

Comprehensive Annual Financial Report

For Fiscal Year Ended September 30, 2016



Putnam County, Florida

Introductory Section



STATE OF FLORIDA

COUNTY OF PUTNAM COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2016

Prepared by:

Finance and Accounting Department
Of the Clerk of the Circuit Court

John H. Jones, CPA
Director of Finance



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COUNTY OFFICIALS

BOARD OF COUNTY COMMISSIONERS

BILL PICKENS
CHIP LAIBL
VACANT
LARRY HARVEY
BUDDY GODDARD

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

CLERK OF COURTS

Tim Smith

SHERIFF

GATOR DELOACH

PROPERTY APPRAISER

TIM PARKER, CFA

TAX COLLECTOR

LINDA MYERS

SUPERVISOR OF ELECTIONS

CHARLES L. OVERTURF, III

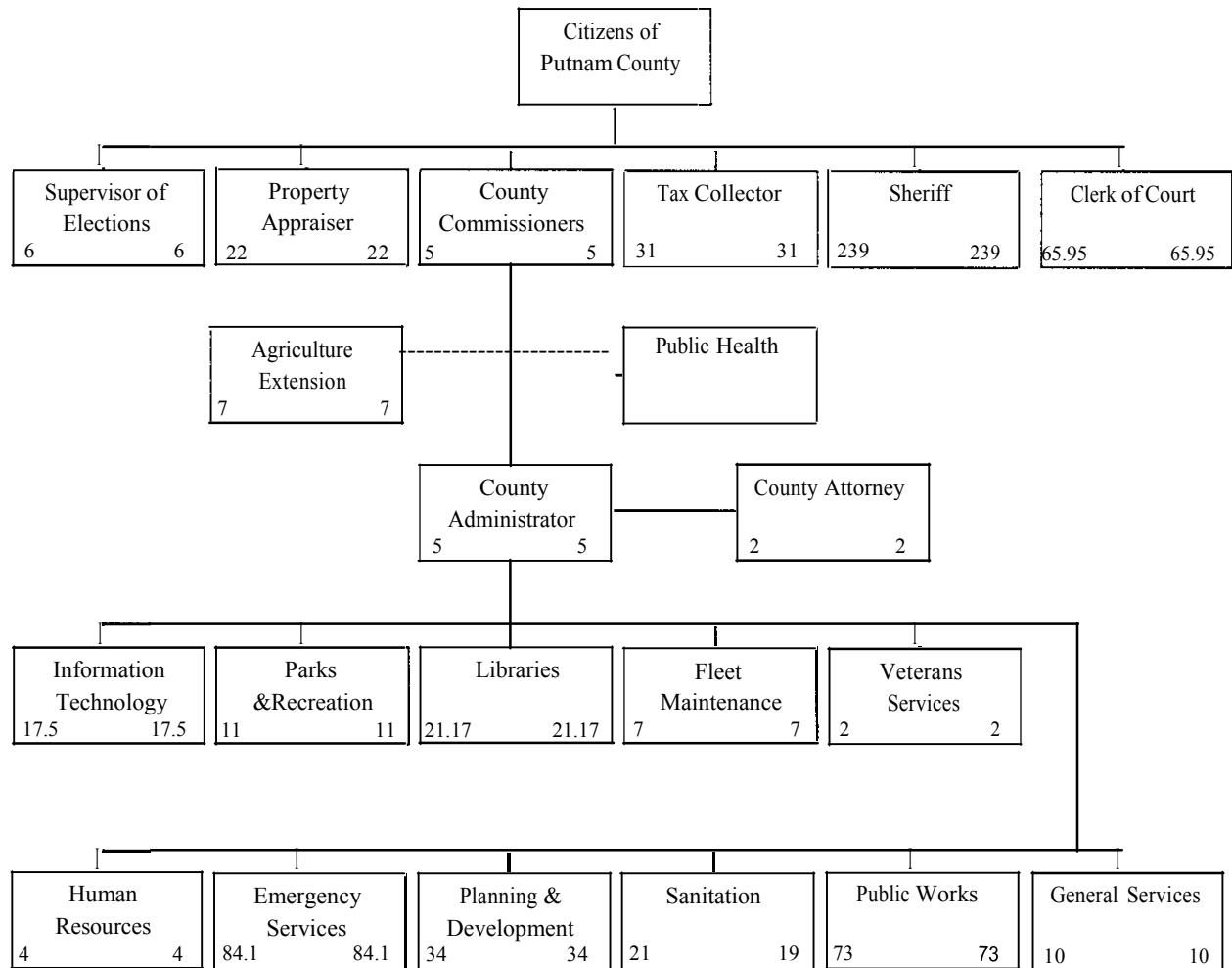
ACTING COUNTY ADMINISTRATOR

M. STACIE POPPELL, CPA

DIRECTOR OF FINANCE

JOHN H. JONES, CPA

ORGANIZATION CHART



Numbers in the above boxes equate to authorized positions at the beginning of the Fiscal Year. Numbers in the lower left corner are for FY 2014/15, lower right is for FY 2015/2016.

--- -Denotes funded in whole or in part by the County, but administered by other agencies.

Fiscal Year 2014/2015

Total Full-time Positions= 667.72

Fiscal Year 2015/2016

Total Full-time Positions= 665.72



Government Finance Officers Association

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

Presented to

**Putnam County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO



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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
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Letter of Transmittal





Office of
Clerk of Court
Tim Smith

April 7, 2017

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

Dear Mr. Harvey:

In accordance with Section 218.39 of the Florida Statutes, we are pleased to submit to you, the Board of County Commissioners and the Citizens of Putnam County, the Comprehensive Annual Financial Report (CAFR) of Putnam County, Florida, for the fiscal year ended September 30, 2016.

This report was prepared by the Finance Department of the Clerk of the Circuit Court. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of the Circuit Court as Chief Financial Officer of Putnam County. We believe the data contained in this report is accurate in all material respects and is shown in a manner that fairly presents the financial position of the County at September 30, 2016, and the results of its operations and its cash flows for the year then ended.

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

The independent accounting firm of Carr, Riggs & Ingram, LLC, whose report is herein included, audited the County's Financial Statements. The goal of the audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon their independent audit, Carr, Riggs & Ingram, LLC concluded that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America for the fiscal year ended September 30, 2016.

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

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

GOVERNMENT PROFILE

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

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

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

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

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

exception of the Tax Collector, submit tentative budget requests for the operation of their offices to the Board. Prior to July 15, the County Administrator/Budget Officer and the other members of the Budget Review Committee review these requests and those of the County's various departments for expenditures for the next fiscal year. All previous expenditures, accomplishments and objectives are reviewed. In particular, additional personnel, vehicles, computer equipment and software, and capital outlay appropriation requests are scrutinized. By July 15 the proposed budget is submitted to the Board. The final adoption of the budget by resolution occurs in September after two advertised public hearings are held to obtain taxpayer input. All budget appropriations lapse at year end and are not rolled forward into the next fiscal year unless they are included as expenditures in the next year's budget.

Florida Statutes provide that it is unlawful to make expenditures that exceed the total amount budgeted for each fund. Therefore, the fund level is the legal level of control for budget considerations. The County Administrator/Budget Officer and the Department managers can transfer appropriations within the budget, but cannot change the total appropriation of an individual fund without the approval of the Board.

ECONOMIC CONDITION AND OUTLOOK

Putnam County is a rural county with a population of about 73,000, of which approximately 80% is located within the unincorporated areas of the County. Historically, the County has experienced relatively slow growth and that trend is expected to continue for the foreseeable future.

Despite slow growth in financial resources, County management has worked hard to manage the increasing demands on services and infrastructure. Critical review and prioritization of proposed projects has allowed the County to support a reasonable amount of growth, and begin to develop the means to expand commercial development. A one-cent voter approved surtax has provided in excess of \$64.5 million for infrastructure improvements since January 2003. The improvements are helping to promote economic development and an overall improvement in quality of life for the citizens of Putnam County.

In the most recent fiscal years, the County has used an unprecedented amount of cash reserves to balance its budget to maintain service levels. The continued erosion of cash reserves has weakened the County's financial stability. This is a trend that cannot continue unabated, but stagnant revenues resulting from an anemic growth in the tax base, make it difficult to continue with the same level of budgeted expenditures. As the County begins the budget process for the 2017-2018 fiscal year, it will be challenging to budget for amortization of the jail debt, the East Putnam water and wastewater systems, public safety, and ongoing services. The County must make decisions that may result in raising taxes, cutting budgets, cutting services, or a combination of all three.

The County's unemployment rate of 6.4% for September 2016 is considerably higher than the State's rate of 5.1%, but is lower than the 7.2% rate for 2015, a decrease of .8%. This is indicative of the recent economic uptick. The County historically lags the State during recoveries.

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

- Property values throughout the County seem to have bottomed out in previous fiscal years and are expected to trend upward for the foreseeable future. Total taxable assessed property values were \$3.287 billion in 2013, but have increased to \$3.361 billion in 2016.

- The completion of the East Putnam Wastewater Treatment System provides needed infrastructure for new housing and businesses in the East Palatka area.
- Florida Power & Light, Co has been granted permission to construct two solar panel fields in West Putnam County which is expected to occur in 2017. Construction of the fields will provide jobs during 2017 and will increase our tax roll in 2018.
- Discussions are taking place about a possible future expansion of Seminole Electric to construction a natural gas plant.

MAJOR INITIATIVES

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

The County continues to work with its economic development partners to attract businesses and create jobs. The Business Park on St. John's Avenue should be a major attraction to companies and businesses considering relocation. Previously, the County partnered with a private developer to construct a 52,000 square foot industrial shell building in the Park. The County currently has an interested prospect in the building. A purchase agreement should be finalized in 2017. Successful marketing of this structure may serve as the cornerstone for future development within the Park. Once this building is occupied, the County plans to apply for grant funds for infrastructure improvements such as road widening and utility line extensions. Currently, grant funds from the Florida Department of Economic Opportunity are being used for stormwater permitting and platting of the Business Park to enhance its marketability.

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

Improving roads through resurfacing, widening, and turning "dirt to pavement" will continue to be a major priority for the County, to improve quality of life and bolster efforts in economic development. The evaluation of alternative asphalt mixes has aided in stretching available dollars to maximize the number of miles that can be improved. While the one cent infrastructure surtax provides the primary source of revenue for these road projects, the County continues to pursue additional funding from both State and Federal government grants. Surtax dollars and gasoline tax proceeds (adopted by ordinances in May 2009) continue to be allocated in excess of \$2 million annually for capital outlay road projects.

In February 2016, the County completed construction of a new jail facility at a cost of \$17.8 million, which was approximately \$700,000 under estimate. The new facility includes two 228 bed pods, a medical/program facility, and an expansion of the kitchen storage/freezer area. Future plans call for deactivating the former jail cells for possible renovation as dormitory space for misdemeanants and low-risk inmates.

In FY 2011, the County was awarded \$1.66 million in grant funds to upgrade the Drayton Island and Ft. Gates ferry landings. These ferries provide access from the mainland to Drayton Island and across the St. Johns River, respectively. The grant dollars, matched with local surtax funds, will be used for improving the landings, and upgrading the Drayton Island barge. Planning and project development has been underway more intensely during the past year, and work should be initiated in 2017. These projects have been a long time in the development phase, and several extensions have been granted.

In March 2016, the County finished a \$2.7 million project to resurface and widen West River Road on the north side of Palatka. The project was funded with a grant from the Florida Department of Transportation and local surtax funds.

The County continues to use a \$750,000 grant from the State Department of Economic Opportunity for CDBG-Housing Rehabilitation for low income recipients. This grant is effective from December 2015 through December 2017.

Currently, the County funds fire protection services through a fire tax. This is an ad valorem tax on property subject to the same exemptions as other property taxes. A more equitable way to fund this service which protects all life, health and property may be through a special assessment known as a Municipal Services Benefit Unit. This would allow the cost to be spread to all property owners covered, thereby reducing the current tax on everyone. A study will be conducted in the next fiscal year to develop a methodology that would result in a more equitable sharing of the funding of a service that protects and benefits all property.

The County continues to move forward with its plan to augment volunteer fire service and fire protection in the County by establishing three strategic locations where fire personnel will be assigned 24 hours per day, 7 days per week. An architect was engaged to design a dormitory facility at the first of these locations, which will be at the Satsuma Volunteer Fire Department. It is expected that bids will be awarded for construction in Fall 2017. The dormitory will house firefighters and paramedics assigned to that area. The County intends to establish similar facilities at sites in the western and central sections of the County in future fiscal years.

The County spearheaded an effort to secure funding from the Florida Department of Transportation for additional turn lanes, safety enhancements, and other roadway improvements for County Road 216. County Road 216 connects US17 and SR100 and is also the access road for Georgia Pacific, the major industrial facility in the County. Heavy truck traffic and employees' access to the plant via that road has created safety concerns which need to be corrected. The State, the County, and Georgia Pacific have all agreed to contribute funding totaling approximately \$1.8 million to improve this essential roadway. This project would not be possible without the cooperative efforts of all three entities. The design and bidding should be completed Fall of 2017.

The countywide communication system used primarily by all law enforcement and emergency first responders throughout the entire County is aging, causing less widespread coverage and communication between users that is not clear and concise. A proposal to correct these deficiencies was solicited by Emergency Services, but the recommended solution will cost \$9.5 million. Due to

funding constraints, the County will accomplish the project in phases. Phase I will be completed in the coming fiscal year which will consist of acquiring and installing microwaves at each of the six tower locations at an estimated cost of \$1.13 million.

The County has several properties under the purview of the Parks and Recreation Department which have not been developed or are in need of additional improvements to make them more viable as park facilities. The limited resources of the County has stalled park development in recent years, resulting in improvements only occurring when the County secured grant funds for these projects. The County will use grant funds for projects at Tanglewylde and Johnson parks in the next fiscal year. Applications for funds from the FL Recreation Development Assistance Program for improvements to the Georgetown and East Palatka properties are pending.

