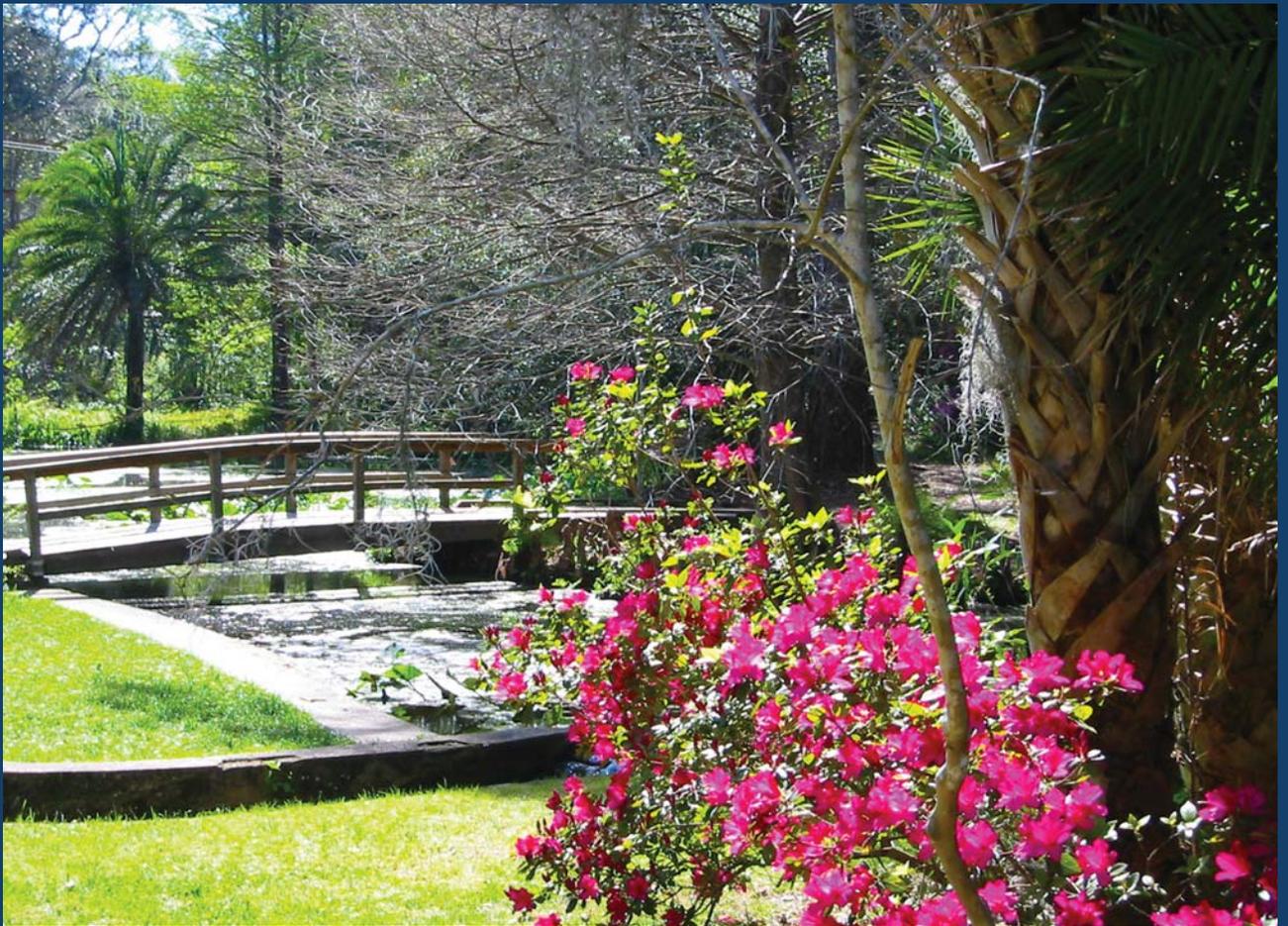


Comprehensive Annual Financial Report

FOR THE YEAR ENDED SEPTEMBER 30

2012



PUTNAM COUNTY, FLORIDA

Introductory Section



STATE OF FLORIDA

COUNTY OF PUTNAM COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

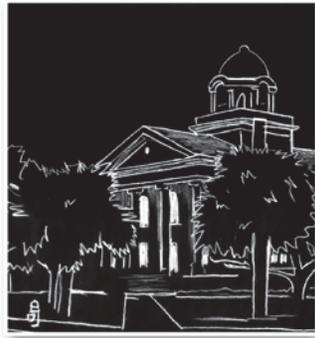
FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2012

Prepared by:

**Finance and Accounting Department
Of the Clerk of the Circuit Court**

**John H. Jones, CPA, CIA
Director of Finance**



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COUNTY OFFICIALS

BOARD OF COUNTY COMMISSIONERS

NANCY S. HARRIS	DISTRICT NO. 1
CHIP LAIBL	DISTRICT NO. 2
KARL N. FLAGG	DISTRICT NO. 3
ED TAYLOR	DISTRICT NO. 4
E. WALTON PELLICER, II	DISTRICT NO. 5

CLERK OF COURTS

Tim Smith

SHERIFF

JEFF HARDY

PROPERTY APPRAISER

TIM PARKER, CFA

TAX COLLECTOR

LINDA MYERS

SUPERVISOR OF ELECTIONS

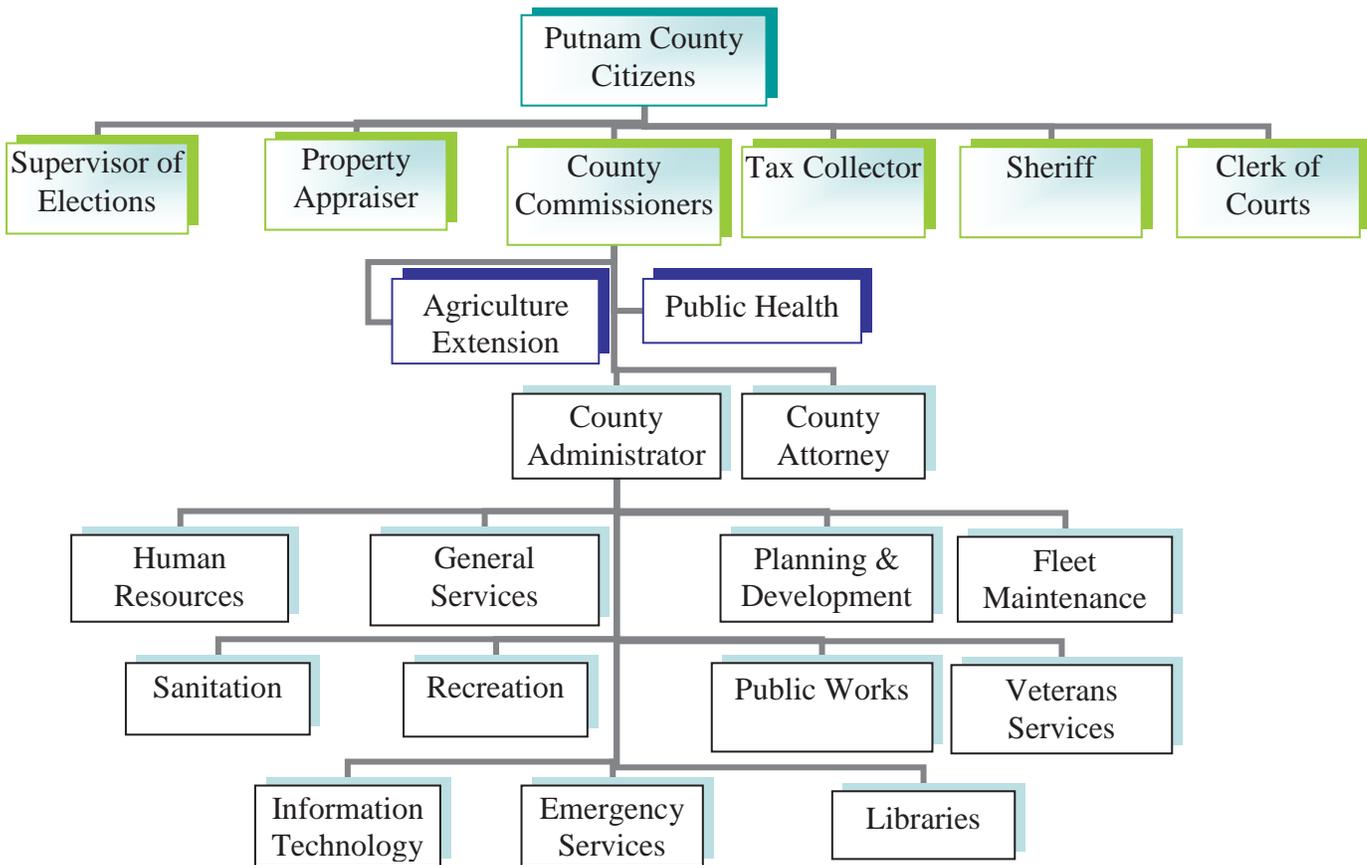
CHARLES L. OVERTURF, III

COUNTY ADMINISTRATOR

R. G. LEARY

DIRECTOR OF FINANCE

JOHN H. JONES, CPA, CIA



	Fiscal Year 2010-2011	Fiscal Year 2011-2012		Fiscal Year 2010-2011	Fiscal Year 2011-2012
Supervisor of Elections	6	6	Recreation	12	12
Property Appraiser	25	25	General Services	11	10
County Commissioners	5	5	Fleet Maintenance	8	7
Tax Collector	30	31	Public Works	84	73
Sheriff	242	242	Libraries	21	21
Clerk of Courts	69	66	Human Resources	5	4
Agriculture Extension	7	7	Emergency Services	84	83
County Administrator	6	6	Sanitation	21	21
County Attorney	2	2	Planning/Develop	31	27
Information Technology	18	17	Veterans Services	2	2

Agriculture Extension & Public Health funded in whole or in part by the County but administered by other agencies.

Authorized Full time Equivalent (FTE) employees at the end of the Fiscal Year

2011-2012 Total FTE	689
2012-2013 Total FTE	666

Source: Putnam County Florida Budget

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, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moirrell

President

Jeffrey R. Enow

Executive Director



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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012
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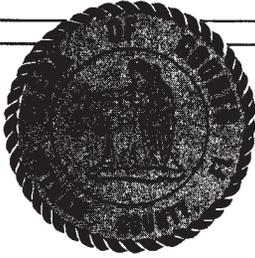
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Letter of Transmittal





**Office of
Clerk of Court
Tim Smith**

March 26, 2013

The Honorable Nancy S. Harris
Chairman, Board of County Commissioners
P. O. Box 758
Palatka, FL 32178-0758

Dear Ms. Harris:

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, 2012.

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, 2012, 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 unqualified 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, 2012.

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

Additionally, the audit was also designed to meet the requirements of Generally Accepted Government Auditing Standards, the Federal Single Audit Act of 1984, the Single Audit Act Amendments of 1996, related OMB Circular A-133, 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. However, the County has determined that the Putnam County Fair Association and the Putnam County School District do 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 75,000, 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 \$45 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.

The County's unemployment rate of 11.1% for September 2012 is considerably higher than the State's rate of 8.4%, but is lower than the 12.0% rate for September 2011, a decrease of 7.5%. 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 moderated from previous years. Some of the factors affecting future growth are as follows:

1. Seminole Electric, the County's largest taxpayer, had previously planned to expand its operations by adding a third generating unit. Construction was scheduled to begin in September 2008 with commercial operations scheduled to begin in May 2012, but unexpected issues have caused the project to be cancelled. While significantly increasing the County's tax base, the \$1.2 billion project would have provided an estimated 1,500 skilled construction jobs during the four year construction period. An additional 50 employees would have been added to Seminole's work force had the unit gone into service.
2. Wal-Mart previously announced plans to construct a large distribution center in the southern end of the County. The proposed 850,000 square foot facility was projected to employ approximately 600 people when completed. The plans are currently on hold.
3. The completion of the four lane Highway 207 from East Palatka to St. Augustine along with the four laning of Highway 20 between Palatka and Gainesville have greatly enhanced access to the County and dramatically improved coastal evacuation routes.

4. Recent statewide property tax reform has reduced the amount of ad-valorem tax revenue between \$3 to \$5 million annually. At a minimum, the reduction in revenue will result in some projects or capital expenditures being delayed. Additionally, some cuts in non-vital services may become necessary.

MAJOR INITIATIVES

Property tax reform in 2007 and the subsequent passage of Amendment 1 resulted in limiting local governments' growth projections in annual revenue forecasting, which creates a difficult situation for the county in being able to move forward on critical infrastructure projects, as well as those which would improve quality of life. These limiting financial projections 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 rest of Florida and the county. The Business Park on St. John's Avenue should be a major attraction to companies and businesses considering relocation. Previously, the County, in partnership with a private developer, constructed a 52,000 square foot industrial shell building in the Park. This building remains available, and it is hoped that this will aid in attracting a prospect that has an interest in a facility which can be readily completed to expedite start-up in a new location. Some prospects have demonstrated interest in the building, but none have followed through with a project to date. Successful marketing of this structure may lead to the construction of another building or the extension of infrastructure within the Park. Also, the County has 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 both now and in the future. 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, approved in a referendum in September 2002, provides the primary source of revenue for these road projects, the County continues to pursue grant funds from both the State and Federal governments. Additionally, the Board of Commissioners adopted ordinances in May 2009 to increase gasoline taxes resulting in more revenue available for transportation infrastructure. Proceeds from these increased gasoline taxes began to be received in January 2010. Several roads were identified for improvement in the form of resurfacing during the year and the accumulated surtax dollars and gasoline tax proceeds were allocated for those projects totaling approximately \$2 million.

The County completed construction of a new class I area at the landfill for the disposal of household solid waste during the previous year. Life expectancy of the new cell is approximately five years. A Master Plan for the central landfill was developed, and one of the options for the construction of future cells and the continued disposal of solid waste will be the mining of closed cells. This option seems to be economically feasible, and consulting engineers were authorized to move forward with more in-depth studies of the financial impact of this process.

The existing jail facility continues to be a situation that must be addressed, due to inmate capacity being exceeded on a daily basis. A needs assessment presented in March 2011 indicated that a 224 bed expansion, renovation of existing cells and improved and expanded ancillary services is desirable. The County evaluated possible alternative construction options, i.e., pre-cast concrete, prefabricated steel cells, etc. and determined that the most economical construction method would be prefabricated steel. It has been determined that the project scope will consist of two (2) 224 bed pods, a medical/program facility and an expansion of the kitchen storage/freezer area. Estimated cost is \$18.5 million, and in August 2012 the Board of Commissioners approved the filing of an application

for funding with USDA-Rural Development. Processing of the application will take several months, and when the project is completed the existing cells will be deactivated and held for future renovation as dormitory space for misdemeanants and low-risk inmates.

A consultant previously conducted a needs assessment of the court functions and judicial offices. An increasing number of court cases requiring the assignment of additional court personnel have created overcrowded conditions in the courthouse and in offices that support the judicial process. A Task Force recommended that the County consider a new, stand-alone structure to address the space requirements and enhance security for the judiciary and support functions. To this end, a fifty-six acre parcel of property adjacent to the existing jail was acquired in January 2006. Regrettably, progress on this project has been brought to a halt by limited resources, with the cancellation of the Seminole Electric expansion project being the most significant factor. However, the relocation of some county offices in August 2008 resulted in some vacated space in a building adjacent to the courthouse that will be used as relief for court-related functions and will obviate the need for immediate action on a future judicial center. An architect completed design of a criminal courtroom to be housed in the former Planning and Development facility, a bid was awarded in September 2010, and the contractor completed construction in the latter part of the next fiscal year. Due to a realignment of responsibilities among judges assigned to Putnam County, most of the criminal court proceedings will occur in this new facility, and it was put into use during early 2012. Use of this facility for criminal court proceedings, with its enhanced security, has dramatically reduced many of the security issues that were prevalent in the courthouse when it was the center of criminal court activity.

The need for a centralized wastewater treatment system to augment the central water system in the East Putnam area is essential to abating pollution of the river, reducing contamination of water supply wells and serving as a means to stimulate economic development. The County negotiated with the Florida Department of Corrections to partner in utilizing parts of its facilities as a segue to a Regional County Wastewater System in that area. Leases and agreements for services have been executed, and a consulting engineering firm for the design, permitting and bidding of a wastewater system has been approved and is moving forward in earnest. A preliminary sign-up of customers is underway, and the design is under review by Florida Department of Environmental Protection and USDA-Rural Development, one of the funding entities. Bids on the proposed \$12 million first phase of the system are expected to be solicited by mid 2013.

In October 2006 the county implemented impact fees on new construction to generate revenue to offset the capital costs of providing infrastructure for essential county services that are impacted by growth. Ordinances were prepared to implement impact fees for schools, fire, transportation, EMS and parks and recreation and collection of the fees began in April 2007. In February 2009 the County imposed a one year moratorium on impact fees as one means to help stimulate the local economy. In February 2010 the Board of Commissioners extended the moratorium for an additional twelve months, and in February 2011 the Board extended the moratorium for twenty-four months. The moratorium was further extended for another twenty-four months in February 2013.

The County was successful in obtaining CDBG-Disaster Recovery grant funds of approximately \$1.2 million to assist in repairing infrastructure that was damaged during the storms of 2008. The funding has been used to repair and upgrade the Paradise Point wastewater system and the Port Buena Vista water/wastewater systems. It is anticipated that the work will receive final approval by the inspecting agencies in early 2013. The County was also successful in securing a job-creating CDBG-Economic Development grant for \$750,000 to expand infrastructure to serve one new business and one expanding business. Work to be covered by this grant was awarded in July of the previous fiscal year and the grant will be closed out in December 2013. Progress has been slower than anticipated due to some issues with the participating private party.

In the coming year the county will continue to oversee the construction of a portion of a bike trail along US17. A bid was awarded in July 2012 for approximately \$1.8 million to create a bike lane across Memorial Bridge. This will be one component of a network of bike trails to make Putnam County the Trail Hub of Northeast Florida. The county previously designated 185 miles of paddling trails in the County and declared the County as the Paddling Hub of the St. Johns River and Northeast Florida. These efforts to promote eco-tourism are part of the county's overall plan to enhance economic development and business.

The county was awarded a housing assistance grant for \$1.03 million under the Neighborhood Stabilization Program. These funds will be used to acquire properties in foreclosure, renovate them and put them into a rental program for qualified individuals. The county has partnered with the Palatka Housing Authority to oversee and administer these rental units in the future. The county will continue to carry out the provisions of another \$750,000 CDBG-Housing Rehabilitation grant during the coming fiscal year.

Notification had been provided to the county during the previous year that it had been awarded \$1.66 million in grant funds to upgrade the ferry landings at Drayton Island and Ft. Gates. 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, upgrading the barges and perhaps, acquiring a new push boat. Planning and project development has been undertaken during the year, and work will be initiated in the next fiscal year.

In order to make the Business Park a more attractive and viable facility for economic development, the county plans to extend the entry road from its current terminus to county road 309C. This first phase extension will be two lanes, but it will afford industrial prospects an enhanced visual of the Park and give our economic development professionals a talking point in their recruitment efforts. Successful recruitment of a prospect would enable the county to apply for grant funds to assist with additional infrastructure improvements in the form of utility extensions and road widening. This project is expected to cost approximately \$1.5 million and should be complete by Spring 2013.

County buildings represent some of the local government's major assets, and the county, through its building and grounds personnel, makes a major effort to maintain its facilities in good condition. Built in 1909 and expanded in the 1960's, the courthouse houses the majority of the Clerk of Court personnel, courtrooms and judicial officials. Not likely to be replaced in the near future, recent years have seen the installation of a new mechanical system and a new roof on this venerable building in the year just completed. A window replacement project will be undertaken this summer that will result in environmental efficiencies and improved aesthetics. These major projects extend the useful life of the facility and help to maintain it as a functional work place.

Each passing year puts increasing pressure on the county to provide services, maintain quality of life, and protect life and property with limited and diminishing financial resources. These are demands that soon will be unable to be met without increasing the burden on the tax paying public or considering service level reductions that may not be acceptable or wise. To avoid either of these alternatives, it may be time to explore the potential significant revenue generation that could be derived from an expanded use of the sanitary landfill. The county's judicious acquisition of additional property adjacent to the landfill in recent years has positioned the county well to protect its citizens' solid waste disposal needs for generations. This protection could be preserved while considering and evaluating the benefits of utilizing a portion of the property for a fixed period of time to create a revenue stream that would provide fiscal relief and present opportunities that are not otherwise attainable in the current economic climate.

FINANCIAL POLICIES

General Fund Balance: During FY2012 the General Fund's financial position weakened slightly due to recent economic conditions. 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 increase the General Fund's unassigned fund balance by approximately \$3.7 million or 42.5% to \$12.4 million as a result of these efforts. Unassigned fund balance easily exceeds GFOA recommended levels.

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 2012.

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, 2011. This was the 28th 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

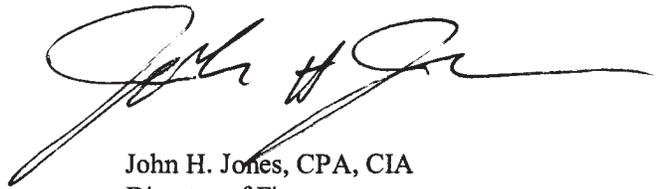
Achievement Program. This report will be submitted to the GFOA to determine its eligibility for another certificate.

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; Ms. Linda Vining, Staff Accountant and Ms. Laura Rich, Administrative Assistant; for their valuable assistance and contributions toward this effort.

Respectfully submitted,



Tim Smith
Clerk of the Circuit Court



John H. Jones, CPA, CIA
Director of Finance

Financial Section



Independent Auditor's Report

Board of County Commissioners
Putnam County, Florida

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, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2012, and the respective changes in financial position and cash flows where applicable thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2013 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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.



March 26, 2013
Palatka, Florida

Management's Discussion & Analysis



PUTNAM COUNTY, FLORIDA
Management's Discussion and Analysis
September 30, 2012

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, 2012. 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 at September 30, 2012 by \$158,959 (*net position*). Of this amount, \$10,431 may be used to meet the government's ongoing obligations to citizens and creditors.
- Total net position is comprised of the following:
 - 1) Capital assets, net of related debt, of \$125,045, include property, equipment, intangibles and infrastructure, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets.
 - 2) Net position of \$23,483 is restricted by constraints imposed from outside of the County such as debt covenants, grantors, laws, or regulations.
 - 3) \$11,729 of governmental net position less a deficit of \$1,298 of business-type net position represents the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's total net position increased \$1,146 over the previous year with an increase of \$2,623 resulting from governmental activities and a decrease of \$1,477 resulting from business activities.

Fund Statements

- At September 30, 2012, the County's governmental funds reported combined ending fund balances of \$35,227, a decrease of \$731 in comparison with the prior fiscal year.
- At September 30, 2012, unassigned fund balance for the General Fund (a major fund) was \$12,395 or 29.0% of General Fund operating revenue. This is within the Government Finance Officers Association's Recommended Practices guidelines for fund balance levels. The General Fund Cash and Equivalent balance at year end was \$13,852.
- Governmental Fund revenues decreased \$8,203 or 11.0% from the prior year. All categories of revenue decreased from the previous year except Charges for Services and Fines and Forfeitures which increased by \$58 and \$231 respectively. Tax revenue decreased by \$2,254. Other decreases were as follows: Licenses and Permits, \$47; Intergovernmental Revenue, \$5,779; and Miscellaneous Revenue, \$412.
- The County's outstanding governmental long-term obligations decreased by \$1,045. The change was due to the following: issuance of a capital lease in the amount of \$566 for 200 air packs for fire services; payment of outstanding principal in the amount of \$2,589;

an increase in Medicaid obligation of \$500; an increase in OPEB liability of \$390; and an increase of accrued compensated absences in the amount of \$88.

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 and liabilities, with the difference between sum of assets and deferred outflows of resources minus liabilities 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 East Putnam Grant Fund, and the Better Place Plan Fund. Although there are numerous smaller governmental funds in the County, they have been presented in a total column labeled as *Other Governmental Funds*. Budget and actual comparison statements are also presented as *Required Supplementary Information* (RSI) for the General Fund and for each major special revenue fund with an annually adopted budget. Combining statements for the County's non-major funds and budget and actual comparison schedules for any non-major 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. *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-Fiduciary Funds* 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, are found in the *Supplemental Information* section of the CAFR.

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 exceeded liabilities by \$158,959 at the close of the fiscal year ended September 30, 2012. By far the largest portion of the County's net position, \$125,045 or 78.7%, reflects its investment in capital assets such as land, buildings, infrastructure, intangibles and equipment, less any related outstanding debt 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, 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
(amounts expressed in thousands)

	Governmental		Business-type		Total		Percent Change
	Activities		Activities				
	2012	2011	2012	2011	2012	2011	
Cash and Investments	\$ 41,860	\$ 43,448	\$ 10,879	\$ 10,607	\$ 52,739	\$ 54,055	-2.4%
Other Current Assets	5,570	7,132	361	267	5,931	7,399	-19.8%
Capital Assets, Net	110,827	108,253	43,699	46,203	154,526	154,456	0.0%
Total Assets	158,257	158,833	54,939	57,077	213,196	215,910	-1.3%
Deferred Outflows of Resources	808	1,070	-	-	808	1,070	-24.5%
Current Liabilities	7,553	9,707	806	781	8,359	10,488	-20.3%
Interest Rate Swaps	808	1,070	-	-	808	1,070	
Long-Term Obligations	15,943	16,988	29,935	30,620	45,878	47,608	-3.6%
Total Liabilities	24,304	27,765	30,741	31,401	55,045	59,166	-7.0%
Net Position:							
Invested in Capital Assets, net of Related Debt	99,549	94,994	25,496	27,024	125,045	122,018	2.5%
Restricted	23,483	19,166	-	-	23,483	19,166	22.5%
Unrestricted	11,729	17,978	(1,298)	(1,348)	10,431	16,630	-37.3%
TOTAL NET POSITION	\$ 134,761	\$ 132,138	\$ 24,198	\$ 25,676	\$ 158,959	\$ 157,814	0.7%

An additional portion of the County's net position, \$23,483, 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 is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities. The County's business-type activities, however, reflect a deficit unrestricted net position balance. This deficit balance is a direct result of large changes during the 2005 through 2012 fiscal years in estimates for closure costs, long-term care costs and remaining capacity related to the County's Landfill operations.

