

ANNUAL FINANCIAL REPORT
PUTNAM COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2015



DIVISION OF LOCAL GOVERNMENT AUDIT



ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED JUNE 30, 2015

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

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

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Summary of Audit Findings

Annual Financial Report
Putnam County, Tennessee
For the Year Ended June 30, 2015

Scope

We have audited the basic financial statements of Putnam County as of and for the year ended June 30, 2015.

Results

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

Our audit resulted in three findings and recommendations, which we have reviewed with Putnam County management. Detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY EXECUTIVE

- ◆ The General Capital Projects Fund had a deficit in unassigned fund balance.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ The School Federal Projects Fund required material audit adjustments for proper financial statement presentation.
- ◆ General ledger payroll liability accounts were not reconciled.

INTRODUCTORY SECTION

Putnam County Officials
June 30, 2015

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

Daryl Blair, Chairman	Jim Martin
Cindy Adams	Michael Medley
Mike Atwood	Larry Redwine
Larry Bennett	Cathy Reel
Marsha Bowman	Jerry Roberson
Kim Bradford	Ben Rodgers
Donny Buttram	Chris Savage
Scott Ebersole	Reginald Shanks
Jerry Ford	Tom Short
Danny Holmes	Scott Stevens
Tony Honeycutt	Bobby Williams
Jordan Iwanyszyn	Benton Young

Board of Education

Dr. Dawn Fry, Chairman	Celeste Gammon
Eric Brown	Jerry Maynard
Kim Cravens	David McCormick

Audit Committee

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

FINANCIAL SECTION



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
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JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
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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, 2015, 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 did not audit the financial statements of the Putnam County Emergency Communications District, which represent 1.32 percent, 1.52 percent, and .84 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Also, we did not audit the financial statements of the Putnam County Agricultural and Industrial Fair, Inc., which represent .06 percent, .07 percent, and .34 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the

amounts included for the Putnam County Emergency Communications District and the Putnam County Agricultural and Industrial Fair, Inc., is based solely on the reports of the other auditors. 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, based on our audit and the reports of other auditors, 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, 2015, 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. 68, *Accounting and Financial Reporting for Pensions*; GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*; and GASB Statement No. 71 *Pension Transition for Contributions made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.8. to the financial statements, which describes a prior-period adjustment decreasing the beginning Governmental Activities net position by \$376,073 on the Government-wide Statement of Activities. This adjustment was necessary due to a

change in estimated postclosure care cost for the landfill and an overstatement of claims payable in the prior year in the self-insurance fund. Our opinion is not modified with respect to this matter.

We draw attention to Note I.D.9. to the financial statements, which describes a restatement decreasing the beginning Governmental Activities net position by \$2,944,856 and decreasing the discretely presented Putnam County School Department's net position by \$17,004,827 on the Government-wide Statement of Activities. These restatements were necessary because of the transitional requirements of GASB Statement No. 68, *Accounting and Financial Reporting for 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 and related ratios, schedule of county and school contributions, schedule of school's proportionate share of the net pension liability, and schedule of funding progress – other postemployment benefits plans on pages 92 – 98 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 introductory section, 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), and miscellaneous schedules are

presented for purposes of additional analysis and are not a required part of the basic financial statements.

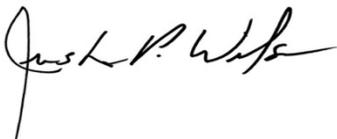
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), and miscellaneous 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 by us. In our opinion, based on our audit and the procedures performed as described above, 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), 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 February 25, 2016, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Putnam County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

February 25, 2016

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

Putnam County, Tennessee
Statement of Net Position
June 30, 2015

	Component Units			
	Primary Government Governmental Activities	Putnam County School Department	Putnam County Emergency Communications District	Putnam County Agricultural and Industrial Fair, Inc. (1)
<u>ASSETS</u>				
Cash	\$ 2,700	\$ 0	\$ 1,997,085	\$ 106,580
Equity in Pooled Cash and Investments	26,351,825	21,769,446	0	0
Inventories	0	40,398	0	0
Accounts Receivable	3,234,915	100,970	0	10,492
Allowance for Uncollectibles	(583,810)	0	0	0
Due from Other Governments	2,213,139	3,985,560	0	0
Due From Component Units	796,196	0	0	0
Property Taxes Receivable	27,550,046	13,555,209	0	0
Allowance for Uncollectible Property Taxes	(579,131)	(284,945)	0	0
Prepaid Items	0	0	59,312	6,720
Net Pension Asset - Cost-sharing Plan	0	165,039	0	0
Assets Not Depreciated:				
Land	5,516,854	5,145,013	0	0
Intangibles - Indefinite Life	4,840,504	0	0	0
Construction in Progress	1,313,356	45,211,964	0	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	25,218,150	113,858,229	130,829	0
Infrastructure	26,671,421	0	0	0
Other Capital Assets	4,610,522	3,136,683	564,557	0
Total Assets	<u>\$ 127,156,687</u>	<u>\$ 206,683,566</u>	<u>\$ 2,751,783</u>	<u>\$ 123,792</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pension Changes in Experience	\$ 0	\$ 400,674	\$ 0	\$ 0
Pension Changes in Contributions after Measurement Date	1,745,578	4,839,374	0	0
Total Deferred Outflows of Resources	<u>\$ 1,745,578</u>	<u>\$ 5,240,048</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 368,958	\$ 268,420	\$ 650	\$ 2,941
Accrued Payroll	0	551,704	0	0
Payroll Deductions Payable	17,210	1,048,248	0	253
Due to Primary Government	0	796,196	0	0
Due to State of Tennessee	5,170	0	0	0
Claims and Judgments Payable	1,239,061	0	0	0
Accrued Interest Payable	1,726,424	0	0	0
Matured Bonds Payable	15,000	0	0	0
Other Current Liabilities	0	1,526	0	0
Noncurrent Liabilities:				
Due Within One Year	7,574,275	224,493	0	0
Due in More Than One Year (net of unamortized premium on debt)	152,585,567	1,286,659	0	0
Total Liabilities	<u>\$ 163,531,665</u>	<u>\$ 4,177,246</u>	<u>\$ 650</u>	<u>\$ 3,194</u>

(Continued)

Exhibit A

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

	Component Units			
	Primary Governmental Activities	Putnam County School Department	Putnam County Emergency Communications District	Putnam County Agricultural and Industrial Fair, Inc. (1)
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Current Property Taxes	\$ 26,271,481	\$ 12,926,127	\$ 0	\$ 0
Pension Changes in Experience	433,910	535,254	0	0
Pension Changes in Investment Earnings	2,165,934	16,269,988	0	0
Pension Changes in Other Deferrals	0	169,853	0	0
Total Deferred Inflows of Resources	<u>\$ 28,871,325</u>	<u>\$ 29,901,222</u>	<u>\$ 0</u>	<u>\$ 0</u>
NET POSITION				
Net Investment in Capital Assets	\$ 46,030,987	\$ 167,351,889	\$ 695,386	\$ 0
Restricted for:				
General Government	1,275,397	0	0	0
Finance	34,312	0	0	0
Administration of Justice	301,562	0	0	0
Public Safety	65,983	0	0	0
Highways/Public Works	1,423,008	0	0	0
Education	0	11,768,251	0	0
Unrestricted	<u>(112,631,974)</u>	<u>(1,274,994)</u>	<u>2,055,747</u>	<u>120,598</u>
Total Net Position	<u>\$ (63,500,725)</u>	<u>\$ 177,845,146</u>	<u>\$ 2,751,133</u>	<u>\$ 120,598</u>

(1) Financial statements are for the year ended September 30, 2014.

