

ANNUAL FINANCIAL REPORT
PUTNAM COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2018



DIVISION OF LOCAL GOVERNMENT AUDIT



**ANNUAL FINANCIAL REPORT
PUTNAM COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2018**

***COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON***

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This financial report is available at www.comptroller.tn.gov

PUTNAM COUNTY, TENNESSEE
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Summary of Audit Findings

Annual Financial Report
Putnam County, Tennessee
For the Year Ended June 30, 2018

Scope

We have audited the basic financial statements of Putnam County as of and for the year ended June 30, 2018.

Results

Our report on Putnam County's financial statements is unmodified.

Our audit resulted in no findings.

INTRODUCTORY SECTION

Putnam County Officials
June 30, 2018

Officials

Randy Porter, County Executive
Randy Jones, Road Supervisor
Jerry Boyd, Director of Schools
Freddie Nelson, Trustee
Steve Pierce, Assessor of Property
Wayne Nabors, County Clerk
Marcia Borys, Circuit, General Sessions, and Juvenile Courts Clerk
Linda Reeder, Clerk and Master
Harold Burris, Register of Deeds
Eddie Farris, Sheriff

Board of County Commissioners

Mike Atwood, Chairman	Jim Martin
Cindy Adams	Michael Medley
Larry Bennett	Danny Morphew
Marsha Bowman	Jimmy Neal
Kim Bradford	Larry Redwine
Donny Buttram	Cathy Reel
Chris Cassetty	Jerry Roberson
Bob Duncan	Ben Rodgers
Scott Ebersole	Chris Savage
Jerry Ford	Tom Short
Danny Holmes	Bobby Williams
Jordan Iwanyszyn	Benton Young

Board of Education

Kim Cravens, Chairman	Jerry Maynard
Dr. Dawn Fry	David McCormick
Celeste Gammon	Lynn McHenry

Audit Committee

Robert Duncan, Chairman	
Mike Atwood	Jim Martin
Danny Brooks	Ben Rodgers
William Clark	Sam Sandlin

FINANCIAL SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Independent Auditor's Report

Putnam County Executive and
Board of County Commissioners
Putnam County, Tennessee

To the County Executive and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Putnam County, Tennessee, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Change in Accounting Principle

As described in Note V.B., Putnam County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.9. to the financial statements, which describes restatements increasing the beginning net position of the Governmental Activities of the Primary Government by \$410,702 and decreasing the beginning net position of the of discretely presented Putnam County School Department by \$8,339,076, on the Government-wide Statement of Activities. These restatements were necessary because of the transitional requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedule of county and school contributions, schedule of school's proportionate share of the net pension liability, and schedules of county and school changes in the total OPEB liability and related ratios on pages 94-102 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Putnam County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), miscellaneous schedules and the other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

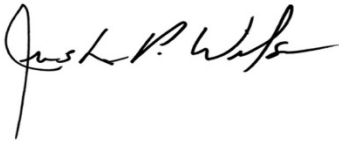
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2018, on our consideration of Putnam County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Putnam County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Putnam County’s internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 19, 2018

JPW/kp

BASIC FINANCIAL STATEMENTS

Exhibit A

Putnam County, Tennessee
Statement of Net Position
June 30, 2018

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Putnam County School Department</u>
<u>ASSETS</u>		
Cash	\$ 3,201	\$ 0
Equity in Pooled Cash and Investments	35,803,411	10,728,090
Inventories	0	49,791
Accounts Receivable	2,051,404	12,507
Allowance for Uncollectibles	(32,851)	0
Due from Other Governments	2,872,415	6,883,639
Due From Component Units	2,347,584	0
Due From Primary Government	0	42,778
Property Taxes Receivable	28,188,341	14,094,170
Allowance for Uncollectible Property Taxes	(574,345)	(287,173)
Prepaid Items	892	0
Net Pension Asset - Teacher Retirement Plan	0	183,912
Net Pension Asset - Teacher Legacy Plan	0	352,264
Assets Not Depreciated:		
Land	5,833,833	5,129,273
Intangibles - Indefinite Life	4,840,504	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	23,698,585	157,922,407
Infrastructure	26,599,259	0
Other Capital Assets	5,672,088	2,917,825
Total Assets	<u>\$ 137,304,321</u>	<u>\$ 198,029,483</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Amount on Refunding	\$ 1,837,056	\$ 0
Pension Changes in Experience	831,614	748,050
Pension Changes in Assumptions	1,120,727	3,712,851
Pension Changes in Investment Earnings	0	53,473
Pension Changes in Contributions after Measurement Date	2,048,995	4,914,369
Pension Changes in Other Deferrals	0	443,539
OPEB Contributions After Measurement Date	0	511,025
Total Deferred Outflows of Resources	<u>\$ 5,838,392</u>	<u>\$ 10,383,307</u>

(Continued)

Exhibit A

Putnam County, Tennessee
Statement of Net Position (Cont.)

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Putnam County School Department</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 240,257	\$ 374,298
Accrued Payroll	0	608,504
Payroll Deductions Payable	136,315	1,031,930
Due to Primary Government	0	2,347,584
Due to Component Units	32,943	0
Due to State of Tennessee	14,943	0
Due to Litigants, Heirs, and Others	45,028	0
Claims and Judgments Payable	1,081,559	0
Accrued Interest Payable	1,284,632	0
Matured Bonds Payable	15,000	0
Noncurrent Liabilities:		
Due Within One Year	7,879,547	208,687
Due in More Than One Year	133,424,120	10,324,017
Total Liabilities	<u>\$ 144,154,344</u>	<u>\$ 14,895,020</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Revenue - Current Property Taxes	\$ 27,111,037	\$ 13,555,519
Pension Changes in Experience	294,742	7,473,999
Pension Changes in Investment Earnings	21,589	23,633
Pension Changes in Other Deferrals	0	153,597
OPEB Changes in Assumptions	0	356,289
Total Deferred Inflows of Resources	<u>\$ 27,427,368</u>	<u>\$ 21,563,037</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 46,689,269	\$ 165,969,505
Restricted for:		
General Government	342,667	0
Finance	78,666	0
Administration of Justice	473,288	0
Public Safety	273,507	0
Highways/Public Works	1,772,669	0
Education	0	1,511,421
Pensions	0	536,176
Unrestricted	<u>(78,069,065)</u>	<u>3,937,631</u>
Total Net Position	<u>\$ (28,438,999)</u>	<u>\$ 171,954,733</u>

The notes to the financial statements are an integral part of this statement.

Exhibit B

Putnam County, Tennessee
Statement of Activities
For the Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues			Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Component Unit
						Putnam County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 8,685,729	\$ 1,778,104	\$ 25,863	\$ 10,215	\$ (6,871,547)	\$ 0
Finance	1,889,712	2,478,950	49,302	0	638,540	0
Administration of Justice	3,518,051	2,161,733	519,965	0	(836,353)	0
Public Safety	13,323,708	2,552,954	744,380	335,667	(9,690,707)	0
Public Health and Welfare	12,705,198	6,265,460	2,082,391	0	(4,357,347)	0
Social, Cultural, and Recreational Services	2,062,103	137,313	19,207	0	(1,905,583)	0
Agriculture and Natural Resources	333,528	0	17,094	0	(316,434)	0
Highways/Public Works	6,220,478	963	2,670,493	125,677	(3,423,345)	0
Education	308,979	807,456	725	0	499,202	0
Interest on Long-term Debt	5,479,305	0	0	0	(5,479,305)	0
Total Primary Government	\$ 54,526,791	\$ 16,182,933	\$ 6,129,420	\$ 471,559	\$ (31,742,879)	\$ 0
Component Units:						
School Department	\$ 101,346,652	\$ 2,517,373	\$ 11,750,473	\$ 4,535	\$ 0	\$ (87,074,271)
Total Component Unit	\$ 101,346,652	\$ 2,517,373	\$ 11,750,473	\$ 4,535	\$ 0	\$ (87,074,271)

(Continued)

Exhibit B

Putnam County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Component Unit
						Putnam County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 20,004,390	\$ 14,983,378
Property Taxes Levied for Debt Service					9,963,527	0
Local Option Sales Taxes					7,278,239	16,999,992
Hotel/Motel Tax					1,661,689	0
Litigation Taxes					318,890	0
Business Tax					1,396,871	0
Mineral Severance Tax					193,586	0
Wholesale Beer Tax					164,709	0
Other Local Taxes					0	0
Grants and Contributions Not Restricted to Specific Programs					1,984,546	55,063,289
Unrestricted Investment Earnings					543,353	3,633
Miscellaneous					343,868	69,673
Amortized Premium					853,298	0
Total General Revenues					<u>\$ 44,706,966</u>	<u>\$ 87,303,894</u>
Transfers to Fiduciary Funds					\$ (36,078)	\$ 0
Change in Net Position					\$ 12,928,009	\$ 229,623
Net Position, July 1, 2017					(41,777,710)	180,064,186
Restatement - See Note I.D.9.					410,702	(8,339,076)
Net Position, June 30, 2018					<u>\$ (28,438,999)</u>	<u>\$ 171,954,733</u>

The notes to the financial statements are an integral part of this statement.

Exhibit C-1

Putnam County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2018

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>General Debt Service</u>	<u>Funds Other Govern- mental Funds</u>	
<u>ASSETS</u>				
Cash	\$ 100	\$ 0	\$ 3,101	\$ 3,201
Equity in Pooled Cash and Investments	15,263,197	11,472,910	7,479,191	34,215,298
Accounts Receivable	1,734,175	93,772	223,457	2,051,404
Allowance for Uncollectibles	0	0	(32,851)	(32,851)
Due from Other Governments	1,088,597	1,299,711	484,107	2,872,415
Due from Other Funds	3,101	0	0	3,101
Property Taxes Receivable	13,087,444	9,370,300	5,730,597	28,188,341
Allowance for Uncollectible Property Taxes	(266,661)	(190,923)	(116,761)	(574,345)
Prepaid Items	892	0	0	892
Total Assets	<u>\$ 30,910,845</u>	<u>\$ 22,045,770</u>	<u>\$ 13,770,841</u>	<u>\$ 66,727,456</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 101,998	\$ 250	\$ 138,009	\$ 240,257
Payroll Deductions Payable	136,315	0	0	136,315
Due to Other Funds	0	0	3,101	3,101
Due to Component Units	32,943	0	0	32,943
Due to State of Tennessee	14,943	0	0	14,943
Due to Litigants, Heirs, and Others	0	0	45,028	45,028
Matured Bonds Payable	0	15,000	0	15,000
Total Liabilities	<u>\$ 286,199</u>	<u>\$ 15,250</u>	<u>\$ 186,138</u>	<u>\$ 487,587</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 12,587,268	\$ 9,012,186	\$ 5,511,583	\$ 27,111,037

(Continued)

Exhibit C-1

Putnam County, Tennessee
Balance Sheet
Governmental Funds (Cont.)

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>				
Deferred Delinquent Property Taxes	\$ 215,472	\$ 154,271	\$ 96,697	\$ 466,440
Other Deferred/Unavailable Revenue	1,286,761	608,751	220,924	2,116,436
Total Deferred Inflows of Resources	<u>\$ 14,089,501</u>	<u>\$ 9,775,208</u>	<u>\$ 5,829,204</u>	<u>\$ 29,693,913</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Prepaid Items	\$ 892	\$ 0	\$ 0	\$ 892
Restricted:				
Restricted for General Government	104,783	0	237,884	342,667
Restricted for Finance	78,666	0	0	78,666
Restricted for Administration of Justice	473,288	0	0	473,288
Restricted for Public Safety	55,095	0	218,412	273,507
Restricted for Highways/Public Works	0	0	1,649,787	1,649,787
Committed:				
Committed for Public Health and Welfare	0	0	1,446,892	1,446,892
Committed for Social, Cultural, and Recreational Services	118,783	0	385,422	504,205
Committed for Agriculture and Natural Resources	5,749	0	0	5,749
Committed for Other Operations	0	0	803,717	803,717
Committed for Debt Service	0	12,255,312	0	12,255,312
Committed for Capital Projects	0	0	1,406,795	1,406,795
Committed for Other Purposes	20,000	0	0	20,000
Assigned:				
Assigned for General Government	93,812	0	0	93,812
Assigned for Finance	31,841	0	0	31,841
Assigned for Administration of Justice	1,064	0	0	1,064

(Continued)

Exhibit C-1

Putnam County, Tennessee
Balance Sheet
Governmental Funds (Cont.)

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>General</u>	<u>Funds</u>	
		<u>Debt</u>	<u>Other</u>	<u>Governmental</u>
		<u>Service</u>	<u>Governmental</u>	<u>Funds</u>
			<u>Funds</u>	<u>Funds</u>
<u>FUND BALANCES (Cont.)</u>				
Assigned (Cont.):				
Assigned for Public Safety	\$ 71,699	\$ 0	\$ 0	\$ 71,699
Assigned for Public Health and Welfare	288,282	0	163,713	451,995
Assigned for Social, Cultural, and Recreational Services	0	0	22,572	22,572
Assigned for Other Operations	9,303	0	0	9,303
Assigned for Capital Projects	0	0	1,420,305	1,420,305
Unassigned	15,181,888	0	0	15,181,888
Total Fund Balances	<u>\$ 16,535,145</u>	<u>\$ 12,255,312</u>	<u>\$ 7,755,499</u>	<u>\$ 36,545,956</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 30,910,845</u>	<u>\$ 22,045,770</u>	<u>\$ 13,770,841</u>	<u>\$ 66,727,456</u>

The notes to the financial statements are an integral part of this statement.

Exhibit C-2

Putnam County, Tennessee
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
June 30, 2018

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 36,545,956
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 5,833,833	
Add: intangible assets	4,840,504	
Add: buildings and improvements net of accumulated depreciation	23,698,585	
Add: infrastructure net of accumulated depreciation	26,599,259	
Add: other capital assets net of accumulated depreciation	<u>5,672,088</u>	66,644,269
(2) The internal service fund is used by management to charge the cost of liability and workers' compensation insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		506,554
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	\$ (125,315,000)	
Less: other loans payable	(2,347,584)	
Add: debt to be contributed by the School Department	2,347,584	
Less: landfill postclosure care costs	(243,029)	
Less: compensated absences payable	(797,662)	
Less: accrued interest on bonds	(1,284,632)	
Less: unamortized premium on debt	(8,751,620)	
Add: deferred amount on refunding	1,837,056	
Less: net OPEB liability	(491,665)	
Less: net pension liability	<u>(3,357,107)</u>	(138,403,659)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 4,001,336	
Less: deferred inflows of resources related to pensions	<u>(316,331)</u>	3,685,005
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>2,582,876</u>
Net position of governmental activities (Exhibit A)		<u>\$ (28,438,999)</u>

The notes to the financial statements are an integral part of this statement.

Exhibit C-3

Putnam County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2018

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 16,064,074	\$ 18,313,899	\$ 7,163,700	\$ 41,541,673
Licenses and Permits	573,560	0	0	573,560
Fines, Forfeitures, and Penalties	530,074	0	25,964	556,038
Charges for Current Services	4,932,555	0	1,463,909	6,396,464
Other Local Revenues	2,073,957	38,424	412,334	2,524,715
Fees Received From County Officials	4,339,184	0	0	4,339,184
State of Tennessee	5,069,760	0	2,687,381	7,757,141
Federal Government	1,128,256	0	149,624	1,277,880
Other Governments and Citizens Groups	643,644	161,400	15,304	820,348
Total Revenues	<u>\$ 35,355,064</u>	<u>\$ 18,513,723</u>	<u>\$ 11,918,216</u>	<u>\$ 65,787,003</u>
<u>Expenditures</u>				
Current:				
General Government	\$ 4,695,064	\$ 0	\$ 2,875,494	\$ 7,570,558
Finance	2,049,240	0	0	2,049,240
Administration of Justice	3,420,773	0	30	3,420,803
Public Safety	12,994,247	0	163,641	13,157,888
Public Health and Welfare	8,045,846	0	4,694,860	12,740,706
Social, Cultural, and Recreational Services	550,648	0	1,091,361	1,642,009
Agriculture and Natural Resources	331,757	0	0	331,757
Other Operations	1,378,309	0	615,946	1,994,255
Highways	0	0	5,663,268	5,663,268
Debt Service:				
Principal on Debt	0	6,910,675	0	6,910,675
Interest on Debt	0	5,487,949	0	5,487,949
Other Debt Service	0	430,037	5,465	435,502

(Continued)

Exhibit C-3

Putnam County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds (Cont.)

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>				
Capital Projects - Donated	\$ 0	\$ 0	\$ 2,342,119	\$ 2,342,119
Total Expenditures	\$ 33,465,884	\$ 12,828,661	\$ 17,452,184	\$ 63,746,729
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,889,180	\$ 5,685,062	\$ (5,533,968)	\$ 2,040,274
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 0	\$ 13,455,000	\$ 0	\$ 13,455,000
Premiums on Debt Sold	0	969,166	0	969,166
Other Loans Issued	0	0	2,347,584	2,347,584
Transfers In	0	0	3,882,052	3,882,052
Transfers Out	(182,052)	(3,700,000)	(36,078)	(3,918,130)
Payments to Refunded Debt Escrow Agent	0	(15,088,521)	0	(15,088,521)
Total Other Financing Sources (Uses)	\$ (182,052)	\$ (4,364,355)	\$ 6,193,558	\$ 1,647,151
Net Change in Fund Balances	\$ 1,707,128	\$ 1,320,707	\$ 659,590	\$ 3,687,425
Fund Balance, July 1, 2017	14,828,017	10,934,605	7,095,909	32,858,531
Fund Balance, June 30, 2018	\$ 16,535,145	\$ 12,255,312	\$ 7,755,499	\$ 36,545,956

The notes to the financial statements are an integral part of this statement.

Exhibit C-4

Putnam County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2018

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 3,687,425
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,667,736	
Less: current-year depreciation expense	<u>(2,588,427)</u>	(920,691)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Add: assets donated and capitalized	308,998	
Less: book value of capital assets disposed	<u>(235,629)</u>	73,369
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2018	\$ 2,582,876	
Less: deferred delinquent property taxes and other deferred June 30, 2017	<u>(2,615,204)</u>	(32,328)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Less: refunding bond proceeds	\$ (13,455,000)	
Add: bonds refunded	14,800,000	
Add: other loan proceeds contributed to the school department	2,347,584	
Less: other loan proceeds	(2,347,584)	
Less: change in premium on debt issuances	(115,868)	
Add: change in deferred amount on refunding	807,232	
Less: principal contribution on capital leases by the School Department	(160,675)	
Add: principal payments on bonds	6,750,000	
Add: principal payments on capital leases	<u>160,675</u>	8,786,364
(5) 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.		
Change in accrued interest payable	\$ 8,644	
Change in landfill postclosure care costs	36,070	
Change in compensated absences payable	13,183	
Change in net OPEB liability (net of restatement)	(39,121)	
Change in net pension asset - agent plan	1,126,734	
Change in deferred outflows related to pensions	(350,748)	
Change in deferred inflows related to pensions	<u>112,207</u>	906,969
(6) The internal service fund is used by management to charge the cost of liability and workers' compensation insurance to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>426,901</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 12,928,009</u>

The notes to the financial statements are an integral part of this statement.

Exhibit C-5

Putnam County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 16,064,074	\$ 0	\$ 0	\$ 16,064,074	\$ 15,824,750	\$ 15,818,750	\$ 245,324
Licenses and Permits	573,560	0	0	573,560	460,000	460,000	113,560
Fines, Forfeitures, and Penalties	530,074	0	0	530,074	502,400	502,400	27,674
Charges for Current Services	4,932,555	0	0	4,932,555	4,724,500	4,744,500	188,055
Other Local Revenues	2,073,957	0	0	2,073,957	1,420,000	1,632,541	441,416
Fees Received From County Officials	4,339,184	0	0	4,339,184	3,960,000	3,960,000	379,184
State of Tennessee	5,069,760	0	0	5,069,760	5,254,568	5,132,102	(62,342)
Federal Government	1,128,256	0	0	1,128,256	627,204	1,115,751	12,505
Other Governments and Citizens Groups	643,644	0	0	643,644	467,500	467,500	176,144
Total Revenues	\$ 35,355,064	\$ 0	\$ 0	\$ 35,355,064	\$ 33,240,922	\$ 33,833,544	\$ 1,521,520
Expenditures							
General Government							
County Commission	\$ 143,671	\$ 0	\$ 4,844	\$ 148,515	\$ 155,600	\$ 163,767	\$ 15,252
Beer Board	1,591	0	0	1,591	1,940	2,031	440
County Mayor/Executive	427,871	0	1,086	428,957	336,841	435,571	6,614
County Attorney	190,301	0	0	190,301	167,000	190,400	99
Election Commission	445,597	(820)	751	445,528	407,637	501,347	55,819
Register of Deeds	287,039	0	0	287,039	230,814	304,324	17,285
Codes Compliance	233,344	0	0	233,344	220,750	263,622	30,278
Geographical Information Systems	5,991	(158)	615	6,448	21,000	21,000	14,552
County Buildings	2,699,971	(25,672)	79,885	2,754,184	2,393,885	2,873,266	119,082
Other Facilities	259,688	(15,236)	6,630	251,082	244,200	280,129	29,047
Finance							
Property Assessor's Office	457,785	(27)	0	457,758	351,997	472,574	14,816
County Trustee's Office	464,792	0	65	464,857	369,413	484,166	19,309
County Clerk's Office	909,996	(200)	2,764	912,560	663,817	933,965	21,405
Other Finance	216,667	(357)	29,012	245,322	209,000	255,350	10,028
Administration of Justice							
Circuit Court	1,545,063	(11,897)	0	1,533,166	1,182,172	1,565,794	32,628

(Continued)

Exhibit C-5

Putnam County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice (Cont.)</u>							
General Sessions Court	\$ 481,631	\$ (80)	\$ 64	\$ 481,615	\$ 407,077	\$ 492,014	\$ 10,399
Drug Court	225,463	(580)	133	225,016	185,164	290,173	65,157
Chancery Court	382,622	(468)	457	382,611	305,581	401,218	18,607
Juvenile Court	353,330	(902)	411	352,839	259,550	359,820	6,981
District Attorney General	106,330	(137)	0	106,193	86,245	113,366	7,173
Judicial Commissioners	111,875	0	0	111,875	84,660	116,731	4,856
Other Administration of Justice	53,890	0	0	53,890	46,050	60,553	6,663
Probation Services	15,208	0	0	15,208	20,400	20,400	5,192
Courtroom Security	49,357	0	0	49,357	0	49,450	93
Victim Assistance Programs	96,004	0	0	96,004	82,630	99,593	3,589
<u>Public Safety</u>							
Sheriff's Department	6,583,174	(19,850)	4,242	6,567,566	4,831,645	6,704,771	137,205
Jail	3,740,442	(14,330)	30,817	3,756,929	3,218,830	3,936,093	179,164
Workhouse	125,972	(500)	68	125,540	88,106	126,452	912
Juvenile Services	702,792	0	252	703,044	559,572	752,112	49,068
Commissary	207,939	(3,065)	5,652	210,526	220,000	220,000	9,474
Fire Prevention and Control	835,700	(87,711)	3,158	751,147	626,003	782,592	31,445
Civil Defense	296,957	0	861	297,818	237,979	300,153	2,335
Other Emergency Management	360,441	(103,382)	2,172	259,231	379,824	379,824	120,593
County Coroner/Medical Examiner	140,830	(54,674)	24,475	110,631	141,900	145,394	34,763
<u>Public Health and Welfare</u>							
Local Health Center	449,367	(106,175)	14,182	357,374	277,173	413,704	56,330
Ambulance/Emergency Medical Services	5,723,410	(162,714)	242,254	5,802,950	4,459,750	5,923,431	120,481
Other Local Health Services	34,580	(4,514)	16,001	46,067	49,800	50,601	4,534
General Welfare Assistance	10,000	0	0	10,000	10,000	10,000	0
Aid to Dependent Children	0	0	0	0	8,000	8,000	8,000
Other Public Health and Welfare	1,828,489	(1,151)	15,846	1,843,184	1,569,600	2,107,367	264,183
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	74,170	0	0	74,170	74,170	74,170	0

(Continued)

Exhibit C-5

Putnam County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Social, Cultural, and Recreational Services (Cont.)</u>							
Libraries	\$ 459,256	\$ 0	\$ 0	\$ 459,256	\$ 456,675	\$ 459,259	\$ 3
Parks and Fair Boards	5,222	0	0	5,222	5,354	5,354	132
Other Social, Cultural, and Recreational	12,000	0	0	12,000	12,000	12,000	0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	252,296	0	0	252,296	235,835	254,699	2,403
Forest Service	1,500	0	0	1,500	1,500	1,500	0
Soil Conservation	77,961	0	0	77,961	52,900	81,585	3,624
<u>Other Operations</u>							
Housing and Urban Development	88,599	0	0	88,599	0	88,599	0
Airport	28,000	0	0	28,000	28,000	28,000	0
Veterans' Services	86,252	0	0	86,252	78,013	89,930	3,678
Contributions to Other Agencies	334,753	0	0	334,753	270,558	343,890	9,137
Employee Benefits	0	0	0	0	7,054,000	539,120	539,120
Miscellaneous	840,705	(6,527)	9,304	843,482	1,608,165	1,167,227	323,745
Total Expenditures	\$ 33,465,884	\$ (621,127)	\$ 496,001	\$ 33,340,758	\$ 34,988,775	\$ 35,756,451	\$ 2,415,693
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,889,180	\$ 621,127	\$ (496,001)	\$ 2,014,306	\$ (1,747,853)	\$ (1,922,907)	\$ 3,937,213
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (182,052)	\$ 0	\$ 0	\$ (182,052)	\$ (50,000)	\$ (182,052)	\$ 0
Total Other Financing Sources	\$ (182,052)	\$ 0	\$ 0	\$ (182,052)	\$ (50,000)	\$ (182,052)	\$ 0
Net Change in Fund Balance	\$ 1,707,128	\$ 621,127	\$ (496,001)	\$ 1,832,254	\$ (1,797,853)	\$ (2,104,959)	\$ 3,937,213
Fund Balance, July 1, 2017	14,828,017	(621,127)	0	14,206,890	13,988,276	13,988,276	218,614
Fund Balance, June 30, 2018	\$ 16,535,145	\$ 0	\$ (496,001)	\$ 16,039,144	\$ 12,190,423	\$ 11,883,317	\$ 4,155,827

The notes to the financial statements are an integral part of this statement.

Exhibit D-1

Putnam County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2018

Governmental
 Activities -
 Internal Service
 Fund

 Self-
 Insurance
 Fund

ASSETS

Current Assets:

Equity in Pooled Cash and Investments	\$ 1,588,113
Total Assets	<u>\$ 1,588,113</u>

LIABILITIES

Current Liabilities:

Claims and Judgments Payable	\$ 1,081,559
Total Liabilities	<u>\$ 1,081,559</u>

NET POSITION

Net Position - Unrestricted	<u>\$ 506,554</u>
Total Net Position	<u><u>\$ 506,554</u></u>

The notes to the financial statements are an integral part of this statement.

Exhibit D-2

Putnam County, Tennessee
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2018

	Governmental Activities - Internal Service Fund
	<u>Self-Insurance Insurance Fund</u>
<u>Operating Revenues</u>	
Self-Insurance Premiums/Contributions	\$ 1,524,077
Refunds	3,610
Total Operating Revenues	<u>\$ 1,527,687</u>
<u>Operating Expenses</u>	
General Government	\$ 2,208
Public Safety	319,241
Public Health and Welfare	196,531
Social, Cultural, and Recreational Services	22,537
Other Operations	52,959
Highways	206,976
Education - Support Services	308,979
Total Operating Expenses	<u>\$ 1,109,431</u>
Operating Income (Loss)	<u>\$ 418,256</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 8,645
Total Nonoperating Revenue	<u>\$ 8,645</u>
Change in Net Position	\$ 426,901
Net Position, July 1, 2017	<u>79,653</u>
Net Position, June 30, 2018	<u><u>\$ 506,554</u></u>

The notes to the financial statements are an integral part of this statement.

