#### PUTNAM COUNTY, FLORIDA

#### **AUDIT REPORT**

**SEPTEMBER 30, 2018** 

#### **BOARD OF COUNTY COMMISSIONERS**

Bill Pickens District No. 1
Jeff Rawls District No. 2
Terry Turner District No. 3
Larry Harvey District No. 4
Buddy Goddard District No. 5

#### **CLERK OF THE CIRCUIT COURT**

Tim Smith

SHERIFF PROPERTY APPRAISER

H.D. "Gator" DeLoach, III Tim Parker

TAX COLLECTOR SUPERVISOR OF ELECTIONS

Linda Myers Charles L. Overturf III

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



#### INDEPENDENT AUDITORS' REPORT

The Honorable County Commissioners Putnam County, Florida

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

#### **Auditors' Responsibility**

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

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the County as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter - Adoption of New Accounting Pronouncement**

As described in Note 19 to the financial statements, the County adopted Government Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. Our opinions are not modified with respect to this matter.

#### **Other Matters**

#### Required Supplementary Information

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

#### Other Information

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

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Palatka, Florida

Caux Rigge & Ingram, L.L.C.

March 29, 2019

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# Management's Discussion & Analysis



#### **PUTNAM COUNTY, FLORIDA**

#### Management's Discussion and Analysis September 30, 2018

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, 2018. 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, 2018 by \$158,592 (*net position*). Of this amount, (\$12,052) represents a deficit unrestricted net position.
- Total net position is comprised of the following:
  - (\$12,052) deficit unrestricted net position which is primarily due to the County's long-term liabilities and related deferrals for employees which totaled \$38,206 at September 30, 2018. This total is made up of the following: OPEB liability \$2,675, compensated absences liability \$2,120, net pension liability of \$46,203, and deferred inflows of resources of \$6,181, offset by deferred outflows related to pensions of (\$18,973).
  - 2) Net Investment in Capital Assets of \$153,719, includes property, equipment, intangibles and infrastructure, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets, including retainages and amounts owed contractors for work completed through September 30, 2018.
  - 3) Net position of \$16,925 is restricted by constraints imposed from outside of the County such as debt covenants, grantors, laws, or regulations.
- The County's total net position increased \$13,910 from the previous year with an increase of \$6,718 in governmental activities and an increase of \$7,192 from business activities.

#### **Fund Statements**

- At September 30, 2018, the County's governmental funds reported combined ending fund balances of \$29,599, an increase of \$4,317 over the prior fiscal year. A detail of the components of ending fund balance follow in the Financial Analysis section on governmental funds.
- Governmental fund assets were \$36,309 at year end which is mostly made up of cash and equivalents of \$29,937 and \$3,488 balances due from other governments.
- Liabilities in the governmental funds totaled \$4,744 at year-end with most of the balance in accounts payable and accrued liabilities of \$3,182 and \$648 due to other governments. The governmental funds also have a \$1,965 balance of deferred inflows from receivables which are not available in the current period and therefore not recognized as revenue.
- Governmental Fund revenues increased \$9,809 or 14.4% from the prior year. Revenue categories which increased were Taxes, \$5,277; Licenses and Permits, \$384; Intergovernmental Revenue, \$3,020; Charges for Services, \$998; Fines and Forfeitures, \$77; and Miscellaneous, \$224. Special Assessments revenue decreased (\$171).
- Governmental Fund expenditures increased \$170 or 0.2% from the prior year. Most of the increase is related to increased expenditures of \$1,360 in capital outlay and \$1,135 in public safety. These increases are offset by decreased expenditures of (\$1,443) in transportation, (\$578) in debt service, (\$102) in physical environment, and (\$547) in economic environment.
- The County's governmental funds had net transfers out of (\$1,527) for the year.
- The County's outstanding governmental long-term obligations decreased by (\$1,307). The change was due to the following: payment of outstanding principal in the amount of (\$1,632); a decrease of accrued compensated absences in the amount of (\$21); and a decrease in OPEB liability of (\$52); offset by recording an increase in net pension liability of \$398.

#### Overview of the Financial Statements

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

#### **Government-wide Financial Statements**

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

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

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

#### **Fund Financial Statements**

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

#### Governmental funds

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

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

#### Proprietary funds

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

#### Fiduciary funds

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

#### **Notes to the Financial Statements**

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

#### **Other Information**

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

#### **Government-wide Financial Analysis**

#### Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$158,592 at the close of the fiscal year ended September 30, 2018. By far the largest portion of the County's net position, \$153,719 or 96.9%, reflects its investment in capital assets such as land, buildings, infrastructure, intangibles and equipment, less any related outstanding debt (including retainages and amounts owed to contractors for work completed through September 30, 2018) 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

		nmental vities		ess-type vites	Tota	Percent Change	
	2018	2017	2018	2017	2018	2017	<u> </u>
Cash and Investments	\$ 32,423	\$ 28,626	\$ 24,366	\$ 21,583	\$ 56,789	\$ 50,209	13.1%
Other Current Assets	5,868	4,155	4,809	421	10,677	4,576	133.3%
Capital Assets, Net	136,973	133,487	51,894	51,788	188,867	185,275	1.9%
Total Assets	175,264	166,268	81,069	73,792	256,333	240,060	6.8%
Deferred Outflows of Resources	18,655	19,530	321	340	18,976	19,870	-4.5%
Current Liabilities	6,310	5,476	1,311	1,268	7,621	6,744	13.0%
Interest Rate Swaps Long-Term and Short-Term	3	20	-	-	3	20	
Debt and Other Obligations	68,453	70,753	34,458	34,504_	102,911	105,257	-2.2%
Total Liabilities	74,766	76,249	35,769	35,772	110,535	112,021	-1.3%
Deferred Inflows of Resources	6,079	4,186	103	60	6,182	4,246	100.0%
Net Position: Net Investment in							
Capital Assets	118,198	113,430	35,521	34,948	153,719	148,378	3.6%
Restricted	16,925	17,232	-	-	16,925	17,232	-1.8%
Unrestricted	(22,049)	(25,299)	9,997	3,352	(12,052)	(21,947)	-45.1%
TOTAL NET POSITION	\$ 113,074	\$ 105,363	\$ 45,518	\$ 38,300	\$ 158,592	\$ 143,663	10.4%

An additional portion of the County's net position, \$16,925, 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 (\$12,052) which is caused by recording \$46,203 of net pension liability. See Financial Statement Note 2 for more information on the pension liability and related changes.

#### Change in Net Position

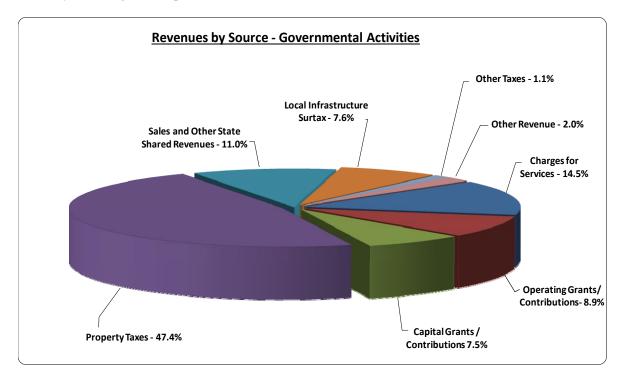
Governmental activities increased the County's net position by \$6,718. This increase resulted from the following: a \$4,317 increase in the fund balance total of Governmental Funds, the recognition of (\$8,411) of depreciation and amortization expense; the recognition of (\$123) expense for other postemployment benefit (OPEB) obligations; and the recognition of (\$2,902) of pension expense; offset by capital asset acquisitions and disposals of \$11,901; the recognition of unavailable revenues of \$164, debt principal payments of \$1,632, the recognition of accrued interest expense of \$14; the recognition of \$38 expense for compensated absences; and the inclusion of Internal Service Funds in governmental activities in the amount of \$88.

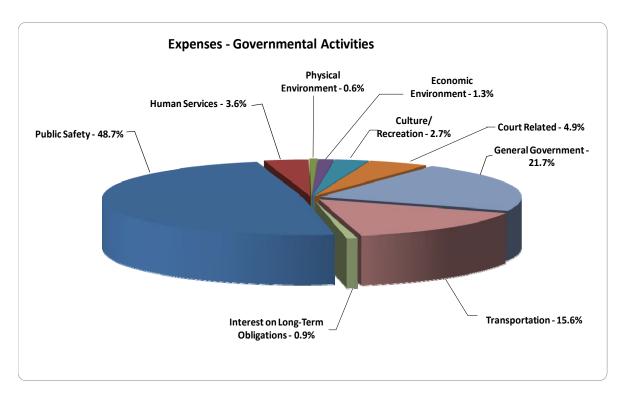
#### Putnam County, Florida **Summary Statement of Activities**

	Governmental Activities				Business-type Activities			Total				Percent Change	
•		2018		2017	_	2018		2017		2018		2017	8.
Revenues:													
Program revenues:													
Charges for services	\$	11,439	\$	10,693	\$	13,824	\$	12,926	\$	25,263	\$	23,619	7.0%
Operating grants and contributions		7,042		7,891		5,186		109		12,228		8,000	52.9%
Capital grants and contributions		5,906		2,716		1,710		123		7,616		2,839	168.3%
General revenues:													
Property taxes		37,433		32,468		-		-		37,433		32,468	15.3%
Sales and other state						-		-		-		-	
shared revenues		8,593		8,063		-		-		8,593		8,063	6.6%
Local infrastructure surtax		6,005		5,610		-		-		6,005		5,610	7.0%
Other taxes		901		929		-		-		901		929	-3.0%
Other revenue		1,578		1,455		315		168		1,893		1,623	16.6%
Total revenues		78,897		69,825		21,035		13,326		99,932		83,151	20.2%
Expenses:													
General Government		15,434		15,643		-		-		15,434		15,643	-1.3%
Public Safety		34,668		33,916		-		-		34,668		33,916	2.2%
Physical Environment		430		517		-		-		430		517	-16.8%
Transportation		11,061		11,465		-		-		11,061		11,465	-3.5%
Economic Environment		926		1,473		-		-		926		1,473	-37.1%
Human Services		2,563		2,551		-		-		2,563		2,551	0.5%
Culture/Recreation		1,935		2,032		-		-		1,935		2,032	-4.8%
Court Related		3,462		3,293		-		-		3,462		3,293	5.1%
Interest on L-T Obligations		611		667		-		-		611		667	-8.4%
Water and Wastewater		-		-		2,503		2,432		2,503		2,432	2.9%
Solid Waste		-		-		12,259		15,720		12,259		15,720	-22.0%
Port Authority		-		-		170		223		170		223	-23.8%
<b>Total Expenses</b>		71,090		71,557	•	14,932		18,375		86,022		89,932	-4.3%
Increase (Decrease) in Net Position												,	
Before Transfers		7,807		(1,732)		6,103		(5,049)		13,910		(6,781)	
Transfers		(1,089)		(515)		1,089		515		-		-	
Increase (Decrease) in net position		6,718		(2,247)	•	7,192		(4,534)		13,910		(6,781)	
Net Position - Beginning of Year, Restated		106,356		107,610		38,326		42,834		144,682		150,444	
Net Position - End of Year	\$	113,074	\$	105,363	\$	45,518	\$	38,300	\$	158,592	\$	143,663	10.4%

#### **Governmental Activities**

The County's governmental net position increased \$6,718 from the prior year's net position. The current year change in net position is discussed above.

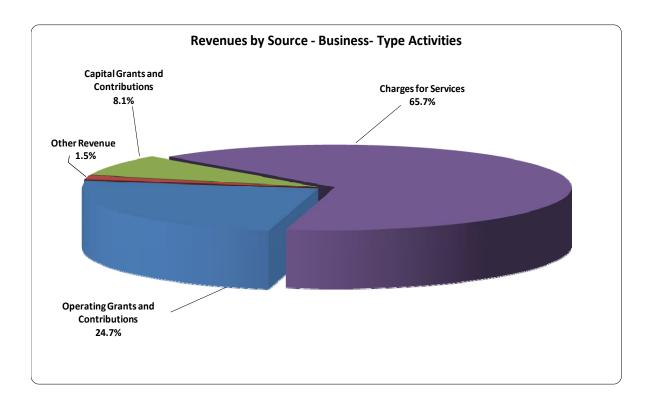




#### **Business-type Activities**

The net position related to business-type activities increased \$7,192 from current year activities. Key elements resulting in the current year increase are as follows:

- Nonoperating grant revenue for the Waste Management Fund increased \$5,077 from the previous year due to receipt of FEMA funds related to two major hurricanes.
- Depreciation expense (including Capacity Analysis Changes) for the Waste Management Fund decreased (\$3,358) 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 \$2,302 from the previous year mostly from debris removal related to hurricanes.
- Capital Grants in the East Putnam Water Fund increased \$1,587 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, 2018, the net increase in fund balances per the Governmental Funds Financial Statements totaled \$4,317 while the governmental activities column of the Government-wide Financial Statements reported an increase of \$6,718 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, 2018, the County's governmental funds reported combined ending fund balances of \$29,599. Of the total governmental fund balance, \$2,111 constitutes unassigned fund balance, which is available for spending within each particular fund. The remainder of the fund balance is made up of \$18,706 that is restricted (primarily \$6,311 for Better Place Plan, \$2,965 for Road Projects, \$1,402 for Records Modernization, and \$1,390 for Court Improvement); \$384 is committed for the Sheriff's commissary; and \$8,398 is assigned (\$7,217 for subsequent year's expenditures and \$1,181 for road and bridge maintenance).

The following funds experienced the most significant changes in fund balance for the year: the General Fund increased \$4,495 mostly due to an increase in tax revenue. The Road Projects Fund decreased (\$849) from transportation related capital expenditures and the Fire Taxing Fund increased \$491 from less capital outlay 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, 2018, total net position amounted to \$45,518, an increase of \$7,192 from the prior fiscal year. Unrestricted net position totaled \$9,997. 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 53 of the accompanying Financial Statements. Primary variances between original and final budgeted amounts for the year are composed of the following:

• Intergovernmental revenues increased by \$244 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 Taxes and Charges for Services were \$1,068 and \$1,073 more than budgeted projections, respectively. This was primarily attributable to higher than anticipated revenue received for taxes received and 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 \$2,684 under final budget. This was primarily attributable to General Government and Public Safety expenditures being \$1,102 and \$827 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	
		2018		2017	_	2018		2017		2018	_	2017	
Land	\$	21,312	\$	21,168	\$	6,176	\$	6,176	\$	27,488	\$	27,344	0.5%
Intangible Assets		263		383		-		-		263		383	-31.3%
Buildings and Improvements		35,811		36,839		1,500		1,575		37,311		38,414	-2.9%
Equipment		7,518		6,707		433		683		7,951		7,390	7.6%
Infrastructure		70,563		67,119		-		-		70,563		67,119	5.1%
Water and Sewer Distribution System		-		-		38,180		39,357		38,180		39,357	-3.0%
Landfill		-		-		3,389		3,744		3,389		3,744	-9.5%
Construction in Progress		1,506		1,271		2,216		253		3,722		1,524	144.2%
Total Capital Assets, Net	\$	136,973	\$	133,487	\$	51,894	\$	51,788	\$	188,867	\$	185,275	1.9%

#### 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, 2018, amounts to \$188,867 (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 \$7,562.
- East Putnam Water expended \$1,962 for the expansion of the wastewater system.
- The Sheriff purchased new vehicles totaling \$756.
- Emergency Medical Services purchased three ambulances and one truck totaling \$620.

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 decreased (\$1,327) from the prior year, mostly from a decrease of (\$1,758) in notes payable and an increase in accrued landfill closure and long-term care costs of \$840. Other significant changes include an increase of \$405 in net pension liability and a (\$395) decrease in revenue bonds.

#### **Governmental Activities:**

- The County made the following principal payments during the year: special assessment debt \$138; notes payable \$1,095; revenue bonds \$239; and capital leases \$160.
- Governmental obligations for compensated absences decreased (\$21) or 1.0% to \$2,057.
- The net pension liability increased \$398 or 0.9% to \$45,410 at year-end.

#### **Long-Term Obligations**

	Governmental Activities			Business-type Activities				Tot	Percent Change		
_		2018		2017	2018		2017		2018	2017	
Revenue Bonds	\$	17,494	\$	17,734	\$ 8,892	\$	9,048		26,386	26,782	-1.5%
Special Assessment Debt		-		138	-		-		-	138	-100.0%
Notes Payable		203		1,298	7,033		7,696		7,236	8,994	-19.5%
Capital Lease Obligations		707		866	-		48		707	914	-22.6%
Landfill Closure and Post-Closure		-		-	17,584		16,745		17,584	16,745	5.0%
Other Post Employment Benefits *	:	2,582		2,634	93		98		2,675	2,732	-2.1%
Compensated Absences		2,057		2,078	63		57		2,120	2,135	-0.7%
Net Pension Liability		45,410		45,012	793		786		46,203	45,798	0.9%
Total	\$	68,453	\$	69,760	\$ 34,458	\$	34,478	\$	102,911	\$ 104,238	-1.3%

<sup>\*</sup>The liability for Other Post Employment Benefits reflects a restated beginning balance in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. See Notes 16 and 19 in the accompanying financial statements for further details.

#### **Business-type Activities:**

- The following principal payments were made during the year: notes payable \$663, revenue bonds \$156, and capital leases \$48.
- Accrued landfill closure and post-closure costs increased by \$968, but that increase was offset by a reduction of (\$128) from reduced long-term care cost estimates.
- The net pension liability increased \$7 or 0.8% to \$793 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 2018 was 5.0%. This represents a slight decrease from the previous year's average of 5.7%.
- During 2018, the taxable value of real property increased 4.53%, and the taxable value of personal property increased 1.79% over the 2017 fiscal year.
- Building permit activity revenues increased approximately 91.9% from the prior year.
- The population decreased slightly from 73,176 in 2017 to an estimated 72,981 in 2018.

During the current fiscal year, the unassigned fund balance in the General Fund decreased (\$1,143) or 35.1% to \$2,111. The overall fund balance in the General Fund increased \$4,495 or 91.8% from the previous year to \$9,390. This was primarily from the increase of \$4,655 in tax revenue.

The ad valorem tax rate changed to 9.889 mils for fiscal year 2018, up from 9.091 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 <a href="http://www.putnam-fl.com/coc/">http://www.putnam-fl.com/coc/</a> and click on <a href="http://www.putnam-fl.com/coc/">Clerks in the Sunshine</a>.

## Basic Financial Statements



#### Putnam County, Florida Statement of Net Position September 30, 2018

	Р	nt	Component Unit Putnam	
ACCETC	Governmental Activities	Business-type Activities	Total	County Development Authority
ASSETS Cash and Equivalents	\$ 31,770,631	\$ 17,122,984	\$ 48,893,615	\$ 184,307
Investments	651,298	-	651,298	113,709
Receivables	1,988,284	249,942	2,238,226	, -
Due From Other Governments	3,642,500	4,559,641	8,202,141	-
Inventory	218,863	-	218,863	-
Other Assets	18,561	-	18,561	-
Restricted Cash and Equivalents	-	3,000,353	3,000,353	-
Restricted Investments	-	4,242,501	4,242,501	-
Capital Assets: Non-Depreciable	22,818,498	8,392,195	31,210,693	473,854
				•
Depreciable, Net	114,154,131	43,501,820	157,655,951	77,471
TOTAL ASSETS	175,262,766	81,069,436	256,332,202	849,341
DEFERRED OUTFLOWS OF RESOURCES				
Derivative Instruments-Interest Rate Swaps	2,825	-	2,825	-
Pensions	18,652,590	320,746	18,973,336	
TOTAL DEFERRED OUTFLOWS OF RESOURCES	18,655,415	320,746	18,976,161	
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	4,203,163	752,600	4,955,763	184
Accounts Payable to Contractors	-	251,730	251,730	
Retainage Payable to Contractors	370,199	196,230	566,429	
Other Liabilities	1,736,322	110,472	1,846,794	-
Derivative Instruments-Interest Rate Swaps	2,825	-	2,825	-
Noncurrent Liabilities:  Due Within One Year	2,044,488	1,470,439	3,514,927	
	* *			-
Due in More Than One Year	66,408,764	32,987,789	99,396,553	
TOTAL LIABILITIES	74,765,761	35,769,260	110,535,021	184
DEFERRED INFLOWS OF RESOURCES				
Pensions	5,883,646	95,458	5,979,104	-
OPEB	195,446	7,043	202,489	
TOTAL DEFERRED INFLOWS OF RESOURCES	6,079,092	102,501	6,181,593	
NET POSITION				
Net Investment In Capital Assets	118,197,934	35,520,997	153,718,931	551,325
Restricted For: Affordable Housing Assistance	1,175,438		1,175,438	
Court Functions and Courthouse	1,173,436	-	1,175,456	_
Improvements	1,027,181	-	1,027,181	-
Law Enforcement and Other Public Safety	1,635,236	-	1,635,236	-
Road and Bridge Maintenance	250,663	-	250,663	-
Capital Projects	9,646,431	-	9,646,431	-
Public Records Modernization	1,402,296	-	1,402,296	-
Fishing Improvement	391,683	-	391,683 1,076,373	-
Tourist Development Water and Sewer Utilities	1,076,373 252,775	<del>-</del>	252,775	-
Other Purposes	252,775 66,498	-	252,775 66,498	-
Unrestricted	(22,049,180)	9,997,424	(12,051,756)	297,832
TOTAL NET POSITION	\$ 113,073,328	\$ 45,518,421	\$ 158,591,749	\$ 849,157

#### Putnam County, Florida Statement of Activities For the Year Ended September 30, 2018

					Net (Expe	et Position		
			Program Revenue	s	F	rimary Governmer	nt	Component Unit
		Charges for	Operating Grants	Capital Grants	Governmental	Business-type	_	Putnam Co.
	Expenses	Services	& Contributions	& Contributions	Activities	Activities	Total	Develop. Auth.
Functions/Programs								
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
General Government	\$ 15,433,969	\$ 3,332,420	\$ 136,222	\$ -	\$ (11,965,327)	\$ -	\$ (11,965,327)	\$ -
Public Safety	34,667,955	5,718,362	1,017,577	384,518	(27,547,498)	-	(27,547,498)	-
Physical Environment	430,055	210,714	32,468	-	(186,873)	-	(186,873)	-
Transportation	11,061,257	749,371	4,435,582	4,908,179	(968,125)	-	(968,125)	
Economic Environment	925,597	56,570	80,641	538,282	(250,104)	-	(250,104)	-
Human Services	2,562,768	216,313	18,542	-	(2,327,913)	-	(2,327,913)	-
Culture and Recreation	1,935,513	91,270	228,774	75,601	(1,539,868)	-	(1,539,868)	-
Court Related	3,462,014	1,063,995	1,091,792	-	(1,306,227)	-	(1,306,227)	-
Interest on Long-Term Debt	611,112				(611,112)		(611,112)	
TOTAL GOVERNMENTAL ACTIVITIES	71,090,240	11,439,015	7,041,598	5,906,580	(46,703,047)	-	(46,703,047)	-
BUSINESS-TYPE ACTIVITIES:								
Water and Wastewater System	2.502.644	940.351	_	1,709,900	_	147,607	147.607	_
Solid Waste	12,259,315	12,783,532	5,185,654	1,700,000	_	5,709,871	5,709,871	_
Port Authority	169,527	100,467	-	_	_	(69,060)	(69,060)	_
TOTAL BUSINESS-TYPE ACTIVITIES	<del></del>	·		4 700 000				
	14,931,486	13,824,350	5,185,654	1,709,900	(40.700.047)	5,788,418	5,788,418	
TOTAL PRIMARY GOVERNMENT	\$ 86,021,726	\$ 25,263,365	\$ 12,227,252	\$ 7,616,480	(46,703,047)	5,788,418	(40,914,629)	
COMPONENT UNIT:								
Putnam County Development Authority	\$ 51,595	\$ 95,658	\$ -	\$ -				44,063
	OFNEDAL DEV	E						
	GENERAL REV				27 422 224		27 422 224	
	Property Taxes	S			37,433,321	-	37,433,321	-
	Sales Taxes	tate Shared Reve	anuaa		3,225,581 5,367,474	-	3,225,581 5,367,474	-
	Local Infrastru		enues		6,004,675	-	6,004,675	-
	Tourist Develo				481,242	-	481,242	-
		ons Service Tax			419,588	-	419,588	_
	Investment Ea				373,702	230,715	604,417	442
		of Capital Assets			3/3,/02	84,091	84,091	442
	Miscellaneous	•			1,203,674	508	1,204,182	_
	Transfers	'			(1,088,509)	1,088,509	1,204,102	_
		NI DEVENILES /	AND TRANSFERS		53,420,748	1,403,823	54,824,571	442
	CHANGE IN NE		TIND INVINOLEKS					
			VEAD DESTATES		6,717,701	7,192,241	13,909,942	44,505
			YEAR, RESTATED	•	106,355,627	38,326,180	144,681,807	804,652
	NET POSITION -	END OF YEAR			\$ 113,073,328	\$ 45,518,421	\$ 158,591,749	\$ 849,157

## Putnam County, Florida Balance Sheet – Governmental Funds September 30, 2018

	General <u>Fund</u>	Road Projects <u>Fund</u>	Better Place Plan <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<u>ASSETS</u>					
Cash and Equivalents	\$10,593,446	\$ 2,880,211	\$ 6,121,985	\$ 10,341,556	\$ 29,937,198
Investments	-	-	-	651,298	651,298
Receivables	1,840,491	74,946	-	72,847	1,988,284
Due From Other Funds	95,000	-	-	133,404	228,404
Due From Other Governments	777,126	1,377,436	374,201	958,779	3,487,542
Other Assets	15,929				15,929
TOTAL ASSETS	13,321,992	4,332,593	6,496,186	12,157,884	36,308,655
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>S.</u>				
LIABILITIES  Accounts Payable and Accrued	4 000 054	000 007	404740	207 200	0.404.700
Liabilites	1,300,654	998,607	184,749	697,699	3,181,709
Retainage Payable to Contractors		369,191	-	1,008	370,199
Due to Other Funds	133,404	-	-	95,000	228,404
Due to Other Governments	440,855	-	-	207,487	648,342
Customer Deposits	97,664			217,569	315,233
TOTAL LIABILITIES	1,972,577	1,367,798	184,749	1,218,763	4,743,887
DEFERRED INFLOWS OF RESOURCES					
Revenues - unavailable	1,959,022	-	-	6,471	1,965,493
FUND BALANCES					
Restricted	62,388	2,964,795	6,311,437	9,367,001	18,705,621
Committed	-	-	-	384,243	384,243
Assigned	7,216,989	-	-	1,181,406	8,398,395
Unassigned	2,111,016			<u> </u>	2,111,016
TOTAL FUND BALANCES	9,390,393	2,964,795	6,311,437	10,932,650	29,599,275
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES					
AND FUND BALANCES	\$13,321,992	\$ 4,332,593	\$ 6,496,186	\$ 12,157,884	\$ 36,308,655

## Putnam County, Florida Reconciliation of the Balance Sheet to the Statement of Net PositionGovernmental Funds September 30, 2018

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 29,599,275
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		136,946,606
Certain receivables are not available in the current period and therefore are not recognized as revenues in the Governmental Funds		1,965,493
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		(303,407)
Long-term liabilities do not require the use of current financial resources and are not reported in the funds.  Long-Term Debt	(17,697,744) (706,752) (2,000,600) (2,540,120) (192,277)	(23,137,493)
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	(45,092,700) 18,524,127 (5,845,413)	(32,413,986)
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		 416,840
Net Position of Governmental Activities		\$ 113,073,328

## Putnam County, Florida Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds For the Year Ended September 30, 2018

REVENUES .	General <u>Fund</u>	Road Projects <u>Fund</u>	Better Place Plan <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Taxes	\$ 34,511,782	\$ 1,175,368	\$ 6,004,675	\$ 5,968,349	\$ 47,660,174
Licenses and Permits	852,831	φ 1,175,500 -	φ 0,004,075 -	44,624	897,455
Intergovernmental	9,663,925	3,656,826		5,166,891	18,487,642
Charges for Services	6,654,672	3,030,020		1,415,848	8,070,520
Fines and Forfeitures	80,245	_	_	351,465	431,710
Special Assessments	-	_	_	589,722	589,722
Miscellaneous	459,890	321,698	98,931	873,972	1,754,491
TOTAL REVENUES	52,223,345	5,153,892	6,103,606	14,410,871	77,891,714
10 1/1E REVENDED	02,220,010	0,100,002	0,100,000	11,110,011	77,001,711
EXPENDITURES  Current:					
General Government	13,376,507	_	_	74,857	13,451,364
Public Safety	27,166,955	_	_	4,528,724	31,695,679
Physical Environment	276,553	-	=	87,163	363,716
Transportation	30,000	_	-	6,224,249	6,254,249
Economic Environment	365,319	-	-	557,199	922,518
Human Services	2,550,850	-	-	-	2,550,850
Culture and Recreation	1,507,736	-	-	233,744	1,741,480
Court Related	1,177,903	-	-	2,282,947	3,460,850
Capital Outlay	-	6,003,081	3,071,629	275,623	9,350,333
Debt Service:					
Principal Retirement	41,617	-	985,000	605,197	1,631,814
Interest and Fiscal Charges	19,715		16,831	588,730	625,276
TOTAL EXPENDITURES	46,513,155	6,003,081	4,073,460	15,458,433	72,048,129
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	5,710,190	(849,189)	2,030,146	(1,047,562)	5,843,585
OTHER FINANCING SOURCES/ (USES)					
Transfers In	135,729	_	_	1,873,750	2,009,479
Transfers Out	(1,350,708)		(1,972,520)	(213,276)	(3,536,504)
TOTAL OTHER FINANCING					
SOURCES (USES)	(1,214,979)		(1,972,520)	1,660,474	(1,527,025)
NET CHANGE IN FUND BALANCES	4,495,211	(849,189)	57,626	612,912	4,316,560
FUND BALANCES - BEGINNING OF YEAR	4,895,182	3,813,984	6,253,811	10,319,738	25,282,715
FUND BALANCES - END OF YEAR	\$ 9,390,393	\$ 2,964,795	\$ 6,311,437	\$ 10,932,650	\$ 29,599,275

