160,201
Total Debt Service	-	-	-	-	-	-	-	-	100,917	194,514
Coverage Ratio	-	-	-	-	-	-	-	-	0.65	0.05

Sources & Notes: Data for this schedule has been obtained from Putnam County's financial and non-financial records.

This page is a continuation of the Pledged–Revenue Schedule shown on Page S-13 and S-14.

This Pledged Revenue Coverage schedule has been modified, as of FYE 2016, to reflect coverage ratios based on the seniority of the revenue bonds for both the water and wastewater systems to the State Revolving Fund loans for the same.

- Sewer Revenue Bonds, Series 2014, totaling \$3,333,000 were issued October 10, 2014 to retire a Bond Anticipation Note, a short-term financing instrument, which served as partial interim financing to develop the East Putnam Regional (EPR) Wastewater System. The bonds are secured by a pledge of the net revenues of the EPR Wastewater System. The EPR Wastewater System became operational December 4, 2015 (FYE 2016). At the close of FYE 2015, debt service was comprised of interest expense of \$90,849.64 which was capitalized. As capitalized interest is not included herein, no coverage ratio was calculated for FYE 2015. Deficiencies in the revenue stream for FYE 2015 were absorbed by established debt reserves. Please refer to Note 5 above for further information on calculations of revenues and expenses.
- The Drinking Water State Revolving Fund (SRF) Construction Loan Agreement, used to assist in financing the development of the East Putnam Water System, has two sources of pledged revenues for debt repayment. The primary source is to be income from the operation of the East Putnam Water System, as well as any related investment income. A secondary pledged revenue source is the County's One-Cent Sales Surtax (please refer to Note 2, Page S-13, of this Statistical Section). This SRF Loan is junior in obligation to both the Water Revenue Bonds and Sewer Revenue Bonds. Consequently, net revenues from the water system will serve first to cover the debt service of the bonds and any net excess will then be applied to cover the SRF Water Loan. Deficiencies, thereafter, may be remedied by the Sales Surtax (see Note 2, Page S-13 of this Statistical Section).
Restated in 2011 – Corrections have been made to prior years to include both miscellaneous and investment income in the available revenues.
- The SRF Loan long-term principal balance increased by \$635,088 to assist, also, in the financing of the EPR Wastewater System. The SRF Loan is secured by user fees from the East Putnam Regional Wastewater System, with any deficiencies in the revenue stream absorbed by the one-cent sales surtax associated with the Better Place Plan (see note 2, Page S-13, of this Statistical Section). The Water Revenue Bonds and Sewer Revenue Bonds are senior obligations to this SRF Loan. Therefore, Net Operational Revenues from the Wastewater System are first applied to cover the Sewer Revenue Bonds and thereafter to the SRF Loan.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**COUNTY DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Countywide Population <i>(Note 1)</i>	Annual Personal Income <i>(In Thousands)</i> <i>(Note 2)</i>	Per Capita Personal Income <i>(Note 3)</i>	Countywide Labor Force <i>(Note 4)</i>	Countywide Persons Employed <i>(Note 4)</i>	Countywide Persons Unemployed <i>(Note 4)</i>	Countywide Unemployment Rate <i>(Note 4)</i>
2008	75,028	1,923,771	25,641	32,015	29,905	2,110	6.6%
2009	74,714	1,887,417	25,262	32,246	28,687	3,560	11.0%
2010	74,364	1,947,522	26,189	31,014	26,965	4,049	13.1%
2011	74,052	1,977,852	26,709	30,072	26,120	3,922	13.0%
2012	73,158	1,934,851	26,448	29,087	25,574	3,513	12.1%
2013	72,763	1,913,292	26,295	28,435	25,311	3,123	10.1%
2014	72,523	1,976,672	27,256	28,452	25,909	2,588	9.1%
2015	72,756	2,052,694	28,213	28,643	26,462	2,181	7.6%
2016	72,957	2,092,516	28,681	28,918	27,176	1,743	6.0%
2017	73,176	2,140,812	29,256	27,574	26,016	1,558	5.7%

Sources & Notes:

1. Countywide Population data has been taken from the statistics provided online by (<http://edr.state.fl.us>), the website of the Office of Economic and Demographic Research, State of Florida. Year 2010 is the result of the latest U.S. census. The remaining years are estimates based on adjustments to the census figure preceding the year(s) reported, i.e. population data for 2004-2009 are estimates based on adjustments to the 2000 census.
2. Annual Personal Income (API) data was obtained from the U.S. Department of Commerce, Bureau of Economic Analysis website, www.bea.gov. Both the newly acquired estimate of API for 2016 and the revisions for years 2008-2015 were posted on the website as of 11/17/2016. API for 2017 is a projected estimate calculated by increasing the Annual Personal Income for 2016 by 1.5%, the average percentage change over the years 2008-2016.
3. Per Capita Personal Income (PCPI) is the result of dividing the Total Annual Personal Income by the Countywide Population for each year. For as much as the Annual Personal Income and Countywide Population are estimates (see note 1 & 2 above) so are the figures for PCPI. Any revisions made to API require corresponding adjustments to PCPI.
4. The labor force, countywide employment, and unemployment data was obtained from the website of Florida's Department of Economic Opportunity. The report entitled *Local Area Unemployment Statistics* by County provided revised data covering the period from January 2008 through September 2016, as well as the new data for the period October 2016 through September 2017. All data in the table above represents fiscal year averages, the fiscal year being from October of one year through September of the next. The *average* unemployment for fiscal year 2017 was 5.7%. Unemployment peaked in January 2017 (6.7%) and reached its fiscal year bottom in September 2017 (4.6%).

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>Note Ref.#</u>	<u>2017 -----</u>			<u>2008 -----</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Countywide Employment %</u>	<u>Employees</u>	<u>Rank</u>	<u>Countywide Employment %</u>
Putnam County School District (K-12)	1.	1,504	1	5.78%	1,871	1	6.26%
Georgia-Pacific, Palatka Operations	2.	850	2	3.27%	1,299	2	4.34%
Putnam County Government	3.	662	3	2.54%	694	4	2.32%
NF Putnam Community Medical Center	4.	505	4	1.94%	533	6	1.78%
St. Johns River Water Management District	5.	345	5	1.33%	698	3	2.33%
St. Johns River State College	6	316	6	1.21%	290	9	0.97%
Wal-Mart	7.	300	7	1.15%	545	5	1.82%
Seminole Electric Cooperative	8.	300	8	1.15%	288	10	0.96%
Palatka Health Care Center	9.	215	9	0.83%	-	-	-
City of Palatka	10.	143	10	0.55%	-	-	-
Publix Supermarkets	11.	-	-	-	450	7	1.50%
PRC (Precision Response Corp.)	12.	-	-	-	296	8	0.99%
Totals for Top Ten Employers		5,140		19.76%	6,964		23.29%
Total Countywide Employment	13.	26,016			29,905		

Sources & Notes:

FYE(s) 2008 and 2017:

1. The source for both 2017 and 2008 was the website of the Florida Department of Education, www.fldoe.org, Division of Accountability, Research and Measurement, School Data Publication & Reports. The Putnam County School District's 2017 figures were taken directly from the report for that year. The 2008 figure is an estimate derived by obtaining the net average change over the period 1999-2007 and adding the average net change to the 2007 figure.
2. Sources for Georgia Pacific, LLC (a/k/a G.P.): For 2017 the information was taken from the report entitled *Palatka, Florida, Mill Selected for \$400 Million Investment*, accessed from the website (www.gp.com/news). For the year 2008 information was provided by the State of Florida's Agency for Workforce Innovation.
3. The Putnam County Government's Constitutional Officers and its Budget Office provided the information needed for 2017. For 2008 data was obtained from the Putnam County BOCC Budget Report for 2007-2008.
4. NF Putnam Community Medical Center employment figures were taken from its report, *Community Report for 2016*, located on the website, www.pcmcf.com. Although the data is for 2015, the figure is deemed reasonably close to that which would be for 2017. Employment for 2015 was only an estimated 5.25% difference from that of 2008, a seven year period. For the year 2008 data was obtained from the website, www.expandinjax.com, located under the County Profiles section. Putnam Community Medical Center (PCMC) was purchased by HCA on May 12, 2015 and subsequently rebranded to NF Putnam Community Medical Center on February 6, 2016.
5. The source for the 2017 Putnam County employment figures for St. Johns River Water Management District was the Staff Directories located on the St. Johns River Water Management District website, <http://www.sjrwmd.com>. 2008 employment information was obtained via contact with the organization.
6. 2017 Employment information for the St. Johns River State College (f/k/a St. Johns River Community College) was obtained through an online Staff Directory search via their website, <http://www.sjstate.edu/contactus.html>. The 2008 employment information was obtained through direct contact with the organization.
7. A 2017 employment estimate for Wal-Mart was taken from its corporate website, <http://corporate.walmart.com/our-story/our-business>. For the year 2008 information was provided by the State of Florida's Agency for Workforce Innovation.
8. The source for the 2017 employment data was the website of the Seminole Electric Cooperative, www.seminole-electric.com/facilities/. 2008 employment information was obtained by contact with the organization.
9. Palatka Health Care Center's 2017 employment in Putnam County was obtained via the website, <http://www.hospital-data.com/hospitals/>.
10. The number of employees for the City of Palatka for the period ending September 30, 2017 was obtained by a telephone call to its Human Resources Department.
11. Publix Supermarkets' employment in Putnam County for 2008 was obtained from the State of Florida's Agency for Workforce Innovation.
12. PRC (Precision Response Corp.) 2008 employment information was obtained by contact with the organization.
13. Countywide Employment (fiscal year averages): Data for both 2008 and 2017 has been taken from the table located on page S-16 of this Statistical Section and reflects any revisions thereto.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