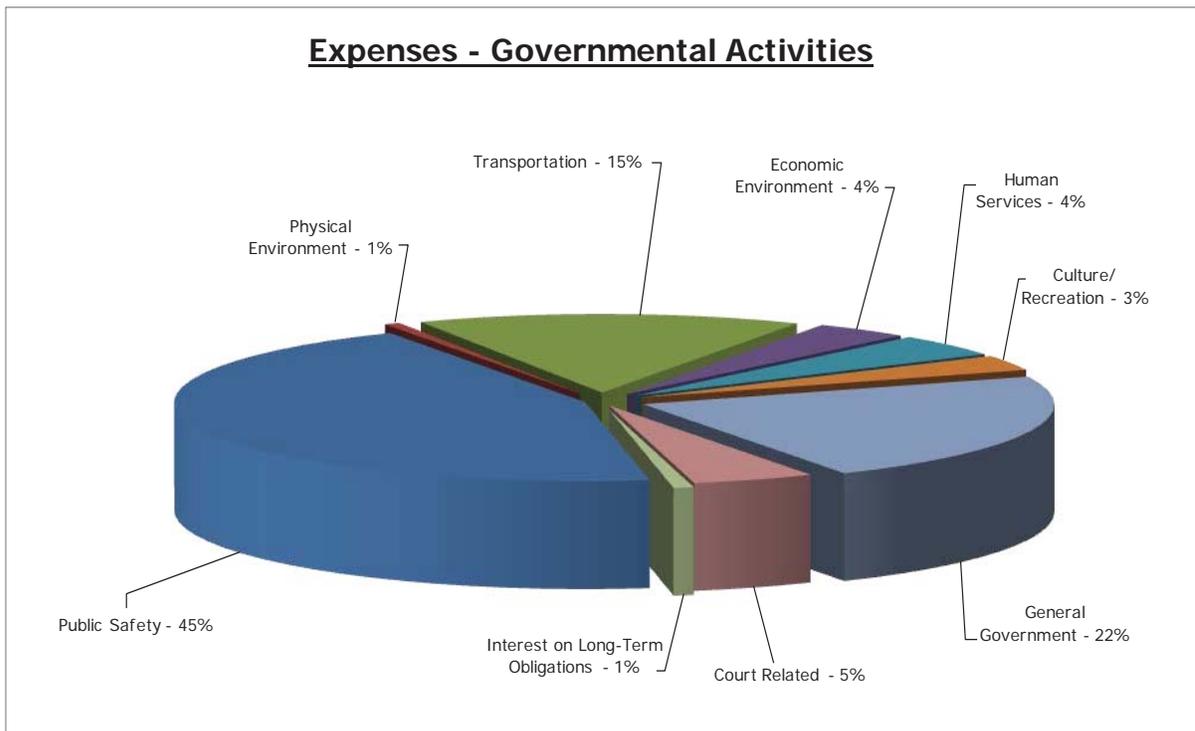
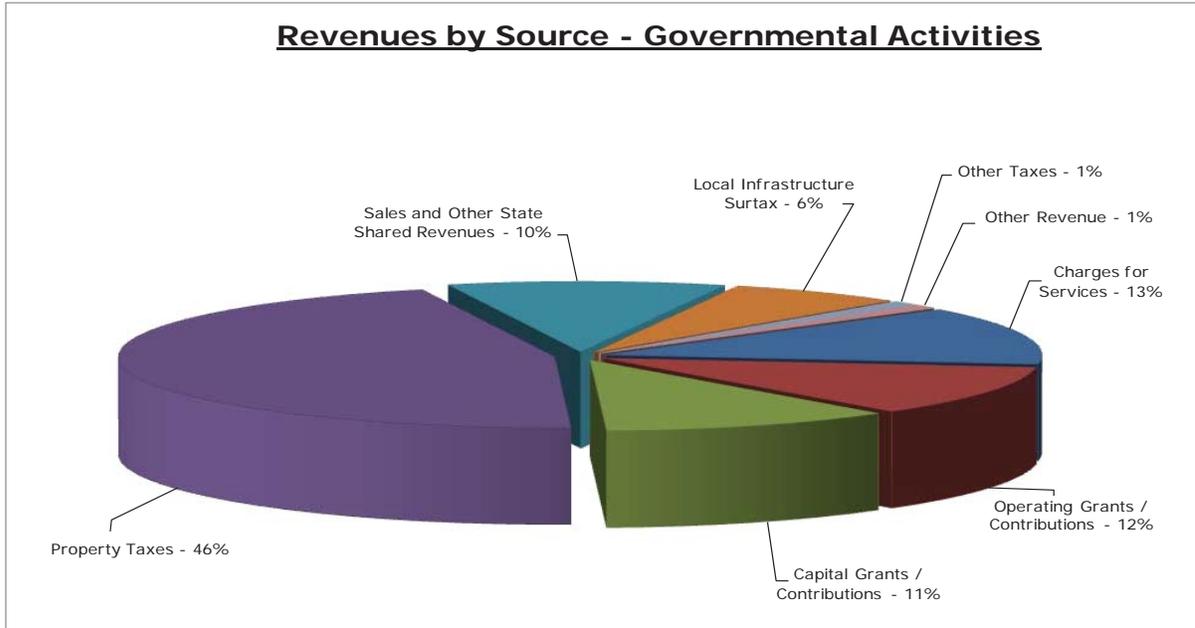
Change in Net Position

Governmental activities increased the County's net position by \$2,623. This increase resulted from the following: capital asset acquisitions and disposals \$9,770; the recognition of (\$7,182) of depreciation expense; the issuance of debt in the amount of (\$566); principal payments of \$2,589; the recognition of accrued interest expense of \$7; the recognition of deferred revenues of (\$112); the recognition of (\$89) expense for compensated absences; the recognition of (\$386) expense for Other Postemployment Benefit (OPEB) obligations; the recognition of (\$500) expense for Medicaid obligation; the inclusion of Internal Service Funds in governmental activities in the amount of (\$177); and a (\$731) decrease in the fund balance total for the Governmental Funds.

Putnam County, Florida Changes in Net Position (amounts expressed in thousands)							
	Governmental Activities		Business-type Activities		Total		Percent Change
	2012	2011	2012	2011	2012	2011	
Revenues:							
Program revenues:							
Charges for services	\$ 8,972	\$ 9,391	\$ 8,701	\$ 8,815	\$ 17,673	\$ 18,206	-2.9%
Operating grants and contributions	7,801	6,785	70	70	7,871	6,855	14.8%
Capital grants and contributions	7,374	11,956	-	701	7,374	12,657	-41.7%
General revenues:							
Property taxes	31,056	33,375	-	-	31,056	33,375	-6.9%
Sales and other state shared revenues	6,996	6,791	-	-	6,996	6,791	3.0%
Local Infrastructure Surtax	4,448	4,204	-	-	4,448	4,204	5.8%
Other taxes	715	3,611	-	-	715	3,611	-80.2%
Other revenue	633	746	163	261	796	1,007	-21.0%
Total revenues	67,995	76,859	8,934	9,847	76,929	86,706	-11.3%
Expenses:							
General Government	14,610	15,567	-	-	14,610	15,567	-6.1%
Public Safety	28,858	30,393	-	-	28,858	30,393	-5.1%
Physical Environment	403	541	-	-	403	541	-25.5%
Transportation	9,815	10,057	-	-	9,815	10,057	-2.4%
Economic Environment	2,416	1,456	-	-	2,416	1,456	65.9%
Human Services	2,940	2,068	-	-	2,940	2,068	42.2%
Culture/Recreation	2,029	1,884	-	-	2,029	1,884	7.7%
Court Related	3,114	3,273	-	-	3,114	3,273	-4.9%
Interest on L-T Obligations	514	586	-	-	514	586	-12.3%
Water and Wastewater	-	-	1,869	1,863	1,869	1,863	0.3%
Solid Waste	-	-	8,925	8,396	8,925	8,396	6.3%
Port Authority	-	-	291	178	291	178	63.5%
Total Expenses	64,699	65,825	11,085	10,437	75,784	76,262	-0.6%
Increase in Net Position							
Before Transfers	3,296	11,034	(2,151)	(590)	1,145	10,444	
Transfers	(673)	(644)	673	644	-	-	
Increase (Decrease) in net position	2,623	10,390	(1,478)	54	1,145	10,444	
Net Position - Beginning of Year	132,138	121,748	25,676	25,622	157,814	147,370	
Net Position - End of Year	\$ 134,761	\$ 132,138	\$ 24,198	\$ 25,676	\$ 158,959	\$ 157,814	0.7%

Governmental Activities

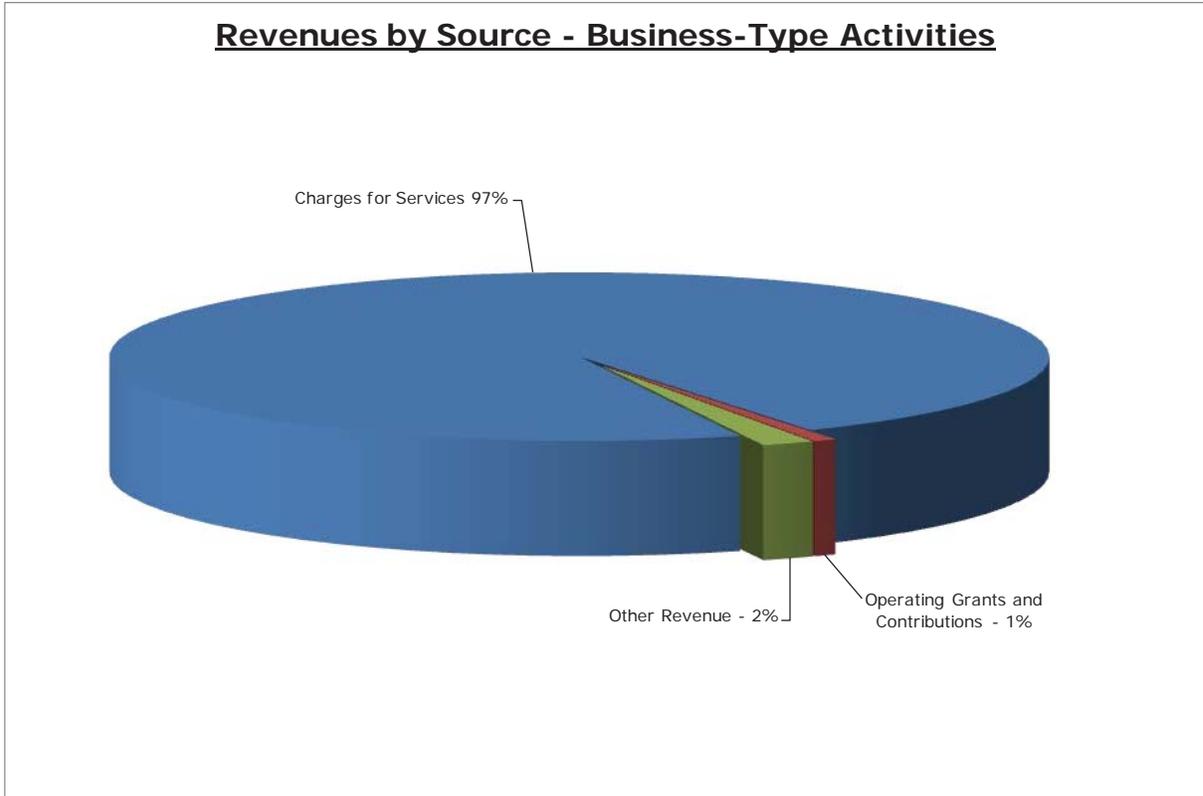
The County's overall financial position improved in comparison to the previous year. Total net position increased \$1,146 over the prior year with an increase of \$2,623 resulting from governmental activities and a decrease of \$1,477 resulting from business-type activities. The reasons for these changes are the same as enumerated above in the discussion of the statement of net position and on the following page under the caption of Business-Type Activities.



Business-type Activities

Business-type activities decreased the County's net position by \$1,477. Key elements resulting in the decrease are as follows:

- The previous year included capital grant funding of \$701 for use in construction of the East Putnam Water System; there was no capital grant funding received this year.
- Depreciation expense for the Waste Management Fund increased \$996 from the previous year due to a higher completion percentage of the Landfill's active cells.



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, 2012, the net decrease in fund balances per the Governmental Funds Financial Statements totaled (\$731) while the governmental activities column of the Government-wide Financial Statements reported an increase of \$2,623 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, 2012, the County's governmental funds reported combined ending fund balances of \$35,227. Of the total governmental fund balance, \$11,853 constitutes unassigned fund balance, which is available for spending within each particular fund. The remainder of the fund balance is \$1,321 that is non-spendable (primarily \$760 for advances to other funds, and \$512 for local housing assistance (SHIP) loan guarantees); \$17,856 is restricted (primarily \$7,104 for Better Place Plan – Capital, \$1,277 for Fire Protection, \$1,736 for Court Improvement, and \$1,361 for Road Projects); and \$4,196 is assigned (primarily \$2,588 for subsequent year's expenditures and \$894 for Road and Bridge Maintenance).

The following funds experienced the most significant changes in fund balance for the year: the General Fund decreased \$935 primarily due to reduced ad valorem tax collections; the Better Place Plan Fund (a major fund) increased \$1,585 as the result of fiscal conservatism; the Transportation Fund decreased \$1,092 due to reduced intergovernmental revenue received; and the Fire Tax Unit Fund decreased \$453 due to the purchase of seven skid units and five trucks.

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, 2012, total net position amounted to \$24,198, a decrease of \$1,477 from the prior fiscal year. Unrestricted net position totaled (\$1,298). 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 47 of the accompanying Financial Statements. The variance between original and final budgeted amounts for the year is composed of the following:

- Intergovernmental revenues were increased by \$344 to account for unanticipated grant revenues received and miscellaneous revenues increased by \$157 primarily related to proceeds from an insurance settlement. The majority of the grant revenues received were used by the Sheriff for various law enforcement activities.

A comparison of actual revenues versus the final budget reflects that the collection of Licenses and Permits, Intergovernmental revenue, Charges for Services, Fines and Forfeitures, and Miscellaneous revenue were \$80, \$948, \$226, \$32, and \$190 less than the budgeted projections, respectively. These decreases were largely due to the current economic environment. Intergovernmental revenue did not reach projections due to fewer grant funds received. Tax revenue exceeded budget estimates by a total of \$436 which was attributable to higher than anticipated tax collections.

A review of actual expenditure results versus the final budget reveals that the actual expenditures for the General Fund were \$2,640 under budget. General Government, Public Safety, and Transportation expenditures were respectively \$1,320, \$419, and \$473 under budget projections because of sound/conservative fiscal management. Additionally, Reserves for Contingencies of \$220 were not needed during the year.

Capital Asset and Debt Administration

(amounts expressed in thousands)

	Governmental		Business-type		Total		Percent Change
	Activities		Activities				
	2012	2011	2012	2011	2012	2011	
Land	\$ 21,091	\$ 20,894	\$ 6,176	\$ 6,203	\$ 27,267	\$ 27,097	0.6%
Intangible Assets	914	790	-	-	914	790	15.7%
Buildings and Improvements	20,939	20,036	2,132	2,348	23,071	22,384	3.1%
Equipment	8,061	8,007	1,012	985	9,073	8,992	0.9%
Infrastructure	58,760	57,405	-	-	58,760	57,405	2.4%
Water and Sewer Distribution System			29,180	29,984	29,180	29,984	-2.7%
Landfill			2,678	4,235	2,678	4,235	-36.8%
Construction in Progress	1,062	1,122	2,521	2,448	3,583	3,570	0.4%
Total Capital Assets, Net	\$ 110,827	\$ 108,254	\$ 43,699	\$ 46,203	\$ 154,526	\$ 154,457	0.0%

Capital Assets

The County's financial statements present capital assets in two groups: those assets subject to depreciation or amortization 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, 2012, amounts to \$154,526 (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:

- Clerk of Courts renovated court buildings totaling \$962.
- Emergency Medical Services acquired a building for a rescue station totaling \$836.
- The County continued its program to resurface, widen and add paved roads during the year at a capitalized cost of \$4,475.
- E911 program acquired computer equipment totaling \$431.
- The Sheriff purchased new vehicles totaling \$986.

Additional information on the County's Capital Assets may be found in Note 8 beginning on page 29 of the accompanying Financial Statements.

Long-term Obligations

County-wide, total long-term debt obligations owed to outside institutions decreased by \$2,500 from the prior year, the total long-term liability for Other Postemployment Benefits increased by \$403, and the total long-term obligation for compensated absences increased by approximately \$86. Accrued landfill closure and long-term care costs increased by a net of \$281.

Throughout fiscal year 2012, the County's governmental activities entered into one capital lease agreement totaling \$566, while the business-type activities entered into two capital leases agreement totaling \$216.

Governmental Activities:

- Emergency Services issued debt for a \$566 capital lease agreement to purchase 200 air packs.
- The County made the following principal payments during the year: special assessment debt - \$297, notes payable - \$1,396, and capital leases - \$897.
- Governmental obligations for compensated absences increased 4.0% or \$88 to \$2,278.

Putnam County, FL
Long-Term Debt Obligations
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Percent Change
	2012	2011	2012	2011	2012	2011	
Revenue Bonds	\$ -	\$ -	\$ 6,184	\$ 6,255	6,184	6,255	-
Special Assessment Debt	1,277	1,574	-	-	1,277	1,574	-18.9%
Notes Payable	8,745	10,141	11,591	12,468	20,336	22,609	-10.1%
Capital Lease Obligations	1,256	1,587	427	455	1,683	2,042	-17.6%
Medicaid Obligation	500	-	-	-	500	-	N/A
Total	\$ 11,778	\$ 13,302	\$ 18,202	\$ 19,178	\$ 29,980	\$ 32,480	-7.7%

Business-type Activities:

- The Waste Management Fund issued debt of \$216 for two capital leases (\$90 water truck and \$126 wheel tractor). The fund also retired \$244 of its capital lease obligations.
- Accrued landfill closure and post-closure costs were increased by \$806 due to a change in accounting estimate that resulted when an engineering study revealed less than expected remaining capacity within the active cells. Those increases were offset by a reduction of \$525 due to payments made toward a cell closure.
- Obligations for compensated absences decreased by \$2, or 3.3%, to \$58.

Additional information on the County's long-term obligations can be found in Note 9 beginning on page 30 of the accompanying Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County for September 2012 was 11.1%. This represents a decrease over the previous year's 11.6%.
- The taxable value of real property decreased 8.7%, while the taxable value of personal property increased 1.5% in the 2012 fiscal year.
- Building permit activity revenues decreased approximately 9.4% from the prior year.
- The population decreased slightly from the prior year to an estimated 73,158 from 74,052.

During the current fiscal year, the unassigned fund balance in the General Fund decreased to \$12,395, a decrease of 7.7%. The overall fund balance in the General Fund decreased to \$15,831, a decrease of 5.6% from the previous year. The decrease was primarily the result of allowing increased budgetary expenditures. The ad valorem tax rate remained unchanged at 8.5765 mills for fiscal year 2012.

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*.



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Basic Financial Statements



Putnam County, Florida
Statement of Net Position
September 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Putnam County Development Authority
ASSETS				
Cash and Equivalents	\$ 40,940,032	\$ 3,916,466	\$ 44,856,498	\$ 263,977
Investments	919,986	-	919,986	-
Receivables	857,722	319,205	1,176,927	856
Due From Other Governments	4,526,813	42,015	4,568,828	-
Inventory	163,140	-	163,140	-
Prepays	13,522	-	13,522	-
Other Assets	9,358	-	9,358	-
Restricted Cash and Equivalents	-	3,187,080	3,187,080	-
Restricted Investments	-	3,776,011	3,776,011	-
Capital Assets:			-	
Non-Depreciable	22,153,574	8,697,960	30,851,534	153,854
Depreciable, Net	88,673,042	35,000,654	123,673,696	101,207
TOTAL ASSETS	158,257,189	54,939,391	213,196,580	519,894
DEFERRED OUTFLOWS OF RESOURCES				
Derivative Instruments-Interest Rate Swaps	807,776	-	807,776	-
LIABILITIES				
Accounts Payable and Accrued				
Liabilities	2,085,679	732,857	2,818,536	656
Other Liabilities	884,499	73,288	957,787	-
Unearned Revenue	4,583,065	-	4,583,065	-
Derivative Instruments-Interest Rate Swaps	807,776	-	807,776	-
Noncurrent Liabilities:				
Due Within One Year	4,222,498	1,577,667	5,800,165	-
Due in More Than One Year	11,720,331	28,357,192	40,077,523	-
TOTAL LIABILITIES	24,303,848	30,741,004	55,044,852	656
NET POSITION				
Invested in Capital Assets, Net of Related Debt	99,548,402	25,496,879	125,045,281	255,061
Restricted For:				
Affordable Housing Assistance	1,045,325	-	1,045,325	-
Court Functions and Courthouse Improvements	2,352,771	-	2,352,771	-
Debt Service	4,338,005	-	4,338,005	-
Fire Protection	1,262,583	-	1,262,583	-
Law Enforcement	950,146	-	950,146	-
Road and Bridge Maintenance	3,694,279	-	3,694,279	-
Capital Projects	7,557,023	-	7,557,023	-
Public Records Modernization	1,205,194	-	1,205,194	-
Fishing Improvement	410,570	-	410,570	-
Tourist Development	327,762	-	327,762	-
Voter Equipment and Education	83,167	-	83,167	-
Other Purposes	256,824	-	256,824	-
Unrestricted	11,729,066	(1,298,492)	10,430,574	264,177
TOTAL NET POSITION	\$ 134,761,117	\$ 24,198,387	\$ 158,959,504	\$ 519,238

See accompanying notes.

Putnam County, Florida
Statement of Activities
For the Year Ended September 30, 2012

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit Putnam County Development Authority
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
PRIMARY GOVERNMENT:							
GOVERNMENTAL ACTIVITIES:							
General Government	\$ 14,609,716	\$ 18,984	\$ -	\$ (11,322,292)	\$ -	\$ (11,322,292)	\$ -
Public Safety	28,858,269	1,244,914	457,747	(22,778,132)	-	(22,778,132)	-
Physical Environment	403,747	18,334	744,311	544,286	-	544,286	-
Transportation	9,814,498	3,624,599	5,408,753	(194,911)	-	(194,911)	-
Economic Environment	2,415,464	632,696	746,438	(1,036,330)	-	(1,036,330)	-
Human Services	2,940,060	163,881	17,209	(2,749,684)	-	(2,749,684)	-
Culture and Recreation	2,029,314	71,980	-	(1,753,220)	-	(1,753,220)	-
Court Related	3,113,986	318,727	-	(747,209)	-	(747,209)	-
Interest on Long-Term Debt	513,942	-	-	(513,942)	-	(513,942)	-
TOTAL GOVERNMENTAL ACTIVITIES	64,698,996	7,800,977	7,374,458	(40,551,434)	-	(40,551,434)	-
BUSINESS-TYPE ACTIVITIES:							
Water and Wastewater System	1,869,331	-	-	-	(973,272)	(973,272)	-
Solid Waste	8,925,237	70,588	-	-	(1,219,727)	(1,219,727)	-
Port Authority	291,530	-	-	-	(121,088)	(121,088)	-
TOTAL BUSINESS-TYPE ACTIVITIES	11,086,098	70,588	-	-	(2,314,087)	(2,314,087)	-
TOTAL PRIMARY GOVERNMENT	\$ 75,785,094	\$ 7,871,565	\$ 7,374,458	(40,551,434)	(2,314,087)	(42,865,521)	-
COMPONENT UNIT:							
Putnam County Development Authority	\$ 21,134	\$ 9,600	\$ -	-	-	-	(11,534)
GENERAL REVENUES:							
Property Taxes				31,055,841	-	31,055,841	-
Sales Taxes				2,319,450	-	2,319,450	-
Unrestricted State Shared Revenues				4,676,706	-	4,676,706	-
Local Infrastructure Surtax				4,447,881	-	4,447,881	-
Tourist Development Tax				253,036	-	253,036	-
Communications Service Tax				462,297	-	462,297	-
Investment Earnings				68,947	93,277	162,224	752
Gain on Sale of Capital Assets				-	63,346	63,346	-
Miscellaneous				563,855	6,508	570,363	-
Transfers				(673,407)	673,407	-	-
TOTAL GENERAL REVENUES AND TRANSFERS				43,174,606	836,538	44,011,144	752
CHANGE IN NET POSITION				2,623,172	(1,477,549)	1,145,623	(10,782)
NET POSITION - BEGINNING OF YEAR				132,137,945	25,675,936	157,813,881	530,020
NET POSITION - END OF YEAR				\$ 134,761,117	\$ 24,198,387	\$ 158,959,504	\$ 519,238

See accompanying notes.

Putnam County, Florida
Balance Sheet – Governmental Funds
September 30, 2012

	<u>General Fund</u>	<u>East Putnam Grant Fund</u>	<u>Better Place Plan</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and Equivalents	\$13,852,281	\$ 5,546,658	\$ 6,532,935	\$10,838,047	\$36,769,921
Investments	295,011	-		624,975	919,986
Receivables	804,586	-		53,136	857,722
Due From Other Funds	1,870,000	-	-	37,468	1,907,468
Due From Other Governments	654,565	-	570,591	3,301,473	4,526,629
Advances to Other Funds	760,208	-	-	-	760,208
Inventory	35,504	-	-	-	35,504
Prepays	13,522	-	-	-	13,522
Other Assets	8,343	-	-	-	8,343
TOTAL ASSETS	18,294,020	5,546,658	7,103,526	14,855,099	45,799,303
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	1,183,813	60,000	-	1,209,015	2,452,828
Due to Other Funds	37,468	45,000	-	1,385,000	1,467,468
Due to Other Governments	154,919	-	-	229,580	384,499
Advances from Other Funds	-	760,208	-	-	760,208
Deferred Revenue	1,086,388	4,412,984	-	8,333	5,507,705
TOTAL LIABILITIES	2,462,588	5,278,192	-	2,831,928	10,572,708
<u>FUND BALANCES</u>					
Nonspendable	809,234	-	-	512,048	1,321,282
Restricted	39,427	268,466	7,103,526	10,444,601	17,856,020
Assigned	2,587,699	-	-	1,608,090	4,195,789
Unassigned	12,395,072	-	-	(541,568)	11,853,504
TOTAL FUND BALANCES	15,831,432	268,466	7,103,526	12,023,171	35,226,595
TOTAL LIABILITIES AND FUND BALANCES	\$18,294,020	\$ 5,546,658	\$ 7,103,526	\$14,855,099	\$45,799,303

See accompanying notes.

Putnam County, Florida
Reconciliation of the Balance Sheet to the Statement of Net Position-
Governmental Funds
September 30, 2012

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 35,226,595
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.</p>		
Capital Assets - Net.....		110,787,913
<p>Interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.</p>		
Accrued Interest on Long-term Debt		(103,630)
<p>Long-term liabilities do not require the use of current financial resources and are not reported in the funds.</p>		
Long-Term Debt	(10,022,201)	
Capital Lease Obligations	(1,256,013)	
Compensated Absences	(2,247,000)	
Medicaid Obligation	(500,000)	
OPEB Obligations	<u>(1,379,763)</u>	
		(15,404,977)
<p>Unearned revenues in the statement of net position assets differs from the deferred revenue amount reported in the governmental funds due to certain receivables. Governmental fund financial statements report unearned revenues or revenues which are measurable but not available as deferred revenues. However, deferred revenues in the governmental funds are susceptible to full accrual on the government-wide financial statements.</p>		
Deferred Revenues Reduced		924,640
<p>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.</p>		
Internal Service Funds		<u>3,330,576</u>
Net Position of Governmental Activities		<u><u>\$ 134,761,117</u></u>

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
For the Year Ended September 30, 2012

	<u>General</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Grant</u> <u>Fund</u>	<u>Better</u> <u>Place</u> <u>Plan</u> <u>Funds</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Taxes	\$29,310,865	\$ -	\$ 4,447,881	\$ 5,155,716	\$38,914,462
Licenses and Permits	330,645	-	-	42,997	373,642
Intergovernmental	7,601,765	-	-	11,994,985	19,596,750
Charges for Services	5,081,181	-	-	1,354,569	6,435,750
Fines and Forfeitures	61,755	-	-	416,583	478,338
Miscellaneous	348,112	20,865	8,197	341,132	718,306
TOTAL REVENUES	42,734,323	20,865	4,456,078	19,305,982	66,517,248
EXPENDITURES					
Current:					
General Government	11,981,618	-	-	2,772	11,984,390
Public Safety	25,123,808	-	-	4,690,801	29,814,609
Physical Environment	312,300	73,577	-	868,561	1,254,438
Transportation	31,990	-	-	5,758,673	5,790,663
Economic Environment	334,267	-	-	2,084,507	2,418,774
Human Services	2,434,410	-	-	-	2,434,410
Culture and Recreation	1,582,140	-	-	200,868	1,783,008
Court Related	980,205	-	-	2,500,268	3,480,473
Capital Outlay	-	-	789,151	4,418,985	5,208,136
Debt Service:					
Principal Retirement	591,544	-	1,230,000	767,946	2,589,490
Interest and Fiscal Charges	51,591	-	352,415	117,155	521,161
TOTAL EXPENDITURES	43,423,873	73,577	2,371,566	21,410,536	67,279,552
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(689,550)	(52,712)	2,084,512	(2,104,554)	(762,304)
OTHER FINANCING SOURCES					
(USES)					
Transfers In	388,238	-	-	320,467	708,705
Transfers Out	(633,469)	-	(500,000)	(110,052)	(1,243,521)
Debt Issued	-	-	-	566,234	566,234
TOTAL OTHER FINANCING SOURCES (USES)	(245,231)	-	(500,000)	776,649	31,418
NET CHANGE IN FUND BALANCES	(934,781)	(52,712)	1,584,512	(1,327,905)	(730,886)
FUND BALANCES - BEGINNING OF YEAR	16,766,213	321,178	5,519,014	13,351,076	35,957,481
FUND BALANCES - END OF YEAR	\$15,831,432	\$ 268,466	\$ 7,103,526	\$12,023,171	\$35,226,595

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, 2012

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (730,886)

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	9,799,873	
Current year depreciation and amortization	<u>(7,181,696)</u>	
Difference.....		2,618,177

Some deferred revenues related to receivables are not recognized in the current period because the resources are not available and therefore the revenues are not reported in the funds.

Change in Deferred Revenues		(112,050)
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In the statement of activities, only the gain or loss on the disposal of capital assets is reported. However, in the governmental funds, the change in net position differs from the change in fund balance by the net book value of the assets disposed.

Loss on disposal of capital assets		(30,199)
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Issuance of debt provides current financial resources to governmental funds, but increases long-term liabilities in the statement of net position

		(566,234)
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Repayment of debt principal is an expenditure in governmental funds, but the repayment results in a reduction of long-term liabilities in the statement of net position.

Debt Principal Payments		2,589,490
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	(89,000)	
OPEB Obligations	(386,436)	
Accrued Interest Payable	7,220	
Medicaid Obligation	<u>(500,000)</u>	
Total		(968,216)

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

		<u>(176,910)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 2,623,172</u>
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See accompanying notes.