The coming year will provide challenges for the County as it struggles to balance the budget and maintain service levels without increasing the burden on taxpayers. Roads, drainage, communication systems, senior centers, libraries, the animal shelter, public safety, and recreation facilities are some of the County's responsibilities that demand additional attention.

FINANCIAL POLICIES

General Fund Balance: During FY 2016 the General Fund's financial position weakened slightly due to recent economic conditions. The County, however, was able to continue to provide all customary services and remain fiscally healthy. In recent years, County Management focused on maintaining or increasing unassigned fund balance by implementing reductions in personnel through attrition, scrutinizing operating expenditures and postponing some capital expenditures. Since the economic downturn of 2008, the County has been able to maintain the General Fund's fund balance above the level required by the County's Fund Balance Reserve Policy.

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

LONG-TERM FINANCING PLANNING

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

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

The County's responsiveness to emerging economic challenges and its careful long-range planning have been key factors in Putnam County's fiscal health. Fiscal conservatism, a streamlined budget, and operating efficiencies have resulted in a solid financial position for the County at the close of FY 2016.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the year ended September 30, 2015. This was the 32nd consecutive year the County has received this prestigious award.

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

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

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

Respectfully submitted,



Tim Smith
Clerk of the Circuit Court



John H. Jones, CPA
Director of Finance



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Financial Section



INDEPENDENT AUDITOR'S REPORT

The Honorable County Commissioners
Putnam County, Florida

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

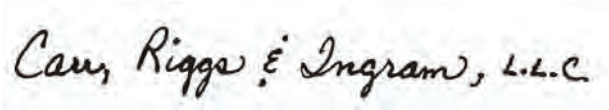
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of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

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cam, Riggs & Ingram, L.L.C." The signature is written in a cursive, slightly slanted style.

Palatka, Florida
April 7, 2017



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Management's Discussion & Analysis



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

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

Financial Highlights

Government-wide Statements

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

Fund Statements

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

Governmental funds

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

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

Proprietary funds

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

Fiduciary funds

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

Notes to the Financial Statements

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

Other Information

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

Government-wide Financial Analysis

Net Position

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

Putnam County Summary Statement of Net Position

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

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

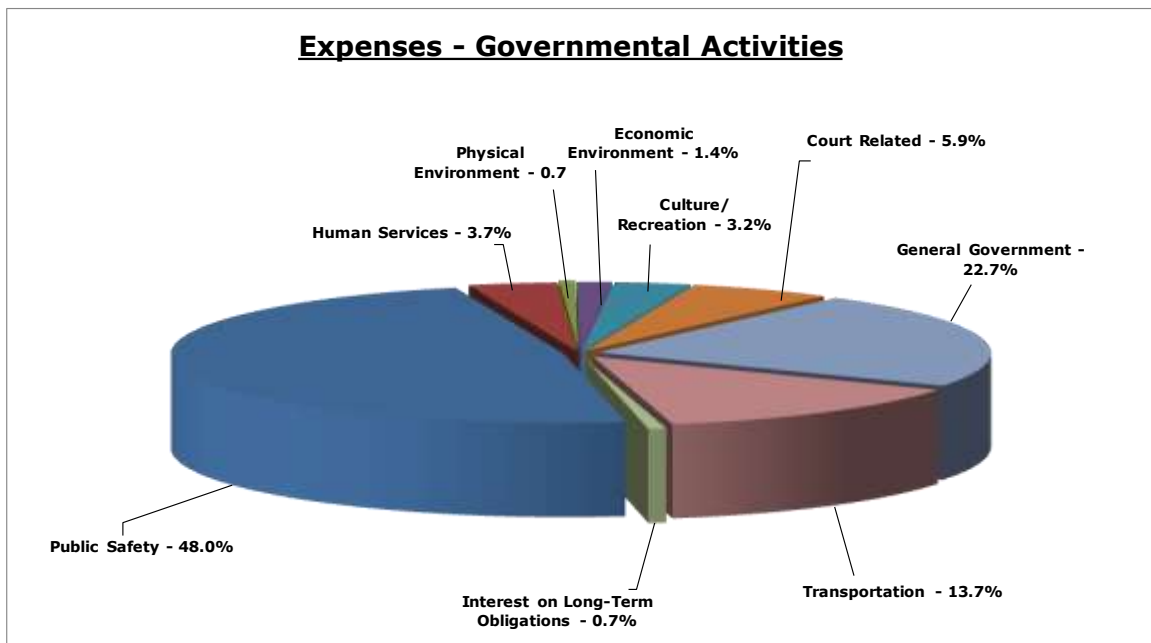
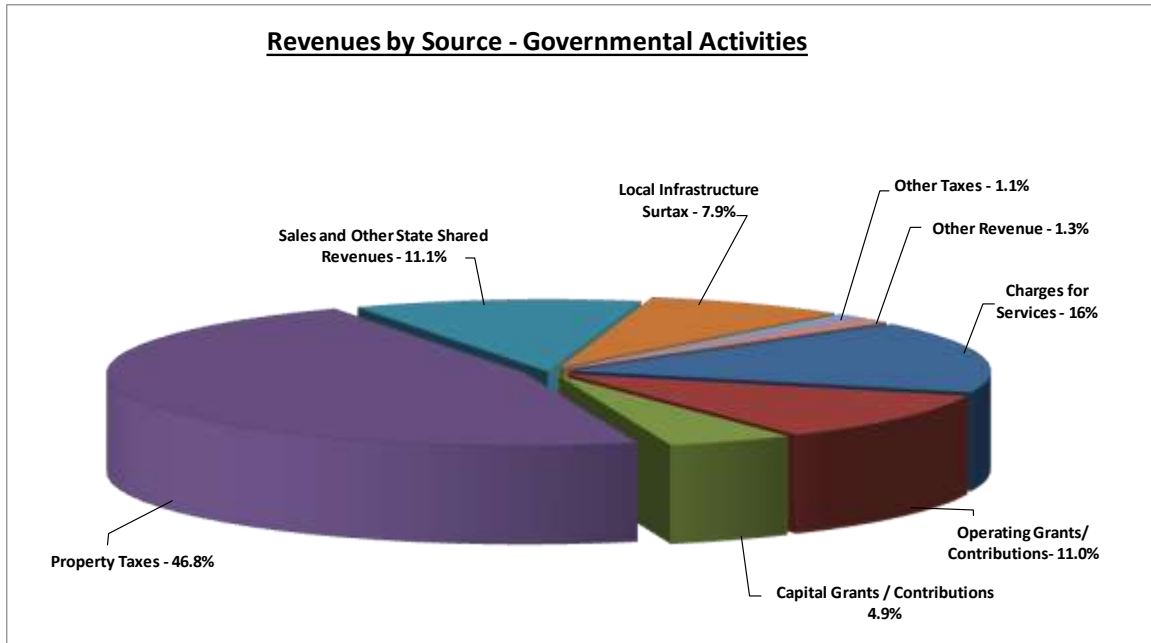
Change in Net Position

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

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

Governmental Activities

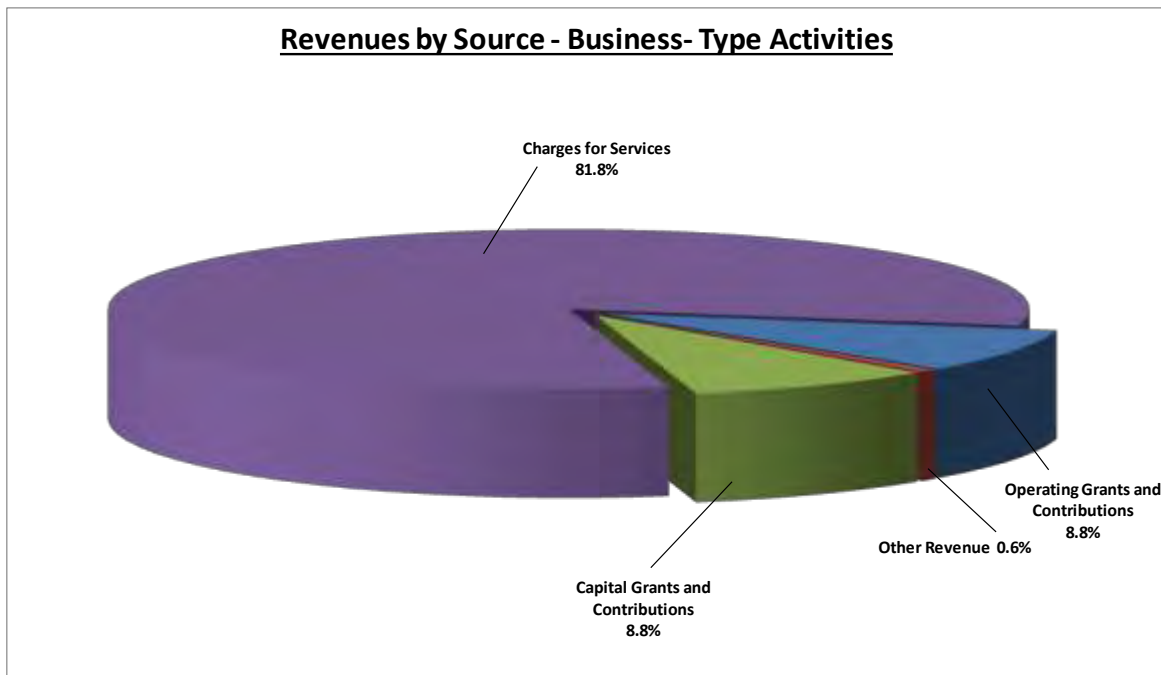
The County's governmental net position decreased \$595 from the prior year's net position. The current year change in net position is discussed above.



Business-type Activities

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

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



Financial Analysis of the County's Funds

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

Governmental funds

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

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

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

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

Proprietary Funds

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

General Fund Budgetary Highlights

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

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

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

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

Capital Asset and Debt Administration

Capital Assets (Net of Depreciation)

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

Capital Assets

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

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

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

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

Long-term Obligations

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

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

Governmental Activities:

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

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

Business-type Activities:

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

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

Economic Factors and Next Year's Budgets and Rates

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

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

Requests for Information

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

Basic Financial Statements



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

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

See accompanying notes.

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

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

See accompanying notes.

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

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

See accompanying notes.

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

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 29,069,395

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Capital Assets - Net..... 130,980,416

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

1,458,074

Interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Accrued Interest on Long-term Debt (333,148)

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

Long-Term Debt (21,189,990)

Compensated Absences (2,112,600)

Medicaid Obligation..... (83,334)

OPEB Obligations (3,214,171)

(26,600,095)

A Net Pension liability is recorded when the plan's fiduciary net position is not sufficient for payment of those benefits. Additionally, deferred outflows and deferred inflows related to pensions are reported.

Net Pension Liability (41,588,857)

Deferred outflows related to pensions..... 23,767,510

Deferred inflows related to pensions..... (8,879,408) (26,700,755)

Internal service funds are used by management to charge the costs of fleet maintenance and insurance activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position because they primarily serve governmental activities of the county.

Internal Service Funds (264,351)

Net Position of Governmental Activities \$ 107,609,536

See accompanying notes.

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

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

See accompanying notes.

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

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

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

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

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

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

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

Loss on disposal of capital assets	(102,794)
--	-----------

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

(19,707,301)

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

Debt Principal Payments	19,570,226
-------------------------------	------------

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

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

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

(2,130,890)

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

1,817,609

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ (595,744)

See accompanying notes.

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

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

See accompanying notes.

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

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

See accompanying notes.

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

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

(continued)

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

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

(concluded)

See accompanying notes.

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

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

See accompanying notes.

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

B. Future Accounting Changes

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

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

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

C. Government-wide and Fund Financial Statements

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County reports the following other fund types:

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

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

E. Assets, Liabilities and Net Position or Equity

Cash and Investments

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Cash Flows

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

Accounts Receivable

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

Due To/From Other Funds

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

Restricted Assets

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

Inventories

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Long-Term Receivables

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

Capital Assets

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

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

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

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

Amortization of intangible assets is included with depreciation expense.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The landfill is depreciated proportionately based on capacity used.