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, 2015

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Component Units		
						Putnam County School Department	Putnam County Emergency Communications District	Putnam County Agricultural and Industrial Fair, Inc. (1)
Primary Government:								
Governmental Activities:								
General Government	\$ 6,946,367	\$ 763,840	\$ 24,663	\$ 0	\$ (6,157,864)	\$ 0	\$ 0	\$ 0
Finance	1,886,052	2,165,137	26,210	0	305,295	0	0	0
Administration of Justice	2,841,609	2,272,170	197,870	0	(371,569)	0	0	0
Public Safety	11,989,963	2,169,472	679,535	13,984	(9,126,972)	0	0	0
Public Health and Welfare	10,945,462	5,727,334	1,746,167	114,455	(3,357,506)	0	0	0
Social, Cultural, and Recreational Services	1,953,923	203,286	11,500	0	(1,739,137)	0	0	0
Agriculture and Natural Resources	247,174	34,493	0	0	(212,681)	0	0	0
Highways/Public Works	4,727,188	0	2,039,307	1,100,162	(1,587,719)	0	0	0
Education	922,837	0	0	0	(922,837)	0	0	0
Interest on Long-term Debt	6,721,046	743,696	0	0	(5,977,350)	0	0	0
Total Primary Government	\$ 49,181,621	\$ 14,079,428	\$ 4,725,252	\$ 1,228,601	\$ (29,148,340)	\$ 0	\$ 0	\$ 0
Component Units:								
School Department	\$ 92,674,648	\$ 1,962,231	\$ 14,973,508	\$ 0	\$ 0	\$ (75,738,909)	\$ 0	\$ 0
Emergency Communications District	830,207	709,402	0	0	0	0	(120,805)	0
Putnam County Agricultural and Industrial Fair, Inc. (1)	290,837	320,422	0	0	0	0	0	29,585
Total Component Units	\$ 93,795,692	\$ 2,992,055	\$ 14,973,508	\$ 0	\$ 0	\$ (75,738,909)	\$ (120,805)	\$ 29,585

(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 Units		
						Putnam County School Department	Putnam County Emergency Communications District	Putnam County Agricultural and Industrial Fair, Inc. (1)
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 18,316,130	\$ 13,769,635	\$ 0	\$ 0
Property Taxes Levied for Debt Service					9,683,486	0	0	0
Local Option Sales Taxes					4,934,154	16,582,010	0	0
Hotel/Motel Tax					1,198,122	0	0	0
Litigation Taxes					313,508	0	0	0
Business Tax					1,092,229	0	0	0
Mineral Severance Tax					156,154	0	0	0
Wholesale Beer Tax					215,796	0	0	0
Other Local Taxes					6,923	186,363	0	0
Grants and Contributions Not Restricted to Specific Programs					1,355,111	46,252,720	63,643	0
Unrestricted Investment Earnings					401,643	4,489	20,981	0
Miscellaneous					245,201	39,423	435	0
Sale of Equipment					0	4,372	0	0
Pension Income					0	169,851	0	0
Total General Revenues					<u>\$ 37,918,457</u>	<u>\$ 77,008,863</u>	<u>\$ 85,059</u>	<u>\$ 0</u>
Transfers to Fiduciary Funds					<u>\$ (28,000)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Change in Net Position					\$ 8,742,117	\$ 1,269,954	\$ (35,746)	\$ 29,585
Net Position, July 1, 2014					(68,921,913)	193,580,019	2,786,879	91,013
Prior-period Adjustment (See Note I.D.8.)					(376,073)	0	0	0
Restatement - Pension Liability (See Note I.D.9.)					(2,944,856)	(17,004,827)	0	0
Net Position, June 30, 2015					<u>\$ (63,500,725)</u>	<u>\$ 177,045,146</u>	<u>\$ 2,751,133</u>	<u>\$ 120,598</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, 2015

	Major Funds		Nonmajor Funds	Total
	General	General Debt Service	Other Govern- mental Funds	Governmental Funds
<u>ASSETS</u>				
Cash	\$ 100	\$ 0	\$ 2,600	\$ 2,700
Equity in Pooled Cash and Investments	11,155,668	9,237,875	3,970,737	24,364,280
Accounts Receivable	2,942,847	90,911	201,157	3,234,915
Allowance for Uncollectibles	(527,443)	0	(56,367)	(583,810)
Due from Other Governments	788,289	1,005,741	419,109	2,213,139
Due from Other Funds	2,600	1,114,554	0	1,117,154
Property Taxes Receivable	12,236,324	9,525,282	5,788,440	27,550,046
Allowance for Uncollectible Property Taxes	(257,221)	(200,232)	(121,678)	(579,131)
Total Assets	\$ 26,341,164	\$ 20,774,131	\$ 10,203,998	\$ 57,319,293
<u>LIABILITIES</u>				
Accounts Payable	\$ 138,976	\$ 500	\$ 229,482	\$ 368,958
Payroll Deductions Payable	17,210	0	0	17,210
Due to Other Funds	876,888	0	240,266	1,117,154
Due to State of Tennessee	5,170	0	0	5,170
Matured Bonds Payable	0	15,000	0	15,000
Total Liabilities	\$ 1,038,244	\$ 15,500	\$ 469,748	\$ 1,523,492
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 11,668,450	\$ 9,083,225	\$ 5,519,806	\$ 26,271,481
Deferred Delinquent Property Taxes	299,875	233,436	141,603	674,914
Other Deferred/Unavailable Revenue	1,999,223	523,754	207,150	2,730,127
Total Deferred Inflows of Resources	\$ 13,967,548	\$ 9,840,415	\$ 5,868,559	\$ 29,676,522

(Continued)

Exhibit C-1

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for General Government	\$ 73,624	\$ 0	\$ 204,923	\$ 278,547
Restricted for Finance	34,312	0	0	34,312
Restricted for Administration of Justice	301,562	0	0	301,562
Restricted for Public Safety	40,163	0	25,820	65,983
Restricted for Other Operations	0	0	996,850	996,850
Restricted for Highways/Public Works	0	0	1,274,659	1,274,659
Committed:				
Committed for Public Health and Welfare	0	0	933,623	933,623
Committed for Social, Cultural, and Recreational Services	95,755	0	244,318	340,073
Committed for Other Operations	0	0	152,458	152,458
Committed for Debt Service	0	10,918,216	0	10,918,216
Committed for Other Purposes	10,000	0	0	10,000
Assigned:				
Assigned for General Government	63,368	0	0	63,368
Assigned for Finance	3,617	0	0	3,617
Assigned for Administration of Justice	16,914	0	0	16,914
Assigned for Public Safety	545,489	0	0	545,489
Assigned for Public Health and Welfare	30,602	0	193,007	223,609
Assigned for Social, Cultural, and Recreational Services	0	0	9,901	9,901
Assigned for Other Operations	8,856	0	0	8,856
Unassigned	10,111,110	0	(169,868)	9,941,242
Total Fund Balances	<u>\$ 11,335,372</u>	<u>\$ 10,918,216</u>	<u>\$ 3,865,691</u>	<u>\$ 26,119,279</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 26,341,164</u>	<u>\$ 20,774,131</u>	<u>\$ 10,203,998</u>	<u>\$ 57,319,293</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, 2015

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)		\$ 26,119,279
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 5,516,854	
Add: intangible assets	4,840,504	
Add: construction in progress	1,313,356	
Add: buildings and improvements net of accumulated depreciation	25,218,150	
Add: infrastructure net of accumulated depreciation	26,671,421	
Add: other capital assets net of accumulated depreciation	<u>4,610,522</u>	68,170,807
(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.		748,484
(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	\$ (155,080,000)	
Less: capital lease payable	(796,196)	
Add: debt to be contributed by the School Department	796,196	
Less: landfill postclosure care costs	(376,204)	
Less: compensated absences payable	(563,885)	
Less: accrued interest on bonds	(1,725,345)	
Less: accrued interest on capital lease	(1,078)	
Less: unamortized premium on debt	(1,967,912)	
Less: other postemployment benefits liability	(646,098)	
Less: net pension liability	<u>(729,548)</u>	(161,090,070)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 1,745,578	
Less: deferred inflows of resources related to pensions	<u>(2,599,844)</u>	(854,266)
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>3,405,041</u>
Net position of governmental activities (Exhibit A)		<u>\$ (63,500,725)</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, 2015