Putnam County, Florida
Statement of Net Position – Proprietary Funds
September 30, 2012

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Non-Major</u> <u>Proprietary</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Activities</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
<u>ASSETS</u>					
<u>CURRENT ASSETS:</u>					
Cash and Equivalents	\$ 2,016,472	\$ 1,092,235	\$ 807,759	\$ 3,916,466	\$ 4,170,111
Receivables	163,453	111,089	44,663	319,205	-
Due From Other Governments	42,015	-	-	42,015	184
Inventory	-	-	-	-	127,636
Other Assets	-	-	-	-	1,015
TOTAL CURRENT ASSETS	2,221,940	1,203,324	852,422	4,277,686	4,298,946
<u>NONCURRENT ASSETS:</u>					
Restricted Cash and Equivalents	2,700,305	486,775	-	3,187,080	-
Restricted Investments	3,776,011	-	-	3,776,011	-
Capital Assets, Net	7,432,384	31,809,238	4,456,992	43,698,614	38,703
TOTAL NONCURRENT ASSETS	13,908,700	32,296,013	4,456,992	50,661,705	38,703
TOTAL ASSETS	16,130,640	33,499,337	5,309,414	54,939,391	4,337,649
<u>LIABILITIES</u>					
<u>CURRENT LIABILITIES:</u>					
Accounts Payable and Accrued Liabilities	576,730	155,683	444	732,857	29,221
Due to Other Funds	-	-	-	-	440,000
Estimated Liability for Self- Insured Losses	-	-	-	-	192,152
Customer Deposits	11,213	60,075	2,000	73,288	-
Current Portion of Long-Term Liabilities	1,087,812	489,855	-	1,577,667	16,800
TOTAL CURRENT LIABILITIES	1,675,755	705,613	2,444	2,383,812	678,173
NONCURRENT LIABILITIES	13,817,425	14,539,767	-	28,357,192	328,900
TOTAL LIABILITIES	15,493,180	15,245,380	2,444	30,741,004	1,007,073
<u>NET POSITION</u>					
Invested in Capital Assets, Net of Related Debt	4,245,671	16,794,216	4,456,992	25,496,879	38,703
Unrestricted	(3,608,211)	1,459,741	849,978	(1,298,492)	3,291,873
TOTAL NET POSITION	\$ 637,460	\$ 18,253,957	\$ 5,306,970	\$ 24,198,387	\$ 3,330,576

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds
For the Year Ended September 30, 2012

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste Management Fund</u>	<u>East Putnam Water Fund</u>	<u>Non-Major Proprietary Fund</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<u>OPERATING REVENUES</u>					
User Fees and Assessments	\$ 7,634,922	\$ 896,059	\$ 170,442	\$ 8,701,423	\$ 7,633,062
Miscellaneous	6,414	-	94	6,508	165,423
TOTAL OPERATING REVENUES	7,641,336	896,059	170,536	8,707,931	7,798,485
<u>OPERATING EXPENSES</u>					
Personal Services	751,314	166,105	-	917,419	389,225
Insurance	-	-	-	-	6,213,577
Claims Expense	-	-	-	-	664,041
Contractual Services	5,297,508	54,619	3,530	5,355,657	303,283
Repairs and Maintenance	163,747	47,303	19,689	230,739	15,178
Other Operating Expenses	543,953	244,369	43,049	831,371	310,190
Depreciation and Amortization	1,756,217	839,563	104,496	2,700,276	14,887
Closure and Long-Term Care Costs	281,494	-	-	281,494	-
TOTAL OPERATING EXPENSES	8,794,233	1,351,959	170,764	10,316,956	7,910,381
OPERATING INCOME (LOSS)	(1,152,897)	(455,900)	(228)	(1,609,025)	(111,896)
<u>NON OPERATING REVENUES</u>					
<u>(EXPENSES)</u>					
Interest Revenue	90,245	1,917	1,115	93,277	-
Grants	70,588	-	-	70,588	-
Interest Expense	(131,004)	(517,372)	-	(648,376)	-
Sale of Surplus Property	63,346	-	(120,766)	(57,420)	-
TOTAL NONOPERATING REVENUES	93,175	(515,455)	(119,651)	(541,931)	-
<u>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</u>					
	(1,059,722)	(971,355)	(119,879)	(2,150,956)	(111,896)
Capital Contributions - Capital Assets	-	73,577	-	73,577	-
Transfers In	-	652,952	-	652,952	238,348
Transfers Out	(51,742)	-	(1,380)	(53,122)	(303,362)
CHANGE IN NET POSITION	(1,111,464)	(244,826)	(121,259)	(1,477,549)	(176,910)
<u>NET POSITION - BEGINNING OF YEAR</u>					
	1,748,924	18,498,783	5,428,229	25,675,936	3,507,486
NET POSITION - END OF YEAR	\$ 637,460	\$18,253,957	\$ 5,306,970	\$24,198,387	\$ 3,330,576

See accompanying notes.

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2012

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Non-Major</u> <u>Proprietary</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Activities</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
<u>CASH FLOWS FROM OPERATING</u>					
<u>ACTIVITIES</u>					
Receipts From Customers	\$7,573,685	\$ 873,301	\$ 155,899	\$8,602,885	\$7,802,126
Payments to Suppliers	(5,985,613)	(339,356)	(65,918)	(6,390,887)	(7,614,205)
Payments to Employees	(745,046)	(163,135)	-	(908,181)	(386,481)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	843,026	370,810	89,981	1,303,817	(198,560)
<u>CASH FLOWS FROM NONCAPITAL</u>					
<u>FINANCING ACTIVITIES</u>					
Transfers In	-	652,952	-	652,952	238,348
Transfers Out	(51,742)	-	(1,380)	(53,122)	(303,362)
Grants	70,588	-	-	70,588	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	18,846	652,952	(1,380)	670,418	(65,014)
<u>CASH FLOWS FROM CAPITAL AND</u>					
<u>RELATED FINANCING ACTIVITIES</u>					
Payments Received on Mortgage Receivable	-	-	11,893	11,893	-
Principal Paid on Debt	(711,274)	(481,291)	-	(1,192,565)	-
Interest Paid on Debt	(130,959)	(518,930)	-	(649,889)	-
Proceeds From Sale of Surplus Property	63,346	-	-	63,346	-
Debt Issued	215,770	-	-	215,770	-
Acquisitions of Capital Assets	(227,314)	(16,193)	-	(243,507)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(790,431)	(1,016,414)	11,893	(1,794,952)	-
<u>CASH FLOWS FROM INVESTING</u>					
<u>ACTIVITIES</u>					
Purchase of Investments	(76,688)	-	-	(76,688)	-
Interest on Investments	90,245	1,917	1,115	93,277	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	13,557	1,917	1,115	16,589	-
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	84,998	9,265	101,609	195,872	(263,574)
CASH AND EQUIVALENTS - BEGINNING OF YEAR	4,631,779	1,569,745	706,150	6,907,674	4,433,685
CASH AND EQUIVALENTS - END OF YEAR	\$4,716,777	\$1,579,010	\$ 807,759	\$7,103,546	\$4,170,111

(continued)

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2012

(concluded)

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Non-Major</u> <u>Proprietary</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Activities</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$(1,152,897)	\$ (455,900)	\$ (228)	\$(1,609,025)	\$ (111,896)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:					
Depreciation and Amortization	1,756,217	839,563	104,496	2,700,276	14,887
Change In:					
Receivables	(46,917)	(23,883)	(14,637)	(85,437)	-
Due From Other Governments	(20,677)	-	-	(20,677)	3,650
Inventory	-	-	-	-	672
Other Assets	-	-	-	-	(8)
Accounts Payable and Accrued Liabilities	18,479	6,841	350	25,670	(148,609)
Due to Other Funds	-	-	-	-	40,000
Customer Deposits	(57)	1,125	-	1,068	-
Compensated Absences	(2,400)	400	-	(2,000)	(1,000)
Accrued Landfill and Post- Closure Costs	281,494	-	-	281,494	-
Other Noncurrent Liabilities	9,784	2,664	-	12,448	3,744
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 843,026</u>	<u>\$ 370,810</u>	<u>\$ 89,981</u>	<u>\$ 1,303,817</u>	<u>\$ (198,560)</u>
<u>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u>					
Contribution of Capital Assets	\$ -	\$ 73,577	\$ -	\$ 73,577	\$ -

See accompanying notes.

Putnam County, Florida
Statement of Fiduciary Net Position
September 30, 2012

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and Equivalents	\$ 3,099,435
Receivables	<u>19,568</u>
TOTAL ASSETS	<u>3,119,003</u>
<u>LIABILITIES</u>	
Due to Other Governments	-
Assets Held for Others	<u>3,119,003</u>
TOTAL LIABILITIES	<u>3,119,003</u>
NET POSITION	<u>\$ -</u>

See accompanying notes.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

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Putnam County, Florida
Notes to Financial Statements
September 30, 2012

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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. 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. 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 presented as an Enterprise Fund. 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 2011-2012.

B. Future Accounting Changes

The following statements of the Governmental Accounting Standards Board will be effective for the County's 2013 fiscal year:

Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*
Statement No. 61, *The Financial Reporting Entity: Omnibus*
Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*

The County is currently evaluating the effects that these statements will have on its financial statements for the year ended September 30, 2013.

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, 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, 2012

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 business-type activities (enterprise funds) follow private sector standards issued prior to December 1, 1989; to the extent those standards do not conflict with Governmental Accounting Standards Board statements. However, pursuant to Government Accounting Standards Board Statement Number 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting, the County has elected not to apply accounting standards issued after November 30, 1989 by the Financial Accounting Standards Board.

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.

East Putnam Grant Fund – The East Putnam Grant Fund is used to account for the collection and use of the proceeds of grants and loans to benefit primarily the economic environment of East Putnam.

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 Assets 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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 30 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 assets 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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

Prepays

Certain payments to vendors for goods and services applicable to future accounting periods are recorded as prepaids in the accompanying financial statements. An offsetting non-spendable fund balance is reported in the fund financial statements to indicate that prepaids do not represent available spendable resources.

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 assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables.

Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 fair market value at the time received.

Amortization of intangible assets and assets recorded under capital leases is included with depreciation expense.

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 no capitalized interest.

Unearned/Deferred Revenues

Unearned/deferred revenue represents revenues collected in advance of services performed. This revenue will be recognized when the services are rendered. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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. Fund Balance

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

Fund balance classifications are described below:

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

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

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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) the County Commission or (b) a body or official to which the Commission has delegated the authority to assign amounts used for specific purposes.

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

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

NOTE 2 – DEFINED BENEFIT PENSION PLAN

Plan Description

Putnam County contributes to the Florida Retirement System (the "System"), a cost-sharing multiple-employer defined benefit pension plan administered by the State of Florida, Department of Management Services, Division of Retirement. The System provides 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 System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000, or by calling (850) 488-6491.

Funding Policy

The employee contribution rate at September 30, 2012, was 3.00%. The County is required to contribute at an actuarially determined rate. The employer contribution rates at September 30, 2012 were as follows: Regular Employees 5.18%; Special Risk Employees 14.90%; Senior Management 6.30%; Elected Officials 10.23%; DROP Participants 5.44%. The contribution requirements of plan members and the County are established and may be amended by the Florida Legislature. Putnam County's contributions to the System for the years ending September 30, 2012, 2011 and 2010 were \$2,176,000, \$3,378,000, and \$3,602,000 respectively, equal to the required contributions for each year.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

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, 2012.

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, 2012

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, 2012, the County had the following investments and maturities:

Investment	Fair Value	Less Than 1	Investment Maturities (in years)			S & P Rating
			1 - 2	2 - 3	3 - 8	
State Investment Pool - Florida Prime, amortized cost	\$ 6,559,555	\$ 6,559,555	\$ -	\$ -	\$ -	AAAm
State Investment Pool - Fund B	6,918	-	-	-	6,918	Not Rated
Florida Local Government Investment Trust	4,695,997	1,609,318	842,931	1,027,015	1,216,733	AAAf
Money Market Funds	10,010,498	10,010,498	-	-	-	NA
TOTAL INVESTMENTS	\$ 21,272,968	\$ 18,179,371	\$ 842,931	\$ 1,027,015	\$ 1,223,651	

Total Investments include \$16,576,971 classified as Cash and Equivalents in the accompanying financial statements. Investments exclude \$112,262 in non negotiable certificates of deposit of the Putnam County Development Authority, a component unit.

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. For the Local Government Surplus Trust Funds Investment Pool (State Investment Pool), the weighted average life (WAL) of Fund B at September 30, 2012 was 4.08 years; a portfolio's WAL is the dollar weighted average length of time until securities held reach maturity. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the weighted average life. The weighted average days to maturity (WAM) of the Florida PRIME fund were 39 days. The WAM for the Florida Local Government Investment Trust was 2.08 years.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 5 – DEPOSITS AND INVESTMENTS

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.

State Investment Pool: The State Investment Pool is administered by the Florida State Board of Administration (SBA), which provides regulatory oversight. Several years ago, the SBA reported that the State Investment Pool was exposed to potential risks due to indirect exposure in the sub-prime mortgage financial market. Consequently, the SBA placed some restrictions on how participants could access portions of their surplus funds and ultimately restructured the State Investment Pool into two separate pools, the Florida PRIME and Fund B. The Florida PRIME has adopted operating procedures consistent with the requirements for a 2a7-like fund and 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, 2012 of AAAm. The Fund B is not rated by a nationally recognized statistical rating agency.

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, 2012, the Credit Quality and Bond Fund Volatility Ratings were AA Af and S1, respectively.

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

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 5 – DEPOSITS AND INVESTMENTS

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.

NOTE 6 – ACCOUNTS RECEIVABLE

Accounts receivable of the General Fund consist primarily of ambulance service accounts and are reported net of an allowance for doubtful accounts of \$2,208,757 at September 30, 2012. The allowance represents approximately 74% of the gross ambulance service accounts receivable at September 30, 2012. The balance of the receivable consists of miscellaneous service fees.

Accounts receivable of the non-major Governmental Funds consist primarily of \$8,900 in utility customer receivables, court related receivables of \$212,395 and other miscellaneous receivables. Allowances for doubtful accounts are not considered necessary, except for an allowance of \$204,061 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 \$298,338 and \$20,813 of mortgages receivable by the Port Authority; and other miscellaneous receivables resulting from normal business activities. An allowance for doubtful accounts in the amount of \$165,000 has been established. All net receivables, with the exception of the mortgages receivable are expected to be collected within the next year.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a schedule of interfund receivables and payables as of September 30, 2012:

Due To / Due From Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	East Putnam Grant Fund	\$ 45,000
General Fund	Nonmajor Governmental Funds	1,385,000
General Fund	Internal Service Funds	440,000
Non-Major Governmental Fund	General Fund	37,468
TOTAL PRIMARY GOVERNMENT		<u><u>\$ 1,907,468</u></u>

Advances From/ To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	East Putnam Grant Fund	<u><u>\$ 760,208</u></u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers for the year ended September 30, 2012, consisted of the following:

	Transfer In:				
	General Fund	Nonmajor Govern- mental	East Putnam Water	Internal Service	Total Transfers In
<u>Transfer Out:</u>					
General Fund	\$ -	\$ 320,467	\$ 152,952	\$ 160,050	\$ 633,469
Better Place Plan Fund	-	-	500,000	-	500,000
Nonmajor Governmental	46,678	-	-	63,374	110,052
Waste Management	41,560	-	-	10,182	51,742
Nonmajor Proprietary	-	-	-	1,380	1,380
Internal Service	300,000	-	-	3,362	303,362
Total Transfers Out	\$ 388,238	\$ 320,467	\$ 652,952	\$ 238,348	\$ 1,600,005
Transfer of capital assets from governmental activities to business-type activities:					73,577
					\$ 1,673,582

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, 2012

NOTE 8 – CAPITAL ASSET ACTIVITY

Capital asset activity for the year was as follows:

	Beginning Balance October 1, 2011	Increases	Decreases	Ending Balance September 30, 2012
<u>Primary Government</u>				
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 20,893,679	\$ 198,648	\$ (1,000)	\$ 21,091,327
Construction in Progress	1,121,985	828,855	(888,593)	1,062,247
Total Capital Assets Not Being Depreciated	<u>22,015,664</u>	<u>1,027,503</u>	<u>(889,593)</u>	<u>22,153,574</u>
Capital Assets Being Depreciated:				
Intangible Assets	1,062,283	270,727	-	1,333,010
Buildings	23,995,715	2,013,251	-	26,008,966
Improvements	8,921,104	5,225	-	8,926,329
Equipment	33,262,239	2,896,446	(1,993,912)	34,164,773
Infrastructure	75,856,946	4,475,314	(2,110,896)	78,221,364
Total Capital Assets Being Depreciated	<u>143,098,287</u>	<u>9,660,963</u>	<u>(4,104,808)</u>	<u>148,654,442</u>
Less Accumulated Depreciation For:				
Intangible Assets	(271,847)	(147,896)	-	(419,743)
Buildings	(10,315,406)	(694,586)	-	(11,009,992)
Improvements	(2,566,128)	(420,319)	-	(2,986,447)
Equipment	(25,255,452)	(2,813,117)	1,964,713	(26,103,856)
Infrastructure	(18,451,593)	(3,120,665)	2,110,896	(19,461,362)
Total Accumulated Depreciation	<u>(56,860,426)</u>	<u>(7,196,583)</u>	<u>4,075,609</u>	<u>(59,981,400)</u>
Total Capital Assets Being Depreciated, Net	<u>86,237,861</u>	<u>2,464,380</u>	<u>(29,199)</u>	<u>88,673,042</u>
Governmental Activities Capital Assets, Net	<u>108,253,525</u>	<u>3,491,883</u>	<u>(918,792)</u>	<u>110,826,616</u>
<u>Business-type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 6,203,045	\$ -	\$ (26,550)	\$ 6,176,495
Construction in Progress	2,447,887	73,578	-	2,521,465
Total Capital Assets Not Being Depreciated	<u>8,650,932</u>	<u>73,578</u>	<u>(26,550)</u>	<u>8,697,960</u>
Capital Assets Being Depreciated:				
Buildings	3,612,555	-	(435,230)	3,177,325
Improvements	967,510	-	-	967,510
Landfill	9,367,739	-	-	9,367,739
Water and Sewer Distribution System	32,220,082	-	-	32,220,082
Equipment	2,374,991	275,013	(10,931)	2,639,073
Total Capital Assets Being Depreciated	<u>48,542,877</u>	<u>275,013</u>	<u>(446,161)</u>	<u>48,371,729</u>
Less Accumulated Depreciation For:				
Buildings	(1,454,343)	(101,803)	341,013	(1,215,133)
Improvements	(778,277)	(19,640)	-	(797,917)
Landfill	(5,133,281)	(1,557,158)	-	(6,690,439)
Water and Sewer Distribution System	(2,235,757)	(804,638)	-	(3,040,395)
Equipment	(1,389,577)	(248,544)	10,930	(1,627,191)
Total Accumulated Depreciation	<u>(10,991,235)</u>	<u>(2,731,783)</u>	<u>351,943</u>	<u>(13,371,075)</u>
Total Capital Assets Being Depreciated, Net	<u>37,551,642</u>	<u>(2,456,770)</u>	<u>(94,218)</u>	<u>35,000,654</u>
Business-type Activities Capital Assets, Net	<u>\$ 46,202,574</u>	<u>\$ (2,383,192)</u>	<u>\$ (120,768)</u>	<u>\$ 43,698,614</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 8 – CAPITAL ASSET ACTIVITY

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

Governmental Activities:	
General Government	\$ 988,183
Public Safety	2,517,578
Physical Environment	19,413
Transportation	3,293,216
Human Services	8,573
Culture and Recreation	241,376
Court Related	113,357
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	14,887
Total Depreciation Expense - Governmental Activities	\$ 7,196,583
 Business-type Activities:	
Waste Management	\$ 1,756,217
Water and Sewer System	839,563
Port Authority	104,496
Total Depreciation Expense - Business-type Activities	\$ 2,700,276

NOTE 9 – LONG-TERM OBLIGATIONS

Governmental Activities

Special Assessment Debt with Governmental Commitment \$1,381,795, 3.58%, 10-year note issued during fiscal year 2003-2004, to fund specific road improvements within several Municipal Service Benefits Units. 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 \$13,748 is due monthly until maturity on August 1, 2014. The note is payable from the MSBU Loan Fund (a Debt Service Fund). \$ 315,118

\$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). 962,171

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 9 – LONG-TERM OBLIGATIONS

<p><u>Notes Payable</u> - \$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).</p>	5,670,000
<p>\$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).</p>	2,265,000
<p>\$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).</p>	800,607
<p>OTTED Loan in the amount of \$260,527 through the Office of the Governor, Office of Tourism, Trade and Economic Development (OTTED) to help finance communications infrastructure in the County's industrial park complex. The note is to be paid from legally available non-ad valorem funds. The interest rate is 3.0% fixed. Principal payments of \$9,304 plus accrued interest are due quarterly until the loan is fully paid. The note is payable from the Economic Development Fund (a Special Revenue Fund). All remaining principal and interest totaling \$9,374 was paid October 1, 2012.</p>	9,305
<p>Obligations Under Capital Leases</p>	1,256,013
<p>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. An initial payment of \$110,691 was made during the year. \$166,664 will be paid from the County's Revenue Sharing proceeds in fiscal year 2013. Payments of \$83,334 will be made in each of the following four years from the same revenue source.</p>	500,000
<p>Other Post Employment Benefits</p>	1,394,463
<p>Accrued Compensated Absences</p>	2,278,000
<p>Total Long-Term Obligations, Governmental Activities</p>	\$ 15,450,677

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

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). \$ 2,760,068

\$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. 8,831,022

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. 4,172,000

\$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. 2,012,000

Capital Leases consist of agreements with financial institutions for the following equipment at the landfill: wheel loader with \$174,406 aggregate historical cost and 3.5% interest rate; bulldozer with \$185,875 aggregate historical cost and 3.2% interest rate; water truck with \$90,385 aggregate historical cost and 5.0% interest rate; wheel tractor with \$125,385 aggregate historical cost and 5.0% interest rate. 426,644

Accrued Landfill Closure and Long-Term Care Costs 11,625,625

Other Post Employment Benefits 49,600

Accrued Compensated Absences 57,900

Total Long-Term Obligations, Business-Type Activities \$ 29,934,859

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

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, 2012 were as follows. The notional amounts of the swaps match the principal amounts of the outstanding debt.

Interest Rate Swaps

Notional Amounts	\$800,607	\$962,171	\$5,670,000	\$2,265,000
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	(\$79,694)	(\$73,485)	(\$478,213)	(\$176,384)
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, 2012, 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							
	2005	2006	2007	2008	2009	2010	2011	2012
Fair Value	\$(82,125)	\$ 71,025	\$12,096	\$(449,829)	\$(1,714,302)	\$(1,388,448)	\$(1,070,382)	\$ (807,776)
Change in Fair Value	(82,125)	153,150	(58,929)	(461,925)	(1,264,473)	325,854	318,066	262,606

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

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, 2005 through September 30, 2012. Amounts are presented based on their natural classification:

	As of and for the Fiscal Year Ended September 30							
	2005	2006	2007	2008	2009	2010	2011	2012
Statement of Net Position:								
Cash	\$3,189,044	\$2,881,822	\$12,285,026	\$14,244,725	\$12,359,436	\$10,473,915	\$8,589,989	\$6,698,539
Deferred Outflow Resources	82,125	(71,025)	(12,096)	449,829	1,714,302	1,388,448	1,070,382	807,776
Derivative Instrument Liability	82,125	(71,025)	(12,096)	449,829	1,714,302	1,388,448	1,070,382	807,776
Notes Payable	3,211,361	3,028,291	12,652,790	15,194,553	13,903,268	12,558,605	11,160,227	9,697,778
Statement of Activities:								
Interest Expense	22,317	124,152	221,295	582,064	594,004	540,858	485,548	429,001

Swap Payments and Associated Debt

Assuming that interest rates remain the same, at September 30, 2012, debt service requirements on the variable rate notes and interest rate swaps would be as follows:

Year Ending Sept 30	<u>Variable Rate Notes</u>		Interest	Total
	<u>Principal</u>	<u>Interest</u>	<u>Rate Swaps</u>	
2013	1,516,887	87,736	274,828	1,879,451
2014	1,586,710	72,909	227,947	1,887,566
2015	1,646,928	57,435	179,014	1,883,377
2016	1,722,563	41,333	128,098	1,891,994
2017	1,788,632	24,553	75,027	1,888,212
2018-2020	1,436,058	10,075	27,756	1,473,889
Total	<u>\$ 9,697,778</u>	<u>\$ 294,041</u>	<u>\$ 912,670</u>	<u>\$ 10,904,489</u>

Credit Risk

As of September 30, 2012 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, 2012

NOTE 9 – LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for long-term obligations at September 30, 2012, excluding obligations under capital leases of the Governmental Activities, are as follows:

Year Ending September 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2013	1,682,214	376,772	\$ 1,117,087	\$ 622,071
2014	1,745,805	308,383	1,155,818	583,138
2015	1,646,928	239,888	1,153,963	542,812
2016	1,722,563	172,271	1,095,346	503,152
2017	1,788,632	101,100	1,112,550	465,384
2018-2022	1,436,059	38,487	3,151,807	1,974,440
2023-2027	-	-	3,409,656	1,493,315
2028-2032	-	-	2,113,507	995,229
2033-2037	-	-	946,000	764,652
2038-2042	-	-	1,171,000	541,143
2043-2047	-	-	1,447,000	264,435
2048	-	-	328,000	14,212
	<u>\$ 10,022,201</u>	<u>\$ 1,236,901</u>	<u>\$ 18,201,734</u>	<u>\$ 8,763,983</u>

Governmental Capital Lease Obligations at September 30, 2012 are comprised of the following:

Agreement with financial institution for vehicles: Interest Rate 2.8%; aggregate historical cost \$615,374.	\$ 297,232
Agreement with financial institution for software: Interest Rate 4.5%; aggregate historical cost \$562,430.	314,334
Agreement with financial institution for phone systems: Interest Rate 6.53%; aggregate historical cost \$684,492.	204,835
Agreement with heavy equipment company for a road grader: Interest Rate 4.15%; aggregate historical cost \$173,873.	70,876
Agreement with heavy equipment company for a wheel loader: Interest Rate 6.25%; aggregate historical cost \$124,119.	18,628
Agreement with heavy equipment company for an excavator: Interest Rate 5.75%; aggregate historical cost \$165,836.	66,615
Agreement with financial institution for 200 air packs: Interest Rate 3.24%; aggregate historical cost \$566,234.	283,493
	<u>\$ 1,256,013</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 9 – LONG-TERM OBLIGATIONS

Amortization expense of leased equipment is included in depreciation expense. The annual requirements under capital lease obligations are as follows:

Year Ending September 30,	Governmental Activities
2013	\$ 869,422
2014	379,653
2015	63,099
Total Minimum Lease Payments	<u>1,312,174</u>
Less: Amount Representing Interest	<u>(56,161)</u>
Present Value of Minimum Lease Payments	<u>\$ 1,256,013</u>

Changes in long-term debt transactions of the County for the year ended September 30, 2012 are summarized below:

Governmental Activities					
	Balance October 1, <u>2011</u>	<u>Increases</u>	<u>Decreases</u>	Balance September 30, <u>2012</u>	Due Within <u>One Year</u>
Special Assessment Debt with					
Governmental Commitment	\$ 1,573,813	\$ -	\$ (296,524)	\$ 1,277,289	\$ 307,941
Notes Payable	10,093,916	-	(1,358,309)	8,735,607	1,364,968
\$260,527 Economic Development					
Loan (OTTED)	46,523	-	(37,218)	9,305	9,305
Obligations under Capital					
Leases	1,587,218	566,234	(897,439)	1,256,013	826,066
Medicaid Obligation	-	610,961	(110,961)	500,000	166,666
Other Post Employment Benefits	1,004,283	390,180	-	1,394,463	-
Accrued Compensated					
Absences	<u>2,190,000</u>	<u>2,202,000</u>	<u>(2,114,000)</u>	<u>2,278,000</u>	<u>1,355,400</u>
Total Long-Term Obligations, Governmental Activities	<u>\$ 16,495,753</u>	<u>\$ 3,769,375</u>	<u>\$ (4,814,451)</u>	<u>\$ 15,450,677</u>	<u>\$ 4,030,346</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 9 – LONG-TERM OBLIGATIONS

Business-Type Activities

	Balance October 1, 2011	Increases	Decreases	Balance September 30, 2012	Due Within One Year
Notes Payable	\$12,468,344	\$ -	\$ (877,254)	\$11,591,090	\$ 898,417
Revenue Bonds	6,255,000	-	(71,000)	6,184,000	74,000
Capital Lease	455,185	215,770	(244,311)	426,644	144,671
Accrued Landfill Closure and Post-Closure Care Costs	11,344,131	806,177	(524,683)	11,625,625	428,579
Other Post Employment Benefits	37,151	12,449	-	49,600	-
Accrued Compensated Absences	59,900	77,000	(79,000)	57,900	32,000
Total Long-Term Obligations, Business-Type Activities	\$30,619,711	\$ 1,111,396	\$ (1,796,248)	\$29,934,859	\$ 1,577,667

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 January 1, 2018 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 2029 and the bonds will mature in 2048. Annual principal and interest payments are expected to exceed 100% of future 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 \$23.451 million. Principal payments of \$481,291 were made in the current year, while interest payments totaling \$517,623 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 less than 38 percent of estimated annual net revenues. The total principal and interest remaining to be paid on the notes is \$8.909 million. For the current year, principal and interest paid and surtax revenue were \$1.582 million and \$4.448 million, respectively.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 9 – LONG-TERM OBLIGATIONS

The County has pledged future special assessment revenues to repay \$1.382 million and 1.9 million in notes issued in 2004 and 2005, respectively. Proceeds from the notes provided financing for road improvement projects within certain Municipal Service Benefit Units. The 2004 note will mature in 2014, while the 2005 note will mature in 2018. Annual principal and interest payments on the notes are expected to exceed 100% of future 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 notes is \$1.408 million. For the current year, principal and interest paid and special assessment revenue were \$0.353 million and \$0.282 million, respectively.

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 notes 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 \$0.933 million. For the current year, principal and interest paid was \$0.120 million, while revenue was \$0.035 million.