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

<u>Function</u>	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Clerk of the Courts	38	38	34	34	33	31	31	26	26	23
Property Appraiser	25	25	25	25	25	22	22	22	22	20
Supervisor of Elections	6	6	6	6	6	6	6	6	6	6
Tax Collector	30	30	30	30	31	31	31	31	31	36
Other General Government	66	66	64	63	57	56	55	55	56	57
Court Related										
Clerk of Courts	40	40	33	35	33	35	35	40	40	35
Culture & Recreation										
Library	20	20	21	21	21	21	21	21	21	19
Parks and Recreation	13	13	11	12	12	11	11	11	11	12
Economic Environment										
Veterans Services	2	2	2	2	2	2	2	2	2	2
Human Services										
Animal Control (1)	-	-	-	-	-	-	-	-	-	8
Physical Environment										
Agriculture Extension	8	8	8	7	7	7	7	7	7	7
Public Safety										
Buildings & Inspection	17	17	19	23	22	22	22	21	18	18
Codes Enforcement	6	6	5	0	0	0	0	11	11	4
Emergency Medical Services	76	76	73	71	70	70	70	69	70	76
Fire and Rescue Services (2)	10	10	12	13	13	13	13	13	14	22
Sheriff's Office	236	236	236	242	242	246	246	239	239	224
Transportation										
Administration and Engineering	21	21	19	19	14	14	14	14	14	14
Roads and Bridges	59	59	59	59	54	54	54	54	54	54
Business-Type Activities										
Sanitation	21	21	21	21	19	21	21	21	19	19
Utilities (3)	-	-	6	6	5	5	5	5	5	6
Total FTE'S	694	694	684	689	666	667	666	668	666	662

Sources:

The source of the information provided in the table above, with the exception of FYE 2017, has been obtained through the *Putnam County Budget Report*. FYE 2017 information was obtained from both the various Constitutional Officers and data provided within the 2017-2018 *Putnam County Budget Report*.

Notes:

- (1) Although the County's Planning and Development Department assumed responsibility for Animal Control October 1, 2014 (FYE 2015), full time equivalents for Animal Control were not set aside and designated as such until FYE 2017.
- (2) Fire Department personnel are supported by approximately 170 active volunteers.
- (3) Personnel additions were attributable to the commencement of operations of the East Putnam Water System in November 2010.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