#### 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, 2018

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 4,316,560
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	11,957,974 (8,411,033)	3,546,941
		3,340,941
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		164,381
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		(57,056)
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		1,631,814
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 OPEB Obligations	38,300 (123,308)	
Accrued Interest Payable	14,164	(70,844)
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		(2,901,886)
		(2,301,000)
Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) is reported with governmental activities		87,791
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 6,717,701

## Putnam County, Florida Statement of Net Position – Proprietary Funds September 30, 2018

	Septem	Jei 30, 2010	,		0
	Business-type Activities - Enterprise Funds				Governmental Activities
	Waste Management Fund	East Putnam Water Fund	Non-Major Proprietary Fund (Port Authority)	Total Enterprise <u>Funds</u>	Internal Service <u>Funds</u>
<u>ASSETS</u>					
CURRENT ASSETS:					
Cash and Equivalents	\$ 15,570,086	\$ 509,981	\$ 1,042,917	\$ 17,122,984	\$ 1,833,433
Receivables	110,617	123,812	15,513	249,942	-
Due From Other Governments Inventory	3,757,751	801,890	-	4,559,641	154,958 218,863
Other Assets	-	_	<u>-</u>	_	2,632
TOTAL CURRENT ASSETS	19,438,454	1,435,683	1,058,430	21,932,567	2,209,886
			·		
NONCURRENT ASSETS:					
Restricted Cash and Equivalents	2,167,305	833,048	-	3,000,353	-
Restricted Investments Capital Assets, Net	4,242,501	40 400 917	2 074 042	4,242,501	- 26,023
,	7,528,356	40,490,817	3,874,842	51,894,015	· · · · · · · · · · · · · · · · · · ·
TOTAL NONCURRENT ASSETS	13,938,162	41,323,865	3,874,842	59,136,869	26,023
TOTAL ASSETS	33,376,616	42,759,548	4,933,272	81,069,436	2,235,909
DEFERRED OUTFLOWS OF RESOURCES					
Pensions	262,076	58,670	<u> </u>	320,746	128,463
LIABILITIES CURRENT LIABILITIES: Accounts Payable and					
Accrued Liabilities	554,464	193,123	5,013	752,600	718,047
Accounts Payable to Contractors	-	251,730	-	251,730	-
Retainage Payable to Contractors Estimated Liability for Self-	-	196,230	-	196,230	-
Insured Losses	-	-	-	-	272,747
Deposits	12,273	87,274	10,925	110,472	-
Current Portion of Long-Term Obligations	763,462	706,977	<u> </u>	1,470,439	31,757
TOTAL CURRENT LIABILITIES	1,330,199	1,435,334	15,938	2,781,471	1,022,551
NONCURRENT LIABILITIES	17,578,459	15,409,330	<u>-</u>	32,987,789	883,579
TOTAL LIABILITIES	18,908,658	16,844,664	15,938	35,769,260	1,906,130
DEFERRED INFLOWS OF RESOURCES					
Pensions	77,997	17,461	_	95,458	38,233
OPEB	5,282	1,761	-	7,043	3,169
TOTAL DEFERRED INFLOWS	83,279	19,222	-	102,501	41,402
NET POSITION					
Net Investment in Capital Assets	7,528,356	24,117,799	3,874,842	35,520,997	26,023
Unrestricted	7,118,399	1,836,533	1,042,492	9,997,424	390,817
TOTAL NET POSITION	\$ 14,646,755	\$ 25,954,332	\$ 4,917,334	\$ 45,518,421	\$ 416,840

## Putnam County, Florida Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds				Governmental
	Waste	ess-type Activii East	Non-Major	unas Total	<u>Activities</u> Internal
	Management	Putnam	Proprietary Fund		Service
	<u>Fund</u>	Water Fund	(Port Authority)	<u>Funds</u>	<u>Funds</u>
OPERATING REVENUES					
User Fees and Assessments	\$12,783,532	\$ 940,351	\$ 100,467	\$13,824,350	\$ 8,655,228
Miscellaneous	508	<u>-</u>	<u> </u>	508	101,719
TOTAL OPERATING REVENUES	12,784,040	940,351	100,467	13,824,858	8,756,947
OPERATING EXPENSES					
Personal Services	945,565	251,893	-	1,197,458	564,366
Insurance	-	-	-	-	6,618,346
Claims Expense	-	-	-	-	1,102,373
Contractual Services	9,081,800	7,956	10,576	9,100,332	355,607
Repairs and Maintenance	224,303	224,352	11,744	460,399	19,842
Other Operating Expenses	580,008	278,360	50,890	909,258	430,962
Depreciation	587,058	1,213,135	96,317	1,896,510	16,176
Closure and Long-Term Care Costs	839,895		<u> </u>	839,895	
TOTAL OPERATING EXPENSES	12,258,629	1,975,696	169,527	14,403,852	9,107,672
OPERATING INCOME (LOSS)	525,411	(1,035,345)	(69,060)	(578,994)	(350,725)
NON OPERATING REVENUES (EXPENSES)					
Interest Revenue	208,737	14,030	7,948	230,715	_
Grants	5,185,654	-	, -	5,185,654	_
Interest Expense	(686)	(526,948)	-	(527,634)	-
Gain on Sale of Surplus Property	84,091		<u> </u>	84,091	
TOTAL NONOPERATING REVENUES					
(EXPENSES)	5,477,796	(512,918)	7,948	4,972,826	
INCOME (LOSS) BEFORE CAPITAL					
CONTRIBUTIONS AND TRANSFERS	6,003,207	(1,548,263)	(61,112)	4,393,832	(350,725)
Capital Grants & Contributions	-	1,709,900	-	1,709,900	-
Transfers In	-	1,160,000	-	1,160,000	440,402
Transfers Out	(67,387)	(262)	(3,842)	(71,491)	(1,886)
CHANGE IN NET POSITION	5,935,820	1,321,375	(64,954)	7,192,241	87,791
NET POSITION:					
- beginning, as previously reported	8,690,485	24,627,502	4,982,288	38,300,275	315,228
- change for OPEB Liability	20,450	5,455		25,905	13,821
NET POSITION, restated	8,710,935	24,632,957	4,982,288	38,326,180	329,049
NET POSITION, End of Year	\$14,646,755	\$ 25,954,332	\$ 4,917,334	\$45,518,421	\$ 416,840

## Putnam County, Florida Statement of Cash Flows – Proprietary Funds For the Year Ended September 30, 2018

	D			1-	Governmental
	Waste Management Fund	ness-type Activit East Putnam Water Fund	ies - Enterprise Fu Non-Major Proprietary Fund (Port Authority)	Total Enterprise Funds	Activities Internal Service Funds
CASH FLOWS FROM OPERATING					
ACTIVITIES	<b>\$40.040.000</b>	Ф 000 000	Ф 40 <del>7</del> 400	¢42,020,522	Ф 0.000 F00
Receipts From Customers Payments to Suppliers	\$12,816,262 (10,315,503)	\$ 986,860 (474,112)	\$ 127,400 (72,512)	\$13,930,522 (10,862,127)	\$ 8,696,593 (8,327,562)
Payments to Suppliers  Payments to Employees	(921,434)	(224,601)	(72,512)	(1,146,035)	(475,884)
r dymonic to Employees	(021, 101)	(22 1,001)		(1,110,000)	(110,001)
NET CASH PROVIDED (USED) BY					
OPERATING ACTIVITIES	1,579,325	288,147	54,888	1,922,360	(106,853)
CACLLELOWC FROM NONCARITAL					
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In	_	60,000	_	60,000	440,402
Transfers Out	(67,387)	(262)	(3,842)	(71,491)	(1,886)
Grants	1,480,640	()	-	1,480,640	-
NET CASH PROVIDED (USED) BY					
NONCAPITAL FINANCING ACTIVITIES	1,413,253	59,738	(3,842)	1,469,149	438,516
CASH ELONGS EDOM CADITAL AND					
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Paid on Debt	(192,568)	(674,901)	_	(867,469)	_
Interest Paid on Debt	(2,452)	(533,499)	_	(535,951)	_
Proceeds From Sale of Surplus Property	84,091	-	-	84,091	-
Grants	-	934,510	-	934,510	-
Transfers In-Capital & Debt Service	-	1,100,000	-	1,100,000	-
Acquisitions of Capital Assets		(1,554,595)	<u> </u>	(1,554,595)	(12,198)
NET CACLI DDOV/DED (LICED) DV CADITAL					
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(110,929)	(728,485)	_	(839,414)	(12,198)
AND RELATED FINANCING ACTIVITIES	(110,929)	(720,400)	·	(009,414)	(12,190)
CASH FLOWS FROM INVESTING					
ACTIVITIES					
Purchase of Investments	(18,598)	-	-	(18,598)	-
Interest on Investments	208,737	14,030	7,948	230,715	
NET 0.40U DD0//DED (//DED) DV					
NET CASH PROVIDED (USED) BY	400 400	44.000	7.040	040 447	
INVESTING ACTIVITIES	190,139	14,030	7,948	212,117	
NET INCREASE (DECREASE) IN CASH AND					
EQUIVALENTS	3,071,788	(366,570)	58,994	2,764,212	319,465
	-,,-	(,)	,	, , , , , , , , , ,	,
CASH AND EQUIVALENTS - BEGINNING OF					
YEAR	14,665,603	1,709,599	983,923	17,359,125	1,513,968
0.001.000	<b>0.1= =c= :::</b>		<b></b>	<b></b>	<b>.</b>
CASH AND EQUIVALENTS - END OF YEAR	\$17,737,391	\$ 1,343,029	\$1,042,917	\$20,123,337	\$ 1,833,433

(continued)

## Putnam County, Florida Statement of Cash Flows – Proprietary Funds For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds				Governmental Activities
	Waste East Non-Major Total			Internal	
	Management <u>Fund</u>	Putnam Water Fund	Proprietary Fund (Port Authority)	Enterprise Funds	Service <u>Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)  Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	\$ 525,411	\$(1,035,345)	\$ (69,060)	\$ (578,994)	\$ (350,725)
Depreciation	587,058	1,213,135	96,317	1,896,510	16,176
Change In:					
Receivables	37,523	43,959	3,206	84,688	-
Due From Other Governments	(6,619)	-	13,727	7,108	(59,736)
Inventory	-	-	-	-	(25,641)
Deferred Outflows	21,485	(2,292)	-	19,193	(9,895)
Other Assets	-	-	-	-	(618)
Accounts Payable and Accrued	(222.222)	00.00		(000 500)	005.000
Liabilities	(399,826)	36,605	698	(362,523)	225,603
Retainage Payable	(47,243)	-	-	(47,243)	-
Customer Deposits	1,318	2,550	10,000	13,868	-
Net Pension Liability	(8,042)	14,621	-	6,579	43,293
Deferred Inflows	33,066	9,239	-	42,305	20,406
Accrued Landfill and Post-					
Closure Costs	839,894	-	-	839,894	-
Compensated Absences	(1,000)	7,000	-	6,000	17,000
OPEB Liability	(3,700)	(1,325)	-	(5,025)	17,284
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 1,579,325	\$ 288,147	\$ 54,888	\$ 1,922,360	\$ (106,853)

(concluded)

#### Putnam County, Florida Statement of Fiduciary Net Position September 30, 2018

	Agency <u>Funds</u>
ASSETS  Cash and Equivalents  Receivables	\$ 3,173,248 222,380
TOTAL ASSETS	\$ 3,395,628
LIABILITIES Assets Held for Others	\$ 3,395,628

#### Putnam County, Florida Notes to Financial Statements September 30, 2018

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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.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Discretely Presented Component Unit — The Putnam County Development Authority is an independent special district created by Chapter 61-2727 as amended by Chapter 69-1523, Laws of Florida, for the purpose of promoting economic growth and development in all areas of the County. The governing Board of the Authority has nine members, of which three are appointed by the County's Board of County Commissioners. The Authority cannot issue bonded debt without the substantive approval of the Board of County Commissioners and, accordingly, the Authority is considered to be fiscally dependent on the Board of County Commissioners. The Authority is included as an Enterprise Fund because if excluded the County's financial statements would be misleading. The separately issued financial statements for the Authority are available at the Authority's office at 1100 Reid Street, Palatka, FL 32177 or on their website at (www.putnamcountydevelopmentauthority.com).

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

Joint Ventures – The County did not participate in any joint ventures during fiscal year 2017-2018.

## B. <u>Future Accounting Changes</u>

The Governmental Accounting Standards Board has issued statements that will become effective in 2019. The statements address:

- Certain asset retirement obligations and
- Debt disclosures

The County is currently evaluating the effects that these statements will have on its financial statements for the year ended September 30, 2019.

#### 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.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

The government-wide financial statements, the proprietary fund financial statements and the fiduciary fund financial statements are prepared on a full accrual basis using the economic resources measurement focus. Revenues are recorded in the period in which they are earned and measurable and expenses are recorded in the period in which the related liability is incurred, regardless of the timing of the related cash flows.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all of the eligibility requirements imposed by the provider have been met.

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

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

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

<u>General Fund</u> – 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.

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

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

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

<u>Waste Management Fund</u> – 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.

<u>East Putnam Water Fund</u> – 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.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County reports the following other fund types:

<u>Internal Service Funds</u> – 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

## 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, 2018.

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.

## 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.

## 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 2018.

#### 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.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

## F. Management Estimates and Assumptions

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

### G. Deferred Inflows and Outflows

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

#### H. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan and Health Insurance Subsidy Program and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. In prior years, the following governmental funds have been used to eliminate the pension liabilities: the General Fund, the County Transportation Trust Fund, the Fire Tax Unit Fund, the E911 System Fund, and the Court Fund.

#### I. Fund Balance

The County follows the provisions of GASB Statement No. 54, <u>Fund Balance Reporting and Governmental Fund Type Definitions</u> 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.

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

## NOTE 2 – STATE OF FLORIDA PENSION PLANS

## <u>Defined Benefit Plans</u>

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.

## NOTE 2 – STATE OF FLORIDA PENSION PLANS

Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

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

#### Benefits Provided

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

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

#### Contributions

The contribution requirements of plan members and the County are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The County's contribution rates as of September 30, 2018, were as follows:

	FRS	HIS
Regular Class	6.60%	1.66%
Special Risk Class	22.84%	1.66%
Senior Management	22.40%	1.66%
Elected Officials	47.04%	1.66%
DROP from FRS	12.37%	1.66%

The County's contributions for the year ended September 30, 2018, were \$3,511,262 to the FRS and \$420,584 to the HIS.

## NOTE 2 – STATE OF FLORIDA PENSION PLANS

## Pension Liabilities and Pension Expense

At September 30, 2018, 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, 2018. 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	\$ 37,762,297	\$ 8,440,515
Proportion at: Current Measurement Date Prior Measurement Date	0.1253707% 0.1259494%	0.0797470% 0.0798985%
Pension expense (benefit)	\$ 6,377,629	\$ 567,772

## Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related pension from the following sources:

	FF	RS	HIS		
	Deferred	Deferred	Deferred	Deferred	
	Outflows	Inflows	Outflows	Inflows	
	of Resources	of Resources	of Resources	of Resources	
Differences between expected and actual experience	\$ 3,199,034	\$ (116,110)	\$ 129,221	\$ (14,340)	
Changes of assumptions	12,338,882	-	938,690	(892,402)	
Net difference between projected and actual					
earnings on pension plan investments	-	(2,917,598)	5,095	-	
Changes in proportion and differences between					
employer contributions and proportionate share					
of contributions	1,117,590	(1,508,305)	247,219	(530,349)	
Employer contributions subsequent to the					
measurement date	894,062	-	103,543	-	
Total	\$ 17,549,568	\$ (4,542,013)	\$1,423,768	\$ (1,437,091)	

## 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, 2019. 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
2019	\$ 4,733,257	\$ 55,858
2020	3,210,557	55,428
2021	421,802	12,655
2022	2,121,724	(26,228)
2023	1,413,952	(152,631)
Thereafter	212,201	(61,948)
Total	\$ 12,113,493	\$ (116,866)

## **Actuarial Assumptions**

The total pension liability for each of the defined benefit plans was measured as of June 30, 2018. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2018. For the HIS Program, actuarial valuations are conducted biennially. The July 1, 2018 HIS valuation is the most recent actuarial valuation and was used to calculated the total pension liability. 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	7.00%	N/A
Discount Rate	7.00%	3.87%

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.

## NOTE 2 – STATE OF FLORIDA PENSION PLANS

The following changes in key actuarial assumptions occurred in 2018:

FRS: The discount rate and the long-term expected rate of return used to determine the total pension liability decreased from 7.10% to 7.00%.

HIS: The discount rate and the municipal bond index rate used to determine the total pension liability increased from 3.58% to 3.87%.

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.

			Compound
		Annual	Annual
	Target	Arithmetic	(Geometric)
Asset Class	Allocation	Return	Return
Cash	1.00%	2.90%	2.90%
Fixed Income	18.00%	4.40%	4.30%
Globabl Equity	54.00%	7.60%	6.30%
Real estate (property)	11.00%	6.60%	6.00%
Private equity	10.00%	10.70%	7.80%
Strategic Investments	<u>6.00%</u>	6.00%	5.70%
	100 00%		
	100.00%		

## Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 7.00%. 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 3.87% 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.

## 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	Discount Rate	1% Increase	1% Decrease	Discount Rate	1% Increase	
	(6.00%)	(7.00%)	(8.00%)	(2.87%)	(3.87%)	(4.87%)	
Employer's proportionate share of the net							
pension liability	\$ 68,917,776	\$37,762,297	\$11,885,831	\$ 9,613,252	\$ 8,440,515	\$ 7,462,970	

## 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, 2018, totaled \$475,057.

## 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 1<sup>st</sup> 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 1<sup>st</sup> 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, 2018.

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.

## 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 – <u>DEPOSITS AND INVESTMENTS</u>

As of September 30, 2018, the County had the following investments and maturities:

	Investment Maturities (in years)								
	Fair	Less				S & P			
<u>Investment</u>	Value	Than 1	1 - 2	2 - 3	3 - 5	Rating			
State Investment Pool - Florida Prime, amortized cost	\$ 4,356,745	\$ 4,356,745	\$ -	\$ -	\$ -	AAAm			
Florida Local Government Investment Trust: Day to Day Fund Short-Term Bond Fund	3,487,095 1,406,704	3,487,095 396,128	- 663,261	- 347,315	- -	AAAm AAAf			
Florida Cooperative Liquid Assets Securities System	10,604,175	10,604,175	-	-	-	AAAm			
Money Market Funds	4,260,180	4,260,180				NA			
TOTAL INVESTMENTS	\$24,114,899	\$23,104,323	\$ 663,261	\$ 347,315	\$ -				

Total Investments of the primary government include \$19,221,100 classified as Cash and Equivalents in the accompanying financial statements.

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

## 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 as Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates. The County's Fair Value Measurement for the Interest Rate Swap is \$2,825 at September 30, 2018.

## **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 33 days. The WAM for the Florida Local Government Investment Trust Day to Day Fund was 34.39 days, and the WAM for the Short Term Bond Fund was 1.94 years. The WAM for the Florida Cooperative Liquid Assets Securities System was 50 days.

#### Credit Risk

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

<u>State Investment Pool</u>: 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, 2018 of AAAm.

## NOTE 5 - DEPOSITS AND INVESTMENTS

Florida Local Government Investment Trust: The County participates in the Florida Local Government Investment Trust (FLGIT), an external investment pool. Regulatory oversight for the pool consists of the Board of Trustees comprised of County Clerks and County Commissioners; an Investment Board comprised of finance officers throughout the State; an Independent Investment Advisor; a Custodian Bank; and an Administrator (Florida Association of Court Clerks). The Day to Day Fund's fair value of the pool is equal to the value of the pool shares. However, the Short-Term Bond Fund is a floating rate net asset value. Additionally, the pool's investments are periodically rated by Standard & Poor's. At September 30, 2018, the Credit Quality and Bond Fund Volatility Ratings for the Short Term bond fund were AAAf and S1, respectively. The Credit Quality rating for the Day to Day Fund was AAAm.

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

Florida Cooperative Liquid Assets Securities System: The County also participates in the Florida Cooperative Liquid Assets Securities System (FLCLASS), an external investment pool. Regulatory oversight is administered by Public Trust Advisors, LLC. FLCLASS follows FASB Accounting Standards Topic (ASC) 820 Fair Value Measurement and Disclosure for financial reporting purposes. FLCLASS does not meet all of the specific criteria outlined in GASB 79 Paragraph 4, therefore FLCLASS participants measure their investments in FLCLASS at fair value. FLCLASS reports the amortize cost of investments, which approximates fair value, to its participants. FLCLASS is rated by Standard and Poor's Global Ratings and has a rating at September 30, 2018 of AAAm.

#### Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. All County deposits are in qualified public depositories pursuant to Chapter 280, Florida Statues. 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.

## NOTE 6 – ACCOUNTS RECEIVABLE

Accounts receivable of the General Fund consist primarily of \$5,166,248 ambulance service accounts which are reported net of an allowance for doubtful accounts of \$3,334,248 at September 30, 2018. The allowance represents approximately 64.5% of the gross ambulance service accounts receivable at September 30, 2018. The balance of the receivable consists of miscellaneous service fees.

Accounts receivable of the Road Projects Fund consists of \$74,946 from Florida Power & Light, Co. for reimbursements of road work on Coral Farms Road.

Accounts receivable of the non-major Governmental Funds consist primarily of \$13,939 in utility customer receivables, court related receivables of \$35,964 and \$1,439 other miscellaneous receivables. Allowances for doubtful accounts are not considered necessary, except for an allowance of \$30,010 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 \$949,796 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, 2018:

#### Due To / Due From Other Funds:

Receivable Fund	Payable Fund	<u> </u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$	85,000
General Fund	Nonmajor Governmental Funds		10,000
Non-Major Governmental Fund	General Fund		133,404
TOTAL PRIMARY GOVERNMENT		\$	228,404

## NOTE 7 – <u>INTERFUND RECEIVABLES</u>, <u>PAYABLES</u>, <u>AND TRANSFERS</u>

Interfund transfers for the year ended September 30, 2018, consisted of the following:

	Transfer In:									
Transfer Out:	(	General <u>Fund</u>		lonmajor vernmental		East Putnam Water		Internal Service	-	Total Transfers <u>In</u>
General Fund	\$	-	\$	951,230	\$	60,000	\$	339,478	\$	1,350,708
Better Place Plan Fund		-		872,520	1	,100,000		-		1,972,520
Nonmajor Governmental		82,000		50,000		-		81,276		213,276
Waste Management		53,729		-		-		13,658		67,387
East Putnam Water		-		-		-		262		262
Nonmajor Proprietary		-		-		-		3,842		3,842
Internal Service		-		-		-		1,886		1,886
Total Transfers Out	\$	135,729	\$ -	1,873,750	\$ 1	,160,000	\$	440,402	\$	3,609,881

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

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

# NOTE 8 - CAPITAL ASSET ACTIVITY

Capital asset activity for the year was as follows:

	Beginning Balance October 1, <u>2017</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance September 30, <u>2018</u>
Primary Government				
Governmental Activities				
Capital Assets Not Being Depreciated:  Land	\$ 21,168,227	\$ 144,208	\$ -	\$ 21,312,435
Construction in Progress	1,270,645	481,246	(245,828)	1,506,063
Total Capital Assets Not Being Depreciated	22,438,872	625,454	(245,828)	22,818,498
Capital Assets Being Depreciated:				
Intangible Assets	1,414,666	-	-	1,414,666
Buildings	46,948,500	19,550	-	46,968,050
Improvements	9,979,347	475,043	-	10,454,390
Equipment	40,176,461	3,534,035	(1,453,571)	42,256,925
Infrastructure	99,324,171	7,561,918	(2,610,709)	104,275,380
Total Capital Assets Being Depreciated	197,843,145	11,590,546	(4,064,280)	205,369,411
Less Accumulated Depreciation For:				
Intangible Assets	(1,031,859)	(120,545)	-	(1,152,404)
Buildings	(15,400,652)	(1,201,613)	-	(16,602,265)
Improvements	(4,687,981)	(321,259)	-	(5,009,240)
Equipment	(33,469,261)	(2,666,713)	1,396,515	(34,739,459)
Infrastructure	(32,205,542)	(4,117,079)	2,610,709	(33,711,912)
Total Accumulated Depreciation	(86,795,295)	(8,427,209)	4,007,224	(91,215,280)
Total Capital Assets Being Depreciated, Net	111,047,850	3,163,337	(57,056)	114,154,131
Governmental Activities Capital Assets, Net	\$ 133,486,722	\$ 3,788,791	\$ (302,884)	\$ 136,972,629
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 6,176,495	\$ -	\$ -	\$ 6,176,495
Construction in Progress	253,400	1,962,300		2,215,700
Total Capital Assets Not Being Depreciated	6,429,895	1,962,300		8,392,195
Capital Assets Being Depreciated:	0.477.005	05.040		0.040.070
Buildings	3,177,325	35,648	-	3,212,973
Improvements Landfill	967,510 11,347,894	-	-	967,510 11,347,894
Water and Sewer Distribution System	47,102,814	-		47,102,814
Equipment	3,085,942	4,607	-	3,090,549
Total Capital Assets Being Depreciated	65,681,485	40,255		65,721,740
Less Accumulated Depreciation For:				
Buildings	(1,692,274)	(96,273)	-	(1,788,547)
Improvements	(878,278)	(13,709)	-	(891,987)
Landfill	(7,604,224)	(355, 189)	-	(7,959,413)
Water and Sewer Distribution System	(7,745,707)	(1,176,706)	-	(8,922,413)
Equipment	(2,402,927)	(254,633)		(2,657,560)
Total Accumulated Depreciation	(20,323,410)	(1,896,510)		(22,219,920)
Total Capital Assets Being Depreciated, Net	45,358,075	(1,856,255)		43,501,820
Business-type Activities Capital Assets, Net	\$ 51,787,970	\$ 106,045	\$ -	\$ 51,894,015

## NOTE 8 - CAPITAL ASSET ACTIVITY

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

#### **Governmental Activities:**

General Government	\$ 607,616
Public Safety	2,840,030
Physical Environment	41,778
Transportation	4,557,437
Economic Environment	14,917
Human Services	11,918
Culture and Recreation	241,665
Court Related	95,672
Capital assets held by the government's internal service funds are	
charged to the various functions based on their usage of the assets	16,176
Total Depreciation Expense - Governmental Activities	\$ 8,427,209
Business-type Activities:	
Waste Management	\$ 587,058
Water and Sewer System	96,317
Port Authority	1,213,135
Total Depreciation Expense - Business-type Activities	\$ 1,896,510

#### NOTE 9 - LONG-TERM OBLIGATIONS

#### **Governmental Activities**

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

202,944

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.)