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 14,287,248	\$ 15,233,040	\$ 6,067,427	\$ 35,587,715
Licenses and Permits	443,437	0	0	443,437
Fines, Forfeitures, and Penalties	543,129	0	22,012	565,141
Charges for Current Services	3,913,484	0	1,162,965	5,076,449
Other Local Revenues	1,541,194	246,497	321,639	2,109,330
Fees Received from County Officials	4,135,204	0	0	4,135,204
State of Tennessee	4,301,545	0	3,020,200	7,321,745
Federal Government	300,366	0	0	300,366
Other Governments and Citizens Groups	628,682	161,400	143,092	933,174
Total Revenues	\$ 30,094,289	\$ 15,640,937	\$ 10,737,335	\$ 56,472,561
<u>Expenditures</u>				
Current:				
General Government	\$ 5,258,575	\$ 0	\$ 77,816	\$ 5,336,391
Finance	1,979,774	0	0	1,979,774
Administration of Justice	2,797,845	0	0	2,797,845
Public Safety	12,280,199	0	71,715	12,351,914
Public Health and Welfare	6,712,271	0	4,148,449	10,860,720
Social, Cultural, and Recreational Services	547,811	0	1,277,256	1,825,067
Agriculture and Natural Resources	248,583	0	0	248,583
Other Operations	1,519,118	0	226,205	1,745,323
Highways	0	0	4,802,691	4,802,691
Debt Service:				
Principal on Debt	0	6,346,400	0	6,346,400
Interest on Debt	0	6,827,363	0	6,827,363
Other Debt Service	0	252,158	0	252,158

(Continued)

Exhibit C-3

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>				
Capital Projects - Donated	\$ 0	\$ 0	\$ 957,596	\$ 957,596
Total Expenditures	\$ 31,344,176	\$ 13,425,921	\$ 11,561,728	\$ 56,331,825
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,249,887)	\$ 2,215,016	\$ (824,393)	\$ 140,736
<u>Other Financing Sources (Uses)</u>				
Capital Leases Issued	\$ 0	\$ 0	\$ 957,596	\$ 957,596
Transfers In	0	0	81,700	81,700
Transfers Out	(81,700)	0	(28,000)	(109,700)
Total Other Financing Sources (Uses)	\$ (81,700)	\$ 0	\$ 1,011,296	\$ 929,596
Net Change in Fund Balances	\$ (1,331,587)	\$ 2,215,016	\$ 186,903	\$ 1,070,332
Fund Balance, July 1, 2014	12,666,959	8,703,200	3,678,788	25,048,947
Fund Balance, June 30, 2015	\$ 11,335,372	\$ 10,918,216	\$ 3,865,691	\$ 26,119,279

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, 2015

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)		\$ 1,070,332
<p>(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:</p>		
Add: capital assets purchased in the current period	\$ 2,317,413	
Less: current-year depreciation expense	<u>(2,412,693)</u>	(95,280)
<p>(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.</p>		
Less: book value of capital assets disposed		(21,558)
<p>(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.</p>		
Add: deferred delinquent property taxes and other deferred June 30, 2015	\$ 3,405,041	
Less: deferred delinquent property taxes and other deferred June 30, 2014	<u>(2,650,765)</u>	754,276
<p>(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:</p>		
Add: change in premium on debt issuances	\$ 135,815	
Less: principal contribution on capital lease by the School Department	(161,400)	
Add: principal payments on capital lease	161,400	
Add: principal payments on bonds	<u>6,185,000</u>	6,320,815
<p>(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.</p>		
Change in accrued interest payable	\$ 106,317	
Change in landfill postclosure care costs	132,716	
Change in compensated absences payable	(130,802)	
Change in other postemployment benefits liability	(99,184)	
Change in net pension liability/asset	2,215,308	
Change in deferred outflows related to pensions	1,745,578	
Change in deferred inflows related to pensions	<u>(2,599,844)</u>	1,370,089
<p>(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.</p>		
		<u>(656,557)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 8,742,117</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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 14,287,248	\$ 0	\$ 0	\$ 14,287,248	\$ 13,872,734	\$ 13,952,734	\$ 334,514
Licenses and Permits	443,437	0	0	443,437	392,000	392,000	51,437
Fines, Forfeitures, and Penalties	543,129	0	0	543,129	505,250	508,650	34,479
Charges for Current Services	3,913,484	0	0	3,913,484	3,785,000	3,785,000	128,484
Other Local Revenues	1,541,194	0	0	1,541,194	918,000	1,083,043	458,151
Fees Received from County Officials	4,135,204	0	0	4,135,204	3,635,000	3,635,000	500,204
State of Tennessee	4,301,545	0	0	4,301,545	3,996,756	3,991,909	309,636
Federal Government	300,366	0	0	300,366	143,633	1,433,881	(1,133,515)
Other Governments and Citizens Groups	628,682	0	0	628,682	344,000	519,000	109,682
Total Revenues	\$ 30,094,289	\$ 0	\$ 0	\$ 30,094,289	\$ 27,592,373	\$ 29,301,217	\$ 793,072
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 156,399	\$ 0	\$ 0	\$ 156,399	\$ 150,766	\$ 159,889	\$ 3,490
Beer Board	1,689	0	0	1,689	1,940	2,053	364
County Mayor/Executive	399,335	(289)	190	399,236	311,101	408,999	9,763
County Attorney	166,485	0	0	166,485	167,000	167,000	515
Election Commission	434,114	(756)	8,274	441,632	409,645	474,226	32,594
Register of Deeds	250,167	0	0	250,167	214,236	276,107	25,940
Codes Compliance	175,259	0	0	175,259	211,325	240,788	65,529
Geographical Information Systems	12,406	(3,131)	34	9,309	25,900	25,900	16,591
County Buildings	3,152,142	(25,053)	31,232	3,158,321	2,816,356	3,220,803	62,482
Other Facilities	507,616	(156,177)	23,638	375,077	323,300	380,089	5,012
Other General Administration	2,963	0	0	2,963	0	2,963	0
<u>Finance</u>							
Property Assessor's Office	506,733	0	1,583	508,316	415,753	539,407	31,091
County Trustee's Office	459,154	0	0	459,154	337,944	459,966	812
County Clerk's Office	888,800	0	422	889,222	662,211	934,890	45,668
Other Finance	125,087	0	1,612	126,699	111,340	148,290	21,591