OPERATING INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS

Function/Program	Notes Ref.	Fiscal Years -----									
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Court Related											
Cases Opened	a	24,640	24,801	25,360	22,148	23,024	26,394	24,163	21,264	20,136	20,026
Cases Closed		20,913	19,270	20,888	18,895	17,929	19,204	22,781	13,393	13,742	12,135
Culture & Recreation – Library											
Registered Borrowers		36,620	38,817	40,710	42,698	44,716	46,459	47,951	50,134	51,522	53,205
Volumes in Collection		128,547	125,232	131,940	134,304	127,941	133,845	126,307	116,362	109,847	106,214
Volumes Borrowed		111,460	109,349	104,558	96,647	92,134	101,126	76,507	74,036	70,180	69,720
Culture & Recreation – Parks & Recreation											
Program Participants		15,906	19,258	17,092	15,358	16,287	15,901	15,421	17,074	16,289	19,552
Program/Events Offered		37	41	25	23	24	31	32	33	50	30
Economic Environment – Veterans Services											
Claims Processed	b	1,905	1,969	2,168	1,930	8,296	1,083	695	640	1,241	1,158
General Government - Supervisor of Elections											
Registered Voters		45,566	49,297	43,773	43,312	43,090	44,514	45,149	45,337	46,992	45,942
Human Services – Animal Control											
Complaints Answered	c	7,533	6,703	6,541	5,852	2,709	5,001	4,660	7,882	677	2,399
Citations Issued	c	207	58	26	19	16	32	151	0	0	0
Human Services – Mosquito Control											
Complaints Answered		1,177	685	209	192	928	255	146	255	157	702
Human Services – Welfare Administration											
HCRA Cases	d	166	207	239	179	215	156	260	211	222	184
Physical Environment – Solid Waste Control											
Solid Waste Collections (tons)		90,482	78,816	73,748	73,071	72,768	67,937	71,861	78,912	100,094	80,314
Recycling Rate (Recycled Tons/Collected Tons)		30%	29%	34%	33%	30%	38%	33%	45%	40%	57%
Physical Environment – Water & Sewer Utilities											
Water Service Connections	e	136	136	1,036	1,192	1,192	1,192	1,197	1,197	1,197	1052
Daily Water Consumption (avg. gals./day)	e	37,465	45,658	176,469	205,100	185,237	201,707	220,954	229,943	239,318	234,951
Peak Water Consumption (avg. gals./day)	e	59,933	103,857	269,452	279,044	227,180	275,373	295,134	280,041	299,963	307,802
Daily Wastewater Treatment (avg. gals./day)	f	16,809	20,379	118,316	104,116	100,287	102,096	114,858	126,183	245,045	196,188

Sources & Notes: Unless otherwise stated, the information provided within these tables has been obtained through various internal County reports.

- a. FYE 2008 – 2017: Data shown for Cases Opened has been taken from the Clerk's Outputs Monthly Report prepared for the Florida Clerks of Court Operations Corporation (C.C.O.C.). Cases closed data has been provided by the individual Supervisors over the divisions of Civil, Criminal, Family, Probate, and Traffic.
- b. FYE 2012: Newly recognized disease/disabilities, along with increased funding and additional benefits resulted in a significant increase in processed claims.
- c. FYE 2015 – Animal Control: Effective 10/1/2014 the responsibility for animal control was assumed by the Planning & Development Department (relinquished by the Sheriff's Office). No longer will citations be issued.
- d. HCRA (Health Care & Responsibility Act) obligates counties to pay out-of-county health care for county residents that meet eligibility requirements.
- e. FYE 2010 – East Putnam Regional Water System became fully operational November 1, 2009 resulting in increases in the number of accounts serviced and related utility activity. Daily Water Consumption was changed from 45,638 gallons to 45,658 gallons in 2009, a difference of .0439 %.
- f. FYE 2016 – The East Palatka Regional Wastewater System began operations December 4, 2015, resulting in increases in average daily wastewater treatment shown in the table above.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

OPERATING INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS
(Continued from S-19)

	Fiscal Years-----										
Function/Program	Notes Ref.	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Safety – Buildings & Inspections											
Permits Issued: (1) Commercial - New		11	7	10	12	8	43	10	57	25	13
(2) Commercial – Existing		430	532	574	362	351	272	13	347	496	256
(3) Residential – New		255	112	134	84	128	293	61	386	583	546
(4) Residential - Existing		6,026	5,134	4,219	3,304	2,487	1,925	277	2,030	3,888	3,152
Inspections		20,154	12,256	14,114	10,509	8,902	8,902	8,133	10,009	11,280	11,070
Public Safety – Codes Enforcement											
New Case Opened		1,278	970	1,544	1,059	858	658	812	751	749	475
New Case Inspections		4,031	2,820	6,003	3,434	2,853	2,153	1,515	8,529	936	1,045
Public Safety – EMS & Fire Control											
Ambulatory Transports		8,707	8,831	9,516	9,466	12,850	9,130	10,428	10,422	11,134	17,321
Emergency Responses	1, 2	13,686	16,531	17,383	17,155	15,913	14,943	15,692	16,175	16,341	19,219
Fires Serviced		601	588	618	610	483	396	400	302	337	1,917
Public Safety – Law Enforcement (Sheriff)											
Violations		3,479	3,149	3,240	2,976	2,635	2,151	1,820	1,741	1,479	1,228
Arrests	3	3,403	3,351	3,479	3,094	2,560	2,241	1,586	1,681	1,566	1,639
Transportation/Roads & Bridges											
Roads Graded (miles)		3,004	3,507	3,568	3,914	3,537	3,242	3,210	3,074	3,750	2,723
Transportation – Ports & Docks											
Dockage Days	g	365	365	365	365	365	365	304	184	378	381

Sources: (Continued from page S-19, bottom)

Unless otherwise stated, the information provided within these tables has been obtained through various internal County reports.