8,764,300

# NOTE 9 – LONG-TERM OBLIGATIONS

\$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.)	8,730,500
<u>Capital Leases</u> 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.	
Other Post Employment Benefits	2,581,990
Outer 1 out Employment Benefits	2,001,000
Accrued Compensated Absences	2,056,600
Net Pension Liability	45,410,166
Total Long-Term Obligations, Governmental Activities	\$ 68,453,252

## NOTE 9 – LONG-TERM OBLIGATIONS

## **Business-Type Activities**

<u>business-type Activities</u>	
Notes Payable - \$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.	862,505
\$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.	6,170,553
Revenue Bonds - \$4,268,000 from the United States Department of Agriculture is Water Revenue Bonds, Series 2008B to provide financing for the East Putnam Water System. The interest rate is 4.25%. The loan will be repaid in 38 annual loan payments of \$228,300 beginning September 1, 2011. The bond is secured by operating proceeds from the East Putnam Water System. The Better Place Plan Fund is obligated to cover deficiencies up to \$275,000 per year.	3,831,000
\$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.	1,855,000
\$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.	2,932,000
\$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.	274,000
Accrued Landfill Closure and Long-Term Care Costs	17,584,479
Other Post Employment Benefits	93,045
Accrued Compensated Absences	63,000
Net Pension Liability	792,646
Total Long-Term Obligations, Business-Type Activities	\$ 34,458,228

## NOTE 9 - LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for long-term obligations at September 30, 2018, excluding obligations under capital leases, are as follows:

	Gove	ernmental	Busines	s-Type
Year Ending	Activities		Activi	ties
September 30	<u>Principal</u>	Interest	<u>Principal</u>	<u>Interest</u>
2019	360,536	553,042	693,866	513,786
2020	342,808	540,766	713,159	493,546
2021	261,900	531,075	733,670	472,885
2022	270,100	522,891	754,563	451,610
2023	278,600	514,450	774,860	429,685
2024-2028	1,529,000	2,436,094	4,136,010	1,803,765
2029-2033	1,783,200	2,181,794	2,197,220	1,273,546
2034-2038	2,080,100	1,885,184	1,538,710	994,456
2039-2043	2,425,900	1,539,209	1,697,000	696,055
2044-2048	2,829,300	1,135,731	2,018,000	339,048
2049-2053	3,299,900	665,144	552,000	63,530
2054-2056	2,236,400	141,166	116,000	3,273
	\$ 17,697,744	\$ 12,646,546	\$ 15,925,058	\$ 7,535,185

## NOTE 9 – LONG-TERM OBLIGATIONS

The annual requirements under capital lease obligations are as follows:

	overnmental
Year Ending	Activities
September 30	
2019	197,761
2020	197,761
2021	197,761
2022	187,625
Total Minimum Lease Payments	\$ 780,908
Less Amount Representing Interest	(74,156)
Present Value of Minimum Lease Payments	\$ 706,752

Changes in long-term debt transactions of the County for the year ended September 30, 2018 are summarized below:

Governmental Activities							
	Balance September 30, 2018	Due Within One Year					
Special Assessment Debt with							
Governmental Commitment	\$ 138,336	\$ -	\$ (138,336)	\$ -	\$ -		
Notes Payable	1,297,722	-	(1,094,778)	202,944	114,236		
Revenue Bonds	17,733,700	-	(238,900)	17,494,800	246,300		
Capital Leases	866,552	-	(159,800)	706,752	167,107		
Other Post Employment Benefits	2,633,675	-	(51,685)	2,581,990	-		
Accrued Compensated							
Absences	2,077,900	2,276,900	(2,298,200)	2,056,600	1,314,000		
Net Pension Liability	45,012,047	398,119		45,410,166	202,845		
Total Long-Term Obligations,							
Governmental Activities	\$69,759,932	\$ 2,675,019	\$ (3,981,699)	\$ 68,453,252	\$2,044,488		

## NOTE 9 – LONG-TERM OBLIGATIONS

	Balance October 1, <u>2017</u>	Increases	<u>1</u>	<u>Decreases</u>	Balance September 30, 2018	Due Within ne Year
Notes Payable	7,696,053	\$	- \$	(662,995)	\$ 7,033,058	\$ 532,866
Revenue Bonds	9,048,000		-	(156,000)	8,892,000	161,000
Capital Leases	48,474		-	(48,474)	-	-
Accrued Landfill Closure and				-		
Post-Closure Care Costs	16,744,585	839,89	4	-	17,584,479	738,686
Other Post Employment Benefits	98,070		-	(5,025)	93,045	-
Accrued Compensated						
Absences	57,000	80,00	0	(74,000)	63,000	34,000
Net Pension Liability	786,067	6,57	9		792,646	3,887
Total Long-Term Obligations,						
Business-Type Activities	\$ 34,478,249	\$ 926,47	3 \$	(946,494)	\$ 34,458,228	\$ 1,470,439

## 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 \$17.47 million. Principal payments of \$566,274 were made in the current year, while interest payments totaling \$423,735 were made.

## NOTE 9 - LONG-TERM OBLIGATIONS

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 \$211,024. For the current year, principal and interest paid was \$121,153, while revenue was \$22,926.

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 \$5.987 million. For the current year, principal and interest paid was \$211,840.

The County has pledged a portion of future half-cent sales tax revenue to repay \$17.965 million of public improvement bonds issued in 2016. Proceeds from the bonds financed construction of improvements to the county jail. Annual principal and interest payments are expected to be approximately 25.3% 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 \$30.13 million. For the current year, principal and interest paid was \$793,078.

## 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.

During the fiscal year ended 2007, the Authority issued two Pollution Control revenue refunding bonds in an aggregate principal amount of \$125,250,000 to refund several series bonds issued prior to July 1, 1995. During the year ended September 30, 2018, the Authority issued an additional \$125,248,878 in Pollution Control revenue refunding bonds. At September 30, 2018, the aggregate bonds outstanding is approximately \$250,498,878.

## 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. The Transportation Fund also leases six road graders which expire September, 2021.

Future minimum lease payments under these leases are as follows:

Year Ending <u>September 30,</u>	<u> </u>	Amount
2019		287,787
2020		287,787
2021		261,366
Total future minimum lease payments	\$	836,940

# NOTE 12 – FUND BALANCE CLASSIFICATIONS

A schedule of County fund balances is provided as follows:

	Major Governmental Funds				
	General Fund	Road Projects Fund	Better Place Plan Fund	Total Non-Major Governmental Funds	Total Governmental Funds
FUND BALANCES:					
Restricted for:					
Debt Service	-	-	-	669,878	669,878
Better Place Plan - Capital Projects	-	-	6,311,437	-	6,311,437
Fishing Improvement	-	-	-	391,683	391,683
Fire Protection	-	-	-	491,260	491,260
Law Enforcement	18,803	-	-	78,437	97,240
Court Improvements	-	-	-	1,390,143	1,390,143
Drivers Education	-	-	-	251,235	251,235
Court Article V Support	-	-	-	152	152
Court Technology	-	-	-	256,647	256,647
Crime Prevention	-	-	-	47,903	47,903
E911 System	-	-	-	767,457	767,457
Tourist Development	-	-	-	1,076,373	1,076,373
Communication Improvement	-	-	-	4,354	4,354
Economic Development	-	-	-	95,364	95,364
MSBU Road Maintenance	-	-	-	789,173	789,173
Local Housing Assistance	-	-	-	1,175,438	1,175,438
Sewage Utilities	-	-	-	18,435	18,435
Water Utilities	-	-	-	252,775	252,775
Interlachen Lakes Estates Lake Access	43,585	-	-	-	43,585
Federal Forfeiture - Law Enforcement	-	-	-	141,500	141,500
Public Records Modernization	_	_	-	1,402,296	1,402,296
Voter Equipment and Education	-	-	-	66,498	66,498
Road Projects	-	2,964,795	-	-	2,964,795
Committed to: Commissary - Inmate Benefits	-	-	-	384,243	384,243
Assigned to: Subsequent Year's Expenditures Road and Bridge Maintenance	7,216,989 -	- -	:	- 1,181,406	7,216,989 1,181,406
Unassigned:	2,111,016				2,111,016
Total Fund Balances	\$ 9,390,393	\$2,964,795	\$6,311,437	\$ 10,932,650	\$29,599,275

## NOTE 13 - DEFICIT BALANCES - INDIVIDUAL FUNDS

At September 30, 2018, the Fleet Maintenance Fund, an Internal Service Fund, reflected a deficit net position of \$19,504. County Management anticipates that future rate increases for services rendered will eliminate this deficit in the following year.

## 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 2018 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.

### NOTE 14 - RISK MANAGEMENT

Changes in the fund's claims liability were:

	Beginning of Fiscal Year Liability	Claims Incurred and Changes in Estimates	Claims <u>Payments</u>	End of Fiscal Year Liability	Due Within One Year
2016-2017	1,513,836	(79,354)	(327,090)	1,107,392	607,392
2017-2018	1,107,392	1,447,273	(1,102,373)	1,452,292	952,292

## 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 to 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 \$17,584,479 reported as landfill closure and long-term care liability at September 30, 2018, 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	70.14%
Class III Landfill	100%
Huntington Landfill	100%
Central Landfill Phase I	100%

The County will recognize the remaining estimated cost of closure and long-term care of \$6,637,777 as the remaining estimated capacity is used (estimated to be 9.8 years for Central Landfill Phase II, Cells 1, 2, & 3). These amounts are based on what it would cost to perform all closure and long-term care in 2018. Actual costs may be higher or lower due to inflation, deflation, changes in technology, or changes in regulations.

## 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 \$6,409,806 to cover D.E.P.'s landfill post-closure maintenance cost requirements and closure costs of current operating landfills, as of September 30, 2018. 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 (OPEB)

#### Plan Description

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

## **Benefits Provided**

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 benefits are available to retirees at the cost paid by the County for active employees. Life insurance benefits are \$10,000 or \$20,000.

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

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

The plan does not issue separate stand-alone financial reports.

## NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

#### Contributions

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

#### Employees Covered by benefit terms

At September 30, 2018, the following employees were covered by the benefit terms:

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

## **Total OPEB Liability**

At September 30, 2018, The County reported a total OPEB liability of \$2,675,035. The OPEB liability was measured as of September 30, 2017, and was determined by an actuarial valuation as of September 30, 2018.

## Actuarial Assumptions and Other Inputs

The total OPEB liability in the September 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation 2.30%

Salary Increases 3.25%, including inflation

Healthcare cost Under 65 years of age:

Trend Rates 4.30% for 2018, increasing to 4.80% in 2037. The

ultimate rate of 3.90% begins in 2073.

64 years and older:

4.90% for 2018, increasing to 5.50% in 2037. The

ultimate rate of 4.0% begins in 2083.

The dental trend is 2.97% each year.

Mortality Rates were based on the RP-2000 Healthy Annuitant

Mortality Table for Males or Females, as appropriate with adjustments for mortality improvements based on

Scale AA.

## NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

The discount rate used to measure the total OPEB liability was 3.64%, which is based on the Bond Buyer General Obligation 20-Bond Municipal Index. An actuarial experience study has not yet been performed for the plan.

## Changes in the Total OPEB Liability

	 Increase/Decrease in Total OPEB Liability	
Balance at September 30, 2017	\$ 2,731,745	
Changes for the year: Service cost Interest Changes in assumptions or inputs Benefit payments	 211,926 88,028 (225,552) (131,112)	
Balance at September 30, 2018	\$ 2,675,035	

Changes in assumptions or inputs reflect a change in the discount rate from 3.058% in 2017 to 3.640% in 2018.

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

The following presents the total OPEB liability of Putnam County, calculated using the discount rate of 3.64%, as well as what Putnam County's total OPEB liability would be if it were calculated using a discount rate that is 1.0% lower (2.64%) or 1.0% higher (4.64%) than the current rate.

		Current		
	1% Decrease	Discount Rate	1% Increase	
	(2.64%)	(3.64%)	(4.64%)	
Total OPEB liability	\$ 3,080,250	\$ 2,675,035	\$2,344,153	

#### Putnam County, Florida Notes to Financial Statements September 30, 2018

#### NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

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

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

		Current					
		Healthcare Cost					
	1% Decrease	Trend Rate	1% Increase				
Total OPEB liability	\$ 2,459,141	\$ 2,675,035	\$2,957,865				

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

For the year ended September 30, 2018, the County recognized OPEB expense of \$276,891. At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		 d Inflows sources
Differences between expected and actual experience	\$	-	\$ -
Changes of assumptions or other inputs		(202,489)	_
Total	\$	(202,489)	\$ 

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

	Year ended September 30,
\$ (23,0	2019
(23,0	2020
(23,0	2021
(23,0	2022
(23,0	2023
(87,1	Thereafter
\$ (202,4	Total

#### Putnam County, Florida Notes to Financial Statements September 30, 2018

#### NOTE 17 - COMMITMENTS AND CONTINGENCIES

At September 30, 2018, the County was committed under signed contracts for approximately \$1,967,000 of road construction, resurfacing and engineering work and \$1,521,000 for building and other construction projects.

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

#### NOTE 18 - NET POSITION RESTRICTED BY ENABLING LEGISLATION

The government-wide statement of net position reports \$16,924,574 of restricted net position, of which \$6.0 million is restricted by enabling legislation.

#### NOTE 19 - CHANGE IN ACCOUNTING PRINCIPLE

The County restated the beginning net position of the governmental activities, internal service funds, the business-type activities and certain proprietary funds to implement the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions:

Internal

GOVERNMENTAL ACTIVITIES:		Governmental Activities	Service Funds	
Net position - beginning of year, as previously reported Restatement:		\$ 105,362,238	\$ 315,228	
OPEB liability		993,389	13,821	
Net position - beginning of year, as restated		\$ 106,355,627	\$ 329,049	
BUSINESS-TYPE ACTIVITIES:	Waste Management Fund	East Putnam Water Fund	Non-Major Proprietary Fund (Port Authority)	Total Business-Type Activities
Net position - beginning of year, as previously reported Restatement:	\$ 8,690,485	\$ 24,627,502	\$ 4,982,288	\$38,300,275
OPEB liability	20,450	5,455		25,905
Net position - beginning of year, as restated	\$ 8,710,935	\$ 24,632,957	\$ 4,982,288	\$38,326,180

#### Putnam County, Florida Notes to Financial Statements September 30, 2018

#### NOTE 20 - SUBSEQUENT EVENT

In March, 2019, the Putnam County Port Authority sold a magnet building in the business park for \$750,000. The building was purchased in 2006 and had a net book value of approximately \$1.6 million at September 30, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

	Budgeted	Amounts	Actual	Variance With Final	
	Original	Final	Amounts	Budget	
REVENUES					
Taxes	\$ 33,443,388	\$ 33,443,388	\$ 34,511,782	\$ 1,068,394	
Licenses and Permits	381,100	381,100	852,831	471,731	
Intergovernmental	8,708,283	8,951,905	9,663,925	712,020	
Charges for Services	5,660,050	5,581,459	6,654,672	1,073,213	
Fines and Forfeitures Miscellaneous	55,150 170,500	62,773 208,617	80,245 459,890	17,472 251,273	
Miscellarieous	170,300	200,017	459,690	231,273	
TOTAL REVENUES	48,418,471	48,629,242	52,223,345	3,594,103	
<u>EXPENDITURES</u>					
Current:					
General Government	14,571,298	14,478,500	13,376,507	1,101,993	
Public Safety	27,329,825	27,993,981	27,166,955	827,026	
Physical Environment	336,584	336,584	276,553	60,031	
Transportation	30,000	30,000	30,000	-	
Economic Environment	313,758	393,661	365,319	28,342	
Human Services	2,742,340	2,672,340	2,550,850	121,490	
Culture and Recreation	2,063,675	2,073,675	1,507,736	565,939	
Court Related	1,133,183	1,133,183	1,177,903	(44,720)	
Reserve for Contingencies	912,425	30,082	-	30,082	
Debt Service:					
Principal Retirement	-	37,386	41,617	(4,231)	
Interest and Fiscal Charges		17,614	19,715	(2,101)	
TOTAL EXPENDITURES	49,433,088	49,197,006	46,513,155	2,683,851	
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	(1,014,617)	(567,764)	5,710,190	6,277,954	
OTHER FINANCING SOURCES (USES)	455 744	455.744	405 700	(000 045)	
Transfers In	455,744	455,744	135,729	(320,015)	
Transfers Out	(1,061,037)	(1,507,890)	(1,350,708)	157,182	
TOTAL OTHER FINANCING SOURCES					
(USES)	(605,293)	(1,052,146)	(1,214,979)	(162,833)	
NET CHANGE IN FUND BALANCES	(1,619,910)	(1,619,910)	4,495,211	6,115,121	
FLIND DALANCES					
FUND BALANCES -	1 640 040	1 640 040	4 005 400	2 075 070	
BEGINNING OF YEAR	1,619,910	1,619,910	4,895,182	3,275,272	
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 9,390,393	\$ 9,390,393	

## Putnam County, Florida Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual For the Year Ended September 30, 2018

#### 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 31<sup>st</sup> 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.

## Putnam County, Florida Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual For the Year Ended September 30, 2018

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

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

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

(concluded)

## Putnam County, Florida Schedule of Changes in the County's Total OPEB Liability and Related Ratios For the Year Ended September 30, 2018 Last 10 Fiscal Years\*

	2018
Total OPEB Liability - beginning	\$ 2,731,745
Changes for the year:	
Service cost	211,926
Interest	88,028
Changes in assumptions or inputs	(225,552)
Benefit payments	(131,112)
Total OPEB Liability - ending	\$ 2,675,035
Covered employee payroll	\$ 25,491,810
Total OPEB liability as a percentage of covered-employee payroll	10.49%

#### Notes to schedules:

Changes in assumptions or inputs reflect a change in the discount rate from 3.058% in 2017 to 3.640% in 2018.

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

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

Florida Retirement System	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.1253707%	0.1259494%	0.1302864%	0.1255929%
idsiity (daset)	0.123370770	0.123343470	0.130200470	0.123332370
Employer's proportionate share of the net	ć 27.762.207	ć 27.254.000	ć 22.007.44 <i>C</i>	ć 16 222 010
pension liability (asset)	\$ 37,762,297	\$ 37,254,999	\$ 32,897,416	\$ 16,222,010
Employer's covered payroli**	\$ 26,091,587	\$ 25,491,810	\$ 25,570,176	\$ 25,105,924
Employer's proportionate share of the net				
pension liability (asset) as a percentage	444 700/	4.6.4.00	120.550/	64.640/
of its covered payroll	144.73%	146.14%	128.66%	64.61%
Plan fiduciary net position as a percentage				
of the total pension liability	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program	2018	2017	2016	2015
Employer's proportion of the net pension				
liability (asset)	0.0797470%	0.0798985%	0.0826718%	0.0825509%
Employer's proportionate share of the net				
pension liability (asset)	\$ 8,440,515	\$ 8,543,115	\$ 9,635,055	\$ 8,414,610
Employer's covered payroll**	\$ 26,091,587	\$ 25,491,810	\$ 25,570,176	\$ 25,105,924
Employer's proportionate share of the net				
pension liability (asset) as a percentage				
of its covered payroll	32.35%	33.51%	37.68%	33.52%
Plan fiduciary net position as a percentage				
of the total pension liability	2.15%	1.64%	0.97%	0.50%

#### Notes to schedules:

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

<sup>\*</sup>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.

<sup>\*\*</sup>Covered payroll Includes defined benefit plan actives, investment plan members, and members in DROP for the measurement period ending June 30, 2018.

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

Florida Retirement System		2018	2017		2016		2015
Contractually required contribution	\$	3,511,262	\$ 3,357,991	\$	3,248,814	\$	3,108,405
Contributions in relation to the							
contractually required contribution		3,511,262	3,357,991		3,248,814		3,108,405
Contribution deficiency (excess)	\$	-	\$ -	\$	-	\$	
Employer's covered payroll *	\$ 2	25,832,377	\$ 25,880,178	\$	25,687,995	\$	25,442,040
Contributions as a percentage of covered payroll		13.59%	12.98%		12.65%		12.22%
Health Insurance Subsidy Program		2018	2017		2016		2015
Contractually required contribution	\$	420,584	\$ 429,079	\$	426,360	\$	344,803
Contributions in relation to the contractually required contribution		420,584	429,079		426,360		344,803
Contribution deficiency (excess)	\$		\$ -	\$	-	\$	
Employer's covered payroll *	\$ 2	25,832,377	\$ 25,880,178	\$	25,687,995	\$	25,442,040
Contributions as a percentage of covered payroll		1.63%	1.66%		1.66%		1.36%

#### Notes to schedules:

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.

<sup>\*</sup> Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP for the fiscal year ended September 30, 2018.

#### **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 exofficio 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, 2018

ASSETS	Board of County Commissioners Sub-fund	Sheriff Sub-fund	Clerk of Circuit Court <u>Sub-fund</u>	Tax Collector <u>Sub-fund</u>
Cash and Equivalents	\$ 8,314,118	\$ 593,964	\$ 910,324	\$ 549,265
Receivables  Due From Other Funds	1,836,385	759	3,347	-
Due From Other Funds  Due From Other Governments	950,514 726,032	-	49,423	14,993 1,671
Other Assets	-	3,221	10,214	2,494
TOTAL ASSETS	11,827,049	597,944	973,308	568,423
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	488,467	288,235	408,006	49,969
Due to Other Funds	14,993	289,616	49,741	489,763
Due to Other Governments	13,526	1,290	417,897	8,142
Customer Deposits			97,664	
TOTAL LIABILITIES	516,986	579,141	973,308	547,874
DEFERRED INFLOWS OF RESOURCES				
Revenues - unavailable	1,938,473	-	-	20,549
FUND BALANCES				
Restricted	43,585	18,803	-	-
Assigned	7,216,989	-	-	-
Unassigned	2,111,016	<u> </u>		<u> </u>
TOTAL FUND BALANCES	9,371,590	18,803		
TOTAL LIABILITIES, DEFERRED				
INFLOWS OF RESOURCES	<b>A. A.</b>	<b>.</b>		
AND FUND BALANCES	\$11,827,049	\$ 597,944	\$ 973,308	\$ 568,423

#### Putnam County, Florida Combining Balance Sheet Board and Officer General Funds For the Year Ended September 30, 2018

A (	ppraiser General	Ë	lections General	Elir	ninations &	Total General <u>Fund</u>
\$	132,842 - - -	\$	92,933	\$	- (870,507) - -	\$10,593,446 1,840,491 95,000 777,126 15,929
	132,842		92,933		(870,507)	13,321,992
	17,081 115,761 - -		48,896 44,037 -		- (870,507) - -	1,300,654 133,404 440,855 97,664
	132,842		92,933		(870,507)	1,972,577
	-		-		-	1,959,022
	- - -		- - -		- - -	62,388 7,216,989 2,111,016
	_		-		-	9,390,393
\$	132,842	\$	92,933	\$	(870,507)	\$13,321,992
	A ( <u>S</u>	17,081 115,761 - - 132,842	Appraiser General G Sub-Fund Su  \$ 132,842 \$  17,081 115,761 132,842	Appraiser General Sub-Fund  \$ 132,842 \$ 92,933	Appraiser General General Sub-Fund Sub-Fund Sub-Fund Core \$ 132,842 \$ 92,933 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	Appraiser General Sub-Fund         Elections General Sub-Fund         Interfund Eliminations & Consolidations           \$ 132,842         \$ 92,933         \$ -           -         -         (870,507)           -         -         (870,507)           -         -         -           132,842         92,933         (870,507)           -         -         -           115,761         44,037         (870,507)           -         -         -           132,842         92,933         (870,507)

	Board of County Commissioners Sub-fund					
	Budgeted	Amounts	Actual	Budgeted	l Amounts	Actual
	Original	<u>Final</u>	<u>Amounts</u>	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
REVENUES	<b>A</b> 00 110 000	<b>A</b> 00 110 000	<b>A</b> 04 544 700	•	•	•
Taxes	\$ 33,443,388	\$ 33,443,388	\$ 34,511,782	\$ -	\$ -	\$ -
Licenses and Permits	381,100	381,100	852,831	-	-	-
Intergovernmental	8,358,141	8,601,763	9,448,226	-	-	-
Charges for Services	3,922,784	3,922,784	4,566,719	-	-	-
Fines and Forfeitures	53,150	53,150	70,621	2,000	9,623	9,624
Miscellaneous	156,100	194,217	374,707			49,498
TOTAL REVENUES	46,314,663	46,596,402	49,824,886	2,000	9,623	59,122
<u>EXPENDITURES</u>						
Current:						
General Government	8,673,202	8,653,415	7,803,485	-	-	_
Public Safety	7,831,293	7,814,294	7,144,007	19,498,532	20,179,687	20,022,948
Physical Environment	336,584	336,584	276,553	-	, ,	
Transportation	30,000	30,000	30,000	_	_	-
Economic Environment	313,758	393,661	365,319	-	_	-
Human Services	2,742,340	2,672,340	2,550,850	_	-	_
Culture and Recreation	2,063,675	2,073,675	1,507,736	-	_	_
Court Related	310,100	310,100	287,816	548,405	548,405	559,108
Reserve for Contingencies	910,425	28,082	-	-	-	-
Debt Service:	010,120	20,002				
Principal Retirement	_	37,386	41,617	_	_	_
Interest and Fiscal Charges	_	17,614	19,715	_	_	
Therest and Fiscal Charges	<u> </u>	17,014	19,713	<u>-</u>	<u> </u>	<u>-</u> _
TOTAL EXPENDITURES	23,211,377	22,367,151	20,027,098	20,046,937	20,728,092	20,582,056
EXCESS OF REVENUES OVER						
(UNDER) EXPENDITURES	23,103,286	24,229,251	29,797,788	(20,044,937)	(20,718,469)	(20,522,934)
(ONDER) EXI ENDITORED	20,100,200	21,220,201	20,707,700	(20,011,001)	(20,7 10, 100)	(20,022,001)
OTHER FINANCING SOURCES (USES)						
Transfers In	455,744	455,744	937,514	20,044,937	20,718,469	20,718,469
Transfers Out	(25,178,940)	(26,304,905)	(26,240,902)	20,011,001	20,7 10, 100	(194,724)
Transiers Out	(20,170,040)	(20,304,303)	(20,240,302)			(134,124)
TOTAL OTHER FINANCING SOURCES						
(USES)	(24,723,196)	(25,849,161)	(25,303,388)	20,044,937	20,718,469	20,523,745
NET CHANGE IN FUND BALANCES	(1,619,910)	(1,619,910)	4,494,400	-	-	811
FUND BALANCES -						
	1 610 010	1 610 010	4 977 400			17 000
BEGINNING OF YEAR	1,619,910	1,619,910	4,877,190	-		17,992
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 9,371,590	\$ -	\$ -	\$ 18,803

	Cle	rk of the Circuit C Sub-fund	ourt	Tax Collector Sub-fund			
	Budgeted Amounts Actual		Budgeted	Actual			
REVENUES	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Licenses and Permits	-	-	-	-	· -	-	
Intergovernmental	350,142	350,142	202,112	-	-	-	
Charges for Services	355,000	355,000	497,172	2,414,170	2,414,170	2,701,175	
Fines and Forfeitures	-	-	-	-	-	-	
Miscellaneous	13,200	13,200	21,624	1,200	1,200	10,783	
TOTAL REVENUES	718,342	718,342	720,908	2,415,370	2,415,370	2,711,958	
<u>EXPENDITURES</u>							
Current: General Government	1 000 405	1 000 405	1 906 010	2,255,505	2,255,505	2,222,195	
Public Safety	1,999,495	1,999,495	1,896,019	2,200,000	2,255,505	2,222,195	
Physical Environment	- -	-	- -	<u>-</u>	<u>-</u>	-	
Transportation	-	_	-	-	-	-	
Economic Environment	-	-	-	-	-	-	
Human Services	-	-	-	-	-	-	
Culture and Recreation	-	-	-	-	-	-	
Court Related	274,678	274,678	330,979	-	-	-	
Reserve for Contingencies	-	-	-	-	-	-	
Debt Service:							
Principal Retirement	-	-	-	-	-	-	
Interest and Fiscal Charges	-	-	-	-	-	-	
TOTAL EXPENDITURES	2,274,173	2,274,173	2,226,998	2,255,505	2,255,505	2,222,195	
EXCESS OF REVENUES OVER							
(UNDER) EXPENDITURES	(1,555,831)	(1,555,831)	(1,506,090)	159,865	159,865	489,763	
OTHER FINANCING SOURCES (USES)							
Transfers In	1,555,831	1,555,831	1,555,831				
Transfers Out	1,000,001	1,000,001	(49,741)	(159,865)	(159,865)	(489,763)	
Transiers Out			(49,741)	(139,803)	(139,663)	(409,703)	
TOTAL OTHER FINANCING SOURCES							
(USES)	1,555,831	1,555,831	1,506,090	(159,865)	(159,865)	(489,763)	
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-	
FUND BALANCES -							
BEGINNING OF YEAR					<u>-</u>		
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ -	- \$ -	\$ -	- \$ -	
. S. S BILLIOLS LIB OF TEM	<u> </u>	<del>-</del>	<u> </u>			<del>-</del>	

		Property Appraise Sub-fund	r 	Su	upervisor of Electic Sub-fund	ons
	Budgeted		Actual		I Amounts	Actual
<u>REVENUES</u>	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	<u>-</u>	-	-	-	-	-
Intergovernmental	-	-	=	-	-	13,587
Charges for Services	28,096	28,096	28,196	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous			767			2,511
TOTAL REVENUES	28,096	28,096	28,963			16,098
EXPENDITURES						
Current:						
General Government	1,804,096	1,809,676	1,694,782	899,000	899,000	898,616
Public Safety	<u>-</u>	<del>-</del>	-	=	-	-
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	1,804,096	1,809,676	1,694,782	901,000	901,000	898,616
EXCESS OF REVENUES OVER						
(UNDER) EXPENDITURES	(1,776,000)	(1,781,580)	(1,665,819)	(901,000)	(901,000)	(882,518)
OTHER FINANCING SOURCES (USES)						
Transfers In	1,776,000	1,781,580	1,781,580	901,000	901,000	901,000
Transfers Out	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	-	(115,761)	-	-	(18,482)
			(1.10,101)	-		(10,102)
TOTAL OTHER FINANCING SOURCES						
(USES)	1,776,000	1,781,580	1,665,819	901,000	901,000	882,518
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-
FUND BALANCES - BEGINNING OF YEAR						
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Interfund

		Subtotals		Elimina	interrund ations and consoli	dations
	Budgeted	l Amounts	Actual	Budgeted	l Amounts	Actual
DEVENIJE O	Original	<u>Final</u>	<u>Amounts</u>	Original	<u>Final</u>	<u>Amounts</u>
REVENUES Taxes Licenses and Permits	\$ 33,443,388 381,100	\$ 33,443,388 381,100	\$ 34,511,782 852,831	\$ -	\$ -	\$ -
Intergovernmental Charges for Services	8,708,283 6,720,050	8,951,905 6,720,050	9,663,925 7,793,262	(1,060,000)	(1,138,591)	(1,138,590)
Fines and Forfeitures Miscellaneous	55,150 170,500	62,773 208,617	80,245 459,890			
TOTAL REVENUES	49,478,471	49,767,833	53,361,935	(1,060,000)	(1,138,591)	(1,138,590)
EXPENDITURES Current:						
General Government Public Safety	15,631,298 27,329,825	15,617,091 27,993,981	14,515,097 27,166,955	(1,060,000)	(1,138,591)	(1,138,590)
Physical Environment Transportation	336,584 30,000	336,584 30,000	276,553 30,000	-	-	-
Economic Environment Human Services	313,758 2,742,340	393,661 2,672,340	365,319 2,550,850	-	-	-
Culture and Recreation Court Related	2,063,675 1,133,183	2,073,675 1,133,183	1,507,736 1,177,903	-	-	-
Reserve for Contingencies  Debt Service:	912,425	30,082	-	-	-	-
Principal Retirement Interest and Fiscal Charges	- -	37,386 17,614	41,617 19,715	-	-	<u>-</u>
TOTAL EXPENDITURES	50,493,088	50,335,597	47,651,745	(1,060,000)	(1,138,591)	(1,138,590)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,014,617)	(567,764)	5,710,190			
OTHER FINANCING SOURCES (USES) Transfers In	24,733,512	25,412,624	25,894,394	(24,277,768)	(24,956,880)	(25,758,665)
Transfers Out	(25,338,805)	(26,464,770)	(27,109,373)	24,277,768	24,956,880	25,758,665
TOTAL OTHER FINANCING SOURCES (USES)	(605,293)	(1,052,146)	(1,214,979)			
NET CHANGE IN FUND BALANCES	(1,619,910)	(1,619,910)	4,495,211	-	-	-
FUND BALANCES - BEGINNING OF YEAR	1,619,910	1,619,910	4,895,182			
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 9,390,393	\$ -	\$ -	\$ -

				Totals	
		Budgeted	l An	nounts	Actual
		<u>Original</u>		<u>Final</u>	<u>Amounts</u>
<u>REVENUES</u>					
Taxes	\$	33,443,388	\$	33,443,388	\$ 34,511,782
Licenses and Permits		381,100		381,100	852,831
Intergovernmental		8,708,283		8,951,905	9,663,925
Charges for Services		5,660,050		5,581,459	6,654,672
Fines and Forfeitures		55,150		62,773	80,245
Miscellaneous		170,500		208,617	 459,890
TOTAL REVENUES		48,418,471		48,629,242	52,223,345
EXPENDITURES .					
Current:					
General Government		14,571,298		14,478,500	13,376,507
Public Safety		27,329,825		27,993,981	27,166,955
Physical Environment		336,584		336,584	276,553
Transportation		30,000		30,000	30,000
Economic Environment		313,758		393,661	365,319
Human Services		2,742,340		2,672,340	2,550,850
Culture and Recreation		2,063,675		2,072,340	1,507,736
Court Related		1,133,183		1,133,183	1,177,903
					1,177,903
Reserve for Contingencies		912,425		30,082	-
Debt Service:				27 200	44 047
Principal Retirement		-		37,386	41,617
Interest and Fiscal Charges		<del>-</del>		17,614	 19,715
TOTAL EXPENDITURES		49,433,088		49,197,006	46,513,155
EXCESS OF REVENUES OVER					
(UNDER) EXPENDITURES		(1,014,617)		(567,764)	5,710,190
(CIABLITY EXILENDITIONES		(1,014,017)		(001,104)	 0,710,100
OTHER FINANCING SOURCES (USES)					
Transfers In		455,744		455,744	135,729
Transfers Out		(1,061,037)		(1,507,890)	 (1,350,708)
TOTAL OTHER FINANCING SOURCES					
		(COE 202)		(4.050.446)	(4.044.070)
(USES)		(605,293)		(1,052,146)	 (1,214,979)
NET CHANGE IN FUND BALANCES		(1,619,910)		(1,619,910)	4,495,211
FUND BALANCES -					
BEGINNING OF YEAR		1,619,910		1,619,910	4,895,182
	-	,,		,,	, , - >
FUND BALANCES - END OF YEAR	\$	_	\$	-	\$ 9,390,393

(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:

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

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

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

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

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

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

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

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

<u>Court Technology Fund</u> – 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.