(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 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice</u>							
Circuit Court	\$ 1,343,854	\$ 0	\$ 14,705	\$ 1,358,559	\$ 1,055,125	\$ 1,406,368	\$ 47,809
General Sessions Court	463,965	(315)	10	463,660	382,657	465,200	1,540
Drug Court	117,092	(925)	0	116,167	96,870	117,468	1,301
Chancery Court	375,238	(1,874)	450	373,814	289,308	382,351	8,537
Juvenile Court	300,211	0	1,140	301,351	218,050	314,638	13,287
District Attorney General	71,582	(92)	609	72,099	62,100	82,500	10,401
Judicial Commissioners	84,648	0	0	84,648	71,160	88,393	3,745
Other Administration of Justice	19,248	0	0	19,248	22,400	24,200	4,952
Courtroom Security	7,175	0	0	7,175	0	7,200	25
Victims Assistance Programs	14,832	0	0	14,832	15,000	15,000	168
<u>Public Safety</u>							
Sheriff's Department	5,846,552	(61,602)	19,395	5,804,345	4,081,522	5,850,555	46,210
Jail	3,187,236	(79,951)	20,703	3,127,988	2,787,150	3,206,380	78,392
Workhouse	50,437	(250)	0	50,187	45,200	59,776	9,589
Juvenile Services	663,942	(1,751)	0	662,191	562,400	749,461	87,270
Commissary	190,692	(782)	89	189,999	180,000	190,000	1
Fire Prevention and Control	675,520	(19,619)	468,715	1,124,616	1,036,568	1,168,688	44,072
Civil Defense	284,918	0	2,001	286,919	216,716	291,246	4,327
Disaster Relief	1,178,077	0	0	1,178,077	0	1,400,000	221,923
Other Emergency Management	114,455	0	0	114,455	87,783	231,783	117,328
County Coroner/Medical Examiner	88,370	0	34,586	122,956	90,250	126,942	3,986
<u>Public Health and Welfare</u>							
Local Health Center	313,004	(38,314)	4,195	278,885	269,300	343,144	64,259
Ambulance/Emergency Medical Services	4,710,496	(18,865)	24,658	4,716,289	3,561,050	4,780,271	63,982
Other Local Health Services	40,366	(3,006)	1,276	38,636	108,122	96,812	58,176
Regional Mental Health Center	5,000	0	0	5,000	5,000	5,000	0
General Welfare Assistance	10,670	0	0	10,670	10,670	10,670	0
Aid to Dependent Children	0	0	0	0	8,000	8,000	8,000
Other Public Health and Welfare	1,632,735	(5,341)	473	1,627,867	1,418,200	1,795,807	167,940

(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 7/1/2014	Add: Encumbrances 6/30/2015	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</u>							
Senior Citizens Assistance	\$ 84,170	\$ 0	\$ 0	\$ 84,170	\$ 84,170	\$ 84,170	\$ 0
Libraries	446,657	0	0	446,657	460,145	460,145	13,488
Parks and Fair Boards	4,984	(66)	0	4,918	4,334	4,984	66
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	168,530	0	0	168,530	202,290	209,681	41,151
Forest Service	1,500	0	0	1,500	1,500	1,500	0
Soil Conservation	78,553	0	0	78,553	58,900	78,555	2
<u>Other Operations</u>							
Tourism	223,500	0	0	223,500	148,000	228,000	4,500
Airport	28,000	0	0	28,000	28,000	28,000	0
Veterans' Services	50,379	0	0	50,379	37,484	50,568	189
Contributions to Other Agencies	365,083	0	0	365,083	285,988	370,083	5,000
Employee Benefits	65,734	0	0	65,734	6,606,102	1,108,879	1,043,145
Miscellaneous	786,422	0	8,856	795,278	1,548,334	1,024,501	229,223
Total Expenditures	\$ 31,344,176	\$ (418,159)	\$ 668,846	\$ 31,594,863	\$ 32,316,665	\$ 34,320,289	\$ 2,725,426
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,249,887)	\$ 418,159	\$ (668,846)	\$ (1,500,574)	\$ (4,724,292)	\$ (5,019,072)	\$ 3,518,498
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 498,000	\$ 498,000	\$ (498,000)
Transfers Out	(81,700)	0	0	(81,700)	(81,700)	(81,700)	0
Total Other Financing Sources	\$ (81,700)	\$ 0	\$ 0	\$ (81,700)	\$ 416,300	\$ 416,300	\$ (498,000)
Net Change in Fund Balance	\$ (1,331,587)	\$ 418,159	\$ (668,846)	\$ (1,582,274)	\$ (4,307,992)	\$ (4,602,772)	\$ 3,020,498
Fund Balance, July 1, 2014	12,666,959	(418,159)	0	12,248,800	11,859,525	11,859,525	389,275
Fund Balance, June 30, 2015	\$ 11,335,372	\$ 0	\$ (668,846)	\$ 10,666,526	\$ 7,551,533	\$ 7,256,753	\$ 3,409,773

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, 2015

	Governmental Activities - Internal Service Fund <hr/> Self- Insurance Fund <hr/>
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 1,987,545
Total Assets	<u>\$ 1,987,545</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Claims and Judgments Payable	\$ 1,239,061
Total Liabilities	<u>\$ 1,239,061</u>
<u>NET POSITION</u>	
Net Position - Unrestricted	<u>\$ 748,484</u>
Total Net Position	<u><u>\$ 748,484</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, 2015

	Governmental Activities - Internal Service Fund
	<u>Self-Insurance Insurance Fund</u>
<u>Operating Revenues</u>	
Self-Insurance Premiums/Contributions	\$ 1,404,888
Refunds	15,994
Total Operating Revenues	<u>\$ 1,420,882</u>
<u>Operating Expenses</u>	
Public Safety	\$ 45,295
Public Health and Welfare	45,001
Social, Cultural, and Recreational Services	106
Other Operations	746,410
Highways	328,940
Education - Support Services	922,837
Total Operating Expenses	<u>\$ 2,088,589</u>
Operating Income (Loss)	<u>\$ (667,707)</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 11,150
Total Nonoperating Revenue	<u>\$ 11,150</u>
Change in Net Position	\$ (656,557)
Net Position, July 1, 2014	1,377,066
Prior-period Adjustment	<u>27,975</u>
Net Position, June 30, 2015	<u><u>\$ 748,484</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, 2015

	Governmental Activities - Internal Service Fund
	<u>Self-Insurance Insurance Fund</u>
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-insurance Premiums	\$ 1,404,888
Receipts for Refunds	15,994
Payments for Administrative Costs and Premiums	(739,079)
Payments for Claims	(765,492)
Payments for Legal Costs	(158,637)
Payments for Other Charges	(383)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (242,709)</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	\$ 11,150
Net Cash Provided By (Used In) Investing Activities	<u>\$ 11,150</u>
Net Increase (Decrease) in Cash	\$ (231,559)
Cash, July 1, 2014	<u>2,219,104</u>
Cash, June 30, 2015	<u><u>\$ 1,987,545</u></u>
<u>Reconciliation of Net Operating Income to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (667,707)
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	397,023
Portion of Change in Claims and Judgments Payable Posted as a Prior-period Adjustment	<u>27,975</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (242,709)</u></u>

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, 2015

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 3,960,890
Equity in Pooled Cash and Investments	107,191
Accounts Receivable	22,151
Due from Other Governments	<u>2,510,402</u>
Total Assets	<u>\$ 6,600,634</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 2,498,666
Due to Litigants, Heirs, and Others	4,023,113
Due to Joint Venture	<u>78,855</u>
Total Liabilities	<u>\$ 6,600,634</u>

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

PUTNAM COUNTY, TENNESSEE

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PUTNAM COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

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 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 Putnam County Agricultural and Industrial Fair, Inc., was organized to conduct the annual Putnam County Fair and to supervise the fairground facilities, and the Putnam County Commission appoints its governing body. The organization is funded primarily from event fees and revenues from the annual fair. Before the issuance of any debt instruments, the fair must obtain the County Commission's approval. The financial statements of the Putnam County Agricultural and Industrial Fair, Inc., are for the year ended

September 30, 2014. On March 17, 2014, the County Commission voted to allow the Putnam County Agricultural and Industrial Fair, Inc., to appoint its own members. The motion became effective October 1, 2014. In subsequent years, the Putnam County Agricultural and Industrial Fair, Inc. will no longer be shown as a component unit of the county.

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 and the Putnam County Agricultural and Industrial Fair, Inc., can be obtained from their administrative offices at the following addresses:

Administrative Offices:

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

Putnam County Agricultural
and Industrial Fair, Inc.
P.O. Box 1001
Cookeville, TN 38503

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 \$957,596 were contributed by the county to the School Department during the year ended June 30, 2015.

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 funds:

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.

School Federal Projects Fund – This special revenue fund accounts for restricted federal revenues, which must be expended on specific education programs.