Exhibit D-3

Putnam County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2018

	Governmental Activities - Internal Service Fund <hr/> Self-Insurance Insurance Fund <hr/>
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-insurance Premiums	\$ 1,524,077
Receipts for Refunds	3,610
Payments for Administrative Costs and Premiums	(113,363)
Payments for Claims	(490,384)
Payments for Legal Costs	(235,968)
Payments for Other Charges	(11,900)
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ 676,072 <hr/>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	\$ 8,645
Net Cash Provided By (Used In) Investing Activities	<hr/> \$ 8,645 <hr/>
Net Increase (Decrease) in Cash	\$ 684,717
Cash, July 1, 2017	<hr/> 903,396 <hr/>
Cash, June 30, 2018	<hr/> \$ 1,588,113 <hr/>
<u>Reconciliation of Net Operating Income to Net Cash</u>	
<u>Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 418,256
Adjustments to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:	
Change in Assets and Liabilities:	
Increase (Decrease) in Claims and Judgments Payable	<hr/> 257,816 <hr/>
Net Cash Provided By (Used In) Operating Activities	<hr/> \$ 676,072 <hr/>

The notes to the financial statements are an integral part of this statement.

Exhibit E

Putnam County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2018

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 3,169,431
Equity in Pooled Cash and Investments	216,211
Due from Other Governments	<u>2,741,037</u>
Total Assets	<u>\$ 6,126,679</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 2,737,093
Due to Litigants, Heirs, and Others	3,268,795
Due to Joint Ventures	<u>120,791</u>
Total Liabilities	<u>\$ 6,126,679</u>

The notes to the financial statements are an integral part of this statement.

PUTNAM COUNTY, TENNESSEE

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PUTNAM COUNTY, TENNESSEE
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PUTNAM COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Putnam County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Putnam County:

A. Reporting Entity

Putnam County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Putnam County (the primary government) and its component units. The financial statements of the Putnam County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

Discretely Presented Component Units – The following entities meet the criteria for discretely presented component units of the county. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the county.

The Putnam County School Department operates the public school system in the county, and the voters of Putnam County elect its board. The School Department is fiscally dependent on the county because it may not issue debt without county approval, and its budget and property tax levy are subject to the County Commission's approval. The School Department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Putnam County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Putnam County, and the Putnam County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval. The financial statements of the Putnam County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Putnam County School Department does not issue separate financial statements from those of the county. Therefore, the basic financial statements of the Putnam County School Department are included in this report as listed in the table of contents. Complete financial statements of the Putnam County Emergency Communications District can be obtained from their administrative offices at the following address:

Administrative Offices:

Putnam County Emergency
Communications District
700 County Service Drive
Cookeville, TN 38501

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in the government-wide financial statements. However, the primary government of Putnam County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Putnam County School Department component unit only reports governmental activities in the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Putnam County issues all debt for the discretely presented Putnam County School Department. Net debt issues totaling \$2,342,119 were contributed by the county to the School Department during the year ended June 30, 2018.

Separate financial statements are provided for governmental funds, proprietary funds (internal service), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary funds financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements of Putnam County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Putnam County reports one proprietary fund, an internal service fund. It has no enterprise funds to report.

Separate financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service fund and the fiduciary funds in total are reported in single columns by fund type.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Putnam County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the

related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

Proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus, except for agency funds, which have no measurement focus, and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Putnam County reports the following major governmental funds:

General Fund – This is the county’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

General Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Additionally, Putnam County reports the following fund types:

Special Revenue Funds – These funds 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.

Capital Projects Funds – These funds account for and report financial resources used for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Internal Service Fund – The Self-Insurance Fund accounts for the self-insured general liability, automobile liability, property, casualty, and workers’ compensation programs managed by the county for the primary government and the discretely presented Putnam County School Department.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers; local sales taxes received from the state to be forwarded to the various cities in Putnam County; and federal and state grants and other restricted revenues held for the benefit of the regional planning office, the Judicial District Drug Task Force, and the Office of District Attorney General. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Putnam County School Department reports the following major governmental fund:

General Purpose School Fund – This fund is the primary operating fund for the School Department. It is used to account for general operations of the School Department.

Additionally, the Putnam County School Department reports the following fund types:

Special Revenue Funds – These funds 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.

Education Capital Projects Fund – This fund is used to account for the receipt of debt issued by Putnam County and contributed to the School Department for building construction and renovations.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, to account for the operations of the county's self-insurance program. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's internal service fund are self-insurance premiums/contributions. Operating expenses for the internal service fund include insurance, legal fees, and claims.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resource, and Net Position/Fund Balance

1. Deposits and Investments

For purposes of the Statement of Cash Flows, cash includes cash with the county trustee.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all Putnam County funds and the Putnam County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General and General Debt Service funds. Putnam County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value.

2. Receivables and Payables

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

All ambulance service, solid waste collections, and property taxes receivable are shown with an allowance for uncollectibles. Ambulance and solid waste receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to one percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are

recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

Most payables are disaggregated on the face of the financial statements.

3. Inventories and Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. Prepaids are offset in the nonspendable fund balance account in governmental funds.

Inventories of the discretely presented School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

4. Capital Assets

Governmental funds do not capitalize the cost of capital outlays; these funds report capital outlays as expenditures upon acquisition.

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are

reported in the governmental column in the government-wide financial statements. Capital assets are defined by the primary government as assets with an initial, individual cost of \$15,000 (infrastructure \$35,000) or more and an estimated useful life of more than one year. Capital assets are defined by the discretely presented Putnam County School Department as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, and infrastructure of the primary government and the discretely presented School Department are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
<u>Primary Government</u>	
Buildings and Improvements	50
Other Capital Assets	5 - 20
Infrastructure:	
Roads	40
Bridges	40
<u>School Department</u>	
Buildings and Improvements	40

5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for deferred amount on refunding, pension changes in experience, changes in assumptions, changes in investment earnings, employer contributions made to the pension plan after the

measurement date, changes in proportionate share of contributions, and employer contributions made to the OPEB plan after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes, pension changes in experience, changes in investment earnings, changes in proportionate share of contributions, OPEB changes in assumptions, and various receivables for revenues, which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

Primary Government

Generally, the policies of the various departments of Putnam County allow for the accumulation of vacation beyond year-end of up to ten days. Sick leave is granted at a rate of one day per month. Employees of the county do not have a limit on the number of sick days that can be accumulated. Upon termination of employment for any purpose other than retirement, all unused sick leave will be forfeited. Upon retirement, employees have the option of applying accumulated sick leave toward retirement in the Tennessee Consolidated Retirement System or receiving a lump sum payment of \$50 per day for all days accumulated up to the limits established by the county commission, based upon years of service. Since the payment of sick leave is at the option of employees as they retire, the amount cannot be reasonably estimated. Accrued leave on the government-wide statements for the primary government includes accumulated vacation and compensatory time.

Discretely Presented Putnam County School Department

The general policy of the School Department does not allow for the accumulation of vacation days beyond year-end with the exception of support staff that earns ten days of vacation per year and can accumulate up to 30 days accrued leave. Support employees also earn compensatory time at a rate of one and one-half hours per additional hour worked. Compensatory time can be accrued to a maximum of 240

hours. Vacation and compensatory pay is accrued when incurred in the government-wide financial statements for the discretely presented School Department. A liability for vacation and compensatory pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. All professional personnel (teachers) of the School Department are allowed to accumulate unlimited sick leave days. The granting of sick leave has no guaranteed payment attached unless the employee has accumulated over 200 sick days upon retirement. Retirees with over 200 accrued sick days will be compensated \$50 per day for the sick days in excess of 200 days. Since these days cannot be reasonably estimated, the amount is not accrued or recorded in the financial statements.

7. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, other postemployment benefits, and landfill postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

8. Net Position and Fund Balance

In the government-wide financial statements and the proprietary fund in the fund financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2018, Putnam County had \$107,707,584 in outstanding debt for capital purposes for the Putnam County School Department. This debt is a liability of Putnam County, but the capital assets acquired are reported in the financial statements of the Putnam County School Department. Therefore, Putnam County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent. These classifications may consist of the following:

Nonspendable Fund Balance – includes 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 – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commission, the county's highest level of decision-making authority and the Board of Education, the School Department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The County Commission has by resolution authorized the county's Budget/Finance Committee to make assignments for the general government. The Board of Education makes assignments for the School Department.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds.

9. Restatements

In prior years, the government was required to recognize a liability for its other postemployment benefits plans under Governmental Accounting Standards Board (GASB) Statement No. 45. As of July 1, 2017, Putnam County has adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Restatements increasing the beginning net position of the Governmental Activities of the Primary Government by \$410,702 and reducing the beginning net position of the discretely presented Putnam County School Department by \$8,339,076 have been recognized to account for the transitional requirements.

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Putnam County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Putnam County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Discretely Presented Putnam County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

For purposes of measuring the net OPEB liability, OPEB expense has been determined on the same basis as they are reported by Putnam County. For this purpose, Putnam County recognizes benefit payments when due and payable in accordance with benefit terms. Putnam County's OPEB plan is not administered through a trust.

Discretely Presented Putnam County School Department

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the discretely presented Putnam County School Department. For this purpose, the School Department recognizes benefit payments when due and payable in accordance with benefit terms. The School Department's OPEB plan is not administered through a trust.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

Discretely Presented Putnam County School Department

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities

Primary Government

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

Discretely Presented Putnam County School Department

Exhibit J-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position or governmental activities reported in the government-wide Statement of Activities.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (a special revenue fund), which is not budgeted, and the capital projects funds (except for the General Capital Projects Fund), which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet

current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, County Executive, County Attorney, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

The county's budgetary basis of accounting is consistent with GAAP, except instances in which encumbrances are treated as budgeted expenditures. The difference between the budgetary basis and GAAP basis is presented on the face of each budgetary schedule.

At June 30, 2018, Putnam County and the Putnam County School Department reported the following significant encumbrances:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
General	\$ 496,001
Nonmajor Governmental	1,606,590
Total	<u>\$ 2,102,591</u>
School Department:	
General Purpose School	\$ 281,025
Nonmajor Governmental	27,618
Total	<u>\$ 308,643</u>

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Putnam County and the Putnam County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Cash reflected on the balance sheets or statements of net position represents nonpooled amounts held separately by individual funds.

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loans associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool and in repurchase agreements. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

Investment Balances. As of June 30, 2018, Putnam County had the following investments carried at amortized cost using a Stable Net Asset Value. Investments were in the State Treasurer's Investment Pool. Separate disclosures concerning pooled investments cannot be made for Putnam County

and the discretely presented Putnam County School Department since both pool their deposits and investments through the county trustee.

Investments	Weighted Average Maturity (Days)	Amortized Cost
State Treasurer's Investment Pool	2 to 113	\$ 360,925

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Putnam County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Putnam County has no investment policy that would further limit its investment choices. As of June 30, 2018, Putnam County's investment in the State Treasurer's Investment pool was unrated.

B. Capital Assets

Capital assets activity for the year ended June 30, 2018, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-17	Increases	Decreases	Balance 6-30-18
Capital Assets Not Depreciated:				
Land	\$ 5,783,833	\$ 50,000	\$ 0	\$ 5,833,833
Intangibles	4,840,504	0	0	4,840,504
Total Capital Assets Not Depreciated	<u>\$ 10,624,337</u>	<u>\$ 50,000</u>	<u>\$ 0</u>	<u>\$ 10,674,337</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 32,755,066	\$ 59,512	\$ 0	\$ 32,814,578
Roads and Bridges	53,255,575	433,073	0	53,688,648
Other Capital Assets	15,706,774	1,434,149	(343,279)	16,797,644
Total Capital Assets Depreciated	<u>\$ 101,717,415</u>	<u>\$ 1,926,734</u>	<u>\$ (343,279)</u>	<u>\$ 103,300,870</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 8,588,974	\$ 527,019	\$ 0	\$ 9,115,993
Roads and Bridges	25,938,182	1,151,207	0	27,089,389
Other Capital Assets	10,323,005	910,201	(107,650)	11,125,556
Total Accumulated Depreciation	<u>\$ 44,850,161</u>	<u>\$ 2,588,427</u>	<u>\$ (107,650)</u>	<u>\$ 47,330,938</u>
Total Capital Assets Depreciated, Net	<u>\$ 56,867,254</u>	<u>\$ (661,693)</u>	<u>\$ (235,629)</u>	<u>\$ 55,969,932</u>
Governmental Activities Capital Assets, Net	<u>\$ 67,491,591</u>	<u>\$ (611,693)</u>	<u>\$ (235,629)</u>	<u>\$ 66,644,269</u>

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

Governmental Activities:

General Government	\$ 114,632
Finance	8,820
Administration of Justice	177,726
Public Safety	354,804
Public Health and Welfare	583,763
Social, Cultural, and Recreational Services	70,860
Agriculture and Natural Resources	5,413
Highways/Public Works	<u>1,272,409</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 2,588,427</u></u>

Discretely Presented Putnam County School Department

Governmental Activities:

	Balance 7-1-17	Increases	Decreases	Balance 6-30-18
Capital Assets Not Depreciated:				
Land	\$ 5,129,273	\$ 0	\$ 0	\$ 5,129,273
Construction in Progress	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Assets Not Depreciated	<u>\$ 5,129,273</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,129,273</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 206,208,311	\$ 0	\$ 0	\$ 206,208,311
Other Capital Assets	<u>8,943,779</u>	<u>525,637</u>	<u>(743,488)</u>	<u>8,725,928</u>
Total Capital Assets Depreciated	<u>\$ 215,152,090</u>	<u>\$ 525,637</u>	<u>\$ (743,488)</u>	<u>\$ 214,934,239</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 44,591,758	\$ 3,694,146	\$ 0	\$ 48,285,904
Other Capital Assets	<u>6,092,686</u>	<u>436,600</u>	<u>(721,183)</u>	<u>5,808,103</u>
Total Accumulated Depreciation	<u>\$ 50,684,444</u>	<u>\$ 4,130,746</u>	<u>\$ (721,183)</u>	<u>\$ 54,094,007</u>
Total Capital Assets Depreciated, Net	<u>\$ 164,467,646</u>	<u>\$ (3,605,109)</u>	<u>\$ (22,305)</u>	<u>\$ 160,840,232</u>
Governmental Activities Capital Assets, Net	<u>\$ 169,596,919</u>	<u>\$ (3,605,109)</u>	<u>\$ (22,305)</u>	<u>\$ 165,969,505</u>

Depreciation expense was charged to functions of the discretely presented Putnam County School Department as follows:

Governmental Activities:

Instruction	\$ 3,762,589
Support Services	324,940
Operation on Non-instructional Services	<u>43,217</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 4,130,746</u></u>

C. Construction Commitments

At June 30, 2018, the county had uncompleted construction contracts of approximately \$481,117 for roofing projects. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2018, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 3,101
Discretely Presented Putnam County School Department:		
General Purpose School	Nonmajor governmental	4,181

These balances resulted from interfund loans and the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

The receivable in the General Purpose School Fund totaling \$4,181 was in transit from the Central Cafeteria Fund at June 30, 2018.

Due to/from Primary Government and Component Unit:

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
	Component Unit:	
Primary Government	School Department	\$ 2,347,584
	Component Unit:	
School Department Fund:	Primary Government Fund:	
General Purpose School	General	32,943
"	Highway/Public Works	9,835

The Due to Primary Government of \$2,347,584 is the balance of other loans issued by the county for the School Department. The School Department has agreed to contribute the funds annually to retire the other loans. These long-term obligations are reflected in governmental activities on the Statement of Net Position.

Receivables in the discretely presented General Purpose School Fund of \$9,835 were in transit from the Highway/Public Works Fund at June 30, 2018.

Interfund Transfers:

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

Primary Government

<u>Transfers Out</u>	<u>Transfers In</u>		<u>Purpose</u>
	Nonmajor Governmental Funds	Fiduciary Funds	
General Fund	\$ 182,052	\$ 0	Operations
General Debt Service Fund	3,700,000	0	"
Nonmajor governmental funds	0	36,078	"
Total	<u>\$ 3,882,052</u>	<u>\$ 36,078</u>	

Discretely Presented Putnam County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Purpose
Nonmajor governmental funds	\$ 132,262	Indirect costs
"	<u>638,284</u>	Reimbursement of direct costs
Total	<u>\$ 770,546</u>	

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. Capital Leases

Discretely Presented Putnam County School Department

On April 15, 2015, the School Department entered into a three-year lease-purchase agreement for 800 laptop computers. The terms of the agreement required total lease payments of \$957,596 plus interest of 0.9 percent. During the period examined, the lease was retired and title to the computers transferred to the School Department. The lease payments were made from the General Debt Service Fund from contributions received from the School Department. In the government-wide financial statements, the equipment was expensed in the year of acquisition because the equipment purchased did not meet the criteria set out in the county's capitalization policy.

F. Long-term Obligations

Primary Government

General Obligation Bonds

Putnam County issues general obligation bonds and other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented School Department. In addition, general obligation bonds have been issued to refund other general obligation bonds.

General obligation bonds and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds and other

loans outstanding were issued for original terms of up to 20 years for bonds and six years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The general obligation bonds and other loans included in long-term debt as of June 30, 2018, will be retired from the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2018, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-18
General Obligation Bonds	2 to 3.6781 %	4-1-33	\$ 59,435,000	\$ 58,235,000
General Obligation Bonds - Refunding	2 to 5.5	4-1-28	92,995,000	67,080,000
Other Loans	1	8-1-24	2,347,584	2,347,584

The annual requirements to amortize all general obligation bonds and other loans outstanding at June 30, 2018, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2019	\$ 6,990,000	\$ 5,138,524	\$ 12,128,524
2020	8,625,000	4,719,178	13,344,178
2021	9,085,000	4,296,913	13,381,913
2022	9,375,000	3,890,613	13,265,613
2023	9,655,000	3,470,188	13,125,188
2024-2028	51,590,000	10,958,814	62,548,814
2028-2033	29,995,000	2,983,500	32,978,500
Total	\$ 125,315,000	\$ 35,457,730	\$ 160,772,730

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2019	\$ 317,700	\$ 18,370	\$ 336,070
2020	384,744	18,540	403,284
2021	388,608	14,676	403,284
2022	392,520	10,764	403,284
2023	396,456	6,828	403,284
2024-2025	467,556	2,931	470,487
Total	<u>\$ 2,347,584</u>	<u>\$ 72,109</u>	<u>\$ 2,419,693</u>

There is \$12,255,312 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,733, based on the 2010 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled \$1,886, based on the 2010 federal census.

The School Department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the School Department and as Due from Component Units in the financial statements of the primary government.

Description of Indebtedness	Outstanding 6-30-18
<u>Other Loans</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficient Schools Initiative Loan	\$ <u>2,347,584</u>
Total	\$ <u>2,347,584</u>

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2018, was as follows:

	Bonds	Other Loans	Capital Leases
Balance, July 1, 2017	\$ 133,410,000	\$ 0	\$ 160,675
Additions	13,455,000	2,347,584	0
Reductions	(21,550,000)	0	(160,675)
Balance, June 30, 2018	<u>\$ 125,315,000</u>	<u>\$ 2,347,584</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 6,990,000</u>	<u>\$ 317,700</u>	<u>\$ 0</u>

	Net Pension Liability Agent Plan	Other Postemployment Benefits *	Landfill Postclosure Care Costs
Balance, July 1, 2017	\$ 4,483,841	\$ 452,544	\$ 279,099
Additions	1,227,130	42,587	4,297
Reductions	(2,353,864)	(3,466)	(40,367)
Balance, June 30, 2018	<u>\$ 3,357,107</u>	<u>\$ 491,665</u>	<u>\$ 243,029</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,113</u>

	Compensated Absences
Balance, July 1, 2017	\$ 810,845
Additions	996,434
Reductions	(1,009,617)
Balance, June 30, 2018	<u>\$ 797,662</u>
Balance Due Within One Year	<u>\$ 538,734</u>

* - Beginning balance restated – See Note I.D.9.

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2018	\$ 132,552,047
Less: Balance Due Within One Year	(7,879,547)
Add: Unamortized Premium on Debt	<u>8,751,620</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 133,424,120</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill postclosure care costs will be paid from the Solid Waste/Sanitation Fund.

Current Refunding

On February 9, 2018, Putnam County advance refunded a general obligation bond issue with a separate general obligation bond issue. The county issued \$13,455,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the liability has been removed from the county's long-term debt. Because of the advance refunding, total debt service payments over the next ten years will be reduced by \$1,817,662, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,559,964 was obtained.

Discretely Presented Putnam County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Putnam County School Department for the year ended June 30, 2018, was as follows:

	Compensated Absences	Other Postemployment Benefits*
Balance, July 1, 2017	\$ 245,131	\$ 8,339,076
Additions	241,237	715,546
Reductions	(254,493)	(890,235)
Balance, June 30, 2018	<u>\$ 231,875</u>	<u>\$ 8,164,387</u>
Balance Due Within One Year	<u>\$ 208,687</u>	<u>\$ 0</u>

	Net Pension Liability Agent Plan	Net Pension Liability - Cost-sharing Plan#
Balance, July 1, 2017	\$ 2,931,144	\$ 6,668,957
Additions	750,737	133,128
Reductions	(1,545,439)	(7,154,349)
Balance, June 30, 2018	<u>\$ 2,136,442</u>	<u>\$ (352,264)</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>

* Restated beginning balance – See Note I.D.9.

The Teacher Legacy plan had a net pension asset at June 30, 2018

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2018	\$ 10,532,704
Less: Balance Due Within One Year	<u>(208,687)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 10,324,017</u>

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School Fund.

G. On-Behalf Payments

Discretely Presented Putnam County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Putnam County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of

Tennessee and reported in the state’s Comprehensive Annual Financial Report. Payments by the state to the Local Education Teacher Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2018, were \$271,511 and \$115,417, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

H. Internal Financing

In-lieu-of issuing debt with financial institutions, Putnam County often chooses to internally finance various projects with idle county funds.

Internally reported notes receivable from idle funds loaned from the General Debt Service Fund were paid in full during the year. Internally reported notes receivable at June 30, 2018, are reflected as follows:

Receivable Fund/Description	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
General Debt Service Fund:				
Fueling Station	\$ 488,000	0 %	6-4-15	6-3-18
			Paid and/or Matured	
	Outstanding 6-30-17	Issued During Period	During Period	Outstanding 6-30-18
General Debt Service Fund:				
Fueling Station	\$ 162,666	\$ 0	(162,666)	\$ 0
Total	\$ 162,666	\$ 0	(162,666)	\$ 0

V. OTHER INFORMATION

A. Risk Management

Putnam County provides health insurance coverage to its employees through commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The discretely presented Putnam County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local education agencies are eligible to participate. The LEGIF is included in the Comprehensive Annual Financial Report of the

State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

Putnam County's and the discretely presented Putnam County School Department's risks of loss relating to general liability, automobile liability, property, casualty, and workers' compensation are covered through a self-insurance program and by the purchase of commercial insurance to cover losses exceeding certain limits. The county is self-insured for individual property losses up to \$50,000. The county carries excess commercial coverage on buildings and contents totaling \$357,271,783. The county is self-insured up to the state tort liability limits of \$300,000 per person, \$700,000 per occurrence for bodily injury, and \$100,000 for property damage. The county carries commercial liability insurance coverage for losses up to \$5,000,000 with a \$250,000 deductible. Putnam County maintains the Self-Insurance Fund, an internal service fund, to account for transactions pertaining to the county's self-insured group liability and property plan. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Liability at Beginning of Year	Current Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2016-2017	\$ 1,239,307	\$ 441,510	\$ (857,074)	\$ 823,743
2017-2018	823,743	748,200	(490,384)	1,081,559

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*; Statement No. 81, *Irrevocable Split-Interest Agreements*; Statement No. 85, *Omnibus 2017*; and Statement No. 86, *Certain Debt Extinguishment Issues* became effective for the year ended June 30, 2018.

GASB Statement No. 75, establishes accounting and reporting requirements for postemployment benefits other than pensions (other postemployment benefits or OPEB), which are included in the general purpose financial reports of state and local governmental OPEB plans. This statement replaces GASB Statements No. 45 and No. 57. The scope of this statement establishes

standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

GASB Statement No. 81, establishes accounting and financial reporting guidance for irrevocable split-interest agreements in which a government is a beneficiary.

GASB Statement No. 85, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

GASB Statement No. 86, establishes guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement also provides guidance for accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

C. Contingent Liabilities

There are several pending lawsuits in which the county is involved. The county attorney estimates that the potential claims not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

D. Landfill Postclosure Care Costs

Putnam County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill and a demolition landfill. The county has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in

each period based on landfill capacity used as of each balance sheet date. Putnam County closed its sanitary landfill in 2000. The \$243,029 reported as postclosure care liability at June 30, 2018, represents amounts based on what it would cost to perform all postclosure care in 2018. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Ventures

The Upper Cumberland Regional Airport was established as a joint venture between Putnam County, White County, the City of Cookeville, and the City of Sparta. The airport operates the regional airport for the two-county area. The five-member board of the airport includes one member appointed by each of the four participating governments with the fifth member of the board being the chief executive officer of one of the participating governments. This fifth board position serves a one-year term and rotates among the four participating governments in a prescribed order. Each participant retains a 25 percent ownership in the airport. Putnam County contributed \$28,000 to the Upper Cumberland Regional Airport for the year ended June 30, 2018.

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District, Clay, Cumberland, Putnam, Overton, Pickett, Putnam, and White counties, and participating municipalities in the district. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by the Board of Directors, including the district attorney general, sheriff, and police chief of the participating law enforcement agencies within each judicial district. Putnam County did not make appropriations to the DTF for the year ended June 30, 2018.

The Putnam County Joint Economic and Community Development Board is a joint venture between Putnam County, the Putnam County Chamber of Commerce, and the various cities within the county. The board is comprised of the county executive, mayors of the various cities within the county, chamber of commerce members, and several additional members. The purpose of the board is to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens. The Chamber of Commerce will provide the funding for the board. Putnam County did not make appropriations to the Joint Economic and Community Development Board for the year ended June 30, 2018.

The Tennessee Central Heritage Rail Trail Authority is operated through an interlocal agreement between Putnam County and the cities of Algood and Cookeville. The agreement created a ten-member board to construct and manage a rail trail on the right-of-way owned by the Nashville Eastern Railroad Authority. The county and cities will each appoint two members, the

ninth member will be appointed by the Putnam County Chamber of Commerce, and the tenth member will be appointed by the Upper Cumberland Heritage Association. The county and cities will each approve the budget of the authority. Putnam County contributed \$8,007 to the Rail Trail Authority for the year ended June 30, 2018.

Putnam County entered into an interlocal agreement with White County and the Cities of Algood, Monterey, and Sparta to provide planning services for the area that were formerly provided by the Regional Planning Offices operated by the State of Tennessee. The Planning Services Executive Committee is comprised of each of the county/city mayors/executives for the participating entities. Each county/city agreed to an annual contribution for planning services to be administered by the Putnam County Executive in accordance with a budget approved by the Executive Committee. Putnam County contributed \$36,078 for planning services for the year ended June 30, 2018.

The Putnam County Library is a joint venture between Putnam County and the City of Cookeville to provide library services. The board is comprised of four members appointed by the county and three members appointed by the city. The county and the city will each provide the funding for the board. Putnam County contributed \$456,672 to the Putnam County Library for the year ended June 30, 2018.