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

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

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

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

<u>Economic Development Fund</u> – to account for revenues and expenditures made to promote economic development.

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

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

<u>Interlachen Lakes Estates Fund</u> – 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**

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

<u>Local Housing Assistance (SHIP) Fund</u> – 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.

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

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

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

<u>Commissary Fund</u> – 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.

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

<u>Records Modernization Fund</u> – 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.

<u>Article V Records Modernization Fund</u> – 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.

<u>Court Fund</u> – 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.

<u>Supervisor of Elections Grants Fund</u> – 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:

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

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

#### **Non-major Governmental Funds**

#### **Capital Projects Funds**

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

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

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

#### **Major Governmental Capital Projects Fund**

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

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

	Special Revenue Funds								
	County Transportation Trust	Fishing Improvement	Fire Taxing Unit	Law Enforcement Trust	Law Enforcement Education				
ASSETS  Cash and Equivalents Investments Receivables Due From Other Funds Due From Other Governments  TOTAL ASSETS	\$ 820,867 - 1,439 - 441,102 1,263,408	\$ 390,299 - - - 2,010 392,309	\$ 553,609 - - 12,957 8,772 575,338	\$ 76,071 - - - - - 76,071	\$ 943 - - - 1,423 2,366				
LIABILITIES, DEFERRED INFLOV AND FUND BALANCES									
LIABILITIES  Accounts Payable and Accrued Liabilities Retainage Payable Due to Other Funds Due to Other Governments Customer Deposits	82,002 - - - -	626 - - - -	84,078 - - - -	- - - -	- - - -				
TOTAL LIABILITIES	82,002	626	84,078						
DEFERRED INFLOWS OF RESOURCES Revenues - unavailable	-	-	-	-	-				
FUND BALANCES  Restricted  Committed  Assigned	- - 1,181,406	391,683 - -	491,260 - -	76,071 - -	2,366				
TOTAL FUND BALANCES	1,181,406	391,683	491,260	76,071	2,366				
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$1,263,408	\$ 392,309	\$ 575,338	\$ 76,071	\$ 2,366				

	Special Revenue Funds							
	Court Improvement	Drivers Education	Article V	Court Technology	Crime Prevention			
ASSETS  Cash and Equivalents Investments Receivables Due From Other Funds Due From Other Governments	\$1,398,541 - - - - 5,234	\$ 250,385 - - - - 850	\$ 9,081 - - - - 3,735	\$ 253,135 - - - - 6,886	\$ 47,332 - - - 1,316			
TOTAL ASSETS	1,403,775	251,235	12,816	260,021	48,648			
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES LIABILITIES	<u>/S,</u>							
Accounts Payable and Accrued Liabilities Retainage Payable Due to Other Funds Due to Other Governments Customer Deposits	13,632 - - - - -	- - - -	12,664 - - - -	3,374 - - - - -	745 - - - -			
TOTAL LIABILITIES	13,632		12,664	3,374	745			
DEFERRED INFLOWS OF RESOURCES Revenues - unavailable	-	-	-	-	-			
FUND BALANCES  Restricted  Committed  Assigned	1,390,143 - 	251,235 - -	152 - 	256,647 - -	47,903 - 			
TOTAL FUND BALANCES	1,390,143	251,235	152	256,647	47,903			
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$1,403,775	\$251,235	\$ 12,816	\$ 260,021	\$ 48,648			

	Special Revenue Funds							
	E911 System	Tourist Development	Communication Improvement	Economic Development				
ASSETS Cash and Equivalents Investments Receivables Due From Other Funds Due From Other Governments	\$ 733,021 - - - 323,255	\$1,066,968 - - - - 33,794	\$ 13,894 - - - 1,500	\$ 107,864 - - - -				
TOTAL ASSETS	1,056,276	1,100,762	15,394	107,864				
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES LIABILITIES	<u>S.</u>							
Accounts Payable and Accrued Liabilities Retainage Payable Due to Other Funds Due to Other Governments Customer Deposits	288,819 - - - - -	24,389 - - - - -	11,040 - - - - -	12,500 - - - - -				
TOTAL LIABILITIES	288,819	24,389	11,040	12,500				
DEFERRED INFLOWS OF RESOURCES Revenues - unavailable	-	-	-	-				
FUND BALANCES  Restricted  Committed  Assigned	767,457 - -	1,076,373 - -	4,354 - 	95,364 - 				
TOTAL FUND BALANCES	767,457	1,076,373	4,354	95,364				
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$1,056,276	\$1,100,762	\$ 15,394	\$ 107,864				

	Special Revenue Funds								
	а	/liscell- ineous Grants	Develo	munity opment Grant	La	rlachen akes states	M S	West Putnam unicipal ervices nefit Unit	Local Housing Assistance
<u>ASSETS</u>									
Cash and Equivalents	\$	6,447	\$	-	\$ 1	75,586	\$	129,605	\$ 525,290
Investments		-		-		-		-	651,298
Receivables		-		-		-		-	-
Due From Other Funds		-		-		-		-	-
Due From Other Governments		13,797				8,093		5,866	
TOTAL ASSETS		20,244		-	1	83,679		135,471	1,176,588
LIABILITIES, DEFERRED INFLOW	<u>'S,</u>								
<u>LIABILITIES</u>									
Accounts Payable and									
Accrued Liabilities		9,727		_		6,719		13,584	1,150
Retainage Payable		- , -		_		-		-,	-
Due to Other Funds		10,000		_		_		-	_
Due to Other Governments		-		_		_		_	_
Customer Deposits		_		_		-		_	_
TOTAL LIABILITIES		19,727		_		6,719		13,584	1,150
DEFERRED INFLOWS OF RESOURCES Revenues - unavailable		517		_		_		_	
FUND BALANCES									
Restricted		-		-	1	76,960		121,887	1,175,438
Committed		-		-		-		-	-
Assigned		-						<del>-</del>	
TOTAL FUND BALANCES		-			1	76,960		121,887	1,175,438
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$	20,244	\$	-	\$ 1	83,679	\$	135,471	\$1,176,588

	Special Revenue Funds						
	MSBU	Sewage Utilities	Water Utilities	Commissary			
ASSETS Cash and Equivalents Investments	\$ 500,017 -	\$ 15,775 -	\$ 250,750	\$ 375,000			
Receivables Due From Other Funds Due From Other Governments	- - 2,351	5,220 - -	8,719 - 	49,949 - -			
TOTAL ASSETS	502,368	20,995	259,469	424,949			
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES LIABILITIES Accounts Payable and				40.700			
Accrued Liabilities Retainage Payable Due to Other Funds Due to Other Governments	12,042 - - -	770 - - -	2,002 - - -	40,706 - - -			
Customer Deposits	- 40.040	1,790	4,692				
TOTAL LIABILITIES  DEFERRED INFLOWS OF  RESOURCES  Revenues - unavailable	12,042	2,560	6,694	40,706			
FUND BALANCES  Restricted  Committed  Assigned	490,326 - 	18,435 - 	252,775 - 	- 384,243 -			
TOTAL FUND BALANCES	490,326	18,435	252,775	384,243			
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 502,368	\$ 20,995	\$ 259,469	\$ 424,949			

	Special Revenue Funds						
		ederal orfeiture	Records Moderni- zation	Article V Records Moderni- zation	Court Fund	Supervisor of Elections Grant Fund	
<u>ASSETS</u>							
Cash and Equivalents	\$	46,608	\$ 287,013	\$1,115,945	\$ 453,810	\$	66,512
Investments		-	-	-	7 500		-
Receivables  Due From Other Funds		- 94,892	-	-	7,520		- 25,555
Due From Other Governments		94,092	-	-	868		25,555
TOTAL ASSETS		141,500	287,013	1,115,945	462,198		92,067
LIABILITIES, DEFERRED INFLOW	 'S.		,		, , , , , , , , , , , , , , , , , , ,		<u> </u>
AND FUND BALANCES							
LIABILITIES  Accounts Payable and							
Accrued Liabilities		-	662	-	37,670		25,569
Retainage Payable		-	-	-	-		-
Due to Other Funds		-	-	-	-		-
Due to Other Governments		-	-	-	207,487		-
Customer Deposits				·	211,087		
TOTAL LIABILITIES			662		456,244		25,569
DEFERRED INFLOWS OF RESOURCES							
Revenues - unavailable		-	-	-	5,954		-
FUND BALANCES  Restricted  Committed		141,500	286,351	1,115,945	- -		66,498
Assigned		-	-	-	-		-
TOTAL FUND BALANCES		141,500	286,351	1,115,945			66,498
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	¢	141 500	¢ 207.042	¢1 115 045	¢ 462.400	ď	02.067
AIND LOIND DALAINCES	\$_	141,500	\$ 287,013	\$1,115,945	\$ 462,198	\$	92,067

	Debt Service Funds		Capital Projects Fund	
	County Jail	MSBU Loan	Capital Projects	Total Nonmajor Governmental Funds
<u>ASSETS</u>				•
Cash and Equivalents	\$ 597,604	\$ 71,167	\$ 2,417	\$ 10,341,556
Investments	-	-	-	651,298
Receivables	-	-	-	72,847
Due From Other Funds	-	-	-	133,404
Due From Other Governments		1,107	96,820	958,779
TOTAL ASSETS	597,604	72,274	99,237	12,157,884
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES  Accounts Payable and				
Accrued Liabilities	-	-	13,229	697,699
Retainage Payable	-	-	1,008	1,008
Due to Other Funds	-	-	85,000	95,000
Due to Other Governments	-	-	-	207,487
Customer Deposits				217,569
TOTAL LIABILITIES			99,237	1,218,763
DEFERRED INFLOWS OF RESOURCES Revenues - unavailable	_	_	_	6,471
FUND BALANCES				ζ,
Restricted	597,604	72,274	-	9,367,001
Committed	-	-	-	384,243
Assigned				1,181,406
TOTAL FUND BALANCES	597,604	72,274		10,932,650
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 597,604	\$ 72,274	\$ 99,237	\$ 12,157,884
	+ 55.,551	<del>,</del>	<del>-</del>	=, 101,001

(concluded)

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds For the Year Ended September 30, 2018

#### **Special Revenue Funds**

	County Transportation <u>Trust</u>	Fishing Improvement	Fire Taxing Unit	Law Enforcement Trust	Law Enforcement Education
<u>REVENUES</u>	•		•	_	
Taxes	\$2,145,981	\$ -	\$3,341,126	\$ -	\$ -
Licenses and Permits	3,739	40,885	-	-	-
Intergovernmental Revenue	2,712,732	-	198,458	-	-
Charges For Services	227,704	-	-	-	-
Fines and Forfeitures	-	-	-	26,588	12,888
Special Assessments	-	-	-	-	-
Miscellaneous Revenue	31,780	2,977	9,389	601	18
TOTAL REVENUES	5,121,936	43,862	3,548,973	27,189	12,906
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	-	2,979,118	35,325	16,279
Physical Environment	-	28,143	-	-	-
Transportation	5,646,353	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	_	-	-
Debt Service:					
Principal Retirement	118,183	-	-	-	-
Interest and Fiscal Charges	18,754	_	_	_	-
TOTAL EXPENDITURES	5,783,290	28,143	2,979,118	35,325	16,279
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	(661,354)	15,719	569,855	(8,136)	(3,373)
OTHER FINANCING SOURCES (USES)					
Transfers In	620,855	-	12,957	-	_
Transfers Out	(39,716)	_	(91,560)	-	_
TOTAL OTHER FINANCING					
TOTAL OTHER FINANCING			( <del></del>		
SOURCES (USES)	581,139		(78,603)		
NET CHANGE IN FUND BALANCES	(80,215)	15,719	491,252	(8,136)	(3,373)
FUND BALANCES, October 1, 2017	1,261,621	375,964	8	84,207	5,739
FUND BALANCES, September 30, 2018	\$1,181,406	\$ 391,683	\$ 491,260	\$ 76,071	\$ 2,366

### Putnam County, Florida Combining Statement of Revenues, Expenditures and Changes in Fund Balances –

#### Non-major Governmental Funds For the Year Ended September 30, 2018

	Special Revenue Funds						
	Court Improvement	Drivers Education	Article V	Court Technology	Crime Prevention		
<u>REVENUES</u>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -		
Licenses and Permits	-	-	-	-	-		
Intergovernmental Revenue	-	-	-	-	-		
Charges For Services	89,187	-	50,960	94,200	-		
Fines and Forfeitures	-	14,583	-	-	20,316		
Special Assessments	-	-	-	-	-		
Miscellaneous Revenue	12,547	1,951	172	2,006	407		
TOTAL REVENUES	101,734	16,534	51,132	96,206	20,723		
<u>EXPENDITURES</u>							
Current:							
General Government Services	-	-	-	-	-		
Public Safety	-	20,000	-	-	25,534		
Physical Environment	-	-	-	-	-		
Transportation	-	-	-	-	-		
Economic Environment	-	-	-	-	-		
Culture/Recreation	-	-	-	-	-		
Court Related	291,067	-	108,519	106,550	-		
Capital Outlay	-	-	-	-	-		
Debt Service:							
Principal Retirement	-	-		-	-		
Interest and Fiscal Charges	-	-	-	-	-		
TOTAL EXPENDITURES	291,067	20,000	108,519	106,550	25,534		
EXCESS (DEFICIENCY) OF							
REVENUES OVER EXPENDITURES	(189,333)	(3,466)	(57,387)	(10,344)	(4,811)		
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	6,800	-	-		
Transfers Out							
TOTAL OTHER FINANCING							
SOURCES (USES)			6,800				
NET CHANGE IN FUND BALANCES	(189,333)	(3,466)	(50,587)	(10,344)	(4,811)		
FUND BALANCES, October 1, 2017	1,579,476	254,701	50,739	266,991	52,714		
FUND BALANCES, September 30, 2018	\$1,390,143	\$ 251,235	\$ 152	\$ 256,647	\$ 47,903		

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds

#### For the Year Ended September 30, 2018

	Special Revenue Funds				
	E911 System	Tourist Development	Communication Improvement	Economic Development	
<u>REVENUES</u>					
Taxes	\$ -	\$ 481,242	\$ -	\$ -	
Licenses and Permits	-	-	-	-	
Intergovernmental Revenue	653,071	-	-	-	
Charges For Services	-	-	28,814	-	
Fines and Forfeitures	-	-	22,926	-	
Special Assessments	-	-	-	-	
Miscellaneous Revenue	4,913	7,963	250	1,178	
TOTAL REVENUES	657,984	489,205	51,990	1,178	
EXPENDITURES  Current:  General Government Services	-	-	<u>-</u>	_	
Public Safety	491,500	-	92,271	-	
Physical Environment	-	-	, -	-	
Transportation	-	-	-	-	
Economic Environment	-	230,078	-	172,000	
Culture/Recreation	-	-	-	· -	
Court Related	-	-	-	-	
Capital Outlay	-	-	-	-	
Debt Service:					
Principal Retirement	-	-	109,778	-	
Interest and Fiscal Charges	-	-	11,375	-	
TOTAL EXPENDITURES	491,500	230,078	213,424	172,000	
EXCESS (DEFICIENCY) OF				· · · · · · ·	
REVENUES OVER EXPENDITURES	166,484	259,127	(161,434)	(170,822)	
OTHER FINANCING SOURCES (USES)			450,000	202 605	
Transfers In	(92,000)	-	156,923	203,695	
Transfers Out	(82,000)			<u>-</u> _	
TOTAL OTHER FINANCING					
SOURCES (USES)	(82,000)		156,923	203,695	
NET CHANGE IN FUND BALANCES	84,484	259,127	(4,511)	32,873	
FUND BALANCES, October 1, 2017	682,973	817,246	8,865	62,491	
FUND BALANCES, September 30, 2018	\$ 767,457	\$1,076,373	\$ 4,354	\$ 95,364	

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds

#### For the Year Ended September 30, 2018

	Special Revenue Funds				
	Miscell- aneous Grants	Community Development Block Grant	Interlachen Lake Estates	West Putnam Municipal Services Benefit Unit	Local Housing Assistance
REVENUES Tours	<b>c</b>	<b>c</b>	¢.	¢.	¢.
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	- 445 707	- 77 700	-	-	-
Intergovernmental Revenue	415,707	77,788	-	-	-
Charges For Services Fines and Forfeitures	-	-	-	-	-
	-	-	260 200	146.072	-
Special Assessments	10.005	-	260,380	146,972	62 427
Miscellaneous Revenue	10,285	77 700	1,744	1,261	63,427
TOTAL REVENUES	425,992	77,788	262,124	148,233	63,427
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	-
Public Safety	192,248	-	_	_	-
Physical Environment	-	_	_	_	-
Transportation	-	-	265,805	180,464	-
Economic Environment	-	77,788	-	-	77,333
Culture/Recreation	233,744	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	425,992	77,788	265,805	180,464	77,333
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	<u>-</u>	_	(3,681)	(32,231)	(13,906)
			(0,001)	(0=,=0:)	(10,000)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out					
TOTAL OTHER FINANCING					
SOURCES (USES)	_	_	_	_	_
, ,					
NET CHANGE IN FUND BALANCES	-	-	(3,681)	(32,231)	(13,906)
FUND BALANCES, October 1, 2017			190 644	15/ 110	1 190 244
I GIND BALAINGLO, OCTOBEL 1, 2017			180,641	154,118	1,189,344
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 176,960	\$ 121,887	\$1,175,438

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds

For the Year Ended September 30, 2018

	Special Revenue Funds				
	MSBU	Sewage Utilities	Water Utilities	Commissary	
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ -	
Licenses and Permits	-	-	-	-	
Intergovernmental Revenue	-	-	-	-	
Charges For Services	-	41,498	33,505	-	
Fines and Forfeitures	-	-	-	-	
Special Assessments	107,621	-	-	-	
Miscellaneous Revenue	4,118	102	1,940	700,054	
TOTAL REVENUES	111,739	41,600	35,445	700,054	
EXPENDITURES  Current:					
General Government Services	-	-	-	-	
Public Safety	-	-	-	676,449	
Physical Environment	-	34,654	24,366	-	
Transportation	131,627	-	-	-	
Economic Environment	-	-	-	-	
Culture/Recreation	-	-	-	-	
Court Related	-	-	-	-	
Capital Outlay	-	-	-	-	
Debt Service:					
Principal Retirement	-	-	-	-	
Interest and Fiscal Charges				. <u>-</u>	
TOTAL EXPENDITURES	131,627	34,654	24,366	676,449	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(19,888)	6,946	11,079	23,605	
OTHER FINANCING COURSES (LIGES)					
OTHER FINANCING SOURCES (USES)					
Transfers In Transfers Out	-	-	-	-	
				<del></del>	
TOTAL OTHER FINANCING SOURCES (USES)					
NET CHANGE IN FUND BALANCES	(19,888)	6,946	11,079	23,605	
FUND BALANCES, October 1, 2017	510,214	11,489	241,696	360,638	
FUND BALANCES, September 30, 2018	\$ 490,326	\$ 18,435	\$ 252,775	\$ 384,243	

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds

#### For the Year Ended September 30, 2018

	Special Revenue Funds				
	Federal Forfeiture	Records Modernization	Article V Records Modernization	Court Fund	
REVENUES Tavas	Φ.	Φ.	Φ.	<b>c</b>	
Taxes	\$ -	\$ -	\$ -	\$ -	
Licenses and Permits	-	-	-	-	
Intergovernmental Revenue	-	-	-	889,680	
Charges For Services	400.404	31,643	89,324	729,013	
Fines and Forfeitures	100,481	-	-	153,683	
Special Assessments	-	-	-	-	
Miscellaneous Revenue	-	1,705	5,588	4,435	
TOTAL REVENUES	100,481	33,348	94,912	1,776,811	
EXPENDITURES  Current:					
General Government Services	-	41,082	-	-	
Public Safety	-	-	-	-	
Physical Environment	-	-	-	-	
Transportation	-	-	-	-	
Economic Environment	-	-	-	-	
Culture/Recreation	-	-	-	-	
Court Related	-	-	-	1,776,811	
Capital Outlay	91,623	-	-	-	
Debt Service:					
Principal Retirement	-	-	-	-	
Interest and Fiscal Charges	-	-	-	-	
TOTAL EXPENDITURES	91,623	41,082		1,776,811	
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	8,858	(7,734)	94,912		
OTHER FINANCING SOURCES (USES) Transfers In Transfers Out	<u>-</u>	- -	<u>-</u>	<u>-</u>	
TOTAL OTHER FINANCING SOURCES (USES)					
NET CHANGE IN FUND BALANCES	8,858	(7,734)	94,912	-	
FUND BALANCES, October 1, 2017	132,642	294,085	1,021,033		
FUND BALANCES, September 30, 2018	\$ 141,500	\$ 286,351	\$1,115,945	\$ -	

## Putnam County, Florida Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds For the Year Ended September 30, 2018

	Special Revenue Fund	Debt Service Funds		Capital Projects Fund	
	Supervisor of Elections Grants	County Jail	MSBU Loan	Capital Projects	Total Nonmajor Governmental Funds
REVENUES	•	•	•	•	<b>A 5 6 6 6 1 6</b>
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,968,349
Licenses and Permits	-	-	-	-	44,624
Intergovernmental Revenue	122,635	-	-	96,820	5,166,891
Charges For Services	-	-	-	-	1,415,848
Fines and Forfeitures	-	-	-	-	351,465
Special Assessments	-	-	74,749	-	589,722
Miscellaneous Revenue	43	2,398	720	-	873,972
TOTAL REVENUES	122,678	2,398	75,469	96,820	14,410,871
EXPENDITURES					
Current:					
General Government Services	33,775	_	-	-	74,857
Public Safety	-	_	-	-	4,528,724
Physical Environment	-	-	-	-	87,163
Transportation	-	-	-	-	6,224,249
Economic Environment	-	-	-	-	557,199
Culture/Recreation	-	-	-	-	233,744
Court Related	-	-	-	-	2,282,947
Capital Outlay	87,180	-	-	96,820	275,623
Debt Service:					
Principal Retirement	-	238,900	138,336	-	605,197
Interest and Fiscal Charges	-	554,178	4,423	-	588,730
TOTAL EXPENDITURES	120,955	793,078	142,759	96,820	15,458,433
EVOESS (REFISIENS)					
EXCESS (DEFICIENCY) OF	4 700	(700,000)	(07.000)		(4.047.500)
REVENUES OVER EXPENDITURES	1,723	(790,680)	(67,290)		(1,047,562)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	872,520	_	-	1,873,750
Transfers Out	-	, -	_	-	(213,276)
TOTAL OTHER FINANCING		070 500			4 000 474
SOURCES (USES)		872,520			1,660,474
NET CHANGE IN FUND BALANCES	1,723	81,840	(67,290)	-	612,912
FUND BALANCES, October 1, 2017	64,775	515,764	139,564	_	10,319,738
				•	
FUND BALANCES, September 30, 2018	\$ 66,498	\$ 597,604	\$ 72,274	\$ -	\$ 10,932,650

(concluded)

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – County Transportation For the Year Ended September 30, 2018

	Budgeted	Amounts	Actual	Variance With Final
	Original	<u>Final</u>	<u>Amounts</u>	<u>Budget</u>
REVENUES				
Taxes	\$ 2,068,746	\$ 2,068,746	\$ 2,145,981	\$ 77,235
Licenses and Permits	3,000	3,000	3,739	739
Intergovernmental Revenue	2,305,731	2,305,731	2,712,732	407,001
Charges for Services	168,000	168,000	227,704	59,704
Miscellaneous Revenue	14,500	14,500	31,780	17,280
TOTAL REVENUES	4,559,977	4,559,977	5,121,936	561,959
<u>EXPENDITURES</u>				
Current:				
Transportation	5,412,239	6,023,677	5,646,353	377,324
Reserve for Contingencies	375,000	-	-	-
Debt Service:				
Principal Retirement	243,803	243,803	118,183	125,620
Interest and Fiscal Charges	30,074	30,074	18,754	11,320
TOTAL EXPENDITURES	6,061,116	6,297,554	5,783,290	514,264
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	(1,501,139)	(1,737,577)	(661,354)	1,076,223
OTHER FINANCING SOURCES (USES)				
Transfers In	375,000	620,855	620,855	_
Transfers Out	(30,300)	(39,717)	(39,716)	1
			(==, =)	
NET CHANGE IN FUND BALANCES	(1,156,439)	(1,156,439)	(80,215)	1,076,224
FUND BALANCES, October 1, 2017	1,156,439	1,156,439	1,261,621	105,182
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$1,181,406	\$ 1,181,406

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Fishing Improvement Fund For the Year Ended September 30, 2018

	Budgeted	d Amounts	Actual	Variance With Final
	Original	<u>Final</u>	<u>Amounts</u>	<u>Budget</u>
REVENUES			· · · · · · · · · · · · · · · · · · ·	
Licenses and Permits	\$ 40,750	\$ 40,750	\$ 40,885	\$ 135
Miscellaneous Revenue	150	150	2,977	2,827
TOTAL REVENUES	40,900	40,900	43,862	2,962
EXPENDITURES Current:				
Physical Environment	225,800	225,800	28,143	197,657
Reserve for Contingencies	7,250	7,250		7,250
TOTAL EXPENDITURES	233,050	233,050	28,143	204,907
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(192,150)	(192,150)	15,719	207,869
FUND BALANCES, October 1, 2017	192,150	192,150	375,964	183,814
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 391,683	\$ 391,683