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 boards, agencies, and commissions, and 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 fair value. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Accordingly, the pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. 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 1.11 percent of total taxes levied.

Interfund Notes Receivable/Payable include \$1,114,554 loaned from the General Debt Service Fund to the General (\$876,888), and General Capital Projects (\$237,666) funds for capital asset purchases. The amount due to the General Debt Service Fund (\$1,114,554) is reflected as committed fund balance.

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. 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 estimated fair market 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

4. 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. Deferred outflows of resources represent 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 pension changes in experience and employer contributions made to the pension 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. Deferred inflows of resources represent 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, 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.

5. Compensated Absences

Primary Government

Generally, the policies of the various departments of Putnam County do not allow for the accumulation of vacation days beyond year-end (with the exception of the Ambulance Service). 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 compensatory time and accrued leave for the Ambulance Service.

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 20 days accrued leave. Vacation pay is accrued when incurred in the government-wide financial statements for the discretely presented School Department. A liability for vacation 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 and therefore is not required to be accrued or recorded.

6. 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 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.

7. 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, 2015, Putnam County had \$133,776,196 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.

8. Prior-period Adjustments

A prior-period adjustment has been recognized increasing the beginning net position of the governmental activities and the Self-Insurance Fund by \$27,975 in order to reduce the outstanding claims liability as of July 1, 2014. Claims included in the estimate of outstanding claims liability at June 30, 2014, were settled without payments by the county.

A prior period adjustment decreasing Putnam County’s beginning net position by \$404,048 was recognized in the Statement of Activities. This adjustment was necessary in order to increase the landfill’s postclosure care liability due to a change in the future estimated postclosure costs.

9. Restatement

In prior years, the government was not required to recognize a liability for its defined benefit pension plans. However, with the implementation of GASB Statement No. 68, government employers are required to recognize a net pension liability in their Statement of Net Position. Therefore, a restatement decreasing Putnam County’s and the Putnam County School Department’s beginning net position has been recognized on the Statement of Activities totaling \$2,944,856 and \$17,004,827, respectively.

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.

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

A. 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, 2015, Putnam County and the Putnam County School Department reported the following significant encumbrances:

Funds	Description	Amount
Primary Government:		
Major Fund:		
General	Portable building	\$ 47,000
"	Fire truck	318,608
"	Autopsies	34,000
Nonmajor Fund:		
Solid Waste/Sanitaion	Steel canopy at recycling center	71,000
"	Paving at transfer station	70,000
"	Chipping of debris from ice storm	28,000
School Department:		
Major Funds:		
General Purpose School	Buses	359,960
Nonmajor Fund:		
Central Cafeteria	Food supplies	49,164
"	Equipment	47,683

B. Unassigned Fund Balance Deficit

The General Capital Projects Fund had a deficit unassigned fund balance of \$169,868 at June 30, 2015. This deficit unassigned fund balance resulted from the recognition of a long-term liability of \$237,666. This deficit unassigned fund balance is expected to be liquidated from property tax collections subsequent to June 30, 2015.

C. Cash Shortage

The former assessor of property misappropriated at least \$2,355 from the office from April 1, 2013, through March 15, 2014. The former assessor was indicted by the Putnam County Grand Jury on March 25, 2014, on one count of theft over \$1,000 and one count of official misconduct. The assessor resigned his position on the same day. On December 12, 2014, the former assessor pled guilty to theft, agreed to pay restitution of \$1,957, and agreed to serve three years' probation. He also agreed to a two-year suspended jail sentence for the charge of official misconduct. During the year examined, the former assessor made no payments to the county for restitution; therefore at June 30, 2015, the outstanding balance of the cash shortage is \$1,957.

D. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the County Commission in the Industrial/Economic Development Fund's Development major appropriation category (the legal level of control) by \$300 and in the Drug Control Fund's Miscellaneous major appropriation category by \$242. Expenditures that exceed appropriations are a violation of state statute. These expenditures in excess of appropriations were funded by available fund balance.

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, 2015, Putnam County had the following investments carried at fair value. Investments were in the State Treasurer's Investment Pool. Separate disclosures concerning pooled investments cannot be made for Putnam County and the Putnam County School Department since both pool their deposits and investments through the county trustee.

<u>Investments</u>	<u>Weighted Average Maturity (Days)</u>	<u>Fair Value</u>
State Treasurer's Investment Pool	3 to 139	\$ 341,146

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, 2015, 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, 2015, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 5,516,854	\$ 0	\$ 0	\$ 5,516,854
Intangibles	4,840,504	0	0	4,840,504
Construction in Progress	399,178	914,178	0	1,313,356
Total Capital Assets Not Depreciated	\$ 10,756,536	\$ 914,178	\$ 0	\$ 11,670,714
Capital Assets Depreciated:				
Buildings and Improvements	\$ 32,243,235	\$ 511,831	\$ 0	\$ 32,755,066
Roads and Bridges	50,130,169	225,898	0	50,356,067
Other Capital Assets	13,415,652	665,506	(289,396)	13,791,762
Total Capital Assets Depreciated	\$ 95,789,056	\$ 1,403,235	\$ (289,396)	\$ 96,902,895
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 7,031,822	\$ 505,094	\$ 0	\$ 7,536,916
Roads and Bridges	22,615,916	1,068,730	0	23,684,646
Other Capital Assets	8,610,209	838,869	(267,838)	9,181,240
Total Accumulated Depreciation	\$ 38,257,947	\$ 2,412,693	\$ (267,838)	\$ 40,402,802
Total Capital Assets Depreciated, Net	\$ 57,531,109	\$ (1,009,458)	\$ (21,558)	\$ 56,500,093
Governmental Activities Capital Assets, Net	\$ 68,287,645	\$ (95,280)	\$ (21,558)	\$ 68,170,807

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

Governmental Activities:

General Government	\$ 78,974
Administration of Justice	177,728
Public Safety	337,063
Public Health and Welfare	586,004
Social, Cultural, and Recreational Services	39,045
Agriculture and Natural Resources	5,413
Highways/Public Works	<u>1,188,466</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 2,412,693</u>

Discretely Presented Putnam County School Department

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 5,145,013	\$ 0	\$ 0	\$ 5,145,013
Construction in Progress	<u>15,222,894</u>	<u>29,989,070</u>	<u>0</u>	<u>45,211,964</u>
Total Capital Assets Not Depreciated	<u>\$ 20,367,907</u>	<u>\$ 29,989,070</u>	<u>\$ 0</u>	<u>\$ 50,356,977</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 151,810,843	\$ 12,950	\$ 0	\$ 151,823,793
Other Capital Assets	<u>7,549,740</u>	<u>475,727</u>	<u>(62,673)</u>	<u>7,962,794</u>
Total Capital Assets Depreciated	<u>\$ 159,360,583</u>	<u>\$ 488,677</u>	<u>\$ (62,673)</u>	<u>\$ 159,786,587</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 35,257,523	\$ 2,708,041	\$ 0	\$ 37,965,564
Other Capital Assets	<u>4,140,129</u>	<u>746,775</u>	<u>(60,793)</u>	<u>4,826,111</u>
Total Accumulated Depreciation	<u>\$ 39,397,652</u>	<u>\$ 3,454,816</u>	<u>\$ (60,793)</u>	<u>\$ 42,791,675</u>

Governmental Activities (Cont.):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Total Capital Assets				
Depreciated, Net	\$ 119,962,931	\$ (2,966,139)	\$ (1,880)	\$ 116,994,912
Governmental Activities				
Capital Assets, Net	\$ 140,330,838	\$ 27,022,931	\$ (1,880)	\$ 167,351,889

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

Governmental Activities:

Instruction	\$ 3,083,340
Support Services	334,154
Operation on Non-instructional Services	<u>37,322</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,454,816</u>

C. Construction Commitments

At June 30, 2015, the discretely presented Putnam County School Department had uncompleted construction contracts of approximately \$11,580,045 for the construction of Monterey High School (\$8,158,147) and Upperman Middle School (\$3,421,898). Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2015, was as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 2,600
General Debt Service	General	876,888
"	Nonmajor governmental	237,666
Discretely Presented Putnam County School Department:		
General Purpose School	Nonmajor governmental	39,743
"	School Federal Projects	373,561
School Federal Projects	General Purpose School	11,851

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.