Putnam County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Upper Cumberland Regional Airport, Thirteenth Judicial District Drug Task Force, Putnam County Joint Economic and Community Development Board, the Tennessee Central Heritage Rail Trail Authority, Planning Services, and the Putnam County Library can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Upper Cumberland Regional Airport
700 Airport Road
Sparta, TN 38583

Office of District Attorney General
Judicial District Drug Task Force
1519A East Spring Street
Cookeville, TN 38506

Putnam County Joint Economic and Community Development Board
Putnam County Chamber of Commerce
One West First Street
Cookeville, TN 38501

Tennessee Central Heritage Rail Trail Authority
45 East Broad
Cookeville, TN 38501

Planning Services
c/o Putnam County Executive
300 East Spring Street, Room 8
Cookeville, TN 38501

Putnam County Library
50 East Broad Street
Cookeville, TN 38501

F. Jointly Governed Organization

The Nashville and Eastern Railroad Authority is governed by a board of directors representing Putnam, Davidson, Smith, and Wilson counties. The board of directors comprises the mayor/county executive of each county and one member selected by the governing body of each county; however, the counties do not have any ongoing financial interest or responsibility for the entity.

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Putnam County and non-certified employees of the discretely presented Putnam County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 61.11 percent, the non-certified employees of the discretely presented School Department comprise 38.89 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by

statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2017, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	511
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	1,072
Active Employees	996
Total	<u><u>2,579</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Putnam County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2018, the employer contribution for Putnam County was \$3,301,405 based on a rate of 10.47 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Putnam County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are

expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Putnam County's net pension liability (asset) was measured as of June 30, 2017, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.46% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2017, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income Real Estate	5.79	20
	2.01	20
	4.32	10
Short-term Securities	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

Changes of Assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.0 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.0 percent; and modified the mortality assumptions.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Putnam County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2016	\$ 92,516,818	\$ 85,101,833	\$ 7,414,985
Changes for the Year:			
Service Cost	\$ 2,454,542	\$ 0	\$ 2,454,542
Interest	6,979,419	0	6,979,419
Differences Between Expected and Actual Experience	771,811	0	771,811
Changes in Assumptions	2,292,438	0	2,292,438
Contributions-Employer	0	3,256,050	(3,256,050)
Contributions-Employees	0	1,554,155	(1,554,155)
Net Investment Income	0	9,695,100	(9,695,100)
Benefit Payments, Including Refunds of Employee Contributions	(3,824,890)	(3,824,890)	0
Administrative Expense	0	(85,659)	85,659
Other Changes	0	0	0
Net Changes	\$ 8,673,320	\$ 10,594,756	\$ (1,921,436)
Balance, June 30, 2017	\$ 101,190,138	\$ 95,696,589	\$ 5,493,549

Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	61.11%	\$ 61,837,293	\$ 58,480,186	\$ 3,357,107
School Department	38.89%	39,352,845	37,216,403	2,136,442
Total		\$ 101,190,138	\$ 95,696,589	\$ 5,493,549

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Putnam County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were

calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Putnam County	6.25%	7.25%	8.25%

Net Pension Liability \$ 19,268,223 \$ 5,493,549 \$ (5,882,188)

Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Pension Expense or Negative Pension Expense. For the year ended June 30, 2018, Putnam County recognized pension expense of \$1,930,411.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2018, Putnam County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,360,848	\$ 482,313
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	35,327
Changes in Assumptions	1,833,950	0
Contributions Subsequent to the Measurement Date of June 30, 2017 (1)	3,301,405	N/A
Total	<u>\$ 6,496,203</u>	<u>\$ 517,640</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2017,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 4,001,336	\$ 316,331
School Department	<u>2,494,867</u>	<u>201,309</u>
Total	<u>\$ 6,496,203</u>	<u>\$ 517,640</u>

Amounts reported as deferred outflows of resources, with the exception of contributions subsequent to the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2019	\$ 381,321
2020	1,609,175
2021	729,559
2022	(42,895)
2023	0
Thereafter	0

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Discretely Presented Putnam County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Putnam County and non-certified employees of the discretely presented Putnam County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 61.11 percent and the non-certified employees of the discretely presented School Department comprise 38.89 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Putnam County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher

Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2018, to the Teacher Retirement Plan were \$267,914, which is 4.06 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities (Assets). At June 30, 2018, the School Department reported a liability (asset) of (\$183,912) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2017, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The School Department's proportion of the net pension liability (asset) was based on the School Department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2017, the School Department's proportion was .697078 percent. The proportion as of June 30, 2016, was .623846 percent.

Pension Expense. For the year ended June 30, 2018, the School Department recognized pension expense of \$82,636.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2018, the School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 6,446	\$ 13,832
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	9,896
Changes in Assumptions	16,158	0
Changes in Proportion of Net Pension Liability (Asset)	0	8,919
LEA's Contributions Subsequent to the Measurement Date of June 30, 2017 (1)	267,914	N/A
Total	<u>\$ 290,518</u>	<u>\$ 32,647</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2017,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

The School Department’s employer contributions of \$267,914, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2019	\$ (1,663)
2020	(1,663)
2021	(2,230)
2022	(4,775)
2023	(109)
Thereafter	394

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions. The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.46% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates are based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2017, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	5.69 %	31 %
Developed Market		
International Equity	5.29	14
Emerging Market		
International Equity	6.36	4
Private Equity and		
Strategic Lending	5.79	20
U.S. Fixed Income	2.01	20
Real Estate	4.32	10
Short-term Securities	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

Changes of Assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.0 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.0 percent; and modified the mortality assumptions.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School Department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability	\$ 36,693	\$ (183,912)	\$ (345,732)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Putnam County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average

compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Putnam County School Department for the year ended June 30, 2018, to the Teacher Legacy Pension Plan were \$3,394,045, which is 9.05 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liability (Assets). At June 30, 2018, the School Department reported a liability (asset) of (\$352,264) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was

measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The School Department's proportion of the net pension liability (asset) was based on the School Department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2017, the School Department's proportion was 1.076657 percent. The proportion measured at June 30, 2016, was 1.067128 percent.

Pension Expense. For the year ended June 30, 2018, the School Department recognized pension expense of \$133,128.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2018, the School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 212,370	\$ 7,272,595
Changes in Assumptions	2,983,470	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	53,473	0
Changes in Proportion of Net Pension Liability (Asset)	443,539	144,678
LEA's Contributions Subsequent to the Measurement Date of June 30, 2017	<u>3,394,045</u>	N/A
Total	<u>\$ 7,086,897</u>	<u>\$ 7,417,273</u>

The School Department's employer contributions of \$3,394,045 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2019	\$ (2,391,574)
2020	1,212,153
2021	(778,776)
2022	(1,766,224)
2023	0
Thereafter	0

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions. The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.46% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates are based actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2017, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS

investment policy target asset allocation for each major class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

Changes of Assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.0 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.0 percent; and modified the mortality assumptions.

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all

periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School Department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%

Net Pension Liability \$ 31,608,116 \$ (352,264) \$ (26,769,624)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

2. Deferred Compensation

The primary government, except for the Highway Department, offers its employees a deferred compensation plan established pursuant to IRC Section 457(b). The discretely presented Putnam County School Department offers its employees deferred compensation plans established pursuant to IRC Sections 457(b) and 403(b). All costs of administering and funding the programs are the responsibility of plan participants. The 457(b) and 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457(b) and 403(b) plans establish participation, contribution, and withdrawal provisions for the plan.

Teachers hired after July 1, 2014, by the School Department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401 (K) plan and is managed by the employee. The defined contribution portion of the plan requires that the School Department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year the School Department contributed

\$327,027 and teachers contributed \$40,089 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

Primary Government

Putnam County provides OPEB benefits to its employees through a commercial insurance plan. Benefits are established and amended by the county commission.

Commercial Postemployment Benefits Plan

Plan Description. The county participates in a commercial postemployment benefits plan administered by Blue Cross/Blue Shield of Tennessee for its retirees and their covered dependents. Eligibility is based upon age and years of service. Full-time employees with 30 years of service are eligible regardless of age, and full-time employees with 20 years of service are eligible at age 60. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the Board of Education. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

Benefits Provided. The plan provides healthcare benefits to retirees and their dependents. The benefit terms required retirees to pay 100 percent of the healthcare premium for single or family coverage.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2018, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	2
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	404
Total	<u><u>406</u></u>

Total OPEB Liability

The county's total OPEB liability of \$491,665 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3%
Salary Increases	2.50%
Discount Rate	3.88%
Healthcare Cost Trend Rates	5.50%
Retirees share of Benefit-related Cost	100%

The discount rate was based on the Bond Buyer GO-20 bond index.

Mortality rates were based on RHP-2014 mortality table with the MP-2017 projection scale.

The actuarial assumptions used in the June 30, 2018, valuation were based on plan data and costs presented by the county.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2017	\$ 452,544
Changes for the Year:	
Service Cost	\$ 24,158
Interest	18,429
Changes in Benefit Terms	0
Difference between Expected and Actuarial Experience	0
Changes in Assumption and Other Inputs	0
Benefit Payments	<u>(3,466)</u>
Net Changes	<u>\$ 39,121</u>
Balance June 30, 2018	<u><u>\$ 491,665</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2018, the county recognized OPEB expense of \$42,587. At June 30, 2018, the county reported no deferred outflows of resources or deferred inflows of resources related to OPEB.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the county calculated using the discount rate of 3.88 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (2.88%) or one percentage point higher (4.88%) than the current rate:

	1% Decrease 2.88%	Current Discount Rate 3.88%	1% Increase 4.88%
Total OPEB Liability	\$ 610,332	\$ 491,665	\$ 402,538

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the School Department calculated using the healthcare cost trend rate of 5.50 percent, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (4.50%) or one percentage point higher (6.50%) than the current rate:

	1% Decrease 4.50%	Current Trend Rate 5.50%	1% Increase 6.50%
Total OPEB Liability	\$ 395,024	\$ 491,665	\$ 622,945

Discretely Presented Putnam County School Department

Closed Local Education (LEP) OPEB Plan (Discretely Presented School Department)

Plan Description. Employees of the Putnam County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

Benefits Provided. The Putnam County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for

retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Putnam County does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45%; 20 but less than 30 years, 35%; and less than 20 years, 20% of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2017, the following employees were covered by the benefit terms:

	<u>School Department</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	85
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	1,160
Total	<u><u>1,245</u></u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the School Department paid \$511,025 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		Total OPEB Liability
	Putnam County School Department 65.71%	State of TN 34.29%	
Balance July 1, 2016	\$ 8,339,076	\$ 4,352,422	\$ 12,691,498
Changes for the Year:			
Service Cost	\$ 465,677	\$ 243,051	\$ 708,728
Interest	249,869	130,414	380,283
Changes in Benefit Terms	0	0	0
Difference between Expected and Actuarial Experience	0	0	0
Changes in Assumption and Other Inputs	(395,017)	(206,171)	(601,188)
Benefit Payments	(495,218)	(258,469)	(753,687)
Net Changes	<u>\$ (174,689)</u>	<u>\$ (91,175)</u>	<u>\$ (265,864)</u>
Balance June 30, 2017	<u>\$ 8,164,387</u>	<u>\$ 4,261,247</u>	<u>\$ 12,425,634</u>

The Putnam County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Putnam County School Department 's proportionate share of the collective total OPEB liability was based on a projection of the employers long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The School Department recognized \$353,253 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for School Department retirees.

During the year, the Putnam County School Department's proportionate share of the collective OPEB liability was 65.71% and the State of Tennessee's share was 34.29%.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2018, the School Department recognized OPEB expense of \$1,030,071, including the state's share of the expense. At June 30, 2018, the School Department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 0
Changes of Assumptions/Inputs	0	356,289
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employee and Nonemployer Contributors As Benefits Came Due	0	0
Benefits Paid After the Measurement Date	<u>511,025</u>	<u>0</u>
Total	<u>\$ 511,025</u>	<u>\$ 356,289</u>

Amounts reported as deferred inflows and deferred outflows of resources (excluding benefits paid after the measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	School Department
2019	\$ (38,727)
2020	(38,727)
2021	(38,727)
2022	(38,727)
2023	(38,727)
Thereafter	(162,654)

In the table shown above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.

Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate. The following presents the School Department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

<u>Discount Rate</u>	1% Decrease 2.56%	Current Discount Rate 3.56%	1% Increase 4.56%
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Proportionate Share of the Collective Total OPEB Liability	\$ 8,787,048	\$ 8,164,387	\$ 7,575,639
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the School Department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease 6.5 to 2.71%	Current Rates 7.5 to 3.71%	1% Increase 8.5 to 4.71%
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Proportionate Share of the Collective Total OPEB Liability	\$ 7,221,863	\$ 8,164,387	\$ 9,289,130
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I. Purchasing Laws

Office of County Executive

Purchasing procedures for the County Executive's Office are governed by provisions of Chapter 63, Private Acts of 1981. This statute provides for the county executive to serve as the purchasing agent and for all purchases exceeding \$10,000 to be made on the basis of competitive bids solicited through advertisement in a local newspaper.

Office of Road Supervisor

Purchasing procedures for the Highway Department are governed by provisions of Chapter 122, Private Acts of 1989, and the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated (TCA)*. These statutes require purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

Purchasing procedures for the School Department are governed by purchasing laws applicable to the schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000.

J. Subsequent Events

Circuit, General Sessions, and Juvenile Courts Clerk Marcia Borys retired August 31, 2018, and was succeeded by Jennifer Wilkerson.

On October 27, 2018, the county issued a \$1,090,560 three-year lease- purchase to purchase 900 computers for the discretely presented Putnam County School Department.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Putnam County, Tennessee
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	2014	2015	2016	2017
Total Pension Liability				
Service Cost	\$ 2,834,627	\$ 2,242,949	\$ 2,389,869	\$ 2,454,542
Interest	5,839,055	6,105,144	6,600,671	6,979,419
Differences Between Actual and Expected Experience	(1,180,708)	1,858,499	(147,907)	771,811
Changes in Assumptions	0	0	0	2,292,438
Benefit Payments, Including Refunds of Employee Contributions	(3,103,658)	(3,603,212)	(3,889,774)	(3,824,890)
Net Change in Total Pension Liability	\$ 4,389,316	\$ 6,603,380	\$ 4,952,859	\$ 8,673,320
Total Pension Liability, Beginning	76,571,263	80,960,579	87,563,959	92,516,818
Total Pension Liability, Ending (a)	\$ 80,960,579	\$ 87,563,959	\$ 92,516,818	\$ 101,190,138
Plan Fiduciary Net Position				
Contributions - Employer	\$ 2,789,750	\$ 2,924,299	\$ 3,000,872	\$ 3,256,050
Contributions - Employee	1,344,972	1,408,317	1,436,729	1,554,155
Net Investment Income	11,209,298	2,449,987	2,190,388	9,695,100
Benefit Payments, Including Refunds of Employee Contributions	(3,103,658)	(3,603,212)	(3,889,774)	(3,824,890)
Administrative Expense	(37,923)	(48,823)	(73,224)	(85,659)
Net Change in Plan Fiduciary Net Position	\$ 12,202,439	\$ 3,130,568	\$ 2,664,991	\$ 10,594,756
Plan Fiduciary Net Position, Beginning	67,103,835	79,306,274	82,436,842	85,101,833
Plan Fiduciary Net Position, Ending (b)	\$ 79,306,274	\$ 82,436,842	\$ 85,101,833	\$ 95,696,589
Net Pension Liability (Asset), Ending (a - b)	\$ 1,654,305	\$ 5,127,117	\$ 7,414,985	\$ 5,493,549
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	97.96%	94.14%	91.99%	94.57%
Covered Payroll	\$ 26,837,192	\$ 27,925,707	\$ 28,684,067	\$ 30,346,771
Net Pension Liability (Asset) as a Percentage of Covered Payroll	6.16%	18.36%	25.85%	18.10%

Note: ten years of data will be presented when available.

Note: data presented includes primary government and the non-certified employees of the discretely presented School Department.

Exhibit F-2

Putnam County, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 2,789,750	\$ 2,924,299	\$ 3,000,872	\$ 3,256,050	\$ 3,301,405
Less Contributions in Relation to the Actuarially Determined Contribution	(2,789,750)	(2,924,299)	(3,000,872)	(3,256,050)	(3,301,405)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 26,837,192	\$ 27,925,707	\$ 28,684,067	\$ 30,346,771	\$ 31,535,141
Contributions as a Percentage of Covered Payroll	10.40%	10.47%	10.46%	10.73%	10.47%

Note: ten-year information will be presented when available.

Note: data presented includes the primary government and the non-certified employees of the discretely presented School Department

Exhibit F-3

Putnam County, Tennessee
Schedule of Contributions Based on Participation in the Teacher
Retirement Plan of TCRS
Discretely Presented Putnam County School Department
For the Fiscal Year Ended June 30

	2015		2016		2017		2018
Contractually Required Contribution	\$ 50,263	\$	109,798	\$	183,008	\$	267,914
Less Contributions in Relation to the Contractually Required Contribution	(50,263)		(109,798)		(183,008)		(267,914)
Contribution Deficiency (Excess)	\$ 0	\$	0	\$	0	\$	0
Covered Payroll	\$ 1,256,568	\$	2,744,927	\$	4,546,845	\$	6,594,985
Contributions as a Percentage of Covered Payroll	4.00%		4.00%		4.02%		4.06%

Note: ten years of data will be presented when available.

Exhibit F-4

Putnam County, Tennessee
Schedule of Contributions Based on Participation in the Teacher
Legacy Pension Plan of TCRS
Discretely Presented Putnam County School Department
For the Fiscal Year Ended June 30

	2015	2016	2017	2018
Contractually Required Contribution	\$ 3,539,956	\$ 3,644,619	\$ 3,440,559	\$ 3,394,045
Less Contributions in Relation to the Contractually Required Contribution	(3,539,956)	(3,644,619)	(3,440,559)	(3,394,045)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 39,864,365	\$ 40,316,652	\$ 38,087,686	\$ 37,512,861
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.03%	9.05%

Note: ten years of data will be presented when available.

Exhibit F-5

Putnam County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Pension Plan of TCRS
Discretely Presented Putnam County School Department
For the Fiscal Year Ended June 30 *

	2016	2017	2018
School Department's Proportion of the Net Pension Liability/Asset	0.592303%	0.623846%	0.697078%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (24,330) \$	(64,944) \$	(183,912)
Covered Payroll	\$ 1,256,568 \$	2,744,927 \$	4,546,845
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.04)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%

* The amounts presented were determined as of June 30 of the prior fiscal year.

Note: ten years of data will be presented when available.

Exhibit F-6

Putnam County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Putnam County School Department
For the Fiscal Year Ended June 30 *

	2015	2016	2017	2018
School Department's Proportion of the Net Pension Liability/Asset	1.015655%	1.076975%	1.067128%	1.076657%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (165,039)	\$ 441,166	\$ 6,668,957	\$ (352,264)
Covered Payroll	\$ 39,864,365	\$ 40,316,652	\$ 38,521,221	\$ 38,087,686
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.92)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%

* The amounts presented were determined as of June 30 of the prior fiscal year.

Note: ten years of data will be presented when available.

Exhibit F-7

Putnam County, Tennessee
Schedule of Changes in the Total OPEB Liability and Related Ratios - Commercial Insurance Plan
Primary Government
For the Fiscal Year Ended June 30 *

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 24,158
Interest	18,429
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	0
Changes in Assumptions or Other Inputs	0
Benefit Payments	(3,466)
Net Change in Total OPEB Liability	\$ 39,121
Total OPEB Liability, Beginning	<u>452,544</u>
 Total OPEB Liability, Ending	 <u>\$ 491,665</u>
 Covered Employee Payroll	 \$ 20,643,754
Net OPEB Liability as a Percentage of Covered Employee Payroll	2.38%

Note 1: Ten years of data will be presented when available.

Note 2: Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:
2018 3.88%

Note 3: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Exhibit F-8

Putnam County, Tennessee
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan
Discretely Presented Putnam County School Department
For the Fiscal Year Ended June 30 *

	<u>2017</u>
Total OPEB Liability	
Service Cost	\$ 708,728
Interest	380,283
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	0
Changes in Assumptions or Other Inputs	(601,188)
Benefit Payments	<u>(753,687)</u>
Net Change in Total OPEB Liability	\$ (265,864)
Total OPEB Liability, Beginning	<u>12,691,498</u>
 Total OPEB Liability, Ending	 <u>\$ 12,425,634</u>
 Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	 \$ 4,261,247
Employer Proportionate Share of the Total OPEB Liability	8,164,387
 Covered Employee Payroll	 \$ 56,683,904
Net OPEB Liability as a Percentage of Covered Employee Payroll	21.92%

Note 1: Ten years of data will be presented when available.

Note 2: Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017	2.92%
2018	3.56%

Note 3: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

PUTNAM COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2018

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2017 were calculated based on the June 30, 2016, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation
Investment Rate of Return	7.5%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustments	2.5%

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for transactions relating to industrial development projects.

Special Purpose Fund – The Special Purpose Fund is used to account for transactions of the Putnam County Archive and Veterans' Hall.

Drug Control Fund – The Drug Control Fund is used to account for revenues received from drug-related fines, forfeitures, and seizures.

Sports and Recreation Fund – The Sports and Recreation Fund is used to account for the transactions of the Parks, Recreation, and Conservation Board related to the oversight and maintenance of public parks and community centers, as well as, coordinating recreational activities within Putnam County.

Constitutional Officers - Fees Fund – The Constitutional Officers - Fees Fund is used to account for operating expenses paid directly from the fee and commission accounts of the trustee, clerks, register of deeds, and sheriff.

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county's Highway Department.

Capital Projects Fund

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.

General Capital Projects Fund – The General Capital Projects Fund is used to account for property taxes for the construction and renovation of various county buildings and the purchase of capital assets.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for debt issued by Putnam County that was subsequently contributed to the discretely presented Putnam County School Department energy efficiency projects.

Exhibit G-1

Putnam County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	Special Revenue Funds					
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	Constitu - tional Officers - Fees
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3,101
Equity in Pooled Cash and Investments	1,604,096	805,239	237,919	263,440	368,498	0
Accounts Receivable	179,201	0	0	0	44,256	0
Allowance for Uncollectibles	(32,851)	0	0	0	0	0
Due from Other Governments	12,850	0	0	0	0	0
Property Taxes Receivable	2,787,858	309,762	0	0	619,524	0
Allowance for Uncollectible Property Taxes	(56,803)	(6,311)	0	0	(12,623)	0
Total Assets	<u>\$ 4,494,351</u>	<u>\$ 1,108,690</u>	<u>\$ 237,919</u>	<u>\$ 263,440</u>	<u>\$ 1,019,655</u>	<u>\$ 3,101</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 130,410	\$ 1,950	\$ 35	\$ 0	\$ 5,614	\$ 0
Due to Other Funds	0	0	0	0	0	3,101
Due to Litigants, Heirs, and Others	0	0	0	45,028	0	0
Total Liabilities	<u>\$ 130,410</u>	<u>\$ 1,950</u>	<u>\$ 35</u>	<u>\$ 45,028</u>	<u>\$ 5,614</u>	<u>\$ 3,101</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 2,681,311	\$ 297,923	\$ 0	\$ 0	\$ 595,847	\$ 0
Deferred Delinquent Property Taxes	45,899	5,100	0	0	10,200	0
Other Deferred/Unavailable Revenue	26,126	0	0	0	0	0
Total Deferred Inflows of Resources	<u>\$ 2,753,336</u>	<u>\$ 303,023</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 606,047</u>	<u>\$ 0</u>

(Continued)

Exhibit G-1

Putnam County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds					
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	Constitutional Officers - Fees
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 0	\$ 0	\$ 237,884	\$ 0	\$ 0	\$ 0
Restricted for Public Safety	0	0	0	218,412	0	0
Restricted for Highways/Public Works	0	0	0	0	0	0
Committed:						
Committed for Public Health and Welfare	1,446,892	0	0	0	0	0
Committed for Social, Cultural, and Recreational Services	0	0	0	0	385,422	0
Committed for Other Operations	0	803,717	0	0	0	0
Committed for Capital Projects	0	0	0	0	0	0
Assigned:						
Assigned for Public Health and Welfare	163,713	0	0	0	0	0
Assigned for Social, Cultural, and Recreational Services	0	0	0	0	22,572	0
Assigned for Capital Projects	0	0	0	0	0	0
Total Fund Balances	<u>\$ 1,610,605</u>	<u>\$ 803,717</u>	<u>\$ 237,884</u>	<u>\$ 218,412</u>	<u>\$ 407,994</u>	<u>\$ 0</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,494,351</u>	<u>\$ 1,108,690</u>	<u>\$ 237,919</u>	<u>\$ 263,440</u>	<u>\$ 1,019,655</u>	<u>\$ 3,101</u>

(Continued)

Exhibit G-1

Putnam County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital</u>	<u>Total</u>
	<u>Highway / Public Works</u>	<u>Total</u>	<u>Projects Fund</u> <u>General Capital Projects</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 3,101	\$ 0	\$ 3,101
Equity in Pooled Cash and Investments	1,373,327	4,652,519	2,826,672	7,479,191
Accounts Receivable	0	223,457	0	223,457
Allowance for Uncollectibles	0	(32,851)	0	(32,851)
Due from Other Governments	471,257	484,107	0	484,107
Property Taxes Receivable	1,703,691	5,420,835	309,762	5,730,597
Allowance for Uncollectible Property Taxes	(34,713)	(110,450)	(6,311)	(116,761)
Total Assets	<u>\$ 3,513,562</u>	<u>\$ 10,640,718</u>	<u>\$ 3,130,123</u>	<u>\$ 13,770,841</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 138,009	\$ 0	\$ 138,009
Due to Other Funds	0	3,101	0	3,101
Due to Litigants, Heirs, and Others	0	45,028	0	45,028
Total Liabilities	<u>\$ 0</u>	<u>\$ 186,138</u>	<u>\$ 0</u>	<u>\$ 186,138</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 1,638,579	\$ 5,213,660	\$ 297,923	\$ 5,511,583
Deferred Delinquent Property Taxes	30,398	91,597	5,100	96,697
Other Deferred/Unavailable Revenue	194,798	220,924	0	220,924
Total Deferred Inflows of Resources	<u>\$ 1,863,775</u>	<u>\$ 5,526,181</u>	<u>\$ 303,023</u>	<u>\$ 5,829,204</u>

(Continued)

Exhibit G-1

Putnam County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital</u>	<u>Total</u>
	<u>Highway / Public Works</u>	<u>Total</u>	<u>Projects Fund</u> <u>General Capital Projects</u>	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for General Government	\$ 0	\$ 237,884	\$ 0	\$ 237,884
Restricted for Public Safety	0	218,412	0	218,412
Restricted for Highways/Public Works	1,649,787	1,649,787	0	1,649,787
Committed:				
Committed for Public Health and Welfare	0	1,446,892	0	1,446,892
Committed for Social, Cultural, and Recreational Services	0	385,422	0	385,422
Committed for Other Operations	0	803,717	0	803,717
Committed for Capital Projects	0	0	1,406,795	1,406,795
Assigned:				
Assigned for Public Health and Welfare	0	163,713	0	163,713
Assigned for Social, Cultural, and Recreational Services	0	22,572	0	22,572
Assigned for Capital Projects	0	0	1,420,305	1,420,305
Total Fund Balances	<u>\$ 1,649,787</u>	<u>\$ 4,928,399</u>	<u>\$ 2,827,100</u>	<u>\$ 7,755,499</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,513,562</u>	<u>\$ 10,640,718</u>	<u>\$ 3,130,123</u>	<u>\$ 13,770,841</u>