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 35% of revenues. The total principal and interest remaining to be paid on the note is \$3.054 million. For the current year, principal and interest paid was \$0.582 million, while revenue was \$1.736 million.

NOTE 10 – CONDUIT DEBT

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

In a previous year, the Putnam County Development Authority issued two Pollution Control Revenue Refunding Bonds in an aggregate principal amount of \$125,250,000 to refund several series issued prior to July 1, 1995. At September 30, 2012, the aggregate bonds outstanding were \$125,250,000.

NOTE 11 – FUND BALANCE CLASSIFICATIONS

A schedule of County fund balances is provided on the following page.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 11 – FUND BALANCE CLASSIFICATIONS

	<u>Major Governmental Funds</u>				
	<u>General</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Grant</u> <u>Fund</u>	<u>Better</u> <u>Place</u> <u>Plan</u>	<u>Total</u> <u>Non-Major</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
FUND BALANCES:					
Nonspendable:					
Advances	\$ 760,208	\$ -	\$ -	\$ -	\$ 760,208
Inventory	35,504	-	-	-	35,504
Loan Guarantees	-	-	-	512,048	512,048
Prepays	13,522	-	-	-	13,522
Restricted for:					
Debt Service	-	-	-	227,495	227,495
Better Place Plan - Capital Projects	-	-	7,103,526	-	7,103,526
Fishing Improvement	-	-	-	410,570	410,570
Fire Protection	-	-	-	1,277,324	1,277,324
Law Enforcement	-	-	-	266,134	266,134
Court Improvements	-	-	-	1,735,703	1,735,703
Drivers Education	-	-	-	219,475	219,475
Court Article V Support	-	-	-	111,637	111,637
Court Technology	-	-	-	505,431	505,431
Crime Prevention	-	-	-	62,589	62,589
E911 System	-	-	-	126,455	126,455
Tourist Development	-	-	-	327,762	327,762
Recreation & Libraries	-	-	-	51,606	51,606
MSBU Road Maintenance	-	-	-	888,647	888,647
Local Housing Assistance	-	-	-	533,277	533,277
Sewage Utilities	-	268,466	-	-	268,466
Water Utilities	-	-	-	196,173	196,173
Interlachen Lakes Estates Lake Access	39,427	-	-	-	39,427
Commissary - Inmate Benefits	-	-	-	75,159	75,159
Federal Forfeiture - Law Enforcement	-	-	-	145,372	145,372
Public Records Modernization	-	-	-	1,205,194	1,205,194
Court Operations	-	-	-	67,875	67,875
Voter Equipment and Education	-	-	-	83,167	83,167
Road Projects	-	-	-	1,927,556	1,927,556
Assigned to:					
Subsequent Year's Expenditures	2,587,699	-	-	-	2,587,699
Commissary - Inmate Benefits	-	-	-	181,417	181,417
Road and Bridge Maintenance	-	-	-	893,660	893,660
Capital Projects	-	-	-	533,013	533,013
Unassigned:	12,395,072	-	-	(541,568)	11,853,504
Total Fund Balances	\$15,831,432	\$ 268,466	\$7,103,526	\$12,023,171	\$35,226,595

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 12 – DEFICIT BALANCES/BUDGET OVEREXPENDITURES – INDIVIDUAL FUNDS

At September 30, 2012, the Communication Improvement Fund, the Economic Development Fund, and the Sewage Utilities Fund had deficit fund balances of \$349,084, \$171,481, and \$21,003, respectively.

The deficits in the funds will be eliminated by transfers from the General Fund and by future revenues generated by the funds.

For the year ended September 30, 2012, expenditures of the Economic Development Fund, the Interlachen Lakes Estates Fund, the West Putnam MSBU Fund, the Water Utilities Fund, the MSBU Loan Fund, and the Road Projects Fund were in excess of their approved annual budgets.

The Road Projects Fund expenditures were a substantial \$2.3 million over budget due to the omission of passing a budget amendment for grant revenues received and expenditures made during the year.

In future years, the County will endeavor to more closely monitor expenditures in its funds.

NOTE 13 – 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. This estimate 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 \$500,000 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, 2012

NOTE 13 – RISK MANAGEMENT

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

Changes in the fund's claims liability were:

	Beginning of Fiscal Year Liability	Claims Incurred and Changes in Estimates	Claims Payments	End of Fiscal Year Liability	Due Within One Year
2010-2011	\$429,152	\$815,275	\$752,275	\$492,152	\$192,152
2011-2012	\$492,152	\$664,041	\$664,041	\$492,152	\$192,152

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 14 – 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 \$11,625,625 reported as landfill closure and long-term care liability at September 30, 2012, 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	71.42%
Class III Landfill	100%
Huntington Landfill	100%
Interlachen Landfill	100%
Central Landfill Phase I	100%

The County will recognize the remaining estimated cost of closure and long-term care of \$3,479,079 as the remaining estimated capacity is used (estimated to be 6.5 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 2012. 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, 2012

NOTE 14 – 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 \$6,476,316 to cover D.E.P.'s landfill post-closure maintenance cost requirements and closure costs of current operating landfills, as of September 30, 2012. This is shown as restricted cash and equivalents and restricted investments of the business-type activities in the accompanying financial statements.

NOTE 15 – 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, 2012, participants consisted of:

Active Employees	515
Retirees Participants	55

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 15 – 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, 2010	\$ 609,697	\$ 261,440	42.88%	\$ 708,850
September 30, 2011	\$ 611,583	\$ 279,000	45.62%	\$ 1,041,434
September 30, 2012	\$ 649,975	\$ 247,346	38.06%	\$ 1,444,063

Determination of Change of Net OPEB Obligation at September 30, 2012

Annual Required Contribution	\$ 673,478
Interest on prior year Net OPEB Obligation	41,657
Adjustment to ARC	<u>(65,160)</u>
Annual OPEB Cost	649,975
Assumed Contributions Made	<u>(247,346)</u>
Estimated Increase in Net OPEB Obligations	<u><u>\$ 402,629</u></u>

The funded status of the OPEB Plan as of September 30, 2012 was as follows:

Actuarial Accrued Liability (AAL)	\$ 4,932,691
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 4,932,691</u></u>
Funded Ratio	0.00%
Covered Payroll	\$24,725,000
Ratio of UAAL to Covered Payroll	19.95%

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.

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 15 – OTHER POST-EMPLOYMENT BENEFITS

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	Projected Unit Credit Method
Amortization Method	Level Annual Payments
Amortization Period	30 Years, Closed
Remaining Amortization Period	28 Years
Asset Valuation Method	Unfunded
Actuarial Assumptions:	
Discount Rate	4%
Healthcare Cost Trend Rate	11% Initial; 5% ultimate
Inflation Rate	4%

Putnam County, Florida
Notes to Financial Statements
September 30, 2012

NOTE 16 – OPERATING LEASES

The Transportation Fund (a Special Revenue Fund) leases seven road graders and two mowing tractors used to maintain roads within the County. These leases have five-year terms. Operating lease expenditures for the year ended September 30, 2012, totaled \$227,521. Future minimum lease payments under these leases are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Amount</u>
2013	\$ 227,520
2014	227,520
2015	227,520
2016	175,182
Total future minimum lease payments	<u>\$ 857,742</u>

NOTE 17 – COMMITMENTS AND CONTINGENCIES

At September 30, 2012, the County was committed under signed contracts for approximately \$1,530,171 of road construction, resurfacing and engineering work and \$73,657 for building and other construction projects.

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

NOTE 18 – NET POSITION RESTRICTED BY ENABLING LEGISLATION

The government-wide statement of net position reports \$23,483,649 of restricted net position, of which \$7.3 million is restricted by enabling legislation.

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 28,874,984	\$ 28,874,984	\$ 29,310,865	\$ 435,881
Licenses and Permits	410,500	410,500	330,645	(79,855)
Intergovernmental	8,206,095	8,549,994	7,601,765	(948,229)
Charges for Services	5,307,032	5,306,953	5,081,181	(225,772)
Fines and Forfeitures	83,550	93,550	61,755	(31,795)
Miscellaneous	380,975	538,295	348,112	(190,183)
TOTAL REVENUES	<u>43,263,136</u>	<u>43,774,276</u>	<u>42,734,323</u>	<u>(1,039,953)</u>
EXPENDITURES				
Current:				
General Government	13,301,905	13,301,826	11,981,618	1,320,208
Public Safety	24,570,577	25,542,961	25,123,808	419,153
Physical Environment	378,669	378,669	312,300	66,369
Transportation	505,000	505,000	31,990	473,010
Economic Environment	403,323	403,323	334,267	69,056
Human Services	2,408,127	2,408,127	2,434,410	(26,283)
Culture and Recreation	1,768,531	1,768,531	1,582,140	186,391
Court Related	993,191	993,191	980,205	12,986
Reserve for Contingencies	225,000	219,500	-	219,500
Debt Service:				
Principal Retirement	524,125	524,125	591,544	(67,419)
Interest and Fiscal Charges	18,912	18,912	51,591	(32,679)
TOTAL EXPENDITURES	<u>45,097,360</u>	<u>46,064,165</u>	<u>43,423,873</u>	<u>2,640,292</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,834,224)</u>	<u>(2,289,889)</u>	<u>(689,550)</u>	<u>1,600,339</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	341,800	341,800	388,238	46,438
Transfers Out	(383,158)	(555,016)	(633,469)	(78,453)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(41,358)</u>	<u>(213,216)</u>	<u>(245,231)</u>	<u>(32,015)</u>
NET CHANGE IN FUND BALANCES	<u>(1,875,582)</u>	<u>(2,503,105)</u>	<u>(934,781)</u>	<u>1,568,324</u>
FUND BALANCES - BEGINNING OF YEAR	<u>1,875,582</u>	<u>2,503,105</u>	<u>16,766,213</u>	<u>14,263,108</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,831,432</u>	<u>\$ 15,831,432</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – East Putnam Grant Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 1,600,000	\$ 1,600,000	\$ -	\$ (1,600,000)
Miscellaneous Revenue	30,000	30,000	20,865	(9,135)
TOTAL REVENUES	<u>1,630,000</u>	<u>1,630,000</u>	<u>20,865</u>	<u>(1,609,135)</u>
<u>EXPENDITURES</u>				
Current:				
Physical Environment	<u>10,030,000</u>	<u>10,030,000</u>	<u>73,577</u>	<u>9,956,423</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,400,000)	(8,400,000)	(52,712)	8,347,288
<u>OTHER FINANCING SOURCES</u>				
Debt Issued	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>	<u>(1,400,000)</u>
NET CHANGE IN FUND BALANCES	(7,000,000)	(7,000,000)	(52,712)	6,947,288
FUND BALANCES, Beginning of year	<u>7,000,000</u>	<u>7,000,000</u>	<u>321,178</u>	<u>(6,678,822)</u>
FUND BALANCES, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268,466</u>	<u>\$ 268,466</u>

Putnam County, Florida
Notes to Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended September 30, 2012

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, 2012

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, 2012

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
2010	10/1/2009	-	4,731,694	4,731,694	0.0%	24,065,000	19.67%
2011	10/1/2009	-	4,731,694	4,731,694	0.0%	23,775,000	19.91%
2012	10/1/2011	-	4,932,691	4,932,691	0.0%	24,725,000	19.95%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended September 30,	Annual Required Contribution	% Contributed
2010	\$ 624,133	41.89%
2011	\$ 665,037	41.95%
2012	\$ 673,478	36.73%

NOTES

1. See Note 15 to the financial statements for further information regarding the County's OPEB plan.

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 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
September 30, 2012

	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	\$ 11,825,284	\$ 786,199	\$ 293,424	\$ 417,114
Investments	295,011	-	-	-
Receivables	795,051	8,868	667	-
Due From Other Funds	3,239,783	-	-	-
Due From Other Governments	633,496	-	21,069	-
Advances to Other Funds	760,208	-	-	-
Inventory	35,504	-	-	-
Prepays	-	-	-	-
Other Assets	-	800	7,543	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	17,584,337	795,867	322,703	417,114
	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	604,911	336,633	90,123	69,551
Due to Other Funds	-	455,806	167,124	336,656
Due to Other Governments	86,035	3,428	65,456	-
Deferred Revenue	1,075,481	-	-	10,907
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	1,766,427	795,867	322,703	417,114
	<hr/>	<hr/>	<hr/>	<hr/>
<u>FUND BALANCES</u>				
Nonspendable	795,712	-	-	-
Restricted	39,427	-	-	-
Committed	-	-	-	-
Assigned	2,587,699	-	-	-
Unassigned	12,395,072	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	15,817,910	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 17,584,337	\$ 795,867	\$ 322,703	\$ 417,114
	<hr/>	<hr/>	<hr/>	<hr/>

(continued)

Putnam County, Florida
Combining Balance Sheet
Board and Officer General Funds
For the Year Ended September 30, 2012

(concluded)

	Property Appraiser General <u>Sub-Fund</u>	Supervisor of Elections General <u>Sub-Fund</u>	Interfund Eliminations & <u>Consolidations</u>	Total General <u>Fund</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 331,992	\$ 198,268	\$ -	\$ 13,852,281
Investments	-	-	-	295,011
Receivables	-	-	-	804,586
Due From Other Funds	-	-	(1,369,783)	1,870,000
Due From Other Governments	-	-	-	654,565
Advances to Other Funds	-	-	-	760,208
Inventory	-	-	-	35,504
Prepays	-	13,522	-	13,522
Other Assets	-	-	-	8,343
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>331,992</u>	<u>211,790</u>	<u>(1,369,783)</u>	<u>18,294,020</u>
<u>LIABILITIES AND FUND</u>				
<u>BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	36,516	46,079	-	1,183,813
Due to Other Funds	295,476	152,189	(1,369,783)	37,468
Due to Other Governments	-	-	-	154,919
Deferred Revenue	-	-	-	1,086,388
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>331,992</u>	<u>198,268</u>	<u>(1,369,783)</u>	<u>2,462,588</u>
<u>FUND BALANCES</u>				
Nonspendable	-	13,522	-	809,234
Restricted	-	-	-	39,427
Committed	-	-	-	-
Assigned	-	-	-	2,587,699
Unassigned	-	-	-	12,395,072
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	<u>-</u>	<u>13,522</u>	<u>-</u>	<u>15,831,432</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 331,992</u>	<u>\$ 211,790</u>	<u>\$ (1,369,783)</u>	<u>\$ 18,294,020</u>

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, 2012

	Board of County Commissioners Sub-fund			Sheriff Sub-fund		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
REVENUES						
Taxes	\$ 28,874,984	\$ 28,874,984	\$ 29,310,865	\$ -	\$ -	\$ -
Licenses and Permits	410,500	410,500	330,645	-	-	-
Intergovernmental	7,839,737	8,183,636	7,470,618	-	-	-
Charges for Services	3,939,580	3,939,580	3,782,038	-	-	-
Fines and Forfeitures	73,550	73,550	41,755	10,000	20,000	20,000
Miscellaneous	328,475	485,421	264,256	-	374	416
TOTAL REVENUES	41,466,826	41,967,671	41,200,177	10,000	20,374	20,416
EXPENDITURES						
Current:						
General Government	8,096,169	8,096,169	7,531,793	-	-	-
Public Safety	6,938,787	7,095,733	7,178,388	17,631,790	18,447,228	17,945,420
Physical Environment	378,669	378,669	312,300	-	-	-
Transportation	505,000	505,000	31,990	-	-	-
Economic Environment	403,323	403,323	334,267	-	-	-
Human Services	2,408,127	2,408,127	2,434,410	-	-	-
Culture and Recreation	1,768,531	1,768,531	1,582,140	-	-	-
Court Related	271,383	271,383	274,451	490,086	490,086	447,078
Reserve for Contingencies	225,000	219,500	-	-	-	-
Debt Service:						
Principal Retirement	184,123	184,123	184,219	340,002	340,002	407,325
Interest and Fiscal Charges	18,912	18,912	18,915	-	-	32,676
TOTAL EXPENDITURES	21,198,024	21,349,470	19,882,873	18,461,878	19,277,316	18,832,499
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	20,268,802	20,618,201	21,317,304	(18,451,878)	(19,256,942)	(18,812,083)
OTHER FINANCING SOURCES (USES)						
Transfers In	806,800	806,800	1,711,462	18,451,878	18,629,419	18,629,419
Transfers Out	(22,951,184)	(23,300,583)	(23,306,681)	-	-	(455,807)
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(22,144,384)	(22,493,783)	(21,595,219)	18,451,878	18,629,419	18,173,612
NET CHANGE IN FUND BALANCES	(1,875,582)	(1,875,582)	(277,915)	-	(627,523)	(638,471)
FUND BALANCES - BEGINNING OF YEAR	1,875,582	1,875,582	16,095,825	-	627,523	638,471
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 15,817,910	\$ -	\$ -	\$ -

(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, 2012

	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	366,358	366,358	131,147	-	-	-
Charges for Services	231,800	231,800	225,032	2,140,802	2,140,802	2,170,978
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	14,500	14,500	33,329	38,000	38,000	44,428
TOTAL REVENUES	612,658	612,658	389,508	2,178,802	2,178,802	2,215,406
EXPENDITURES						
Current:						
General Government	1,648,448	1,648,448	1,568,936	2,038,668	2,038,668	1,878,750
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Court Related	231,722	231,722	258,676	-	-	-
Reserve for Contingencies	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	1,880,170	1,880,170	1,827,612	2,038,668	2,038,668	1,878,750
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,267,512)	(1,267,512)	(1,438,104)	140,134	140,134	336,656
OTHER FINANCING SOURCES (USES)						
Transfers In	1,433,870	1,433,870	1,605,228	-	-	-
Transfers Out	(166,358)	(166,358)	(167,124)	(140,134)	(140,134)	(336,656)
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,267,512	1,267,512	1,438,104	(140,134)	(140,134)	(336,656)
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, 2012

	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	34,850	34,771	32,462	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	171	-	-	5,512
TOTAL REVENUES	34,850	34,771	32,633	-	-	5,512
EXPENDITURES						
Current:						
General Government	1,610,620	1,610,541	1,312,927	948,000	948,000	818,541
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Court Related	-	-	-	-	-	-
Reserve for Contingencies	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	1,610,620	1,610,541	1,312,927	948,000	948,000	818,541
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,575,770)	(1,575,770)	(1,280,294)	(948,000)	(948,000)	(813,029)
OTHER FINANCING SOURCES (USES)						
Transfers In	1,575,770	1,575,770	1,575,770	948,000	948,000	948,000
Transfers Out	-	-	(295,476)	-	-	(153,366)
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,575,770	1,575,770	1,280,294	948,000	948,000	794,634
NET CHANGE IN FUND BALANCES	-	-	-	-	-	(18,395)
FUND BALANCES - BEGINNING OF YEAR	-	-	-	-	-	31,917
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,522

(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, 2012

	Subtotals			Interfund Eliminations and consolidations		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final	
REVENUES						
Taxes	\$ 28,874,984	\$ 28,874,984	\$ 29,310,865	\$ -	\$ -	\$ -
Licenses and Permits	410,500	410,500	330,645	-	-	-
Intergovernmental	8,206,095	8,549,994	7,601,765	-	-	-
Charges for Services	6,347,032	6,346,953	6,210,510	(1,040,000)	(1,040,000)	(1,129,329)
Fines and Forfeitures	83,550	93,550	61,755	-	-	-
Miscellaneous	380,975	538,295	348,112	-	-	-
TOTAL REVENUES	44,303,136	44,814,276	43,863,652	(1,040,000)	(1,040,000)	(1,129,329)
EXPENDITURES						
Current:						
General Government	14,341,905	14,341,826	13,110,947	(1,040,000)	(1,040,000)	(1,129,329)
Public Safety	24,570,577	25,542,961	25,123,808	-	-	-
Physical Environment	378,669	378,669	312,300	-	-	-
Transportation	505,000	505,000	31,990	-	-	-
Economic Environment	403,323	403,323	334,267	-	-	-
Human Services	2,408,127	2,408,127	2,434,410	-	-	-
Culture and Recreation	1,768,531	1,768,531	1,582,140	-	-	-
Court Related	993,191	993,191	980,205	-	-	-
Reserve for Contingencies	225,000	219,500	-	-	-	-
Debt Service:						
Principal Retirement	524,125	524,125	591,544	-	-	-
Interest and Fiscal Charges	18,912	18,912	51,591	-	-	-
TOTAL EXPENDITURES	46,137,360	47,104,165	44,553,202	(1,040,000)	(1,040,000)	(1,129,329)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,834,224)	(2,289,889)	(689,550)	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers In	23,216,318	23,393,859	24,469,879	(22,874,518)	(23,052,059)	(24,081,641)
Transfers Out	(23,257,676)	(23,607,075)	(24,715,110)	22,874,518	23,052,059	24,081,641
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(41,358)	(213,216)	(245,231)	-	-	-
NET CHANGE IN FUND BALANCES	(1,875,582)	(2,503,105)	(934,781)	-	-	-
FUND BALANCES - BEGINNING OF YEAR	1,875,582	2,503,105	16,766,213	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 15,831,432	\$ -	\$ -	\$ -

(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, 2012

(concluded)

	Totals		
	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Taxes	\$ 28,874,984	\$ 28,874,984	\$ 29,310,865
Licenses and Permits	410,500	410,500	330,645
Intergovernmental	8,206,095	8,549,994	7,601,765
Charges for Services	5,307,032	5,306,953	5,081,181
Fines and Forfeitures	83,550	93,550	61,755
Miscellaneous	380,975	538,295	348,112
TOTAL REVENUES	43,263,136	43,774,276	42,734,323
EXPENDITURES			
Current:			
General Government	13,301,905	13,301,826	11,981,618
Public Safety	24,570,577	25,542,961	25,123,808
Physical Environment	378,669	378,669	312,300
Transportation	505,000	505,000	31,990
Economic Environment	403,323	403,323	334,267
Human Services	2,408,127	2,408,127	2,434,410
Culture and Recreation	1,768,531	1,768,531	1,582,140
Court Related	993,191	993,191	980,205
Reserve for Contingencies	225,000	219,500	-
Debt Service:			
Principal Retirement	524,125	524,125	591,544
Interest and Fiscal Charges	18,912	18,912	51,591
TOTAL EXPENDITURES	45,097,360	46,064,165	43,423,873
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,834,224)	(2,289,889)	(689,550)
OTHER FINANCING SOURCES (USES)			
Transfers In	341,800	341,800	388,238
Transfers Out	(383,158)	(555,016)	(633,469)
Debt Issued	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(41,358)	(213,216)	(245,231)
NET CHANGE IN FUND BALANCES	(1,875,582)	(2,503,105)	(934,781)
FUND BALANCES - BEGINNING OF YEAR	1,875,582	2,503,105	16,766,213
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 15,831,432

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.

Impact Fee Fund – to account for fees collected related to new development. Funds are used for capital improvement projects.

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 Funds

Debt service funds are 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:

Future Capital Improvement Debt Fund – to account for future debt service requirements for the future expansion of the County's jail facilities.

MSBU Loan Fund – to account for special assessments collected to repay special assessment debt used to fund road paving projects within certain municipal service benefits 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 Funds:

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

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

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

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2012

	Special Revenue Funds				
	County Transportation Trust	Fishing Improvement	Fire Taxing Unit	Law Enforcement Trust	Law Enforcement Education
<u>ASSETS</u>					
Cash and Equivalents	\$ 736,586	\$ 408,116	\$ 1,340,843	\$ 220,190	\$ 18,970
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due From Other Funds	-	-	6,894	30,574	-
Due From Other Governments	315,113	2,666	10,708	-	-
	<u>1,051,699</u>	<u>410,782</u>	<u>1,358,445</u>	<u>250,764</u>	<u>18,970</u>
TOTAL ASSETS	1,051,699	410,782	1,358,445	250,764	18,970
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	158,039	212	81,121	3,600	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
	<u>158,039</u>	<u>212</u>	<u>81,121</u>	<u>3,600</u>	<u>-</u>
TOTAL LIABILITIES	158,039	212	81,121	3,600	-
<u>FUND BALANCES</u>					
Nonspendable	-	-	-	-	-
Restricted	-	410,570	1,277,324	247,164	18,970
Assigned	893,660	-	-	-	-
Unassigned	-	-	-	-	-
	<u>893,660</u>	<u>410,570</u>	<u>1,277,324</u>	<u>247,164</u>	<u>18,970</u>
TOTAL FUND BALANCES	893,660	410,570	1,277,324	247,164	18,970
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,051,699	\$ 410,782	\$ 1,358,445	\$ 250,764	\$ 18,970

continued

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2012

	Special Revenue Funds				
	<u>Court Improve- ment</u>	<u>Drivers Education</u>	<u>Article V</u>	<u>Court Technology</u>	<u>Crime Prevention</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 1,749,461	\$ 219,475	\$ 119,619	\$ 506,958	\$ 66,639
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
	1,749,461	219,475	119,619	506,958	66,639
TOTAL ASSETS	1,749,461	219,475	119,619	506,958	66,639
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	13,758	-	7,982	1,527	4,050
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
	13,758	-	7,982	1,527	4,050
TOTAL LIABILITIES	13,758	-	7,982	1,527	4,050
<u>FUND BALANCES</u>					
Nonspendable	-	-	-	-	-
Restricted	1,735,703	219,475	111,637	505,431	62,589
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
	1,735,703	219,475	111,637	505,431	62,589
TOTAL FUND BALANCES	1,735,703	219,475	111,637	505,431	62,589
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,749,461	\$ 219,475	\$ 119,619	\$ 506,958	\$ 66,639

continued

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2012

	Special Revenue Funds				
	<u>E911 System</u>	<u>Tourist Develop- ment</u>	<u>Communi- cation Improvement</u>	<u>Economic Development</u>	<u>Impact Fee</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 109,387	\$ 319,421	\$ 11,102	\$ 10,186	\$ 622,171
Investments	-	-	-	-	-
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	23,596	15,794	-	5,705	-
	132,983	335,215	11,102	15,891	622,171
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	6,528	7,453	186	17,372	4,481
Due to Other Funds	-	-	360,000	170,000	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
	6,528	7,453	360,186	187,372	4,481
<u>FUND BALANCES</u>					
Nonspendable	-	-	-	-	-
Restricted	126,455	327,762	-	-	617,690
Assigned	-	-	-	-	-
Unassigned	-	-	(349,084)	(171,481)	-
	126,455	327,762	(349,084)	(171,481)	617,690
TOTAL LIABILITIES AND FUND BALANCES	\$ 132,983	\$ 335,215	\$ 11,102	\$ 15,891	\$ 622,171

continued

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2012

	<u>Special Revenue Funds</u>				
	<u>Miscell- aneous Grants</u>	<u>Community Development Block Grant</u>	<u>Interlachen Lakes Estates</u>	<u>West Putnam Municipal Services Benefit Unit</u>	<u>Local Housing Assistance</u>
<u>ASSETS</u>					
Cash and Equivalents	\$ 22,316	\$ 11,194	\$ 254,118	\$ 225,154	\$ 437,280
Investments	-	-	-	-	624,975
Receivables	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	242,632	524,790	10,721	8,552	-
TOTAL ASSETS	264,948	535,984	264,839	233,706	1,062,255
<u>LIABILITIES AND FUND</u>					
<u>BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	4,948	70,984	5,757	-	16,930
Due to Other Funds	260,000	465,000	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
TOTAL LIABILITIES	264,948	535,984	5,757	-	16,930
<u>FUND BALANCES</u>					
Nonspendable	-	-	-	-	512,048
Restricted	-	-	259,082	233,706	533,277
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	-	-	259,082	233,706	1,045,325
TOTAL LIABILITIES AND FUND BALANCES	\$ 264,948	\$ 535,984	\$ 264,839	\$ 233,706	\$ 1,062,255

continued

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2012

	Special Revenue Funds			
	<u>MSBU</u>	<u>Sewage Utilities</u>	<u>Water Utilities</u>	<u>Commissary</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 390,898	\$ 8,861	\$ 221,623	\$ 226,299
Investments	-	-	-	-
Receivables	-	4,462	4,438	34,645
Due From Other Funds	-	-	-	-
Due From Other Governments	4,961	-	-	-
	395,859	13,323	226,061	260,944
TOTAL ASSETS	395,859	13,323	226,061	260,944
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	-	4,326	29,888	4,368
Due to Other Funds	-	30,000	-	-
Due to Other Governments	-	-	-	-
Deferred Revenue	-	-	-	-
	-	34,326	29,888	4,368
TOTAL LIABILITIES	-	34,326	29,888	4,368
<u>FUND BALANCES</u>				
Nonspendable	-	-	-	-
Restricted	395,859	-	196,173	75,159
Assigned	-	-	-	181,417
Unassigned	-	(21,003)	-	-
	395,859	(21,003)	196,173	256,576
TOTAL FUND BALANCES	395,859	(21,003)	196,173	256,576
TOTAL LIABILITIES AND FUND BALANCES	\$ 395,859	\$ 13,323	\$ 226,061	\$ 260,944

continued

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2012

	Special Revenue Funds				
	<u>Federal</u>	<u>Records</u>	<u>Article V</u>	<u>Court</u>	<u>Supervisor</u>
	<u>Forfeiture</u>	<u>Moderni-</u>	<u>Records</u>	<u>Fund</u>	<u>of Elections</u>
		<u>zation</u>	<u>Moderni-</u>		<u>Grants</u>
			<u>zation</u>		
<u>ASSETS</u>					
Cash and Equivalents	\$ 145,372	\$ 328,165	\$ 877,029	\$ 357,255	\$ 83,167
Investments	-	-	-	-	-
Receivables	-	-	-	9,591	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	-	-	-	695	-
	145,372	328,165	877,029	367,541	83,167
TOTAL ASSETS	145,372	328,165	877,029	367,541	83,167
<u>LIABILITIES AND FUND</u>					
<u>BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and					
Accrued Liabilities	-	-	-	61,753	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	229,580	-
Deferred Revenue	-	-	-	8,333	-
	-	-	-	299,666	-
TOTAL LIABILITIES	-	-	-	299,666	-
<u>FUND BALANCES</u>					
Nonspendable	-	-	-	-	-
Restricted	145,372	328,165	877,029	67,875	83,167
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
	145,372	328,165	877,029	67,875	83,167
TOTAL FUND BALANCES	145,372	328,165	877,029	67,875	83,167
TOTAL LIABILITIES AND FUND					
BALANCES	\$ 145,372	\$ 328,165	\$ 877,029	\$ 367,541	\$ 83,167

continued

Putnam County, Florida
Combining Balance Sheet – Non-major Governmental Funds
September 30, 2012