Receivables in the discretely presented General Purpose School and School Federal Projects funds of \$3,499 and \$2,533, respectively, were in transit from the School Federal Projects and General Purpose School funds at June 30, 2015.

Due to/from Primary Government and Component Unit:

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
Primary Government: Governmental Activities	Component Unit: School Department	\$ 796,196

The Due to Primary Government of \$796,196 is the balance of a capital lease issued by the county for the School Department. The School Department has agreed to contribute the funds annually to retire the capital lease. These long-term obligations are reflected in governmental activities on the Statement of Net Position.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2015, consisted of the following amounts:

Primary Government

<u>Transfers Out</u>	<u>Transfers In</u>	
	Nonmajor Governmental Funds	Fiduciary Funds
General Fund	\$ 81,700	\$ 0
Nonmajor governmental funds	0	28,000
Total	<u>\$ 81,700</u>	<u>\$ 28,000</u>

Discretely Presented Putnam County School Department

	Transfers In
Transfer Out	General Purpose School Fund
School Federal Projects Fund	\$ 179,230
Nonmajor governmental funds	518,941
Total	\$ 698,171

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 Lease

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 require total lease payments of \$957,596 plus interest of .09 percent. Title to the computers transfers to the School Department at the end of the lease period. The lease payments are 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.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2015, were as follows:

Year Ending June 30	Governmental Funds
2016	\$ 322,799
2017	322,799
2018	161,400
Total Minimum Lease Payments	806,998
Less: Amount Representing Interest	\$ (10,802)
 Present Value of Minimum Lease Payments	 \$ 796,196

F. Long-term Obligations

Primary Government

General Obligation Bonds

Putnam County issues general obligation bonds 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 are direct obligations and pledge the full faith and credit of the government. General obligation bonds outstanding were issued for original terms of up to 20 years. 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 included in long-term debt as of June 30, 2015, will be retired from the General Debt Service Fund.

General obligation bonds and the capital lease outstanding as of June 30, 2015, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-15
General Obligation Bonds	2 to 5	% 4-1-33	\$ 133,135,000	\$ 127,635,000
General Obligation Bonds - Refunding	4.5 to 5.5	4-1-20	44,825,000	27,445,000
Capital Lease	0.9	10-15-17	957,596	796,196

The annual requirements to amortize all general obligation bonds outstanding at June 30, 2015, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 6,915,000	\$ 6,528,275	\$ 13,443,275
2017	7,615,000	6,193,738	13,808,738
2018	7,910,000	5,833,013	13,743,013
2019	7,460,000	5,450,800	12,910,800
2020	9,045,000	5,078,404	14,123,404
2021-2025	51,250,000	18,869,090	70,119,090
2026-2030	48,150,000	7,823,613	55,973,613
2031-2033	16,735,000	1,136,450	17,871,450
Total	<u>\$ 155,080,000</u>	<u>\$ 56,913,383</u>	<u>\$ 211,993,383</u>

There is \$10,918,216 available in the General Debt Service Fund to service long-term debt. Debt per capita, including bonds and the capital lease, totaled \$2,155, 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.

<u>Description of Indebtedness</u>	<u>Outstanding 6-30-15</u>
<u>Capital Lease</u>	
<u>Contributions from the General Purpose School Fund</u>	
Computers	\$ 796,196
Total	<u>\$ 796,196</u>

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2015, was as follows:

	Bonds	Capital Lease	Compensated Absences
Balance, July 1, 2014	\$ 161,265,000	\$ 0	\$ 433,082
Additions	0	957,596	424,448
Reductions	(6,185,000)	(161,400)	(293,645)
Balance, June 30, 2015	<u>\$ 155,080,000</u>	<u>\$ 796,196</u>	<u>\$ 563,885</u>
Balance Due Within One Year	<u>\$ 6,915,000</u>	<u>\$ 316,326</u>	<u>\$ 311,142</u>

	*Restated Net Pension Liability Agent Plan	Other Postemployment Benefits	**Restated Landfill Postclosure Care Costs
Balance, July 1, 2014	\$ 2,944,856	\$ 546,914	\$ 508,920
Additions	1,012,802	115,524	0
Reductions	(3,228,110)	(16,340)	(132,716)
Balance, June 30, 2015	<u>\$ 729,548</u>	<u>\$ 646,098</u>	<u>\$ 376,204</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 31,807</u>

*See Note I.D.9 for restatement. The restatement in Note I.D.9 is comprised of (\$4,175,136) for the beginning net pension liability and \$1,230,280 for employer contributions made during the year ended June 30, 2014.

**The July 1, 2014 landfill postclosure care costs liability balance includes a prior-period adjustment of \$404,048 as discussed in Note I.D.8.

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 158,191,930
Less: Balance Due Within One Year	(7,574,275)
Add: Unamortized Premium on Debt	<u>1,967,912</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 152,585,567</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.

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, 2015, was as follows:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2014	\$ 226,150	\$ 667,928
Additions	235,266	543,688
Reductions	(224,493)	(837,329)
	<hr/>	<hr/>
Balance, June 30, 2015	\$ 236,923	\$ 374,287
	<hr/>	<hr/>
Balance Due Within One Year	\$ 224,493	\$ 0
	<hr/>	<hr/>

	*Restated Net Pension Liability Agent Plan
Balance, July 1, 2014	\$ 3,632,657
Additions	1,249,352
Reductions	(3,982,067)
	<hr/>
Balance, June 30, 2015	\$ 899,942
	<hr/>
Balance Due Within One Year	\$ 0
	<hr/>

*See Note I.D.9 for restatement. The restatement in Note I.D.9 is comprised of (\$5,150,281) for the beginning net pension liability and \$1,517,624 for employer contributions made during the year ended June 30, 2014.

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 1,511,152
Less: Balance Due Within One Year	<u>(224,493)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 1,286,659</u>

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

G. On-Behalf Payments

Primary Government

The State of Tennessee pays health insurance premiums for retired employees on-behalf of Putnam County. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Medicare Supplement Plan for the year ended June 30, 2015, were \$2,963. The county has recognized these on-behalf payments as revenues and expenditures in the General Fund.

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 of these 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, 2015, were \$223,621 and \$83,175, 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 (\$1,114,554) from idle funds loaned from the General Debt Service Fund will be paid by the General (\$876,888), and General Capital Projects (\$237,666) funds. Amounts financed are presented as Due to Other Funds in the governmental funds. Internally reported notes receivable at June 30, 2015, 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
Building	1,750,000	2	6-24-08	6-24-17
Emergency Capital Projects	263,000	0	12-28-12	12-28-15
Justice Center Renovations	450,000	0	1-22-13	1-22-16
	Outstanding 6-30-14	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-15
General Debt Service Fund:				
Land	\$ 277,776	\$ 0	\$ (277,776)	\$ 0
Fueling Station	0	488,000		488,000
Building	583,332	0	(194,444)	388,888
Emergency Capital Projects	175,333	0	(87,667)	87,666
Justice Center Renovations	300,000	0	(150,000)	150,000
Total	\$ 1,336,441	\$ 488,000	\$ (709,887)	\$ 1,114,554

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 \$375,584,239. 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
2013-2014	\$ 1,000,646	\$ 469,728	\$ (628,336)	\$ 842,038
2014-2015	842,038	1,162,515	(765,492)	1,239,061

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27*; Statement No. 69, *Government Combinations and Disposals of Government Operations*; and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68* became effective for the year ended June 30, 2015.