Exhibit G-2

Putnam County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	Special Revenue Funds					
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	Constitutional Officers - Fees
<u>Revenues</u>						
Local Taxes	\$ 3,019,574	\$ 784,697	\$ 0	\$ 0	\$ 987,504	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	25,964	0	0
Charges for Current Services	1,309,386	1,850	79,920	0	72,423	330
Other Local Revenues	250,576	82,865	4,950	12,008	60,308	0
State of Tennessee	90,797	0	0	0	0	0
Federal Government	70,437	0	0	0	0	0
Other Governments and Citizens Groups	0	0	0	5,089	0	0
Total Revenues	\$ 4,740,770	\$ 869,412	\$ 84,870	\$ 43,061	\$ 1,120,235	\$ 330
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 9,650	\$ 67,378	\$ 0	\$ 0	\$ 0
Administration of Justice	0	0	0	0	0	30
Public Safety	0	0	0	163,341	0	300
Public Health and Welfare	4,694,860	0	0	0	0	0
Social, Cultural, and Recreational Services	0	0	0	0	1,091,361	0
Other Operations	0	609,187	0	0	0	0
Highways	0	0	0	0	0	0
Debt Service:						
Other Debt Service	0	0	0	0	0	0
Capital Projects - Donated	0	0	0	0	0	0
Total Expenditures	\$ 4,694,860	\$ 618,837	\$ 67,378	\$ 163,341	\$ 1,091,361	\$ 330

(Continued)

Exhibit G-2

Putnam County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds					Constitu - tional Officers - Fees
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	
Excess (Deficiency) of Revenues Over Expenditures	\$ 45,910	\$ 250,575	\$ 17,492	\$ (120,280)	\$ 28,874	\$ 0
<u>Other Financing Sources (Uses)</u>						
Other Loans Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In	0	0	0	182,052	0	0
Transfers Out	0	(36,078)	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ (36,078)	\$ 0	\$ 182,052	\$ 0	\$ 0
Net Change in Fund Balances	\$ 45,910	\$ 214,497	\$ 17,492	\$ 61,772	\$ 28,874	\$ 0
Fund Balance, July 1, 2017	1,564,695	589,220	220,392	156,640	379,120	0
Fund Balance, June 30, 2018	\$ 1,610,605	\$ 803,717	\$ 237,884	\$ 218,412	\$ 407,994	\$ 0

(Continued)

Exhibit G-2

Putnam County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds (Cont.)		Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway / Public Works	Total	General Capital Projects	Education Capital Projects	Total	
<u>Revenues</u>						
Local Taxes	\$ 2,036,581	\$ 6,828,356	\$ 335,344	\$ 0	\$ 335,344	\$ 7,163,700
Fines, Forfeitures, and Penalties	0	25,964	0	0	0	25,964
Charges for Current Services	0	1,463,909	0	0	0	1,463,909
Other Local Revenues	1,158	411,865	469	0	469	412,334
State of Tennessee	2,596,584	2,687,381	0	0	0	2,687,381
Federal Government	79,187	149,624	0	0	0	149,624
Other Governments and Citizens Groups	0	5,089	10,215	0	10,215	15,304
Total Revenues	\$ 4,713,510	\$ 11,572,188	\$ 346,028	\$ 0	\$ 346,028	\$ 11,918,216
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 77,028	\$ 2,798,466	\$ 0	\$ 2,798,466	\$ 2,875,494
Administration of Justice	0	30	0	0	0	30
Public Safety	0	163,641	0	0	0	163,641
Public Health and Welfare	0	4,694,860	0	0	0	4,694,860
Social, Cultural, and Recreational Services	0	1,091,361	0	0	0	1,091,361
Other Operations	0	609,187	6,759	0	6,759	615,946
Highways	5,663,268	5,663,268	0	0	0	5,663,268
Debt Service:						
Other Debt Service	0	0	0	5,465	5,465	5,465
Capital Projects - Donated	0	0	0	2,342,119	2,342,119	2,342,119
Total Expenditures	\$ 5,663,268	\$ 12,299,375	\$ 2,805,225	\$ 2,347,584	\$ 5,152,809	\$ 17,452,184

(Continued)

Exhibit G-2

Putnam County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds (Cont.)		Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway / Public Works	Total	General Capital Projects	Education Capital Projects	Total	
Excess (Deficiency) of Revenues Over Expenditures	\$ (949,758)	\$ (727,187)	\$ (2,459,197)	\$ (2,347,584)	\$ (4,806,781)	\$ (5,533,968)
<u>Other Financing Sources (Uses)</u>						
Other Loans Issued	\$ 0	\$ 0	\$ 0	\$ 2,347,584	\$ 2,347,584	\$ 2,347,584
Transfers In	0	182,052	3,700,000	0	3,700,000	3,882,052
Transfers Out	0	(36,078)	0	0	0	(36,078)
Total Other Financing Sources (Uses)	\$ 0	\$ 145,974	\$ 3,700,000	\$ 2,347,584	\$ 6,047,584	\$ 6,193,558
Net Change in Fund Balances	\$ (949,758)	\$ (581,213)	\$ 1,240,803	\$ 0	\$ 1,240,803	\$ 659,590
Fund Balance, July 1, 2017	2,599,545	5,509,612	1,586,297	0	1,586,297	7,095,909
Fund Balance, June 30, 2018	\$ 1,649,787	\$ 4,928,399	\$ 2,827,100	\$ 0	\$ 2,827,100	\$ 7,755,499

Exhibit G-3

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 3,019,574	\$ 0	\$ 0	\$ 3,019,574	\$ 2,993,000	\$ 2,993,000	\$ 26,574
Charges for Current Services	1,309,386	0	0	1,309,386	970,000	970,000	339,386
Other Local Revenues	250,576	0	0	250,576	200,000	200,000	50,576
State of Tennessee	90,797	0	0	90,797	167,790	418,211	(327,414)
Federal Government	70,437	0	0	70,437	0	70,437	0
Total Revenues	\$ 4,740,770	\$ 0	\$ 0	\$ 4,740,770	\$ 4,330,790	\$ 4,651,648	\$ 89,122
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 3,763,275	\$ (74,028)	\$ 154,213	\$ 3,843,460	\$ 3,914,410	\$ 4,119,410	\$ 275,950
Other Waste Collection	155,494	0	0	155,494	90,349	340,770	185,276
Landfill Operation and Maintenance	111,848	0	9,500	121,348	145,000	145,000	23,652
Other Waste Disposal	623,876	(29,000)	0	594,876	610,000	680,437	85,561
Postclosure Care Costs	40,367	0	0	40,367	217,600	217,600	177,233
Total Expenditures	\$ 4,694,860	\$ (103,028)	\$ 163,713	\$ 4,755,545	\$ 4,977,359	\$ 5,503,217	\$ 747,672
Excess (Deficiency) of Revenues Over Expenditures	\$ 45,910	\$ 103,028	\$ (163,713)	\$ (14,775)	\$ (646,569)	\$ (851,569)	\$ 836,794
Net Change in Fund Balance	\$ 45,910	\$ 103,028	\$ (163,713)	\$ (14,775)	\$ (646,569)	\$ (851,569)	\$ 836,794
Fund Balance, July 1, 2017	1,564,695	(103,028)	0	1,461,667	1,449,000	1,449,000	12,667
Fund Balance, June 30, 2018	\$ 1,610,605	\$ 0	\$ (163,713)	\$ 1,446,892	\$ 802,431	\$ 597,431	\$ 849,461

Exhibit G-4

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 784,697	\$ 740,000	\$ 758,350	\$ 26,347
Charges for Current Services	1,850	2,000	2,000	(150)
Other Local Revenues	82,865	0	0	82,865
Total Revenues	<u>\$ 869,412</u>	<u>\$ 742,000</u>	<u>\$ 760,350</u>	<u>\$ 109,062</u>
<u>Expenditures</u>				
<u>General Government</u>				
Development	\$ 9,650	\$ 9,800	\$ 9,800	\$ 150
<u>Other Operations</u>				
Industrial Development	609,187	615,000	633,350	24,163
Total Expenditures	<u>\$ 618,837</u>	<u>\$ 624,800</u>	<u>\$ 643,150</u>	<u>\$ 24,313</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 250,575</u>	<u>\$ 117,200</u>	<u>\$ 117,200</u>	<u>\$ 133,375</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (36,078)	\$ (36,500)	\$ (36,500)	\$ 422
Total Other Financing Sources	<u>\$ (36,078)</u>	<u>\$ (36,500)</u>	<u>\$ (36,500)</u>	<u>\$ 422</u>
Net Change in Fund Balance	\$ 214,497	\$ 80,700	\$ 80,700	\$ 133,797
Fund Balance, July 1, 2017	589,220	589,221	589,221	(1)
Fund Balance, June 30, 2018	<u>\$ 803,717</u>	<u>\$ 669,921</u>	<u>\$ 669,921</u>	<u>\$ 133,796</u>

Exhibit G-5

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Special Purpose Fund
For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 79,920	\$ 0	\$ 79,920	\$ 75,000	\$ 75,000	\$ 4,920
Other Local Revenues	4,950	0	4,950	5,000	5,000	(50)
Total Revenues	<u>\$ 84,870</u>	<u>\$ 0</u>	<u>\$ 84,870</u>	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 4,870</u>
<u>Expenditures</u>						
<u>General Government</u>						
Preservation of Records	\$ 67,378	\$ (465)	\$ 66,913	\$ 88,300	\$ 88,300	\$ 21,387
Total Expenditures	<u>\$ 67,378</u>	<u>\$ (465)</u>	<u>\$ 66,913</u>	<u>\$ 88,300</u>	<u>\$ 88,300</u>	<u>\$ 21,387</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 17,492</u>	<u>\$ 465</u>	<u>\$ 17,957</u>	<u>\$ (8,300)</u>	<u>\$ (8,300)</u>	<u>\$ 26,257</u>
Net Change in Fund Balance	\$ 17,492	\$ 465	\$ 17,957	\$ (8,300)	\$ (8,300)	\$ 26,257
Fund Balance, July 1, 2017	<u>220,392</u>	<u>(465)</u>	<u>219,927</u>	<u>219,926</u>	<u>219,926</u>	<u>1</u>
Fund Balance, June 30, 2018	<u>\$ 237,884</u>	<u>\$ 0</u>	<u>\$ 237,884</u>	<u>\$ 211,626</u>	<u>\$ 211,626</u>	<u>\$ 26,258</u>

Exhibit G-6

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 25,964	\$ 40,000	\$ 40,000	\$ (14,036)
Other Local Revenues	12,008	7,000	7,000	5,008
Other Governments and Citizens Groups	5,089	0	0	5,089
Total Revenues	<u>\$ 43,061</u>	<u>\$ 47,000</u>	<u>\$ 47,000</u>	<u>\$ (3,939)</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 163,341	\$ 175,000	\$ 175,000	\$ 11,659
Total Expenditures	<u>\$ 163,341</u>	<u>\$ 175,000</u>	<u>\$ 175,000</u>	<u>\$ 11,659</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (120,280)</u>	<u>\$ (128,000)</u>	<u>\$ (128,000)</u>	<u>\$ 7,720</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 182,052	\$ 50,000	\$ 182,052	\$ 0
Total Other Financing Sources	<u>\$ 182,052</u>	<u>\$ 50,000</u>	<u>\$ 182,052</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 61,772	\$ (78,000)	\$ 54,052	\$ 7,720
Fund Balance, July 1, 2017	156,640	207,530	207,530	(50,890)
Fund Balance, June 30, 2018	<u>\$ 218,412</u>	<u>\$ 129,530</u>	<u>\$ 261,582</u>	<u>\$ (43,170)</u>

Exhibit G-7

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Sports and Recreation Fund
For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 987,504	\$ 0	\$ 0	\$ 987,504	\$ 936,000	\$ 936,000	\$ 51,504
Charges for Current Services	72,423	0	0	72,423	45,000	45,000	27,423
Other Local Revenues	60,308	0	0	60,308	55,000	61,705	(1,397)
Total Revenues	<u>\$ 1,120,235</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,120,235</u>	<u>\$ 1,036,000</u>	<u>\$ 1,042,705</u>	<u>\$ 77,530</u>
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Parks and Fair Boards	\$ 993,016	\$ (23,141)	\$ 16,923	\$ 986,798	\$ 1,080,570	\$ 1,087,275	\$ 100,477
Other Social, Cultural, and Recreational	98,345	(500)	5,649	103,494	118,350	118,350	14,856
Total Expenditures	<u>\$ 1,091,361</u>	<u>\$ (23,641)</u>	<u>\$ 22,572</u>	<u>\$ 1,090,292</u>	<u>\$ 1,198,920</u>	<u>\$ 1,205,625</u>	<u>\$ 115,333</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 28,874</u>	<u>\$ 23,641</u>	<u>\$ (22,572)</u>	<u>\$ 29,943</u>	<u>\$ (162,920)</u>	<u>\$ (162,920)</u>	<u>\$ 192,863</u>
Net Change in Fund Balance	\$ 28,874	\$ 23,641	\$ (22,572)	\$ 29,943	\$ (162,920)	\$ (162,920)	\$ 192,863
Fund Balance, July 1, 2017	379,120	(23,641)	0	355,479	346,028	346,028	9,451
Fund Balance, June 30, 2018	<u>\$ 407,994</u>	<u>\$ 0</u>	<u>\$ (22,572)</u>	<u>\$ 385,422</u>	<u>\$ 183,108</u>	<u>\$ 183,108</u>	<u>\$ 202,314</u>

Exhibit G-8

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 2,036,581	\$ 0	\$ 2,036,581	\$ 2,014,650	\$ 2,014,650	\$ 21,931
Other Local Revenues	1,158	0	1,158	2,100	2,100	(942)
State of Tennessee	2,596,584	0	2,596,584	3,179,770	3,179,770	(583,186)
Federal Government	79,187	0	79,187	0	0	79,187
Total Revenues	\$ 4,713,510	\$ 0	\$ 4,713,510	\$ 5,196,520	\$ 5,196,520	\$ (483,010)
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 349,816	\$ 0	\$ 349,816	\$ 354,313	\$ 359,531	\$ 9,715
Highway and Bridge Maintenance	4,416,162	(1,213,036)	3,203,126	3,101,421	4,577,644	1,374,518
Operation and Maintenance of Equipment	381,599	0	381,599	346,401	410,069	28,470
Other Charges	229,371	0	229,371	221,702	243,600	14,229
Capital Outlay	286,320	0	286,320	1,168,616	1,236,116	949,796
Total Expenditures	\$ 5,663,268	\$ (1,213,036)	\$ 4,450,232	\$ 5,192,453	\$ 6,826,960	\$ 2,376,728
Excess (Deficiency) of Revenues Over Expenditures	\$ (949,758)	\$ 1,213,036	\$ 263,278	\$ 4,067	\$ (1,630,440)	\$ 1,893,718
Net Change in Fund Balance	\$ (949,758)	\$ 1,213,036	\$ 263,278	\$ 4,067	\$ (1,630,440)	\$ 1,893,718
Fund Balance, July 1, 2017	2,599,545	(1,213,036)	1,386,509	2,342,600	2,342,600	(956,091)
Fund Balance, June 30, 2018	\$ 1,649,787	\$ 0	\$ 1,649,787	\$ 2,346,667	\$ 712,160	\$ 937,627

Exhibit G-9

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Capital Projects Fund
For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 335,344	\$ 0	\$ 0	\$ 335,344	\$ 331,500	\$ 331,500	\$ 3,844
Other Local Revenues	469	0	0	469	0	0	469
Other Governments and Citizens Groups	10,215	0	0	10,215	0	0	10,215
Total Revenues	<u>\$ 346,028</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 346,028</u>	<u>\$ 331,500</u>	<u>\$ 331,500</u>	<u>\$ 14,528</u>
<u>Expenditures</u>							
<u>General Government</u>							
County Buildings	\$ 2,798,466	\$ (518,382)	\$ 1,420,305	\$ 3,700,389	\$ 4,127,000	\$ 4,127,000	\$ 426,611
<u>Other Operations</u>							
Miscellaneous	6,759	0	0	6,759	7,000	7,000	241
Total Expenditures	<u>\$ 2,805,225</u>	<u>\$ (518,382)</u>	<u>\$ 1,420,305</u>	<u>\$ 3,707,148</u>	<u>\$ 4,134,000</u>	<u>\$ 4,134,000</u>	<u>\$ 426,852</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,459,197)</u>	<u>\$ 518,382</u>	<u>\$ (1,420,305)</u>	<u>\$ (3,361,120)</u>	<u>\$ (3,802,500)</u>	<u>\$ (3,802,500)</u>	<u>\$ 441,380</u>
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 3,700,000	\$ 0	\$ 0	\$ 3,700,000	\$ 3,700,000	\$ 3,700,000	\$ 0
Total Other Financing Sources	<u>\$ 3,700,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,700,000</u>	<u>\$ 3,700,000</u>	<u>\$ 3,700,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 1,240,803	\$ 518,382	\$ (1,420,305)	\$ 338,880	\$ (102,500)	\$ (102,500)	\$ 441,380
Fund Balance, July 1, 2017	1,586,297	(518,382)	0	1,067,915	1,047,173	1,047,173	20,742
Fund Balance, June 30, 2018	<u>\$ 2,827,100</u>	<u>\$ 0</u>	<u>\$ (1,420,305)</u>	<u>\$ 1,406,795</u>	<u>\$ 944,673</u>	<u>\$ 944,673</u>	<u>\$ 462,122</u>

Major Governmental Fund

Debt Service Fund

The General Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Exhibit H

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2018

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 18,313,899	\$ 16,378,750	\$ 16,378,750	\$ 1,935,149
Other Local Revenues	38,424	0	0	38,424
Other Governments and Citizens Groups	161,400	0	161,400	0
Total Revenues	<u>\$ 18,513,723</u>	<u>\$ 16,378,750</u>	<u>\$ 16,540,150</u>	<u>\$ 1,973,573</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 100,000	\$ 0	\$ 101,600	\$ 1,600
Education	6,810,675	11,588,400	6,810,675	0
<u>Interest on Debt</u>				
General Government	548,825	0	552,261	3,436
Education	4,939,124	0	4,939,125	1
<u>Other Debt Service</u>				
General Government	146,022	0	146,022	0
Education	284,015	272,000	295,400	11,385
<u>Capital Projects</u>				
Public Safety Projects	0	1,464,238	0	0
Total Expenditures	<u>\$ 12,828,661</u>	<u>\$ 13,324,638</u>	<u>\$ 12,845,083</u>	<u>\$ 16,422</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 5,685,062</u>	<u>\$ 3,054,112</u>	<u>\$ 3,695,067</u>	<u>\$ 1,989,995</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 13,455,000	\$ 0	\$ 13,455,000	\$ 0
Premiums on Debt Sold	969,166	0	969,166	0
Transfers In	0	163,000	163,000	(163,000)
Transfers Out	(3,700,000)	(3,700,000)	(3,700,000)	0
Payments to Refunded Debt Escrow Agent	(15,088,521)	0	(15,088,521)	0
Total Other Financing Sources	<u>\$ (4,364,355)</u>	<u>\$ (3,537,000)</u>	<u>\$ (4,201,355)</u>	<u>\$ (163,000)</u>
Net Change in Fund Balance	\$ 1,320,707	\$ (482,888)	\$ (506,288)	\$ 1,826,995
Fund Balance, July 1, 2017	10,934,605	10,934,604	10,934,604	1
Fund Balance, June 30, 2018	<u>\$ 12,255,312</u>	<u>\$ 10,451,716</u>	<u>\$ 10,428,316</u>	<u>\$ 1,826,996</u>

Fiduciary Funds

Agency funds are used to account for assets held by the county in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Cities - Sales Tax Fund – The Cities - Sales Tax Fund is used to account for the second half of the sales tax revenues collected inside incorporated cities of the county. These revenues are received by the county from the State of Tennessee and forwarded to the various cities on a monthly basis.

Constitutional Officers - Agency Funds – The Constitutional Officers - Agency Fund is used to account for amounts collected in an agency capacity by the county clerk, circuit and general sessions courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Community Development - Agency Fund – The Community Development - Agency Fund is used to account for transactions related to the operations of the regional planning office, which are held in trust for the benefit of the joint venture created by an interlocal agreement between Putnam and White counties, and the cities of Sparta, Monterey, and Algood.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for state grants and other restricted revenues, which are held in trust for the benefit of the Judicial District Drug Task Force.

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held for the benefit of the Office of District Attorney General.

Exhibit I-1

Putnam County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2018

	Agency Funds					Total
	Cities - Sales Tax	Community Development Agency	Constitu - tional Officers - Agency	Judicial District Drug	District Attorney General	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 3,169,431	\$ 0	\$ 0	\$ 3,169,431
Equity in Pooled Cash and Investments	0	77,272	0	39,575	99,364	216,211
Due from Other Governments	2,737,093	0	0	3,944	0	2,741,037
Total Assets	<u>\$ 2,737,093</u>	<u>\$ 77,272</u>	<u>\$ 3,169,431</u>	<u>\$ 43,519</u>	<u>\$ 99,364</u>	<u>\$ 6,126,679</u>
<u>LIABILITIES</u>						
Due to Other Taxing Units	\$ 2,737,093	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,737,093
Due to Litigants, Heirs, and Others	0	0	3,169,431	0	99,364	3,268,795
Due to Joint Ventures	0	77,272	0	43,519	0	120,791
Total Liabilities	<u>\$ 2,737,093</u>	<u>\$ 77,272</u>	<u>\$ 3,169,431</u>	<u>\$ 43,519</u>	<u>\$ 99,364</u>	<u>\$ 6,126,679</u>

Exhibit I-2

Putnam County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 15,892,101	\$ 15,892,101	\$ 0
Due from Other Governments	2,678,675	2,737,093	2,678,675	2,737,093
Total Assets	\$ 2,678,675	\$ 18,629,194	\$ 18,570,776	\$ 2,737,093
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,678,675	\$ 18,629,194	\$ 18,570,776	\$ 2,737,093
Total Liabilities	\$ 2,678,675	\$ 18,629,194	\$ 18,570,776	\$ 2,737,093
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,942,216	\$ 30,473,800	\$ 30,246,585	\$ 3,169,431
Total Assets	\$ 2,942,216	\$ 30,473,800	\$ 30,246,585	\$ 3,169,431
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,942,216	\$ 30,473,800	\$ 30,246,585	\$ 3,169,431
Total Liabilities	\$ 2,942,216	\$ 30,473,800	\$ 30,246,585	\$ 3,169,431
<u>Community Development - Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 47,256	\$ 144,363	\$ 114,347	\$ 77,272
Due from Other Governments	15,512	0	15,512	0
Total Assets	\$ 62,768	\$ 144,363	\$ 129,859	\$ 77,272
<u>Liabilities</u>				
Due to Joint Ventures	\$ 62,768	\$ 144,363	\$ 129,859	\$ 77,272
Total Liabilities	\$ 62,768	\$ 144,363	\$ 129,859	\$ 77,272

(Continued)

Exhibit I-2

Putnam County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds (Cont.)

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 8,734	\$ 120,752	\$ 89,911	\$ 39,575
Due from Other Governments	4,355	3,944	4,355	3,944
Total Assets	\$ 13,089	\$ 124,696	\$ 94,266	\$ 43,519
<u>Liabilities</u>				
Due to Joint Ventures	\$ 13,089	\$ 124,696	\$ 94,266	\$ 43,519
Total Liabilities	\$ 13,089	\$ 124,696	\$ 94,266	\$ 43,519
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 88,188	\$ 36,791	\$ 25,615	\$ 99,364
Total Assets	\$ 88,188	\$ 36,791	\$ 25,615	\$ 99,364
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 88,188	\$ 36,791	\$ 25,615	\$ 99,364
Total Liabilities	\$ 88,188	\$ 36,791	\$ 25,615	\$ 99,364
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,942,216	\$ 30,473,800	\$ 30,246,585	\$ 3,169,431
Equity in Pooled Cash and Investments	144,178	16,194,007	16,121,974	216,211
Accounts Receivable	0	0	0	0
Due from Other Governments	2,698,542	2,741,037	2,698,542	2,741,037
Total Assets	\$ 5,784,936	\$ 49,408,844	\$ 49,067,101	\$ 6,126,679
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,678,675	\$ 18,629,194	\$ 18,570,776	\$ 2,737,093
Due to Litigants, Heirs, and Others	3,030,404	30,510,591	30,272,200	3,268,795
Due to Joint Ventures	75,857	269,059	224,125	120,791
Total Liabilities	\$ 5,784,936	\$ 49,408,844	\$ 49,067,101	\$ 6,126,679

Putnam County School Department

This section presents combining and individual fund financial statements for the Putnam County School Department, a discretely presented component unit. The Putnam County School Department uses a General Fund, three Special Revenue Funds, and two Capital Projects Funds.

General Purpose School Fund – The General Purpose School Fund is used to account for general operations of the School Department.

School Federal Projects Fund – The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – The Central Cafeteria Fund is used to account for the cafeteria operations in each of the schools.

Extended School Program Fund – The Extended School Program Fund is used to account for the operations of the child-care programs operated within the schools.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for the purchase of property and equipment, along with construction and renovation of buildings and facilities.