Capitalization of Interest

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

Unearned Revenues

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

Compensated Absences

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Management Estimates and Assumptions

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

G. Deferred Inflows and Outflows

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

H. Pensions

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

I. Fund Balance

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

Fund balance classifications are described below:

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Defined Benefit Plans

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

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

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

NOTE 2 – STATE OF FLORIDA PENSION PLANS

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

Benefits Provided

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

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

Contributions

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

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

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

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

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Pension Liabilities and Pension Expense

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

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

Deferred Outflows/Inflows of Resources Related to Pensions

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

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

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

NOTE 2 – STATE OF FLORIDA PENSION PLANS

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

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

Actuarial Assumptions

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

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

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

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

The following changes in key actuarial assumptions occurred in 2016:

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

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

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

NOTE 2 – STATE OF FLORIDA PENSION PLANS

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

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

Discount Rate

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

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

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

NOTE 2 – STATE OF FLORIDA PENSION PLANS

Sensitivity Analysis

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

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

Pension Plans' Fiduciary Net Position

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

Defined Contribution Plan

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

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

NOTE 3 – DEFERRED COMPENSATION PLAN

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

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

NOTE 4 – PROPERTY TAXES

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

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

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

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

NOTE 4 – PROPERTY TAXES

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

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

NOTE 5 – DEPOSITS AND INVESTMENTS

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

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

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

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

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

NOTE 5 – DEPOSITS AND INVESTMENTS

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

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

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

Interest Rate Risk

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

Credit Risk

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

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

NOTE 5 – DEPOSITS AND INVESTMENTS

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

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

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

Custodial Credit Risk

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

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

Concentration of Credit Risk

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

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

NOTE 6 – ACCOUNTS RECEIVABLE

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

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

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

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Due To / Due From Other Funds:

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

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

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

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

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

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

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

NOTE 8 – CAPITAL ASSET ACTIVITY

Capital asset activity for the year was as follows:

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

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

NOTE 8 – CAPITAL ASSET ACTIVITY

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

Governmental Activities:

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

Business-type Activities:

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

NOTE 9 – LONG-TERM OBLIGATIONS

Governmental Activities

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

\$ 316,473

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

1,675,000

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

NOTE 9 – LONG-TERM OBLIGATIONS

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

815,000

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

418,217

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

9,000,000

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

8,965,300

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

83,334

Other Post Employment Benefits 3,249,058

Accrued Compensated Absences 2,147,600

Net Pension Liability 41,833,847

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

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

NOTE 9 – LONG-TERM OBLIGATIONS

Business-Type Activities

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

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

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

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

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

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

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

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

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

Other Post Employment Benefits 109,896

Accrued Compensated Absences 58,000

Net Pension Liability 698,624

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

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

NOTE 9 – LONG-TERM OBLIGATIONS

Interest Rate Swaps

Swap Objectives

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

Terms, Fair Values and Credit Risk

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

Interest Rate Swaps

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

Swap Fair Values

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

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

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

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

NOTE 9 – LONG-TERM OBLIGATIONS

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

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

Swap Payments and Associated Debt

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

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

Credit Risk

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

Termination Risk

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

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

NOTE 9 – LONG-TERM OBLIGATIONS

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

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

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

NOTE 9 – LONG-TERM OBLIGATIONS

The annual requirements under capital lease obligations are as follows:

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

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

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

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

NOTE 9 – LONG-TERM OBLIGATIONS

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

Pledged Revenues

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

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

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

NOTE 9 – LONG-TERM OBLIGATIONS

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

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

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

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

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

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

NOTE 10 – SHORT-TERM FINANCING

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

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

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

NOTE 11 – CONDUIT DEBT

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

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

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

NOTE 12 – FUND BALANCE CLASSIFICATIONS

A schedule of County fund balances is provided as follows:

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

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

NOTE 13 – DEFICIT BALANCES – INDIVIDUAL FUNDS

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

NOTE 14 – RISK MANAGEMENT

Public Entity Risk Pool

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

Self-Insurance Program – Worker's Compensation

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

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

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

NOTE 14 – RISK MANAGEMENT

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

Changes in the fund's claims liability were:

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

Group Insurance

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

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

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

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

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

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

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

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

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

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

Plan Description

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

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

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

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

At September 30, 2016, participants consisted of:

Active Employees	502
Retirees Participants	49

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

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

Annual OPEB Cost and Net OPEB Obligation

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

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

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

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

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

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

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

NOTE 16 – OTHER POST-EMPLOYMENT BENEFITS

Funding Policy

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

Actuarial Methods and Assumptions

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

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

The following actuarial methods and assumptions were used:

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

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

NOTE 17 – OPERATING LEASES

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

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

NOTE 18 – COMMITMENTS AND CONTINGENCIES

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

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

NOTE 19 – NET POSITION RESTRICTED BY ENABLING LEGISLATION

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

NOTE 20 – NONEXCHANGE FINANCIAL GUARANTEES

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

REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

Basis of Budgetary Accounting

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

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

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

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

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

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

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

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

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

(continued)

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

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

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

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

(concluded)

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

SCHEDULE OF FUNDING PROGRESS

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS

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

NOTES

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

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

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

Notes to schedules:

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

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

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

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

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

Notes to schedules:

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

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

SUPPLEMENTARY INFORMATION

GENERAL FUND BY CATEGORY

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

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

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

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

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

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

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

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

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

(continued)

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

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

(concluded)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(concluded)

Non-major Governmental Funds

Special Revenue Funds

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

The County maintains the following Special Revenue Funds:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Non-major Governmental Funds

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

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

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

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

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

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

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

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

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

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

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

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

Non-major Governmental Funds

Debt Service Fund

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

The County maintains the following Debt Service Funds:

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

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

Capital Projects Funds

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

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

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

Major Governmental Capital Projects Funds

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

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

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(concluded)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

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

(continued)

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

	Special Revenue Fund	Debt Service Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
	Supervisor of Elections Grants	County Jail	MSBU Loan	Road Projects
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 1,172,332
Licenses and Permits	-	-	-	45,122
Intergovernmental Revenue	36,034	-	-	2,371,564
Charges For Services	-	-	-	1,389,872
Fines and Forfeitures	-	-	-	329,440
Special Assessments	-	-	210,879	-
Miscellaneous Revenue	47	-	56	2,034
TOTAL REVENUES	36,081	-	210,935	3,545,930
EXPENDITURES				
Current:				
General Government Services	20,022	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	74,278	-	-	-
Debt Service:				
Principal Retirement	-	-	171,185	-
Interest and Fiscal Charges	-	-	21,350	-
TOTAL EXPENDITURES	94,300	-	192,535	2,188,278
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(58,219)	-	18,400	1,357,652
OTHER FINANCING SOURCES (USES)				
Transfers In	1,135	436,260	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,135	436,260	-	-
NET CHANGE IN FUND BALANCES	(57,084)	436,260	18,400	1,357,652
FUND BALANCES, October 1, 2015	108,656	-	61,743	3,434,645
FUND BALANCES, September 30, 2016	\$ 51,572	\$ 436,260	\$ 80,143	\$ 4,792,297

(concluded)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Business-type Activities – Enterprise Funds

Enterprise Funds

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

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

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

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

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

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

Internal Service Funds

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

The County administers the following Internal Service Funds:

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

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

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

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

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

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

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

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

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

Fiduciary Funds

Agency Funds

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

The County maintains the following Agency Funds:

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

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

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

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

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

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

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

Discretely Presented Component Unit

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

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

CURRENT ASSETS

Cash and Equivalents	\$ 243,643
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NONCURRENT ASSETS

Non Depreciable Capital Assets	473,854
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Depreciable Capital Assets, Net	<u>85,383</u>
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TOTAL ASSETS	<u>802,880</u>
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CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	<u>184</u>
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NET POSITION

Net Investment in Capital Assets	559,237
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Unrestricted	<u>243,459</u>
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TOTAL NET POSITION	<u><u>\$ 802,696</u></u>
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Putnam County Development Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended September 30, 2016

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

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

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

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

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

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

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

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

The accompanying notes are an integral part of this schedule.

(continued)

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

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

The accompanying notes are an integral part of this schedule.

(concluded)

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

NOTE 1 – BASIS OF PRESENTATION

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

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

NOTE 4 – SUBRECIPIENTS

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

Statistical Section



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

Statistical Section

(Not Audited)

Fiscal Year Ended September 30, 2016

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

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Revenue capacity information is provided to enable readers to understand and assess the County's capacity for generating its own-source revenues. The County's most significant own-source revenue is property taxes.	
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Sources and notes:

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

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

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

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

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

	Fiscal Years Ended September 30 th																				
	2007		2008		2009		2010		2011		2012		2013		2014		2015		2016		
<u>Governmental Activities</u>																					
Net Investment in Capital Assets		\$82,335,510		\$89,352,076	2	\$91,150,420	3	\$87,820,648	4	\$94,993,906		\$99,548,402		\$103,227,300		\$103,723,550		\$104,830,681		\$109,612,811	
Restricted		11,718,054		13,690,695		11,812,032		18,990,563		19,165,713		23,483,649		22,793,970		19,564,313		19,527,457		19,518,667	
Unrestricted		12,958,053		9,529,517		15,925,787		14,936,799		17,978,326		11,729,066		8,099,594		10,242,776		(16,152,858)	6	(21,521,942)	6
Total Governmental Activities Net Position		\$107,011,617		\$112,572,288		\$118,888,239		\$121,748,010		\$132,137,945		\$134,761,117		\$134,120,864		\$133,530,639		\$108,205,280		\$107,609,536	
<u>Business-Type Activities</u>																					
Net Investment in Capital Assets		\$13,168,496		\$15,680,338	2	\$25,219,829	3	\$27,649,660		\$27,024,045		\$25,496,880		\$25,415,922		\$28,132,012		\$32,819,491		\$38,644,337	
Unrestricted		(2,905,578)	1	(2,675,812)	1	(2,799,772)	1	(2,027,404)		(1,348,109)	1	(1,298,493)	1	(420,461)	1	4,364,327	5	5,861,643		4,190,154	
Total Business-Type Activities Net Position		\$10,262,918		\$13,004,526		\$22,420,057		\$25,622,256		\$25,675,936		\$24,198,387		\$24,995,461		\$32,496,339		\$38,681,134		\$42,834,491	
<u>Primary Government</u>																					
Net Investment in Capital Assets		\$95,504,006		\$105,032,414		\$116,370,249		\$115,470,308		\$122,017,951		\$125,045,282		\$128,643,222		\$131,855,562		\$137,650,172		\$148,257,148	
Restricted		11,718,054		13,690,695		11,812,032		18,990,563		19,165,713		23,483,649		22,793,970		19,564,313		19,527,457		19,518,667	
Unrestricted		10,052,475		6,853,705		13,126,015		12,909,395		16,630,217		10,430,573		7,679,133		14,607,103		(10,291,215)		(17,331,788)	
Total Primary Government Net Position		\$117,274,535		\$125,576,814		\$141,308,296		\$147,370,266		\$157,813,881		\$158,959,504		\$159,116,325		\$166,026,978		\$146,886,414		\$150,444,027	

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

Notes:

1. FYE 2007 – 2013: The deficits in Unrestricted Net Position for Business-Type Activities have been largely attributable to revised engineering estimates of landfill long term care costs.
2. FYE 2008 – Debt totaling \$10,532,729 was reclassified from Governmental Activities to Business-Type Activities and 2008 capitalized interest reported in Business-Type Activities was reduced for the amount of interest earned associated with the construction of the East Putnam Water System.
3. FYE 2009 – Restated Governmental Activities Net Position increased by \$237,405 in recognition of intangible assets per GASB Statement 51. Business-type Activities Net Position increased by \$280,730 through an adjustment made for an overstated debt principal balance associated with the East Putnam Water Fund.
4. FYE 2010 – Net Position for Governmental Activities was restated to adjust for an understatement of accumulated depreciation in the amount of \$54,190.
5. FYE 2014 – Business-type Activities – The Unrestricted Business-Type Net Position increased from the prior year by \$4,784,788, largely the result of a Capital Grant in the amount of \$4,080,327.
6. FYE2015 & FYE 2016– Governmental Activities – The deficit in the Unrestricted Governmental Net Position is attributable to the implementation of GASB Statement 68 and GASB Statement 71. Please refer to Note 2 in *Notes to Financial Statements*.

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

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

	Fiscal Years Ended September 30th				
	2007	2008	2009	2010	2011
Expenses – Governmental Activities					
General Government	\$12,956,339	\$16,081,345	\$16,476,338	\$16,864,555	\$15,567,471
Public Safety	26,526,912	29,310,776	28,419,085	29,667,802	30,392,654
Physical Environment	723,732	431,209	426,078	523,562	541,488
Transportation	8,298,519	9,708,977	10,281,596	10,086,384	10,057,346
Economic Environment	5,340,613	1,938,559	1,530,062	1,095,222	1,455,904
Human Services	2,682,154	1,945,096	2,228,920	1,915,494	2,067,720
Culture and Recreation	2,329,061	2,326,242	1,997,217	1,986,088	1,884,115
Court Related	3,199,629	3,292,156	3,135,103	3,259,218	3,272,880
Interest on Long-Term Debt	653,098	1,053,154	517,142	623,052	585,435
Total Governmental Activities Expenses	62,710,057	66,087,514	65,011,541	66,021,377	65,825,013
Expenses – Business-Type Activities:					
Water & Wastewater System	117,273	126,763	(50,066)	2,016,184	1,862,689
Solid Waste	7,941,522	6,826,973	6,585,260	7,702,979	8,396,038
Port Authority	100,406	132,600	109,575	280,881	178,335
Total Business-Type Activities Expenses	8,159,201	7,086,336	6,644,769	10,000,044	10,437,062
Total Primary Government Expenses	\$70,869,258	\$73,173,850	\$71,656,310	\$76,021,421	\$76,262,075
Program Revenues – Governmental Activities					
Charges for Services:					
General Government	\$4,433,688	\$4,409,907	\$5,140,901	5,097,648	\$3,618,964
Public Safety	4,258,725	4,064,473	4,349,902	4,489,708	4,401,599
Court Related	2,408,036	2,011,207	1,277,128	281,908	298,419
Other	1,334,097	1,236,842	1,063,701	989,422	1,071,697
Operating Grants and Contributions	5,506,260	4,688,946	6,305,996	6,095,126	6,785,430
Capital Grants and Contributions	6,739,571	6,317,883	5,347,830	4,441,553	11,955,793
Total Governmental Activities Program Revenues	24,680,377	22,729,258	23,485,458	21,395,365	28,131,902
Program Revenue – Business-Type Activities:					
Charges for Services:					
Water and Wastewater System	57,967	54,395	48,835	687,763	861,544
Solid Waste	6,397,827	6,195,938	6,320,713	7,971,866	7,857,039
Port Authority	134,991	128,884	100,238	202,304	96,643
Operating Grants and Contributions	191,176	582,555	285,779	78,787	70,588
Capital Grants and Contributions	-	-	7,027,458	1,124,495	700,618
Total Business-Type Activities Program Revenues	6,781,961	6,961,772	13,783,023	10,065,215	9,586,432
Total Primary Government Program Revenues	\$31,462,338	\$29,691,030	\$37,268,481	\$31,460,580	\$37,718,334
Net (Expense)/Revenue					
Governmental Activities	(\$38,029,680)	(\$43,358,256)	(\$41,526,083)	(\$44,626,012)	(\$37,693,111)
Business-Type Activities	(\$1,377,240)	(\$124,564)	\$7,138,254	\$65,171	(850,630)
Total Primary Government Net Expense	(\$39,406,920)	(\$43,482,820)	(\$34,387,829)	(\$44,560,841)	(\$38,543,741)
General Revenue and Other Changes in Net Position– Governmental Activities:					
Taxes:					
Property Taxes	\$38,956,651	\$37,130,894	\$36,881,354	\$35,202,650	\$33,374,674
Sales Taxes and Other State Shared Revenue	5,438,927	4,992,856	4,567,633	6,804,975	6,791,270
Local Infrastructure Surtax	5,279,106	4,714,955	4,361,575	3,942,051	4,203,564
Other Taxes	2,633,438	2,541,817	2,517,987	3,414,019	3,610,950
Investment Earnings	2,066,319	1,590,779	166,666	98,045	75,452
Gain (Loss) – Sale of Capital Assets	-	-	-	-	-
Miscellaneous	529,489	472,549	1,363,004	979,614	670,821
Transfers	(477,241)	(2,524,923)	(2,016,185)	(2,955,571)	(643,685)
Total Governmental Activities	54,426,689	48,918,927	47,842,034	47,485,783	48,083,046
General Revenue and Other Changes in Net Position– Business-Type Activities:					
Investment Earnings	439,241	227,221	133,655	104,060	38,698
Gain (Loss) – Sale of Capital Assets	158,580	107,353	120,363	60,811	150,300
Miscellaneous	9,124	6,675	7,074	16,586	71,627
Transfers	477,241	2,524,923	2,016,185	2,955,571	643,685
Total Business-Type Activities	1,084,186	2,866,172	2,277,277	3,137,028	904,310
Total Primary Government-General Revenues & Other Changes in Net Position	\$55,510,875	\$51,785,099	\$50,119,311	\$50,622,811	\$48,987,356
Changes in Net Position					
Government Activities	\$16,397,009	\$5,560,671	\$6,315,951	\$2,859,771	\$10,389,935
Business-Type Activities	(293,054)	2,741,608	9,415,531	3,202,199	53,680
Total Primary Government Changes in Net Position	\$16,103,955	\$8,302,279	\$15,731,482	\$6,061,970	\$10,443,615

Sources:

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

Note(s):

FYE 2008 – Changes in Net Position has been restated per Note 19, Notes to Financial Statements (FYE 2009).
FYE 2009 – Changes in Net Position has been restated per Note 19, Notes to Financial Statements (FYE 2010).
FYE 2010 – Changes in Net Position has been restated per Note 20, Notes to Financial Statements (FYE 2011).