	<u>Debt Service Funds</u>		<u>Capital Projects Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Future Capital Improvement Debt</u>	<u>MSBU Loan</u>	<u>Capital Projects</u>	<u>Road Projects</u>	
<u>ASSETS</u>					
Cash and Equivalents	\$ -	\$ 220,581	\$ 533,013	\$ 36,598	\$ 10,838,047
Investments	-	-	-	-	624,975
Receivables	-	-	-	-	53,136
Due From Other Funds	-	-	-	-	37,468
Due From Other Governments	-	6,914	-	2,128,626	3,301,473
TOTAL ASSETS	-	227,495	533,013	2,165,224	14,855,099
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	-	-	-	703,752	1,209,015
Due to Other Funds	-	-	-	100,000	1,385,000
Due to Other Governments	-	-	-	-	229,580
Deferred Revenue	-	-	-	-	8,333
TOTAL LIABILITIES	-	-	-	803,752	2,831,928
<u>FUND BALANCES</u>					
Nonspendable	-	-	-	-	512,048
Restricted	-	227,495	-	1,361,472	10,444,601
Assigned	-	-	533,013	-	1,608,090
Unassigned	-	-	-	-	(541,568)
TOTAL FUND BALANCES	-	227,495	533,013	1,361,472	12,023,171
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 227,495	\$ 533,013	\$ 2,165,224	\$ 14,855,099

concluded

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2012

	<u>Special Revenue Funds</u>				
	<u>County</u> <u>Transportation</u> <u>Trust</u>	<u>Fishing</u> <u>Improve-</u> <u>ment</u>	<u>Fire Taxing</u> <u>Unit</u>	<u>Law</u> <u>Enforce-</u> <u>ment</u> <u>Trust</u>	<u>Law</u> <u>Enforce-</u> <u>ment</u> <u>Education</u>
<u>REVENUES</u>					
Taxes	\$ 1,721,566	\$ -	\$ 2,242,767	\$ -	\$ -
Licenses and Permits	2,700	40,297	-	-	-
Intergovernmental Revenue	2,293,505	-	182,387	-	-
Charges For Services	124,127	-	-	-	-
Fines and Forfeitures	-	-	-	14,350	20,550
Miscellaneous Revenue	22,152	575	33,368	333	30
TOTAL REVENUES	4,164,050	40,872	2,458,522	14,683	20,580
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	-	3,158,762	24,194	26,545
Physical Environment	-	4,039	-	-	-
Transportation	5,149,868	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	65,005	-	282,741	-	-
Interest and Fiscal Charges	11,252	-	9,357	-	-
TOTAL EXPENDITURES	5,226,125	4,039	3,450,860	24,194	26,545
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,062,075)	36,833	(992,338)	(9,511)	(5,965)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	6,894	30,574	-
Transfers Out	(29,827)	-	(33,547)	-	-
Debt Issued	-	-	566,234	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(29,827)	-	539,581	30,574	-
NET CHANGE IN FUND BALANCES	(1,091,902)	36,833	(452,757)	21,063	(5,965)
FUND BALANCES, October 1, 2011	1,985,562	373,737	1,730,081	226,101	24,935
FUND BALANCES, September 30, 2012	\$ 893,660	\$ 410,570	\$ 1,277,324	\$ 247,164	\$ 18,970

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2012

	Special Revenue Funds				
	Court Improvement	Drivers Education	Article V	Court Technology	Crime Prevention
<u>REVENUES</u>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charges For Services	136,095	-	83,643	64,856	-
Fines and Forfeitures	-	22,635	-	-	31,262
Miscellaneous Revenue	2,763	344	149	760	94
TOTAL REVENUES	138,858	22,979	83,792	65,616	31,356
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	45,000	-	-	30,912
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	379,177	-	51,756	92,363	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	379,177	45,000	51,756	92,363	30,912
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(240,319)	(22,021)	32,036	(26,747)	444
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	(5,000)	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(5,000)	-	-
NET CHANGE IN FUND BALANCES	(240,319)	(22,021)	27,036	(26,747)	444
FUND BALANCES, October 1, 2011	1,976,022	241,496	84,601	532,178	62,145
FUND BALANCES, September 30, 2012	\$ 1,735,703	\$ 219,475	\$ 111,637	\$ 505,431	\$ 62,589

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2012

	Special Revenue Funds				
	<u>E911</u> <u>System</u>	<u>Tourist</u> <u>Develop-</u> <u>ment</u>	<u>Communi-</u> <u>cation</u> <u>Improvement</u>	<u>Economic</u> <u>Develop-</u> <u>ment</u>	<u>Impact</u> <u>Fee</u>
<u>REVENUES</u>					
Taxes	\$ -	\$ 253,036	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	781,289	-	-	480,772	-
Charges For Services	-	-	18,113	-	-
Fines and Forfeitures	-	-	35,423	-	-
Miscellaneous Revenue	474	436	3	-	923
TOTAL REVENUES	781,763	253,472	53,539	480,772	923
<u>EXPENDITURES</u>					
Current:					
General Government Services	-	-	-	-	-
Public Safety	681,195	-	42,655	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	4,482
Economic Environment	-	224,547	-	648,257	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	86,458	37,218	-
Interest and Fiscal Charges	-	-	33,874	977	-
TOTAL EXPENDITURES	681,195	224,547	162,987	686,452	4,482
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	100,568	28,925	(109,448)	(205,680)	(3,559)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers In	-	-	83,127	198,695	-
Transfers Out	-	-	-	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING					
SOURCES (USES)	-	-	83,127	198,695	-
NET CHANGE IN FUND BALANCES	100,568	28,925	(26,321)	(6,985)	(3,559)
FUND BALANCES, October 1, 2011	25,887	298,837	(322,763)	(164,496)	621,249
FUND BALANCES, September 30, 2012	\$ 126,455	\$ 327,762	\$ (349,084)	\$ (171,481)	\$ 617,690

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2012

	<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>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 2,461	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	538,707	1,609,115	-	-	-
Charges For Services	-	-	228,365	126,257	-
Fines and Forfeitures	-	-	-	-	-
Miscellaneous Revenue	12	153	482	426	13,619
TOTAL REVENUES	<u>538,719</u>	<u>1,609,268</u>	<u>228,847</u>	<u>129,144</u>	<u>13,619</u>
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	-
Public Safety	389,252	-	-	-	-
Physical Environment	-	777,847	-	-	-
Transportation	-	-	303,511	183,578	-
Economic Environment	-	831,268	-	-	380,435
Culture/Recreation	200,868	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>590,120</u>	<u>1,609,115</u>	<u>303,511</u>	<u>183,578</u>	<u>380,435</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(51,401)</u>	<u>153</u>	<u>(74,664)</u>	<u>(54,434)</u>	<u>(366,816)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(51,401)</u>	<u>153</u>	<u>(74,664)</u>	<u>(54,434)</u>	<u>(366,816)</u>
FUND BALANCES, October 1, 2011	<u>51,401</u>	<u>(153)</u>	<u>333,746</u>	<u>288,140</u>	<u>1,412,141</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,082</u>	<u>\$ 233,706</u>	<u>\$ 1,045,325</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, 2012

	Special Revenue Funds			
	<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	122,997	44,893	32,974	-
Fines and Forfeitures	-	-	-	-
Miscellaneous Revenue	707	1	318	260,368
TOTAL REVENUES	123,704	44,894	33,292	260,368
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	-	-
Public Safety	-	-	-	169,049
Physical Environment	-	41,913	44,762	-
Transportation	117,234	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Court Related	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
TOTAL EXPENDITURES	117,234	41,913	44,762	169,049
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,470	2,981	(11,470)	91,319
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Debt Issued	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	6,470	2,981	(11,470)	91,319
FUND BALANCES, October 1, 2011	389,389	(23,984)	207,643	165,257
FUND BALANCES, September 30, 2012	\$ 395,859	\$ (21,003)	\$ 196,173	\$ 256,576

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
Non-major Governmental Funds
For the Year Ended September 30, 2012

	<u>Special Revenue Funds</u>				
	<u>Federal Forfeiture</u>	<u>Records Moderni- zation</u>	<u>Article V Records Moderni- zation</u>	<u>Court Fund</u>	<u>Supervisor of Elections Grants</u>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	1,915,921	11,444
Charges For Services	-	23,780	66,515	-	-
Fines and Forfeitures	251,877	-	40,486	-	-
Miscellaneous Revenue	-	444	1,123	-	9
TOTAL REVENUES	<u>251,877</u>	<u>24,224</u>	<u>108,124</u>	<u>1,915,921</u>	<u>11,453</u>
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	2,772
Public Safety	123,237	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	57,427	1,919,545	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>123,237</u>	<u>-</u>	<u>57,427</u>	<u>1,919,545</u>	<u>2,772</u>
EXCESS (DEFICIENCY) OF					
REVENUES OVER EXPENDITURES	<u>128,640</u>	<u>24,224</u>	<u>50,697</u>	<u>(3,624)</u>	<u>8,681</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	1,177
Transfers Out	-	-	-	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,177</u>
NET CHANGE IN FUND BALANCES	<u>128,640</u>	<u>24,224</u>	<u>50,697</u>	<u>(3,624)</u>	<u>9,858</u>
FUND BALANCES, October 1, 2011	<u>16,732</u>	<u>303,941</u>	<u>826,332</u>	<u>71,499</u>	<u>73,309</u>
FUND BALANCES, September 30, 2012	<u>\$ 145,372</u>	<u>\$ 328,165</u>	<u>\$ 877,029</u>	<u>\$ 67,875</u>	<u>\$ 83,167</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, 2012

	Debt Service Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
	Future Capital Improvement	MSBU	Capital	Road	
	<u>Debt</u>	<u>Loan</u>	<u>Projects</u>	<u>Projects</u>	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 935,886	\$ 5,155,716
Licenses and Permits	-	-	-	-	42,997
Intergovernmental Revenue	-	-	16,478	4,165,367	11,994,985
Charges For Services	-	281,954	-	-	1,354,569
Fines and Forfeitures	-	-	-	-	416,583
Miscellaneous Revenue	7	362	301	396	341,132
TOTAL REVENUES	<u>7</u>	<u>282,316</u>	<u>16,779</u>	<u>5,101,649</u>	<u>19,305,982</u>
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	2,772
Public Safety	-	-	-	-	4,690,801
Physical Environment	-	-	-	-	868,561
Transportation	-	-	-	-	5,758,673
Economic Environment	-	-	-	-	2,084,507
Culture/Recreation	-	-	-	-	200,868
Court Related	-	-	-	-	2,500,268
Capital Outlay	-	-	16,478	4,402,507	4,418,985
Debt Service:					
Principal Retirement	-	296,524	-	-	767,946
Interest and Fiscal Charges	-	61,695	-	-	117,155
TOTAL EXPENDITURES	<u>-</u>	<u>358,219</u>	<u>16,478</u>	<u>4,402,507</u>	<u>21,410,536</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>7</u>	<u>(75,903)</u>	<u>301</u>	<u>699,142</u>	<u>(2,104,554)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	320,467
Transfers Out	(41,678)	-	-	-	(110,052)
Debt Issued	-	-	-	-	566,234
TOTAL OTHER FINANCING SOURCES (USES)	<u>(41,678)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>776,649</u>
NET CHANGE IN FUND BALANCES	<u>(41,671)</u>	<u>(75,903)</u>	<u>301</u>	<u>699,142</u>	<u>(1,327,905)</u>
FUND BALANCES, October 1, 2011	<u>41,671</u>	<u>303,398</u>	<u>532,712</u>	<u>662,330</u>	<u>13,351,076</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ 227,495</u>	<u>\$ 533,013</u>	<u>\$ 1,361,472</u>	<u>\$ 12,023,171</u>

concluded

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – County Transportation Trust Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,982,217	\$ 1,982,217	\$ 1,721,566	\$ (260,651)
Licenses and Permits	5,000	5,000	2,700	(2,300)
Intergovernmental Revenue	2,416,805	2,416,805	2,293,505	(123,300)
Charges for Services	45,000	45,000	124,127	79,127
Miscellaneous Revenue	27,750	27,750	22,152	(5,598)
TOTAL REVENUES	<u>4,476,772</u>	<u>4,476,772</u>	<u>4,164,050</u>	<u>(312,722)</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	5,605,518	5,605,518	5,149,868	455,650
Debt Service:				
Principal Retirement	65,117	65,117	65,005	112
Interest and Fiscal Charges	11,267	11,267	11,252	15
TOTAL EXPENDITURES	<u>5,681,902</u>	<u>5,681,902</u>	<u>5,226,125</u>	<u>455,777</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,205,130)	(1,205,130)	(1,062,075)	143,055
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers Out	(29,827)	(29,827)	(29,827)	-
NET CHANGE IN FUND BALANCES	(1,234,957)	(1,234,957)	(1,091,902)	143,055
FUND BALANCES, October 1, 2011	<u>1,234,957</u>	<u>1,234,957</u>	<u>1,985,562</u>	<u>750,605</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 893,660</u>	<u>\$ 893,660</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Fishing Improvement Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Licenses and Permits	\$ 40,000	\$ 40,000	\$ 40,297	\$ 297
Miscellaneous Revenue	800	800	575	(225)
TOTAL REVENUES	<u>40,800</u>	<u>40,800</u>	<u>40,872</u>	<u>72</u>
<u>EXPENDITURES</u>				
Current:				
Physical Environment	100,600	100,600	4,039	96,561
Reserve for Contingencies	10,000	10,000	-	10,000
TOTAL EXPENDITURES	<u>110,600</u>	<u>110,600</u>	<u>4,039</u>	<u>106,561</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(69,800)	(69,800)	36,833	106,633
FUND BALANCES, October 1, 2011	<u>69,800</u>	<u>69,800</u>	<u>373,737</u>	<u>303,937</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 410,570</u>	<u>\$ 410,570</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Fire Taxing Unit Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 2,218,237	\$ 2,218,237	\$ 2,242,767	\$ 24,530
Intergovernmental Revenue	180,000	180,000	182,387	2,387
Miscellaneous Revenues	13,350	13,350	33,368	20,018
TOTAL REVENUES	<u>2,411,587</u>	<u>2,411,587</u>	<u>2,458,522</u>	<u>46,935</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	3,760,875	3,760,875	3,158,762	602,113
Debt Service				
Principal Retirement	-	-	282,741	(282,741)
Interest and Fiscal Charges	-	-	9,357	(9,357)
TOTAL EXPENDITURES	<u>3,760,875</u>	<u>3,760,875</u>	<u>3,450,860</u>	<u>310,015</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,349,288)</u>	<u>(1,349,288)</u>	<u>(992,338)</u>	<u>356,950</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	10,000	10,000	6,894	(3,106)
Transfers Out	(33,547)	(33,547)	(33,547)	-
Debt Issued	-	-	566,234	566,234
TOTAL OTHER FINANCING SOURCES (USES)	<u>(23,547)</u>	<u>(23,547)</u>	<u>539,581</u>	<u>563,128</u>
NET CHANGE IN FUND BALANCES	<u>(1,372,835)</u>	<u>(1,372,835)</u>	<u>(452,757)</u>	<u>920,078</u>
FUND BALANCES, October 1, 2011	<u>1,372,835</u>	<u>1,372,835</u>	<u>1,730,081</u>	<u>357,246</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,277,324</u>	<u>\$ 1,277,324</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Law Enforcement Trust Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 14,350	\$ (5,650)
Miscellaneous Revenue	500	500	333	(167)
TOTAL REVENUES	<u>20,500</u>	<u>20,500</u>	<u>14,683</u>	<u>(5,817)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>90,000</u>	<u>90,000</u>	<u>24,194</u>	<u>65,806</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(69,500)	(69,500)	(9,511)	59,989
<u>OTHER FINANCING SOURCES</u>				
Transfers In	<u>-</u>	<u>-</u>	<u>30,574</u>	<u>30,574</u>
NET CHANGE IN FUND BALANCES	-	-	21,063	90,563
FUND BALANCES, October 1, 2011	<u>69,500</u>	<u>69,500</u>	<u>226,101</u>	<u>156,601</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,164</u>	<u>\$ 247,164</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 20,550	\$ 550
Miscellaneous Revenue	75	75	30	(45)
TOTAL REVENUES	<u>20,075</u>	<u>20,075</u>	<u>20,580</u>	<u>505</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	40,000	40,000	26,545	13,455
Reserve for Contingencies	1,500	1,500	-	1,500
TOTAL EXPENDITURES	<u>41,500</u>	<u>41,500</u>	<u>26,545</u>	<u>14,955</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(21,425)	(21,425)	(5,965)	15,460
FUND BALANCES, October 1, 2011	<u>21,425</u>	<u>21,425</u>	<u>24,935</u>	<u>3,510</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,970</u>	<u>\$ 18,970</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Improvement Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 135,000	\$ 135,000	\$ 136,095	\$ 1,095
Miscellaneous Revenue	3,700	3,700	2,763	(937)
TOTAL REVENUES	138,700	138,700	138,858	158
<u>EXPENDITURES</u>				
Current:				
Court Related	912,500	912,500	379,177	533,323
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(773,800)	(773,800)	(240,319)	533,481
FUND BALANCES, October 1, 2011	773,800	773,800	1,976,022	1,202,222
FUND BALANCES, September 30, 2012	\$ -	\$ -	\$ 1,735,703	\$ 1,735,703

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Drivers Education Fund
For the Year Ended September 30, 2012

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 22,000	\$ 22,000	\$ 22,635	\$ 635
Miscellaneous Revenue	500	500	344	(156)
TOTAL REVENUES	22,500	22,500	22,979	479
 <u>EXPENDITURES</u>				
Current:				
Public Safety	100,000	100,000	45,000	55,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(77,500)	(77,500)	(22,021)	55,479
 FUND BALANCES, October 1, 2011	77,500	77,500	241,496	163,996
FUND BALANCES, September 30, 2012	\$ -	\$ -	\$ 219,475	\$ 219,475

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Article V Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 80,000	\$ 80,000	\$ 83,643	\$ 3,643
Miscellaneous Revenue	250	250	149	(101)
TOTAL REVENUES	80,250	80,250	83,792	3,542
<u>EXPENDITURES</u>				
Current:				
Court Related	135,638	135,638	51,756	83,882
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(55,388)	(55,388)	32,036	87,424
<u>OTHER FINANCING USES</u>				
Transfers Out	-	-	(5,000)	(5,000)
NET CHANGE IN FUND BALANCES	-	-	27,036	82,424
FUND BALANCES, October 1, 2011	55,388	55,388	84,601	29,213
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,637</u>	<u>\$ 111,637</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Technology Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 75,000	\$ 75,000	\$ 64,856	\$ (10,144)
Miscellaneous Revenue	825	825	760	(65)
TOTAL REVENUES	75,825	75,825	65,616	(10,209)
<u>EXPENDITURES</u>				
Current:				
Court Related	182,336	182,336	92,363	89,973
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(106,511)	(106,511)	(26,747)	79,764
FUND BALANCES, October 1, 2011	106,511	106,511	532,178	425,667
FUND BALANCES, September 30, 2012	\$ -	\$ -	\$ 505,431	\$ 505,431

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Crime Prevention Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 24,000	\$ 24,000	\$ 31,262	\$ 7,262
Miscellaneous Revenue	150	150	94	(56)
TOTAL REVENUES	24,150	24,150	31,356	7,206
<u>EXPENDITURES</u>				
Current:				
Public Safety	41,000	41,000	30,912	10,088
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,850)	(16,850)	444	17,294
FUND BALANCES, October 1, 2011	16,850	16,850	62,145	45,295
FUND BALANCES, September 30, 2012	\$ -	\$ -	\$ 62,589	\$ 62,589

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – E911 System Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ 466,411	\$ 781,289	\$ 314,878
Charges for Services	315,000	315,000	-	(315,000)
Miscellaneous Revenue	-	300	474	174
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	315,000	781,711	781,763	52
<u>EXPENDITURES</u>				
Current:				
Public Safety	315,000	781,711	681,195	100,516
	<hr/>	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	100,568	100,568
FUND BALANCES, October 1, 2011	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	25,887	25,887
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,455</u>	<u>\$ 126,455</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 180,000	\$ 180,000	\$ 253,036	\$ 73,036
Miscellaneous Revenue	1,000	1,000	436	(564)
TOTAL REVENUES	<u>181,000</u>	<u>181,000</u>	<u>253,472</u>	<u>72,472</u>
<u>EXPENDITURES</u>				
Current:				
Economic Environment	<u>250,000</u>	<u>250,000</u>	<u>224,547</u>	<u>25,453</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(69,000)	(69,000)	28,925	97,925
FUND BALANCES, October 1, 2011	<u>69,000</u>	<u>69,000</u>	<u>298,837</u>	<u>229,837</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 327,762</u>	<u>\$ 327,762</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Communication Improvement Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 34,500	\$ 34,500	\$ 18,113	\$ (16,387)
Fines and Forfeitures	40,200	40,200	35,423	(4,777)
Miscellaneous Revenue	-	-	3	3
TOTAL REVENUES	<u>74,700</u>	<u>74,700</u>	<u>53,539</u>	<u>(21,161)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	47,505	47,505	42,655	4,850
Debt Service:				
Principal	86,458	86,458	86,458	-
Interest and Fiscal Charges	33,734	33,734	33,874	(140)
TOTAL EXPENDITURES	<u>167,697</u>	<u>167,697</u>	<u>162,987</u>	<u>4,710</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(92,997)	(92,997)	(109,448)	(16,451)
<u>OTHER FINANCING SOURCES</u>				
Transfers In	83,127	83,127	83,127	-
NET CHANGE IN FUND BALANCES	(9,870)	(9,870)	(26,321)	(16,451)
FUND BALANCES, October 1, 2011	<u>9,870</u>	<u>9,870</u>	<u>(322,763)</u>	<u>(332,633)</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (349,084)</u>	<u>\$ (349,084)</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Economic Development Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 400,000	\$ 400,000	\$ 480,772	\$ 80,772
<u>EXPENDITURES</u>				
Current:				
Economic Environment	555,000	560,500	648,257	(87,757)
Debt Service:				
Principal Retirement	37,218	37,218	37,218	-
Interest and Fiscal Charges	977	977	977	-
TOTAL EXPENDITURES	<u>593,195</u>	<u>598,695</u>	<u>686,452</u>	<u>(87,757)</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(193,195)	(198,695)	(205,680)	(6,985)
<u>OTHER FINANCING SOURCES</u>				
Transfers In	<u>193,195</u>	<u>198,695</u>	<u>198,695</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	(6,985)	(6,985)
FUND BALANCES, October 1, 2011	<u>-</u>	<u>-</u>	<u>(164,496)</u>	<u>(164,496)</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (171,481)</u>	<u>\$ (171,481)</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Impact Fee Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 1,150	\$ 1,150	\$ 923	\$ (227)
<u>EXPENDITURES</u>				
Current:				
Public Safety	24,350	24,350	-	24,350
Transportation	569,000	569,000	4,482	564,518
Culture/Recreation	51,000	51,000	-	51,000
TOTAL EXPENDITURES	<u>644,350</u>	<u>644,350</u>	<u>4,482</u>	<u>639,868</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(643,200)	(643,200)	(3,559)	639,641
FUND BALANCES, October 1, 2011	<u>643,200</u>	<u>643,200</u>	<u>621,249</u>	<u>(21,951)</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 617,690</u>	<u>\$ 617,690</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 608,750	\$ 737,383	\$ 538,707	\$ (198,676)
Miscellaneous Revenue	-	-	12	12
TOTAL REVENUES	<u>608,750</u>	<u>737,383</u>	<u>538,719</u>	<u>(198,664)</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	325,583	454,216	389,252	64,964
Culture/Recreation	283,167	283,167	200,868	82,299
TOTAL EXPENDITURES	<u>608,750</u>	<u>737,383</u>	<u>590,120</u>	<u>147,263</u>
EXCESS OF REVENUES				
UNDER EXPENDITURES	-	-	(51,401)	(51,401)
FUND BALANCES, October 1, 2011	<u>-</u>	<u>-</u>	<u>51,401</u>	<u>51,401</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Community Development Block Grant Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 2,579,844	\$ 2,579,844	\$ 1,609,115	\$ (970,729)
Miscellaneous Revenue	-	-	153	
TOTAL REVENUES	2,579,844	2,579,844	1,609,268	(970,729)
<u>EXPENDITURES</u>				
Current:				
Physical Environment	-	-	777,847	(777,847)
Economic Environment	2,579,844	2,579,844	831,268	1,748,576
TOTAL EXPENDITURES	2,579,844	2,579,844	1,609,115	970,729
EXCESS OF REVENUES OVER EXPENDITURES	-	-	153	153
FUND BALANCES, October 1, 2011	-	-	(153)	(153)
FUND BALANCES, September 30, 2012	<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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 226,000	\$ 226,000	\$ 228,365	\$ 2,365
Miscellaneous Revenue	600	600	482	(118)
TOTAL REVENUES	<u>226,600</u>	<u>226,600</u>	<u>228,847</u>	<u>2,247</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	244,850	244,850	303,511	(58,661)
Reserve for Contingencies	5,000	5,000	-	5,000
TOTAL EXPENDITURES	<u>249,850</u>	<u>249,850</u>	<u>303,511</u>	<u>(53,661)</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(23,250)	(23,250)	(74,664)	(51,414)
FUND BALANCES, October 1, 2011	<u>23,250</u>	<u>23,250</u>	<u>333,746</u>	<u>310,496</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,082</u>	<u>\$ 259,082</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – West Putnam Municipal Services Benefit Unit Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ -	\$ -	\$ 2,461	\$ 2,461
Charges for Services	160,000	160,000	126,257	(33,743)
Miscellaneous Revenue	600	600	426	(174)
TOTAL REVENUES	<u>160,600</u>	<u>160,600</u>	<u>129,144</u>	<u>(31,456)</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	167,750	167,750	183,578	(15,828)
Reserve for Contingencies	10,000	10,000	-	10,000
TOTAL EXPENDITURES	<u>177,750</u>	<u>177,750</u>	<u>183,578</u>	<u>(5,828)</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(17,150)	(17,150)	(54,434)	(37,284)
FUND BALANCES, October 1, 2011	<u>17,150</u>	<u>17,150</u>	<u>288,140</u>	<u>270,990</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,706</u>	<u>\$ 233,706</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ 325,000	\$ -	\$ (325,000)
Miscellaneous Revenue	925	925	13,619	12,694
TOTAL REVENUES	<u>925</u>	<u>325,925</u>	<u>13,619</u>	<u>(312,306)</u>
<u>EXPENDITURES</u>				
Current:				
Economic Environment	195,000	520,000	380,435	139,565
Reserve for Contingencies	10,000	10,000	-	10,000
TOTAL EXPENDITURES	<u>205,000</u>	<u>530,000</u>	<u>380,435</u>	<u>149,565</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(204,075)	(204,075)	(366,816)	(162,741)
FUND BALANCES, October 1, 2011	<u>204,075</u>	<u>204,075</u>	<u>1,412,141</u>	<u>425,064</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,045,325</u>	<u>\$ 1,045,325</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – MSBU Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 251,000	\$ 251,000	\$ 122,997	\$ (128,003)
Miscellaneous Revenue	1,500	1,500	707	(793)
TOTAL REVENUES	<u>252,500</u>	<u>252,500</u>	<u>123,704</u>	<u>(128,796)</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	377,500	377,500	117,234	260,266
Reserve for Contingencies	25,000	25,000	-	25,000
TOTAL EXPENDITURES	<u>402,500</u>	<u>402,500</u>	<u>117,234</u>	<u>285,266</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(150,000)	(150,000)	6,470	156,470
FUND BALANCES, October 1, 2011	<u>150,000</u>	<u>150,000</u>	<u>389,389</u>	<u>239,389</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 395,859</u>	<u>\$ 395,859</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, 2012

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<u>REVENUES</u>				
Charges for Services	\$ 44,850	\$ 44,850	\$ 44,893	\$ 43
Miscellaneous Revenue	-	-	1	
TOTAL REVENUES	44,850	44,850	44,894	43
<u>EXPENDITURES</u>				
Current:				
Physical Environment	48,940	48,940	41,913	7,027
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,090)	(4,090)	2,981	7,071
FUND BALANCES, October 1, 2011	4,090	4,090	(23,984)	(28,074)
FUND BALANCES, September 30, 2012	\$ -	\$ -	\$ (21,003)	\$ (21,003)