Exhibit J-1

Putnam County, Tennessee
Statement of Activities
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 57,403,564	\$ 641	\$ 4,404,553	\$ 0	\$ (52,998,370)
Support Services	34,257,532	241,321	1,422,093	4,535	(32,589,583)
Operation of Non-instructional Services	9,684,831	2,275,411	5,923,827	0	(1,485,593)
Interest on Long-term Debt	725	0	0	0	(725)
Total Governmental Activities	\$ 101,346,652	\$ 2,517,373	\$ 11,750,473	\$ 4,535	\$ (87,074,271)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 14,983,378
Local Option Sales Taxes					16,999,992
Mixed Drink Tax					183,929
Grants and Contributions Not Restricted to Specific Programs					55,063,289
Unrestricted Investment Earnings					3,633
Miscellaneous					69,673
Total General Revenues					\$ 87,303,894
Change in Net Position					\$ 229,623
Net Position, July 1, 2017					180,064,186
Restatement - See Note I.D.9.					(8,339,076)
Net Position, June 30, 2018					\$ 171,954,733

Exhibit J-2

Putnam County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2018

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 8,834,194	\$ 1,889,715	\$ 10,723,909
Inventories	49,791	0	49,791
Accounts Receivable	1,554	10,953	12,507
Due from Other Governments	5,419,978	1,463,661	6,883,639
Due from Other Funds	4,181	0	4,181
Due from Primary Government	42,778	0	42,778
Property Taxes Receivable	14,094,170	0	14,094,170
Allowance for Uncollectible Property Taxes	(287,173)	0	(287,173)
Total Assets	<u>\$ 28,159,473</u>	<u>\$ 3,364,329</u>	<u>\$ 31,523,802</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 371,089	\$ 3,209	\$ 374,298
Accrued Payroll	487,535	120,969	608,504
Payroll Deductions Payable	915,545	116,385	1,031,930
Total Liabilities	<u>\$ 1,774,169</u>	<u>\$ 240,563</u>	<u>\$ 2,014,732</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 13,555,519	\$ 0	\$ 13,555,519
Deferred Delinquent Property Taxes	251,478	0	251,478
Other Deferred/Unavailable Revenue	1,416,666	0	1,416,666
Total Deferred Inflows of Resources	<u>\$ 15,223,663</u>	<u>\$ 0</u>	<u>\$ 15,223,663</u>
<u>FUND BALANCES</u>			
Nonspendable:			
Inventory	\$ 49,791	\$ 0	\$ 49,791
Restricted:			
Restricted for Education	32,694	1,407,834	1,440,528
Restricted for Capital Projects	0	21,102	21,102
Committed:			
Committed for Education	0	1,694,830	1,694,830
Assigned:			
Assigned for Education	281,025	0	281,025
Unassigned	10,798,131	0	10,798,131
Total Fund Balances	<u>\$ 11,161,641</u>	<u>\$ 3,123,766</u>	<u>\$ 14,285,407</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 28,159,473</u>	<u>\$ 3,364,329</u>	<u>\$ 31,523,802</u>

Exhibit J-3

Putnam County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Putnam County School Department
June 30, 2018

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	14,285,407
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	5,129,273	
Add: buildings and improvements net of accumulated depreciation		157,922,407	
Add: other capital assets net of accumulated depreciation		<u>2,917,825</u>	165,969,505
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(231,875)	
Less: contributions due on the primary government debt for other loans		(2,347,584)	
Less: net OPEB liability		(8,164,387)	
Less: net pension liability - agent plan		<u>(2,136,442)</u>	(12,880,288)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension expense in future years:			
Add: deferred outflows of resources related to pensions	\$	9,872,282	
Less: deferred inflows of resources related to pensions		(7,651,229)	
Add: deferred outflows of resources related to OPEB		511,025	
Less: deferred inflows of resources related to OPEB		<u>(356,289)</u>	2,375,789
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension assets - teacher retirement plan	\$	183,912	
Add: net pension assets - teacher legacy plan		<u>352,264</u>	536,176
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,668,144</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>171,954,733</u></u>

Exhibit J-4

Putnam County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 32,448,587	\$ 0	\$ 32,448,587
Licenses and Permits	5,606	0	5,606
Charges for Current Services	251,960	2,170,548	2,422,508
Other Local Revenues	108,068	29,688	137,756
State of Tennessee	53,039,937	49,188	53,089,125
Federal Government	974,402	12,406,272	13,380,674
Other Governments and Citizens Groups	2,452,195	50	2,452,245
Total Revenues	<u>\$ 89,280,755</u>	<u>\$ 14,655,746</u>	<u>\$ 103,936,501</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 52,555,844	\$ 4,774,643	\$ 57,330,487
Support Services	32,920,104	2,144,413	35,064,517
Operation of Non-Instructional Services	2,915,073	6,774,598	9,689,671
Debt Service:			
Principal on Debt	160,675	0	160,675
Interest on Debt	725	0	725
Capital Projects	0	5,000	5,000
Total Expenditures	<u>\$ 88,552,421</u>	<u>\$ 13,698,654</u>	<u>\$ 102,251,075</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 728,334</u>	<u>\$ 957,092</u>	<u>\$ 1,685,426</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds from Sale of Capital Assets	\$ 24,683	\$ 0	\$ 24,683
Transfers In	770,546	0	770,546
Transfers Out	0	(770,546)	(770,546)
Total Other Financing Sources (Uses)	<u>\$ 795,229</u>	<u>\$ (770,546)</u>	<u>\$ 24,683</u>
Net Change in Fund Balances	\$ 1,523,563	\$ 186,546	\$ 1,710,109
Fund Balance, July 1, 2017	<u>9,638,078</u>	<u>2,937,220</u>	<u>12,575,298</u>
Fund Balance, June 30, 2018	<u>\$ 11,161,641</u>	<u>\$ 3,123,766</u>	<u>\$ 14,285,407</u>

Exhibit J-5

Putnam County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 1,710,109
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 525,637	
Less: current-year depreciation expense	<u>(4,130,746)</u>	(3,605,109)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Less: book value of capital assets disposed		(22,305)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2018	\$ 1,668,144	
Less: deferred delinquent property taxes and other deferred June 30, 2017	<u>(1,678,476)</u>	(10,332)
(4) The contributions of long-term debt (e.g., bonds, notes, other loans, leases) by the primary government provide current financial resources to governmental funds, while the contributions by the School Department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contribution on lease to the primary government	\$ 160,675	
Less: other loan proceeds contributed from primary government	<u>(2,347,584)</u>	(2,186,909)
(5) 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.		
Change in compensated absences payable	\$ 13,256	
Change in OPEB liability (net of restatement)	174,689	
Change in deferred outflows related to OPEB	511,025	
Change in deferred inflows related to OPEB	(356,289)	
Change in net pension liability - agent plan	794,702	
Change in net pension liability - teacher legacy plan	7,021,221	
Change in net pension liability - teacher retirement plan	118,968	
Change in deferred outflows related to pensions	(4,832,509)	
Change in deferred inflows related to pensions	<u>899,106</u>	<u>4,344,169</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 229,623</u>

Exhibit J-6

Putnam County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2018

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Extended</u>	<u>Education</u>	<u>Nonmajor</u>	
	<u>Federal</u>	<u>Cafeteria</u>	<u>School</u>	<u>Capital</u>	<u>Governmental</u>	
	<u>Projects</u>		<u>Program</u>	<u>Projects</u>	<u>Funds</u>	
			<u>Total</u>			
<u>ASSETS</u>						
Equity in Pooled Cash and Investments	\$ 75,178	\$ 1,095,396	\$ 698,039	\$ 1,868,613	\$ 21,102	\$ 1,889,715
Accounts Receivable	5,449	5,438	66	10,953	0	10,953
Due from Other Governments	1,222,653	241,008	0	1,463,661	0	1,463,661
Total Assets	\$ 1,303,280	\$ 1,341,842	\$ 698,105	\$ 3,343,227	\$ 21,102	\$ 3,364,329
<u>LIABILITIES</u>						
Accounts Payable	\$ 3,209	\$ 0	\$ 0	\$ 3,209	\$ 0	\$ 3,209
Accrued Payroll	120,969	0	0	120,969	0	120,969
Payroll Deductions Payable	95,619	17,491	3,275	116,385	0	116,385
Total Liabilities	\$ 219,797	\$ 17,491	\$ 3,275	\$ 240,563	\$ 0	\$ 240,563
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Education	\$ 83,483	\$ 1,324,351	\$ 0	\$ 1,407,834	\$ 0	\$ 1,407,834
Restricted for Capital Projects	0	0	0	0	21,102	21,102
Committed:						
Committed for Education	1,000,000	0	694,830	1,694,830	0	1,694,830
Total Fund Balances	\$ 1,083,483	\$ 1,324,351	\$ 694,830	\$ 3,102,664	\$ 21,102	\$ 3,123,766
Total Liabilities and Fund Balances	\$ 1,303,280	\$ 1,341,842	\$ 698,105	\$ 3,343,227	\$ 21,102	\$ 3,364,329

Exhibit J-7

Putnam County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

	Special Revenue Funds				Capital	Total
	School Federal Projects	Central Cafeteria	Extended School Program	Total	Projects Fund Education Capital Projects	
<u>Revenues</u>						
Charges for Current Services	\$ 0	\$ 1,208,329	\$ 962,219	\$ 2,170,548	\$ 0	\$ 2,170,548
Other Local Revenues	0	29,688	0	29,688	0	29,688
State of Tennessee	0	49,188	0	49,188	0	49,188
Federal Government	7,249,235	5,061,759	95,278	12,406,272	0	12,406,272
Other Governments and Citizens Groups	0	0	50	50	0	50
Total Revenues	\$ 7,249,235	\$ 6,348,964	\$ 1,057,547	\$ 14,655,746	\$ 0	\$ 14,655,746
<u>Expenditures</u>						
Current:						
Instruction	\$ 4,774,643	\$ 0	\$ 0	\$ 4,774,643	\$ 0	\$ 4,774,643
Support Services	2,144,413	0	0	2,144,413	0	2,144,413
Operation of Non-Instructional Services	1,054	5,858,454	915,090	6,774,598	0	6,774,598
Capital Projects	0	0	0	0	5,000	5,000
Total Expenditures	\$ 6,920,110	\$ 5,858,454	\$ 915,090	\$ 13,693,654	\$ 5,000	\$ 13,698,654
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 329,125	\$ 490,510	\$ 142,457	\$ 962,092	\$ (5,000)	\$ 957,092
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (132,262)	\$ (638,284)	\$ 0	\$ (770,546)	\$ 0	\$ (770,546)
Total Other Financing Sources (Uses)	\$ (132,262)	\$ (638,284)	\$ 0	\$ (770,546)	\$ 0	\$ (770,546)

(Continued)

Exhibit J-7

Putnam County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Putnam County School Department (Cont.)

	<u>Special Revenue Funds</u>				<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Extended</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Federal</u>	<u>Cafeteria</u>	<u>School</u>		<u>Education</u>	<u>Governmental</u>
	<u>Projects</u>		<u>Program</u>		<u>Capital</u>	<u>Funds</u>
					<u>Projects</u>	
Net Change in Fund Balances	\$ 196,863	\$ (147,774)	\$ 142,457	\$ 191,546	\$ (5,000)	\$ 186,546
Fund Balance, July 1, 2017	886,620	1,472,125	552,373	2,911,118	26,102	2,937,220
Fund Balance, June 30, 2018	\$ 1,083,483	\$ 1,324,351	\$ 694,830	\$ 3,102,664	\$ 21,102	\$ 3,123,766

Exhibit J-8

Putnam County, Tennessee
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Actual (Budgetary Basis) and Budget
 Discretely Presented Putnam County School Department
 General Purpose School Fund
 For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 32,448,587	\$ 0	\$ 0	\$ 32,448,587	\$ 32,164,500	\$ 32,314,500	\$ 134,087
Licenses and Permits	5,606	0	0	5,606	5,000	5,000	606
Charges for Current Services	251,960	0	0	251,960	280,350	361,984	(110,024)
Other Local Revenues	108,068	0	0	108,068	115,200	115,200	(7,132)
State of Tennessee	53,039,937	0	0	53,039,937	52,674,969	52,945,660	94,277
Federal Government	974,402	0	0	974,402	267,652	969,699	4,703
Other Governments and Citizens Groups	2,452,195	0	0	2,452,195	9,000	2,625,612	(173,417)
Total Revenues	\$ 89,280,755	\$ 0	\$ 0	\$ 89,280,755	\$ 85,516,671	\$ 89,337,655	\$ (56,900)
Expenditures							
Instruction							
Regular Instruction Program	\$ 41,677,687	\$ (58,596)	\$ 103,094	\$ 41,722,185	\$ 44,339,443	\$ 42,177,134	\$ 454,949
Alternative Instruction Program	604,033	(60)	845	604,818	642,693	632,251	27,433
Special Education Program	8,308,051	(1,500)	2,809	8,309,360	8,660,361	8,566,140	256,780
Career and Technical Education Program	1,405,233	(520)	1,168	1,405,881	1,555,103	1,499,180	93,299
Adult Education Program	560,840	0	59	560,899	0	630,709	69,810
Support Services							
Attendance	265,668	0	0	265,668	275,273	272,941	7,273
Health Services	1,299,452	0	0	1,299,452	1,322,595	1,310,843	11,391
Other Student Support	2,686,059	(1,805)	2,970	2,687,224	2,750,038	2,720,267	33,043
Regular Instruction Program	2,649,249	(7,074)	3,733	2,645,908	2,725,779	2,782,358	136,450
Alternative Instruction Program	133,922	0	0	133,922	111,823	134,820	898
Special Education Program	1,134,716	(810)	0	1,133,906	1,164,550	1,180,005	46,099
Career and Technical Education Program	83,156	0	0	83,156	102,915	101,314	18,158
Technology	1,041,451	0	28,129	1,069,580	1,160,616	1,122,811	53,231
Adult Programs	130,719	0	0	130,719	0	139,168	8,449
Other Programs	386,928	0	0	386,928	0	386,928	0
Board of Education	1,649,199	0	82	1,649,281	1,669,577	1,701,747	52,466
Director of Schools	147,007	(2,667)	0	144,340	149,743	152,061	7,721

(Continued)

Exhibit J-8

Putnam County, Tennessee
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Actual (Budgetary Basis) and Budget
 Discretely Presented Putnam County School Department
 General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Office of the Principal	\$ 6,036,737	\$ 0	\$ 0	\$ 6,036,737	\$ 6,268,641	\$ 6,073,611	\$ 36,874
Fiscal Services	711,066	0	422	711,488	699,060	725,169	13,681
Human Services/Personnel	238,040	(1,420)	0	236,620	260,756	239,407	2,787
Operation of Plant	6,553,919	0	2,622	6,556,541	6,729,109	6,672,439	115,898
Maintenance of Plant	4,415,267	(130,102)	127,565	4,412,730	2,303,361	4,781,335	368,605
Transportation	3,344,055	(11,205)	2,323	3,335,173	3,821,645	3,716,840	381,667
Central and Other	13,494	(13,494)	0	0	0	0	0
<u>Operation of Non-Instructional Services</u>							
Food Service	423,872	0	0	423,872	0	437,000	13,128
Community Services	692,546	(184)	5,204	697,566	1,162,182	794,692	97,126
Early Childhood Education	1,798,655	0	0	1,798,655	1,792,478	1,841,404	42,749
<u>Principal on Debt</u>							
Education	160,675	0	0	160,675	0	160,675	0
<u>Interest on Debt</u>							
Education	725	0	0	725	0	725	0
Total Expenditures	\$ 88,552,421	\$ (229,437)	\$ 281,025	\$ 88,604,009	\$ 89,667,741	\$ 90,953,974	\$ 2,349,965
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 728,334	\$ 229,437	\$ (281,025)	\$ 676,746	\$ (4,151,070)	\$ (1,616,319)	\$ 2,293,065
<u>Other Financing Sources (Uses)</u>							
Proceeds from Sale of Capital Assets	\$ 24,683	\$ 0	\$ 0	\$ 24,683	\$ 0	\$ 0	\$ 24,683
Transfers In	770,546	0	0	770,546	261,618	698,618	71,928
Total Other Financing Sources	\$ 795,229	\$ 0	\$ 0	\$ 795,229	\$ 261,618	\$ 698,618	\$ 96,611
Net Change in Fund Balance	\$ 1,523,563	\$ 229,437	\$ (281,025)	\$ 1,471,975	\$ (3,889,452)	\$ (917,701)	\$ 2,389,676
Fund Balance, July 1, 2017	9,638,078	(229,437)	0	9,408,641	9,603,843	9,603,843	(195,202)
Fund Balance, June 30, 2018	\$ 11,161,641	\$ 0	\$ (281,025)	\$ 10,880,616	\$ 5,714,391	\$ 8,686,142	\$ 2,194,474

Exhibit J-9

Putnam County, Tennessee
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Actual (Budgetary Basis) and Budget
 Discretely Presented Putnam County School Department
 School Federal Projects Fund
 For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 7,249,235	\$ 0	\$ 0	\$ 7,249,235	\$ 6,670,422	\$ 8,786,645	\$ (1,537,410)
Total Revenues	\$ 7,249,235	\$ 0	\$ 0	\$ 7,249,235	\$ 6,670,422	\$ 8,786,645	\$ (1,537,410)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 2,295,988	\$ (66,680)	\$ 2,017	\$ 2,231,325	\$ 2,156,705	\$ 2,772,766	\$ 541,441
Special Education Program	2,300,739	0	0	2,300,739	2,250,033	2,597,321	296,582
Career and Technical Education Program	177,916	(34,505)	1,692	145,103	109,862	172,281	27,178
<u>Support Services</u>							
Other Student Support	229,055	(66)	0	228,989	69,265	240,931	11,942
Regular Instruction Program	1,608,429	0	0	1,608,429	1,129,547	1,857,895	249,466
Special Education Program	287,228	0	0	287,228	336,255	356,162	68,934
Career and Technical Education Program	0	0	0	0	6,908	0	0
Transportation	19,701	0	0	19,701	22,540	22,743	3,042
<u>Operation of Non-Instructional Services</u>							
Food Service	1,054	0	0	1,054	0	3,600	2,546
Total Expenditures	\$ 6,920,110	\$ (101,251)	\$ 3,709	\$ 6,822,568	\$ 6,081,115	\$ 8,023,699	\$ 1,201,131
Excess (Deficiency) of Revenues Over Expenditures	\$ 329,125	\$ 101,251	\$ (3,709)	\$ 426,667	\$ 589,307	\$ 762,946	\$ (336,279)
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (132,262)	\$ 0	\$ 0	\$ (132,262)	\$ (589,307)	\$ (762,946)	\$ 630,684
Total Other Financing Sources	\$ (132,262)	\$ 0	\$ 0	\$ (132,262)	\$ (589,307)	\$ (762,946)	\$ 630,684
Net Change in Fund Balance	\$ 196,863	\$ 101,251	\$ (3,709)	\$ 294,405	\$ 0	\$ 0	\$ 294,405
Fund Balance, July 1, 2017	886,620	(101,251)	0	785,369	0	0	785,369
Fund Balance, June 30, 2018	\$ 1,083,483	\$ 0	\$ (3,709)	\$ 1,079,774	\$ 0	\$ 0	\$ 1,079,774

Exhibit J-10

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Putnam County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 1,208,329	\$ 0	\$ 1,208,329	\$ 1,100,000	\$ 1,100,000	\$ 108,329
Other Local Revenues	29,688	0	29,688	16,000	16,000	13,688
State of Tennessee	49,188	0	49,188	50,000	50,000	(812)
Federal Government	5,061,759	0	5,061,759	5,550,595	5,613,102	(551,343)
Total Revenues	<u>\$ 6,348,964</u>	<u>\$ 0</u>	<u>\$ 6,348,964</u>	<u>\$ 6,716,595</u>	<u>\$ 6,779,102</u>	<u>\$ (430,138)</u>
<u>Expenditures</u>						
<u>Operation of Non-Instructional Services</u>						
Food Service	\$ 5,858,454	\$ 4,008	\$ 5,862,462	\$ 6,141,595	\$ 6,114,102	\$ 251,640
Total Expenditures	<u>\$ 5,858,454</u>	<u>\$ 4,008</u>	<u>\$ 5,862,462</u>	<u>\$ 6,141,595</u>	<u>\$ 6,114,102</u>	<u>\$ 251,640</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 490,510	\$ (4,008)	\$ 486,502	\$ 575,000	\$ 665,000	\$ (178,498)
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (638,284)	\$ 0	\$ (638,284)	\$ (575,000)	\$ (665,000)	\$ 26,716
Total Other Financing Sources	<u>\$ (638,284)</u>	<u>\$ 0</u>	<u>\$ (638,284)</u>	<u>\$ (575,000)</u>	<u>\$ (665,000)</u>	<u>\$ 26,716</u>
Net Change in Fund Balance	\$ (147,774)	\$ (4,008)	\$ (151,782)	\$ 0	\$ 0	\$ (151,782)
Fund Balance, July 1, 2017	1,472,125	0	1,472,125	1,257,924	1,257,924	214,201
Fund Balance, June 30, 2018	<u>\$ 1,324,351</u>	<u>\$ (4,008)</u>	<u>\$ 1,320,343</u>	<u>\$ 1,257,924</u>	<u>\$ 1,257,924</u>	<u>\$ 62,419</u>

Exhibit J-11

Putnam County, Tennessee
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balance - Actual (Budgetary Basis) and Budget
 Discretely Presented Putnam County School Department
 Extended School Program Fund
 For the Year Ended June 30, 2018

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2017	Add: Encumbrances 6/30/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 962,219	\$ 0	\$ 0	\$ 962,219	\$ 936,009	\$ 840,731	\$ 121,488
Federal Government	95,278	0	0	95,278	0	95,278	0
Other Governments and Citizens Groups	50	0	0	50	0	0	50
Total Revenues	<u>\$ 1,057,547</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,057,547</u>	<u>\$ 936,009</u>	<u>\$ 936,009</u>	<u>\$ 121,538</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 915,090	\$ (2,685)	\$ 19,901	\$ 932,306	\$ 936,009	\$ 969,009	\$ 36,703
Total Expenditures	<u>\$ 915,090</u>	<u>\$ (2,685)</u>	<u>\$ 19,901</u>	<u>\$ 932,306</u>	<u>\$ 936,009</u>	<u>\$ 969,009</u>	<u>\$ 36,703</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 142,457</u>	<u>\$ 2,685</u>	<u>\$ (19,901)</u>	<u>\$ 125,241</u>	<u>\$ 0</u>	<u>\$ (33,000)</u>	<u>\$ 158,241</u>
Net Change in Fund Balance	\$ 142,457	\$ 2,685	\$ (19,901)	\$ 125,241	\$ 0	\$ (33,000)	\$ 158,241
Fund Balance, July 1, 2017	<u>552,373</u>	<u>(2,685)</u>	<u>0</u>	<u>549,688</u>	<u>504,929</u>	<u>504,929</u>	<u>44,759</u>
Fund Balance, June 30, 2018	<u>\$ 694,830</u>	<u>\$ 0</u>	<u>\$ (19,901)</u>	<u>\$ 674,929</u>	<u>\$ 504,929</u>	<u>\$ 471,929</u>	<u>\$ 203,000</u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

Putnam County, Tennessee
Schedule of Changes in Long-term Bonds, Other Loans, and Capital Leases
For the Year Ended June 30, 2018

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-17	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-18
<u>BONDS PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
Public Improvement	\$ 16,000,000	4.38	% 6-7-07	2-9-18	\$ 14,800,000	\$ 0	\$ 0	\$ 14,800,000	\$ 0
General Obligation Public Improvement, Series 2010	7,200,000	3.6781	12-22-10	4-1-30	6,600,000	0	100,000	0	6,500,000
School Bonds, Series 2013	52,235,000	2 to 3.5	6-6-13	4-1-33	51,835,000	0	100,000	0	51,735,000
School Refunding	9,545,000	4.5	10-11-06	10-11-18	1,545,000	0	1,545,000	0	0
General Obligation Refunding Bond, Series 2018	13,455,000	2 to 4	2-9-18	4-1-28	0	13,455,000	0	0	13,455,000
School Refunding	35,280,000	4.85 to 5.5	8-1-01	4-1-20	14,370,000	0	4,465,000	0	9,905,000
School Refunding, Series 2017	44,260,000	4 to 5	2-17-17	4-1-28	44,260,000	0	540,000	0	43,720,000
Total Bonds Payable					<u>\$ 133,410,000</u>	<u>\$ 13,455,000</u>	<u>\$ 6,750,000</u>	<u>\$ 14,800,000</u>	<u>\$ 125,315,000</u>
<u>OTHER LOANS PAYABLE</u>									
<u>Contributions Due by the School Department from the General</u>									
<u>Purpose School Fund to the General Debt Service Fund</u>									
Energy Efficient Schools Initiative Loan	2,347,584	1	1-4-18	8-1-24	\$ 0	\$ 2,347,584	\$ 0	\$ 0	\$ 2,347,584
<u>CAPITAL LEASES PAYABLE</u>									
<u>Contributions Due by the School Department from the General</u>									
<u>Purpose School Fund to the General Debt Service Fund</u>									
Computers	957,596	0.9	4-15-15	10-15-17	\$ 160,675	\$ 0	\$ 160,675	\$ 0	\$ 0

Exhibit K-2

Putnam County, Tennessee
Schedule of Long-term Debt Requirements by Year

Year Ending June 30	Bonds		
	Principal	Interest	Total
2019	\$ 6,990,000	\$ 5,138,524	\$ 12,128,524
2020	8,625,000	4,719,178	13,344,178
2021	9,085,000	4,296,913	13,381,913
2022	9,375,000	3,890,613	13,265,613
2023	9,655,000	3,470,188	13,125,188
2024	10,145,000	3,038,713	13,183,713
2025	10,635,000	2,624,913	13,259,913
2026	11,120,000	2,192,863	13,312,863
2027	11,075,000	1,774,250	12,849,250
2028	8,615,000	1,328,075	9,943,075
2029	6,630,000	1,026,125	7,656,125
2030	6,630,000	820,925	7,450,925
2031	6,000,000	585,725	6,585,725
2032	5,735,000	375,725	6,110,725
2033	5,000,000	175,000	5,175,000
Total	\$ 125,315,000	\$ 35,457,730	\$ 160,772,730

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2019	\$ 317,700	\$ 18,370	\$ 336,070
2020	384,744	18,540	403,284
2021	388,608	14,676	403,284
2022	392,520	10,764	403,284
2023	396,456	6,828	403,284
2024	400,440	2,844	403,284
2025	67,116	87	67,203
Total	\$ 2,347,584	\$ 72,109	\$ 2,419,693

Exhibit K-3

Putnam County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Drug Control	Operations	\$ 182,052
Industrial/Economic Development	Community Development - Agency Fund	Operations	36,078
General Debt Service	General Capital Projects	Operations	<u>3,700,000</u>
Total Transfers Primary Government			<u>\$ 3,918,130</u>
<u>DISCRETELY PRESENTED PUTNAM COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 132,262
Central Cafeteria	"	Reimbursement of direct costs	<u>638,284</u>
Total Transfers Discretely Presented Putnam County School Department			<u>\$ 770,546</u>

Exhibit K-4

Putnam County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <i>TCA</i> , and County Commission	\$ 99,491 (1)	\$ 100,000	Nationwide Mutual
Road Supervisor	Section 8-24-102, <i>TCA</i>	93,496	100,000	Western Surety Company
Director of Schools	State Board of Education and Putnam County Board of Education	108,683 (2)	100,000	Nationwide Mutual
Trustee	Section 8-24-102, <i>TCA</i>	84,996	4,300,000	Auto Owners Mutual Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	84,996	50,000	Nationwide Mutual
County Clerk	Section 8-24-102, <i>TCA</i> and County Commission	84,996 (3)	100,000	Travelers Casualty and Surety Company of America
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i> , and Probate Judge	84,996 (4)	110,000	Western Surety Company
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	84,996 (5)	150,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	84,996	100,000	"
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	93,496 (6)	100,000	Nationwide Mutual
Employee Blanket Bonds	Public Employee Dishonesty - Primary Government and the Discretely Presented Putnam County School Department		500,000	Hartford Insurance Company

- (1) Includes additional appropriation of \$1,320.
- (2) Includes \$1,000 for chief executive officer training.
- (3) Does not include \$300 for serving as secretary of the Beer Board.
- (4) Does not include special commissioners fees of \$8,880.
- (5) Does not include special commissioners fees of \$20,598.
- (6) Does not include a payment of \$1,200 for serving as superintendent of the workhouse and does not include a law enforcement training supplement of \$600.