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

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

	Fiscal Years Ended September 30th				
	2012	2013	2014	2015	2016
Expenses – Governmental Activities					
General Government	\$14,609,716	\$15,273,429	\$15,262,970	\$15,833,048	\$15,481,374
Public Safety	28,858,269	29,053,530	30,023,992	31,130,700	32,833,564
Physical Environment	403,747	561,174	588,965	764,026	460,323
Transportation	9,814,498	9,230,447	9,667,973	9,848,038	9,398,013
Economic Environment	2,415,464	1,710,560	1,995,483	908,696	989,290
Human Services	2,940,060	2,287,476	2,125,020	2,295,735	2,499,904
Culture and Recreation	2,029,314	2,010,082	2,226,544	1,670,193	2,152,773
Court Related	3,113,986	3,686,521	3,921,791	3,821,760	4,018,851
Interest on Long-Term Debt	513,942	399,406	307,217	328,261	502,991
Total Governmental Activities Expenses	64,698,996	64,212,625	66,119,955	66,600,457	68,337,083
Expenses - Business-Type Activities:					
Water & Wastewater System	1,869,331	1,955,597	1,892,357	2,441,404	3,534,001
Solid Waste	8,925,237	6,958,185	5,358,094	9,336,233	8,324,581
Port Authority	291,530	165,732	298,250	344,846	414,682
Total Business-Type Activities Expenses	11,086,098	9,079,514	7,548,701	12,122,483	12,273,264
Total Primary Government Expenses	\$75,785,094	\$73,292,139	\$73,668,656	\$78,722,940	\$80,610,347
Program Revenues – Governmental Activities					
Charges for Services:					
General Government	\$3,268,440	\$3,449,887	3,465,000	3,810,560	3,743,109
Public Safety	4,377,476	4,407,224	4,447,940	4,527,792	4,791,680
Court Related	318,727	730,182	1,430,873	1,295,392	1,132,161
Other	1,007,484	1,049,501	1,106,433	1,092,637	1,213,890
Operating Grants and Contributions	7,800,977	7,858,343	6,696,708	6,657,398	7,467,758
Capital Grants and Contributions	7,374,458	4,119,514	4,010,600	5,745,494	3,307,135
Total Governmental Activities Program Revenues	24,147,562	21,614,651	21,157,554	23,129,273	\$21,655,733
Program Revenues - Business-Type Activities:					
Charges for Services:					
Water and Wastewater System	896,059	968,530	1,071,317	1,122,706	980,746
Solid Waste	7,634,922	7,804,385	8,848,338	13,494,327	11,721,406
Port Authority	170,442	161,132	174,344	237,688	410,276
Operating Grants and Contributions	70,588	70,588	90,909	90,909	1,408,758
Capital Grants and Contributions	-	-	4,080,327	3,088,096	1,407,566
Total Business-Type Activities Program Revenues	8,772,011	9,004,635	14,265,235	18,033,726	15,928,752
Total Primary Government Program Revenues	\$32,919,573	\$30,619,286	\$35,422,789	\$41,162,999	\$37,584,485
Net (Expense)/Revenue					
Governmental Activities	(\$40,551,434)	(\$42,597,974)	(\$44,962,401)	(\$43,471,184)	(\$46,681,350)
Business-Type Activities	(2,314,087)	(74,879)	6,716,534	5,911,243	3,655,488
Total Primary Government Net Expense	(\$42,865,521)	(\$42,672,853)	(\$38,245,867)	(\$37,559,941)	(\$43,025,862)
General Revenue and Other Changes in Net Position – Governmental Activities:					
Taxes:					
Property Taxes	\$31,055,841	\$29,504,837	\$31,152,255	\$30,775,731	\$31,889,308
Sales Taxes and Other State Shared Revenue	6,996,156	7,149,473	7,457,010	7,536,735	7,568,951
Local Infrastructure Surtax	4,447,881	4,585,867	4,824,959	5,115,218	5,364,150
Other Taxes	715,333	693,986	740,601	805,829	768,361
Investment Earnings	68,947	53,626	35,779	38,612	52,444
Gain (Loss) – Sale of Capital Assets	-	-	-	-	-
Miscellaneous	563,855	806,504	776,286	928,557	841,671
Transfers	(673,407)	(836,572)	(614,714)	(584,531)	(399,279)
Total Governmental Activities	43,174,606	41,957,721	44,372,176	44,616,151	46,085,606
General Revenue and Other Changes in Net Position - Business-Type Activities:					
Investment Earnings	93,277	28,875	35,513	72,593	63,649
Gain (Loss) – Sale of Capital Assets	63,346	-	133,873	77,603	34,741
Miscellaneous	6,508	6,506	244	507	200
Transfers	673,407	836,572	614,714	584,531	399,279
Total Business-Type Activities	836,538	871,953	784,344	735,234	497,869
Total Primary Government – General Revenue & Other Changes in Net Position	\$44,011,144	\$42,829,674	\$45,156,520	\$45,351,385	46,583,475
Changes in Net Position					
Government Activities	\$2,623,172	(\$640,253)	(590,225)	\$1,144,967	(\$595,744)
Business-Type Activities	(1,477,549)	797,074	7,500,878	6,646,477	4,153,357
Total Primary Government Changes in Net Position	\$1,145,623	\$156,821	\$6,910,653	\$7,791,444	\$3,557,613

Sources:

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

Notes:

FYE 2012 – Other Taxes decreased due to the reclassification of gas taxes to Operating Grants & Contributions (GASB Statement 34, Paragraph 50). Changes in Net Position – Business-Type Activities reflects a deficit value, resulting primarily from a solid waste capacity analysis.

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

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

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

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

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

Fiscal Years Ended September 30th

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>General Fund</u>										
Non-Spendable	\$ 43,492	\$ 151,831	\$ 2,439,982	\$ 2,465,354	\$ 847,082	\$ 809,234	\$ 3,069,012	\$ 63,912	\$ -	\$ -
Restricted	72,075	74,007	74,212	66,782	39,369	39,427	44,520	52,143	54,922	57,455
Committed	-	-	-	-	627,897	-	-	-	-	-
Assigned	4,150,000	1,018,416	863,764	1,538,754	1,826,156	2,587,699	4,629,810	5,202,276	5,940,642	4,471,990
Unassigned	7,980,607	8,694,113	8,607,040	11,123,891	13,425,709	12,395,072	6,168,438	7,370,175	3,732,408	1,758,035
Total General Fund	\$ 12,246,174	\$ 9,938,367	\$ 11,984,998	\$ 15,194,781	\$ 16,766,213	\$ 15,831,432	\$ 13,911,780	\$ 12,688,506	\$ 9,727,972	\$ 6,287,480
<u>All Other Governmental Funds</u>										
Non-Spendable	\$ 172,285	\$ 163,637	\$ 263,236	\$ 163,237	\$ 760,197	\$512,048	\$ -	\$ 166,167	\$ -	\$ -
Restricted	12,226,656	18,611,909	20,895,125	23,857,908	16,956,905	17,816,593	18,033,639	19,274,502	19,918,949	21,346,319
Committed	-	-	-	-	-	-	320,820	421,560	414,412	279,157
Assigned	1,829,370	1,914,040	2,019,163	2,262,112	1,985,562	1,608,090	654,721	44,687	950,964	1,156,439
Unassigned	(2,631,354)	(6,233,529)	(8,594,338)	(8,804,398)	(511,396)	(541,568)	(547,413)	(846,043)	(501,366)	-
Total All Other Governmental Funds	\$ 11,596,957	\$ 14,456,057	\$ 14,583,186	\$ 17,478,859	\$ 19,191,268	\$19,395,163	\$ 18,461,767	\$ 19,060,873	\$ 20,782,959	\$ 22,781,915

Sources:

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

Notes:

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

Detailed information on governmental fund balances, including the composition of the negative unassigned fund balances, may be found in the *Notes to Financial Statements* (Notes 12 and 13 for FYE 2011, Notes 11 and 12 for FYE 2012 & 2013, and Notes 12 and 13 for FYE 2014, Note 13 for FYE 2015, Note 12 for FYE 2016).

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

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

	Fiscal Years Ended September 30th									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$46,779,444	\$44,355,656	\$43,732,844	\$42,598,576	\$41,168,556	\$38,914,462	\$37,516,475	\$39,700,819	\$39,759,193	\$41,322,354
Licenses & Permits	936,486	601,592	597,326	465,499	420,923	373,642	409,552	386,338	455,499	462,331
Charges for Services	8,536,015	8,371,316	9,292,103	8,226,785	6,377,444	6,435,750	6,991,716	6,633,868	7,156,217	7,254,439
Fines & Forfeitures	830,275	828,851	561,211	621,059	247,296	478,338	335,976	414,181	449,691	376,935
Special Assessments	-	-	-	-	-	-	-	762,763	707,522	695,240
Intergovernmental	17,474,930	15,271,255	15,671,299	16,814,647	25,375,467	19,596,750	16,462,114	14,773,952	17,045,094	15,676,105
Other	3,963,179	3,884,741	1,922,602	1,435,729	1,130,106	718,306	1,010,051	860,044	1,134,834	1,024,443
Total Revenues	\$78,520,329	\$73,313,411	\$71,777,385	\$70,162,295	\$74,719,792	\$66,517,248	\$62,725,884	\$63,531,965	\$66,708,050	\$66,811,847
Expenditures										
General Government	\$15,520,852	\$20,888,844	\$14,413,990	\$14,103,301	\$12,712,203	\$11,984,390	\$12,577,187	12,796,506	\$13,284,771	\$13,567,671
Public Safety	25,995,056	27,052,878	28,751,920	28,973,485	29,636,293	29,814,609	27,615,610	28,047,480	32,018,301	29,703,531
Physical Environment	1,341,970	13,644,704	2,506,210	597,338	530,387	1,254,438	761,769	435,590	603,718	426,002
Transportation	6,968,726	6,978,886	7,151,081	6,886,583	6,502,646	5,790,663	5,674,924	5,812,999	6,116,824	5,498,722
Economic Environment	2,872,285	1,935,904	1,533,616	1,094,825	1,452,112	2,418,774	1,703,954	1,989,812	911,495	986,521
Human Services	2,372,291	1,928,002	2,215,082	1,906,826	2,290,281	2,434,410	2,451,774	2,195,787	2,367,008	2,571,177
Culture & Recreation	2,201,639	1,966,155	2,019,084	1,759,711	5,889,434	1,783,008	1,800,652	1,898,548	2,054,248	1,897,995
Court-Related	3,148,089	3,231,596	3,154,933	3,282,314	4,039,912	3,480,473	3,551,380	3,948,024	3,688,756	3,348,369
Capital Outlay	19,534,431	6,784,516	4,661,133	1,875,260	5,992,548	5,208,136	5,966,546	4,176,440	20,678,148	8,051,932
Debt Service										
Principal Retirement	2,226,399	2,220,948	2,556,574	2,189,458	3,693,101	2,589,490	2,508,443	2,113,440	1,709,078	19,570,226
Interest & Fiscal Charges	521,696	852,098	706,791	640,860	599,585	521,161	426,887	323,809	303,970	253,692
Total Expenditures	\$82,703,434	\$87,484,531	\$69,670,414	\$63,309,961	\$73,338,502	\$67,279,552	\$65,039,126	63,738,435	\$83,736,317	85,875,838
Excess of Revenues Over (Under) Expenditures	(\$4,183,105)	(\$14,171,120)	\$2,106,971	\$6,852,334	\$1,381,290	(\$762,304)	(\$2,313,242)	(\$206,470)	(\$17,028,267)	(\$19,063,991)
Other Financing Sources (Uses)										
Proceeds from Borrowing	\$10,026,449	\$14,032,728	\$289,955	\$173,873	\$2,748,601	566,234	-	-	\$16,105,662	\$19,707,301
Sale of Capital Assets	76,607	-	-	-	-	-	-	-	-	-
Capital Leases	888,000	808,937	-	-	-	-	-	-	-	-
Transfers In	24,099,303	24,168,695	24,031,657	24,208,529	670,897	708,705	1,043,537	1,666,252	2,158,565	3,318,202
Transfers Out	(24,229,668)	(24,287,947)	(24,254,823)	(25,129,280)	(1,516,947)	(1,243,521)	(1,583,343)	(2,083,950)	(2,474,408)	(5,403,048)
Total Other Financing Sources (Uses)	\$10,860,691	\$14,722,413	\$ 66,789	(\$ 746,878)	\$1,902,551	\$31,418	(\$539,806)	(\$417,698)	\$15,789,819	\$17,622,455
Net Change in Fund Balances	\$ 6,677,586	\$ 551,293	\$2,173,760	\$6,105,456	\$3,283,841	(\$730,886)	(\$2,853,048)	(\$624,168)	(\$1,238,448)	(\$1,441,536)
Debt Service as a Percentage of Non-Capital Expenditures	4.79%	5.13%	5.44%	4.87%	7.19%	5.41%	5.19%	4.26%	3.43%	26.13%

Source:

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

Note:

Corrections have been made to the calculations of capitalized expenditures for years 2007 – 2010 resulting in changes to the Percentage of Debt Service to Non-Capital Expenditures for 2007 (0.05%), 2008 (0.93%), 2009 (0.17%) and 2010 (0.19%).