# 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, 2018

	Budgete	d Amounts	Actual	Variance With Final
	Original	<u>Final</u>	<u>Amounts</u>	<b>Budget</b>
REVENUES				
Taxes	\$ 3,230,232	\$ 3,230,232	\$ 3,341,126	\$ 110,894
Intergovernmental Revenue	176,000	176,000	198,458	22,458
Miscellaneous Revenue	1,000	1,000	9,389	8,389
TOTAL REVENUES	3,407,232	3,407,232	3,548,973	141,741
<u>EXPENDITURES</u>				
Current:	2 276 940	2 260 006	2.070.449	200 600
Public Safety	3,276,819	3,268,806	2,979,118	289,688
Reserve for Contingencies	49,066	49,066	<del>-</del>	49,066
TOTAL EXPENDITURES	3,325,885	3,317,872	2,979,118	338,754
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	81,347	89,360	569,855	480,495
OTHER FINANCING SOURCES (USES)				
Transfers In	2,200	2,200	12,957	10,757
Transfers Out	(83,547)	(91,560)	(91,560)	
TOTAL OTHER FINANCING COURSES				
TOTAL OTHER FINANCING SOURCES (USES)	(81,347)	(89,360)	(78,603)	10,757
(6626)	(01,047)	(00,000)	(10,000)	10,707
NET CHANGE IN FUND BALANCES	-	-	491,252	491,252
FUND BALANCES, October 1, 2017		<u> </u>	8	8
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 491,260	\$ 491,260

#### 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, 2018

		Budgeted	Amou	ınts		Actual		riance th Final
	Ori	ginal		Final	<u>Amounts</u>		<u>Budget</u>	
REVENUES							_	<u></u>
Fines and Forfeitures	\$	20,000	\$	20,000	\$	26,588	\$	6,588
Miscellaneous Revenue		50		50		601		551
TOTAL REVENUES		20,050		20,050		27,189		7,139
<u>EXPENDITURES</u>								
Current:								
Public Safety		100,000		100,000		35,325		64,675
Reserve for Contingencies		10,000		10,000				10,000
TOTAL EXPENDITURES		110,000		110,000		35,325		74,675
EXCESS (DEFICIENCY) OF REVENUES		(00.050)		(00.050)		(0.420)		04.04.4
OVER EXPENDITURES		(89,950)		(89,950)		(8,136)		81,814
FUND BALANCES, October 1, 2017		89,950		89,950		84,207		(5,743)
FUND BALANCES, September 30, 2018	\$		\$		\$	76,071	\$	76,071

# 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, 2018

		Budgeted	Amo	unts	,	Actual	Variance With Final		
	0	riginal	<u>Final</u>		<b>Amounts</b>		Budget		
<u>REVENUES</u>									
Fines and Forfeitures	\$	16,000	\$	16,000	\$	12,888	\$	(3,112)	
Miscellaneous Revenue				<u>-</u>		18		18	
TOTAL REVENUES		16,000		16,000		12,906		(3,094)	
EXPENDITURES Current:									
Public Safety		20,000		20,000		16,279		3,721	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(4,000)		(4,000)		(3,373)		627	
FUND BALANCES, October 1, 2017		4,000		4,000		5,739		1,739	
FUND BALANCES, September 30, 2018	\$		\$		\$	2,366	\$	2,366	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Court Improvement Fund For the Year Ended September 30, 2018

	Budgeted	I Amounts	Actual	Variance With Final		
	Original	Final	<u>Amounts</u>	<u>Budget</u>		
<u>REVENUES</u>						
Charges for Services	\$ 115,000	\$ 115,000	\$ 89,187	\$ (25,813)		
Miscellaneous Revenue	300	300	12,547	12,247		
TOTAL REVENUES	115,300	115,300	101,734	(13,566)		
EXPENDITURES Current:						
Court Related	1,115,300	1,115,300	291,067	824,233		
EXCESS (DEFICIENCY) OF REVENUES	(4.000.000)	(4 000 000)	(400,000)	040.007		
OVER EXPENDITURES	(1,000,000)	(1,000,000)	(189,333)	810,667		
FUND BALANCES, October 1, 2017	1,000,000	1,000,000	1,579,476	579,476		
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 1,390,143	\$ 1,390,143		

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Drivers Education Fund For the Year Ended September 30, 2018

		Budgeted	Amo	unts		Actual	Variance With Final	
	Original		<u>Final</u>		<b>Amounts</b>		<b>Budget</b>	
REVENUES Fines and Forfeitures Miscellaneous Revenue	\$	19,000 125	\$	19,000 125	\$	14,583 1,951	\$	(4,417) 1,826
TOTAL REVENUES		19,125		19,125		16,534		(2,591)
EXPENDITURES Current: Public Safety		45,000		45,000		20,000		25,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(25,875)		(25,875)		(3,466)		22,409
FUND BALANCES, October 1, 2017		25,875		25,875		254,701		228,826
FUND BALANCES, September 30, 2018	\$	-	\$	-	\$	251,235	\$	251,235

#### Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Article V Fund For the Year Ended September 30, 2018

		Budgeted	Amo	unts	Actual		Variance With Final	
	<u>c</u>	<u> Driginal</u>		<u>Final</u>	<u>A</u>	<u>mounts</u>	<u>Budget</u>	
REVENUES								
Charges for Services	\$	46,000	\$	50,960	\$	50,960	\$	-
Miscellaneous Revenue		30		30		172		142
TOTAL REVENUES		46,030		50,990		51,132		142
EXPENDITURES Current:								
Court Related		64,978		108,528		108,519		9
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(18,948)		(57,538)		(57,387)		151
OTHER FINANCING USES Transfers In				6,800		6,800		
NET CHANGE IN FUND BALANCES		(18,948)		(50,738)		(50,587)		151
FUND BALANCES, October 1, 2017		18,948		50,738		50,739		1_
FUND BALANCES, September 30, 2018	\$	<u>-</u>	\$		\$	152	\$	152

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Court Technology Fund For the Year Ended September 30, 2018

		Budgeted	Amo	ounts		Actual	Variance With Final		
	<u>Original</u>		<u>Final</u>		<u>Amounts</u>		<u>Budget</u>		
<u>REVENUES</u>									
Charges for Services Miscellaneous Revenue	\$	77,000 152	\$	77,000 152	\$	94,200 2,006	\$	17,200 1,854	
TOTAL REVENUES		77,152		77,152		96,206		19,054	
EXPENDITURES Current:									
Court Related		327,152		327,152		106,550		220,602	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(250,000)		(250,000)		(10,344)		239,656	
FUND BALANCES, October 1, 2017		250,000		250,000		266,991		16,991	
FUND BALANCES, September 30, 2018	\$	-	\$	-	\$	256,647	\$	256,647	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Crime Prevention Fund For the Year Ended September 30, 2018

		Budgeted	Amo	unts	,	Actual	Variance With Final	
	0	riginal		Final	Amounts		<b>Budget</b>	
REVENUES								
Fines and Forfeitures	\$	19,000	\$	19,000	\$	20,316	\$	1,316
Miscellaneous Revenue		40		40		407		367
TOTAL REVENUES		19,040		19,040		20,723		1,683
EXPENDITURES								
Current:								
Public Safety		35,000		35,000		25,534		9,466
Reserve for Contingencies		2,500		2,500				2,500
TOTAL EXPENDITURES		37,500		37,500		25,534		11,966
EXCESS (DEFICIENCY) OF REVENUES								
OVER EXPENDITURES		(18,460)		(18,460)		(4,811)		13,649
FUND BALANCES, October 1, 2017		18,460		18,460		52,714		34,254
FUND BALANCES, September 30, 2018	\$		\$		\$	47,903	\$	47,903

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – E911 System Fund For the Year Ended September 30, 2018

		Budgeted Original	Amo	ounts Final	Actual mounts	Variance With Final <u>Budget</u>		
REVENUES	_							
Intergovernmental Revenue	\$	280,000	\$	563,744	\$ 653,071	\$	89,327	
Miscellaneous Revenue		250		250	 4,913		4,663	
TOTAL REVENUES		280,250		563,994	 657,984		93,990	
<u>EXPENDITURES</u>								
Current: Public Safety		789,194		1,072,938	491,500		581,438	
r dono carety		700,101		1,012,000	101,000		001,100	
TOTAL EXPENDITURES		789,194		1,072,938	 491,500		581,438	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(508,944)		(508,944)	166,484		675,428	
OTHER FINANCING USES Transfers Out		(50,000)		(50,000)	 (82,000)		(32,000)	
NET CHANGE IN FUND BALANCES		(558,944)		(558,944)	84,484		643,428	
FUND BALANCES, October 1, 2017		558,944		558,944	682,973		124,029	
FUND BALANCES, September 30, 2018	\$		\$		\$ 767,457	\$	767,457	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Tourist Development Fund For the Year Ended September 30, 2018

		Budgeted	l Amo	unts		Actual	Variance With Final		
	Or	riginal		Final	<u>Amounts</u>		Budget		
REVENUES	_				_	404.040	•		
Taxes	\$	300,000	\$	300,000	\$	481,242	\$	181,242	
Miscellaneous Revenue		300		300		7,963		7,663	
TOTAL REVENUES		300,300		300,300		489,205		188,905	
EXPENDITURES Current:									
Economic Environment		300,500		300,500		230,078		70,422	
		60,000		•		230,070		60,000	
Reserve for Contingencies		60,000		60,000				60,000	
TOTAL EXPENDITURES		360,500		360,500		230,078		130,422	
EXCESS (DEFICIENCY) OF REVENUES									
OVER EXPENDITURES		(60,200)		(60,200)		259,127		319,327	
FUND BALANCES, October 1, 2017		60,200		60,200		817,246		757,046	
FUND BALANCES, September 30, 2018	\$	_	\$		\$	1,076,373	\$	1,076,373	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Communication Improvement Fund For the Year Ended September 30, 2018

	Budgeted	I Amounts	Actual	Variance With Final
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Budget</u>
REVENUES				
Charges for Services	\$ 28,800	\$ 28,800	\$ 28,814	\$ 14
Fines and Forfeitures	28,535	28,535	22,926	(5,609)
Miscellaneous Revenue	16	16	250	234
TOTAL REVENUES	57,351	57,351	51,990	(5,361)
EXPENDITURES Current:				
Public Safety Debt Service:	63,250	93,773	92,271	1,502
Principal	109,778	109,778	109,778	-
Interest and Fiscal Charges	10,723	10,723	11,375	(652)
TOTAL EXPENDITURES	183,751	214,274	213,424	850
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(126,400)	(156,923)	(161,434)	(4,511)
OTHER FINANCING SOURCES Transfers In	126,400	156,923	156,923	
NET CHANGE IN FUND BALANCES	-	-	(4,511)	(4,511)
FUND BALANCES, October 1, 2017			8,865	8,865
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 4,354	\$ 4,354

#### Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Economic Development Fund For the Year Ended September 30, 2018

	Budgeted	Amounts	Actual	With Final		
	Original	Final	<b>Amounts</b>	<b>Budget</b>		
<u>REVENUES</u>						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -		
Miscellaneous Revenue			1,178	1,178		
TOTAL REVENUES			1,178	1,178		
EXPENDITURES Current:						
Economic Environment	203,695	203,695	172,000	31,695		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(203,695)	(203,695)	(170,822)	32,873		
OTHER FINANCING SOURCES Transfers In	203,695	203,695	203,695			
NET CHANGE IN FUND BALANCES	-	-	32,873	32,873		
FUND BALANCES, October 1, 2017			62,491	62,491		
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 95,364	\$ 95,364		

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Miscellaneous Grants Fund For the Year Ended September 30, 2018

	Budgeted Amounts					Actual	Variance With Final		
	Original Final			Α	mounts	<u>Budget</u>			
REVENUES Intergovernmental Revenue Miscellaneous Revenue	\$	1,411,969	\$	433,570 10,000	\$	415,707 10,285	\$	(17,863) 285	
TOTAL REVENUES		1,411,969		443,570		425,992		(17,578)	
EXPENDITURES Current:									
Public Safety		1,211,757		215,770		192,248		23,522	
Culture/Recreation		200,212		227,800		233,744		(5,944)	
TOTAL EXPENDITURES		1,411,969		443,570		425,992		17,578	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		-		-		-		-	
FUND BALANCES, October 1, 2017									
FUND BALANCES, September 30, 2018	\$	-	\$		\$		\$		

# 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, 2018

	Budgeted Amounts					Actual	Variance With Final		
	(	Original Price   1	Final		Amounts		<b>Budget</b>		
<u>REVENUES</u>	· <u> </u>								
Intergovernmental Revenue	\$	320,000	_\$	320,000	\$	77,788	\$	(242,212)	
EXPENDITURES Current:									
Economic Environment		320,000		320,000		77,788		242,212	
TOTAL EXPENDITURES		320,000		320,000		77,788		242,212	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		-		-		-		-	
FUND BALANCES, October 1, 2017								<u>-</u>	
FUND BALANCES, September 30, 2018	\$	_	\$		\$		\$		

#### 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, 2018

	Budgeted Amounts					Actual		Variance With Final	
	<u>(</u>	<u> Driginal</u>		<u>Final</u>		<u>lmounts</u>	<u>Budget</u>		
<u>REVENUES</u>									
Special Assessments	\$	205,000	\$	205,000	\$	260,380	\$	55,380	
Miscellaneous Revenue		<u>-</u>		<u>-</u>		1,744		1,744	
TOTAL REVENUES		205,000		205,000		262,124		57,124	
EXPENDITURES Current:									
Transportation		253,675		281,175		265,805		15,370	
Reserve for Contingencies		5,000		5,000		<u>-</u>		5,000	
TOTAL EXPENDITURES		258,675		286,175		265,805		20,370	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(53,675)		(81,175)		(3,681)		77,494	
FUND BALANCES, October 1, 2017		53,675		81,175		180,641		99,466	
FUND BALANCES, September 30, 2018	\$	-	\$	-	\$	176,960	\$	176,960	

#### 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, 2018

	Budgeted	Amo	unts		Actual	Variance With Final		
	<u> Driginal</u>		Final	<u>A</u>	mounts	<u> </u>	<u>Budget</u>	
REVENUES Special Assessments	\$ 112,500	\$	112,500	\$	146,972	\$	34,472	
Miscellaneous Revenue	 90		90		1,261		1,171	
TOTAL REVENUES	112,590		112,590		148,233		35,643	
EXPENDITURES Current:								
Transportation	155,875		200,075		180,464		19,611	
Reserve for Contingencies	 25,000		25,000				25,000	
TOTAL EXPENDITURES	 180,875		225,075		180,464		44,611	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(68,285)		(112,485)		(32,231)		80,254	
FUND BALANCES, October 1, 2017	 68,285		112,485		154,118		41,633	
FUND BALANCES, September 30, 2018	\$ _	\$	_	\$	121,887	\$	121,887	

# 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, 2018

	Budgeted	d Amounts	Actual	Variance With Final
	Original	<u>Final</u>	<b>Amounts</b>	Budget
REVENUES Intergovernmental Revenue Miscellaneous Revenue	\$ 512,000 600	\$ 512,000 600	\$ - 63,427	\$ (512,000) 62,827
TOTAL REVENUES	512,600	512,600	63,427	(449,173)
EXPENDITURES  Current:  Economic Environment  Reserve for Contingencies	1,145,600 25,000	1,145,600 25,000	77,333	1,068,267 25,000
TOTAL EXPENDITURES	1,170,600	1,170,600	77,333	1,093,267
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(658,000)	(658,000)	(13,906)	644,094
FUND BALANCES, October 1, 2017	658,000	658,000	1,189,344	531,344
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 1,175,438	\$ 1,175,438

#### Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – MSBU Fund For the Year Ended September 30, 2018

	Budgeted Amounts					Actual	Variance With Final		
	<u>C</u>	)riginal		Final	Amounts		<u>Budget</u>		
REVENUES							_		
Special Assessments	\$	91,500	\$	91,500	\$	107,621	\$	16,121	
Miscellaneous Revenue		125		125		4,118		3,993	
TOTAL REVENUES		91,625		91,625		111,739		20,114	
EXPENDITURES Current:									
Transportation		114,625		158,025		131,627		26,398	
Reserve for Contingencies		7,000							
TOTAL EXPENDITURES		121,625		158,025		131,627		26,398	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(30,000)		(66,400)		(19,888)		46,512	
FUND BALANCES, October 1, 2017		30,000		66,400		510,214		443,814	
FUND BALANCES, September 30, 2018	\$	<u>-</u>	\$		\$	490,326	\$	490,326	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Sewage Utilities Fund For the Year Ended September 30, 2018

		Budgeted	Amo	unts		Actual		ariance th Final	
	0	riginal	<u>Final</u>		<u>Aı</u>	<u>mounts</u>	<u>Budget</u>		
REVENUES Charges for Services Miscellaneous Revenue	\$	43,750	\$	43,750	\$	41,498 102	\$	(2,252) 102	
TOTAL REVENUES		43,750		43,750		41,600		(2,150)	
EXPENDITURES  Current: Physical Environment		45,005		45,005		34,654		10,351	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(1,255)		(1,255)		6,946		8,201	
FUND BALANCES, October 1, 2017	-	1,255		1,255		11,489		10,234	
FUND BALANCES, September 30, 2018	\$		\$	-	\$	18,435	\$	18,435	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Water Utilities Fund For the Year Ended September 30, 2018

		Budgeted	Amoı	unts		Actual	_	ariance ith Final
	- C	riginal	Final		Amounts		<b>Budget</b>	
<u>REVENUES</u>							_	
Charges for Services	\$	31,500	\$	31,500	\$	33,505	\$	2,005
Miscellaneous Revenue						1,940		1,940
TOTAL REVENUES		31,500		31,500		35,445		3,945
EXPENDITURES  Current:  Physical Environment		22 600		22 600		24 266		0 224
Physical Environment		32,600		32,600		24,366		8,234
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(1,100)		(1,100)		11,079		12,179
FUND BALANCES, October 1, 2017		1,100		1,100		241,696		240,596
FUND BALANCES, September 30, 2018	\$	-	\$		\$	252,775	\$	252,775

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Commissary Fund For the Year Ended September 30, 2018

		Budgeted	l Amo	ounts		Actual		ariance ith Final
	9	<u> Driginal</u>	<u>Final</u>		<b>Amounts</b>		<u>Budget</u>	
REVENUES Miscellaneous Revenue	\$	523,546	\$	700,053	\$	700,054	\$	1
EXPENDITURES Current:								
Public Safety		523,546		700,053		676,449		23,604
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		-		-		23,605		23,605
FUND BALANCES, October 1, 2017						360,638		360,638
FUND BALANCES, September 30, 2018	\$		\$		\$	384,243	\$	384,243

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Federal Forfeiture Fund For the Year Ended September 30, 2018

		Budgeted	Amo	unts		Actual	Variance With Final		
	0	riginal		Final	Α	mounts	<b>Budget</b>		
REVENUES				· <u></u> -			_		
Fines and Forfeitures	\$	98,000	\$	196,373	\$	100,481	\$	(95,892)	
<u>EXPENDITURES</u>									
Current:									
Public Safety		85,000		26,111		-		26,111	
Capital Outlay - Public Safety		13,000		170,262		91,623		78,639	
TOTAL EXPENDITURES		98,000		196,373		91,623		104,750	
EXCESS (DEFICIENCY) OF REVENUES									
OVER EXPENDITURES		-		-		8,858		8,858	
FUND BALANCES, October 1, 2017		-		_		132,642		132,642	
•						<u> </u>		· · ·	
FUND BALANCES, September 30, 2018	\$	-	\$	-	\$	141,500	\$	141,500	

#### Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Records Modernization Fund For the Year Ended September 30, 2018

		Budgeted	Amou	ınts		Actual	_	ariance ith Final
	<u> </u>	<u> Driginal</u>		<u>Final</u>	<u>A</u>	mounts	<u> </u>	<u> Budget</u>
REVENUES Charges for Services Miscellaneous Revenue	\$	32,000 500	\$	32,000 500	\$	31,643 1,705	\$	(357) 1,205
TOTAL REVENUES		32,500		32,500		33,348		848
EXPENDITURES Current: General Government Services		74,000		74,000		41,082		32,918
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(41,500)		(41,500)		(7,734)		33,766
FUND BALANCES, October 1, 2017		41,500		41,500		294,085		252,585
FUND BALANCES, September 30, 2018	\$		\$		\$	286,351	\$	286,351

#### 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, 2018

	 Budgeted	Amo	unts	Actual	Variance Vith Final
	 <u> Driginal</u>		Final	 <u>Amounts</u>	<u>Budget</u>
<u>REVENUES</u>					
Charges for Services	\$ 86,000	\$	86,000	\$ 89,324	\$ 3,324
Miscellaneous Revenue	 1,200		1,200	 5,588	4,388
TOTAL REVENUES	87,200		87,200	94,912	7,712
EXPENDITURES Current:					
Court Related	 176,211		176,211	 	 176,211
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(89,011)		(89,011)	94,912	183,923
OVER EMBINORES	(00,011)		(00,011)	01,012	100,020
FUND BALANCES, October 1, 2017	 89,011		89,011	 1,021,033	 932,022
FUND BALANCES, September 30, 2018	\$ 	\$		\$ 1,115,945	\$ 1,115,945

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Court Fund For the Year Ended September 30, 2018

		Budgeted	Amo	ounts		Actual		ariance ith Final
		<u>Original</u>		<u>Final</u>	<u> </u>	<u>Amounts</u>	<u> </u>	<u>Budget</u>
REVENUES								
Intergovernmental Revenue	\$	937,570	\$	937,570	\$	889,680	\$	(47,890)
Charges for Services		713,470		713,470		729,013		15,543
Fines and Forfeitures		146,968		146,968		153,683		6,715
Miscellaneous Revenue		780		780		4,435		3,655
TOTAL REVENUES		1,798,788		1,798,788		1,776,811		(21,977)
EXPENDITURES								
Current:								
Court Related		1,798,788		1,798,788		1,776,811		21,977
EXCESS (DEFICIENCY) OF REVENUES								
OVER EXPENDITURES		-		-		-		-
FUND BALANCES, October 1, 2017		_		_		_		_
1 3.12 5/12 11323, 3010501 1, 2017	-		-		-			
FUND BALANCES, September 30, 2018	\$		\$		\$		\$	

# 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, 2018

	Budgeted Amounts Original Final				Actual Amounts		Variance With Final <u>Budget</u>	
REVENUES Intergovernmental Revenue Miscellaneous Revenues	\$	- -	\$	122,632	\$	122,635 43	\$	3 43
TOTAL REVENUES		-		122,632		122,678		46
EXPENDITURES  Current:  General Government Services  Capital Outlay - General Government		26,028		148,660		33,775 87,180		114,885 (87,180)
TOTAL EXPENDITURES		26,028		148,660		120,955		27,705
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(26,028)		(26,028)		1,723		27,751
OTHER FINANCING SOURCES Transfers In						<u>-</u> _		<u> </u>
NET CHANGE IN FUND BALANCES		(26,028)		(26,028)		1,723		27,751
FUND BALANCES, October 1, 2017		26,028		26,028		64,775		38,747
FUND BALANCES, September 30, 2018	\$		\$		\$	66,498	\$	66,498

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual-County Jail Fund For the Year Ended September 30, 2018

	Budgeted		With Final		
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>	
REVENUES					
Miscellaneous Revenue	\$ -	\$ -	\$ 2,398	\$ 2,398	
EXPENDITURES					
Current:					
Reserve for Contingencies	158,760	158,760	-	158,760	
Debt Service:					
Principal Retirement	238,900	238,900	238,900	-	
Interest and Fiscal Charges	554,180	554,180	554,178	2	
TOTAL EXPENDITURES	951,840	951,840	793,078	158,762	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(951,840)	(951,840)	(790,680)	161,160	
OTHER FINANCING SOURCES Transfers In	872,520	872,520	872,520		
NET CHANGE IN FUND BALANCES	(79,320)	(79,320)	81,840	161,160	
FUND BALANCES, October 1, 2017	79,320	79,320	515,764	436,444	
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 597,604	\$ 597,604	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – MSBU Loan Fund For the Year Ended September 30, 2018

	Budgeted	l Amounts		With Final	
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>	
REVENUES					
Special Assessments	\$ 161,228	\$ 161,228	\$ 74,749	\$ (86,479)	
Miscellaneous Revenue			720	720	
TOTAL REVENUES	161,228	161,228	75,469	(85,759)	
<u>EXPENDITURES</u>					
Current:					
Reserve for Contingencies	14,650	14,650	-	14,650	
Debt Service:					
Principal Retirement	138,336	138,336	138,336	-	
Interest and Fiscal Charges	8,242	8,242	4,423	3,819	
TOTAL EXPENDITURES	161,228	161,228	142,759	18,469	
EVOCOO (DECIDIENOV) OF DEVENIUE					
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(67,290)	(67,290)	
FUND BALANCES, October 1, 2017			139,564_	139,564	
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 72,274	\$ 72,274	

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Fund For the Year Ended September 30, 2018

	В	udgeted	Amo	ounts	1	Actual	_	/ariance /ith Final
	Orig	<u>inal</u>		<u>Final</u>	A	<u>mounts</u>	i	<u>Budget</u>
<u>REVENUES</u>								
Intergovernmental Revenue	\$	-	\$	1,000,000	\$	96,820	\$	(903,180)
Miscellaneous Revenue		-		-				-
TOTAL REVENUES		-		1,000,000		96,820		(903,180)
<u>EXPENDITURES</u>								
Capital Outlay-Public Safety				1,000,000		96,820		903,180
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		-		-		-		-
FUND BALANCES, October 1, 2017				<u>-</u>				
FUND BALANCES, September 30, 2018	\$		\$	-	\$	-	\$	-

# Putnam County, Florida Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Road Projects Fund For the Year Ended September 30, 2018

	Budgeted	Amounts	Actual	Variance With Final	
	Original	<u>Final</u>	<u>Amounts</u>	<u>Budget</u>	
REVENUES				<u></u>	
Taxes	\$ 1,143,620	\$ 1,143,620	\$ 1,175,368	\$ 31,748	
Intergovernmental Revenue	9,859,056	9,859,056	3,656,826	(6,202,230)	
Miscellaneous Revenue	-	-	321,698	321,698	
TOTAL REVENUES	11,002,676	11,002,676	5,153,892	(5,848,784)	
EXPENDITURES  Control Outlier Transportation	44 077 070	44.077.070	0.000.004	5.074.505	
Capital Outlay-Transportation	11,877,676	11,877,676	6,003,081	5,874,595	
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	(875,000)	(875,000)	(849,189)	25,811	
FUND BALANCES, October 1, 2017	875,000	875,000	3,813,984	2,938,984	
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 2,964,795	\$ 2,964,795	

#### 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, 2018

	Budgeted	<b>Amounts</b>		Variance With Final	
	Original	Final	Actual	Budget	
<u>REVENUES</u>	<u> </u>	<u>a.</u>	<del>/ totali</del>	<u> </u>	
Taxes	\$ 5,608,430	\$ 5,608,430	\$ 6,004,675	\$ 396,245	
Miscellaneous Revenue	30,000	30,000	98,931	68,931	
TOTAL REVENUES	5,638,430	5,638,430	6,103,606	465,176	
<u>EXPENDITURES</u>					
Capital Outlay:					
General Government	400,000	400,000	406,337	(6,337)	
Public Safety	3,724,452	3,511,561	400,871	3,110,690	
Transportation	3,499,306	3,712,197	2,244,734	1,467,463	
Culture & Recreation	522,000	522,000	19,687	502,313	
Reserve for Contingencies	785,625	785,625	-	785,625	
Debt Service:					
Principal Retirement	985,000	985,000	985,000	-	
Interest and Fiscal Charges	16,944	16,944	16,831	113	
TOTAL EXPENDITURES	9,933,327	9,933,327	4,073,460	5,859,867	
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	(4,294,897)	(4,294,897)	2,030,146	6,325,043	
OTHER FINANCING USES					
Transfers Out	(1,972,520)	(1,972,520)	(1,972,520)	<u> </u>	
NET CHANGE IN FUND BALANCES	(6,267,417)	(6,267,417)	57,626	6,325,043	
FUND BALANCES, October 1, 2017	6,267,417	6,267,417	6,253,811	(13,606)	
FUND BALANCES, September 30, 2018	\$ -	\$ -	\$ 6,311,437	\$ 6,311,437	

#### **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.

<u>East Putnam Water Fund</u> – 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, 2018