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Water Utilities Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 32,500	\$ 32,500	\$ 32,974	\$ 474
Miscellaneous Revenue	400	400	318	(82)
TOTAL REVENUES	<u>32,900</u>	<u>32,900</u>	<u>33,292</u>	<u>392</u>
<u>EXPENDITURES</u>				
Current:				
Physical Environment	29,650	29,650	44,762	(15,112)
Reserve for Contingencies	3,250	3,250	-	3,250
TOTAL EXPENDITURES	<u>32,900</u>	<u>32,900</u>	<u>44,762</u>	<u>(11,862)</u>
EXCESS OF REVENUES UNDER EXPENDITURES	-	-	(11,470)	(11,470)
FUND BALANCES, October 1, 2011	<u>-</u>	<u>-</u>	<u>207,643</u>	<u>207,643</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,173</u>	<u>\$ 196,173</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Commissary Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 200,000	\$ 200,000	\$ 260,368	\$ 60,368
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>200,000</u>	<u>200,000</u>	<u>169,049</u>	<u>30,951</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	91,319	91,319
FUND BALANCES, October 1, 2011	<u>-</u>	<u>-</u>	<u>165,257</u>	<u>165,257</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 256,576</u>	<u>\$ 256,576</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 60,000	\$ 250,000	\$ 251,877	\$ 1,877
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>60,000</u>	<u>250,000</u>	<u>123,237</u>	<u>126,763</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	128,640	128,640
FUND BALANCES, October 1, 2011	<u>-</u>	<u>-</u>	<u>16,732</u>	<u>16,732</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,372</u>	<u>\$ 145,372</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 22,000	\$ 22,000	\$ 23,780	\$ 1,780
Miscellaneous Revenue	-	-	444	444
TOTAL REVENUES	22,000	22,000	24,224	2,224
<u>EXPENDITURES</u>				
Current:				
General Government Services	22,000	22,000	-	22,000
EXCESS OF REVENUES OVER EXPENDITURES	-	-	24,224	24,224
FUND BALANCES, October 1, 2011	-	-	303,941	303,941
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 328,165</u>	<u>\$ 328,165</u>

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 60,000	\$ 60,000	\$ 66,515	\$ 6,515
Fines and Forfeitures	44,500	44,500	40,486	(4,014)
Miscellaneous Revenue	1,000	1,000	1,123	123
TOTAL REVENUES	105,500	105,500	108,124	2,624
<u>EXPENDITURES</u>				
Current:				
Court Related	105,500	105,500	57,427	48,073
EXCESS OF REVENUES OVER EXPENDITURES	-	-	50,697	50,697
FUND BALANCES, October 1, 2011	-	-	826,332	826,332
FUND BALANCES, September 30, 2012	\$ -	\$ -	\$ 877,029	\$ 877,029

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Court Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 2,119,729	\$ 2,098,059	\$ 1,915,921	\$ (182,138)
<u>EXPENDITURES</u>				
Current:				
Court Related	<u>2,119,729</u>	<u>2,098,059</u>	<u>1,919,545</u>	<u>178,514</u>
EXCESS OF REVENUES UNDER EXPENDITURES	-	-	(3,624)	(3,624)
FUND BALANCES, October 1, 2011	<u>-</u>	<u>-</u>	<u>71,499</u>	<u>71,499</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,875</u>	<u>\$ 67,875</u>

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 12,621	\$ 12,621	\$ 11,444	\$ (1,177)
Miscellaneous Revenues	-	-	9	9
TOTAL REVENUES	12,621	12,621	11,453	(1,168)
<u>EXPENDITURES</u>				
Current:				
General Government Services	12,621	12,621	2,772	9,849
EXCESS OF REVENUES OVER EXPENDITURES	-	-	8,681	8,681
<u>OTHER FINANCING SOURCES</u>				
Transfers In	-	-	1,177	1,177
NET CHANGE IN FUND BALANCES	-	-	9,858	9,858
FUND BALANCES, October 1, 2011	75,940	75,940	73,309	(2,631)
FUND BALANCES, September 30, 2012	\$ 75,940	\$ 75,940	\$ 83,167	\$ 7,227

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Future Capital Improvement Debt Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 200	\$ 200	\$ 7	\$ (193)
<u>OTHER FINANCING USES</u>				
Transfer Out	41,800	41,800	41,678	122
NET CHANGE IN FUND BALANCES	(41,600)	(41,600)	(41,671)	(71)
FUND BALANCES, October 1, 2011	41,600	41,600	41,671	71
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – MSBU Loan Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 187,000	\$ 187,000	\$ 281,954	\$ 94,954
Miscellaneous Revenue	25	25	362	337
TOTAL REVENUES	<u>187,025</u>	<u>187,025</u>	<u>282,316</u>	<u>95,291</u>
<u>EXPENDITURES</u>				
Debt Service:				
Principal Retirement	296,460	296,460	296,524	(64)
Interest and Fiscal Charges	60,207	60,207	61,695	(1,488)
TOTAL EXPENDITURES	<u>356,667</u>	<u>356,667</u>	<u>358,219</u>	<u>(1,552)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(169,642)	(169,642)	(75,903)	93,739
FUND BALANCES, October 1, 2011	<u>169,642</u>	<u>169,642</u>	<u>303,398</u>	<u>133,756</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 227,495</u>	<u>\$ 227,495</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual – Capital Projects Fund
For the Year Ended September 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 1,099,780	\$ 1,099,780	\$ 16,478	\$ (1,083,302)
Miscellaneous Revenue	-	-	301	301
TOTAL REVENUES	<u>1,099,780</u>	<u>1,099,780</u>	<u>16,779</u>	<u>(1,083,001)</u>
<u>EXPENDITURES</u>				
Current:				
Capital Outlay-Public Safety	<u>1,099,780</u>	<u>1,099,780</u>	<u>16,478</u>	<u>1,083,302</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	301	301
FUND BALANCES, October 1, 2011	<u>-</u>	<u>-</u>	<u>532,712</u>	<u>532,712</u>
FUND BALANCES, September 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 533,013</u>	<u>\$ 533,013</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>With Final</u> <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,085,279	\$ 1,085,279	\$ 935,886	\$ (149,393)
Intergovernmental Revenue	1,007,592	1,007,592	4,165,367	3,157,775
Miscellaneous Revenue	1,500	1,500	396	(1,104)
TOTAL REVENUES	2,094,371	2,094,371	5,101,649	3,007,278
<u>EXPENDITURES</u>				
Capital Outlay	2,094,371	2,094,371	4,402,507	(2,308,136)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	699,142	699,142
FUND BALANCES, October 1, 2011	-	-	662,330	662,330
FUND BALANCES, September 30, 2012	\$ -	\$ -	\$ 1,361,472	\$ 1,361,472

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 4,126,538	\$ 4,126,538	\$ 4,447,881	\$ 321,343
Miscellaneous Revenue	5,000	5,000	8,197	3,197
TOTAL REVENUES	4,131,538	4,131,538	4,456,078	324,540
<u>EXPENDITURES</u>				
Current:				
Capital Outlay-General Government	2,048,128	2,048,128	789,151	1,258,977
Debt Service:				
Principal Retirement	1,230,000	1,230,000	1,230,000	-
Interest and Fiscal Charges	353,410	353,410	352,415	995
TOTAL EXPENDITURES	3,631,538	3,631,538	2,371,566	1,259,972
EXCESS OF REVENUES OVER EXPENDITURES	500,000	500,000	2,084,512	1,584,512
<u>OTHER FINANCING USES</u>				
Transfers Out	(500,000)	(500,000)	(500,000)	-
NET CHANGE IN FUND BALANCES	-	-	1,584,512	1,584,512
FUND BALANCES, Beginning of Year	-	-	5,519,014	5,519,014
FUND BALANCES, End of Year	\$ -	\$ -	\$ 7,103,526	\$ 7,103,526

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 Fund
September 30, 2012

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>CURRENT ASSETS</u>				
Cash and Equivalents	\$ 15,962	\$ 2,411,733	\$ 1,742,416	\$ 4,170,111
Due from Other Governments	184	-	-	184
Inventory	127,636	-	-	127,636
Other Assets	-	-	1,015	1,015
TOTAL CURRENT ASSETS	143,782	2,411,733	1,743,431	4,298,946
<u>NONCURRENT ASSETS</u>				
Capital Assets, Net	38,703	-	-	38,703
TOTAL ASSETS	182,485	2,411,733	1,743,431	4,337,649
<u>CURRENT LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	26,226	2,137	858	29,221
Due to Other Funds	440,000	-	-	440,000
Estimated Liability for Self-Insured Losses	-	-	192,152	192,152
Compensated Absences	12,500	-	4,300	16,800
TOTAL CURRENT LIABILITIES	478,726	2,137	197,310	678,173
<u>NONCURRENT LIABILITIES</u>				
Compensated Absences	10,500	-	3,700	14,200
Estimated Liability for Self Insured Losses	-	-	300,000	300,000
Other noncurrent liabilities	12,200	-	2,500	14,700
TOTAL LIABILITIES	501,426	2,137	503,510	1,007,073
<u>NET POSITION</u>				
Invested in Capital Assets	38,703	-	-	38,703
Unrestricted	(357,644)	2,409,596	1,239,921	3,291,873
TOTAL NET POSITION	\$ (318,941)	\$ 2,409,596	\$ 1,239,921	\$ 3,330,576

Putnam County, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2012

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>OPERATING REVENUES</u>				
User Charges	\$ 841,755	\$ 5,632,748	\$ 1,158,559	\$ 7,633,062
Miscellaneous	1,240	161,696	2,487	165,423
TOTAL OPERATING REVENUES	842,995	5,794,444	1,161,046	7,798,485
<u>OPERATING EXPENSES</u>				
Personal Services	336,059	-	53,166	389,225
Insurance	19,895	5,805,577	388,105	6,213,577
Claims Expense	-	-	664,041	664,041
Contractual Services	284,216	15,567	3,500	303,283
Repairs and Maintenance	15,178	-	-	15,178
Other Operating Expenses	309,313	-	877	310,190
Depreciation Expense	14,887	-	-	14,887
TOTAL OPERATING EXPENSES	979,548	5,821,144	1,109,689	7,910,381
OPERATING INCOME (LOSS)	(136,553)	(26,700)	51,357	(111,896)
Transfers In	-	58,706	179,642	238,348
Transfers Out	(3,362)	(300,000)	-	(303,362)
CHANGE IN NET POSITION	(139,915)	(267,994)	230,999	(176,910)
NET POSITION, October 1, 2011	(179,026)	2,677,590	1,008,922	3,507,486
NET POSITION, September 30, 2012	\$ (318,941)	\$ 2,409,596	\$ 1,239,921	\$ 3,330,576

Putnam County, Florida
Combining Statement of Cash Flows – Internal Service Fund
For the Year Ended September 30, 2012

	<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	\$ 842,814	\$ 5,798,274	\$ 1,161,038	\$ 7,802,126
Payments to Suppliers	(579,140)	(5,821,498)	(1,213,567)	(7,614,205)
Payments to Employees	(334,989)	-	(51,492)	(386,481)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(71,315)</u>	<u>(23,224)</u>	<u>(104,021)</u>	<u>(198,560)</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Transfers In	-	58,706	179,642	238,348
Transfers Out	(3,362)	(300,000)	-	(303,362)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(3,362)</u>	<u>(241,294)</u>	<u>179,642</u>	<u>(65,014)</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(74,677)	(264,518)	75,621	(263,574)
CASH AND EQUIVALENTS, October 1, 2011	<u>90,639</u>	<u>2,676,251</u>	<u>1,666,795</u>	<u>4,433,685</u>
CASH AND EQUIVALENTS, September 30, 2012	<u>\$ 15,962</u>	<u>\$ 2,411,733</u>	<u>\$ 1,742,416</u>	<u>\$ 4,170,111</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	(136,553)	(26,700)	51,357	(111,896)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	14,887	-	-	14,887
Changes in:				
Due From Other Governments	(180)	3,830	-	3,650
Inventory	672	-	-	672
Other Assets	-	-	(8)	(8)
Accounts Payable and Accrued Liabilities	8,789	(354)	(157,044)	(148,609)
Due to Other Funds	40,000	-	-	40,000
Compensated Absences	(2,000)	-	1,000	(1,000)
Other Noncurrent Liabilities	3,070	-	674	3,744
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (71,315)</u>	<u>\$ (23,224)</u>	<u>\$ (104,021)</u>	<u>\$ (198,560)</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, 2012

	Clerk of the Circuit Court	Sheriff	Tax Collector	Totals
<u>ASSETS</u>				
Cash and Equivalents	\$ 836,289	\$ 119,017	\$ 2,144,129	\$ 3,099,435
Receivables	-	-	19,568	19,568
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	836,289	119,017	2,163,697	3,119,003
	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES</u>				
Due to Other Governments	-	-	-	-
Assets Held for Others	836,289	119,017	2,163,697	3,119,003
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	836,289	119,017	2,163,697	3,119,003
	<hr/>	<hr/>	<hr/>	<hr/>
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2012

	<u>Balance</u> October 1, <u>2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> September 30, <u>2012</u>
<u>CLERK OF THE CIRCUIT COURT</u>				
Assets:				
Cash and Equivalents	\$ 740,517	\$ 930,003	\$ 834,231	\$ 836,289
Liabilities:				
Assets Held for Others	\$ 740,517	\$ 930,003	\$ 834,231	\$ 836,289
<u>SHERIFF</u>				
Assets:				
Cash and Equivalents	\$ 78,343	\$ 523,442	\$ 482,768	\$ 119,017
Liabilities:				
Assets Held for Others	\$ 78,343	\$ 523,442	\$ 482,768	\$ 119,017
<u>TAX COLLECTOR</u>				
Assets:				
Cash and Equivalents	\$ 1,826,686	\$ 87,993,892	\$ 87,676,449	\$ 2,144,129
Receivables	16,263	2,029,332	2,026,027	19,568
Total Assets	<u>\$ 1,842,949</u>	<u>\$ 90,023,224</u>	<u>\$ 89,702,476</u>	<u>\$ 2,163,697</u>
Liabilities:				
Due to Other Governments	\$ -	\$ 25,679	\$ 25,679	\$ -
Assets Held for Others	1,842,949	89,997,545	89,676,797	2,163,697
Total Liabilities	<u>\$ 1,842,949</u>	<u>\$ 90,023,224</u>	<u>\$ 89,702,476</u>	<u>\$ 2,163,697</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and Equivalents	\$ 2,645,546	\$ 89,447,337	\$ 88,993,448	\$ 3,099,435
Receivables	16,263	2,029,332	2,026,027	19,568
Due From Other Funds	-	-	-	-
Total Assets	<u>\$ 2,661,809</u>	<u>\$ 91,476,669</u>	<u>\$ 91,019,475</u>	<u>\$ 3,119,003</u>
Liabilities:				
Due to Other Governments	\$ -	\$ 25,679	\$ 25,679	\$ -
Assets Held for Others	2,661,809	91,450,990	90,993,796	3,119,003
Total Liabilities	<u>\$ 2,661,809</u>	<u>\$ 91,476,669</u>	<u>\$ 91,019,475</u>	<u>\$ 3,119,003</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, 2012

<u>CURRENT ASSETS</u>	
Cash and Equivalents	\$ 263,977
Receivables	856
TOTAL CURRENT ASSETS	<u>264,833</u>
 <u>NONCURRENT ASSETS</u>	
Capital Assets, Net	<u>255,061</u>
 TOTAL ASSETS	 <u>519,894</u>
 <u>CURRENT LIABILITIES</u>	
Accounts Payable and Accrued Liabilities	<u>656</u>
 <u>NET POSITION</u>	
Invested in Capital Assets	255,061
Unrestricted	<u>264,177</u>
 TOTAL NET POSITION	 <u>\$ 519,238</u>

Putnam County Development Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended September 30, 2012

<u>OPERATING REVENUES</u>	
User Charges	\$ 9,600
<u>OPERATING EXPENSES</u>	
Contractual Services	15,403
Other Operating Expenses	1,775
Depreciation Expense	3,956
TOTAL OPERATING EXPENSES	<u>21,134</u>
OPERATING INCOME (LOSS)	<u>(11,534)</u>
<u>NON OPERATING REVENUES</u>	
Interest Revenue	<u>752</u>
CHANGE IN NET POSITION	(10,782)
NET POSITION, October 1, 2011	<u>530,020</u>
NET POSITION, September 30, 2012	<u>\$ 519,238</u>

Putnam County Development Authority
Statement of Cash Flows
For the Year Ended September 30, 2012

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Customers	\$ 9,600
Payments to Suppliers	(17,178)
	(7,578)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
	(7,578)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest on Investments	752
	752
NET DECREASE IN CASH AND EQUIVALENTS	
	(6,826)
CASH AND EQUIVALENTS, October 1, 2011	270,803
CASH AND EQUIVALENTS, September 30, 2012	\$ 263,977
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating Income (Loss)	(11,534)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	3,956
	3,956
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (7,578)

Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2012

<u>Federal Agency</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Program Total</u>
<u>DEPARTMENT OF COMMERCE</u>				
Passed Through Alachua County, Florida (Non-cash Assistance)				
Public Safety Interoperable Communications Grant Program	11.555	12-DS-8D-03-11-01-162	\$ 232,887	
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Passed Through State Department of Economic Opportunity				
Community Development Block Grant - Disaster Recovery	14.228	10DB-K4-04-64-01-K30	723,446	
Community Development Block Grant - Disaster Recovery	14.228	12DB-P5-04-64-01-K51	51,007	
Community Development Block Grant - Housing Rehabilitation	14.228	11DB-T3-04-64-01-H11	620,003	
Community Development Block Grant - Neighborhood Stabilization	14.228	12DB-Q5-04-64-01-F06	214,659	
Community Development Block Grant - Economic Development	14.228	10DB-4N-04-64-01-E05	480,772	2,089,887
<u>DEPARTMENT OF JUSTICE</u>				
Direct Assistance:				
US Marshalls Service Task Force	16.XXX	FATF-11-0280	9,024	
DEA Task Force Overtime	16.XXX	--	17,205	
Federal Equitable Sharing	16.XXX		123,237	
Developing, testing and Demonstrating Promising Programs	16.541	2009-DD-BX-0085	17,209	
State Criminal Alien Assistance Program	16.606	2011-AP-BX-0315	6,324	
Bullet Proof Vest Partnership Program	16.607	7038542	6,425	
Public Safety Partnership and Community Policing	16.710	2010UMWXO077	134,807	
Juvenile Mentoring Program	16.726	2011-JU-FX-0015	8,708	
Byrne Justice Assistance Grant Program	16.738	2011-DJ-BX-2350	48,022	
Byrne Justice Assistance Grant Program	16.738	2010-DJ-BX-0966	9,198	
Passed Through Florida Department of Law Enforcement:				
Byrne Justice Assistance Grant Program	16.738	2012-JAGC-PUTN-3-C4-018	21,368	
Byrne Justice Assistance Grant Program	16.738	2009-DJ-BX-0506	6,566	
ARRA - Recovery Act - Byrne Justice Assistance Grant Program	16.803	ARRA-2010-ARRC-PUTN-7-W7-323	982	86,136
Passed Through Office of Attorney General:				
Crime Victim Assistance	16.575	V10068	3,659	
Crime Victim Assistance	16.575	V11068	81,954	85,613
Passed Through Department of Children and Families:				
Violence Against Women Formula Grant	16.588	12-8023-LE	60,480	
Violence Against Women Formula Grant	16.588	13-8023-LE	21,065	81,545
Passed Through National Association of Police Athletic Leagues				
ARRA - Edward Byrne Memorial Competitive Grant Program	16.808	ARRA -2009-SC-B9-0162	4,648	
<u>DEPARTMENT OF TRANSPORTATION</u>				
Passed Through Florida Department of Transportation:				
Highway Planning and Construction	20.205	403855-3-58-01, SFLT204	786,167	
Highway Planning and Construction	20.205	403855-3-68-01, AOT69	100,489	
Highway Planning and Construction	20.205	210031-7-58-01	280,259	
Highway Planning and Construction	20.205	428014-1-18-01, FLSB805R	103,837	
Highway Planning and Construction	20.205	427330-1-58-01	38,240	1,308,992

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, 2012

<u>Federal Agency</u>	<u>Number</u>	<u>Number</u>	<u>Expenditures</u>	<u>Total</u>
<u>DEPARTMENT OF TRANSPORTATION</u>				
Direct Assistance:				
Federal Transit Capital Investment Grants	20.514	FL-04-7526-00	1,991	
Passed Through Florida Department of Transportation				
Alcohol Impaired Driving Countermeasures Incentive Grant I	20.601	K8-12-06-10	14,846	
<u>GENERAL SERVICES ADMINISTRATION</u>				
Passed Through State Department of Management Services				
Federal Surplus Property	39.003	--	337,182	
<u>NATIONAL ENDOWMENT FOR THE HUMANITIES</u>				
Passed Through Florida Humanities Council				
Promotion of the Humanities - Prime Time Reading	45.129	GR1110-3605PT-2190	5,015	
Passed Through Florida Department of State				
Promotion of the Humanities - L to a Higher Power	45.129	10-LSTA-E-06	12,805	17,820
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed Through State Department of Revenue:				
Child Support Enforcement - Title IV-D Reimbursements	93.563	CSP90	9,286	
Child Support Enforcement - Title IV-D Reimbursements	93.563	CD354	131,147	140,433
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>				
Office of National Drug Control and Policy				
Passed Through St. Johns County, Florida				
High Intensity Drug Trafficking	95.001	I8PNFP501Z	5,391	
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
Passed Through State Department of Economic Opportunity				
Disaster Grants - Public Assistance - 2009 Flooding	97.036	09-MW-00-04-64-13-505	42,876	
Disaster Grants - Public Assistance - Tropical Storm Fay	97.036	09-FA-B9-04-64-00-910	10,342	53,218
Passed Through State Division of Emergency Management:				
Hazard Mitigation Grant	97.039	08HM-81-04-64-01-009	16,478	
Emergency Management Performance Grants	97.042	12-FG-R3-04-64-01-121	29,220	
Emergency Management Performance Grants	97.042	13-FG-86-04-64-01-121	14,222	43,442
Pre-Disaster Mitigation	97.047	12-DM-4L-04-64-01-318	106,977	
Pre-Disaster Mitigation	97.047	11DM-4L-04-64-01-449	124,196	231,173
Homeland Security Grant Program	97.067	11-DS-9z-04-64-01-463	24,625	
Direct Assistance:				
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2009-FF-00139	44,736	
<u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u>			<u>\$ 5,143,982</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, 2012

<u>State Agency</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Project Total</u>
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>				
Small County Consolidated Grants	37.012	227SC	70,588	
<u>DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES</u>				
Mosquito Control - State Aid	42.003	17249	18,334	
<u>DEPARTMENT OF STATE AND SECRETARY OF STATE</u>				
Voter Education and Voting System Assistance	45.029	MOA2010-2011-0001	2,772	
State Aid to Libraries	45.030	12-ST-52	186,294	
<u>DEPARTMENT OF ECONOMIC OPPORTUNITY</u>				
Emergency Management Programs	52.008	12-BG-05-04-64-01-054	90,988	
<u>FLORIDA HOUSING FINANCE CORPORATION</u>				
State Housing Initiatives Program	52.901	2011-2012	380,435	
<u>DEPARTMENT OF TRANSPORTATION</u>				
County Incentive Grant Program - Turn Lane SR19	55.008	424359-1-58-01	460,830	
Small County Outreach Program - Turn Lane CR 21	55.009	424329-1-58-01	2,289,094	
Small County Road Assistance Program - First Street	55.016	428992-1-58-01	110,367	
<u>DEPARTMENT OF HEALTH</u>				
County Grant Awards	64.005	C0054	6,605	
<u>DEPARTMENT OF MANAGEMENT SERVICES</u>				
Wireless 911 Emergency Telephone System	72.001	12-04-16	52,278	
Wireless 911 Emergency Telephone System	72.001	11-04-14	11,288	
Wireless 911 Emergency Telephone System	72.001	11-10-13	52,355	
Wireless 911 Emergency Telephone System	72.001	Fees	303,591	
Wireless 911 Emergency Telephone System	72.001	11-10-24	5,662	425,174
Wireless 911 Emergency Telephone System	72.002	S4-11-06-17	289,730	
Wireless 911 Emergency Telephone System	72.002	S4-11-07-03	21,192	
E-911 State Grant Program	72.002	S3-10-11-06	45,194	356,116
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 4,397,597	

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, 2012

NOTE 1 – BASIS OF PRESENTATION

Expenditures generally represent allowable costs, determined in accordance with generally accepted accounting principles and the modified accrual basis of accounting.

Use of Estimates

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

NOTE 2 – SUBRECIPIENTS

Of the federal expenditures presented in the schedule, Putnam County provided federal awards to Ride Solution, Inc. as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Federal Transit Grants	20.514	\$ 1,991

The County did not provide state awards to sub recipients.

Statistical Section



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

Statistical Section

(Not Audited)

Fiscal Year Ended September 30, 2012

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

**STATISTICAL SECTION
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 Financial Trends	
The data in the following schedules is presented to assist the reader in understanding and assessing the changes in Putnam County's (the County's) financial position over the past ten fiscal years.	
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Fund Balances, Governmental Funds	S-5
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 Revenue Capacity	
Revenue capacity information is provided to enable readers to understand and assess the County's capacity for generating its own-source revenues. The County's most significant own-source revenue is property taxes.	
Taxable and Estimated Actual Value of Taxable Property	S-7
Direct and Overlapping Property Tax Rates	S-8
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 Debt Capacity	
The information within the following pages is intended to assist readers in comprehending the County's outstanding debt position and its ability to issue additional debt.	
Ratios of Outstanding Debt by Type	S-11
Ratios of Net General Bonded Debt Outstanding	S-12
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 Demographic and Economic Information	
Demographic and economic indicators are expected to help the reader understand the socio-economic environment within which the County operates and assist financial statement comparison.	
County Demographic Statistics	S-16
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 Operating Information	
This section is intended to provide data about the County's operational and functional resources that, when used in conjunction with the financial information, may assist the reader in evaluating the County's economic condition.	
Full Time Equivalent County Government Employees by Function	S-18
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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.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**
NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Fiscal Years Ended September 30th										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$17,781,476	\$18,934,049	\$26,329,967	\$72,517,445	\$82,335,510	\$89,352,076	\$91,150,420	\$87,820,648	\$94,993,906	\$99,548,402
Restricted	8,132,877	10,777,129	9,044,555	10,503,980	11,718,054	13,690,695	11,812,032	18,990,563	19,165,713	23,483,649
Unrestricted	8,055,272	8,599,627	8,408,925	7,593,183	12,958,053	9,529,517	15,925,787	14,936,799	17,978,326	11,729,066
Total Governmental Activities Net Position	\$33,969,625	\$38,310,805	\$43,783,447	\$90,614,608	\$107,011,617	\$112,572,288	\$118,888,239	\$121,748,010	\$132,137,945	\$134,761,117
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	\$8,744,616	\$11,545,145	\$11,777,388	\$11,465,124	\$13,168,496	\$15,680,338	\$25,219,829	\$27,649,660	\$27,024,045	\$25,496,879
Unrestricted	1,017,895	824,196	(1,935,930)	(909,152)	(2,905,578)	(2,675,812)	(2,799,772)	(2,027,404)	(1,348,109)	(1,298,492)
Total Business-Type Activities Net Position	\$9,762,511	\$12,369,341	\$9,841,458	\$10,555,972	\$10,262,918	\$13,004,526	\$22,420,057	\$25,622,256	\$25,675,936	\$24,198,387
Primary Government										
Invested in Capital Assets, Net of Related Debt	\$26,526,092	\$30,479,194	\$38,107,355	\$83,982,569	\$95,504,006	\$105,032,414	\$116,370,249	\$115,470,308	\$122,017,951	\$125,045,281
Restricted	8,132,877	10,777,129	9,044,555	10,503,980	11,718,054	13,690,695	11,812,032	18,990,563	19,165,713	23,483,649
Unrestricted	9,073,167	9,423,823	6,472,995	6,684,031	10,052,475	6,853,705	13,126,015	12,909,395	16,630,217	10,430,574
Total Primary Government Net Position	\$43,732,136	\$50,680,146	\$53,624,905	\$101,170,580	\$117,274,535	\$125,576,814	\$141,308,296	\$147,370,266	\$157,813,881	\$158,959,504

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

Notes:

- FYE 2005 – 2012: The negative values in unrestricted net position for Business-Type Activities has been largely attributable to revised engineering estimates of landfill long term care costs.
- FYE 2006 – Capital Assets Net of Related Debt in Governmental Activities increased significantly in fiscal year ended September 30, 2006 due primarily to the retroactive capitalization of infrastructure assets pursuant to Governmental Accounting Standards Board (GASB) Statement 34.
- FYE 2008 – Debt totaling \$10,532,729 has been re-classified from Governmental Activities to Business-Type Activities and 2008 capitalized interest reported in Business-Type Activities has been reduced for the amount of interest earned associated with the construction of the East Putnam Water System.
- FYE 2009 – Re-stated Governmental Activities Net Position increased by \$237,405 in recognition of intangible assets per GASB Statement 51. Business-type Activities Net Position increased by \$280,730 through an adjustment made for an overstated debt principal balance associated with the East Putnam Water Fund.
- FYE 2010 – Net Position for Governmental Activities has been re-stated to adjust for an understatement of accumulated depreciation in the amount of \$54,190.