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

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

Fiscal Year Ended Sep 30	Real Property						Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Total Taxable Assessed Value As a Percentage of Estimated Actual Value	Assessed Taxable Value Per Capita	
	Residential	Agricultural	Commercial	Industrial	Other	Net Adjustments							Less Exemptions
	(1)	(2)	(2)	(3)	(4)	(5)							(6)
2007	3,570,960	446,858	337,431	193,585	873,490	(1,116,293)	(1,209,315)	814,416	3,911,132	9.2000	6,824,314	57.31 %	\$ 52
2008	4,005,411	573,985	350,694	156,853	978,694	(1,409,020)	(1,325,739)	838,820	4,169,698	8.5765	7,533,900	55.35 %	\$ 56
2009	4,058,022	651,200	357,277	159,474	1,019,299	(1,465,330)	(1,587,543)	855,685	4,048,084	8.5765	7,760,796	52.16 %	\$ 54
2010	3,901,162	700,797	354,037	158,189	1,059,238	(1,443,874)	(1,649,362)	865,501	3,945,688	8.5765	7,707,062	51.20 %	\$ 53
2011	3,571,781	701,895	352,012	156,273	1,035,837	(1,322,348)	(1,643,008)	869,432	3,721,874	8.5765	7,362,370	50.55 %	\$ 50
2012	3,150,197	651,821	334,835	149,323	957,256	(1,075,250)	(1,565,576)	883,575	3,486,181	8.5765	7,056,889	49.40 %	\$ 48
2013	2,865,071	633,212	311,323	140,501	898,733	(925,141)	(1,499,239)	862,998	3,287,458	8.5765	6,638,738	49.52 %	\$ 45
2014	2,819,835	540,347	321,672	139,751	818,753	(815,973)	(1,411,909)	954,521	3,366,997	8.9000	6,440,567	52.28%	\$ 46
2015	2,788,415	537,349	337,852	181,969	824,902	(794,778)	(1,417,738)	943,388	3,401,359	8.9000	6,518,599	52.18%	\$ 47
2016	2,760,441	531,813	348,856	180,513	850,143	(770,213)	(1,433,456)	893,285	3,361,382	9.0730	6,487,257	51.82%	\$46

Sources:

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

Notes:

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

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

- (1) Other (Real Property) values include Centrally Assessed Real Property values, i.e. railroad tracks, water easements, etc. which have been assessed by the State of Florida.
- (2) Adjustments and exemptions are governed by chapters 193 and 196, respectively, of the Florida Statutes, as well as Article VII of the Constitution of the State of Florida.
- (3) Personal Property values include both general county Personal Property, as well as, Centrally Assessed Personal Property, i.e. railroad cars, etc., which have been assessed by the State of Florida.
- (4) Total Taxable Assessed Value is net of adjustments and exemptions and includes taxable Personal Property.
- (5) Total Direct Tax Rate is the rate per \$1,000 assessed value imposed by Putnam County (countywide). Please refer to page S-8 for overlapping rates.
- (6) The Property Appraiser's Office follows the guidelines provided in F.S. 193.011 to determine the Estimated Actual Value (Just Value) of each piece of real or personal property.
- (7) Total Taxable Assessed Value divided by Estimated Actual Value.
- (8) Assessed Taxable Value Per Capita = Total Taxable Assessed Value divided by the Countywide Population total, listed on page S-16 of this CAFR's Statistical Section, by fiscal year.
- (9) Fiscal year 2014 – It was decided to establish a separate Agricultural Real Property category, after realizing that agricultural values approached, if not exceeded, commercial real property values for all years. Consequently, Other Real Property values for 2007-2013 decreased correspondingly by values of Agricultural Real Property for the same year.
- (10) An error in the calculation of the 2012 Assessed Taxable Value Per Capita was corrected. The error was caused by transposing the Countywide Population Total (originally used 75,138, instead of 73,158). The change resulted in an increase of \$1 Assessed Taxable Value Per Capita.

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

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

		Fiscal Years Ended September 30 th									
	Notes	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
County Direct Rate(s)											
Board of County Commissioners - General Fund		9.2000	8.5765	8.5765	8.5765	8.5765	8.5765	8.5765	8.9000	8.9000	9.0730
Total Putnam County Direct Rate		9.2000	8.5765	8.5765	8.5765	8.5765	8.5765	8.5765	8.9000	8.9000	9.0730
Overlapping Rate(s)											
Putnam County School District											
General Fund	a)	5.7740	5.4940	5.9550	6.3140	6.6310	5.9570	6.0200	5.8560	5.7040	5.7040
Bond/Debt/Capital Outlay	a)	2.5000	2.0000	1.7500	1.4990	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
Total School Board		8.2740	7.4940	7.7050	7.8130	7.8610	7.4570	7.5200	7.3560	7.2040	7.2040
Fire Municipal Service Taxing Unit (MSTU)		0.8000	0.7425	0.7425	0.7425	0.7425	0.7425	0.7425	.07425	0.7425	1.1000
Water Management Districts											
St. Johns River Water Management District		0.4620	0.4158	0.4158	0.4158	0.4158	0.3313	0.3313	0.3283	0.3164	0.3023
Suwannee River Water Management District	b)	0.4914	0.4399	0.4399	0.4399	0.4399	0.4143	0.4143	0.4143	0.4141	0.4104
Municipalities											
Crescent City		8.8000	8.1723	8.1723	8.1723	8.1723	8.1723	8.1723	8.5914	8.5914	8.5914
Interlachen		8.5000	8.5000	8.4658	8.8287	8.8287	8.8287	8.8287	8.7993	8.8821	8.8821
Palatka		8.6500	8.5000	8.6500	8.6500	8.6500	8.6500	9.1749	9.1749	9.1749	9.1749
Pomona Park		5.6540	4.7737	5.0867	6.2874	6.2874	6.2874	5.7874	5.7874	5.7874	5.7874
Welaka		6.3000	5.5050	5.5050	5.5050	5.5050	5.5050	5.5050	5.5050	5.5050	5.5559

Sources and Notes:

Information for the above table was taken from the Putnam County Annual Budget Report for the respective fiscal years, with the exception of the following de minimis corrections listed below:

Corrections to prior years' data:

- a) Putnam County School District – millage rates for the general fund for both 2010 and 2011 have been increased by 0.25 (representing critical operating millage): a corresponding decrease of 0.25 was made in the millage rates for the Bond/Debt/Capital Outlay for the same years. The total millage rate for the Putnam County School District remained unchanged.
- b) Suwannee River Water Management District (SRWMD) – the millage rate for 2007, originally reported as 0.4910, were discovered to be 0.4914 via copy of the 2006 SRWMD CAFR.

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

PRINCIPAL TAXPAYERS – CURRENT AND NINE YEARS AGO

Taxpayer	2016 -----			2007 -----		
	Taxable Assessed Value	Rank	Total Assessed Value %	Taxable Assessed Value	Rank	Total Assessed Value %
	(1)		(2)	(1)		(2)
Seminole Electric Cooperative, Inc.	\$ 317,256,888	1	9.44%	\$ 264,024,194	1	6.75%
Georgia-Pacific Corporation	283,388,521	2	8.43%	245,913,520	2	6.29%
Florida Power & Light	164,198,820	3	4.88%	150,108,279	3	3.84%
Continental Palatka, LLC	(3) 108,753,642	4	3.24%	125,622,898	4	3.21%
Clay Electric Cooperative, Inc.	47,643,200	5	1.42%	39,111,682	5	1.00%
Wal-Mart Stores East, Inc.	16,433,142	6	0.49%	13,549,503	8	0.35%
CSX Transportation, Inc.	16,380,350	7	0.49%	-	-	-
NF Putnam Community Medical Center	(4) 14,901,504	8	0.44%	17,811,026	7	0.45%
9520 Bonita Beach Road, LLC	12,670,269	9	0.38%	-	-	-
BellSouth Telecommunications	12,642,639	10	0.38%	22,074,006	6	0.56%
Veritas Steel, LLC (f/k/a PDM Bridge)	(5) -	-	-	13,535,805	9	0.35%
Grandin Land, Inc.	-	-	-	8,827,666	10	0.23%
Principal Taxpayers Totals	\$ 994,268,975		29.58%	\$ 900,578,579		23.03%
All Other Taxpayers Totals	\$ 2,367,112,554		70.42%	\$ 3,010,553,690		76.97%
Grand Totals	(6) \$ 3,361,381,529		100.00%	(6) \$ 3,911,132,269		100.00%

Sources:

The sources for the data shown in the table above for FYE 2016 and for FYE 2007 were the tax rolls for 2015 and 2006, respectively, as provided by the Putnam County Property Appraiser's Office.

Notes:

(1) Significant changes in assessed values over the ten year period may be the results of property additions, deletions, as well as just normal business attrition.

(2) Percentages are a function of Taxable Assessed Value / Total Taxable Assessed Value for the specific year.

(3) Continental Palatka, LLC is a subsidiary of the newly formed company Continental Building Products, LLC, which took over the assets and operations of LaFarge North America. The sale was completed August 30, 2013 and operations commenced under the new ownership on September 3rd of the same year.

(4) Putnam Community Medical Center (PCMC) was purchased by Hospital Corporation of America (HCA) from Lifepoint Hospitals in March of 2015. The administrative changeover of PCMC to HCA was made, officially, May 1, 2015. The rebranding of PCMC to NF Putnam Community Medical Center occurred February 6, 2016. NF Putnam Community Medical Center has joined with NF Regional Medical Center and Lake City Medical Center to create North Florida Regional Healthcare System.

(5) Veritas Steel, LLC was formed by Atlas Holdings, LLC on October 1, 2013 to acquire certain assets of the steel bridge fabricator PDM Bridge, also formerly known as Steel Bridges, LLC.

(6) Taxable Assessed Value includes real, tangible personal and centrally assessed properties.

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

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year 9/30/XX	Fiscal Year Taxes Levied	Fiscal Year Current Collections		Current Collections Percentage of Levy	Delinquent Collections	Total Collections	Total Collections Percentage of Levy
2007	38,801,345	38,848,336	(1)	100.00%	108,315	38,956,651	100.00%
2008	38,558,366	36,918,496		95.75%	212,398	37,130,894	96.30%
2009	37,435,830	35,434,153		94.65%	483,885	35,918,038	95.95%
2010	36,488,381	34,833,535		95.46%	369,115	35,202,650	96.48%
2011	34,405,724	33,142,219		96.33%	232,455	33,374,674	97.00%
2012	32,228,609	30,830,544	(2)	95.66%	(2) 225,297	31,055,841 (2)	96.36% (2)
2013	30,394,849	29,157,477		95.93%	347,360	29,504,837	97.07%
2014	32,223,589	30,950,783		96.05%	201,472	31,152,255	96.68%
2015	32,548,474	30,566,176		93.91%	209,555	30,775,731	94.55%
2016	33,775,185	31,503,423		93.27%	385,885	31,889,308	94.42%

Sources:

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

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

Notes:

(1) Fiscal year 2007 shows that current taxes collected exceeded the taxes levied. The major factor contributing to the excess in collections for this fiscal year was that approximately \$2.3 million in taxes that had been previously subject to litigation and held in escrow for tax roll years 2001 through 2006 were released and recorded as revenues.

(2) FYE 2013- Fiscal year 2012 Current Collections and Total Collections have been corrected by \$2.0 million – understated previously due to typographical error. The Percentages of Current Collections and Total Collections to FYE 2012 Levy have been corrected, appropriately.