	East Putnam Water Fund
ASSETS CURRENT ASSETS:	
Cash and Equivalents	\$ 509,981
Receivables	123,812
Due From Other Governments	801,890
TOTAL CURRENT ASSETS	1,435,683
NONCURRENT ASSETS: Restricted Cash and Equivalents Water Wastewater Capital Assets Net	733,748 99,300
Capital Assets, Net Water	24,619,784
Wastewater	15,871,033
TOTAL NONCURRENT ASSETS	41,323,865
TOTAL ASSETS	42,759,548
DEFERRED OUTFLOWS OF RESOURCES Pensions	58,670
LIABILITIES CURRENT LIABILITIES:     Accounts Payable & Accrued Liabilities     Retainage Payable     Deposits     Current Portion of Compensated Absences     Current Portion of Net Pension Liability     Current Portion of Long-Term Debt     Water     Wastewater	444,853 196,230 87,274 12,400 711 583,432
TOTAL CURRENT LIABILITIES	110,434 1,435,334
NONCURRENT LIABILITIES  Water  Wastewater  TOTAL NONCURRENT LIABILITIES	11,451,259 3,958,071 15,409,330
TOTAL LIABILITIES	16,844,664
DEFERRED INFLOWS OF RESOURCES Pensions OPEB TOTAL DEFERRED INFLOWS	17,461 1,761 19,222
NET POSITION	10,222
Net Investment in Capital Assets	
Water	12,763,231
Wastewater	11,354,568
Unrestricted	1,836,533
TOTAL NET POSITION	\$ 25,954,332

#### 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, 2018

	Water Services Department	Waste- Water Services Department	Total
OPERATING REVENUES	Ф 577.405	ф. 000 040	ф 040.054
User Fees and Assessments	\$ 577,135	\$ 363,216	\$ 940,351
OPERATING EXPENSES			
Personal Services	251,893	-	251,893
Contractual Services	3,606	4,350	7,956
Repairs and Maintenance	214,911	9,441	224,352
Other Operating Expenses	222,902	55,458	278,360
Depreciation	813,536	399,599	1,213,135
TOTAL OPERATING EXPENSES	1,506,848	468,848	1,975,696
OPERATING INCOME (LOSS)	(929,713)	(105,632)	(1,035,345)
NON OPERATING REVENUES (EXPENSES)			
Interest Revenue	13,326	704	14,030
Interest Expense	(423,735)	(103,213)	(526,948)
TOTAL NONOPERATING REVENUES (EXPENSES)	(410,409)	(102,509)	(512,918)
(274 2.1020)	(110,100)	(102,000)	(0:2,0:0)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(1,340,122)	(208,141)	(1,548,263)
Capital Contributions - Grants	_	1,709,900	1,709,900
Transfers In	660,000	500,000	1,160,000
Transfers Out	(262)		(262)
CHANGE IN NET POSITION	(680,384)	2,001,759	1,321,375
NET POSITION: - beginning, as previously reported			\$ 24,627,502
- change for OPEB Liability			5,455
NET POSITION, restated			\$ 24,632,957
NET POSITION, End of Year			\$ 25,954,332

#### **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:

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

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

<u>Risk Management Fund</u> - 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, 2018

	<u>Mai</u>	Fleet ntenance	In	Group surance leserve	Risk Management <u>Fund</u>	<u>Totals</u>
CURRENT ASSETS  Cash and Equivalents  Due from Other Governments  Inventory  Other Assets	\$	7,591 819 218,863	\$	199,011 154,139 - -	\$ 1,626,831 - - 2,632	\$ 1,833,433 154,958 218,863 2,632
TOTAL CURRENT ASSETS		227,273		353,150	1,629,463	2,209,886
NONCURRENT ASSETS Capital Assets, Net		26,023				26,023
TOTAL ASSETS		253,296		353,150	1,629,463	2,235,909
DEFERRED OUTFLOWS OF RESOURCES Pensions		96,936		15,634	15,893	128,463
CURRENT LIABILITIES  Accounts Payable and Accrued Liabilities Estimated Liability for Self-Insured Losses Compensated Absences		36,300 - 16,200		1,223 - 8,100	680,524 272,747 5,900	718,047 272,747 30,200
Net Pension Liability		1,175		189	193_	 1,557
TOTAL CURRENT LIABILITIES		53,675		9,512	959,364	 1,022,551
NONCURRENT LIABILITIES  Compensated Absences Estimated Liability for		13,800		6,900	5,100	25,800
Self Insured Losses OPEB Liability		32,566		- 4,652	500,000 4,652	500,000 41,870
Net Pension Liability		238,380		38,446	39,083	315,909
TOTAL NONCURRENT LIABILITIES		284,746		49,998	548,835	883,579
TOTAL LIABILITIES		338,421		59,510	1,508,199	 1,906,130
DEFERRED INFLOWS OF RESOURCES						
Pensions		28,850		4,653	4,730	38,233
OPEB TOTAL DEFERRED INFLOWS		2,465 31,315		352 5,005	<u>352</u> 5,082	 3,169 41,402
TOTAL DEFERRED INFLOWS		31,313		5,005	5,062	41,402
NET POSITION  Net Investment in Capital Assets Unrestricted		26,023 (45,527)		- 304,269	- 132,075	26,023 390,817
TOTAL NET POSITION	\$	(19,504)	\$	304,269	\$ 132,075	\$ 416,840

# Putnam County, Florida Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds For the Year Ended September 30, 2018

	Fleet Maintenance	Group Insurance <u>Reserve</u>	Risk Management Fund	<u>Totals</u>
OPERATING REVENUES			<u> </u>	<u> </u>
User Charges	\$ 1,186,791	\$ 5,944,573	\$ 1,523,864	\$ 8,655,228
Miscellaneous	3	50,733	50,983	101,719
TOTAL OPERATING REVENUES	1,186,794	5,995,306	1,574,847	8,756,947
OPERATING EXPENSES				
Personal Services	403,182	98,559	62,625	564,366
Insurance	14,427	5,900,392	703,527	6,618,346
Claims Expense	-	-	1,102,373	1,102,373
Contractual Services	335,488	17,369	2,750	355,607
Repairs and Maintenance	19,842	-	-	19,842
Other Operating Expenses	430,712	-	250	430,962
Depreciation Expense	16,176			16,176
TOTAL OPERATING EXPENSES	1,219,827	6,016,320	1,871,525	9,107,672
OPERATING INCOME (LOSS)	(33,033)	(21,014)	(296,678)	(350,725)
Transfers In	30,000	57,312	353,090	440,402
Transfers Out	(1,886)			(1,886)
CHANGE IN NET POSITION	(4,919)	36,298	56,412	87,791
NET POSITION:				
- as previously reported	(26,799)	267,971	74,056	315,228
- change for OPEB Liability	12,214	<del>-</del>	1,607	13,821
NET POSITION, restated	(14,585)	267,971	75,663	329,049
NET POSITION, End of Year	\$ (19,504)	\$ 304,269	\$ 132,075	\$ 416,840

## Putnam County, Florida Combining Statement of Cash Flows – Internal Service Funds For the Year Ended September 30, 2018

CACLLELOWS FROM ORFRATING ACTIVITIES	Fleet ntenance	ln	Group surance leserve	Mar	Risk nagement <u>Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES Receipts from Customers	,189,371		5,932,993		,574,229	\$8,696,593
Payments to Suppliers Payments to Employees	 (918,622) (366,847)	(5	5,944,689) (49,940)	(1	,464,251) (59,097)	(8,327,562) (475,884)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 (96,098)		(61,636)		50,881	(106,853)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers In Transfers Out	 30,000 (1,886)		57,312 -		353,090	440,402 (1,886)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	 28,114		57,312		353,090	438,516
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES Purchase of Capital Assets	(12,198)		_		_	(12,198)
NET INCREASE (DECREASE) IN CASH	 (12,130)					(12,130)
AND EQUIVALENTS	(80,182)		(4,324)		403,971	319,465
CASH AND EQUIVALENTS, October 1, 2017	 87,773		203,335	1	,222,860	1,513,968
CASH AND EQUIVALENTS, September 30, 2018	\$ 7,591	\$	199,011	\$ 1	,626,831	\$1,833,433
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating Income (Loss) Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by	(33,033)		(21,014)		(296,678)	(350,725)
Operating Activities: Depreciation Changes in:	16,176		-		-	16,176
Due From Other Governments	2,577		(62,313)		-	(59,736)
Inventory	(25,641)		-		-	(25,641)
Deferred Outflows	5,055		(15,634)		684	(9,895)
Other Assets Accounts Payable & Accrued Liabilities	(93,096)		(25,967)		(618) 344,666	(618) 225,603
Net Pension Liability	3,713		38,635		945	43,293
Deferred Inflows	13,254		5,005		2,147	20,406
Compensated Absences OPEB Liability	2,000 12,897		15,000 4,652		- (265)	17,000 17,284
•	 12,031		7,002		(203)	17,204
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (96,098)	\$	(61,636)	\$	50,881	\$ (106,853)

#### **Fiduciary Funds**

#### Agency Funds

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

The County maintains the following Agency Funds:

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

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

<u>Tax Collector Agency Fund</u> – 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, 2018

	Clerk of the Circuit <u>Court</u>	<u>Sheriff</u>	Tax <u>Collector</u>	<u>Totals</u>
ASSETS Cash and Equivalents Receivables	\$ 1,371,403 	\$ 132,265 	\$ 1,669,580 222,380	\$3,173,248 222,380
TOTAL ASSETS	\$ 1,371,403	\$ 132,265	\$ 1,891,960	\$3,395,628
LIABILITIES Assets Held for Others	\$ 1,371,403	\$ 132,265	\$ 1,891,960	\$3,395,628

## Putnam County, Florida Combining Statement of Changes in Assets and Liabilities Agency Funds

### For the Year Ended September 30, 2018

	Balance October 1, <u>2017</u>	Additions	<u>Deductions</u>	Balance September 30, 2018
<b>CLERK OF THE CIRCUIT COURT</b>				
Assets:				
Cash and Equivalents	\$ 1,778,952	\$ 5,763,903	\$ 6,171,452	\$1,371,403
Liabilities:				
Assets Held for Others	\$ 1,778,952	\$ 11,532,081	\$ 11,939,630	\$1,371,403
SHERIFF				
Assets:				
Cash and Equivalents	\$ 101,562	\$ 1,080,910	\$ 1,050,207	\$ 132,265
Receivables	9,490		9,490	
Total Assets	111,052	1,080,910	1,059,697	132,265
Liabilities:				
Assets Held for Others	\$ 111,052	\$ 1,112,205	\$ 1,090,992	\$ 132,265
TAX COLLECTOR				
Assets:				
Cash and Equivalents	\$ 2,066,610	\$102,732,948	\$103,129,978	\$1,669,580
Receivables	159,085	19,154,985	19,091,690	222,380
Total Assets	\$ 2,225,695	\$121,887,933	\$122,221,668	\$1,891,960
Liabilities:				
Assets Held for Others	\$ 2,225,695	\$101,206,678	\$101,540,413	\$1,891,960
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash and Equivalents	\$ 3,947,124	\$109,577,761	\$110,351,637	\$3,173,248
Receivables	168,575	19,154,985	19,101,180	222,380
Total Assets	\$ 4,115,699	\$128,732,746	\$129,452,817	\$3,395,628
Liabilities:				
Assets Held for Others	\$ 4,115,699	\$113,850,964	\$114,571,035	\$3,395,628

### **Discretely Presented Component Unit**

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

## Putnam County Development Authority Statement of Net Position September 30, 2018

ASSETS:	
<u>CURRENT ASSETS</u>	
Cash and Equivalents	\$ 184,307
Investments in certificates of deposits	113,709
TOTAL CURRENT ASSETS	298,016
NONCURRENT ASSETS	
Non Depreciable Capital Assets	473,854
Depreciable Capital Assets, Net	77,471
TOTAL NONCURRENT ASSETS	551,325
TOTAL ASSETS	849,341
LIABILITIES:	
CURRENT LIABILITIES	
Accounts Payable and Accrued Liabilities	184
NET POSITION	
Net Investment in Capital Assets	551,325
Unrestricted	297,832
Officialities	201,002
TOTAL NET POSITION	\$ 849,157

## Putnam County Development Authority Statement of Revenues, Expenses and Changes in Fund Net Position For the Year Ended September 30, 2018

OPERATING REVENUES  Rent Bond Fees	\$ 10,508 85,150
TOTAL OPERATING REVENUES	 95,658
OPERATING EXPENSES Contractual Services	46,367
Other Operating Expenses	1,272
Depreciation Expense	3,956
TOTAL OPERATING EXPENSES	 51,595
OPERATING INCOME (LOSS)	 44,063
NON OPERATING DEVENIUES	
NON OPERATING REVENUES Interest Revenue	 442
CHANGE IN NET POSITION	44,505
NET POSITION, October 1, 2017	 804,652
NET POSITION, September 30, 2018	\$ 849,157

#### Putnam County Development Authority Statement of Cash Flows For the Year Ended September 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES  Receipts from Customers Payments to Suppliers	\$ 95,658 (47,639)
NET CASH PROVIDED BY OPERATING ACTIVITIES	 48,019
CASH FLOWS FROM INVESTING ACTIVITIES Interest on Investments	 215
CHANGE IN CASH AND EQUIVALENTS	48,234
CASH AND EQUIVALENTS, October 1, 2017	 136,073
CASH AND EQUIVALENTS, September 30, 2018	\$ 184,307
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES: Operating Income	\$ 44,063
Depreciation	 3,956
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 48,019
NONCASH INVESTING ACTIVITIES: Change in fair value of investments	\$ 227

## Putnam County, Florida Schedule of Expenditures of Federal Awards and State Financial Assistance For the Year Ended September 30, 2018

Federal Agency	Federal CFDA Number	Contract Number	Exp	enditures	Program <u>Total</u>	Expenditures to Subrecipients
DEPARTMENT. OF HOUSING & URBAN DEVELOPMENT						
Passed Through the State Dept. of Economic Opportunity						
Community Development Block Grant	14.228	16-DB-OK-04-64-01-H09	\$	77.788		
Community Development Block Grant	14.220	10-00-01-04-04-01-1109	Ψ	11,100		-
DEPARTMENT OF JUSTICE						
Asset Forfeiture Program-Equitable Sharing	16.922			28,853		
Passed Through Office of Attorney General:				-,		
Crime Victim Assistance	16.575	VOCA-2016_PCSO 0-00413		1,254		
Crime Victim Assistance	16.575	VOCA-2017_PCSO 0-00200		105,376	106,630	_
Passed Through Florida Coalition Against Domestic Violence:					,	
Violence Against Women Formula Grant	16.588	18-8023-LE-ENH		67,790		
Violence Against Women Formula Grant	16.588	19-8023-LE-ENH		21,525		
Violence Against Women Formula Grant	16.588	17STO69		15,000	104,315	_
Passed Through Bureau of Justice Assistance				-,	, , -	
Bulletproof Vest Partnership	16.607			6,779		-
DEPARTMENT OF TRANSPORTATION  Passed Through Florida Department of Transportation:  Highway Planning and Construction Cluster:						
- Ferry Landings	20.205	AQP01		192,469		
Highway Planning and Construction Cluster:						
- Sport Compelx	20.205	433996-1-38-01		56,529		
Highway Planning and Construction Cluster:		436033-1-58-01 and				
- Signage CR20A	20.205	436033-1-68-02		178,914	427,912	-
DEPARTMENT OF THE TREASURY						
Asset Forfeiture Program-Equitable Sharing	21.016			62,770		-
GENERAL SERVICES ADMINISTRATION  Passed Through State Department of Management Services:						
Federal Surplus Property	39.003			25,010		-
NATIONAL ENDOWMENT FOR THE HUMANITIES  Promotion of the Humanities Federal/State Partnership: - Prime Time Family Reading Time	45.129	CC_PT17_PUTNAM_1707		5,659		-

## Putnam County, Florida Schedule of Expenditures of Federal Awards and State Financial Assistance For the Year Ended September 30, 2018

Federal Agency	Federal CFDA <u>Number</u>	Contract <u>Number</u>	Expenditures	Program <u>Total</u>	Expenditures to <u>Subrecipients</u>
ELECTIONS ASSISTANCE COMMISSION  Passed Through Department of State, Division of Elections HAVA Title II Voting Systems Assistance	90.401 90.401 90.401 90.401	MOA 2012-2013-0001-PUT MOA 2015-2016-0006-PUT MOA 2018-2019-001-PUT MOA 2018-2019-002-PUT	7,081 25,555 87,180 13,587	133,403	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES  Passed Through State Department of Revenue:  Child Support Enforcement - Title IV-D Reimbursements	93.563	CSS90/1804FLCSES	220,655		-
EXECUTIVE OFFICE OF THE PRESIDENT  Office of National Drug Control and Policy Passed Through St. Johns County, Florida: High Intensity Drug Trafficking (HIDTA) HIDTA - DEA Task Force Overtime	95.001 95.001	G17NF0001A DEAOTF	910 18,042	18,952	-
DEPARTMENT OF HOMELAND SECURITY  Passed Through State Division of Emergency Management: Disaster Grants - Public Assist Hurricane Matthew Disaster Grants - Public Assist Hurricane Irma Disaster Grants - Public Assist Hurricane Irma Disaster Grants - Public Assist Hurricane Irma Emergency Management Performance Grants Emergency Management Performance Grants Homeland Security Grant Program - WebEOC Project	97.036 97.036 97.036 97.036 97.042 97.042 97.042	17-PA-U504-64-02-262 17-PA-U504-64-15-184 PA-00-04-64-02-042 8402F/Z0005 18-FG-7A-04-64-01-150 19-FG-AF-04-64-01-120 17-DS-V4-04-64-01-338	1,077,497 90,351 3,667,692 252,820 39,716 11,132 41,535	5,088,360	- - -
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 6,399,469	:	\$ -

### Putnam County, Florida Schedule of Expenditures of Federal Awards and State Financial Assistance For the Year Ended September 30, 2018

State Agency	CSFA <u>Number</u>	Contract <u>Number</u>	Expenditures	Project <u>Total</u>	Expenditures to Subrecipients
EXECUTIVE OFFICE OF THE GOVERNOR					
Division of Emergency Management					
Emergency Management Program	31.063	18-BG-W9-04-64-01-126	\$ 91,161		
Emergency Management Program	31.063	19-BG-21-04-64-01-047	2,665	93,826	\$ -
DEPARTMENT OF ENVIRONMENTAL PROTECTION					
Small County Consolidated Grants	37.012	SC827	90,909		-
Florida Recreation Dev. Assistance Program	37.017	FRDAP #A17094/A7094	50,000		
Statewide Surface Water Restoration & Wastewater	07.000	L DE 1004	00.470		
Projects: Dog Branch Creek	37.039	LP54061	90,479		-
DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICE	ES				
Mosquito Control - State Aid	42.003	24755	32,468		-
FLORIDA DEPARTMENT OF FINANCIAL SERVICES					
Direct Assistance - Local Gov't Fire Service Grant	43.007	2372A/FM390	96,820		
DEPARTMENT OF STATE AND SECRETARY OF STATE					
State Aid to Libraries	45.030	18-ST-53	217,800		-
FLORIDA HOUSING FINANCE CORPORATION					
State Housing Initiatives Program	52.901	2013 - 2014	100,336		
State Housing Initiatives Program	52.901	2014 - 2015	38,590		
State Housing Initiatives Program	40.901	2015 - 2016	(74,798)		
State Housing Initiatives Program	40.901	2016 - 2017	7,257		
State Housing Initiatives Program	40.901	2017 - 2018	5,948	77,333	-
DEPARTMENT OF TRANSPORTATION					
Small County Outreach Program - Holloway Rd	55.009	430700-1-58-01	925,114		
Small County Outreach Program - Ft. Gates Ferry Rd	55.009	433032-1-58-01	81,624		
Small County Outreach Program - Ashley Lake Blvd	55.009	436460-1-54-01	118,956		
Small County Outreach Program - Lake Susan Rd	55.009	435331-2-54-01	665,386		
Small County Outreach Program - East Towles Rd	55.009	442645-1-54-01 440003-1-54-01	133,953	4.050.075	
Small County Outreach Program - St. Johns Ave. Transportation Regional Incentive Program:	55.009	440003-1-54-01	27,642	1,952,675	-
- Resurface CR216	55.026	434551-54-01	1,364,674		-
DEPARTMENT OF HEALTH					
Florida EMS County Grant Program	64.005	C5054	2.026		
Florida EMS County Grant Program	64.005	C6054	4,012	6,038	
, ,	04.000	C0034	4,012	0,036	-
DEPARTMENT OF MANAGEMENT SERVICES					
E911 State Grant Program	72.002	17-11-18	89,285		
E911 State Grant Program	72.002	S10-17-12-10	194,458	283,743	
Prepaid Next Generation 911 (NG911) State Grant Prog.	72.003	S11-18-05-20	93,241		-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE		-	\$ 4,450,006		\$ -

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, 2018

#### 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, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General.

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

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### NOTE 3 – INDIRECT COST RATE

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

#### NOTE 4 – SUBRECIPIENTS

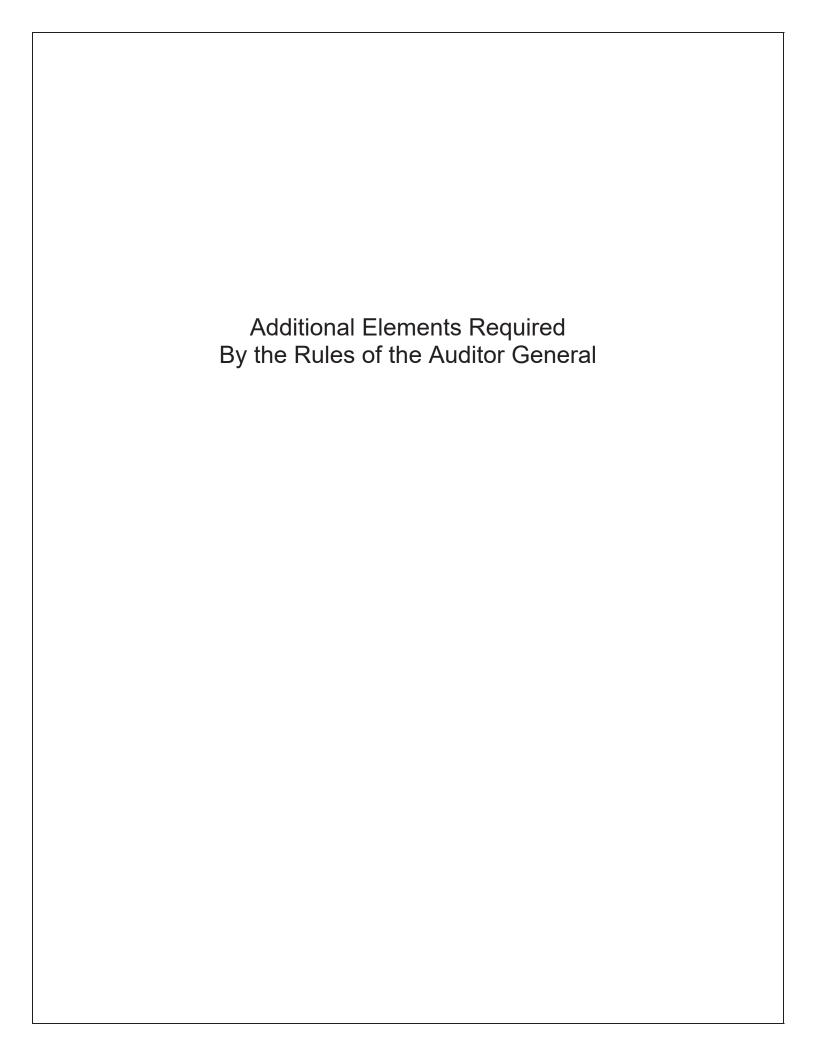
The County did not provide federal or state awards to sub-recipients.

#### NOTE 5 - PRIOR YEAR EXPENDITURES

Expenditures of \$1,167,848 for Hurricane Matthew were incurred in a prior year and expenditures of \$761,908 for Hurricane Irma were incurred in a prior year.

#### NOTE 6 - OTHER

The County does not participate in any loan or loan guarantee programs, nor did the County receive any non-cash federal or state assistance in fiscal year 2018.





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

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

#### MANAGEMENT LETTER

The Honorable 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, 2018, and have issued our report thereon dated March 29, 2019. 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. Prior year findings 2017-002 and 2017-003 are repeated as 2018-001 and 2018-003, respectively. The County corrected prior year finding 2017-001.

#### **Financial Condition**

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

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

#### **Other Matters**

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

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

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

Palatka, Florida

Caux Rigge & Ingram, L.L.C.

March 29, 2019



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#### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415. FLORIDA STATUTES

The Honorable County Commissioners Putnam County, Florida

We have examined the Putnam County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, during the year ended September 30, 2018. 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, 2018.

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.

Palatka, Florida

Can, Rigge & Ingram, L.L.C.





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

The Honorable County Commissioners Putnam County, Florida

We have examined Putnam County, Florida's (the "County") compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2018. 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, 2018.

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.

Palatka, Florida March 29, 2019

Can, Rigge & Ingram, L.L.C.





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

The Honorable County Commissioners Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 29, 2019.

#### **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 2018-001 and 2018-002, which we consider to be significant deficiencies.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we did note an immaterial instance of noncompliance that is reported in the accompanying schedule of findings as item 2018-003.

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

#### The County's Response to Finding

Can Rigge & Ingram, L.L.C.

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.

Palatka, Florida

March 29, 2019





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

The Honorable County Commissioners Putnam County, Florida

#### Report on Compliance for Each Major Federal Program and State Project

We have audited Putnam County, Florida's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2018. The County's major federal program and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

#### Management's Responsibility

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

#### Auditors' Responsibility

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

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

#### Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2018.

#### 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.

Palatka, Florida

Can Rigge & Ingram, L.L.C.

March 29, 2019

#### Schedule of Findings and Questioned Costs

#### SECTION I – SUMMARY OF AUDITORS' RESULTS

- (i) The independent auditors' 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 auditors' report on compliance for each major federal program and state project expressed an unmodified opinion.
- (vi) The audit did not disclose findings relative to major federal programs or majore state project.
- (vii) The County's major federal program and major state projects were:

Federal Programs	Federal CFDA Number
Disaster Grants-Public Assistance	97.036
State Projects	State CFSA Number
Small County Outreach Program E911 State Grant Program	55.009 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**

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

2018-001

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

**Condition:** The County's IT controls relative to financial reporting systems do currently provide reasonable assurance that a risk of material misstatement would not occur as a result of an IT control. However, certain additional IT controls should be strengthened. As of February 21, 2019: 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.

2018-002

**Criteria:** Adequate controls should be in place to allow management or personnel, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements in a timely basis. The basic premise is that no one individual should have access to both physical assets and the related accounting records or to all phases of a transaction.

**Condition:** An East Putnam water billing employee is responsible for posting activity to customer accounts and recording adjustments in the financial reporting functions, however, there is no evidence of approval or review of these procedures.

Cause: Adequate controls were not in place to evidence proper separation of duties.

**Effect:** Absence of approval or review of procedures could result in intentional or unintentional errors being made and not being detected.

**Recommendation:** After transactions are posted or adjustments are made, the billing reports should be reviewed by someone other than the water billing employee and the reviewer should provide evidence of their approval.

Views of responsible officials: See accompanying corrective action plan.

#### Schedule of Findings and Questioned Costs

(Similar item reported in previous audit report as item 2017-003)

2018-003

**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.

SECTION III – FINDINGS AND QUESTIONED COSTS - FEDERAL PROGRAMS

-None -

SECTION IV – FINDINGS AND QUESTIONED COSTS - STATE PROJECTS

-None -

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

### PRIOR AUDIT 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.

**Corrective Action Plan:** 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 submission of annual reports.

Status 2018: Finding repeated as 2018-003.



#### **BOARD OF COUNTY COMMISSIONERS**

BILL PICKENS District 1 JEFF RAWLS
District 2

TERRY TURNER
District 3

LARRY HARVEY District 4 BUDDY GODDARD District 5

March 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, 2018. The responses are keyed to the numbering of the Schedule of Findings:

2018-001 County administration is currently evaluating IT procedures, risks, and back up policies to ensure the availability and stability of financial data.

2018-002 The County will review water billing and adjustment procedures to evaluate and strengthen controls.

2018-003 The County contracted with a new administrator, Guardian Community Resource Management, for the SHIP Program beginning July 1, 2018. Since that time, Guardian has updated Putnam's client case files and begun construction on applicant homes. Once construction is complete and the 2014/2015 funds are fully spent, Guardian will submit the closeout report to Florida Housing Finance Corporation. The County is actively monitoring the progress of the program administrator to ensure compliance and timely submission of annual reports.

Sincerely,

Terry Suggs

County Administrator

### Putnam County Clerk of the Circuit Court

**Audit Report** 

**September 30, 2018** 



#### Putnam County Clerk of the Circuit Court September 30, 2018

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

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#### INDEPENDENT AUDITORS' REPORT

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

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

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Putnam County Clerk of the Circuit Court (the "Office") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

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

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

#### Auditors' Responsibility

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

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2018, and the changes in financial position, where applicable, thereof where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major funds, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

#### **Other Matters**

#### Required Supplementary Information

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

#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The combining statement of fiduciary net position is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2019 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Palatka, Florida

Can, Rigge & Ingram, L.L.C.