GASB Statement No. 68, replaces the requirements of Statements No. 27 and No. 50 as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not covered by the scope of this statement. This statement establishes standards for measuring and recognizing liabilities, deferred outflows/inflows, and expenses/expenditures.

GASB Statement No. 69, establishes accounting and financial reporting standards related to government combinations and disposals of government operations such as mergers, acquisitions, and transfer of operations.

GASB Statement No. 71, addresses issues related to contributions made by a state or local government employer or nonemployer contributing entity to a

defined benefit pension plan after the measurement date of the government's beginning net pension liability.

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. Changes in Administration

On August 31, 2014, Kim Blaylock left the Office of County Executive and was succeeded by Randy Porter, and David Andrews left the Office of Sheriff and was succeeded by Eddie Farris. Steve Pierce was elected Assessor of Property and assumed the duties of the office from the Interim Assessor of Property Barbara Bandy on September 1, 2014.

E. 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 \$376,204 reported as postclosure care liability at June 30, 2015, represents amounts based on what it would cost to perform all postclosure care in 2015. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. 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, 2015.

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, 2015.

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 contributed \$25,000 to the Chamber of Commerce for the year ended June 30, 2015.

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 \$6,729 to the Rail Trail Authority for the year ended June 30, 2015.

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 \$28,000 for planning services for the year ended June 30, 2015.

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 \$437,145 to the Putnam County Library for the year ended June 30, 2015.

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

G. 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.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Putnam County, non-certified employees of the discretely presented Putnam County School Department, and employees of the Putnam County Library joint venture 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 44.1 percent, the non-certified employees of the discretely presented School Department comprise 54.4 percent, and employees of the Putnam County Library joint venture comprise 1.5 percent of the plan based on census 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 CPA 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, 2014, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	423
Inactive Employees Entitled to But Not Yet Receiving Benefits	916
Active Employees	932
 Total	 <u><u>2,271</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, 2014, the Actuarially Determined Contribution for Putnam County was \$2,889,251 based on a rate of 10.32 percent of pensionable 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 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, 2014, 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, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25%
Investment Rate of Return	7.5%, Net of Pension Plan Investment Expenses, Including Inflation
Cost-of-Living Adjustment	2.5%

Mortality rates were based on actual experience from the June 30, 2012, actuarial experience study, adjusted for some of the expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. 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, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimate of arithmetic real rates of return for each major asset 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	6.46 %	33 %
International Equity Emerging Market	6.26	17
International Equity Private Equity and Strategic Lending	6.40	5
U.S. Fixed Income Real Estate	4.61 0.98 4.73	8 29 7
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 7.5 percent based on a blending of the three factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 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	Plan	Net
	Pension Liability (a)	Fiduciary Net Position (b)	Pension Liability (a)-(b)
Balance, July 1, 2013	\$ 76,571,263	\$ 67,103,835	\$ 9,467,428
Changes for the year:			
Service Cost	\$ 2,834,627	\$ 0	\$ 2,834,627
Interest	5,839,055	0	5,839,055
Differences Between Expected and Actual Experience	(1,180,708)	0	(1,180,708)
Contributions-Employer	0	2,789,750	(2,789,750)
Contributions-Employees	0	1,344,972	(1,344,972)
Net Investment Income	0	11,209,298	(11,209,298)
Benefit Payments, Including Refunds of Employee Contributions	(3,103,658)	(3,103,658)	0
Administrative Expense	0	(37,923)	37,923
Other Changes	0	0	0
Net Changes	<u>\$ 4,389,316</u>	<u>\$ 12,202,439</u>	<u>\$ (7,813,123)</u>
Balance, June 30, 2014	<u>\$ 80,960,579</u>	<u>\$ 79,306,274</u>	<u>\$ 1,654,305</u>

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

		Total	Plan	Net
		Pension	Fiduciary	Pension
		Liability	Net	Liability
			Position	(Asset)
Primary Government	44.10%	\$ 35,703,615	\$ 34,974,067	\$ 729,549
Library (joint venture)	1.50%	1,214,409	1,189,594	24,815
School Department	54.40%	44,042,555	43,142,613	899,942
Total		<u>\$ 80,960,579</u>	<u>\$ 79,306,274</u>	<u>\$ 1,654,305</u>

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 7.5 percent, as well as what the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
<u>Putnam County</u>	6.5%	7.5%	8.5%

Net Pension Liability \$ 12,606,726 \$ 1,654,305 \$ (7,402,163)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Pension Expense. For the year ended June 30, 2015, Putnam County recognized pension expense of \$871,964.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, 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
Differences Between Expected and Actual Experience	\$ 0	\$ 983,923
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	4,911,414
Contributions Subsequent to the Measurement Date of June 30, 2014 (1)	<u>2,889,251</u>	<u>N/A</u>
Total	<u>\$ 2,889,251</u>	<u>\$ 5,895,337</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2014,” 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	\$ 1,745,578	\$ 2,599,844
Library (joint venture)	0	88,430
School Department	<u>1,143,673</u>	<u>3,207,063</u>
Total	<u>\$ 2,889,251</u>	<u>\$ 5,895,337</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
2016	\$ (1,424,639)
2017	(1,424,639)
2018	(1,424,639)
2019	(1,424,639)
2020	(196,785)
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, and employees of the Putnam County Library joint venture 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 44.1 percent, the non-certified employees of the discretely presented School Department

comprise 54.4 percent, and employees of the Putnam County Library joint venture comprise 1.5 percent of the plan based on census 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 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 publically 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 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. Members of the Teachers Retirement Plan are entitled to receive unreduced service retirement benefits, which are determined by a formula using the member's highest five consecutive year average compensation and the member's 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. 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. Teachers contribute five percent of salary. 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 for 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 LEAs if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2015, to the Teacher Retirement Plan were \$50,273, which is four percent of pensionable 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. Since the measurement date is June 30, 2014, which is prior to the July 1, 2014, inception of the Teacher Retirement Plan, there is no net pension liability to report at June 30, 2015.

Pension Expense. Since the measurement date is June 30, 2014, the Putnam County School Department did not recognize any pension expense at June 30, 2015.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Putnam County School Department reported deferred outflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	Deferred Inflows of Resources
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LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	\$ 50,273	N/A
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The Putnam County School Department’s employer contributions of \$50,273 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction of net pension liability in the year ended June 30, 2016.

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 publically 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.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute five percent of salary. 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 LEAs if the required employer contributions are not remitted. Employer contributions by the Putnam County School Department for the year ended June 30, 2015, to the Teacher Legacy Pension Plan were \$3,645,428, which is 9.03 percent of pensionable 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 Assets. At June 30, 2015, the Putnam County School Department reported an asset of \$165,039 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Putnam County School Department's proportion of the net pension asset was based on a projection of the Putnam County School Department's long-term share of contributions to the pension plan relative to the actuarially determined projected contributions of all participating LEAs. At the June 30, 2014, measurement date, the Putnam County School Department's proportion was 1.015655 percent. The proportion measured as of June 30, 2013, was 1.027696 percent.