Public Safety –

1. EMS & Fire Control: For fiscal years 2008-2016 calendar year data extracted from the State of Florida Fire Marshal's annual *Florida Fires* reports was first converted to fiscal year estimates. An average net change over the prior nine (9) fiscal years was subsequently determined and then added to the estimate for the fiscal year immediately prior to the current fiscal year to arrive at a current projected fiscal year estimate.
2. EMS & Fire Control: 2017 – EMS/Fire Rescue data for the current fiscal year was reported as received from the Fire Department. Data reported to the State was significantly under-reported due to software issues.
3. Putnam County Sheriff's Office violation and arrest data has been taken from Florida's Department of Law Enforcement (FDLE) Uniform Crime Reports (UCR). The UCR data has been converted from a calendar year basis to fiscal year estimates.

Notes: (Continued from page S-19, bottom)

- g. FYE 2014: The leasing contract was terminated effective 7/31/2014, therefore, there was a corresponding decrease in docking days reported for that fiscal year.
FYE 2016: Contracts for docking at the port increased, resulting in an increase in docking days.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Fiscal Year Ended September 30 th										
Function/Program		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Court Related											
Courtrooms	a	3	3	3	3	6	6	6	6	6	6
Culture & Recreation – Library											
Library Branches		5	5	5	5	5	5	5	5	5	5
Culture & Recreation – Parks and Recreation											
Acreage	b	211	211	211	1,507	1,507	1,507	1507	1,514	1,525	1,525
Parks	b	18	18	18	18	18	18	18	19	19	19
Baseball/Softball Diamonds	b	27	27	27	27	27	27	27	26	26	26
Football/Soccer Fields	b	4	4	4	4	4	4	4	2	2	2
Tennis Courts		5	5	5	5	5	5	5	5	5	5
Community Centers	b	3	3	3	3	3	3	3	3	4	4
General Government – Supervisor of Elections											
Voting Machines	c	140	140	140	140	140	140	140	164	46	33
Physical Environment – Solid Waste Control											
Landfill Capacity Available (tons)	(2),d	124,678	85,849	635,577	478,273	416,155	367,172	763,842	730,527	719,928	688,660
Collection Centers		3	3	3	3	3	3	3	3	3	3
Public Safety – Emergency Management Services											
Ambulances		12	13	9	11	13	14	13	15	18	17
Public Safety – Fire Control											
Fire Stations		18	18	18	18	18	18	18	18	18	18
Fire Trucks		54	57	56	57	49	49	49	53	53	56
Public Safety – Law Enforcement (Sheriff)											
Patrol Vehicles		46	64	62	147	164	88	88	52	51	61
Transportations – Roads & Bridges											
Paved Roads (miles)	e	528	528	526	525	525	536	538	541	544	552
Unpaved Roads (miles)	e	1,120	1,115	1,116	1,114	1,110	1,109	1,097	1,097	1,095	1,088

Sources & Notes:

- (1) Unless otherwise specifically noted, the sources of the data contained in the table above, as well as the notes provided herein, are the various County departments.
 - (2) Landfill capacity analyses reports, based upon aerial topographical surveys prepared externally by various engineering/consulting firms throughout the years, provide the basis for calculating a projected estimate of the remaining landfill capacity for each fiscal year end.
- a. An existing County building was renovated for the purpose of providing additional court rooms; those courtrooms became operational in January 2012.
- b. FYE 2011 - An additional 1,296 acres for park use was acquired; specifically, 1,268 acres in the Nine Mile Swamp area in Florahome, as well as, 28 acres designated as the Mabel Hind-Biggs Riverfront Park in Georgetown.
FYE 2014 - Statistical records have been updated to reflect the acquisition of the Lake Como Community Center (Highlands Ave., Pomona Park) in May 7, 2002.
FYE 2015 – Acreage increased by seven acres, one being donated in Interlachen, Florida and six as a result of verifying acreage with the Property Appraiser's Office. The number of parks was corrected to reflect an increase of 9 for each of the prior 9 years. Also, in the summer of 2015, Tanglewyld Nature Park became operational.
FYE 2016 – Parks & Recreation acreage increased by approximately 11 acres due to including the boat ramps and water access sites into the capital assets. The Interlachen Community Center opened and started serving the community in March of 2016.
- c. The Supervisor of Elections Office traded in over 100 voting machines and acquired thirty-three new ones to increase efficiencies during FYE 2016.
- d. Sanitation landfill capacity changes: FYE 2010 increased capacity was due to the addition of a new cell; FYE 2014 increased capacity is understood to be the result of permit modifications.
- e. Unusual fluctuations in road mileage are deemed to have resulted from ongoing verifications of mileage and ownership.