Exhibit K-5

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2018

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 13,337,954	\$ 2,841,133	\$ 315,677	\$ 0	\$ 0	\$ 631,358
Trustee's Collections - Prior Year	291,721	62,154	6,915	0	0	13,825
Circuit Clerk/Clerk and Master Collections - Prior Years	242,302	52,334	6,342	0	0	12,388
Interest and Penalty	48,628	10,358	1,151	0	0	2,301
Payments in-Lieu-of Taxes - T.V.A.	331	70	8	0	0	16
Payments in-Lieu-of Taxes - Other	144,612	30,805	3,423	0	0	6,846
<u>County Local Option Taxes</u>						
Local Option Sales Tax	11,396	0	0	0	0	0
Hotel/Motel Tax	0	0	448,656	0	0	315,721
Litigation Tax - General	318,484	0	0	0	0	0
Litigation Tax - Special Purpose	406	0	0	0	0	0
Business Tax	1,396,871	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	106,660	22,720	2,525	0	0	5,049
Wholesale Beer Tax	164,709	0	0	0	0	0
Total Local Taxes	\$ 16,064,074	\$ 3,019,574	\$ 784,697	\$ 0	\$ 0	\$ 987,504
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 283,508	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Permits</u>						
Building Permits	171,956	0	0	0	0	0
Electrical Permits	101,980	0	0	0	0	0
Plumbing Permits	12,918	0	0	0	0	0

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Other Permits	\$ 3,198	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 573,560	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 21,847	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	15,067	0	0	0	0	0
Drug Control Fines	1,501	0	0	0	1,501	0
Drug Court Fees	8,263	0	0	0	0	0
Veterans Treatment Court Fees	2,592	0	0	0	0	0
Jail Fees	38,888	0	0	0	0	0
Judicial Commissioner Fees	118	0	0	0	0	0
DUI Treatment Fines	13,483	0	0	0	0	0
Data Entry Fee - Circuit Court	5,996	0	0	0	0	0
Courtroom Security Fee	286	0	0	0	0	0
Victims Assistance Assessments	19,517	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	28,440	0	0	0	0	0
Officers Costs	110,471	0	0	0	0	0
Game and Fish Fines	149	0	0	0	0	0
Drug Control Fines	1,760	0	0	0	1,208	0
Drug Court Fees	13,650	0	0	0	0	0
Veterans Treatment Court Fees	4,088	0	0	0	0	0
Jail Fees	119,383	0	0	0	0	0
Interpreter Fee	57	0	0	0	0	0

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$ 245	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DUI Treatment Fines	10,014	0	0	0	0	0
Data Entry Fee - General Sessions Court	45,114	0	0	0	0	0
Courtroom Security Fee	5,025	0	0	0	0	0
Victims Assistance Assessments	26,319	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	380	0	0	0	0	0
Officers Costs	13,901	0	0	0	0	0
Jail Fees	8,094	0	0	0	0	0
Data Entry Fee - Juvenile Court	4,011	0	0	0	0	0
Courtroom Security Fee	1,097	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	2,831	0	0	0	0	0
Data Entry Fee - Chancery Court	7,373	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Courtroom Security Fee	114	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	23,255	0
Total Fines, Forfeitures, and Penalties	\$ 530,074	\$ 0	\$ 0	\$ 0	\$ 25,964	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 1,190,701	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Disposal Fee	0	40,000	0	0	0	0
Surcharge - Waste Tire Disposal	0	78,685	0	0	0	0

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Charges for Current Services (Cont.)</u>						
<u>General Service Charges (Cont.)</u>						
Patient Charges	\$ 4,641,818	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	3,928	0	0	0	0	0
Service Charges	12,725	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	0	0	1,850	0	0	0
Recreation Fees	14,215	0	0	0	0	72,103
Copy Fees	417	0	0	0	0	0
Archives and Records Management Fee	0	0	0	79,920	0	0
Greenbelt Late Application Fee	100	0	0	0	0	0
Telephone Commissions	194,298	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0	320
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Data Processing Fee - Register	23,550	0	0	0	0	0
Data Processing Fee - Sheriff	10,832	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,410	0	0	0	0	0
Data Processing Fee - County Clerk	27,057	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	205	0	0	0	0	0
Total Charges for Current Services	\$ 4,932,555	\$ 1,309,386	\$ 1,850	\$ 79,920	\$ 0	\$ 72,423
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 497,973	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	324,153	0	0	0	0	34,774
Sale of Materials and Supplies	1,662	0	0	0	0	37
Commissary Sales	471,323	0	0	0	0	0

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Sale of Gasoline	\$ 74,507	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Recycled Materials	0	240,089	0	0	0	0
Miscellaneous Refunds	7,076	0	0	0	2,928	1,136
<u>Nonrecurring Items</u>						
Sale of Equipment	11,135	10,487	0	0	0	6,720
Sale of Property	215,892	0	65,115	0	9,080	0
Damages Recovered from Individuals	8,090	0	0	0	0	0
Contributions and Gifts	3,970	0	0	4,950	0	1,457
Performance Bond Forfeitures	30,062	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	428,114	0	17,750	0	0	16,184
Total Other Local Revenues	\$ 2,073,957	\$ 250,576	\$ 82,865	\$ 4,950	\$ 12,008	\$ 60,308
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 752,259	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	385,237	0	0	0	0	0
General Sessions Court Clerk	920,502	0	0	0	0	0
Clerk and Master	180,558	0	0	0	0	0
Juvenile Court Clerk	94,583	0	0	0	0	0
Register	346,082	0	0	0	0	0
Sheriff	40,554	0	0	0	0	0
Trustee	1,619,409	0	0	0	0	0
Total Fees Received From County Officials	\$ 4,339,184	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 62,602	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	70,815	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	40,200	0	0	0	0	0
Drug Control Grants	129,179	0	0	0	0	0
Other Public Safety Grants	3,000	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	1,841,210	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	39,362	19,982	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	92,289	0	0	0	0	0
Beer Tax	17,839	0	0	0	0	0
Alcoholic Beverage Tax	121,935	0	0	0	0	0
State Revenue Sharing - T.V.A.	870,259	0	0	0	0	0
State Revenue Sharing - Telecommunications	327,707	0	0	0	0	0
Contracted Prisoner Boarding	1,343,018	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	32,634	0	0	0	0	0
Other State Revenues	133,362	0	0	0	0	0
Total State of Tennessee	\$ 5,069,760	\$ 90,797	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 88,599	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Civil Defense Reimbursement	55,850	0	0	0	0	0
Disaster Relief	479,451	70,437	0	0	0	0
Homeland Security Grants	144,812	0	0	0	0	0
Other Federal through State	263,224	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	96,320	0	0	0	0	0
Total Federal Government	\$ 1,128,256	\$ 70,437	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 403,307	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	0	0
Contracted Services	12,060	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	5,749	0	0	0	0	0
<u>Other</u>						
Other	222,528	0	0	0	5,089	0
Total Other Governments and Citizens Groups	\$ 643,644	\$ 0	\$ 0	\$ 0	\$ 5,089	\$ 0
Total	\$ 35,355,064	\$ 4,740,770	\$ 869,412	\$ 84,870	\$ 43,061	\$ 1,120,235

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds		Debt Service	Capital	Total
	Constitu - tional - Officers - Fees	Highway / Public Works	Fund General Debt Service	Projects Fund General Capital Projects	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 0	\$ 1,735,372	\$ 9,549,296	\$ 315,585	\$ 28,726,375
Trustee's Collections - Prior Year	0	37,981	208,918	6,905	628,419
Circuit Clerk/Clerk and Master Collections - Prior Years	0	30,549	176,576	5,749	526,240
Interest and Penalty	0	6,340	34,812	1,149	104,739
Payments in-Lieu-of Taxes - T.V.A.	0	43	237	8	713
Payments in-Lieu-of Taxes - Other	0	18,825	103,539	3,423	311,473
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	7,266,843	0	7,278,239
Hotel/Motel Tax	0	0	897,312	0	1,661,689
Litigation Tax - General	0	0	0	0	318,484
Litigation Tax - Special Purpose	0	0	0	0	406
Business Tax	0	0	0	0	1,396,871
Mineral Severance Tax	0	193,586	0	0	193,586
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	13,885	76,366	2,525	229,730
Wholesale Beer Tax	0	0	0	0	164,709
Total Local Taxes	\$ 0	\$ 2,036,581	\$ 18,313,899	\$ 335,344	\$ 41,541,673
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 283,508
<u>Permits</u>					
Building Permits	0	0	0	0	171,956
Electrical Permits	0	0	0	0	101,980
Plumbing Permits	0	0	0	0	12,918

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Licenses and Permits (Cont.)</u>					
<u>Permits (Cont.)</u>					
Other Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,198
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 573,560
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,847
Officers Costs	0	0	0	0	15,067
Drug Control Fines	0	0	0	0	3,002
Drug Court Fees	0	0	0	0	8,263
Veterans Treatment Court Fees	0	0	0	0	2,592
Jail Fees	0	0	0	0	38,888
Judicial Commissioner Fees	0	0	0	0	118
DUI Treatment Fines	0	0	0	0	13,483
Data Entry Fee - Circuit Court	0	0	0	0	5,996
Courtroom Security Fee	0	0	0	0	286
Victims Assistance Assessments	0	0	0	0	19,517
<u>General Sessions Court</u>					
Fines	0	0	0	0	28,440
Officers Costs	0	0	0	0	110,471
Game and Fish Fines	0	0	0	0	149
Drug Control Fines	0	0	0	0	2,968
Drug Court Fees	0	0	0	0	13,650
Veterans Treatment Court Fees	0	0	0	0	4,088
Jail Fees	0	0	0	0	119,383
Interpreter Fee	0	0	0	0	57

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Judicial Commissioner Fees	\$ 0	\$ 0	\$ 0	\$ 0	245
DUI Treatment Fines	0	0	0	0	10,014
Data Entry Fee - General Sessions Court	0	0	0	0	45,114
Courtroom Security Fee	0	0	0	0	5,025
Victims Assistance Assessments	0	0	0	0	26,319
<u>Juvenile Court</u>					
Fines	0	0	0	0	380
Officers Costs	0	0	0	0	13,901
Jail Fees	0	0	0	0	8,094
Data Entry Fee - Juvenile Court	0	0	0	0	4,011
Courtroom Security Fee	0	0	0	0	1,097
<u>Chancery Court</u>					
Officers Costs	0	0	0	0	2,831
Data Entry Fee - Chancery Court	0	0	0	0	7,373
<u>Judicial District Drug Program</u>					
Courtroom Security Fee	0	0	0	0	114
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	23,255
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	556,038
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 0	1,190,701
Solid Waste Disposal Fee	0	0	0	0	40,000
Surcharge - Waste Tire Disposal	0	0	0	0	78,685

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Charges for Current Services (Cont.)</u>					
<u>General Service Charges (Cont.)</u>					
Patient Charges	\$ 0	\$ 0	\$ 0	\$ 0	4,641,818
Other General Service Charges	0	0	0	0	3,928
Service Charges	0	0	0	0	12,725
<u>Fees</u>					
Subdivision Lot Fees	0	0	0	0	1,850
Recreation Fees	0	0	0	0	86,318
Copy Fees	0	0	0	0	417
Archives and Records Management Fee	0	0	0	0	79,920
Greenbelt Late Application Fee	0	0	0	0	100
Telephone Commissions	0	0	0	0	194,298
Vending Machine Collections	0	0	0	0	320
Constitutional Officers' Fees and Commissions	330	0	0	0	330
Data Processing Fee - Register	0	0	0	0	23,550
Data Processing Fee - Sheriff	0	0	0	0	10,832
Sexual Offender Registration Fee - Sheriff	0	0	0	0	3,410
Data Processing Fee - County Clerk	0	0	0	0	27,057
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	205
Total Charges for Current Services	\$ 330	\$ 0	\$ 0	\$ 0	6,396,464
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	36,735	\$ 0	534,708
Lease/Rentals	0	0	0	0	358,927
Sale of Materials and Supplies	0	963	0	0	2,662
Commissary Sales	0	0	0	0	471,323

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Other Local Revenues (Cont.)</u>					
<u>Recurring Items (Cont.)</u>					
Sale of Gasoline	\$ 0	\$ 0	\$ 0	\$ 0	74,507
Sale of Recycled Materials	0	0	0	0	240,089
Miscellaneous Refunds	0	0	1,689	469	13,298
<u>Nonrecurring Items</u>					
Sale of Equipment	0	0	0	0	28,342
Sale of Property	0	0	0	0	290,087
Damages Recovered from Individuals	0	195	0	0	8,285
Contributions and Gifts	0	0	0	0	10,377
Performance Bond Forfeitures	0	0	0	0	30,062
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	0	462,048
Total Other Local Revenues	\$ 0	\$ 1,158	\$ 38,424	\$ 469	\$ 2,524,715
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	752,259
Circuit Court Clerk	0	0	0	0	385,237
General Sessions Court Clerk	0	0	0	0	920,502
Clerk and Master	0	0	0	0	180,558
Juvenile Court Clerk	0	0	0	0	94,583
Register	0	0	0	0	346,082
Sheriff	0	0	0	0	40,554
Trustee	0	0	0	0	1,619,409
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,339,184

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds		Debt Service	Capital	Total
	Constitu- tional - Officers - Fees	Highway / Public Works	Fund General Debt Service	Projects Fund General Capital Projects	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	62,602
Solid Waste Grants	0	0	0	0	70,815
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	40,200
Drug Control Grants	0	0	0	0	129,179
Other Public Safety Grants	0	0	0	0	3,000
<u>Health and Welfare Grants</u>					
Health Department Programs	0	0	0	0	1,841,210
<u>Public Works Grants</u>					
State Aid Program	0	5,277	0	0	5,277
Litter Program	0	0	0	0	59,344
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	92,289
Beer Tax	0	0	0	0	17,839
Alcoholic Beverage Tax	0	0	0	0	121,935
State Revenue Sharing - T.V.A.	0	0	0	0	870,259
State Revenue Sharing - Telecommunications	0	0	0	0	327,707
Contracted Prisoner Boarding	0	0	0	0	1,343,018
Gasoline and Motor Fuel Tax	0	2,539,124	0	0	2,539,124
Petroleum Special Tax	0	52,183	0	0	52,183
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Grants	0	0	0	0	32,634
Other State Revenues	0	0	0	0	133,362
Total State of Tennessee	\$ 0	\$ 2,596,584	\$ 0	\$ 0	7,757,141

(Continued)

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types (Cont.)

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional - Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Federal Government</u>					
<u>Federal Through State</u>					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 88,599
Civil Defense Reimbursement	0	0	0	0	55,850
Disaster Relief	0	79,187	0	0	629,075
Homeland Security Grants	0	0	0	0	144,812
Other Federal through State	0	0	0	0	263,224
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	0	0	0	0	96,320
Total Federal Government	\$ 0	\$ 79,187	\$ 0	\$ 0	\$ 1,277,880
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 403,307
Contributions	0	0	161,400	0	161,400
Contracted Services	0	0	0	0	12,060
<u>Citizens Groups</u>					
Donations	0	0	0	0	5,749
<u>Other</u>					
Other	0	0	0	10,215	237,832
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 161,400	\$ 10,215	\$ 820,348
Total	\$ 330	\$ 4,713,510	\$ 18,513,723	\$ 346,028	\$ 65,787,003

Exhibit K-6

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Total
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 14,364,705	\$ 0	\$ 0	\$ 0	\$ 14,364,705
Trustee's Collections - Prior Year	314,064	0	0	0	314,064
Circuit Clerk/Clerk and Master Collections - Prior Years	262,499	0	0	0	262,499
Interest and Penalty	52,442	0	0	0	52,442
Payments in-Lieu-of Taxes - T.V.A.	357	0	0	0	357
Payments in-Lieu-of Taxes - Other	155,735	0	0	0	155,735
<u>County Local Option Taxes</u>					
Local Option Sales Tax	16,999,992	0	0	0	16,999,992
Mixed Drink Tax	183,929	0	0	0	183,929
<u>Statutory Local Taxes</u>					
Bank Excise Tax	114,864	0	0	0	114,864
Total Local Taxes	<u>\$ 32,448,587</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 32,448,587</u>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 5,606	\$ 0	\$ 0	\$ 0	\$ 5,606
Total Licenses and Permits	<u>\$ 5,606</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,606</u>
<u>Charges for Current Services</u>					
<u>Fees</u>					
Vending Machine Collections	\$ 1,054	\$ 0	\$ 0	\$ 0	\$ 1,054
<u>Education Charges</u>					
Lunch Payments - Children	0	0	838,860	0	838,860
Lunch Payments - Adults	0	0	43,942	0	43,942

(Continued)

Exhibit K-6

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Income from Breakfast	\$ 0	\$ 0	\$ 211,156	\$ 0	\$ 211,156
A la Carte Sales	0	0	114,371	0	114,371
Transportation - Other State Systems	4,029	0	0	0	4,029
Transportation from Individuals	79,031	0	0	0	79,031
Receipts from Individual Schools	143,117	0	0	0	143,117
Community Service Fees - Children	9,585	0	0	962,219	971,804
TBI Criminal Background Fee	15,144	0	0	0	15,144
Total Charges for Current Services	<u>\$ 251,960</u>	<u>\$ 0</u>	<u>\$ 1,208,329</u>	<u>\$ 962,219</u>	<u>\$ 2,422,508</u>
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 3,633	\$ 0	\$ 3,633
Sale of Materials and Supplies	641	0	0	0	641
E-Rate Funding	62,553	0	0	0	62,553
Miscellaneous Refunds	28,589	0	24,177	0	52,766
<u>Nonrecurring Items</u>					
Sale of Equipment	15,925	0	1,878	0	17,803
Damages Recovered from Individuals	310	0	0	0	310
<u>Other Local Revenues</u>					
Other Local Revenues	50	0	0	0	50
Total Other Local Revenues	<u>\$ 108,068</u>	<u>\$ 0</u>	<u>\$ 29,688</u>	<u>\$ 0</u>	<u>\$ 137,756</u>

(Continued)

Exhibit K-6

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 386,928	\$ 0	\$ 0	\$ 0	\$ 386,928
<u>State Education Funds</u>					
Basic Education Program	49,811,262	0	0	0	49,811,262
Early Childhood Education	1,557,576	0	0	0	1,557,576
School Food Service	0	0	49,188	0	49,188
Other State Education Funds	809,220	0	0	0	809,220
Coordinated School Health	155,000	0	0	0	155,000
Internet Connectivity	28,929	0	0	0	28,929
Family Resource Centers	29,612	0	0	0	29,612
Career Ladder Program	204,944	0	0	0	204,944
<u>Other State Revenues</u>					
Other State Grants	6,226	0	0	0	6,226
Safe Schools	50,240	0	0	0	50,240
Total State of Tennessee	<u>\$ 53,039,937</u>	<u>\$ 0</u>	<u>\$ 49,188</u>	<u>\$ 0</u>	<u>\$ 53,089,125</u>
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,643,213	\$ 0	\$ 2,643,213
USDA - Commodities	0	0	522,101	0	522,101
Breakfast	0	0	1,103,810	0	1,103,810
USDA - Other	0	0	792,635	0	792,635
Adult Education State Grant Program	514,435	0	0	0	514,435
Vocational Education - Basic Grants to States	0	181,826	0	0	181,826
Other Vocational	13,110	266,770	0	0	279,880

(Continued)

Exhibit K-6

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

	<u>Special Revenue Funds</u>				
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Total
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Title I Grants to Local Education Agencies	\$ 0	\$ 2,827,609	\$ 0	\$ 0	\$ 2,827,609
Special Education - Grants to States	212,984	2,556,509	0	0	2,769,493
Special Education Preschool Grants	0	112,028	0	0	112,028
English Language Acquisition Grants	0	74,701	0	0	74,701
Rural Education	0	140,799	0	0	140,799
Eisenhower Professional Development State Grants	0	458,767	0	0	458,767
Disaster Relief	41,372	0	0	0	41,372
Other Federal through State	89,778	630,226	0	95,278	815,282
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	102,723	0	0	0	102,723
Total Federal Government	<u>\$ 974,402</u>	<u>\$ 7,249,235</u>	<u>\$ 5,061,759</u>	<u>\$ 95,278</u>	<u>\$ 13,380,674</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 2,352,119	\$ 0	\$ 0	\$ 0	\$ 2,352,119
<u>Citizens Groups</u>					
Donations	100,076	0	0	50	100,126
Total Other Governments and Citizens Groups	<u>\$ 2,452,195</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 50</u>	<u>\$ 2,452,245</u>
Total	<u>\$ 89,280,755</u>	<u>\$ 7,249,235</u>	<u>\$ 6,348,964</u>	<u>\$ 1,057,547</u>	<u>\$ 103,936,501</u>

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2018

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	106,750	
Social Security		8,166	
Audit Services		26,000	
Dues and Memberships		1,850	
Printing, Stationery, and Forms		640	
Other Charges		265	
Total County Commission			\$ 143,671

Beer Board

Board and Committee Members Fees	\$	1,500	
Social Security		91	
Total Beer Board			1,591

County Mayor/Executive

County Official/Administrative Officer	\$	99,491	
Longevity Pay		6,900	
Other Salaries and Wages		191,000	
Social Security		22,234	
Pensions		30,616	
Life Insurance		180	
Medical Insurance		34,425	
Dental Insurance		928	
Unemployment Compensation		360	
Communication		2,409	
Data Processing Services		12,866	
Dues and Memberships		1,850	
Maintenance and Repair Services - Equipment		175	
Travel		473	
Office Supplies		13,273	
Workers' Compensation Insurance		2,912	
Other Charges		1,311	
Office Equipment		6,468	
Total County Mayor/Executive			427,871

County Attorney

County Official/Administrative Officer	\$	180,813	
Legal Services		9,488	
Total County Attorney			190,301

Election Commission

County Official/Administrative Officer	\$	76,497	
Part-time Personnel		7,980	
Longevity Pay		2,700	
Overtime Pay		3,702	
Other Salaries and Wages		132,100	
Election Commission		6,400	
Election Workers		52,275	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Social Security	\$	18,727	
Pensions		21,619	
Life Insurance		128	
Medical Insurance		46,251	
Dental Insurance		1,081	
Unemployment Compensation		709	
Communication		1,035	
Data Processing Services		9,360	
Dues and Memberships		295	
Legal Notices, Recording, and Court Costs		6,489	
Maintenance and Repair Services - Equipment		165	
Printing, Stationery, and Forms		7,455	
Travel		9,058	
Other Contracted Services		16,567	
Office Supplies		11,936	
Liability Insurance		6,257	
Workers' Compensation Insurance		2,330	
Office Equipment		4,481	
Total Election Commission			\$ 445,597

Register of Deeds

County Official/Administrative Officer	\$	84,996	
Longevity Pay		1,600	
Other Salaries and Wages		104,199	
Social Security		13,795	
Pensions		19,175	
Life Insurance		166	
Medical Insurance		35,425	
Dental Insurance		189	
Unemployment Compensation		247	
Communication		1,891	
Dues and Memberships		797	
Maintenance Agreements		12,720	
Data Processing Supplies		6,763	
Office Supplies		1,814	
Premiums on Corporate Surety Bonds		350	
Workers' Compensation Insurance		2,912	
Total Register of Deeds			287,039

Codes Compliance

Assistant(s)	\$	35,850	
Supervisor/Director		45,900	
Longevity Pay		2,300	
Other Salaries and Wages		13,600	
In-service Training		1,495	
Social Security		6,596	
Pensions		8,447	

(Continued)

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

Life Insurance	\$	102	
Medical Insurance		22,548	
Unemployment Compensation		210	
Communication		2,891	
Printing, Stationery, and Forms		1,030	
Other Contracted Services		83,292	
Gasoline		925	
Office Supplies		2,296	
Uniforms		387	
Refunds		2,090	
Workers' Compensation Insurance		1,747	
Office Equipment		1,638	
Total Codes Compliance			\$ 233,344

Geographical Information Systems

In-service Training	\$	383	
Maintenance Agreements		3,120	
Travel		879	
Other Contracted Services		1,576	
Office Supplies		33	
Total Geographical Information Systems			5,991

County Buildings

Supervisor/Director	\$	57,723	
Secretary(ies)		33,450	
Custodial Personnel		113,550	
Part-time Personnel		12,503	
Longevity Pay		25,500	
Overtime Pay		8,296	
Other Salaries and Wages		591,494	
In-service Training		500	
Social Security		59,306	
Pensions		81,939	
Life Insurance		774	
Medical Insurance		204,936	
Dental Insurance		1,714	
Unemployment Compensation		1,890	
Communication		9,267	
Engineering Services		20,000	
Maintenance Agreements		115,516	
Maintenance and Repair Services - Buildings		363,090	
Maintenance and Repair Services - Equipment		24,430	
Maintenance and Repair Services - Vehicles		229,076	
Rentals		2,223	
Custodial Supplies		28,218	
Gasoline		14,224	
Office Supplies		3,827	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Small Tools	\$	3,890	
Uniforms		12,324	
Utilities		656,677	
Workers' Compensation Insurance		13,594	
Other Charges		2,214	
Other Equipment		7,826	
Total County Buildings			\$ 2,699,971

Other Facilities

Computer Programmer(s)	\$	125,500	
Longevity Pay		1,700	
Overtime Pay		19,500	
In-service Training		5,786	
Social Security		11,109	
Pensions		14,744	
Life Insurance		102	
Medical Insurance		6,311	
Unemployment Compensation		216	
Communication		4,729	
Maintenance Agreements		34,515	
Maintenance and Repair Services - Office Equipment		31,004	
Travel		714	
Office Supplies		537	
Small Tools		904	
Workers' Compensation Insurance		1,747	
Other Charges		570	
Total Other Facilities			259,688

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	84,996	
Longevity Pay		9,500	
Other Salaries and Wages		206,145	
Board and Committee Members Fees		1,240	
Social Security		21,612	
Pensions		30,215	
Life Insurance		290	
Medical Insurance		50,836	
Unemployment Compensation		514	
Audit Services		27,120	
Communication		2,336	
Data Processing Services		9,678	
Dues and Memberships		2,054	
Travel		1,294	
Gasoline		2,192	
Office Supplies		2,520	
Workers' Compensation Insurance		5,243	
Total Property Assessor's Office			457,785

(Continued)

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	84,996	
Longevity Pay		11,200	
Other Salaries and Wages		203,932	
Social Security		21,814	
Pensions		25,708	
Life Insurance		230	
Medical Insurance		50,928	
Dental Insurance		290	
Unemployment Compensation		504	
Communication		3,080	
Data Processing Services		18,494	
Dues and Memberships		832	
Legal Notices, Recording, and Court Costs		340	
Travel		3,234	
Office Supplies		28,334	
Workers' Compensation Insurance		4,078	
Office Equipment		6,798	
Total County Trustee's Office			\$ 464,792

County Clerk's Office

County Official/Administrative Officer	\$	84,996	
Longevity Pay		9,200	
Overtime Pay		425	
Other Salaries and Wages		473,620	
Social Security		39,665	
Pensions		57,108	
Life Insurance		408	
Medical Insurance		148,568	
Dental Insurance		2,202	
Unemployment Compensation		1,346	
Communication		6,423	
Data Processing Services		3,223	
Dues and Memberships		862	
Maintenance Agreements		16,358	
Travel		1,336	
Office Supplies		41,364	
Premiums on Corporate Surety Bonds		293	
Workers' Compensation Insurance		11,651	
Other Charges		497	
Office Equipment		10,451	
Total County Clerk's Office			909,996

Other Finance

Part-time Personnel	\$	10,275	
Other Salaries and Wages		130,760	
In-service Training		790	
Social Security		10,295	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

Other Finance (Cont.)