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

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

	Fiscal Years -----				
	2003	2004	2005	2006	2007
Expenses – Governmental Activities					
General Government	\$11,763,375	\$12,062,121	\$12,779,328	\$13,296,405	\$12,956,339
Public Safety	18,316,022	20,776,621	21,460,892	22,232,302	26,526,912
Physical Environment	279,649	427,324	388,229	579,000	723,732
Transportation	8,229,849	8,059,497	11,749,444	11,402,600	8,298,519
Economic Environment	1,817,081	2,234,127	1,864,763	1,785,538	5,340,613
Human Services	1,892,737	1,854,142	2,481,153	2,416,565	2,682,154
Culture and Recreation	1,212,045	1,874,680	1,559,073	1,862,991	2,329,061
Court Related	3,189,632	3,361,705	2,798,284	3,033,562	3,199,629
Interest on Long-Term Debt	310,798	222,606	218,423	317,374	653,098
Total Governmental Activities Expenses	47,011,188	50,872,823	55,299,589	56,926,337	62,710,057
Expenses – Business-Type Activities:					
Water & Wastewater System	123,657	132,328	142,722	122,487	117,273
Solid Waste	4,842,934	4,386,367	10,414,791	7,971,254	7,941,522
Port Authority	97,683	96,318	124,643	173,767	100,406
Total Business-Type Activities Expenses	5,064,274	4,615,013	10,682,156	8,267,508	8,159,201
Total Primary Government Expenses	\$52,075,462	\$55,487,836	\$65,981,745	\$65,193,845	\$70,869,258
Program Revenues – Governmental Activities					
Charges for Services:					
General Government	\$4,146,302	\$4,495,132	\$4,369,449	\$4,326,151	\$4,433,688
Public Safety	3,449,934	3,728,377	4,014,064	4,409,005	4,258,725
Court Related	1,302,243	1,495,553	2,003,996	2,493,652	2,408,036
Other	1,351,782	1,518,447	1,739,997	1,684,541	1,334,097
Operating Grants and Contributions	4,755,970	5,335,505	5,526,125	6,106,925	5,506,260
Capital Grants and Contributions	4,059,742	1,405,152	2,777,371	5,826,144	6,739,571
Total Governmental Activities Program Revenues	19,065,973	17,978,166	20,431,002	24,846,418	24,680,377
Program Revenue – Business-Type Activities:					
Charges for Services:					
Water and Wastewater System	53,480	49,506	56,665	52,475	57,967
Solid Waste	5,692,802	6,094,628	5,889,582	6,031,090	6,397,827
Port Authority	52,776	48,806	97,329	104,030	134,991
Operating Grants and Contributions	254,680	304,072	1,353,155	1,685,684	191,176
Capital Grants and Contributions	-	-	-	-	-
Total Business-Type Activities Program Revenues	6,053,738	6,497,012	7,396,731	7,873,279	6,781,961
Total Primary Government Program Revenues	\$25,119,711	\$24,475,178	\$27,827,733	\$32,719,697	\$31,462,338
Net (Expense)/Revenue					
Governmental Activities	(\$27,945,215)	(\$32,894,657)	(\$34,868,587)	(\$32,079,919)	(\$38,029,680)
Business-Type Activities	989,464	1,881,999	(3,285,425)	(394,229)	(\$1,377,240)
Total Primary Government Net Expense	(\$26,955,751)	(\$31,012,658)	(\$38,154,012)	(\$32,474,148)	(\$39,406,920)
General Revenue and Other Changes in Net Position– Governmental Activities:					
Taxes:					
Property Taxes	\$21,656,001	\$25,129,686	\$27,273,945	\$29,935,184	\$38,956,651
Sales Taxes and Other State Shared Revenue	4,336,799	4,531,451	4,824,434	5,261,062	5,438,927
Local Infrastructure Surtax	3,003,379	4,417,277	4,834,232	5,584,987	5,279,106
Other Taxes	2,386,291	2,454,833	2,628,964	2,648,666	2,633,438
Investment Earnings	462,325	352,215	774,652	1,429,292	2,066,319
Gain (Loss) – Sale of Capital Assets	63,262	409,750	43,027	48,938	-
Miscellaneous	1,809,961	495,442	611,999	537,264	529,489
Transfers	(3,228,038)	(554,817)	(650,024)	(325,510)	(477,241)
Total Governmental Activities	30,489,980	37,235,837	40,341,229	45,119,883	54,426,689
General Revenue and Other Changes in Net Position– Business-Type Activities:					
Investment Earnings	76,352	39,914	73,594	393,740	439,241
Gain (Loss) – Sale of Capital Assets	(28,292)	128,628	21,655	386,746	158,580
Miscellaneous	6,949	1,472	12,269	2,747	9,124
Transfers	3,228,038	554,817	650,024	325,510	477,241
Total Business-Type Activities	3,283,047	724,831	757,542	1,108,743	1,084,186
Total Primary Government-General Revenues & Other Changes in Net Position	\$33,773,027	\$37,960,668	\$41,098,771	\$46,228,626	\$55,510,875
Changes in Net Position					
Government Activities	\$2,544,765	\$4,341,180	\$5,472,642	\$13,039,964	\$16,397,009
Business-Type Activities	4,272,511	2,606,830	(2,527,883)	714,514	(293,054)
Total Primary Government Changes in Net Position	\$6,817,276	\$6,948,010	\$2,944,759	\$13,754,478	\$16,103,955

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 2005 – Changes in Net Position for Business-type Activities reflected a negative \$2.5 million due to revised engineering estimates of landfill long term care costs.

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

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

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

Sources:

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

Notes:

1. FYE 2008 – Changes in Net Position has been re-stated per Note 19, Notes to Financial Statements (FYE 2009).
2. FYE 2009 – Changes in Net Position has been re-stated per Note 19, Notes to Financial Statements (FYE 2010).
3. FYE 2010 – Changes in Net Position has been re-stated per Note 20, Notes to Financial Statements (FYE 2011).
4. FYE 2012 –
- 4 (a) Other Taxes decreased in FYE 2012 due to a reclassification of gas taxes to Operating Grants and Contributions (GASB Statement 34, Paragraph 50).
- 4 (b) The negative Net Change in Position for Business-type Activities was largely attributable to the results of a solid waste capacity analysis.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Non-Spendable	\$ 72,188	\$ 78,276	\$ 63,453	\$ 54,507	\$ 43,492	\$ 151,831	\$ 2,439,982	\$ 2,465,354	\$ 847,082	\$809,234
Restricted	62,291	63,117	64,911	68,142	72,075	74,007	74,212	66,782	39,369	39,427
Committed	-	-	-	-	-	-	-	-	627,897	-
Assigned	1,230,000	1,119,400	2,764,900	-	4,150,000	1,018,416	863,764	1,538,754	1,826,156	2,587,699
Unassigned	3,400,917	4,176,096	4,040,223	6,906,964	7,980,607	8,694,113	8,607,040	11,123,891	13,425,709	12,395,072
Total General Fund	\$ 4,765,396	\$ 5,436,889	\$ 6,933,487	\$ 7,029,613	\$ 12,246,174	\$ 9,938,367	\$ 11,984,998	\$ 15,194,781	\$ 16,766,213	\$ 15,831,432
All Other Governmental Funds										
Non-Spendable	\$ -	\$ 6,157	\$ 6,157	\$ 9,625	\$ 172,285	\$ 163,637	\$ 263,236	\$ 163,237	\$ 760,197	\$512,048
Restricted	10,962,938	13,104,710	11,399,439	12,285,529	12,226,656	18,611,909	20,895,125	23,857,908	16,956,905	17,816,593
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	461,121	950,140	1,099,693	1,237,922	1,829,370	1,914,040	2,019,163	2,262,112	1,985,562	1,608,090
Unassigned	-	-	-	(3,397,144)	(2,631,354)	(6,233,529)	(8,594,338)	(8,804,398)	(511,396)	(541,568)
Total All Other Governmental Funds	\$ 11,424,059	\$ 14,061,007	\$ 12,505,289	\$ 10,135,932	\$ 11,596,957	\$ 14,456,057	\$ 14,583,186	\$ 17,478,859	\$ 19,191,268	\$ 19,395,163

Sources:

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

Notes:

Detailed information on governmental fund balances, including the composition of the negative unassigned fund balances, may be found in the *Notes to Financial Statements* (Re: Notes 12 and 13 for fiscal year 2011, and Notes 11 and 12 for fiscal year 2012). Governmental fund balances were reclassified for the then current fiscal year, and retroactively, pursuant to GASB Statement 54 effective with FYE 2011. Consequently, fund balances for the Interlachen Lake Estates Lake Access Trust Fund, the Supervisor of Elections' Fund and the Tax Collector's Fund for prior years were moved from the classification of *All Other Governmental Funds* to that of *General Fund* effective with fiscal year ended 2011.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Fiscal Years Ended September 30th										
Revenues										
Taxes	\$26,965,513	\$31,924,959	\$34,641,141	\$38,070,859	\$46,779,444	\$44,355,656	\$43,732,844	\$42,598,576	\$41,168,556	\$38,914,462
Licenses & Permits	521,791	728,538	905,617	944,784	956,486	601,592	597,326	465,499	420,923	373,642
Charges for Services	6,862,602	7,458,566	8,063,824	8,633,406	8,536,015	8,371,316	9,292,103	8,226,785	6,377,444	6,435,750
Fines & Forfeitures	721,856	835,834	1,044,400	713,015	830,275	828,851	561,211	621,059	247,296	478,338
Intergovernmental	12,030,862	10,725,004	12,871,620	17,088,304	17,474,930	15,271,255	15,671,299	16,814,647	25,375,467	19,596,750
Other	4,247,164	2,518,403	3,545,798	3,745,735	3,963,179	3,884,741	1,922,602	1,435,729	1,130,106	718,306
Total Revenues	\$51,349,788	\$54,191,304	\$61,072,400	\$69,196,103	\$78,520,329	\$73,313,411	\$71,777,385	\$70,162,295	\$74,719,792	\$66,517,248
Expenditures										
General Government	\$11,800,838	\$11,601,616	\$12,844,452	\$15,008,190	\$15,520,852	\$20,888,844	\$14,413,990	\$14,103,301	\$12,712,203	\$11,984,390
Public Safety	19,366,157	20,178,588	23,540,794	24,415,173	25,995,056	27,052,878	28,751,920	28,973,485	29,636,293	29,814,609
Physical Environment	632,378	960,313	1,009,370	995,783	1,341,970	13,644,704	2,506,210	597,338	530,387	1,254,438
Transportation	4,678,662	5,678,591	9,072,104	7,702,343	6,968,726	6,978,886	7,151,081	6,886,583	6,502,646	5,790,663
Economic Environment	1,797,381	2,231,927	1,933,303	1,785,454	2,872,285	1,935,904	1,533,616	1,094,825	1,452,112	2,418,774
Human Services	1,891,999	1,927,356	2,332,729	1,928,952	2,372,291	1,928,002	2,215,082	1,906,826	2,290,281	2,434,410
Culture & Recreation	1,101,159	1,372,922	1,423,626	1,758,738	2,201,639	1,966,155	2,019,084	1,759,711	5,889,434	1,783,008
Court-Related	3,171,771	3,302,128	2,805,914	3,009,710	3,148,089	3,231,596	3,154,933	3,282,314	4,039,912	3,480,473
Capital Outlay	4,006,734	3,797,483	9,057,166	14,198,442	19,534,431	6,784,516	4,661,133	1,875,260	5,992,548	5,208,136
Debt Service										
Principal Retirement	1,883,533	1,868,887	1,397,435	1,222,416	2,226,399	2,220,948	2,556,574	2,189,458	3,693,101	2,589,490
Interest & Fiscal Charges	310,798	222,606	218,423	317,374	521,696	852,098	706,791	640,860	599,585	521,161
Total Expenditures	\$50,641,390	\$53,142,417	\$65,635,316	\$72,342,575	\$82,703,434	\$87,484,531	\$69,670,414	\$63,309,961	\$73,338,502	\$67,279,552
Excess of Revenues Over (Under) Expenditures	\$708,398	\$1,048,887	(\$4,562,916)	(\$3,146,472)	(\$4,183,105)	(\$14,171,120)	\$2,106,971	\$6,852,334	\$1,381,290	(\$762,304)
Other Financing Sources (Uses)										
Proceeds from Borrowing	\$290,527	\$1,743,204	\$3,256,000	-	\$10,026,449	\$14,032,728	\$289,955	\$173,873	\$2,748,601	\$66,234
Proceeds from Refunding	-	-	-	-	-	-	-	-	-	-
Payments to Escrow Agent	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	242,140	522,370	211,500	58,623	76,607	808,937	-	-	-	-
Capital Leases	17,980,327	114,000	1,217,611	1,052,263	888,000	808,937	-	-	-	-
Transfers In	(18,147,597)	18,981,945	19,534,446	21,371,970	24,099,303	24,168,695	24,031,657	24,208,529	670,897	708,705
Transfers Out	-	(19,101,965)	(19,715,761)	(21,609,615)	(24,229,668)	(24,287,947)	(24,254,823)	(25,129,280)	(1,516,947)	(1,243,521)
Total Other Financing Sources (Uses)	\$ 365,397	\$2,259,554	\$4,503,796	\$ 873,241	\$10,860,691	\$14,722,413	\$ 66,789	(\$ 746,878)	\$1,902,551	\$31,418
Net Change in Fund Balances	\$1,073,795	\$3,308,441	(\$59,120)	(\$2,273,231)	\$ 6,677,586	\$ 551,293	\$2,173,760	\$6,105,456	\$3,283,841	(\$730,886)
Debt Service as a Percentage of Non-Capital Expenditures	4.68%	4.25%	3.06%	2.93%	4.79%	5.13%	5.44%	4.87%	7.19%	5.41%

Source:

Information 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 2004 – 2010 resulting in changes to the Percentage of Debt Service to Non-Capital Expenditures for 2004 (-0.01%), 2006 (0.01%), 2007 (0.05%), 2008 (0.93%), 2009 (0.17%) and 2010 (0.19%). Though corrections were made in 2005, the percentage of Debt Service to Non-Capital Expenditures remained unchanged.

**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			Commercial	Industrial	Other	Adjustments		Plus Exemptions	Less Exemptions	Add Taxable 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
	(1)	(2)	(2)				(3)	(4)								
2003	1,777,311	139,820	790,056	227,394	156,853	1,567,880	(299,231)	(920,304)	824,128	2,539,174	8.8000	4,280,371	59.321%	35		
2004	1,920,374	141,977	857,083	246,776	158,189	1,776,188	(357,964)	(967,744)	797,350	2,637,852	9.2000	4,480,224	58.878%	36		
2005	2,147,954	166,748	927,233	267,389	158,189	1,776,188	(462,985)	(1,021,574)	787,349	2,812,114	9.2000	4,821,291	58.327%	38		
2006	2,590,133	179,494	1,014,378	306,864	158,189	1,776,188	(652,769)	(1,078,737)	794,649	3,154,012	9.2000	5,401,459	58.392%	43		
2007	3,570,960	193,584	1,324,706	337,431	158,189	1,776,188	(1,116,293)	(1,209,315)	810,059	3,911,132	9.2000	6,824,314	57.312%	52		
2008	4,005,411	350,694	1,685,299	357,277	158,189	1,776,188	(1,409,020)	(1,325,739)	823,619	4,169,698	8.5765	7,533,900	55.346%	56		
2009	4,058,022	352,012	1,644,356	352,012	158,189	1,776,188	(1,465,330)	(1,587,543)	840,885	4,048,084	8.5765	7,760,796	52.161%	54		
2010	3,901,162	352,012	1,644,356	352,012	158,189	1,776,188	(1,444,037)	(1,650,895)	851,044	3,945,688	8.5765	7,707,062	51.196%	53		
2011	3,571,781	334,835	1,625,518	334,835	149,323	1,625,518	(1,322,389)	(1,644,356)	855,887	3,721,874	8.5765	7,362,370	50.553%	50		
2012	3,150,197						(1,075,752)	(1,566,864)	868,924	3,486,181	8.5765	7,056,889	49.401%	46		

Sources:

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

Population data used in calculating Taxable Value Per Capita may be seen on page S-16 of this Statistical Section.

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.

Tax rates are per \$1,000 of assessed value.

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 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) Total Taxable Assessed Value is net of adjustments and exemptions and includes taxable personal property.
- (4) Total Taxable Assessed Value divided by Estimated Actual Value.
- (5) Total Taxable Assessed Value divided by the population total listed on page S-16 of this CAFR Statistical Section by fiscal year.

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

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

Fiscal Years Ended September 30th											
	Notes	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
County Direct Rate(s)											
Board of County Commissioners - General Fund		8.8000	9.2000	9.2000	9.2000	9.2000	8.5765	8.5765	8.5765	8.5765	8.5765
Total Putnam County Direct Rate		8.8000	9.2000	9.2000	9.2000	9.2000	8.5765	8.5765	8.5765	8.5765	8.5765
Overlapping Rate(s)											
Putnam County School District											
General fund	a)	6.6440	6.4660	6.3100	5.9340	5.7740	5.4940	5.9550	6.3140	6.6310	5.9570
Bond/Debt/Capital Outlay	a)	2.7600	2.8000	2.8000	2.6000	2.5000	2.0000	1.7500	1.4990	1.5000	1.5000
Total School Board		9.4040	9.2660	9.1100	8.5340	8.2740	7.4940	7.7050	7.8130	7.8610	7.4570
Fire Municipal Service Taxing Unit (MSTU)		0.5000	0.8000	0.8000	0.8000	0.8000	0.7425	0.7425	0.7425	0.7425	0.7425
Water Management Districts											
St. Johns River Water Management District		0.4620	0.4620	0.4620	0.4620	0.4620	0.4158	0.4158	0.4158	0.4158	0.3313
Suwannee River Water Management District	b)	0.4914	0.4914	0.4914	0.4914	0.4914	0.4399	0.4399	0.4399	0.4399	0.4143
Municipalities											
Crescent City		8.2500	9.0000	9.0000	8.9000	8.8000	8.1723	8.1723	8.1723	8.1723	8.1723
Interlachen		8.0000	8.0000	7.9500	8.5000	8.5000	8.5000	8.4658	8.8287	8.8287	8.8287
Palatka		7.8000	8.0000	8.0000	8.6500	8.6500	8.5000	8.6500	8.6500	8.6500	8.6500
Pomona Park		7.2890	7.3050	7.4710	6.4040	5.6540	4.7737	5.0867	6.2874	6.2874	6.2874
Welaka		6.7000	6.7000	6.7000	6.7000	6.3000	5.5050	5.5050	5.5050	5.5050	5.5050

Sources and Notes:

- Putnam County General Fund and the Fire Municipal Service Taxing Unit – data has been provided by Forms DR-422 from the Putnam County Property Appraiser's Office.
- Municipality Millage Rates – data has been taken from Putnam County's Annual Budget Reports, Millage rates for the Putnam County General Fund, the Fire MSTU, as well as all the incorporated municipalities and townships within Putnam County may be found, also, for the past five years on the Florida Department of Revenue's website (<http://dor.myflorida.com/dor/property/resources/data.html>).
- Putnam County School District – Data for all years, with the exception of fiscal year 2011-2012, was taken from the Office of Funding and Financial Reporting of the Florida Department of Education's website ([www.fldoe.org/efip/profile.asp](http://wwwfldoe.org/efip/profile.asp)). "Profiles of Florida School Districts." The millage rate for fiscal year 2011-2012 was obtained from the "District Summary Budget" report located on the website of the Putnam County School District.
- St. Johns River Water Management District (SRWMD) – millage rates for all years have been taken from the Comprehensive Annual Financial Reports (CAFRs), posted on the SRWMD website, with the exception of fiscal year 2012 which data was obtained from a News Release published on the same website at <http://www.sjrwmd.com>.
- Suwannee River Water Management District (SRWMD) – In general, the millage rates may be found located in Note 3, Notes to the Financials, within the SRWMD Financials. An ad valorem history for all five Florida water management districts for years 2006 through 2009 was found on page 13 of the *Agency Sunset Review of the Water Management Districts Report* (Report # 2009-207), which information may be accessed via the Florida Senate's website, <http://archive.flsenate.gov/data/Publications>.

Corrections to prior years' data:

- 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.
- Suwannee River Water Management District (SRWMD) – millage rates for years 2005 through 2007, originally reported as 0.4910 were discovered to be 0.4914 via copies of the 2005 and 2006 SRWMD CAFRs, as well as the report located in the Florida Senate's online archives mentioned in note 5 above. Fiscal years 2009 and 2004 have likewise been changed based upon the same findings.

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

PRINCIPAL TAXPAYERS – CURRENT AND NINE YEARS AGO

Taxpayer	2012			2003		
	Taxable Assessed Value (1)	Rank	Total Assessed Value (%)	Taxable Assessed Value (2)	Rank	Total Assessed Value (%)
Seminole Electric	292,745,871	1	8.40%	332,647,852	1	13.10%
Georgia-Pacific Corporation	265,307,738	2	7.61%	225,497,827	2	8.88%
Florida Power & Light	184,311,817	3	5.29%	137,571,103	3	5.42%
Lafarge Gypsum Corporation	73,567,064	4	2.11%	103,763,564	4	4.09%
Clay Electric Cooperative, Inc.	44,325,170	5	1.27%	33,708,834	5	1.33%
Wal-Mart Stores East, Inc.	18,318,752	6	0.53%			
BellSouth Telecommunications	17,708,384	7	0.51%	26,756,085	6	1.05%
Putnam Community Medical Center (*)	15,590,073	8	0.45%	14,058,154	7	0.55%
CSX Transportation	13,522,667	9	0.39%	9,489,127	10	0.37%
Comcast	10,654,892	10	0.31%			
Florida Furniture Industries	-	-	-	13,384,706	8	0.53%
Plum Creek Timber Co.	-	-	-	10,217,492	9	0.40%
Principal Taxpayers Totals	936,052,428		26.85%	907,094,744		35.72%
All Others	2,550,128,394		73.15%	1,632,088,104		64.28%
Totals	\$3,486,180,822		100.00%	\$2,539,182,848		100.00%

Sources:

Data was provided via the 2011 Final Tax Roll for FYE 2012 and 2002 Final Tax Roll for FYE 2003 from the Putnam County Appraiser's Office.

Notes:

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

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

(*) – Life Point Hospitals is the parent company of Putnam Community Medical Center.

**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
2003	23,485,081	21,383,765	91.05%	272,236	21,656,001	92.21%
2004	26,151,575	24,768,865	94.71%	360,821	25,129,686	96.09%
2005	27,877,586	26,163,323	93.85%	1,110,621 (1)	27,273,944	97.83%
2006	31,250,659	29,278,397	93.69%	656,787	29,935,184	95.79%
2007	38,801,345	38,848,336 (2)	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	28,830,544	89.46%	225,297	29,055,841	90.16%

Sources:

Total taxes levied for the given fiscal years have been taken from Forms DR-422 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) The significant increase in the 2005 delinquent tax collections appears to be primarily attributable to an increase in the closings of real property sales, necessitating the payment of delinquent taxes.
- (2) Fiscal year 2007 shows that current taxes collected exceeded the taxes levied. The major factor contributing to this excess in collections 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.

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

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

	2003	2004	2005 (1)	2006 (2)	2007 (3)	2008 (4)	2009 (5) & (6)	2010	2011 (7)	2012
Governmental Activities										
Loans/Notes	\$2,803,046	\$3,938,263	\$6,640,738	\$5,942,847	\$14,600,160	\$16,808,909	\$15,166,962	\$13,473,758	\$11,714,252	\$10,022,201
Revenue Bonds –										
Gas Tax, 1989	435,000	-	-	-	-	-	-	-	-	-
Sales Tax, 1995	1,190,000	605,000	-	-	-	-	-	-	-	-
Capital Leases	429,749	302,850	1,281,551	1,809,289	1,840,026	1,719,266	1,094,593	772,213	1,587,218	1,256,013
Total Governmental Activities	\$4,857,795	\$4,846,113	\$7,922,289	\$7,752,136	\$16,440,186	\$18,528,175	\$16,261,555	\$14,245,971	\$13,301,470	\$11,278,214
Business-Type Activities										
Loans/Notes	\$1,140,000	\$380,002	\$283,606	\$183,695	\$80,138	\$10,532,729	\$12,657,018	\$12,960,885	\$12,468,344	\$11,591,090
Water Revenue Bonds – 2008A	-	-	-	-	-	-	2,054,900	2,054,900	2,034,000	2,012,000
Water Revenue Bonds – 2008B	-	-	-	-	-	-	4,268,000	4,268,000	4,221,000	4,172,000
Capital Leases	23,262	-	-	-	-	356,820	273,157	185,903	455,185	426,644
Total Business-Type Activities	\$1,163,262	\$380,002	\$283,606	\$183,695	\$80,138	\$10,889,549	\$19,253,075	\$19,469,688	\$19,178,529	\$18,201,734
Total Primary Government										
Total Outstanding Debt	\$6,021,057	\$5,226,115	\$8,205,895	\$7,935,831	\$16,520,324	\$29,417,724	\$35,514,630	\$33,715,659	\$32,479,999	\$29,479,948
Total Outstanding Debt as a % of API	0.40%	0.33%	0.49%	0.45%	0.88%	1.51%	1.86%	1.68%	1.59%	1.38%
Total Outstanding Debt per Capita	\$84	\$72	\$112	\$107	\$221	\$392	\$475	\$453	\$439	\$403

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 as shown.

- (1) FYE 2005: Increases in notes payable were primarily attributable to the issuance of a 13 year note for \$1,900,000 (secured by special assessment levies) and a 15 year note for \$1,356,000 (secured by specific traffic ticket surcharges), both with general governmental commitments to provide non-ad valorem revenues to cover deficiencies; capital leases increased due to the acquisition of two road graders for Public Works, as well as the financing of additional patrol vehicles and related equipment for the Putnam County Sheriff's Office.
- (2) FYE 2006: Increases in capital leases were attributable to the additional acquisitions of patrol vehicles and related equipment by the Putnam County Sheriff's Office (PCSO), in an ongoing effort to better facilitate public safety.
- (3) FYE 2007: 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.
- (4) 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 3 above) and the \$3.5 million notes for the BPP projects. For more information on the Pledged Revenue Coverage refer to pages S-14 and 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.
- (5) 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 4 above) increased by approximately \$4.4 million. Water Revenue Bonds were issued for slightly over \$6.3 million.
- (6) 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).
- (7) 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.
- (8) 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. FYE 2002-2010: Total Debt as a Percentage of API, for fiscal years ended 2008-2011, has been updated based on changes reported in Note 2 of that same page.
- (9) For further information on outstanding debt, please refer to Note 9 of the Notes to Financial Statements.

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

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	Tax-Backed Bonds		Restricted Reserves		Additional Comparisons - Net Tax-Backed Bond Debt Ratios							
	General Obligation Bonds	Gas Tax 1989 (1)	Gas Tax 1995 (2)	Total	Gas Tax 1989	Gas Tax 1995	Net General Bonded Debt (NGBD)	Net GBD to Personal Income (3)	Net GBD Per Capita (3)	County Gas Consumption (in gallons) (4)	Gas Consumption To Net Gas Tax-Backed Bonded Debt (5)	Net Sales Tax-Backed Bonded Debt to County Taxable Sales (3)
2003	-	435,000	1,190,000	1,625,000	216,250	501,000	907,750	0.06%	13	32,516,000	149	0.13%
2004	-	-	605,000	605,000	-	501,000	104,000	0.01%	1	-	-	0.02%
2005	-	-	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-	-

Sources & Notes:

Except as otherwise noted, the data shown within this schedule has been taken from the County's Comprehensive Annual Financial Reports (CAFRs) of prior years.

(1) The Gas Tax Refunding Revenue Bonds of 1989 were issued in the amount of \$4,325,000 for the purposes of refunding the Gas Tax Revenue Notes, Series 1987, the acquisition and construction of certain road, bridge and other transportation facilities of Putnam County, funding a debt service reserve account, as well as paying certain issuance costs of the Series 1989 Gas Bonds. These bonds were payable entirely from and secured by a prior lien on the first, second, and third cents of Putnam County's portion of the Six Cent Local Option Gas Tax. A bond resolution required that a reserve account be established. Bond reserve requirements were met in all fiscal years. Final payment was made September 30, 2004.

(2) The Capital Improvement Refunding Revenue Bonds - Series 1995 (the 1995 Bonds) were issued in the amount of \$5,010,000 for the purposes of advance refunding of the 1989 Capital Improvement Refunding Revenue Bonds, funding a debt service reserve account, as well as paying certain issuance costs of the 1995 Bonds. The 1995 Bonds were payable solely from and secured by a lien upon and pledge of the proceeds of the Local Government Half-Cent Sales Tax Clearing Trust Fund. A bond resolution required that a reserve account be established. Bond reserve requirements were met in all years. Final payment was made September 30, 2005.

(3) See the Demographics Statistics schedule, page S-16 of this Statistical Section, for annual personal income, population, and taxable sales data. The related reserves are subtracted from the outstanding debt before calculating the ratios.