March 14, 2019

#### Putnam County Clerk of the Circuit Court Notes to Financial Statements

### Putnam County Clerk of the Circuit Court

#### Balance Sheet - Governmental Funds

As of September 30,									2018
	(	General Fund		Court Fund	-	Records dernization Fund	Article V Records Modernization Fund	Go	Total overnmental Funds
Access									
Assets	Φ	040 204	φ	4E2 040	Φ	207.042	¢ 1 11E 04E	Φ	2 767 002
Equity in pooled cash and equivalents  Accounts receivable	\$	910,324	\$	453,810	\$	287,013	\$ 1,115,945	ф	2,767,092
		3,347		7,520 868		-	-		10,867
Due from other governments Other assets		49,423		000		-	-		50,291
Other assets		10,214					-		10,214
Total assets	\$	973,308	\$	462,198	\$	287,013	\$ 1,115,945	\$	2,838,464
Liabilities and fund balances Liabilities: Accounts payable and accrued liabilities Due to other county agencies Due to other governments Customer deposits  Total liabilities	\$	408,006 49,741 417,897 97,664	\$	37,670 14,540 192,947 211,087	\$	662 662	\$ - - - -	\$	446,338 64,281 610,844 308,751
rotal liabilities		373,300		750,277		002			1,400,214
Deferred Inflows of Resources Revenues - unavailable		-		5,954		-	-		5,954
Fund Balances: Restricted:									
Restricted for records modernization		-		-		286,351	-		286,351
Restricted for court-related technology and program enhancements	'	-		-		-	1,115,945		1,115,945
Total fund balances		-		-		286,351	1,115,945		1,402,296
Total liabilities, deferred inflows and fund balances	\$	973,308	\$	462,198	\$	287,013	\$ 1,115,945	\$	2,838,464

See accompanying notes.

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

For the Year Ended September 30,					2018
	General Fund		Records Modernization Fund	Article V Records Modernization Fund	Total Governmental Funds
Revenues					
Intergovernmental	\$ 202,112	\$ 913,246	\$ -	\$ -	\$1,115,358
Charges for services	497,172	729,013	31,643	89,324	1,347,152
Fines and forfeitures	-	153,683	-	-	153,683
Interest	12,214	2,434	1,705	5,588	21,941
Other miscellaneous revenue	9,410	2,001	-	-	11,411
Total revenues	720,908	1,800,377	33,348	94,912	2,649,545
Expenditures Current:					
General government services	1,896,019	-	41,082	_	1,937,101
Court related	330,979	1,776,811	-	-	2,107,790
Total expenditures	2,226,998	1,776,811	41,082	-	4,044,891
Excess of revenues over (under) expenditures	(1,506,090)	23,566	(7,734)	94,912	(1,395,346)
Other financing sources (uses)					
Appropriation from board of county					
commissioners	1,555,831	-	-	-	1,555,831
Budget appropriation reverted to					
board of county commissioners	(49,741)	-	-	-	(49,741)
Reversion to the clerks of court					
operations corporation	-	(23,566)	_	-	(23,566)
Total other financing sources (uses)	1,506,090	(23,566)	<u> </u>		1,482,524
Net change in fund balances	-	-	(7,734)	94,912	87,178
Fund balances - October 1, 2017	-	-	294,085	1,021,033	1,315,118
Fund balances - September 30, 2018	\$ -	\$ -	\$ 286,351	\$ 1,115,945	\$1,402,296

See accompanying notes.

## Statement of Fiduciary Net Position

As of September 30,	2018
	Agency Funds
Assets Equity in pooled cash and equivalents	\$ 1,371,403
Liabilities Assets held for others	1,371,403
Net position	\$

See accompanying notes.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

## Reporting Entity

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

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

#### Basis of Presentation

The Office's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to those government-wide financial statements, management's discussion and analysis, or the pension or other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Fund Accounting**

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

The Office reports the following major governmental funds:

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

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

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

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

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

The Office also reports the following fiduciary fund:

<u>Agency Funds</u> – Agency Funds are used to account for assets held in a custodial capacity.

#### Fund Balance

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

Fund balance classifications are described below:

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

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

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

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

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

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

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

## Measurement Focus/Basis of Accounting

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

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

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

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

## Capital Assets and Long-Term Liabilities

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

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

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

## **Equity in Pooled Cash and Equivalents**

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

#### Deferred Inflows of Resources

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

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make various estimates. Actual results could differ from those estimates.

#### **NOTE 2 – DEPOSITS AND INVESTMENTS**

## Deposits

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

## **Investments**

The Office has adopted an investment policy pursuant to Section 218.415, Florida Statutes, which allows for surplus funds to be invested in the following:

- a. The Local Government Surplus Funds Trust fund (the "State Pool") or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes,
- b. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- c. Interest bearing time deposits and savings accounts in state-certified qualified public depositories.
- d. Direct obligations of the U.S. Treasury.

## NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

At September 30, 2018, surplus funds are invested in Florida Cooperative Liquid Assets Securities System (FLCLASS) which is an intergovernmental investment pool authorized per Section 218.415, Florida Statutes. FLCLASS is administered by Public Trust Advisors, LLC, who provides regulatory oversight.

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

## Investment in FLCLASS

The Office's investments in FLCLASS are included in Equity in Pooled Cash and Equivalents in the accompanying financial statements. At year-end the Office had \$316,579 invested in Florida Cooperative Liquid Assets Securities System (FLCLASS).

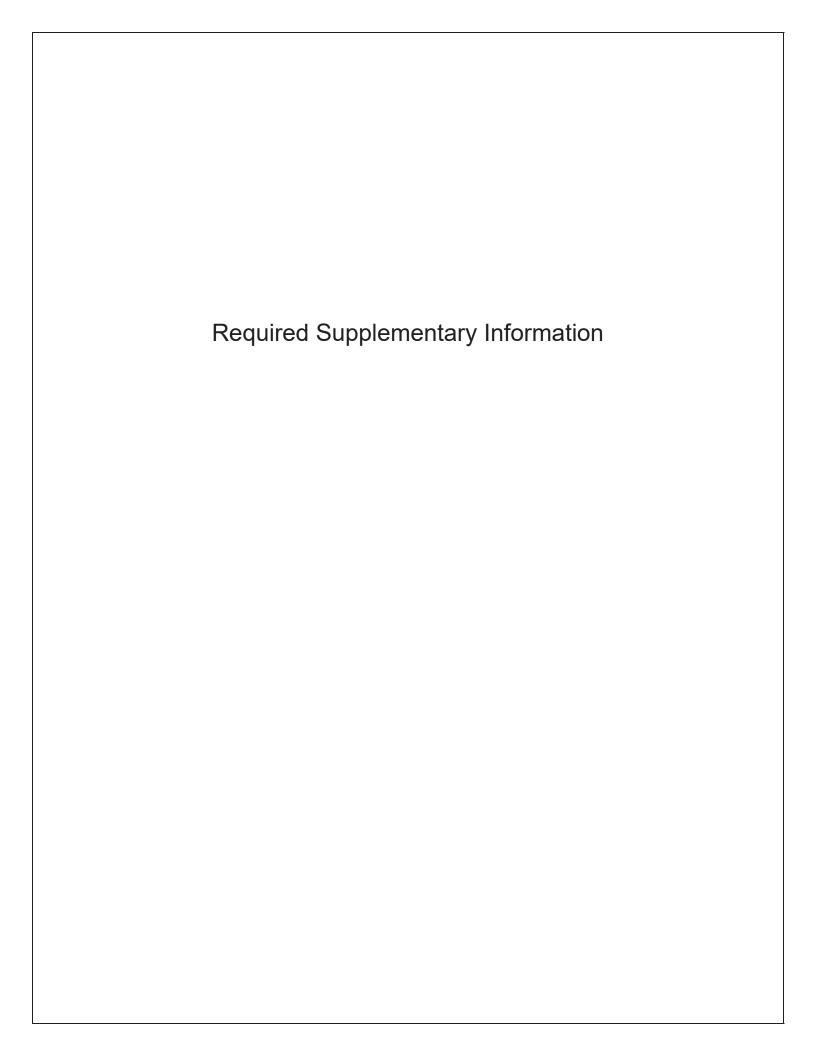
The Office's investment in FLCLASS exposes it to credit risk. The Office does not have a formal investment policy relating to this risk, which is hereafter described.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations. FLCLASS is rated by Standard and Poor's Global Ratings and has a rating at September 30, 2018 of AAAm.

Interest Rate Risk – The risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. In accordance with its investment policy, the Office manages its exposure to declines in fair values by limiting the maturity of investments to less than five years. Additionally, the investment policy requires the portfolio to be diversified by type of investment, issuer, and dates of maturity in order to protect against fluctuations in the market economy. The weighted average days to maturity (WAM) of FLCLASS at September 30, 2018 is 50 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of FLCLASS at September 30, 2018 is 72 days.

#### **NOTE 3 – RISK MANAGEMENT**

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



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

For the Year Ended September 30,				2018
				Variance
		d Amounts		With Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental	\$ 350,142	\$ 350,142	\$ 202,112	\$ (148,030)
Charges for services	355,000	355,000	497,172	142,172
Interest	1,200	1,200	12,214	11,014
Other miscellaneous revenue	12,000	12,000	9,410	(2,590)
Total revenues	718,342	718,342	720,908	2,566
Expenditures				
Current:				
General government services	1,999,495	1,999,495	1,896,019	103,476
Court related	274,678	274,678	330,979	(56,301)
Total expenditures	2,274,173	2,274,173	2,226,998	47,175
Excess of revenues over				
(under) expenditures	(1,555,831)	(1,555,831)	(1,506,090)	49,741
Other financing sources (uses)				
Appropriation from board of county				
commissioners	1,555,831	1,555,831	1,555,831	_
Budget appropriation reverted to board of	1,000,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1,000,001	
county commissioners	-		(49,741)	(49,741)
Total other financing sources (uses)	1,555,831	1,555,831	1,506,090	(49,741)
Net change in fund balances	-	-	-	-
Fund balances - October 1, 2017	-	-	-	-
Fund balances - September 30, 2018	\$ -	\$ -	\$ -	\$ -

Notes to Schedule:

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

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

For the Year Ended September 30,						2018
						Variance
		Budgeted	d Amo			With Final
	(	Original		Final	Actual	Budget
Revenues						
Intergovernmental	\$	937,570	\$	937,570	\$ 913,246	\$ (24,324)
Charges for services		713,470		713,470	729,013	15,543
Fines and forfeitures		146,968		146,968	153,683	6,715
Interest		360		360	2,434	2,074
Other miscellaneous revenue		420		420	2,001	1,581
Total revenues		1,798,788		1,798,788	1,800,377	1,589
Expenditures						
Current:						
Court related	,	1,798,788		1,798,788	1,776,811	21,977
Excess of revenues over						
(under) expenditures		-		-	23,566	23,566
Other financing sources (uses)						
Reversion to the Clerks of court						
operations corporation		-		-	(23,566)	(23,566)
Net changes in fund balances						
Het changes in fully balances		-		-	-	-
Fund balances - October 1, 2017		-		-		

#### Notes to Schedule:

Fund balances - September 30, 2018

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

\$

\$

\$

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

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

For the Year Ended September 30,				2018			
		d Amounts		With Final			
	Original	Final	Actual	Budget			
Revenues							
Charges for services	\$ 32,000	\$ 32,000	\$ 31,643	\$ (357)			
Interest	500	500	1,705	1,205			
Total revenues	32,500	32,500	33,348	848			
Expenditures Current:							
General government services	74,000	74,000	41,082	32,918			
Excess of revenues over (under) expenditures	(41,500)	(41,500)	(7,734)	33,766			
Fund balances - October 1, 2017	41,500	41,500	294,085	252,585			
Fund balances - September 30, 2018	\$ -	\$ -	\$ 286,351	\$ 286,351			

## Notes to Schedule:

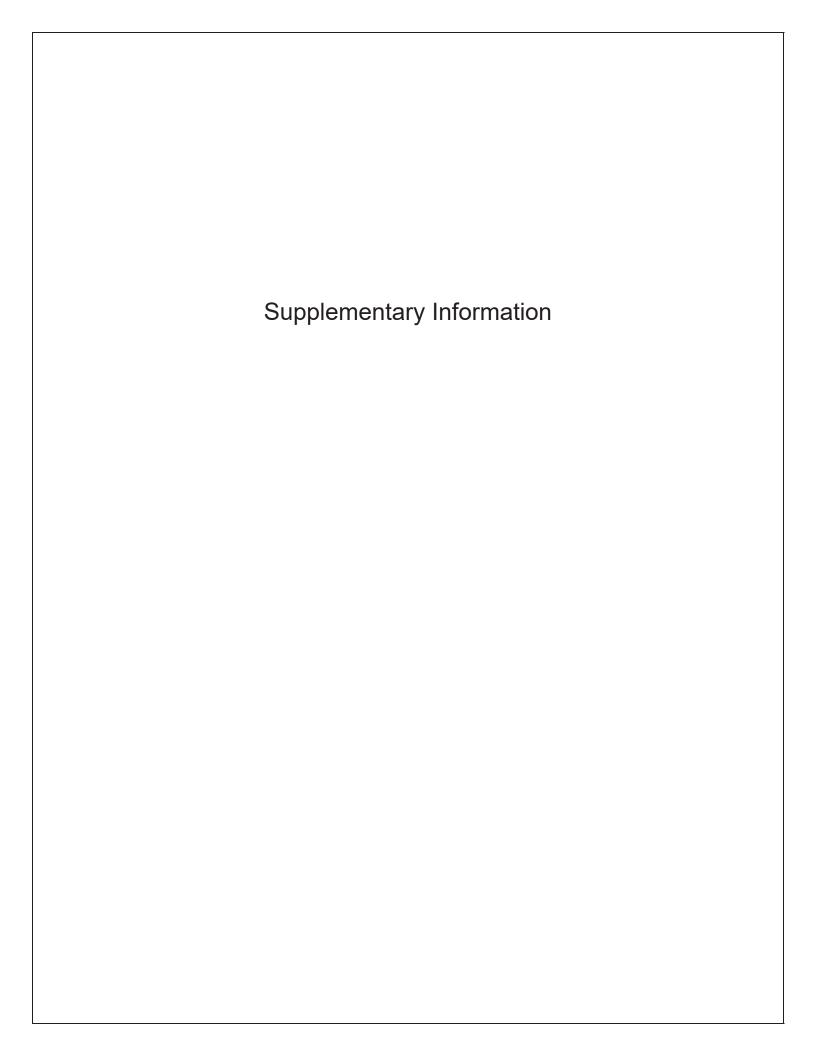
The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

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

For the Year Ended September 30,								2018
	Budgeted Amounts							ariance ith Final
	(	Original		Final		Actual	E	Budget
Revenues								
Charges for services Interest	\$	86,000 1,200	\$	86,000 1,200	\$	89,324 5,588	\$	3,324 4,388
Total revenues		87,200		87,200		94,912		7,712
Expenditures Current:								
Court related		176,211		176,211		-		176,211
Excess of revenues over (under)		(00.044)		(00.044)		04.040		400.000
expenditures		(89,011)		(89,011)		94,912		183,923
Fund Balances - October 1, 2017		89,011		89,011	1	,021,033		932,022
Fund Balances - September 30, 2018	\$	_	\$	_	\$1	,115,945	\$1	,115,945

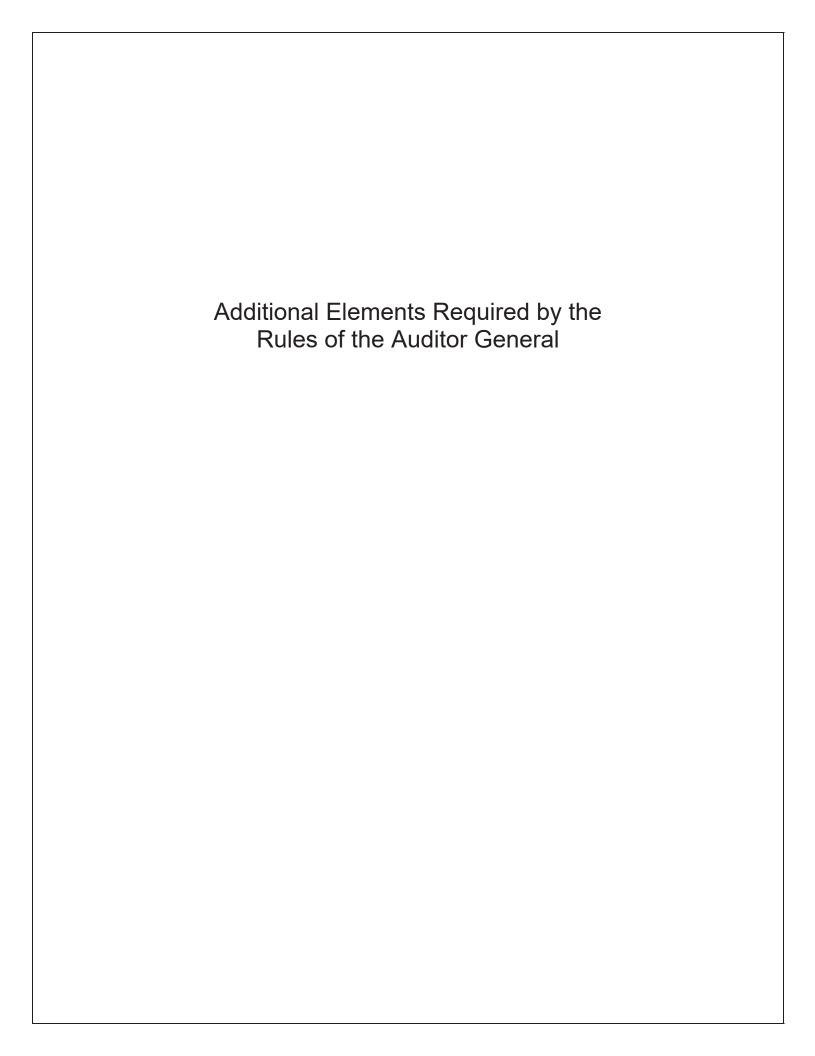
## Notes to Schedule:

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



## Combining Statement of Fiduciary Net Position Agency Funds

As of September 30,			2018
	Circuit Court Trust Fund	Jury and Witness Fund	Total Agency Funds
Assets Equity in pooled cash and equivalents	\$ 1,347,04	5 \$ 24,358	\$ 1,371,403
Liabilities Assets held for others	1,347,04	5 24,358	1,371,403
Net position	\$	- \$ -	\$





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

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

#### **MANAGEMENT LETTER**

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

We have audited the financial statements of the office of the Putnam County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2018, and have issued our report thereon dated March 14, 2019. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

## **Prior Audit Findings**

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. These requirements of the Rules of the Auditor General are addressed in the accompanying Schedule of Findings. The Office corrected prior year finding 2017-002.

#### **Other Matters**

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

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

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

Palatka, Florida

Can, Rigge & Ingram, L.L.C.

March 14, 2019





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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Putnam County Clerk of the Circuit Court (the "Office"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated March 14, 2019.

#### **Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

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

However, we noted a matter that we reported to management in the schedule of findings as item 2018-002

## The Office's Response to Findings

Can Rigge & Ingram, L.L.C.

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

## **Purpose of this Report**

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

Palatka, Florida

March 14, 2019





## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

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

We have examined the office of the Putnam County Clerk of Court's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2018. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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.

Palatka, Florida

Can Rigge & Ingram, L.L.C.

March 14, 2019





#### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

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

We have examined the office of the Putnam County Clerk of Court's (the "Office"), compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2018. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018. However, we did note an immaterial instance of noncompliance as reported in the schedule of findings as item 2018-001.

The Office's response to item 2018-001 is described in its accompanying letter of response. The Office's response was not subjected to the examination procedures applied in the examination of compliance with Sections 28.35 and 28.36, Florida Statutes, and, accordingly, we express no opinion on it.

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

Cau, Rigge & Ingram, L.L.C. Palatka, Florida March 14, 2019





#### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

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

We have examined the Office of the Putnam County Clerk of Court's compliance with the requirements of Section 61.181, Florida Statutes, Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees, during the year ended September 30, 2018. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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.

Palatka, Florida March 14, 2019

Can Rigge & Ingram, L.L.C.

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## **Schedule of Findings**

2018-001 (A similar finding was reported in previous audit reports as items 2017-001 and 2016-001.)

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

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

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

Cause: External factors, including poor demographics.

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

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

2018-002 Criteria: The Putnam County Board of County Commissioners' P-Card Policy, which is followed by the Clerk's Office, prohibits the use of the P-Cards for food and fuel purchases.

Condition: During audit procedures, two instances were noted where the P-cards were used to purchase items, including food for jurors and fuel for County travel, which are considered to be unauthorized purchases under the terms of the P-Card policy as followed by the Clerk's Office.

Cause: The Office did not follow the P-Card policy in place.

Effect: Purchases totaling \$48 were not in compliance with the P-Card Policy in place.

Recommendation: The Office should consider adopting a policy specific to the Office and ensure users are following the policy in place.



March 14, 2019

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

SUBJECT:

CORRECTIVE ACTION PLAN FOR CURRENT AUDIT FINDINGS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

Dear Mrs. Norman:

The following statements are submitted in response to the Putnam County Clerk of the Circuit Court Audit Report for the fiscal year ending September 30, 2018. The responses are keyed to the numbering of the Schedule of Findings:

18-001 Collection standards were not met for several reasons which cannot be controlled by the Clerk's office:

- Putnam County is a rural county with no interstate highway system that provides many counties with a high number of civil traffic infractions which have a high rate of collection.
- The Judiciary in Putnam County has issued orders converting fines which are not paid within 90 days to civil liens, which in many cases, means to the defendant that they don't have to pay it because they don't care about liens.
- There have been high fine amounts assessed on high profile drug cases in which the defendant is incarcerated for long sentences which result in high non-collection rates due to no ability to collect from prisoners.
- The collection standards were set many years ago and have not been modified to reflect a measure of effort.

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

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

18-002 The Clerk's office will develop its own P-Card Policy for purchases needed to meet the business needs of the Clerk's office.

Sincerely,

Tim Smith

Clerk of Circuit Court

In I mith

**Audit Report** 

**September 30, 2018** 



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#### INDEPENDENT AUDITORS' REPORT

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

## **Report on the Financial Statements**

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the office of the Putnam County Sheriff (the "Office") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

## Management's Responsibility for the Financial Statements

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

## Auditors' Responsibility

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

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Office as of September 30, 2018, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

#### **Other Matters**

## Required Supplementary Information

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

## Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The combining statement of fiduciary net position-agency funds is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2019, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Palatka, Florida

February 28, 2019

Can, Rigge & Ingram, L.L.C.

## Balance Sheet – Governmental Funds September 30, 2018

	(	General Fund		Commissary Fund		orfeiture Fund onmajor)	Total Governmental Funds		
Assets									
Cash and equivalents	\$	593,964	Ś	375,000	Ś	46,608	\$	1,015,572	
Accounts receivable	'	759		49,949		-	•	50,708	
Due from other funds		_		, -		94,892		94,892	
Other assets		3,221		_				3,221	
Total assets	\$	597,944	\$	424,949	\$	141,500	\$	1,164,393	
Liabilities and fund balances									
Liabilities:									
Accounts payable and accrued									
liabilities	\$	288,235	\$	40,706	\$	-	\$	328,941	
Due to other funds		94,892		-		-		94,892	
Due to other county agencies		196,014		-		-		196,014	
Total liabilities		579,141		40,706		_		619,847	
Fund balances:									
Restricted for law enforcement		18,803		_		141,500		160,303	
Committed for inmate benefits				384,243		-		384,243	
Committee for initiate benefits				304,243				304,243	
Total fund balances		18,803		384,243		141,500		544,546	
Total liabilities and fund balances	\$	597,944	\$	424,949	\$	141,500	\$	1,164,393	

# Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds Year ended September 30, 2018

	General Fund	Commissary Fund		Forfeiture Fund (Nonmajor)		Go	Total overnmental Funds
Revenues							
Fines and forfeitures	\$ 9,624	Ś	_	\$	100,481	Ś	110,105
Miscellaneous revenue	49,498	•	700,054		-		749,552
Total revenues	59,122		700,054		100,481		859,657
Expenditures							
Current:							
Public safety	20,022,948		676,449		91,623		20,791,020
Court related	559,108		-		-		559,108
Total expenditures	20,582,056		676,449		91,623		21,350,128
Excess of revenues over (under) expenditures	(20,522,934)		23,605		8,858		(20,490,471)
Other financing sources (uses)							
Appropriation from board of county commissioners	20,718,469		-		-		20,718,469
Reversion to board of county commissioners	(194,724)		-		-		(194,724)
Total other financing sources (uses)	20,523,745		-		-		20,523,745
Net change in fund balances	811		23,605		8,858		33,274
Fund balances – October 1, 2017	17,992		360,638		132,642		511,272
Fund balances – September 30, 2018	\$ 18,803	\$	384,243	\$	141,500	\$	544,546

## **Statement of Fiduciary Net Position As of September 30, 2018**

	Agency Funds
Assets	
Cash and equivalents	\$ 132,265
Liabilities	
Assets held for others	132,265
Net position	\$ -

## **Notes to Financial Statements**

#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

## **Reporting Entity**

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

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

## **Basis of Presentation**

The Office's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management's discussion and analysis, or the pension or the other postemployment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Fund Accounting**

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

The Office reports the following major governmental funds:

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

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

The Office also reports the following fiduciary fund type:

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

## **Notes to Financial Statements**

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

#### **Fund Balance**

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

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

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

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

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

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

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

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

#### Measurement Focus/Basis of Accounting

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

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

## **Notes to Financial Statements**

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. For this purpose, the Office considers revenues available if they are collected within sixty days of the end of the current fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

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

## **Cash and Equivalents**

Cash and Equivalents consist of deposits placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security for Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely insured or collateralized throughout the fiscal year.

#### **Accounts Receivable**

The Office considers accounts receivable to be fully collectible and no allowance for doubtful accounts is provided.

#### Capital Assets and Long-Term Liabilities

Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

## **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make various estimates. Actual results could differ from those estimates.

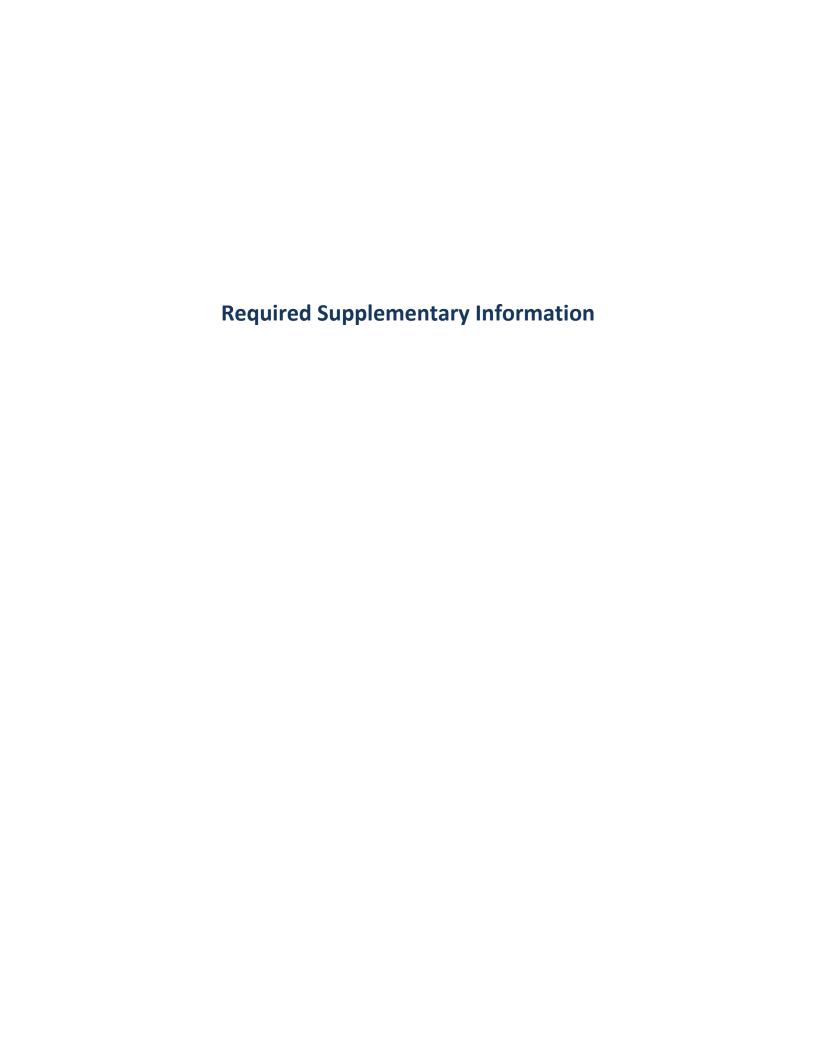
#### **NOTE 2 – RISK MANAGEMENT**

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

The Office also participates in the Florida Sheriff's self-insurance fund for risk related to professional liability and certain tangible personal property. For the past three years, there have been no insurance settlements significantly in excess of insurance coverage.

#### **NOTE 3 – CONTINGENCIES**

The Office is involved in claims in the normal course of operations. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.



# Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - General Fund Year ended September 30, 2018

		D. d. d. d.				Variance	
		Budgeted iginal	An	rounts Final		Actual	With Final Budget
	- 01	igiiiai		Tillai		Actual	Duuget
Revenues							
Fines and forfeitures	\$	2,000	\$	9,623	\$	9,624	\$ 1
Miscellaneous revenues		-		-		49,498	49,498
Total revenues		2,000		9,623		59,122	49,499
Expenditures							
Current:							
Public safety	19,	,498,532		20,179,687		20,022,948	156,739
Court related		548,405		548,405		559,108	(10,703)
Total expenditures	20,	,046,937		20,728,092		20,582,056	146,036
Excess of revenues over (under)							
expenditures	(20	,044,937)		(20,718,469)		(20,522,934)	195,535
Other financing sources (uses)							
Appropriation from board of county commissioners	20,	,044,937		20,718,469		20,718,469	-
Reversion to board of county						(104.724)	(104.724)
commissioners		-		-		(194,724)	(194,724)
Total other financing sources (uses)	20,	,044,937		20,718,469		20,523,745	(194,724)
Net change in fund balances		-		-		811	811
Fund balances - October 1, 2017		_	_	_	_	17,992	17,992
Fund balances - September 30, 2018	\$	-	\$	-	\$	18,803	\$ 18,803

Notes to Schedule:

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

#### **Putnam County Sheriff**

# Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Commissary Fund Year ended September 30, 2018

				Variance	
	Budgete	d Amounts		With Final	
	Original	Original Final		Budget	
Revenues					
Miscellaneous revenue	\$ 523,546	\$ 700,053	\$ 700,054	\$ 1	
Expenditures					
Current:					
Public safety	523,546	700,053	676,449	23,604	
Excess of revenues over (under)					
expenditures	-	-	23,605	23,605	
Fund balances - October 1, 2017	-	-	360,638	360,638	
Fund balances - September 30, 2018	\$ -	\$ -	\$ 384,243	\$ 384,243	

#### Notes to Schedule:

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



## **Putnam County Sheriff**

# Combining Statement of Fiduciary Net Position Agency Funds As of September 30, 2018

	Inmate Bank Fund		Trust Fund		Total Agency Funds
Assets Cash and equivalents	\$ 66,075	\$	66,190	\$	132,265
Liabilities  Assets held for others	66,075		66,190		132,265
Net position	\$ -	\$	-	\$	

## Additional Elements Required by the Rules of the Auditor General



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

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

#### **MANAGEMENT LETTER**

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

We have audited the financial statements of the office of the Putnam County Sheriff (the "Office"), as of and for the year ended September 30, 2018, and have issued our report thereon dated February 28, 2019. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

#### **Prior Audit Findings**

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

#### **Other Matters**

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

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

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

Palatka, Florida

February 28, 2019

Can Rigge & Ingram, L.L.C.





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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the office of the Putnam County Sheriff (the "Office"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 28, 2019.

#### **Internal Control Over Financial Reporting**

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

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

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

#### **Compliance and Other Matters**

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

#### **Purpose of this Report**

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

Palatka, Florida

February 28, 2019

Can Rigge & Ingram, L.L.C.





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#### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

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

We have examined the Putnam County Sheriff's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2018. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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.

Cau, Rigge & Ingram, L.L.C. Palatka, Florida

February 28, 2019



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



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

February 28, 2019

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

Dear Ms. Norman:

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

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

Respectfully,

Sheriff



**Audit Report** 

**September 30, 2018** 



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#### INDEPENDENT AUDITORS' REPORT

The Honorable Linda Myers Tax Collector Putnam County, Florida

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

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of the office of the Putnam County Tax Collector (the "Office") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

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

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

#### Auditors' Responsibility

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

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Office as of September 30, 2018, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

#### **Other Matters**

#### Required Supplementary Information

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

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25 2019, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Cau, Rigge & Ingram, L.L.C.

Palatka, Florida March 25, 2019

## Balance Sheet – Governmental Funds September 30, 2018

	General Fund
Assets	
Equity in pooled cash	\$ 549,265
Due from other county agencies	14,993
Due from other governments	1,671
Other assets	2,494
Total assets	\$ 568,423
Liabilities	
Accounts payable and accrued liabilities	\$ 49,969
Due to other county agencies	489,763
Due to other governments	 8,142
Total liabilities	547,874
Deferred inflows of resources	
Collections made in advance	20,549
Fund balance	
Total liabilities, deferred inflows of resources and fund balance	\$ 568,423

# Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds Year ended September 30, 2018

	General
	Fund
Revenues	
Charges for services	\$ 2,701,175
Miscellaneous revenue	10,783
Total revenues	2,711,958
Expenditures	
Current:	
General government services	2,222,195
Excess of revenues over expenditures	489,763
Other financing uses	
Reversion to board of county commissioners	(489,763)
Net change in fund balance	-
Fund balance - October 1, 2017	-
Fund balance - September 30, 2018	\$ 

## **Statement of Fiduciary Net Position September 30, 2018**

	Agency Fund <del>s</del>
Assets	
Equity in pooled cash	\$ 1,669,580
Accounts receivable	222,380
Total assets	1,891,960
Liabilities	
Assets held for others	1,891,960
Net position	\$ 

#### **Notes to Financial Statements**

#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

#### Reporting Entity

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

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

#### **Basis of Presentation**

The Office's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management's discussion and analysis, or the pension or the other postemployment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund, and the aggregate remaining fund information, only for that portion of the major fund, and the aggregate remaining fund information, of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Fund Accounting**

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no nonmajor governmental funds.

The Office reports the following major governmental fund:

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

The Office also reports the following fiduciary fund:

Agency Fund – The Agency Fund is used to account for assets held in a custodial capacity.

#### **Notes to Financial Statements**

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

#### **Fund Balance**

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

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

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

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

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

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

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

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

#### Measurement Focus/Basis of Accounting

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

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

#### **Notes to Financial Statements**

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

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

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

#### **Equity in Pooled Cash**

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

#### Capital Assets and Long-Term Liabilities

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

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

#### **Deferred Inflow of Resources**

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

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make various estimates. Actual results could differ from those estimates.

#### **NOTE 2 – DEPOSITS AND INVESTMENTS**

#### **Deposits**

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

#### **Notes to Financial Statements**

#### NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

#### Investments

Pursuant to Section 218.415, Florida Statutes, the Office adopted a policy that allows it to invest surplus funds in the following:

- (a) The Local Government Surplus Funds Trust Fund, or any governmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes.
- (b) Securities and Exchange Commission registered money market funds with highest credit quality rating from a nationally recognized rating agency.
- (c) Repurchase agreements fully collateralized by U.S. government obligations, as provided in Section 218.415(16)(g), Florida Statutes.
- (d) Interest bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes.
- (e) Other investment accounts authorized by law or by ordinance for the County.

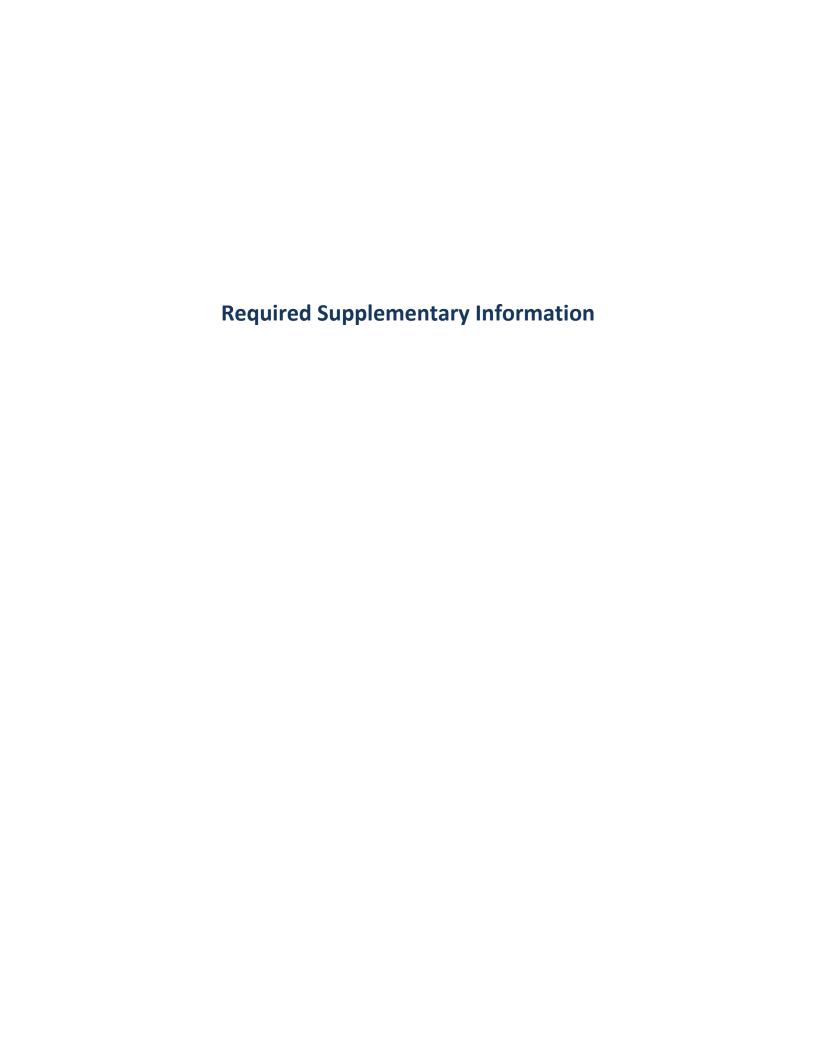
The Office holds a money market account with a financial institution in which it invests surplus funds during the year. The balance in the account was \$0 at September 30, 2018.

#### **NOTE 3 – RISK MANAGEMENT**

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

#### **NOTE 4 – CONTINGENCIES**

The Office is involved in claims in the normal course of operations. It is the opinion of management that any uninsured claims would not be material in relation to the Office's financial condition.



# Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – General Fund Year ended September 30, 2018

					/ariance
	 Budgeted	Am			ith Final
	Original		Final	Actual	Budget
Revenues					
Charges for services	\$ 2,414,170	\$	2,414,170	\$ 2,701,175	\$ 287,005
Miscellaneous revenue	1,200		1,200	10,783	9,583
Total revenues	2,415,370		2,415,370	2,711,958	296,588
Expenditures					
Current:					
General government services	2,255,505		2,255,505	2,222,195	33,310
Excess of revenues over expenditures	159,865		159,865	489,763	329,898
Other financing uses  Reversion to board of county					
commissioners	(159,865)		(159,865)	(489,763)	(329,898)
Net change in fund balances	-		-	-	-
Fund balances - October 1, 2017	-		-	-	-
Fund balances - September 30, 2018	\$ -	\$	-	\$ -	\$ _

#### Notes to Schedule:

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

## Additional Elements Required by the Rules of the Auditor General



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

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

#### **MANAGEMENT LETTER**

The Honorable Linda Myers Tax Collector Putnam County, Florida

We have audited the financial statements of the office of the Putnam County Tax Collector (the "Office"), as of and for the year ended September 30, 2018, and have issued our report thereon dated March 25, 2019. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

#### **Prior Audit Findings**

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

#### **Other Matters**

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

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

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

Palatka, Florida

Can, Rigge & Ingram, L.L.C.

March 25, 2019





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

The Honorable Linda Myers Tax Collector Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the major fund and the aggregate remaining fund information of the office of the Putnam County Tax Collector (the "Office"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated March 25, 2019.

#### **Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been 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 deficiencies in internal control, described in the accompanying schedule of findings as items 2018-001 and 2018-002, that we consider to be significant deficiencies.

#### **Compliance and Other Matters**

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

#### **Purpose of this Report**

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

Palatka, Florida

Can Rigge & Ingram, L.L.C.

March 25, 2019



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#### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Linda Myers Tax Collector Putnam County, Florida

We have examined the Putnam County Tax Collector's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2018. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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.

Palatka, Florida March 25, 2019

Can, Rigge & Ingram, L.L.C.

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#### **Schedule of Findings**

#### 2018-001

**Criteria:** Adequate controls should be in place to allow management or personnel, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements in a timely basis. Although the small size of the business office staff limits the extent of separation of duties, we believe certain steps could be taken to separate incompatible duties. The basic premise is that no one individual should have access to both physical assets and the related accounting records or to all phases of a transaction.

**Condition:** For a portion of the year, the Accounting Specialist handled any necessary changes in payroll information and was responsible for processing all payroll disbursements and reconciling payroll accounts in the general ledger.

**Cause:** The Office had a limited number of available personnel.

**Effect:** Incompatible duties were not adequately separated. The result is that intentional or unintentional errors could be made and not detected.

**Recommendation:** To the extent possible, given available personnel, steps should be taken to separate duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction.

**Views of responsible officials**: See accompanying corrective action plan.

#### 2018-002

**Criteria:** Adequate controls should be place to ensure that all amounts due to service providers are properly recorded as liabilities when owed and corresponding payments are made timely.

**Condition:** Fees owed to one service provider of the Office were not properly calculated when incurred and the remaining balance was not recorded as a payable at year end.

**Cause:** The service provider does not invoice the Office for fees related to the over-the-counter certificates sold by the Office and payments to the provider would occur on an irregular basis. Due to the change in personnel during the year, the amount owed to the provider for fees related to these sales at year end was not properly accrued.

**Effect:** The service provider was not paid in a timely manner for fees owed and a liability was not properly recorded at year end.

**Recommendation:** We recommended that the payments to the service provider should be made on a regular basis and the Office implement a system to better track the fees collected and owed.

## Linda Myers Putnam County Tax Collector



March 25, 2019

The Honorable Sherill F. Norman Florida Auditor General Claude Pepper Building, Ste G74 111 W. Madison St. Tallahassee, Florida 32399

Dear Ms. Norman;

An audit of the operation of the Putnam County Tax Collector Office for the fiscal year ending September 30, 2018 has been completed and as per FS 218.39; the following statements are submitted in response to the findings.

2018-001: Due to an unexpected vacancy in our finance manager position, one individual was responsible for the payroll operation and process review. In this circumstance, the Tax Collector or Operations Director will assist the Finance Department in assuring a separation of duties between access to assets and the related recording of transactions.

2018-002: The Tax Collector Finance Department has established procedures to capture the liability more effectively for service providers in a separate liability account at time of service such that payment is made in a timely manner.

Sincere Regards,

CFC, CPA

**Audit Report** 

**September 30, 2018** 



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

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

#### INDEPENDENT AUDITORS' REPORT

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

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

We have audited the accompanying financial statements of the major fund of the Putnam County, Florida Property Appraiser (the "Office") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

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

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

#### Auditors' Responsibility

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

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

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

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the major fund of the Office as of September 30, 2018, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund only for that portion of the major fund of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

#### **Other Matters**

#### Required Supplementary Information

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

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2019 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Can, Rigge & Ingram, L.L.C. Palatka, Florida

February 12, 2019

### Balance Sheet – Governmental Funds September 30, 2018

	General Fund	
Assets		
Cash and equivalents	\$ 132,842	
Liabilities and fund balance		
Liabilities:		
Accounts payable and accrued liabilities	\$ 17,081	
Due to other county agencies	 115,761	
Total liabilities	132,842	
Fund balance	 -	
Total liabilities and fund balance	\$ 132,842	

# Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds Year ended September, 30 2018

		General Fund		
Revenues				
Charges for services	\$	28,196		
Miscellaneous revenue		767		
Total revenues		28,963		
Expenditures				
Current:				
General government services		1,694,782		
Excess of revenues under expenditures		(1,665,819)		
Other financing sources (uses)				
Appropriation from board of county commissioners		1,781,580		
Reversion to board of county commissioners		(115,761)		
Total other financing sources (uses)		1,665,819		
Net change in fund balance		-		
Fund balance – October 1, 2017				
Fund balance – September 30, 2018	\$			

#### **Notes to Financial Statements**

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### Reporting Entity

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

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

#### **Basis of Presentation**

The Office's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management's discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, only for that portion of the major fund of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Fund Accounting**

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

The Office reports the following major governmental fund:

<u>General Fund</u> – the General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

### **Putnam County Property Appraiser**

#### **Notes to Financial Statements**

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

#### **Fund Balance**

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

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

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

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

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

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

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

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

#### Measurement Focus/Basis of Accounting

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

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

### **Putnam County Property Appraiser**

#### **Notes to Financial Statements**

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

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

#### **Capital Assets and Long-Term Liabilities**

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

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

#### **Cash and Equivalents**

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

#### **Use of Estimates**

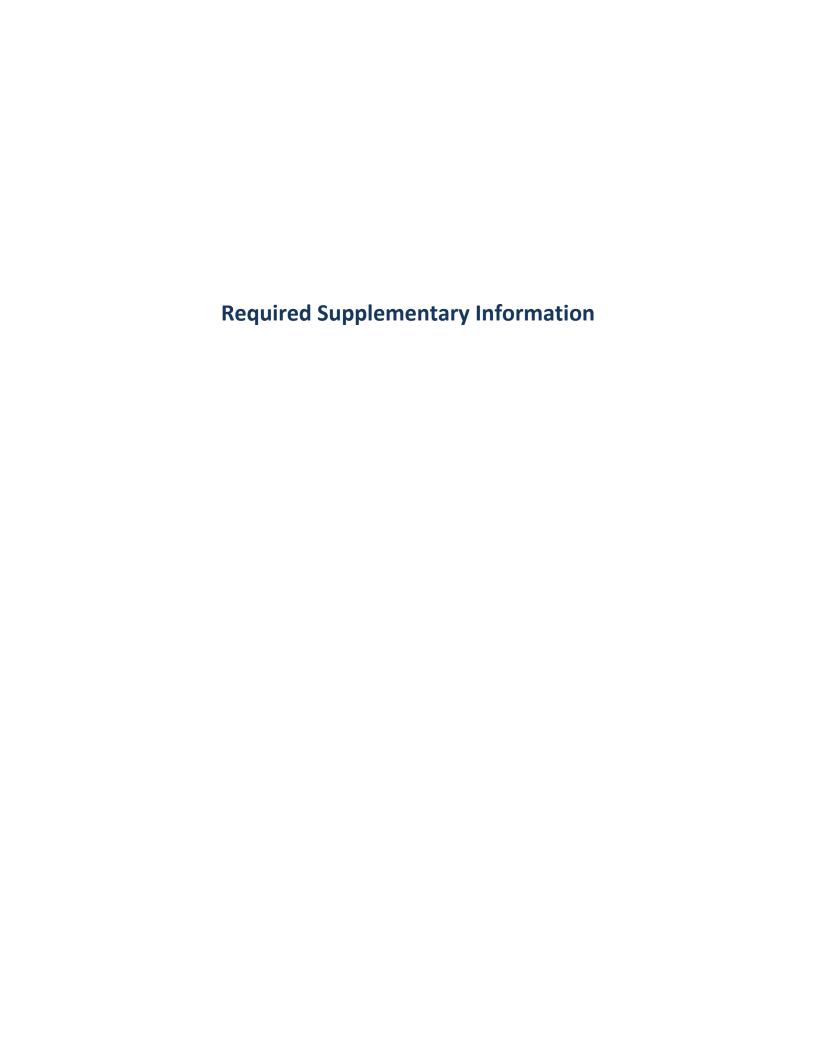
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make various estimates. Actual results could differ from those estimates.

#### **NOTE 2 – RISK MANAGEMENT**

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

#### **NOTE 3 – CONTINGENCIES**

The Office is involved in various lawsuits regarding the assessments of real property. It is the opinion of legal counsel that the outcome of these lawsuits cannot be estimated at this time.



### **Putnam County Property Appraiser**

# Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – General Fund Year ended September, 30 2018

		Dudestad	A		Variance	
		Budgeted	Final		With Final	
		Original		Actual	Budget	
Revenues						
Charges for services	\$	28,096	\$ 28,096	\$ 28,196	\$ 100	
Miscellaneous revenue		-	-	767	767	
Total revenues		28,096	28,096	28,963	867	
Expenditures						
Current:						
General government services		1,804,096	1,809,676	1,694,782	114,894	
Excess of revenues over (under) expenditures	(	1,776,000)	(1,781,580)	(1,665,819)	115,761	
Other financing sources (uses)						
Appropriation from board of county						
commissioners		1,776,000	1,781,580	1,781,580	-	
Reversion to board of county						
commissioners		-	-	(115,761)	(115,761)	
Total other financing sources (uses)		1,776,000	1,781,580	1,665,819	(115,761)	
Net change in fund balances		-	-	-	-	
Fund balances – October 1, 2017		-	-	-	-	
Fund balances – September 30, 2018	\$		\$ -	\$ -	\$ -	

#### Notes to Schedule:

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

# Additional Elements Required by the Rules of the Auditor General



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#### MANAGEMENT LETTER

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

We have audited the financial statements of the office of the Putnam County Property Appraiser (the "Office"), as of and for the year ended September 30, 2018, and have issued our report thereon dated February 12, 2019. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

#### **Prior Audit Findings**

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

#### **Other Matters**

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

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

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

Palatka, Florida

February 12, 2019

Can, Rigge & Ingram, L.L.C.





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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the office of the Putnam County Property Appraiser (the "Office"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated February 12, 2019.

#### **Internal Control Over Financial Reporting**

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

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

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

#### **Compliance and Other Matters**

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

#### **Purpose of this Report**

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

Palatka, Florida

February 12, 2019

Can Rigge & Ingram, L.L.C.



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#### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

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

We have examined the Putnam County Property Appraiser's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, during the year ended September 30, 2018. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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.

Palatka, Florida

February 12, 2019

Can Rigge & Ingram, L.L.C.



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

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

March 8, 2019

Honorable Sherrill F. Norman, Auditor General Claude Pepper Building 111 West Madison Street Tallahassee. FL 32399

Dear Ms. Norman:

Pursuant to the provisions of Section 218.39(6) Florida Statutes, the following is a statement in response to the audit of our office conducted by Carr, Riggs & Ingram, LLC for the period of October 1, 2017 to September 30, 2018.

We are pleased that the results of the auditor's tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. We are further pleased that the audit noted no matters involving the internal control over financial reporting and its operation that were considered to be reportable conditions or material weaknesses.

Yours very truly,

Timothy E. Parker, C. F. A.

State-Certified General Appraiser RZ2438

Property Appraiser

TEP/dhh

cc: Director of Finance, Putnam County

**Audit Report** 

**September 30, 2018** 



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

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

#### INDEPENDENT AUDITORS' REPORT

The Honorable Charles Overturf Supervisor of Elections Putnam County, Florida

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

We have audited the accompanying financial statements of each major fund of the office of the Putnam County Supervisor of Elections (the "Office") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements as listed in the table of contents.

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

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

#### Auditors' Responsibility

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

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Office as of September 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statement referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of each major fund, of Putnam County, Florida, that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters

#### **Other Matters**

#### Required Supplementary Information

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

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2019, on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Palatka, Florida

Can Rigge & Ingram, L.L.C.

March 28, 2019

## Balance Sheet – Governmental Funds September 30, 2018

	(	General Fund		Grant Fund	Gov	Total vernmental Funds
Assets						
Cash and equivalents	\$	92,933	\$	\$ 66,512		159,445
Due from other funds	Ψ	-		25,555	\$	25,555
Total assets	\$	92,933		92,067	\$	185,000
Liabilities and fund balances  Liabilities:						
Accounts payable and accrued liabilities		48,895		25,569		74,464
Due to other funds		25,555		-		25,555
Due to other county agencies		18,483		-		18,483
Total liabilities		92,933		25,569		118,502
Fund balances						
Restricted for elections		-		66,498		66,498
Total liabilities and fund balances	\$	92,933	\$	92,067	\$	185,000

# Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds Year ended September 30, 2018

	General Grant Fund Fund				Total Governmental Funds		
Revenues							
Intergovernment revenue	\$ 13,5	587	\$ 122,635	\$	136,222		
Miscellaneous revenue	2,5	511	43		2,554		
Total revenues	16,0	)98	122,678		138,776		
Expenditures							
Current:							
General government services	897,0	)11	33,775		930,786		
Capital outlay	1,6	1,605 87,1			88,785		
Total expenditures	898,6	516	120,955		1,019,571		
Excess of revenues over (under) expenditures	(882,5	518)	1,723		(880,795)		
Other financing sources (uses)							
Appropriation from board of county commissioners	901,0	000	-		901,000		
Reversion to board of county commissioners	(18,4	182)	-		(18,482)		
Total other financing sources (uses)	882,5	518	-		882,518		
Net change in fund balances		-	1,723		1,723		
Fund balances - October 1		-	64,775		64,775		
Fund balances - September 30	\$	-	\$ 66,498	\$	66,498		

#### **Notes to Financial Statements**

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### **Reporting Entity**

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

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

#### **Basis of Presentation**

The Office's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, management's discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of each major fund of Putnam County, Florida, that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of Putnam County, Florida, as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Fund Accounting**

Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column. All nonmajor funds are aggregated and displayed in a single column. The Office has no nonmajor governmental funds.

The Office reports the following major governmental funds:

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

Grant Fund – Used to account for and report grant resources that are restricted for voter education and voting equipment.

#### **Notes to Financial Statements**

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

#### **Fund Balance**

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

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

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

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

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

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

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

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

#### Measurement Focus/Basis of Accounting

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

#### **Notes to Financial Statements**

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

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

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

#### **Capital Assets and Long-Term Liabilities**

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

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

#### **Cash and Equivalents**

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

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make various estimates. Actual results could differ from those estimates.

#### **NOTE 2 – RISK MANAGEMENT**

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

# Required Supplementary Information

# Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – General Fund Year ended September 30, 2018

							١	/ariance
	Budgeted Amounts			i)			/ith Final	
	<u> </u>	Original		Final		Actual		Budget
Revenues	_		_					
Intergovernment revenue	\$	-	\$	-	\$	13,587	Ş	13,587
Miscellaneous revenue		-		-		2,511		2,511
Total revenues		-		-		16,098		16,098
Expenditures								
Current:								
General government services	8	399,000		899,000		897,011		1,989
Capital outlay		-		-	1,605			(1,605)
Reserve for contingencies		2,000 2,000				-		2,000
Total expenditures	g	001,000		901,000		898,616		2,384
Excess of revenues over (under) expenditures	(9	001,000)		(901,000)		(882,518)		18,482
Other financing sources (uses)								
Appropriation from board of county commissioners	g	001,000	,000 901,000			901,000		-
Reversion to board of county commissioners		-		-		(18,482)		(18,482)
Total other financing sources (uses)	Ç	001,000		901,000		882,518		(18,482)
Net change in fund balances		-		-		-		-
Fund balances - October 1		-		_		-		_
Fund balances - September 30	\$	_	\$	-	\$	-	\$	-

#### Notes to Schedule:

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

# Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - Grant Fund Year ended September 30, 2018

							Variance		
		Budgeted Amounts					With Final		
		Original Final			Actual	Budget			
Revenues									
Intergovernmental revenue	\$	-	\$ 122,632	\$	122,635	\$	3		
Miscellaneous revenue		-			43		43		
Total revenues		-	122,632		122,678		46		
Expenditures									
Current:									
General government services		26,028	148,660		33,775		114,885		
Capital outlay		-,-	-,		87,180		(87,180)		
					,				
Total expenditures		26,028	148,660		120,955		27,705		
Excess of revenues over (under) expenditures		(26,028)	(26,028)		1,723		27,751		
Other financing sources									
Transfers in		-	-		-				
Net change in fund balances		(26,028)	(26,028)		1,723		27,751		
Fund balances - October 1		26,028	26,028		64,775		38,747		
					66.400		66.400		
Fund balances - September 30	\$		\$ -	\$	66,498	\$	66,498		

#### Notes to Schedule:

The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control. The final budget includes grant-length budgets for additional grants obtained during the year.

# Additional Elements Required by the Auditor General



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

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

#### **MANAGEMENT LETTER**

The Honorable Charles Overturf Putnam County Supervisor of Elections Putnam County, Florida

We have audited the financial statements of the Putnam County Supervisor of Elections, as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated March 28, 2019. That report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

#### **Prior Audit Findings**

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

#### **Other Matters**

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

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

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

Palatka, Florida

Can, Rigge & Ingram, L.L.C.

March 28, 2019





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

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

The Honorable Charles Overturf
Putnam County Supervisor of Elections
Putnam County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund of the office of the Putnam County Supervisor of Elections (the "Office"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Office's financial statements, and have issued our report thereon dated March 28, 2019.

#### **Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control described in the accompanying schedule of findings, as item 2018-001, that we consider to be a material weakness.

#### **Compliance and Other Matters**

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

#### Office's Response to Finding

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

#### **Purpose of this Report**

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

Palatka, Florida

Can Rigge & Ingram, L.L.C.

March 28, 2019





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#### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Charles Overturf
Putnam County Supervisor of Elections
Putnam County, Florida

We have examined the Putnam County Supervisor of Elections' (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2018. Management is responsible for the Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

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

Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

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.

Palatka, Florida March 28, 2019

Can Rigge & Ingram, L.L.C.

### **Schedule of Findings**

2018-001 (Reported previously as item 2017-001 and 2016-001.)

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

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

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

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

Recommendation: The Office should consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process.

# Charles L. Overturf III Supervisor of Elections Putnam County, Florida



2509 Crill Ave., Suite 900 Palatka, Florida 32177 Telephone: 386-329-0224 Facsimile: 386-329-0455 Web: www.putnam-fl.com/soe

March 28, 2019

The Honorable Sherrill F. Norman, CPA Auditor General 111 West Madison St. Tallahassee, FL 32399-1450

Dear Ma'am,

The financial statement audit of the Putnam County Elections Office for the fiscal year ending September 30, 2018 has been completed by Carr, Riggs, and Ingram, LLC.

Their audit disclosed a material weakness in internal control identified as item 2018-001 in the Schedule of Findings.

The Office will evaluate our procedures in regard to the preparation of financial statements and reporting and make the adjustment necessary to conform to GAAP.

Sincerely,

Charles L. Overturf III Supervisor of Elections