Pensions	\$	13,141	
Life Insurance		66	
Medical Insurance		21,076	
Dental Insurance		40	
Unemployment Compensation		567	
Communication		3,331	
Data Processing Services		12,595	
Travel		1,160	
Office Supplies		9,335	
Workers' Compensation Insurance		1,165	
Office Equipment		2,071	
Total Other Finance			\$ 216,667

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	84,996	
Part-time Personnel		13,486	
Longevity Pay		26,400	
Other Salaries and Wages		826,754	
Jury and Witness Expense		21,459	
Other Per Diem and Fees		15,883	
Social Security		67,290	
Pensions		85,203	
Life Insurance		664	
Medical Insurance		223,887	
Dental Insurance		2,664	
Unemployment Compensation		2,263	
Communication		3,814	
Data Processing Services		43,012	
Dues and Memberships		882	
Maintenance Agreements		12,384	
Travel		660	
Other Contracted Services		19,428	
Data Processing Supplies		4,453	
Office Supplies		77,230	
Premiums on Corporate Surety Bonds		600	
Workers' Compensation Insurance		11,651	
Total Circuit Court			1,545,063

General Sessions Court

Judge(s)	\$	327,176	
Longevity Pay		2,400	
Other Salaries and Wages		58,900	
In-service Training		1,799	
Social Security		24,971	
Pensions		39,060	
Life Insurance		102	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Medical Insurance	\$	16,029	
Dental Insurance		561	
Unemployment Compensation		67	
Data Processing Services		1,962	
Dues and Memberships		575	
Travel		354	
Other Contracted Services		1,260	
Office Supplies		2,380	
Workers' Compensation Insurance		1,747	
Office Equipment		2,288	
Total General Sessions Court			\$ 481,631

Drug Court

Supervisor/Director	\$	52,400	
Longevity Pay		500	
Other Salaries and Wages		48,923	
Social Security		8,362	
Pensions		11,145	
Life Insurance		46	
Medical Insurance		9,389	
Unemployment Compensation		249	
Communication		6,709	
Rentals		17,304	
Travel		14,164	
Other Contracted Services		16,907	
Gasoline		1,236	
Office Supplies		16,764	
Other Supplies and Materials		9,152	
Workers' Compensation Insurance		582	
Other Charges		7,218	
Motor Vehicles		3,000	
Office Equipment		1,413	
Total Drug Court			225,463

Chancery Court

County Official/Administrative Officer	\$	84,996	
Longevity Pay		3,400	
Other Salaries and Wages		166,481	
Other Per Diem and Fees		4,400	
Social Security		18,142	
Pensions		25,615	
Life Insurance		199	
Medical Insurance		53,269	
Dental Insurance		495	
Unemployment Compensation		409	
Communication		919	
Data Processing Services		9,384	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Dues and Memberships	\$	882	
Legal Notices, Recording, and Court Costs		1,326	
Maintenance Agreements		1,291	
Maintenance and Repair Services - Equipment		313	
Office Supplies		6,856	
Premiums on Corporate Surety Bonds		750	
Workers' Compensation Insurance		3,495	
Total Chancery Court			\$ 382,622

Juvenile Court

Probation Officer(s)	\$	32,400	
Youth Service Officer(s)		148,000	
Longevity Pay		4,700	
Other Salaries and Wages		23,887	
In-service Training		1,149	
Social Security		15,013	
Pensions		21,536	
Life Insurance		180	
Medical Insurance		55,104	
Unemployment Compensation		506	
Communication		7,302	
Data Processing Services		2,142	
Dues and Memberships		645	
Maintenance Agreements		12,300	
Travel		1,650	
Other Contracted Services		17,496	
Gasoline		244	
Office Supplies		5,306	
Workers' Compensation Insurance		2,912	
Office Equipment		858	
Total Juvenile Court			353,330

District Attorney General

Assistant(s)	\$	38,320	
Supervisor/Director		34,863	
Social Security		5,278	
Pensions		4,834	
Life Insurance		38	
Medical Insurance		11,531	
Unemployment Compensation		118	
Communication		366	
Rentals		7,200	
Travel		2,413	
Other Supplies and Materials		787	
Workers' Compensation Insurance		582	
Total District Attorney General			106,330

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Judicial Commissioners

Part-time Personnel	\$	23,500	
Longevity Pay		1,800	
Other Salaries and Wages		62,531	
In-service Training		1,450	
Social Security		6,753	
Pensions		6,465	
Life Insurance		66	
Medical Insurance		5,655	
Dental Insurance		731	
Unemployment Compensation		343	
Workers' Compensation Insurance		1,165	
Other Charges		1,269	
Communication Equipment		147	
Total Judicial Commissioners			\$ 111,875

Other Administration of Justice

Other Salaries and Wages	\$	33,500	
Social Security		3,569	
Pensions		3,367	
Life Insurance		38	
Medical Insurance		5,738	
Dental Insurance		99	
Unemployment Compensation		216	
Communication		572	
Rentals		3,240	
Travel		1,363	
Other Supplies and Materials		681	
Workers' Compensation Insurance		582	
Office Equipment		925	
Total Other Administration of Justice			53,890

Probation Services

Probation Officer(s)	\$	14,100	
Other Contracted Services		948	
Office Supplies		160	
Total Probation Services			15,208

Courtroom Security

Other Equipment	\$	49,357	
Total Courtroom Security			49,357

Victim Assistance Programs

Assistant(s)	\$	43,931	
Social Security		3,192	
Pensions		4,545	
Life Insurance		46	
Medical Insurance		13,581	

(Continued)

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Administration of Justice (Cont.)

Victim Assistance Programs (Cont.)

Unemployment Compensation	\$	91	
Communication		2,237	
Rentals		7,560	
Travel		589	
Other Contracted Services		11,416	
Other Supplies and Materials		8,234	
Workers' Compensation Insurance		582	
Total Victim Assistance Programs			\$ 96,004

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	93,496
Deputy(ies)		2,420,022
Investigator(s)		462,129
Salary Supplements		39,000
Dispatchers/Radio Operators		289,284
Secretary(ies)		242,716
Temporary Personnel		31,154
Longevity Pay		57,600
Overtime Pay		223,886
Other Salaries and Wages		220,124
In-service Training		54,597
Other Per Diem and Fees		60,126
Social Security		305,336
Pensions		525,027
Life Insurance		1,439
Medical Insurance		591,887
Dental Insurance		2,886
Unemployment Compensation		7,088
Communication		72,217
Contributions		4,350
Data Processing Services		2,144
Maintenance Agreements		36,272
Maintenance and Repair Services - Equipment		2,850
Maintenance and Repair Services - Vehicles		6,508
Rentals		3,000
Transportation - Other than Students		17,564
Travel		5,518
Animal Food and Supplies		7,800
Gasoline		174,503
Instructional Supplies and Materials		822
Uniforms		83,777
Other Supplies and Materials		23,619
Workers' Compensation Insurance		35,926
Communication Equipment		43,412
Law Enforcement Equipment		33,282
Motor Vehicles		334,263

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Traffic Control Equipment	\$ 8,733	
Other Equipment	58,817	
Total Sheriff's Department		\$ 6,583,174

Jail

Guards	\$ 1,703,438	
Part-time Personnel	39,663	
Longevity Pay	26,200	
Overtime Pay	62,574	
Other Per Diem and Fees	39,950	
Social Security	137,013	
Pensions	189,401	
Life Insurance	1,307	
Medical Insurance	321,163	
Dental Insurance	602	
Unemployment Compensation	4,775	
Contracts with Government Agencies	38,849	
Maintenance and Repair Services - Equipment	2,855	
Medical and Dental Services	628,400	
Custodial Supplies	39,300	
Food Supplies	342,803	
Office Supplies	22,081	
Other Supplies and Materials	28,532	
Workers' Compensation Insurance	23,497	
Other Charges	43,461	
Data Processing Equipment	11,100	
Office Equipment	4,733	
Other Equipment	28,745	
Total Jail		3,740,442

Workhouse

Supervisor/Director	\$ 1,200	
Guards	70,000	
Longevity Pay	800	
Social Security	4,833	
Pensions	7,275	
Life Insurance	38	
Medical Insurance	23,571	
Dental Insurance	1,104	
Unemployment Compensation	144	
Uniforms	1,360	
Workers' Compensation Insurance	582	
Other Charges	15,065	
Total Workhouse		125,972

Juvenile Services

Supervisor/Director	\$ 55,250	
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(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Guards	\$	357,534	
Secretary(ies)		41,250	
Longevity Pay		6,900	
Overtime Pay		6,640	
In-service Training		4,064	
Other Per Diem and Fees		11,111	
Social Security		34,526	
Pensions		50,385	
Life Insurance		510	
Medical Insurance		89,296	
Dental Insurance		184	
Unemployment Compensation		1,206	
Communication		5,842	
Laundry Service		234	
Maintenance and Repair Services - Equipment		368	
Other Contracted Services		3,500	
Food Supplies		616	
Office Supplies		6,607	
Textbooks - Bound		1,273	
Uniforms		1,634	
Other Supplies and Materials		3,447	
Workers' Compensation Insurance		8,933	
Other Charges		9,475	
Office Equipment		2,007	
Total Juvenile Services			\$ 702,792

Commissary

Food Supplies	\$	130,341	
Other Supplies and Materials		77,598	
Total Commissary			207,939

Fire Prevention and Control

Supervisor/Director	\$	61,500	
Salary Supplements		3,000	
Part-time Personnel		104,575	
Overtime Pay		18,000	
Other Salaries and Wages		179,000	
In-service Training		16,894	
Other Per Diem and Fees		71,755	
Social Security		28,425	
Pensions		44,391	
Life Insurance		221	
Medical Insurance		51,231	
Unemployment Compensation		1,155	
Communication		5,705	
Evaluation and Testing		403	
Maintenance and Repair Services - Equipment		1,883	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Gasoline	\$	25,732	
Office Supplies		1,914	
Uniforms		11,447	
Excess Risk Insurance		10,251	
Workers' Compensation Insurance		2,912	
Other Charges		706	
Building Construction		10,806	
Communication Equipment		9,161	
Motor Vehicles		32,075	
Other Equipment		142,558	
Total Fire Prevention and Control			\$ 835,700

Civil Defense

Supervisor/Director	\$	60,500	
Longevity Pay		5,100	
Other Salaries and Wages		55,500	
In-service Training		1,016	
Other Per Diem and Fees		70,000	
Social Security		11,689	
Pensions		14,944	
Medical Insurance		20,473	
Dental Insurance		210	
Unemployment Compensation		249	
Communication		4,129	
Dues and Memberships		110	
Other Contracted Services		4,788	
Gasoline		8,102	
Instructional Supplies and Materials		1,254	
Office Supplies		746	
Uniforms		708	
Workers' Compensation Insurance		971	
Other Charges		150	
Office Equipment		325	
Other Equipment		35,993	
Total Civil Defense			296,957

Other Emergency Management

Communication Equipment	\$	103,382	
Health Equipment		235,824	
Other Equipment		21,235	
Total Other Emergency Management			360,441

County Coroner/Medical Examiner

Other Per Diem and Fees	\$	13,258	
Social Security		1,704	
Pensions		948	
Medical Insurance		827	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Safety (Cont.)

County Coroner/Medical Examiner (Cont.)

Unemployment Compensation	\$	15	
Other Contracted Services		118,108	
Premiums on Corporate Surety Bonds		600	
Other Charges		5,370	
Total County Coroner/Medical Examiner			\$ 140,830

Public Health and Welfare

Local Health Center

Other Salaries and Wages	\$	48,500	
Social Security		3,569	
Pensions		4,874	
Life Insurance		38	
Medical Insurance		12,519	
Dental Insurance		500	
Unemployment Compensation		144	
Communication		25,183	
Contracts with Government Agencies		128,953	
Contributions		5,284	
Travel		1,001	
Other Contracted Services		13,227	
Custodial Supplies		11,186	
Drugs and Medical Supplies		20,057	
Office Supplies		14,383	
Other Supplies and Materials		3,077	
Workers' Compensation Insurance		582	
Other Charges		11,615	
Building Improvements		144,675	
Total Local Health Center			449,367

Ambulance/Emergency Medical Services

Supervisor/Director	\$	65,500	
Deputy(ies)		50,769	
Accountants/Bookkeepers		39,550	
Paraprofessionals		2,351,181	
Dispatchers/Radio Operators		328,250	
Secretary(ies)		28,050	
Part-time Personnel		421,173	
Longevity Pay		65,300	
Overtime Pay		201,327	
In-service Training		46,166	
Social Security		258,406	
Pensions		334,777	
Life Insurance		1,870	
Medical Insurance		580,037	
Dental Insurance		2,258	
Unemployment Compensation		7,852	
Communication		17,868	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Maintenance and Repair Services - Equipment	\$	51,953	
Medical and Dental Services		9,500	
Travel		421	
Permits		5,208	
Other Contracted Services		255,628	
Drugs and Medical Supplies		174,946	
Gasoline		120,252	
Office Supplies		6,072	
Uniforms		39,420	
Other Supplies and Materials		8,362	
Workers' Compensation Insurance		28,242	
Other Charges		1,434	
Communication Equipment		6,718	
Furniture and Fixtures		4,799	
Motor Vehicles		135,042	
Office Equipment		665	
Other Equipment		74,414	
Total Ambulance/Emergency Medical Services			\$ 5,723,410

Other Local Health Services

Supervisor/Director	\$	600	
In-service Training		3,150	
Social Security		41	
Pensions		60	
Life Insurance		38	
Medical Insurance		79	
Unemployment Compensation		1	
Drugs and Medical Supplies		22,727	
Other Supplies and Materials		7,302	
Workers' Compensation Insurance		582	
Total Other Local Health Services			34,580

General Welfare Assistance

Contributions	\$	10,000	
Total General Welfare Assistance			10,000

Other Public Health and Welfare

Longevity Pay	\$	11,500	
Other Salaries and Wages		1,313,079	
Social Security		96,739	
Pensions		100,738	
Life Insurance		719	
Medical Insurance		197,628	
Dental Insurance		2,138	
Unemployment Compensation		2,706	
Travel		17,077	
Other Contracted Services		29,585	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Public Health and Welfare (Cont.)

Office Supplies	\$	7,078	
Workers' Compensation Insurance		5,228	
Other Charges		44,274	
Total Other Public Health and Welfare			\$ 1,828,489

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	74,170	
Total Senior Citizens Assistance			74,170

Libraries

Medical Insurance	\$	2,584	
Contributions		456,672	
Total Libraries			459,256

Parks and Fair Boards

Salary Supplements	\$	5,222	
Total Parks and Fair Boards			5,222

Other Social, Cultural, and Recreational

Contributions	\$	12,000	
Total Other Social, Cultural, and Recreational			12,000

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	128,239	
Longevity Pay		1,300	
Other Salaries and Wages		29,050	
In-service Training		2,000	
Social Security		1,918	
Pensions		3,050	
Life Insurance		38	
Medical Insurance		11,557	
Dental Insurance		347	
Unemployment Compensation		72	
Other Fringe Benefits		60,723	
Communication		3,436	
Matching Share		2,500	
Travel		4,484	
Workers' Compensation Insurance		582	
Other Charges		1,000	
Office Equipment		2,000	
Total Agricultural Extension Service			252,296

Forest Service

Contributions	\$	1,500	
Total Forest Service			1,500

(Continued)

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation

Secretary(ies)	\$	21,698	
Other Salaries and Wages		27,578	
Social Security		3,261	
Pensions		4,952	
Life Insurance		38	
Medical Insurance		19,708	
Unemployment Compensation		144	
Workers' Compensation Insurance		582	
Total Soil Conservation			\$ 77,961

Other Operations

Housing and Urban Development

Building Improvements	\$	88,599	
Total Housing and Urban Development			88,599

Airport

Matching Share	\$	28,000	
Total Airport			28,000

Veterans' Services

Supervisor/Director	\$	35,600	
Other Salaries and Wages		28,600	
Social Security		4,701	
Pensions		6,452	
Life Insurance		38	
Unemployment Compensation		144	
Communication		3,644	
Maintenance Agreements		798	
Travel		490	
Office Supplies		982	
Workers' Compensation Insurance		582	
Other Charges		1,048	
Office Equipment		3,173	
Total Veterans' Services			86,252

Contributions to Other Agencies

Contributions	\$	265,558	
Gasoline		69,195	
Total Contributions to Other Agencies			334,753

Miscellaneous

Handling Charges and Administrative Costs	\$	5,250	
Dues and Memberships		9,746	
Engineering Services		2,867	
Legal Notices, Recording, and Court Costs		2,425	
Other Contracted Services		4,540	
Gasoline		1,238	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Library Books/Media	\$	20,000	
Building and Contents Insurance		40,730	
Excess Risk Insurance		83,325	
Liability Insurance		112,150	
Refunds		370	
Trustee's Commission		423,637	
Tax Relief Program		97,605	
Other Charges		32,847	
Disabilities Act Improvements		3,975	
Total Miscellaneous			<u>\$ 840,705</u>

Total General Fund

\$ 33,465,884

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	57,100	
Attendants		224,656	
Part-time Personnel		9,475	
Overtime Pay		28,234	
Other Salaries and Wages		552,350	
Other Fringe Benefits		275,038	
Communication		22,471	
Engineering Services		2,000	
Legal Services		8,208	
Maintenance and Repair Services - Buildings		60,581	
Maintenance and Repair Services - Equipment		81,504	
Maintenance and Repair Services - Vehicles		75,283	
Travel		3,064	
Disposal Fees		1,823,932	
Permits		300	
Other Contracted Services		119,275	
Crushed Stone		19,103	
Gasoline		75,999	
Office Supplies		3,854	
Uniforms		8,750	
Utilities		46,835	
Trustee's Commission		71,805	
Other Charges		35,686	
Building Improvements		71,087	
Motor Vehicles		83,611	
Office Equipment		3,074	
Total Sanitation Management			<u>\$ 3,763,275</u>

Other Waste Collection

Solid Waste Equipment	\$	155,494	
Total Other Waste Collection			155,494

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Landfill Operation and Maintenance

Engineering Services	\$	12,594	
Other Charges		620	
Other Construction		98,634	
Total Landfill Operation and Maintenance			\$ 111,848

Other Waste Disposal

Engineering Services	\$	13,533	
Contracts for Landfill Facilities		35,990	
Other Contracted Services		300,000	
Wood Products		126,875	
Other Construction		147,478	
Total Other Waste Disposal			623,876

Postclosure Care Costs

Engineering Services	\$	22,702	
Other Contracted Services		8,182	
Other Construction		9,483	
Total Postclosure Care Costs			40,367

Total Solid Waste/Sanitation Fund \$ 4,694,860

Industrial/Economic Development Fund

General Government

Development

Engineering Services	\$	1,850	
Other Contracted Services		7,800	
Total Development			\$ 9,650

Other Operations

Industrial Development

Salary Supplements	\$	7,250	
Contributions		470,926	
Contracts for Development Costs		120,000	
Trustee's Commission		11,011	
Total Industrial Development			609,187

Total Industrial/Economic Development Fund 618,837

Special Purpose Fund

General Government

Preservation of Records

Supervisor/Director	\$	31,650	
Part-time Personnel		7,750	
Other Fringe Benefits		13,995	
Communication		1,984	
Office Supplies		3,827	
Other Supplies and Materials		7,380	
Trustee's Commission		792	
Total Preservation of Records			\$ 67,378

Total Special Purpose Fund 67,378

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Drug Control Fund

Public Safety

Drug Enforcement

In-service Training	\$	12,776	
Communication		3,607	
Confidential Drug Enforcement Payments		13,672	
Licenses		5	
Maintenance and Repair Services - Vehicles		5,356	
Rentals		9,600	
Other Contracted Services		12,900	
Uniforms		498	
Trustee's Commission		48	
Other Charges		3,811	
Building Construction		65,240	
Communication Equipment		7,102	
Law Enforcement Equipment		13,640	
Motor Vehicles		12,000	
Other Equipment		3,086	
Total Drug Enforcement			\$ 163,341

Total Drug Control Fund \$ 163,341

Sports and Recreation Fund

Social, Cultural, and Recreational Services

Parks and Fair Boards

Supervisor/Director	\$	46,500	
Secretary(ies)		29,250	
Temporary Personnel		58,620	
Other Salaries and Wages		309,797	
In-service Training		345	
Other Fringe Benefits		162,936	
Advertising		344	
Communication		8,609	
Maintenance and Repair Services - Buildings		40,183	
Maintenance and Repair Services - Equipment		2,682	
Maintenance and Repair Services - Vehicles		6,251	
Permits		1,020	
Custodial Supplies		5,102	
Equipment and Machinery Parts		338	
Food Supplies		2,661	
Gasoline		15,785	
Office Supplies		2,162	
Sand		1,172	
Small Tools		2,301	
Uniforms		1,316	
Utilities		128,310	
Fencing		1,380	
Chemicals		4,782	
Other Supplies and Materials		15,435	
Refunds		4,715	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Sports and Recreation Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Trustee's Commission	\$	17,449	
Workers' Compensation Insurance		10,283	
Other Charges		17,245	
Office Equipment		1,914	
Other Equipment		53,437	
Other Capital Outlay		40,692	
Total Parks and Fair Boards			\$ 993,016

Other Social, Cultural, and Recreational

Foremen	\$	33,450	
Other Fringe Benefits		13,009	
Maintenance and Repair Services - Buildings		3,091	
Maintenance and Repair Services - Vehicles		1,913	
Custodial Supplies		153	
Fertilizer, Lime, and Seed		17,665	
Small Tools		479	
Utilities		23,382	
Other Supplies and Materials		5,203	
Total Other Social, Cultural, and Recreational			98,345

Total Sports and Recreation Fund \$ 1,091,361

Constitutional Officers - Fees Fund

Administration of Justice

General Sessions Court

Constitutional Officers' Operating Expenses	\$	30	
Total General Sessions Court			\$ 30

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$	300	
Total Sheriff's Department			300

Total Constitutional Officers - Fees Fund 330

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	93,496	
Assistant(s)		50,500	
Accountants/Bookkeepers		45,000	
Longevity Pay		6,600	
Other Salaries and Wages		38,028	
Social Security		14,315	
Employee and Dependent Insurance		28,651	
Life Insurance		60	
Unemployment Compensation		144	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Local Retirement	\$	23,760	
Employer Medicare		3,348	
Payments to Retirees		2,790	
Data Processing Services		7,371	
Dues and Memberships		5,072	
Legal Services		8,303	
Legal Notices, Recording, and Court Costs		52	
Maintenance and Repair Services - Office Equipment		471	
Postal Charges		407	
Printing, Stationery, and Forms		495	
Travel		1,369	
Data Processing Supplies		800	
Drugs and Medical Supplies		337	
Office Supplies		500	
Workers' Compensation Insurance		12,539	
Other Charges		944	
Communication Equipment		3,964	
Data Processing Equipment		500	
Total Administration			\$ 349,816

Highway and Bridge Maintenance

Foremen	\$	42,500	
Equipment Operators		645,537	
Truck Drivers		252,601	
Longevity Pay		41,000	
Overtime Pay		10,004	
Other Salaries and Wages		40,250	
Social Security		60,549	
Employee and Dependent Insurance		219,741	
Life Insurance		497	
Dental Insurance		1,674	
Unemployment Compensation		869	
Local Retirement		103,806	
Employer Medicare		14,161	
Rentals		31,257	
Other Contracted Services		2,503,717	
Asphalt - Cold Mix		22,000	
Asphalt - Hot Mix		40,605	
Asphalt - Liquid		55,161	
Crushed Stone		154,000	
Electricity		246	
Pipe - Metal		19,910	
Road Signs		15,000	
Salt		32,856	
Small Tools		1,638	
Other Supplies and Materials		9,633	
Workers' Compensation Insurance		94,042	
Other Charges		2,908	
Total Highway and Bridge Maintenance			4,416,162

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment

Mechanic(s)	\$	63,865	
Maintenance Personnel		28,640	
Longevity Pay		1,600	
Overtime Pay		115	
Social Security		5,232	
Employee and Dependent Insurance		29,141	
Life Insurance		119	
Dental Insurance		122	
Unemployment Compensation		99	
Local Retirement		9,369	
Employer Medicare		1,224	
Laundry Service		3,223	
Licenses		20	
Maintenance and Repair Services - Equipment		6,133	
Diesel Fuel		69,000	
Equipment and Machinery Parts		82,808	
Garage Supplies		8,813	
Gasoline		31,667	
Lubricants		7,556	
Small Tools		2,894	
Tires and Tubes		19,981	
Other Supplies and Materials		708	
Workers' Compensation Insurance		6,270	
Other Charges		3,000	
Total Operation and Maintenance of Equipment			\$ 381,599

Other Charges

Communication	\$	6,908	
Evaluation and Testing		890	
Electricity		6,882	
Natural Gas		3,531	
Water and Sewer		370	
Building and Contents Insurance		1,124	
Excess Risk Insurance		40,103	
Liability Insurance		96,810	
Premiums on Corporate Surety Bonds		350	
Trustee's Commission		63,951	
Other Charges		8,452	
Total Other Charges			229,371

Capital Outlay

Engineering Services	\$	26,005	
Highway Equipment		260,315	
Total Capital Outlay			286,320

Total Highway/Public Works Fund \$ 5,663,268

(Continued)

Exhibit K-7

Putnam County, Tennessee
 Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$ 100,000	
Total General Government		\$ 100,000

Education

Principal on Bonds	\$ 6,650,000	
Principal on Capital Leases	160,675	
Total Education		6,810,675

Interest on DebtGeneral Government

Interest on Bonds	\$ 548,825	
Total General Government		548,825

Education

Interest on Bonds	\$ 4,938,399	
Interest on Capital Leases	725	
Total Education		4,939,124

Other Debt ServiceGeneral Government

Underwriter's Discount	\$ 66,267	
Other Debt Issuance Charges	79,755	
Total General Government		146,022

Education

Trustee's Commission	\$ 281,791	
Other Debt Service	2,224	
Total Education		284,015

Total General Debt Service Fund		\$ 12,828,661
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General Capital Projects FundGeneral GovernmentCounty Buildings

Architects	\$ 54,227	
Engineering Services	21,892	
Maintenance and Repair Services - Buildings	19,930	
Permits	1,535	
Other Contracted Services	6,500	
Crushed Stone	4,188	
Fertilizer, Lime, and Seed	1,420	
Cabling	5,234	
Other Supplies and Materials	10,115	
Building Improvements	1,301,807	
Communication Equipment	35,700	
Data Processing Equipment	172,145	
Furniture and Fixtures	46,623	

(Continued)

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types (Cont.)