Compliance Section



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, 2017, and have issued our report thereon June 29, 2018. That report should be considered in conjunction with this management letter.

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

Prior Audit Findings

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

Financial Condition

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

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

Annual Financial Report

As required by the Rules of the Auditor General, we determined that the annual financial report for the fiscal year ended September 30, 2017, filed with the Department of Financial Services pursuant to Section 218.32, Florida Statutes, is in substantial agreement with the audit report for the fiscal year ended September 30, 2017.

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.

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

Palatka, Florida
June 29, 2018

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

The Honorable County Commissioners
Putnam County, Florida

We have examined the Putnam County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2017. 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, 2017.

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
June 29, 2018



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

The Honorable County Commissioners
Putnam County, Florida

We have examined Putnam County, Florida's (the "County") compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2017. 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, 2017.

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
June 29, 2018

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

The Honorable County Commissioners
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon June 29, 2018.

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 2017-001 and 2017-002, 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*.

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.

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

Palatka, Florida
June 29, 2018

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

The Honorable County Commissioners
Putnam County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Putnam County, Florida's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2017. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2017.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with Chapter 10.550, Rules of the Auditor General, and which is described in the accompanying schedule of findings and questioned costs as item 2017-003. Our opinion on each major state project is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

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

Palatka, Florida
June 29, 2018

Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITOR’S RESULTS

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

<u>Federal Programs</u>	<u>Federal CFDA Number</u>
Community Development Block Grant	14.228
<u>State Projects</u>	<u>State CFSA Number</u>
State Housing Initiatives Program	40.901
Small County Outreach Program	55.009
Wireless 911 Emergency Telephone System	72.001

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

Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS

2017-001 **Criteria:** In accordance with established County procedures, a physical count of inventories should be performed and reconciled annually to the accounting records.

Condition: Results of the physical inventory performed by the Fleet department at fiscal year-end is not reliable as a basis for updating the accounting records on inventory balances held.

Cause: The County staff is not following established procedures.

Effect: Inventory valuation balances are inconsistent and cannot be verified, which could lead to undetected losses of inventory.

Recommendation: Review procedures used for the department physical inventory and implement steps to ensure the integrity of the process and results.

Views of responsible officials: See accompanying corrective action plan.

2017-002 **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. As of the June 29, 2018 of our testing: a) An IT strategic plan was not in place. b) Policies & procedures for back-ups has not been documented.

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.

Schedule of Findings and Questioned Costs

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

-None -

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

Florida Housing Finance Corporation, State Housing Initiatives Program, CFDA No. 40.901

2017-003 **Criteria:** The State Projects Compliance requirement for Reporting requires an annual report to be completed and submitted to Florida Housing by September 15 of each year pursuant to Section 420.9071(4), Florida Statutes.

Condition: The SHIP Annual report required to be submitted by September 15, 2017, has not been submitted to the grantor.

Cause: Grant Administrator is late in preparing County's report. This is considered an isolated incident.

Effect: Noncompliance with grant reporting requirements.

Questioned Costs: None

Recommendation: Monitoring of the grant administrator should be required on a regular basis to ensure the annual report is submitted timely in accordance with grant requirements.

Views of responsible officials: See accompanying corrective action plan.

Putnam County, Florida

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

There were no prior audit findings.



PUTNAM COUNTY

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BOARD OF COUNTY COMMISSIONERS

BILL PICKENS
District 1

CHIP LAIBL
District 2

TERRY TURNER
District 3

LARRY HARVEY
District 4

BUDDY GODDARD
District 5

June 29, 2018

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, 2017. The responses are keyed to the numbering of the Schedule of Findings:

- 2017-001 County administration will review the proper procedures for physical inventory counts of fleet maintenance inventory and reconciliation of those values with the department head for compliance with established procedures. Administration will monitor for compliance.
- 2017-002 The County will evaluate IT procedures, risks, and back up policies with the IT Director to ensure the availability and stability of financial data.
- 2017-003 The County has contracted with a new administrator for the SHIP Program beginning July 1, 2018. The County will work with the new administrator to monitor grant compliance to ensure timely submission of annual reports.

Sincerely,

Terry Suggs
County Administrator