(4) Gasoline consumption data includes gasoline and has been taken from the State of Florida Department of Revenue report on *Motor Gasoline Consumption by County*. The data is presumed to include non-taxable sales, as well as taxable sales. A report of motor fuel usage by state, provided by the Federal Highway Administration, for data as of 1999, indicated that governmental usage of motor fuel in the State of Florida was less than two percent (2%). It is expected that governmental usage of gasoline in Putnam County is less than the State average, as there are no military installations within the County. Therefore the effect of non-taxable sales of gasoline products within the amounts reported is deemed de minimis.

(5) This ratio reflects the number of gallons of gasoline consumed throughout the County per dollar of net outstanding gas tax-backed bonded debt.

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

LEGAL DEBT MARGIN

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

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



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

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

Fiscal Years Ended September 30 th										
Notes	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities										
Gas Tax Refunding Revenue Bonds, Series 1989										
Gross Revenue	\$1,759,699	\$1,819,967	-	-	-	-	-	-	-	-
Less Operating Expenditures	1,083	1,050	-	-	-	-	-	-	-	-
Net Available Revenue	1,758,616	1,818,917	-	-	-	-	-	-	-	-
Debt Service	410,000	435,000	-	-	-	-	-	-	-	-
Principal Payments:	58,305	30,015	-	-	-	-	-	-	-	-
Interest Payments:	468,305	465,015	-	-	-	-	-	-	-	-
Total Debt Service	3.76	3.91	-	-	-	-	-	-	-	-
Coverage Ratio										
Capital Improvement Refunding Revenue Bonds, Series 1995										
Gross Revenue	\$2,490,138	\$2,576,652	\$2,810,715	-	-	-	-	-	-	-
Less Operating Expenditures	1,645	2,134	2,113	-	-	-	-	-	-	-
Net Available Revenue	2,488,493	2,574,518	2,808,602	-	-	-	-	-	-	-
Debt Service	560,000	585,000	605,000	-	-	-	-	-	-	-
Principal Payments:	80,993	55,794	28,738	-	-	-	-	-	-	-
Interest Payments:	640,993	640,794	633,738	-	-	-	-	-	-	-
Total Debt Service	3.88	4.02	4.43	-	-	-	-	-	-	-
Coverage Ratio										
Florida Capital Improvement Notes –Series 2006 & 2007B										
Gross Revenue	-	-	-	-	\$5,318,405	\$4,745,191	\$4,362,000	\$3,947,865	\$4,210,944	\$4,456,078
Less: Operating Expenditures	-	-	-	-	-	-	-	-	-	-
Pledged Revenue Coverage for Water Revenue Bonds & SRF Loan	2	-	-	-	-	-	-	500,000	500,000	500,000
Net Revenue Available	-	-	-	-	5,318,405	4,745,191	4,362,000	3,447,865	3,710,944	3,956,078
Debt Service	-	-	-	-	185,000	760,000	1,085,000	1,130,000	1,175,000	1,230,000
Principal Payments:	-	-	-	-	232,855	469,130	487,255	446,874	400,264	352,415
Interest Payments:	-	-	-	-	417,855	1,229,130	1,572,255	1,576,874	1,575,264	1,582,415
Total Debt Service	-	-	-	-	12.73	3.86	2.77	2.19	2.36	2.50
Coverage Ratio	-	-	-	-						

Sources:

Data for this schedule has been obtained from Putnam County's financial and non-financial records. Page S-15 should be considered as a continuum of page S-14.

Notes:

Please refer to Note 9 of the *Notes to Financial Statements*, as well as pages S-11 and S-12 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.
- In general, the Coverage Ratio = Net Available Revenues/Total Debt Service.
- Capital outlays are addressed in the notes below, rather than considered expenditures in calculating the Coverage Ratio.

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 whatsover 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. For purposes of transparency, capital expenditures totaled \$18,538,548 and \$5,173,995 for fiscal years ended September 30, 2007 and 2008, respectively. In these years, deficiencies in the revenue stream needed to cover debt service requirements were satisfied through issued debt. There were no other years in which a deficiency in the revenue stream occurred.
2. Revenues from the County's One-Cent Sales Surtax serve, also, as a secondary pledge to assist in covering any deficiencies in the primary revenue stream that secures the Water Revenue Bonds and the Drinking Water State Revolving Fund Construction Loan Agreement (the SRF Loan). The amount of actual annual transfers used for this purpose has been increased to \$500,000, commencing in 2010. See Proprietary Pledged-Revenue Coverage, page S-15.

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

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

Fiscal Years Ended September 30th

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Business-Type Activities										
Water Revenue Bond Anticipation Note - 2007										
Gross Revenue - (Absorbed by Water Revenue Bonds - Series 2008A & B)							\$6,322,900			
Less: Operating Expenses										
Net Available Revenue							6,322,900			
Debt Service:										
Principal Payment:							5,956,600			
Interest Payment:							227,095			
Total Debt Service							6,183,695			
Coverage Ratio							1.02			
SRF Loan & Water Revenue Bonds, Series 2008 A & B										
Gross Revenue - Revenues from Operation of the East Putnam Water Fund							\$48,835	\$688,663	\$861,544	\$896,059
Interest Income							2,493	840	530	1,917
Add: Pledged Revenue from County's Local Sales Surtax (see page S14, Note 2)							-	500,000	500,000	500,000
Less: Operating Expenses							144,121	466,929	509,817	512,396
Net Available Revenue:							(92,793)	722,574	852,257	885,580
Debt Service:										
Principal Payments - SRF Loan							-	248,569	404,981	410,291
Interest Payments - SRF Loan							-	409,729	253,317	246,702
Principal Payments - Water Revenue Bonds, Series 2008A & B							-	-	67,900	71,000
Interest Payments - Water Revenue Bonds, Series 2008A & B							185,898	268,169	273,861	270,670
Total Debt Service							185,898	926,467	1,000,059	998,663
Coverage Ratio							(0.33)	0.78	0.85	.85
Solid Waste Management Note - 2009										
Gross Revenue - Annual Special Assessments for Waste Disposal							-	\$6,782,838	\$6,778,241	\$6,546,107
Less: Operating Expenses							-	5,806,682	5,884,939	5,788,113
Net Available Revenue							-	976,156	893,302	757,994
Debt Service										
Principal							-	323,163	449,806	466,963
Interest							-	113,185	131,991	114,834
Total Debt Service							-	436,348	581,797	581,797
Coverage Ratio							-	2.24	1.54	1.30

Sources:

Data for this schedule has been obtained from Putnam County's financial and non-financial records. This page is a continuation of the Pledged-Revenue Schedule shown on Page S-14.

Notes:

- 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 2011: 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 source of revenues used to pay debt service is 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. Corrections have been made to prior years to include both miscellaneous and investment income in the available revenues. Additionally, the amount of BPP sales surtax revenue transferred for debt service has been corrected to reflect the actual amount transferred, rather than the maximum allowed (\$275,000 per instrument - see Note 2, Page S-14).
- 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 above. Pledged revenues for the bonds are essentially the same as for the SRF Loan in Note 4 above.
- Deficiencies in the revenue streams to cover debt service for both the SRF Loan and the Water Revenue Bonds (Notes 4 and 5, above) were provided by debt issuance (2009), a combination of issued debt and transfers from the general fund (2010-2011), and transfers from the general fund (2012).
- Restated 2011: 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. Gross Revenue has been corrected to reflect special assessment income, as designated, rather than total user fees and assessments. Related Operating Expenses have been determined by obtaining the percentage of Total Annual Special Assessments (for collection and disposal) to Total Operating Revenues and, then, applying that percentage to Total Operating Costs.

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

**COUNTY DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Countywide Population <i>(Note 1)</i>	Total Annual Personal Income <i>(In Thousands)</i> <i>(Note 2)</i>	Annual Per Capita Personal Income <i>(Note 3)</i>	Countywide Labor Force <i>(Note 4)</i>	Countywide Persons Employed <i>(Note 4)</i>	Countywide Unemployment Rate <i>(Note 4)</i>	Taxable Sales <i>(Note 5)</i>
2003	71,809	1,515,502	21,105	30,600	28,823	5.8%	423,689,000
2004	72,720	1,562,766	21,490	30,616	29,033	5.2%	487,590,000
2005	73,451	1,673,412	22,783	30,647	29,196	4.7%	-
2006	74,198	1,774,868	23,921	30,960	29,786	3.8%	-
2007	74,863	1,868,296	24,956	31,633	30,221	4.5%	-
2008	75,028	1,953,123	26,032	32,388	30,342	6.3%	-
2009	74,714	1,912,897	25,603	32,578	29,038	10.9%	-
2010	74,364	2,007,439	26,995	32,957	28,770	12.7%	-
2011	74,052	2,046,821	27,640	33,295	29,299	12.0%	-
2012	73,158	2,132,583	29,150	32,157	28,599	11.1%	-

Sources and Notes:

1. Countywide Population data has been extracted from the statistics provided online via (<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 the census preceding the year reported, i.e. population data for 2003-2009 are estimates based on adjustments to the 2000 census.
2. The Total Annual Personal Income (TAPI) data was obtained from the website of the U.S. Department of Commerce, Bureau of Economic Analysis, Table CA1-3. The latest revision was made 11/26/2012. TAPI for years 2008-2011 have been updated to agree with amounts shown on this website as of 11/26/2012. TAPI for 2012 is a projected estimate determined by increasing Total Annual Personal Income for 2011 by 4.19%, the resulting average percentage of increases and decreases over the years 2000-2011.
3. Annual Per Capita Personal Income (APCPI) is the result of dividing the Total Annual Personal Income by the Countywide Population for each year. For as much as the Total Annual Personal Income and Countywide Population are estimates (see note 1 & 2 above) so are the figures for APCPI.
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 data covering the period from December 2011 through September 2012, a ten month period (short two months of the County's fiscal year). All other fiscal years are reported with full year statistics. The data omitted in fiscal year 2012 (October and November 2011) would not be expected to significantly affect the 2012 fiscal year average.
5. Taxable Sales data has been extracted from the *Florida Sales Tax Return Data, Monthly Statistics by Business Type* report located on the website of the Florida Department of Revenue. Data for 2003-2004 was used for calculations of Ratios of Net General Bonded Debt Outstanding (see page S-12 of this Statistical Section).

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

PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO

Employer	Note Ref.#	2012			2003		
		Employees	Rank	Countywide Employment %	Employees	Rank	Countywide Employment %
Putnam County School District	(1)	1,490	1	5.2%	1,802	1	12.8%
Georgia-Pacific, Palatka Operations	(2)	1,125	2	3.9%	1,250	2	8.9%
Putnam County Government	(3)	666	3	2.3%	595	4	4.2%
Putnam Community Medical Center		477	4	1.7%	533	5	3.8%
Wal-Mart		414	5	1.4%	523	7	3.7%
St. Johns River Water Management District		370	6	1.3%	686	3	4.9%
Seminole Electric Cooperative, Palatka		285	7	1.0%	278	10	2.0%
Winn Dixie Stores, Inc.		194	8	0.7%	-	-	-
Palatka Health Care Center		190	9	0.7%	-	-	-
Kangaroo Express		179	10	0.6%	-	-	-
Sykes Enterprises		-	-	-	525	6	3.7%
St. Johns River Community College		-	-	-	419	8	3.0%
Georgia-Pacific, Plywood Division		-	-	-	411	9	2.9%
Totals		5,390		18.8%	7,022		49.9%
Total Countywide Employment		28,599			14,079		

Sources and notes:

FYE 2003 – The numbers of employees were obtained from the Putnam County Chamber of Commerce and the Putnam County School District. Countywide employment may be seen on page S-16 of this Statistical Section and is a fiscal year average of the months available.

FYE 2012 – The number of employees was provided by the State of Florida's Work Source Division, with the exception of the following:

- Putnam County School District - From the *Education Information & Accountability Services Data Report*, of the Florida Department of Education, the total staffing figure for Fall 2011 was obtained and adjusted by the average annual net decrease of 4.2% experienced over the period 2007-2011 to arrive at a projected staffing estimate for Fall 2012.
- Georgia Pacific - Georgia Pacific, LLC (otherwise known as G-P) reported via their website (www.gp.com) employment of 1,300 in the state of Florida as of July 2012. Additionally, G-P reported that it was active in three locations within Florida in 2012, one location in Hosford, (Liberty County) and two locations in Palatka (Putnam County). The U.S. Census Bureau's website (<http://census.gov>), reported that there was one reconstituted wood product manufacturing company in Hosford during 2010. Hosford, as it was reported, was a town having a population of 650, of which 377 were of the employable ages between 18 and 64. The employment range of this one wood manufacturing company in Hosford (deemed to be an active site of G-P) was between 100 and 249. The mean numerical value between 100 and 249 (75) was added to the lower end of the range (100) to obtain an estimated number of 175 persons employed in Hosford by G-P. The Hosford estimate of 175 was then subtracted from 1,300, the total number of G-P employees in Florida, to arrive at the number 1,125 reported herein to be the estimated number of G-P employees in Putnam County during 2012.
- The number of Putnam County Government employees was taken from the *Putnam County Budget Report* for 2011-2012.

Countywide employment information for 2012 was obtained from the State of Florida's report entitled *Local Area Unemployment Statistics by County* accessible on the State of Florida's website, (www.floridajobs.org).

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

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

<u>Function</u>	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
Clerk of the Courts	38	36	35	35	37	38	38	34	34	33
Property Appraiser	22	23	23	23	25	25	25	25	25	25
Supervisor of Elections	5	5	5	6	6	6	6	6	6	6
Tax Collector	27	27	27	27	30	30	30	30	30	31
Other General Government	59	59	61	63	66	66	66	64	63	57
Court Related										
Clerk of Courts	30	33	37	38	40	40	40	33	35	33
Culture & Recreation										
Library	18	18	18	20	20	20	20	21	21	21
Parks and Recreation	6	7	8	11	13	13	13	11	12	12
Economic Environment										
Veterans Services	2	2	2	2	2	2	2	2	2	2
Physical Environment										
Agriculture Extension	7	7	7	7	8	8	8	8	7	7
Public Safety										
Buildings & Inspection	11	11	13	14	17	17	17	19	23	22
Codes Enforcement	3	3	4	5	6	6	6	5	0	0
Emergency Medical Services	60	64	64	72	76	76	76	73	71	70
Fire and Rescue Services (1)	1	2	2	2	10	10	10	12	13	13
Sheriff's Office	217	220	224	231	236	236	236	236	242	242
Transportation										
Administration and Engineering	19	19	20	21	21	21	21	19	19	14
Roads and Bridges	50	50	51	59	59	59	59	59	59	54
Business-Type Activities										
Sanitation	20	20	20	19	21	21	21	21	21	19
Utilities (2)	-	-	-	-	-	-	-	6	6	5
Total FTE'S	595	606	621	655	693	694	694	684	689	666

Sources and notes:

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

(1) Fire Department personnel are supported by approximately 195 active volunteers.

(2) Utilities personnel were added due 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	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Court Related										
New Cases Opened	30,346	24,919	27,912	30,035	26,928	24,640	24,801	25,360	22,148	22,151
Cases Closed	28,809	25,283	26,433	28,212	25,478	20,913	19,270	20,888	18,895	17,929
Culture & Recreation – Library										
Registered Borrowers	29,407	28,315	30,319	32,454	34,472	36,620	38,817	40,710	42,698	44,716
Volumes in Collection	129,819	131,401	131,007	138,329	96,641	128,547	125,232	131,940	134,304	127,941
Volumes Borrowed	116,034	110,532	122,150	117,386	97,600	111,460	109,349	104,558	96,647	92,134
Culture & Recreation – Parks & Recreation										
Program Participants	2,698	3,382	6,610	14,328	16,448	15,906	19,258	17,092	15,358	16,287
Program/Events Offered	53	59	45	57	45	37	41	25	23	24
Economic Environment – Veterans Services										
Claims Processed	1,286	975	1,081	2,566	1,658	1,905	1,969	2,168	1,930	8,296
General Government – Supervisor of Elections										
Registered Voters	41,355	45,989	45,293	44,206	43,019	45,566	49,297	43,773	43,312	43,090
Human Services – Animal Control										
Complaints Answered	7,384	8,395	8,279	7,139	6,913	7,533	6,703	6,541	5,852	2,709
Citations Issued	187	281	317	329	204	207	58	26	19	16
Human Services – Mosquito Control										
Complaints Answered	698	1,095	592	304	274	1,177	685	209	192	928
Nursing Home Verifications	255	118	118	0	0	0	0	0	0	0
HCRA Cases	115	136	174	171	182	166	207	239	179	215
Physical Environment – Solid Waste Control										
Solid Waste Collections (tons)	81,644	103,758	113,113	100,718	96,357	90,482	78,816	73,748	73,071	72,768
Recycling Rate (Recycled Tons/Collected Tons)	27%	22%	25%	30%	30%	30%	29%	34%	33%	30%
Physical Environment – Water & Sewer Utilities										
Water Service Connections	179	235	235	235	235	136	136	1,036	1,192	1,192
Daily Water Consumption (average in gallons)	53,406	70,982	38,247	36,705	42,037	37,465	45,638	176,469	205,100	185,237
Peak Water Consumption (average in gallons)	83,051	120,605	52,550	57,895	66,372	59,933	103,857	269,452	279,044	227,180
Daily Wastewater Treatment (average in gallons)	13,800	12,400	13,000	10,666	9,333	16,809	20,379	118,316	104,116	100,287

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

Notes:

- a. Earlier fiscal year end projected estimates have been updated to actual.
- b. Projected estimates have been calculated when data received was incomplete or inconsistent with the County's fiscal year end.
- c. Increased participation is largely attributable to the opening of a new Senior Citizen Center in fiscal year 2006.
- d. Newly recognized disease/disabilities, along with increased funding and additional benefits has resulted in a significant increase in processed claims.
- e. Nursing home verifications are no longer performed by the County's Human Resources Department.
- f. HCRA (Health Care & Responsibility Act) obligates counties to pay out-of-county health care for county residents that meet eligibility requirements.
- g. East Putnam Regional Water System became operational November 1, 2010 resulting in increases in the number of accounts serviced and related utility activity.

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

OPERATING INDICATORS BY FUNCTION/PROGRAM - LAST TEN FISCAL YEARS

Function/Program	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public Safety – Buildings & Inspections										
Permits Issued: (1) Commercial - New	N/A	N/A	N/A	N/A	h	20	11	7	10	12
(2) Commercial – Existing	90	119	145	109	h	91	430	532	574	362
(3) Residential – New	489	644	700	738	h	623	255	112	134	84
(4) Residential - Existing	3,572	7,649	4,294	6,885	h	7,756	6,026	5,134	4,219	3,304
Inspections	15,861	17,979	26,072	36,913		25,151	20,154	12,256	14,114	10,509
Public Safety – Codes Enforcement										
New Case Opened	1,076	1,094	1,350	1,523		1,646	1,278	970	1,544	1,059
New Case Inspections	4,104	4,371	5,265	4,971		5,574	4,031	2,820	6,003	3,434
Public Safety – EMS & Fire Control										
Ambulatory Transports	8,029	8,675	8,339	8,463		6,693	8,707	8,831	9,516	9,466
Emergency Responses	6,487	8,202	8,053	7,903		8,549	13,686	16,531	17,383	17,155
Fires Serviced	309	364	363	556		635	601	588	618	610
Public Safety – Law Enforcement (Sheriff)										
Violations	2,524	i	2,510	i	2,743	i	3,112	i	3,240	i
Arrests	1,802	i	3,142	i	3,411	i	3,069	i	3,479	i
Transportation/Roads & Bridges										
Roads Graded (miles)	3,495		3,136	3,261		2,722	3,004	3,507	3,568	3,914
Roads Paved/Resurfaced (miles)	15		19	64		56	22	j	8	20
Transportation – Ports & Docks										
Dockage Days	147	193	439	249		282	365	365	365	365

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

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

Public Safety –

1. EMS & Fire Department estimates, shown in the table, are based on data extracted from the State of Florida Fire Marshal Reports for the given calendar years and converted to the County's fiscal year.
2. Putnam County Sheriff's Office violation and arrest data has been taken from Florida's Department of Law Enforcement (FDLE) on-line 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)

- h. Categories were modified effective with FYE 2007 to reflect new and existing commercial and residential permits issued.
- i. Figures have been revised based on newly acquired or better data.
- j. Road paving and resurfacing activity has decreased since FYE 2008 due to limited cash flow.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30 th	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Note(s)
Function/Program											
Court Related											
Courtrooms	3	3	3	3	3	3	3	3	3	3	a
Culture & Recreation – Library											
Library Branches	5	5	5	5	5	5	5	5	5	5	
Culture & Recreation – Parks and Recreation											
Acresage	176	209	212	218	218	211	211	211	1,507	1,507	b
Parks	7	7	7	7	7	9	9	9	9	9	
Baseball/Soccer Fields	22	23	23	23	23	27	27	27	27	27	
Football/Soccer Fields	3	4	5	5	5	4	4	4	4	4	
Community Centers	0	0	1	2	2	2	2	2	2	2	
Tennis Courts	6	6	6	6	6	5	5	5	5	5	
General Government – Supervisor of Elections											
Voting Machines	57	79	99	140	140	140	140	140	140	140	
Physical Environment – Solid Waste Control											
Landfill Capacity Available (tons)	579,727	650,883	479,233	277,208	179,757	124,678	85,849	635,577	478,273	416,155	c
Collection Centers	3	3	3	3	3	3	3	3	3	3	
Public Safety – Emergency Management Services											
Ambulances	9	11	14	16	12	12	13	9	11	13	
Public Safety – Fire Control											
Fire Stations	18	18	18	18	18	18	18	18	18	18	
Fire Trucks	50	52	55	57	55	53	56	56	57	48	
Public Safety – Law Enforcement (Sheriff)											
Patrol Vehicles	72	72	70	70	70	46	64	62	147	164	
Transportations – Roads & Bridges											
Paved Roads (miles)	465	469	482	464	502	528	528	526	525	525	d
Unpaved Roads (miles)	1,210	1,198	1,168	1,180	1,142	1,120	1,115	1,116	1,114	1,110	d

Sources:

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 and/or their internal reports.

Landfill capacity analyses reports, based upon aerial topographical surveys, have been prepared externally by various engineering/consulting firms throughout the years. From these reports, a projected estimate has been calculated for each fiscal year, including the period since the date of the latest report through September 30 (the last date of the fiscal year).

Notes:

- a. An existing County building was renovated for the purpose of providing additional court rooms; those courtrooms became operational in January 2012.
- b. An additional 1,296 acres for park use was acquired in FYE 2011; 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.
- c. Sanitation landfill capacity increased in FYE 2004 due to the acquisition of a compactor and again in FYE 2010 with the addition of a new cell.
- d. 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, 2012, and have issued our report thereon dated March 26, 2013.

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 U.S. Office of Management and Budget Circular A-133. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

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

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(7). 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, 2012, 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, 2012.

Investment of Public Funds

As required by the Rules of the Auditor General, the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. Our audit did not reveal any noncompliance with the provisions of Section 218.415, Florida Statutes.

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.

This management letter is intended solely for the information and use of the Board of County Commissioners and 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.

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.



March 26, 2013
Palatka, Florida

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

The Honorable County Commissioners
Putnam County, Florida

We have audited 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, 2012, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 26, 2013. 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.

Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 12-1.

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

The County's response to the finding identified in our audit accompanies this report. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of County Commissioners and management, and appropriate oversight agencies and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram LLC". The signature is written in a cursive, flowing style.

March 26, 2013
Palatka, Florida

Report on Compliance With Requirements that Could Have a Direct and Material Effect on Each Major Program and Project and on Internal Control Over Compliance

The Honorable County Commissioners
Putnam County, Florida

Compliance

We have audited the compliance of Putnam County, Florida (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, and the requirements described in the State Projects Compliance Supplement, that could have a direct and material effect on each of its major federal programs and state project for the year ended September 30, 2012. The County's major federal programs and state project are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and state project is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, 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. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs and its major state project for the year ended September 30, 2012.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or state project to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 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 the County'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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of County Commissioners and management, and appropriate oversight agencies and is not intended to be and should not be used by anyone other than these specified parties.



March 26, 2013
Palatka, Florida

**Putnam County, Florida
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2012**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

- (i) The independent auditor’s report on the financial statements expressed an unqualified opinion.
- (ii) The audit did not report significant deficiencies in internal control over financial reporting.
- (iii) The audit disclosed noncompliance considered material to the financial statements.
- (iv) The audit did not report significant deficiencies in internal control over major federal programs or the major state project.
- (v) The auditor’s report on compliance for the major federal award programs and the state project expressed an unqualified opinion.
- (vi) The audit did not disclose findings relative to major federal programs or the major state project.
- (vii) The County’s major federal programs and state projects were:

Federal Programs	Federal CFDA Number
Highway Planning and Construction	20.205
Federal Surplus Property	39.003
State Projects	State CSFA Number
Small County Outreach Program	55.009

- (viii) A threshold of \$300,000 was used to distinguish between Type A and Type B programs for federal programs and for state projects.
- (ix) The County qualifies as a low-risk auditee as that term is defined in OMB Circular A-133.

Putnam County, Florida
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2012

SECTION II – FINANCIAL STATEMENT FINDINGS

12-1 *Condition* – Expenditures of the Road Projects Fund, a nonmajor governmental fund, were in excess of the budget. Although funds were received for a particular purpose, the County did not amend the budget for expenditures of the unanticipated grant revenues.

Recommendation – The County should amend its budget for the prior fiscal year within the first 60 days of the ensuing fiscal year for receipts of a nature from a source not anticipated in the budget and received for a particular purpose pursuant to Section 129.06(2)(d), Florida Statutes.

SECTION III – FINDINGS AND QUESTIONED COSTS –
FEDERAL PROGRAMS

Questioned
Costs

-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)
For the Year Ended September 30, 2012**

There were no prior audit findings.



PUTNAM COUNTY

2509 Crill Avenue, Suite 200

PALATKA, FLORIDA 32178-0758

(386) 329-0205

BOARD OF COUNTY COMMISSIONERS

NANCY S. HARRIS
DISTRICT 1

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DISTRICT 2

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DISTRICT 3

ED TAYLOR
DISTRICT 4

E. WALTON PELLICER II
DISTRICT 5

March 26, 2013

The Honorable David W. Martin
Florida Auditor General
P. O. Box 1735
Tallahassee, FL 32302

Dear Mr. Martin:

In accordance with Section 218.39 (8), Florida Statutes, the following statement is submitted in response to the Putnam County Board of County Commissioners Audit Report for the fiscal year ending September 30, 2012. The response is keyed to the numbering in the Financial Statement Findings.

12-1 Controls have been added to assure that budget to actual figures for all funds receiving grant revenues are monitored on a regular basis, allowing for the passage of an amending budget resolution in a timely manner.

Sincerely,

A handwritten signature in cursive script that reads "Chip Laibl".

Chip Laibl
Vice Chairman Board of County Commissioners

Putnam County, Florida

Putnam County, Florida (the County) encompasses approximately 827 square miles of land and is positioned geographically in Northeast Florida, between Gainesville on the west and Jacksonville to the northeast. At the time the County was founded in January 1849, it was created from parts of Alachua, Marion, Orange, St. Johns and Duval counties. The County has subsequently developed into three incorporated townships, Interlachen, Pomona Park and Welaka, as well as two incorporated cities, Crescent City and the City of Palatka. Approximately 80% of the County's residents, however, live in unincorporated areas.

Palatka was established as the County Seat in January 1853. Located on the St. Johns River, it was once a major water transportation and commerce center prior to the fire of 1884 which destroyed the majority of the downtown river front area. The downtown river area has been redeveloped and is, now, primarily used for recreational boating and fishing. Having served as host for annual fishing tournaments, Palatka, on the St. Johns River, has been touted by some as being the "Bass Fishing Capital of the World."

A "small town or community" atmosphere pervades countywide. The County is home to a number of regionally well known events, such as the Azalea, Catfish, Blue Crab, and Blueberry Festivals. Visitors, as well as residents, enjoy the arts and crafts, as well as the music and food that enhance the festivities, bringing good fun and fellowship to young and old alike.

The County has seen relatively slow growth in its populous since 1990. From 1980 to 1990, the population increased 28.7%, but then slowed to 8.2% from 1990 to 2000, followed by 5.6% from 2000 to 2010. The last census, conducted in 2010, reported that Putnam County had 74,364 residents. It is now expected that the number of residents totals 73,158. In 2012, it was reported that 32,157 people, or an estimated 44% of the residents in Putnam County, represented the employable workforce. Unemployment averaged 11% during the calendar year 2012. Of those employed approximately 24% worked in governmental jobs, 20% in trade, transportation and utilities, 13% in education and health services, and another 12% in manufacturing, for an estimated 69% of the County's job market.

The County is governed by an elected board of five (5) Commissioners, with other elected officials – the Clerk of Courts, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections - having their own offices of responsibility. All are elected to four-year terms of office. The Tax Collector is a "fee officer," i.e. the operations of the Tax Collector are fully funded by fees collected during the performance of his/her duties. The Clerk of the Courts (Clerk) is funded by budgeted support from the Board of County Commissioners (the Board) for services rendered to the Board by the Clerk, as well as Legislative appropriations. The remaining elected officials may collect minimal fees for certain services, however, normally receive complete funding from the Board through the County's annual operating budget. Excess fees and/or Board budgeted funds remaining at the end of the fiscal year revert to the Board to carry over for use in the following year. State appropriations received by the Clerk in excess of budgeted expenditures revert to the State.