<u>General Capital Projects Fund (Cont.)</u>			
<u>General Government (Cont.)</u>			
<u>County Buildings (Cont.)</u>			
Motor Vehicles	\$	714,531	
Voting Machines		5,800	
Other Equipment		396,819	
Total County Buildings			\$ 2,798,466
 <u>Other Operations</u>			
<u>Miscellaneous</u>			
Trustee's Commission	\$	6,759	
Total Miscellaneous			<u>6,759</u>
Total General Capital Projects Fund			\$ 2,805,225
 <u>Education Capital Projects Fund</u>			
<u>Other Debt Service</u>			
<u>Education</u>			
Other Debt Issuance Charges	\$	5,465	
Total Education			\$ 5,465
 <u>Capital Projects - Donated</u>			
<u>Capital Projects Donated to School Department</u>			
Contributions	\$	2,342,119	
Total Capital Projects Donated to School Department			<u>2,342,119</u>
Total Education Capital Projects Fund			<u>2,347,584</u>
Total Governmental Funds - Primary Government			<u>\$ 63,746,729</u>

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2018

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 27,114,384	
Career Ladder Program	114,248	
Homebound Teachers	25,861	
Salary Supplements	481,501	
Educational Assistants	1,353,264	
Certified Substitute Teachers	227,337	
Non-certified Substitute Teachers	371,178	
Social Security	1,711,079	
Pensions	2,622,158	
Life Insurance	14,058	
Medical Insurance	5,354,641	
Dental Insurance	78,425	
Unemployment Compensation	12,353	
Employer Medicare	402,598	
Maintenance and Repair Services - Equipment	10,274	
Other Contracted Services	179,051	
Instructional Supplies and Materials	397,561	
Textbooks - Bound	597,175	
Other Supplies and Materials	582	
Fee Waivers	60,001	
Other Charges	166,431	
Furniture and Fixtures	7,537	
Regular Instruction Equipment	352,673	
Other Equipment	23,317	
Total Regular Instruction Program		\$ 41,677,687

Alternative Instruction Program

Teachers	\$ 446,271	
Career Ladder Program	2,508	
Social Security	25,970	
Pensions	40,345	
Life Insurance	205	
Medical Insurance	79,550	
Dental Insurance	893	
Unemployment Compensation	174	
Employer Medicare	6,074	
Instructional Supplies and Materials	599	
Other Supplies and Materials	928	
Other Equipment	516	
Total Alternative Instruction Program		604,033

Special Education Program

Teachers	\$ 4,115,670
Career Ladder Program	14,001
Homebound Teachers	77,583
Educational Assistants	1,135,679

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Speech Pathologist	\$	410,611	
Other Salaries and Wages		143,653	
Certified Substitute Teachers		4,058	
Non-certified Substitute Teachers		8,062	
Other Per Diem and Fees		26,504	
Social Security		338,177	
Pensions		532,203	
Life Insurance		3,396	
Medical Insurance		1,249,570	
Dental Insurance		19,355	
Unemployment Compensation		3,299	
Employer Medicare		79,703	
Contracts with Private Agencies		27,768	
Instructional Supplies and Materials		81,671	
Other Supplies and Materials		2,979	
Special Education Equipment		34,109	
Total Special Education Program			\$ 8,308,051

Career and Technical Education Program

Teachers	\$	900,341	
Career Ladder Program		2,000	
Certified Substitute Teachers		2,565	
Non-certified Substitute Teachers		10,018	
Social Security		52,460	
Pensions		81,805	
Life Insurance		439	
Medical Insurance		202,258	
Dental Insurance		2,360	
Unemployment Compensation		388	
Employer Medicare		12,286	
Maintenance and Repair Services - Equipment		854	
Other Contracted Services		106,546	
Instructional Supplies and Materials		11,108	
Vocational Instruction Equipment		19,805	
Total Career and Technical Education Program			1,405,233

Adult Education Program

Teachers	\$	276,374	
Other Salaries and Wages		159,098	
Social Security		25,381	
Pensions		30,315	
Medical Insurance		13,874	
Employer Medicare		6,071	
Travel		10,381	
Instructional Supplies and Materials		39,346	
Total Adult Education Program			560,840

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	67,657	
Career Ladder Program		1,000	
Clerical Personnel		15,362	
Other Salaries and Wages		70,569	
Social Security		9,129	
Pensions		14,181	
Life Insurance		62	
Medical Insurance		24,811	
Dental Insurance		319	
Unemployment Compensation		48	
Employer Medicare		2,135	
Other Contracted Services		55,942	
Other Supplies and Materials		3,036	
Attendance Equipment		1,417	
Total Attendance			\$ 265,668

Health Services

Supervisor/Director	\$	71,645	
Career Ladder Program		1,000	
Social Workers		60,877	
Medical Personnel		404,129	
Secretary(ies)		25,038	
Other Salaries and Wages		346,376	
Other Per Diem and Fees		665	
Social Security		51,573	
Pensions		84,010	
Life Insurance		487	
Medical Insurance		210,584	
Dental Insurance		3,207	
Unemployment Compensation		590	
Employer Medicare		12,061	
Travel		5,869	
Other Contracted Services		10,202	
Drugs and Medical Supplies		5,425	
Office Supplies		279	
Other Supplies and Materials		2,437	
In Service/Staff Development		2,001	
Other Charges		997	
Total Health Services			1,299,452

Other Student Support

Career Ladder Program	\$	6,313	
Guidance Personnel		1,598,950	
Psychological Personnel		35,571	
Social Workers		123,598	
Assessment Personnel		9,922	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Other Salaries and Wages	\$	2,984	
Non-certified Substitute Teachers		150	
Social Security		102,117	
Pensions		162,135	
Life Insurance		767	
Medical Insurance		328,268	
Dental Insurance		4,224	
Unemployment Compensation		649	
Employer Medicare		23,926	
Contracts with Government Agencies		85,000	
Evaluation and Testing		114,783	
Travel		4,530	
Other Contracted Services		78,225	
Other Supplies and Materials		2,283	
In Service/Staff Development		250	
Other Charges		1,414	
Total Other Student Support			\$ 2,686,059

Regular Instruction Program

Supervisor/Director	\$	277,288	
Career Ladder Program		17,256	
Librarians		969,186	
Materials Supervisor		7,592	
Instructional Computer Personnel		69,590	
Secretary(ies)		80,494	
Clerical Personnel		121,372	
Educational Assistants		11,801	
Other Salaries and Wages		219,727	
Certified Substitute Teachers		910	
Social Security		103,630	
Pensions		159,114	
Life Insurance		686	
Medical Insurance		246,225	
Dental Insurance		2,453	
Unemployment Compensation		663	
Employer Medicare		24,407	
Travel		11,064	
Other Contracted Services		41,938	
Food Supplies		930	
Library Books/Media		69,686	
Office Supplies		4,597	
Periodicals		43	
Other Supplies and Materials		42,093	
In Service/Staff Development		22,852	
Other Charges		140,912	
Other Equipment		2,740	
Total Regular Instruction Program			2,649,249

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program

Supervisor/Director	\$	75,336	
Career Ladder Program		1,000	
Secretary(ies)		34,000	
Social Security		6,738	
Pensions		10,346	
Life Insurance		45	
Medical Insurance		4,578	
Dental Insurance		264	
Unemployment Compensation		39	
Employer Medicare		1,576	
Total Alternative Instruction Program			\$ 133,922

Special Education Program

Supervisor/Director	\$	70,426	
Career Ladder Program		2,000	
Psychological Personnel		325,922	
Assessment Personnel		89,299	
Secretary(ies)		41,205	
Other Salaries and Wages		171,871	
Other Per Diem and Fees		2,198	
Social Security		40,807	
Pensions		63,847	
Life Insurance		291	
Medical Insurance		117,731	
Dental Insurance		1,891	
Unemployment Compensation		256	
Employer Medicare		9,584	
Travel		23,653	
Other Contracted Services		67,705	
Other Supplies and Materials		31,726	
In Service/Staff Development		49,624	
Other Charges		8,710	
Other Equipment		15,970	
Total Special Education Program			1,134,716

Career and Technical Education Program

Supervisor/Director	\$	57,629	
Social Security		3,375	
Pensions		5,231	
Life Insurance		20	
Medical Insurance		13,970	
Dental Insurance		11	
Unemployment Compensation		19	
Employer Medicare		789	
Travel		479	
Other Contracted Services		671	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

Other Supplies and Materials	\$	391	
In Service/Staff Development		571	
Total Career and Technical Education Program			\$ 83,156

Technology

Supervisor/Director	\$	72,312	
Career Ladder Program		2,000	
Computer Programmer(s)		452,663	
Clerical Personnel		33,686	
Social Security		32,468	
Pensions		53,214	
Life Insurance		257	
Medical Insurance		98,490	
Dental Insurance		365	
Unemployment Compensation		194	
Employer Medicare		7,593	
Maintenance and Repair Services - Equipment		15,558	
Internet Connectivity		199,565	
Travel		9,604	
Other Contracted Services		27,159	
Office Supplies		399	
Other Supplies and Materials		35,924	
Total Technology			1,041,451

Adult Programs

Supervisor/Director	\$	69,417	
Other Salaries and Wages		34,499	
Social Security		5,894	
Pensions		9,823	
Medical Insurance		5,256	
Employer Medicare		1,379	
Travel		4,451	
Total Adult Programs			130,719

Other Programs

On-behalf Payments to OPEB	\$	386,928	
Total Other Programs			386,928

Board of Education

Secretary to Board	\$	53,269	
Other Salaries and Wages		18,900	
Board and Committee Members Fees		22,800	
Social Security		5,582	
Pensions		7,107	
Life Insurance		13	
Medical Insurance		10,709	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Dental Insurance	\$	132	
Unemployment Compensation		19	
Employer Medicare		1,306	
Audit Services		12,000	
Communication		148,452	
Dues and Memberships		20,736	
Legal Services		43,417	
Travel		6,075	
Other Contracted Services		25,228	
Office Supplies		1,165	
Other Supplies and Materials		1,385	
Liability Insurance		218,040	
Trustee's Commission		571,846	
Workers' Compensation Insurance		185,568	
In Service/Staff Development		6,261	
Criminal Investigation of Applicants - TBI		14,291	
Other Charges		274,898	
Total Board of Education			\$ 1,649,199

Director of Schools

County Official/Administrative Officer	\$	108,683	
Social Security		6,314	
Pensions		9,865	
Life Insurance		26	
Medical Insurance		13,568	
Dental Insurance		132	
Unemployment Compensation		19	
Employer Medicare		1,477	
Travel		4,256	
Other Charges		2,667	
Total Director of Schools			147,007

Office of the Principal

Principals	\$	1,418,082	
Career Ladder Program		15,001	
Accountants/Bookkeepers		546,542	
Assistant Principals		1,559,431	
Secretary(ies)		826,347	
Social Security		250,723	
Pensions		408,502	
Life Insurance		2,219	
Medical Insurance		917,346	
Dental Insurance		10,952	
Unemployment Compensation		1,804	
Employer Medicare		58,571	
Dues and Memberships		900	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Postal Charges	\$	10,000	
Office Supplies		1,317	
Other Charges		9,000	
Total Office of the Principal			\$ 6,036,737

Fiscal Services

Supervisor/Director	\$	84,410	
Accountants/Bookkeepers		222,457	
Purchasing Personnel		42,390	
Clerical Personnel		36,650	
Social Security		21,943	
Pensions		38,784	
Life Insurance		184	
Medical Insurance		85,289	
Dental Insurance		1,065	
Unemployment Compensation		155	
Employer Medicare		5,132	
Travel		3,543	
Other Contracted Services		128,281	
Office Supplies		8,733	
In Service/Staff Development		2,884	
Other Charges		8,373	
Administration Equipment		12,044	
Other Equipment		8,749	
Total Fiscal Services			711,066

Human Services/Personnel

Supervisor/Director	\$	79,837	
Other Salaries and Wages		76,581	
Social Security		8,617	
Pensions		15,720	
Life Insurance		64	
Medical Insurance		26,138	
Dental Insurance		473	
Unemployment Compensation		58	
Employer Medicare		2,015	
Dues and Memberships		409	
Travel		487	
Other Contracted Services		24,286	
Office Supplies		2,221	
In Service/Staff Development		1,134	
Total Human Services/Personnel			238,040

Operation of Plant

Communication	\$	144,391	
Janitorial Services		2,326,191	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Other Contracted Services	\$	215,392	
Custodial Supplies		69,812	
Electricity		2,748,873	
Natural Gas		459,502	
Water and Sewer		350,716	
Building and Contents Insurance		239,042	
Total Operation of Plant			\$ 6,553,919

Maintenance of Plant

Supervisor/Director	\$	124,042	
Secretary(ies)		74,600	
Maintenance Personnel		644,274	
Social Security		48,717	
Pensions		84,578	
Life Insurance		443	
Medical Insurance		183,007	
Dental Insurance		3,471	
Unemployment Compensation		426	
Employer Medicare		11,394	
Other Contracted Services		2,802,749	
Other Supplies and Materials		383,366	
Building Construction		30,200	
Maintenance Equipment		24,000	
Total Maintenance of Plant			4,415,267

Transportation

Supervisor/Director	\$	59,534	
Mechanic(s)		135,150	
Bus Drivers		1,142,778	
Clerical Personnel		20,234	
Part-time Personnel		43,845	
Other Salaries and Wages		238,704	
Social Security		92,585	
Pensions		159,182	
Life Insurance		1,242	
Medical Insurance		355,665	
Dental Insurance		7,258	
Unemployment Compensation		1,997	
Employer Medicare		22,024	
Contracts with Parents		351	
Laundry Service		3,775	
Travel		2,546	
Other Contracted Services		54,027	
Diesel Fuel		234,149	
Gasoline		86,647	
Lubricants		8,705	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Tires and Tubes	\$	30,953	
Vehicle Parts		148,543	
Other Supplies and Materials		4,589	
Other Charges		7,864	
Transportation Equipment		481,708	
Total Transportation			\$ 3,344,055

Central and Other

Maintenance and Repair Services - Equipment	\$	3,684	
Other Supplies and Materials		9,810	
Total Central and Other			13,494

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	59,120	
Accountants/Bookkeepers		34,050	
Clerical Personnel		76,336	
Maintenance Personnel		124,161	
Other Per Diem and Fees		440	
Social Security		16,438	
Pensions		29,558	
Life Insurance		153	
Medical Insurance		79,069	
Dental Insurance		703	
Employer Medicare		3,844	
Total Food Service			423,872

Community Services

Supervisor/Director	\$	67,366	
Teachers		232,381	
Bus Drivers		49,263	
Clerical Personnel		33,613	
Educational Assistants		43,148	
Other Salaries and Wages		125,946	
Other Per Diem and Fees		240	
Social Security		31,728	
Pensions		44,526	
Life Insurance		71	
Medical Insurance		36,022	
Dental Insurance		395	
Employer Medicare		7,512	
Travel		6,660	
Other Contracted Services		1,700	
Food Supplies		624	
Other Supplies and Materials		8,657	
In Service/Staff Development		2,396	
Other Charges		298	
Total Community Services			692,546

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Supervisor/Director	\$	37,959	
Teachers		779,446	
Clerical Personnel		19,984	
Educational Assistants		374,230	
Certified Substitute Teachers		245	
Social Security		68,916	
Pensions		112,071	
Life Insurance		830	
Medical Insurance		294,324	
Dental Insurance		3,900	
Unemployment Compensation		737	
Employer Medicare		16,117	
Travel		892	
Other Contracted Services		68,275	
Food Supplies		5,105	
Instructional Supplies and Materials		8,030	
Other Supplies and Materials		3,571	
In Service/Staff Development		108	
Other Charges		3,820	
Other Equipment		95	
Total Early Childhood Education			\$ 1,798,655

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	160,675	
Total Education			160,675

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$	725	
Total Education			725

Total General Purpose School Fund

\$ 88,552,421

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	952,739	
Educational Assistants		338,428	
Other Salaries and Wages		13,605	
Certified Substitute Teachers		12,075	
Non-certified Substitute Teachers		27,888	
Social Security		73,944	
Pensions		107,146	
Life Insurance		738	
Medical Insurance		273,097	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Dental Insurance	\$	3,571	
Employer Medicare		18,112	
Other Contracted Services		80,744	
Instructional Supplies and Materials		161,437	
Other Supplies and Materials		228	
Other Charges		1,716	
Regular Instruction Equipment		230,520	
Total Regular Instruction Program			\$ 2,295,988

Special Education Program

Teachers	\$	79,043	
Educational Assistants		1,380,308	
Speech Pathologist		27,408	
Social Security		81,356	
Pensions		139,831	
Life Insurance		1,392	
Medical Insurance		487,690	
Dental Insurance		7,365	
Employer Medicare		19,032	
Instructional Supplies and Materials		69,939	
Special Education Equipment		7,375	
Total Special Education Program			2,300,739

Career and Technical Education Program

Teachers	\$	3,750	
Other Salaries and Wages		3,086	
Certified Substitute Teachers		1,250	
Non-certified Substitute Teachers		1,950	
Social Security		563	
Pensions		340	
Employer Medicare		140	
Maintenance and Repair Services - Equipment		844	
Other Contracted Services		500	
Instructional Supplies and Materials		21,800	
Other Supplies and Materials		5,396	
Vocational Instruction Equipment		138,297	
Total Career and Technical Education Program			177,916

Support Services

Other Student Support

Social Workers	\$	54,203	
Social Security		3,095	
Pensions		4,922	
Life Insurance		24	
Medical Insurance		9,818	
Dental Insurance		121	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Employer Medicare	\$	724	
Travel		8,771	
Other Contracted Services		105,500	
Other Supplies and Materials		969	
In Service/Staff Development		11,505	
Other Charges		29,403	
Total Other Student Support	\$		229,055

Regular Instruction Program

Supervisor/Director	\$	89,422	
Secretary(ies)		56,050	
Other Salaries and Wages		462,695	
Social Security		33,164	
Pensions		48,569	
Life Insurance		199	
Medical Insurance		74,854	
Dental Insurance		1,015	
Employer Medicare		8,442	
Travel		5,143	
Other Contracted Services		463,336	
Other Supplies and Materials		32,521	
In Service/Staff Development		96,802	
Other Charges		206,969	
Other Equipment		29,248	
Total Regular Instruction Program			1,608,429

Special Education Program

Clerical Personnel	\$	44,678	
Other Salaries and Wages		117,220	
In-service Training		1,366	
Social Security		9,344	
Pensions		15,241	
Life Insurance		71	
Medical Insurance		34,022	
Dental Insurance		395	
Employer Medicare		2,185	
Travel		806	
Other Supplies and Materials		6,711	
In Service/Staff Development		54,424	
Other Charges		765	
Total Special Education Program			287,228

Transportation

Bus Drivers	\$	4,663	
Social Security		268	
Pensions		469	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Employer Medicare	\$	63	
Rentals		14,238	
Total Transportation			\$ 19,701

Operation of Non-Instructional Services

Food Service

Food Supplies	\$	1,054	
Total Food Service			<u>1,054</u>

Total School Federal Projects Fund \$ 6,920,110

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	1,737,121	
Social Security		99,264	
Pensions		120,491	
Life Insurance		1,324	
Medical Insurance		359,905	
Dental Insurance		5,954	
Unemployment Compensation		3,536	
Employer Medicare		23,660	
Communication		11,874	
Maintenance and Repair Services - Equipment		121,746	
Travel		27,808	
Other Contracted Services		33,647	
Food Preparation Supplies		198,355	
Food Supplies		2,452,518	
Office Supplies		12,175	
USDA - Commodities		522,101	
Other Supplies and Materials		4,802	
In Service/Staff Development		9,251	
Other Charges		12,936	
Food Service Equipment		99,986	
Total Food Service			<u>\$ 5,858,454</u>

Total Central Cafeteria Fund 5,858,454

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	738,129	
Other Per Diem and Fees		240	
Social Security		44,462	
Pensions		22,456	
Life Insurance		131	

(Continued)

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department (Cont.)

Extended School Program Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Medical Insurance	\$	51,949	
Dental Insurance		792	
Employer Medicare		10,399	
Travel		708	
Food Supplies		5,940	
Refunds		1,583	
Other Charges		29,226	
Other Equipment		9,075	
Total Community Services			\$ 915,090

Total Extended School Program Fund \$ 915,090

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Building Construction	\$	5,000	
Total Education Capital Projects			\$ 5,000

Total Education Capital Projects Fund 5,000

Total Governmental Funds - Putnam County School Department \$ 102,251,075

Exhibit K-9

Putnam County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2018

	Governmental Activities - Internal Service Fund
	<u>Self- Insurance Fund</u>
<u>Revenues</u>	
<u>Operating Revenues</u>	
<u>Charges of Current Services</u>	
Self-Insurance Premiums/Contributions	\$ 1,524,077
<u>Other Local Revenues</u>	
Miscellaneous Refunds	3,610
Total Operating Revenues	<u>\$ 1,527,687</u>
<u>Nonoperating Revenues</u>	
Investment Income	\$ 8,645
Total Nonoperating Revenues	<u>\$ 8,645</u>
Total Revenues	<u>\$ 1,536,332</u>
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>General Government</u>	
<u>County Buildings</u>	
Liability Claims	\$ 2,208
Total General Government	<u>\$ 2,208</u>
<u>Public Safety</u>	
<u>Sheriff's Department</u>	
Legal Services	\$ 126,999
Excess Risk Insurance	6,218
Liability Claims	177,056
Other Charges	4,000
<u>Fire Prevention and Control</u>	
Liability Insurance	460
<u>Civil Defense</u>	
Excess Risk Insurance	4,508
Total Public Safety	<u>\$ 319,241</u>
<u>Public Health and Welfare</u>	
<u>Ambulance/Emergency Medical Services</u>	
Legal Services	\$ 73,998
Excess Risk Insurance	24,013
Other Self-insured Claims	95,399
<u>Sanitation Management</u>	
Liability Claims	3,121
Total Public Health and Welfare	<u>\$ 196,531</u>

(Continued)

Exhibit K-9

Putnam County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Governmental Activities - Internal <u>Service Fund</u> Self- Insurance <u>Fund</u>
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Social Cultural and Recreational Services</u>	
<u>Parks and Fair Boards</u>	
Legal Services	\$ 2,141
Liability Claims	20,396
Total Social Cultural and Recreational Services	<u>\$ 22,537</u>
<u>Other Operations</u>	
<u>Other Charges</u>	
Handling Charges and Administrative Costs	\$ 24,941
Legal Services	288
Workers' Compensation Insurance	1,791
Liability Claims	250
Other Self-insured Claims	23,003
Other Charges	2,686
Total Other Operations	<u>\$ 52,959</u>
<u>Highways</u>	
<u>Administration</u>	
Handling Charges and Administrative Costs	\$ 14,671
Legal Services	12,580
Workers' Compensation Insurance	1,054
Liability Claims	1,655
Other Self-insured Claims	175,436
Other Charges	1,580
Total Highways	<u>\$ 206,976</u>

(Continued)

Exhibit K-9

Putnam County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Governmental Activities - Internal Service Fund <u>Self- Insurance Fund</u>
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Education</u>	
<u>Central and Other</u>	
Handling Charges and Administrative Costs	\$ 33,744
Legal Services	7,144
Workers' Compensation Insurance	2,423
Liability Claims	11,061
Other Self-insured Claims	250,973
Other Charges	3,634
Total Education	<u>\$ 308,979</u>
Total Expenses	<u><u>\$ 1,109,431</u></u>

Putnam County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2018

	<u>Cities - Sales Tax Fund</u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 15,892,101
Total Cash Receipts	<u>\$ 15,892,101</u>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 15,733,180
Trustee's Commission	158,921
Total Cash Disbursements	<u>\$ 15,892,101</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2017	<u>0</u>
Cash Balance, June 30, 2018	<u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Independent Auditor's Report

Putnam County Executive and
Board of County Commissioners
Putnam County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Putnam County, Tennessee, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Putnam County's basic financial statements, and have issued our report thereon dated December 19, 2018.

Internal Control Over Financial Reporting

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

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

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

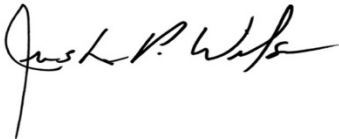
Compliance and Other Matters

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

Purpose of this Report

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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 19, 2018

JPW/kp



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Putnam County Executive and
Board of County Commissioners
Putnam County, Tennessee

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Putnam County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Putnam County's major federal programs for the year ended June 30, 2018. Putnam County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Putnam County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 occurred. An audit includes examining, on a test basis, evidence about Putnam County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of Putnam County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Putnam County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Putnam County'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 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 will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

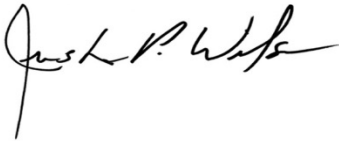
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Putnam County, Tennessee, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Putnam County's basic financial statements. We issued our report thereon dated December 19, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such 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 Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 19, 2018

JPW/kp

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2)
For the Year Ended June 30, 2018

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Healthier US School Challenge: Smarter Lunchrooms	10.543	N/A	\$ 14,000
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	1,103,810
National School Lunch Program	10.555	N/A	2,643,213 (5)
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	6,500
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	537,616 (5)
Fresh Fruit and Vegetable Program	10.582	N/A	18,842
Passed-through East Tennessee Human Resource Agency:			
Child and Adult Care Food Program	10.558	N/A	442,247
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	N/A	295,531
Total U.S. Department of Agriculture			<u>\$ 5,061,759</u>
U.S. Department of Defense:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	N/A	<u>\$ 438,615</u>
U.S. Department of Housing and Urban Development:			
Passed-through Tennessee Housing Development Agency:			
Home Investment Partnerships Program	14.239	(3)	<u>\$ 88,599</u>
U.S. Department of Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	N/A	<u>\$ 5,871</u>
U.S. Department of Justice:			
Direct Program:			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 2,257
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(3)	150,711
Violence Against Women Formula Grants	16.588	(3)	60,000
Passed-through State Department of Mental Health and Substance Abuse Services:			
Drug Court Discretionary Grant Program	16.585	(3)	37,354
Total U.S. Department of Justice			<u>\$ 250,322</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Open Container Requirements	20.607	(3)	<u>\$ 6,412</u>

(Continued)

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(3)	\$ 514,435
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	2,806,823
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	2,769,493
Special Education - Preschool Grants	84.173	N/A	112,099
Career and Technical Education - Basic Grants to States	84.048	N/A	420,184
Rural Education	84.358	(3)	140,799
English Language Acquisition Grants	84.365	(3)	75,054
Improving Teacher Quality State Grants	84.367	N/A	458,842 (6)
Student Support and Academic Enrichment Program	84.424	N/A	73,412
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	(3)	13,110
Passed-through WCTE PBS Channel 22:			
Ready-To-Learn Television	84.295	(3)	31,407
Passed-through Metro Nashville Public Schools:			
Math and Science Partnership Grant	84.366	N/A	313,810
Passed-through Warren County Board of Education:			
Improving Teacher Quality State Grants	84.367	N/A	3,624 (6)
Total U.S. Department of Education			<u>\$ 7,733,092</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Mental Health and Substance Abuse Services:			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	(3)	\$ 8,747
Passed-through State Department of Education:			
CCDF Cluster:			
Child Care and Development Block Grant	93.575	(3)	149,587
Total U.S. Department of Health and Human Services			<u>\$ 158,334</u>
U.S. Executive Office of the President:			
Passed-through Laurel County, Kentucky Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	(3)	\$ 12,658
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(3)	\$ 653,282
Emergency Management Performance Grants	97.042	(3)	55,850
Homeland Security Grant Program	97.067	(3)	144,812
Total U.S. Department of Homeland Security			<u>\$ 853,944</u>
Total Expenditures of Federal Awards			<u>\$ 14,609,606</u>

(Continued)

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Community Intervention Services - State Department of Children's Services	N/A	(3)	\$ 58,102
State Supplement Juvenile Court Improvements Funds - State Commission on Children and Youth	N/A	(3)	4,500
Local Health Services - State Department of Health	N/A	GG-18-55426-01	1,841,210
Courtroom Security Grant - State Administrative Office of the Courts	N/A	(3)	31,737
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - State Department of Military	N/A	(3)	24,288
Tennessee Certified Drug Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(3)	69,922
Tennessee Veterans Treatment Court Initiative - State Department of Health and Substance Abuse	N/A	(3)	59,257
Litter Program - State Department of Transportation	N/A	Z18LIT071	59,344
Recycling Equipment Grant - State Department of Environment and Conservation	N/A	(3)	37,657
Used Oil Grant - State Department of Environment and Conservation	N/A	(3)	27,495
Waste Tire Clean Up Grant - State Department of Environment and Conservation	N/A	(3)	5,663
Lottery for Education - Afterschool Programs (LEAPS) - State Department of Education	N/A	(3)	628,395
Adult Basic Education - State Department of Labor and Workforce Development	N/A	(9)	171,478
Family Resource - State Department of Education	N/A	(3)	29,612
Coordinated School Health Project - State Department of Education	N/A	(3)	155,000
Safe Schools Act - State Department of Education	N/A	(3)	50,240
Early Childhood Education - State Department of Education	N/A	(3)	1,557,576
ConnecTenn - State Department of Education	N/A	(3)	28,929
Read to Be Ready Coaching Network - State Department of Education	N/A	(3)	9,347
Total State Grants			<u>\$ 4,849,752</u>

CFDA - Catalog of Federal Domestic Assistance

N/A - Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Putnam County elected not to use the 10% de minimus cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$4,580,170; Special Education Cluster total \$2,881,592.
- (5) Total for CFDA No. 10.555 is \$3,180,829.
- (6) Total for CFDA No. 84.367 is \$462,466.
- (7) During the year ended June 30, 2018, Putnam County received excess military equipment from the U.S. Department of Military valued at \$438,615.

SUBRECIPIENTS

Program Title	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
Career and Technical Education - Basic Grants to States	84.048	\$10,340	Clay County, TN Board of Education
"	"	12,501	Jackson County, TN Board of Education
"	"	24,013	Overton County, TN Board of Education
"	"	33,243	Warren County, TN Board of Education
"	"	33,306	White County, TN Board of Education

Putnam County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2018

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Putnam County, Tennessee, for the year ended June 30, 2018.

Prior-year Financial Statement Findings

There were no prior-year findings to report.

Prior-year Federal Awards Findings

There were no prior-year federal award findings to report.

PUTNAM COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2018

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Putnam County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NO**
3. Noncompliance material to the financial statements noted? **NO**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * CFDA Numbers: 10.553, 10.555, and 10.559 Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children
 - * CFDA Number: 84.010 Title I Grants to Local Educational Agencies
 - * CFDA Numbers: 84.127 and 84.173 Special Education Cluster: Special Education - Grants to States, and Special Education - Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings and recommendations, as a result of our audit of the financial statements of Putnam County, Tennessee, for the year ended June 30, 2018.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2018.

**Putnam County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2018**

The audit of Putnam County did not report any findings and recommendations. Therefore, no management responses are required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below us a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Putnam County.

PUTNAM COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Putnam County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Putnam County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.