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

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

	2007 (1)	2008 (2)	2009 (3) & (4)	2010	2011 (5)	2012	2013 (6)	2014	2015 (7)	2016 (8)
<u>Governmental Activities</u>										
Loans/Notes	\$14,600,160	\$16,808,909	\$15,166,962	\$13,473,758	\$11,714,252	\$10,022,201	\$8,339,879	\$6,594,181	\$4,947,253	\$3,224,690
Capital Leases	1,840,026	1,719,266	1,094,593	772,213	1,587,218	1,256,013	429,892	62,150	-	-
Public Improvement Revenue Bonds, Series 2016	-	-	-	-	-	-	-	-	-	\$17,965,300
Total Governmental Activities	\$16,440,186	\$18,528,175	\$16,261,555	\$14,245,971	\$13,301,470	\$11,278,214	\$8,769,771	\$ 6,656,331	\$4,947,253	\$21,189,990
<u>Business-Type Activities</u>										
Loans/Notes	\$80,138	\$10,532,729	\$12,657,018	\$12,960,885	\$12,468,344	\$11,591,090	\$10,692,661	\$9,764,271	\$9,439,985	\$8,626,330
Revenue Bonds –										
Water Revenue Bonds – Series 2008	-	-	6,322,900	6,322,900	6,255,000	6,184,000	6,110,000	6,033,000	5,951,000	5,866,000
Sewer Revenue Bonds – Series 2013	-	-	-	-	-	-	-	-	3,333,000	3,333,000
Capital Leases	-	356,820	273,157	185,903	455,185	426,644	924,683	631,333	372,124	202,779
Total Business-Type Activities	\$80,138	\$10,889,549	\$19,253,075	\$19,469,688	\$19,178,529	\$18,201,734	\$17,727,344	\$16,428,604	\$19,096,109	\$18,028,109
<u>Total Primary Government</u>										
Total Outstanding Debt	\$16,520,324	\$29,417,724	\$35,514,630	\$33,715,659	\$32,479,999	\$29,479,948	\$26,497,115	\$23,084,935	\$24,043,362	\$39,218,099
Total Outstanding Debt as a % of API	(9)	0.89%	1.53%	1.88%	1.73%	1.64%	1.52%	1.38%	1.17%	1.87%
Total Outstanding Debt per Capita	(9)	\$221	\$392	\$475	\$453	\$439	\$403	\$364	\$318	\$538

Sources & Notes:

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

- (1) FYE 2007 – **Governmental Activities:** The Board of County Commissioners approved the issuance of a note in the amount of \$10,000,000 for the Better Place Plan (BPP); and the PCSO entered into capital leases totaling \$888,000.
- (2) FYE 2008 – **Governmental Activities:** Loans and notes payable increased by the amount of \$3,500,000, as a result of a note issued to advance road projects pursuant to the County's Better Place Plan (BPP). Revenues to be received from the one cent sales surtax pledged security for both the \$10 million (see note 2 above) and the \$3.5 million notes for the BPP projects. For more information on the Pledged Revenue Coverage refer to pages S-13 through S-15 of this Statistical Section. The County, also, entered into a capital lease arrangement for a new phone system in the amount of \$767,937. **Business-Type Activities:** (Restatement for FYE 2008) A Water Revenue Bond Anticipation Note (BAN) in the amount of \$5,956,600, as well as a loan from the Florida State Revolving Fund (SRF) in the amount of \$4,576,128 represent the increases to Loans and Notes Payables. Both instruments were acquired to assist in financing the development of the East Putnam (E.P.) Water System. The BAN was retired by the issuance of the Water Revenue Bonds – Series 2008A and 2008B on December 12, 2008. Both instruments in FYE 2008 were previously reported under Governmental Activities. Additionally, Solid Waste Management acquired a compactor under a capital lease agreement in the amount of \$454,227.
- (3) FYE 2009 – **Governmental Activities:** The County acquired a wheel loader and an excavator by lease arrangements totaling just under \$290 thousand. **Business-Type Activities:** To finance construction of a new landfill cell, the County issued a note payable in the amount of \$4 million, which is secured by special assessments for waste disposal. The SRF loan (refer to note 3 above) increased by approximately \$4.4million. Water Revenue Bonds were issued for slightly over \$6.3 million.
- (4) FYE 2009 – Re-statement – **Business-type Activities:** SRF loan payable has been reduced by \$280,730 to correctly reflect the amount of debt issued (refer to Note 19, Notes to Financial Statements, FYE 2010).
- (5) FYE 2011 – **Governmental Activities:** PCSO entered into lease arrangements totaling \$1,177,430 to acquire additional vehicles and computers. **Business-type Activities:** Capital lease arrangements allowed the acquisition of a wheel loader and a bulldozer.
- (6) FYE 2013 – **Business-type Activities:** Capital leases increased with the addition of a compactor (\$514,753) and a wheel loader (\$231,877).
- (7) FYE 2015 – **Business-type Activities:** The Sewer Revenue Bonds, Series 2013, were issued to retire the Sewer BAN, Series 2014, on October 10, 2014. The BAN assisted in the financing of the development of the East Putnam Regional (EPR) Wastewater System. Additionally, the State Revolving Fund Loan was increased by \$635,088 (long-term portion) to assist in the financing of the EPR Wastewater System.
- (8) FYE 2016 – **Governmental Activities:** The BOCC approved the issuance of \$17,965,300 in Public Improvement Revenue Bonds, Series 2016 used to finance the expansion of the Putnam County Jail.
- (9) Outstanding Debt as a percentage of API and Outstanding Debt per Capita have been calculated by dividing the Total Outstanding Debt for the Primary Government by the Annual Personal Income (API) and the Countywide Population, as applicable, found on page S-16 of this Statistical Section. Total Debt as a Percentage of API, for fiscal years ended 2007-2014, incurred de minimis changes (decreases ranged from .01% to .04%) based on revisions to API, (see Note 2 of page S-16). There were no changes to the Total Outstanding Debt per Capita in any of those years.
- (10) Additional information on the County's outstanding debt may be found in Notes 9 and 10 of the *Notes to Financial Statements*.

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

LEGAL DEBT MARGIN

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

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

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

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

Fiscal Years Ended September 30th

	Notes	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>Governmental Activities</u>											
Florida Capital Improvement Notes –Series 2006 & 2007B											
Gross Revenue	1	\$ 5,318,405	\$ 4,745,191	\$ 4,362,000	\$ 3,947,865	\$ 4,210,944	\$ 4,456,078	\$ 4,595,665	\$ 4,832,723	\$ 5,132,662	5,392,976
Less: Operating Expenditures		-	-	-	-	-	-	-	-	-	-
Capital Outlay Expenditures	1	(13,538,548)	(5,173,995)	(741,564)	0	(413,128)	(789,151)	(2,977,917)	(1,322,825)	(1,295,444)	(4,053,749)
Pledged Revenues for Water Revenue Bonds & SRF Loan	2	-	-	-	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(590,000)
Revenues for Public Improvement Revenue Bonds, Series 2016	3	-	-	-	-	-	-	-	-	-	(436,260)
Transfers out to meet other fund requirements		-	-	-	-	(75,512)	-	(416,000)	-	(138,177)	(176,350)
Net Revenue Available		(8,220,143)	(428,804)	3,620,436	3,447,865	3,222,304	3,166,927	701,748	3,009,898	3,199,041	136,617
Debt Service											
Principal Payments:		185,000	760,000	1,085,000	1,130,000	1,175,000	1,230,000	1,275,000	1,335,000	1,385,000	1,450,000
Interest Payments:		240,355	476,630	487,255	446,874	400,264	352,415	300,878	248,261	193,179	136,084
Total Debt Service		425,355	1,236,630	1,572,255	1,576,874	1,575,264	1,582,415	1,575,878	1,583,261	1,578,179	1,586,084
Coverage Ratio		(19.33)	0.35	2.30	2.19	2.05	2.00	0.45	1.90	2.03	0.09
<u>Business-Type Activities</u>											
Water Revenue Bond Anticipation Note - 2007	4										
Gross Revenue – (Absolved by Water Revenue Bonds – Series 2008A & B)		-	-	\$ 6,322,900	-	-	-	-	-	-	-
Less: Operating Expenses		-	-	-	-	-	-	-	-	-	-
Net Available Revenue		-	-	6,322,900	-	-	-	-	-	-	-
Debt Service:		-	-	-	-	-	-	-	-	-	-
Principal		-	-	5,956,600	-	-	-	-	-	-	-
Interest		-	-	0	-	-	-	-	-	-	-
Total Debt Service		-	-	5,956,600	-	-	-	-	-	-	-
Coverage Ratio		-	-	1.06	-	-	-	-	-	-	-

Sources:

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

Notes:

Please refer to Note 10 of the *Notes to Financial Statements*, as well as page S-11 of this *Statistical Section* for further information regarding Putnam County's long-term obligations.

Factors considered in determining "Coverage Ratio":

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

1. Florida Capital Improvement Revenue Notes (CIRN), Series 2006 (\$10,000,000) and Series 2007B (\$3,500,000) were issued for the purposes of funding Better Place Plan infrastructure projects. They are secured by revenues received from whatsoever source in connection with the Better Place Plan (BPP). BPP revenues are derived mainly from Putnam County's one-cent sales surtax that became effective January 1, 2003 and will sunset January 1, 2018, the maturity date of both notes. The BPP fund is a capital projects fund and, consequently, expenditures are typically capital outlays, rather than operating expenditures. The capital outlays and transfers out were deemed to be not inconsequential in determining an accurate coverage ratio and, therefore, have been included herein. This serves as a re-statement of years prior to FYE 2016. Deficits in coverage for fiscal years 2007 and 2008 would have been absolved through debt issuance. Accumulated fund balance was more than adequate to eliminate the deficits in coverage shown in fiscal years ending in 2013 and 2016.
2. Revenues from the County's One-Cent Sales Surtax serve, also, as a pledge to assist in covering any deficiencies in the primary revenue stream that secures the Water Revenue Bonds and the State Revolving Fund Loans (SRF Loans) for both the County's Water and Wastewater Systems. The annual pledge for the Water Revenue Bonds may not exceed \$275,000, while the pledge for the SRF Loans may be that which is needed to meet loan repayments. See the Water Revenue Bonds and SRF Loans shown on pages S-14 and S-15 of this Statistical Section.
3. The Public Improvement Revenue Bonds, Series 2016 were issued in March 2016 for an amount of \$17,965,300 for which payments are scheduled to commence in FYE 2017. The bonds retired a Bond Anticipation Note (BAN), which assisted in interim financing of the Putnam County jail expansion and improvement project.
4. Restated in 2011: The Water Revenue Bond Anticipation Note (BAN), face amount of \$5,956,600, was acquired during FYE 2008. It was secured, and retired, by the issuance of Water Revenue Bonds Series 2008A and 2008B, totaling \$6,322,900, during FYE 2009. It was shown in 2009 and 2010, incorrectly, as secured by Water Utility Revenues. Restated in FYE 2016: Removed capitalized interest of \$227,095 and re-calculated coverage ratio (from 1.02 to 1.06).

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

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

Fiscal Years Ended September 30 th											
	Notes	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Business-Type Activities											
Solid Waste Management Note – 2009 - \$4,000,000											
Gross Revenue – Annual Special Assessments for Waste Disposal	5	-	-	-	\$6,825,384	\$6,778,552	\$6,586,223	\$6,794,698	\$7,690,046	\$12,319,219	\$10,194,823
Less: Operating Expenses		-	-	-	(5,843,106)	(5,901,951)	(5,823,584)	(5,888,663)	(6,134,025)	(7,592,502)	(6,011,493)
Net Available Revenue		-	-	-	982,278	886,601	762,639	906,035	1,556,021	4,726,717	4,183,330
Debt Service											
Principal		-	-	-	323,163	449,806	466,963	484,775	503,266	522,462	542,391
Interest		-	-	-	147,756	123,375	110,447	92,464	73,799	54,422	34,306
Total Debt Service		-	-	-	470,919	573,181	577,410	577,239	577,065	576,884	576,697
Coverage Ratio		-	-	-	2.09	1.55	1.32	1.57	2.70	8.19	7.25
Water Revenue Bonds - Series 2008 A & B – East Putnam Water System											
Gross Revenue from Operations	6	-	-	-	\$ 688,663	\$ 861,544	\$ 896,059	\$ 968,530	\$ 1,071,461	\$1,122,706	\$655,279
Interest Income		-	-	-	840	530	1,917	2,199	2,277	0	0
Less: Operating Expenses		-	-	-	(466,929)	(509,817)	(512,396)	(619,041)	(574,586)	(1,147,749)	(1,659,541)
Net Operating Revenue:		-	-	-	222,574	352,257	385,580	351,688	499,152	(25,043)	(1,004,262)
Net Operating Revenues used for SRF Water Loan Coverage (see Page S-15)		-	-	-	(222,574)	(285,496)	(318,910)	(285,105)	(432,782)	0	0
Net Operating Revenues used for Water Revenue Bond Coverage		-	-	-	0	66,671	66,670	66,583	66,370	0	0
Sales Surtax Pledge (see Note 2, Page S-13)		-	-	-	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Total Available Sources		-	-	-	275,000	341,761	341,760	341,583	341,370	249,957	(729,262)
Debt Service:											
Principal – Water Revenue Bonds, Series 2008A & B		-	-	-	-	67,900	71,000	74,000	77,000	82,000	85,000
Interest – Water Revenue Bonds, Series 2008A & B		-	-	-	271,498	273,861	270,670	267,583	264,370	261,019	257,458
Total Debt Service		-	-	-	271,498	341,761	341,760	341,583	341,370	343,019	342,458
Coverage Ratio		-	-	-	1.01	1.00	1.00	1.00	1.00	0.73	(2.13)
Sewer Revenue Bonds – Series 2014 – East Putnam Wastewater System											
Gross Revenues from	7	-	-	-	-	-	-	-	-	-	\$ 325,467
Less: Operating Expenses		-	-	-	-	-	-	-	-	-	(182,321)
Net Operating Revenue		-	-	-	-	-	-	-	-	-	143,146
Net Operating Revenue used for SRF Wastewater Loan Coverage (See Page S-15)		-	-	-	-	-	-	-	-	-	(65,615)
Net Operating Revenue used for Sewer Revenue Bond Coverage		-	-	-	-	-	-	-	-	-	77,531
Debt Service											
Principal		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	77,531
Total Debt Service		-	-	-	-	-	-	-	-	-	77,531
Coverage Ratio		-	-	-	-	-	-	-	-	-	1.00

Sources:

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

Notes:

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

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

- Waste Management obtained a note payable, face amount \$4,000,000 on September 23, 2009, to be paid over a period of eight years. The note is a limited obligation in that it is payable, only, by a pledge of all proceeds of annual special assessments levied to pay for the costs of collection and disposal of solid waste.
FYE 2011: Corrected Gross Revenues to reflect only special assessment income, as designated by the note, rather than total user fees and assessments. It was necessary, also, to determine an amount of operating expenses that would have been proportionately related to the special assessments revenues. Therefore, for each fiscal year, a ratio of Total Special Assessments (for collection and disposal) to Total Operating Revenues was determined and, then, applied to Total Operating Costs to arrive at operating expenses related to the Special Assessments Revenues.
FYE 2014: Solid Waste Management Note - it was discovered that certain special assessments had been improperly classified and, therefore, had not been included herein. Because Operating Expenses were determined by a ratio of Special Assessment Revenues to Total Operating Revenues, the Operating Expenses correspondingly increased as the Special Assessment totals increased. Additionally, it was discovered that adjustments needed to be made for interest expense accruals in 2010 and 2011. The overall effect of these combined adjustments in the coverage ratios were less than 1%.
- FYE 2016: Waste Management Note – For fiscal years ended 2011, 2014 and 2015 operating expenses were corrected to reflect audit adjustments not previously included, resulting in the following changes to the coverage ratios; FYE 2011 - (.01), FYE 2014 - .18 and FYE 2015 - .03.
Water Revenue Bonds Series 2008A and 2008B were issued December 12, 2008 and used to retire the Water Revenue BAN referred to in note 3, page S-13. Pledged revenues for the bonds are the gross revenues of the East Putnam Water System, as well as the Sales Surtax Revenue in an amount not to exceed \$275,000 (refer to Note 2, page S-13 of this Statistical Section).As the revenue bonds are senior to the SRF Loan, water system net revenues will first be applied to cover the debt service of the bonds, then any remainder will be applied to the coverage of the debt service of the SRF Loan for the Water System and the SRF Loan for the Wastewater System, in that order. In order to determine accurate Pledged Revenue Coverages for the Water and the Wastewater System Revenue Bonds, it was necessary to classify the operating revenues and expenses of the East Putnam Water Fund (see page 8 of the Basic Financial Statements) as attributable to either the Water System or the Wastewater System. Consequently, figures of these two systems, as shown in this Statistical Section, must be added together to arrive at the totals of revenues and expenses reported in the *Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds* for the East Putnam Water Fund (page 8). Deficiencies in the revenue streams would be remedied by other non-ad valorem resources.
- Sewer Revenue Bonds, Series 2014, totaling \$3,333,000 were issued October 10, 2014 to retire a Bond Anticipation Note, a short-term financing instrument, which served as partial interim financing to develop the East Putnam Regional (EPR) Wastewater System. The bonds are secured by a pledge of the net revenues of the wastewater system. The Wastewater System became operational December 4, 2015. At the close of FYE 2015, debt service was comprised of interest expense of \$90,849.64 which was capitalized. Therefore, a coverage ratio was not calculated, as capitalized interest is not included herein. Deficiencies in the revenue stream for FYE 2015 were absorbed by established debt reserves. Please refer to Note 6 above for further information on calculations of revenues and expenses for FYE 2016.

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

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

Fiscal Years Ended September 30th										
Notes	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>Business-type Activities</u>										
State Revolving Fund (SRF) Loan for East Putnam Water System	8									
Net Operating Revenue from East Putnam Water System	-	-	-	\$ 222,574	\$ 285,496	\$ 318,910	\$ 285,105	\$ 432,782	\$ 0	\$ 0
Sales Surtax Pledge	-	-	-	225,000	225,000	225,000	225,000	225,000	225,000	315,000
Transfers from General Fund	-	-	-	293,498	196,952	152,952	152,952	152,952	150,000	60,000
Other Transfers	-	-	-	0	0	0	0	14,884	0	0
Net Available Revenues & Other Sources				741,072	707,448	696,862	663,057	825,618	375,000	375,000
Debt Service										
SRF Water Loan Principal Payments	-	-	-	248,569	404,981	410,291	413,655	425,124	436,912	449,026
SRF Water Loan Interest Payments	-	-	-	526,809	253,317	246,702	235,176	223,562	211,626	199,358
Total Debt Service	-	-	-	775,378	658,298	656,993	648,831	648,686	648,538	648,384
Coverage Ratio	-	-	-	0.96	1.07	1.06	1.02	1.27	0.58	0.58
State Revolving Fund (SRF) Loan for East Putnam Wastewater System										
Net Operating Revenue from East Putnam Water System	-	-	-	-	-	-	-	-	-	\$ 0
Net Operating Revenue from the East Putnam Wastewater System	-	-	-	-	-	-	-	-	-	65,615
Sales Surtax Pledged	-	-	-	-	-	-	-	-	-	0
Transfers In from the General Fund	-	-	-	-	-	-	-	-	-	0
Net Available Revenues & Other Sources	-	-	-	-	-	-	-	-	-	65,615
Debt Service										
SRF Wastewater Loan Principal Payments	-	-	-	-	-	-	-	-	-	95,909
SRF Wastewater Loan Interest Payments	-	-	-	-	-	-	-	-	-	5,008
Total Debt Service	-	-	-	-	-	-	-	-	-	100,917
Coverage Ratio	-	-	-	-	-	-	-	-	-	0.65

Sources:

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

Notes:

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

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

8. The Drinking Water State Revolving Fund (SRF) Construction Loan Agreement, used to assist in financing the development of the East Putnam Water System, has two sources of pledged revenues. The primary sources of revenues used to pay debt service are income and earnings from the operation of the East Putnam Water System, as well as investment income. A secondary pledged revenue source is the County's One-Cent Sales Surtax (please refer to Note 2, Page S-13, of the Statistical Section). This SRF Loan is junior in obligation to both the Water Revenue Bonds and Sewer Revenue Bonds. Consequently, net revenues from the water system will serve first to cover the debt service of the bonds and any net excess will then be applied to cover the SRF Water Loan. Deficiencies, thereafter, may be remedied by the Sales Surtax (see Note 2, Page S-13 of this Statistical Section). Restated in 2011 – Corrections have been made to prior years to include both miscellaneous and investment income in the available revenues. Deficiencies were remedied by other non-ad valorem resources.
9. The SRF loan long-term principal balance increased by \$635,088 to assist, also, in the financing of the EPR Wastewater System. The SRF Loan is secured by user fees from the East Putnam Regional Wastewater System, with any deficiencies in the revenue stream absolved by the one-cent sales surtax associated with the Better Place Plan (see note 2, Page S-13, of this Statistical Section). The Water Revenue Bonds and Sewer Revenue Bonds are senior obligations to this SRF Loan. Therefore, Net Operational Revenues from the Wastewater System would first be applied to cover the Sewer Revenue Bonds and thereafter to this SRF Loan. Deficiencies in the pledged revenue streams would have been remedied by other non-ad valorem resources.

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

**COUNTY DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Countywide Population <i>(Note 1)</i>	Annual Personal Income <i>(In Thousands)</i> <i>(Note 2)</i>	Per Capita Personal Income <i>(Note 3)</i>	Countywide Labor Force <i>(Note 4)</i>	Countywide Persons Employed <i>(Note 4)</i>	Countywide Persons Unemployed <i>(Note 4)</i>	Countywide Unemployment Rate <i>(Note 4)</i>
2007	74,863	1,850,086	24,713	31,821	30,405	1,415	4.5%
2008	75,028	1,923,771	25,641	32,015	29,905	2,110	6.6%
2009	74,714	1,887,417	25,262	32,246	28,687	3,560	11.0%
2010	74,364	1,947,522	26,189	31,014	26,965	4,049	13.1%
2011	74,052	1,977,852	26,709	30,072	26,120	3,922	13.0%
2012	73,158	1,934,851	26,448	29,087	25,574	3,513	12.1%
2013	72,763	1,913,292	26,295	28,435	25,311	3,123	10.1%
2014	72,523	1,976,672	27,256	28,452	25,909	2,588	9.1%
2015	72,756	2,052,694	28,213	28,643	26,462	2,181	7.6%
2016	72,957	2,092,516	28,681	28,918	27,176	1,743	6.0%

Sources and Notes:

1. Countywide Population data has been taken from the statistics provided online by (<http://edr.state.fl.us>), the website of the Office of Economic and Demographic Research, State of Florida. Year 2010 is the result of the latest U.S. census. The remaining years are estimates based on adjustments to the census figure preceding the year(s) reported, i.e. population data for 2004-2009 are estimates based on adjustments to the 2000 census.
2. The Annual Personal Income (API) data was obtained from the website of the U.S. Department of Commerce, Bureau of Economic Analysis, Table CA1. API revisions for years 2007-2014, as well as the newly acquired estimate for 2015, were reported on the website www.bea.gov as last updated 11/17/2016. The 2016 API is a projected estimate calculated by increasing the Annual Personal Income for 2015 by 1.94%, the resulting average percentage change over the years 2007-2015.
3. Per Capita Personal Income (PCPI) is the result of dividing the Total Annual Personal Income by the Countywide Population for each year. For as much as the Annual Personal Income and Countywide Population are estimates (see note 1 & 2 above) so are the figures for PCPI. Revisions made to API required corresponding adjustments to PCPI. Since the population figures for 2007-2014 remained unchanged, the revisions to the Total Annual Personal Income referred to in Note 2 above resulted in the same and corresponding percentage changes to Per Capita Personal Income.
4. The labor force, countywide employment, and unemployment data was obtained from the website of Florida's Department of Economic Opportunity, previously known as Agency for Work-Force Innovation. The report entitled *Local Area Unemployment Statistics* by County provided revised data covering the period from January 2007 through September 2015, as well as the new data for the period October 2015 through September 2016. All data in the table above represents fiscal year averages, the fiscal year being from October of one year through September of the next. The average unemployment for fiscal year 2016 was 6.0%, reaching peaks of 6.7% in October 2015 and January 2016, and its low of 5.0% in May 2016.

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

PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO

Employer	Note Ref.#	2016 -----			2007 -----		
		Employees	Rank	Countywide Employment %	Employees	Rank	Countywide Employment %
Putnam County School District (K-12)	1.	1,614	1	5.58%	1,450	1	4.56%
Georgia-Pacific, Palatka Operations	2.	856	2	2.96%	1,150	2	3.61%
Putnam County Government	3.	666	3	2.30%	693	3	2.18%
NF Putnam Community Medical Center	4.	505	4	1.75%	525	5	1.65%
St. Johns River Water Management District	5.	349	5	1.21%	686	4	2.16%
Wal-Mart	6.	300	6	1.04%	523	6	1.64%
Seminole Electric Cooperative	7.	300	7	1.04%	280	9	0.88%
St. Johns River State College	8.	251	8	0.87%	475	8	1.49%
Palatka Health Care Center	9.	215	9	0.74%	-	-	-
City of Palatka	10.	147	10	0.51%	-	-	-
PRC (Precision Response Corp.)		-	-	-	523	7	1.64%
Veritas Steel, LLC (f/k/a/ PDM Bridge)					150	10	0.47%
Totals for Top Ten Employers		5,203		17.99%	6,455		20.29%
Total Countywide Employment	11.	28,918			31,821		

Sources and notes:

FYE 2007 – Source: Cornerstone Regional Development

FYE 2016 – Sources:

- Putnam County School District – Data shown in this table represents the staffing for the 2015-2016 school year, obtained from the website of the Florida Department of Education, www.fldoe.org, Accountability & Reporting.
- Georgia Pacific - Georgia Pacific, LLC (a/k/a G-P) reported via their website (www.gp.com) that it employed 1,560 persons within the state of Florida during 2016, a decrease of 80 employees from 2015. In 2015 and 2016 G-P had three active locations, one each in Hosford (Liberty County), Palatka (Putnam County), and Perry (Taylor County), Florida. To determine an estimate for the 2016 G-P employment in Putnam County, the decrease of 80 persons was allocated based upon a percentage that each location, estimatedly, employed to the known total of 1,640 in 2015.
- Putnam County Government – the total number of employees was taken from the *Putnam County Budget Report* for 2015-2016.
- NF Putnam Community Medical Center – employment figures were taken from the *2016 North Florida Division Community Report* located on the website of HCA (Hospital Corporation of America) North Florida, <http://hcanorthflorida.com>, under Community Involvement. Putnam Community Medical Center (PCMC) was purchased by HCA on May 12, 2015. It was rebranded to NF Putnam Community Medical Center on February 6, 2016.
- St. Johns River Water Management District – Employment for Putnam County was taken from the St. Johns River Water Management District website, <http://www.sjrwmd.com>, Site Map, Contact Us, Staff Directories.
- Wal-Mart – An employment estimate was taken from its corporate website, <http://corporate.walmart.com/our-story/our-business>. The Interlachen, Florida Wal-Mart Neighborhood Market that opened April 29, 2015 closed January 28, 2016.
- Seminole Electric Cooperative – An employment estimate for Putnam County was obtained from its website, www.seminole-electric.com.
- St. Johns River State College (f/k/a St. Johns River Community College) – the number of persons employed in Putnam County was taken from the website, <http://www.sjrst.edu/contactus.html>, Online Directory Search.
- Palatka Health Care Center – obtained the number of employees from <http://www.hospital-data.com/hospitals/>, updated for 2016.
- City of Palatka – The number of employees, for the period ending September 30, 2016, was obtained by a telephone call to the Human Resources Department of the City of Palatka.
- Countywide Employment (fiscal year averages) – Data for both 2007 and 2016 have been taken from the table located on page S-16 and reflects any revisions thereto.

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

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

<u>Function</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Clerk of the Courts	37	38	38	34	34	33	31	31	26	26
Property Appraiser	25	25	25	25	25	25	22	22	22	22
Supervisor of Elections	6	6	6	6	6	6	6	6	6	6
Tax Collector	30	30	30	30	30	31	31	31	31	31
Other General Government	66	66	66	64	63	57	56	55	55	56
Court Related										
Clerk of Courts	40	40	40	33	35	33	35	35	40	40
Culture & Recreation										
Library	20	20	20	21	21	21	21	21	21	21
Parks and Recreation	13	13	13	11	12	12	11	11	11	11
Economic Environment										
Veterans Services	2	2	2	2	2	2	2	2	2	2
Physical Environment										
Agriculture Extension	8	8	8	8	7	7	7	7	7	7
Public Safety										
Buildings & Inspection	17	17	17	19	23	22	22	22	21	18
Codes Enforcement	6	6	6	5	0	0	0	0	11	11
Emergency Medical Services	76	76	76	73	71	70	70	70	69	70
Fire and Rescue Services	10	10	10	12	13	13	13	13	13	14
Sheriff's Office	236	236	236	236	242	242	246	246	239	239
Transportation										
Administration and Engineering	21	21	21	19	19	14	14	14	14	14
Roads and Bridges	59	59	59	59	59	54	54	54	54	54
Business-Type Activities										
Sanitation	21	21	21	21	21	19	21	21	21	19
Utilities	-	-	-	6	6	5	5	5	5	5
Total FTE'S	693	694	694	684	689	666	667	666	668	666

Sources and notes:

The source of the information provided in the table above has been the *Putnam County Budget Report* for the respective fiscal years.

(1) Fire Department personnel are supported by approximately 170 active volunteers.

(2) Personnel additions were attributable to the commencement of operations of the East Putnam Water System in November 2010.

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

OPERATING INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS

Function/Program	Notes Ref.	Fiscal Years -----									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Court Related											
Cases Opened	a	26,928	24,640	24,801	25,360	22,148	23,024	26,394	24,163	21,264	20,136
Cases Closed		25,478	20,913	19,270	20,888	18,895	17,929	19,204	22,781	13,393	13,742
Culture & Recreation – Library											
Registered Borrowers		34,472	36,620	38,817	40,710	42,698	44,716	46,459	47,951	50,134	51,522
Volumes in Collection		96,641	128,547	125,232	131,940	134,304	127,941	133,845	126,307	116,362	109,847
Volumes Borrowed		97,600	111,460	109,349	104,558	96,647	92,134	101,126	76,507	74,036	70,180
Culture & Recreation – Parks & Recreation											
Program Participants		16,448	15,906	19,258	17,092	15,358	16,287	15,901	15,421	17,074	16,289
Program/Events Offered		45	37	41	25	23	24	31	32	33	50
Economic Environment – Veterans Services											
Claims Processed	b	1,658	1,905	1,969	2,168	1,930	8,296	1,083	695	640	1,241
General Government - Supervisor of Elections											
Registered Voters		43,019	45,566	49,297	43,773	43,312	43,090	44,514	45,149	45,337	46,992
Human Services – Animal Control											
Complaints Answered	c	6,913	7,533	6,703	6,541	5,852	2,709	5,001	4,660	7,882	677
Citations Issued	c	204	207	58	26	19	16	32	151	0	0
Human Services – Mosquito Control											
Complaints Answered		274	1,177	685	209	192	928	255	146	255	157
Human Services – Welfare Administration											
HCRA Cases	d	182	166	207	239	179	215	156	260	211	222
Physical Environment – Solid Waste Control											
Solid Waste Collections (tons)		96,357	90,482	78,816	73,748	73,071	72,768	67,937	71,861	78,912	100,094
Recycling Rate (Recycled Tons/Collected Tons)		30%	30%	29%	34%	33%	30%	38%	33%	45%	40%
Physical Environment – Water & Sewer Utilities											
Water Service Connections	e	235	136	136	1,036	1,192	1,192	1,192	1,197	1,197	1,197
Daily Water Consumption (avg. gals./day)	e	42,037	37,465	45,658	176,469	205,100	185,237	201,707	220,954	229,943	239,318
Peak Water Consumption (avg. gals./day)	e	66,372	59,933	103,857	269,452	279,044	227,180	275,373	295,134	280,041	299,963
Daily Wastewater Treatment (avg. gals./day)	f	9,333	16,809	20,379	118,316	104,116	100,287	102,096	114,858	126,183	144,741

Sources:

Unless otherwise stated, the information provided within these tables is the result of internal County reports.

Notes:

- FYE 2007 – 2016: Data shown for Cases Opened has been taken from the Clerk's Outputs Monthly Report prepared for the Florida Clerks of Court Operations Corporation (C.C.O.C.). Cases closed data has been provided by the individual Supervisors over the divisions of Civil, Criminal, Family, Probate, and Traffic.
- FYE 2012: Newly recognized disease/disabilities, along with increased funding and additional benefits resulted in a significant increase in processed claims.
- FYE 2015 – Animal Control: Effective 10/1/2014 the responsibility for animal control was assumed by the Planning & Development Department (relinquished by the Sheriff's Office). No longer will citations be issued.
- HCRA (Health Care & Responsibility Act) obligates counties to pay out-of-county health care for county residents that meet eligibility requirements.
- FYE 2010 – East Putnam Regional Water System became fully operational November 1, 2009 resulting in increases in the number of accounts serviced and related utility activity. Daily Water Consumption was changed from 45,638 gallons to 45,658 gallons in 2009, a difference of .0439 %.
- FYE 2016 – The East Palatka Regional Wastewater System began operations December 4, 2015, which is expected to be the reason for the increase in average daily wastewater treatment shown in the table above.

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

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

	Fiscal Years-----										
Function/Program	Notes										
	Ref.	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Safety – Buildings & Inspections											
Permits Issued: (1) Commercial - New		20	11	7	10	12	8	43	10	57	25
(2) Commercial – Existing		91	430	532	574	362	351	272	13	347	496
(3) Residential – New		623	255	112	134	84	128	293	61	386	583
(4) Residential - Existing		7,756	6,026	5,134	4,219	3,304	2,487	1,925	277	2,030	3,888
Inspections		25,151	20,154	12,256	14,114	10,509	8,902	8,902	8,133	10,009	11,280
Public Safety – Codes Enforcement											
New Case Opened		1,646	1,278	970	1,544	1,059	858	658	812	751	749
New Case Inspections		5,574	4,031	2,820	6,003	3,434	2,853	2,153	1,515	8,529	936
Public Safety – EMS & Fire Control											
Ambulatory Transports	g	6,693	8,707	8,831	9,516	9,466	12,850	9,130	10,428	10,422	11,134
Emergency Responses		8,549	13,686	16,531	17,383	17,155	15,913	14,943	15,692	16,175	16,341
Fires Serviced		635	601	588	618	610	483	396	400	302	337
Public Safety – Law Enforcement (Sheriff)											
Violations		3,112	3,479	3,149	3,240	2,976	2,635	2,151	1,820	1,741	1,479
Arrests	2	3,069	3,403	3,351	3,479	3,094	2,560	2,241	1,586	1,681	1,566
Transportation/Roads & Bridges											
Roads Graded (miles)		2,722	3,004	3,507	3,568	3,914	3,537	3,242	3,210	3,074	3,750
Transportation – Ports & Docks											
Dockage Days	h	282	365	365	365	365	365	365	304	184	378

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

Unless otherwise stated, the information provided within these tables was obtained from internal County reports.

Public Safety –

- EMS & Fire Control estimates, shown in the table, are based on data extracted from the State of Florida Fire Marshal's annual *Florida Fires* reports for the given calendar years and converted to the County's fiscal year. The converted data produces fiscal year estimates. An average net change over the prior 9 fiscal years is added to the fiscal year 2015 estimate to determine the FY 2016 projected estimate.
- Putnam County Sheriff's Office violation and arrest data has been taken from Florida's Department of Law Enforcement (FDLE) Uniform Crime Reports (UCR). The UCR data has been converted from a calendar year basis to fiscal year estimates.

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

- Ambulatory transports for fiscal year 2014 have been corrected from 9,406 to 10,428 based on revised figures provided in fiscal year 2015
- FYE 2014: The leasing contract was terminated effective 7/31/2014, therefore, there was a corresponding decrease in docking days reported for that fiscal year.
FYE 2016: Contracts for docking at the port increased, resulting in an increase in docking days.

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

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

		Fiscal Year Ended September 30th -----									
Function/Program		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Court Related											
Courtrooms	a	3	3	3	3	3	6	6	6	6	6
Culture & Recreation – Library											
Library Branches		5	5	5	5	5	5	5	5	5	5
Culture & Recreation – Parks and Recreation											
Acreage	b	218	211	211	211	1,507	1,507	1,507	1507	1,514	1,525
Parks	b	16	18	18	18	18	18	18	18	19	19
Baseball/Softball Diamonds	b	23	27	27	27	27	27	27	27	26	26
Football/Soccer Fields	b	5	4	4	4	4	4	4	4	2	2
Tennis Courts		6	5	5	5	5	5	5	5	5	5
Community Centers	b	3	3	3	3	3	3	3	3	3	4
General Government – Supervisor of Elections											
Voting Machines	c	140	140	140	140	140	140	140	140	164	46
Physical Environment – Solid Waste Control											
Landfill Capacity Available (tons)	(2), d	179,757	124,678	85,849	635,577	478,273	416,155	367,172	763,842	730,527	719,928
Collection Centers		3	3	3	3	3	3	3	3	3	3
Public Safety – Emergency Management Services											
Ambulances		12	12	13	9	11	13	14	13	15	18
Public Safety – Fire Control											
Fire Stations		18	18	18	18	18	18	18	18	18	18
Fire Trucks		57	54	57	56	57	49	49	49	53	53
Public Safety – Law Enforcement (Sheriff)											
Patrol Vehicles	e	70	46	64	62	147	164	88	88	52	51
Transportations – Roads & Bridges											
Paved Roads (miles)	f	502	528	528	526	525	525	536	538	541	544
Unpaved Roads (miles)	f	1,142	1,120	1,115	1,116	1,114	1,110	1,109	1,097	1,097	1,095

Sources:

- (1) Unless otherwise specifically noted, the sources of the data contained in the table above, as well as the notes provided herein, are the various County departments.
- (2) Landfill capacity analyses reports, based upon aerial topographical surveys, have been prepared externally by various engineering/consulting firms throughout the years. From these annual reports, a projected estimate of the remaining landfill capacity has been calculated for each fiscal year, adjusting for solid waste additions from the date of the engineers' reports through the end of the County's fiscal year end of September 30.

Notes:

- a. An existing County building was renovated for the purpose of providing additional court rooms; those courtrooms became operational in January 2012.
- b. FYE 2011 - An additional 1,296 acres for park use was acquired; specifically, 1,268 acres in the Nine Mile Swamp area in Florahome, as well as, 28 acres designated as the Mabel Hind-Biggs Riverfront Park in Georgetown.
FYE 2014 - Statistical records have been updated to reflect the acquisition of the Lake Como Community Center (Highlands Ave., Pomona Park) in May 7, 2002.
FYE 2015 - An additional acre was obtained through donated property in Interlachen, Florida. The increase of approximately 6 acres is the result of verifying acreage with the Property Appraiser's Office. Also, the number of parks increased by 9 for each of the prior 9 years. In the summer of 2015, Tanglewyde Nature Park became operational, as well.
FYE 2016 - Parks & Recreation acreage increased by approximately 11 acres due to including the boat ramps and water access sites into their capital assets, herein. The Interlachen Community Center opened and started serving the community in March of 2016.
- c. The Supervisor of Elections Office traded in over 100 voting machines and acquired thirty-three new ones to increase efficiencies during FYE 2016.
- d. Sanitation landfill capacity changes: FYE 2010 increased capacity was due to the addition of a new cell; FYE 2014 increased capacity is understood to be the result of permit modifications.
- e. Sheriff's Office - Patrol vehicles were restated for 2013 to 88 to agree with communication received November 17, 2014 from the Putnam County Sheriff's Office.
- f. Unusual fluctuations in road mileage are deemed to have resulted from ongoing verifications of mileage and ownership.

Compliance Section



**Additional Elements Required
By the Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable County Commissioners
Putnam County, Florida

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

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

Prior Audit Findings

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

Financial Condition

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

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

Annual Financial Report

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

Other Matters

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

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

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

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

Palatka, Florida
April 7, 2017



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

The Honorable County Commissioners
Putnam County, Florida

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

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

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

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

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

Palatka, Florida
April 7, 2017

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

The Honorable County Commissioners
Putnam County, Florida

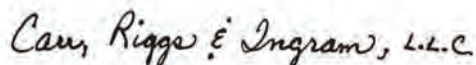
We have examined Putnam County, Florida's (the "County") compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2016. Management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

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

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

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

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



Palatka, Florida
April 7, 2017

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

The Honorable County Commissioners
Putnam County, Florida

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

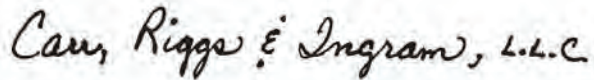
We also noted certain matters that we have reported in separately-issued reports for the County's constitutional officers.

The County's Response to Finding

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Cam, Riggs & Ingram, L.L.C." The signature is written in a cursive, slightly slanted style.

Palatka, Florida
April 7, 2017

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

The Honorable County Commissioners
Putnam County, Florida

Report on Compliance for Each Major Federal Program and State Project

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

Management’s Responsibility

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

Auditor’s Responsibility

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

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

Opinion on Each Major Federal Program and State Project

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

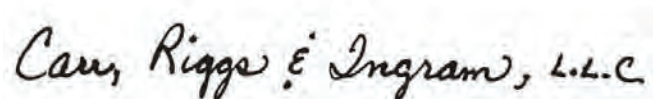
Report on Internal Control Over Compliance

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

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

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

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



Palatka, Florida
April 7, 2017

Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITOR’S RESULTS

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

<u>Federal Programs</u>	<u>Federal CFDA Number</u>
Highway Planning and Construction	20.205
Disaster Grants – Public Assistance	97.036

<u>State Projects</u>	<u>State CFSA Number</u>
Statewide Surface Water Restoration & Wastewater Projects	37.039
State Aid to Libraries	45.030
Transportation Regional Incentive Program	55.026

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

Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS

(Similar item reported in previous audit report as item 2015-001)

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

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

(Similar item reported in previous audit report as item 2015-002)

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

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

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

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

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

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

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


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



Schedule of Findings and Questioned Costs

SECTION III – FINDINGS AND QUESTIONED COSTS - FEDERAL PROGRAMS	-None -
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SECTION IV – FINDINGS AND QUESTIONED COSTS - STATE PROJECTS	-None -
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Putnam County, Florida

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

There were no prior audit findings.



PUTNAM COUNTY

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

BOARD OF COUNTY COMMISSIONERS

BILL PICKENS
District 1

CHIP LAIBL
District 2

TOMMY STILWELL
District 3

LARRY HARVEY
District 4

BUDDY GODDARD
District 5

April 7, 2017

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

Dear Ms. Norman:

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

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

Sincerely,

Larry Harvey
Chairman, Board of County Commissioners