Pension Income. For the year ended June 30, 2015, the Putnam County School Department recognized a pension income of \$169,851.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Putnam County 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
Differences Between Expected and Actual Experience	\$ 400,674	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	13,598,179
Changes in Proportion and Differences Between LEAs Contributions and Proportionate Share of Contributions	0	169,853
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	3,645,428	N/A
Total	<u>\$ 4,046,102</u>	<u>\$ 13,768,032</u>

The Putnam County School Department's employer contributions of \$3,645,428 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ending June 30, 2016. 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
2016	\$ (3,361,075)
2017	(3,361,075)
2018	(3,361,075)
2019	(3,361,075)
2020	38,470
Thereafter	38,470

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, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25%
Investment Rate of Return	7.5%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.5%

Mortality rates are customized based on the June 30, 2012, actuarial experience study and some included adjustment for expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. 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, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	6.46	%	33	%
Developed Market				
International Equity	6.26		17	
Emerging Market				
International Equity	6.40		5	
Private Equity and				
Strategic Lending	4.61		8	
U.S. Fixed Income	0.98		29	
Real Estate	4.73		7	
Short-term Securities	0.00		1	
			100	%
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the four factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 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 Putnam County School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5 percent, as well as what Putnam County School Department's proportionate share of the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
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Net Pension Liability \$ 27,835,725 \$ (165,039) \$ (23,346,637)

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 discretely presented Putnam County School Department are required to participate in a hybrid pension plan administered by the Tennessee Consolidated Retirement System. This hybrid pension plan requires that these teachers contribute five percent of their salaries into a deferred compensation plan managed by the hybrid plan pursuant to IRC Section 401(k). As part of their employment package, the Putnam County School Department has assumed all costs of funding this program on-behalf of the plan participants. The Section 401(k) plan assets remain the property of the participating teachers and are not presented in the accompanying financial statements. IRC Section 401(k), establishes participation, contribution, and withdrawal provisions for the plans. During the year, the Putnam County School Department contributed \$61,348 to the 401(k) portion of the hybrid pension plan on-behalf of the plan participants.

I. Other Postemployment Benefits (OPEB)

Primary Government

Plan Description

Putnam County participates in a commercial postemployment benefits plan administered by Blue Cross/Blue Shield of Tennessee for medical benefits for retirees. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the County Commission.

Funding Policy

The plan is purchased commercially and financed on a pay-as-you-go basis. The county develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums. 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. Retirees are responsible for 100 percent of the premium for either single or family coverage.

Annual OPEB Cost and Net OPEB Obligation

	<u>Commercial Plan</u>
ARC	\$ 124,661
Interest on the NOPEBO	21,877
Adjustment to the ARC	<u>(31,014)</u>
Annual OPEB cost	\$ 115,524
Amount of contribution	<u>(16,340)</u>
Increase/decrease in NOPEBO	\$ 99,184
Net OPEB obligation, 7-1-14	<u>546,914</u>
 Net OPEB obligation, 6-30-15	 <u>\$ 646,098</u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Commercial Insurance	\$ 104,777	6.13	% \$ 450,354
6-30-14	"	105,190	8.2	546,914
6-30-15	"	115,524	14.14	646,098

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2014, was as follows:

	<u>Commercial Plan</u>
Actuarial valuation date	7-1-14
Actuarial accrued liability (AAL)	\$ 1,067,437
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,067,437
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 15,345,295
UAAL as a % of covered payroll	7%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the July 1, 2014, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a four percent investment rate of return and an annual health care cost trend rate of eight percent for fiscal year 2015. This rate decreases annually until an ultimate rate of five percent is reached in fiscal year 2021. The unfunded actuarial accrued liability is being amortized over a 30-year period.

Discretely Presented Putnam County School Department

Plan Description

The Putnam County School Department participates in the state-administered Local Education Group Insurance Plan for health care

benefits. For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-302, *Tennessee Code Annotated*, for local education employees. Prior to reaching the age of 65, all members have the option of choosing between the standard or partnership preferred provider organization (PPO) plan for health care benefits. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plan is reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at <http://tn.gov/finance/act/cafr.html>.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employer in the plan develops a contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state does not provide a subsidy for local government participants; however, the state does provide a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. During the year ended June 30, 2015, the discretely presented School Department contributed \$837,329 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan
	<u> </u>
ARC	\$ 543,000
Interest on the NOPEBO	26,717
Adjustment to the ARC	<u>(26,029)</u>
Annual OPEB cost	\$ 543,688
Amount of contribution	<u>(837,329)</u>
Increase/decrease in NOPEBO	\$ (293,641)
Net OPEB obligation, 7-1-14	<u>667,928</u>
Net OPEB obligation, 6-30-15	<u><u>\$ 374,287</u></u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Local Education Group	\$ 845,507	94 %	\$ 1,060,426
6-30-14	"	526,093	175	667,928
6-30-15	"	543,688	154	374,287

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, was as follows:

	<u>Local Education Group Plan</u>
Actuarial valuation date	7-1-13
Actuarial accrued liability (AAL)	\$ 4,965,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 4,965,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 51,440,500
UAAL as a % of covered payroll	10%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the July 1, 2013, actuarial valuation for the Local Education Plan, the projected unit credit actuarial cost method was used and actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual health care cost trend rate of seven percent for the fiscal year 2015. The trend rate will decrease to 6.5 percent in fiscal year 2016 and then be reduced by decrements to an ultimate rate of 4.7 percent by fiscal year 2044. Both rates include a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with July 1, 2007.

J. 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.

VI. OTHER NOTES – DISCRETELY PRESENTED PUTNAM COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Summary of Significant Accounting Policies

The Putnam County Emergency Communications District was established on November 21, 1988, to provide an enhanced level of 911 services to Putnam County citizens by acquiring certain types of equipment that enable emergency service providers to respond more rapidly and more effectively due to increased speed in the transmittal of critical information and improved reliability of addresses and information. It is a component unit of Putnam

County. A board of directors, appointed by Putnam County runs the Putnam County Emergency Communications District. The district must file a budget with Putnam County each year. Any bond issued by the district is subject to approval by Putnam County.

The district uses the accrual basis of accounting and economic resources measurement focus. Revenues are recognized when earned, and expenses are recognized when incurred.

Depreciation – Depreciation is computed at rates designed to amortize the cost of the individual assets over their useful lives using the straight-line method. All assets purchased under \$3,000 are expensed. Depreciation begins when the capital assets are placed in service. Depreciation is summarized as follows:

Assets	Method	Estimated Useful Life in Years	2015 Depreciation
Building/Improvements	S/L	5 - 20	\$ 9,772
Furniture and Fixtures	S/L	5	834
Communications Equipment	S/L	4 - 7	127,566
Vehicle	S/L	5	11,532
Total			\$ 149,704

Major Sources of Revenue – The major sources of operating revenue are emergency telephone, wireless surcharges, and a contract with Upper Cumberland Electric Membership Corporation to answer after-hours telephone calls. The district’s nonoperating revenue consists of a grant given by the State Emergency Communications Board to help the district employ a dispatcher, rebates, reimbursements from the county, and interest.

B. Cash and Cash Investments

The following is a schedule of bank accounts at June 30, 2015:

Checking - Bank of Putnam County	\$ 10,791
Money Market - Bank of Putnam County	236,294
Certificates of Deposit - Bank of Putnam County	1,750,000
Total	\$ 1,997,085

At June 30, 2015, the carrying amount of the Putnam County Emergency Communications District’s cash deposits was \$1,977,085. The district’s deposit accounts are covered up to \$250,000 by the Federal Deposit Insurance Corporation. Any amounts over \$250,000 are covered by collateralization held

by the Bank of Putnam County in the district's name. The district is authorized to deposit and invest funds according to the provisions of Section 5-8-301, *Tennessee Code Annotated*.

C. Bonding

Putnam County Emergency Communications District had a bond covering certain members of the board at June 30, 2015. Other risk areas include theft, property damage, and public liability. The district carries general liability insurance as well as insurance that covers all equipment, buildings, and vehicles. There have been no losses or settlements during the past three years.

D. Capital Assets

The following is a schedule of capital assets at June 30, 2015:

Assets	Cost	Accumulated Depreciation	Net
<u>Depreciable Assets</u>			
Building/Improvements	\$ 219,868	\$ 89,038	\$ 130,830
Furniture and Fixtures	8,339	4,795	3,544
Communications Equipment	1,606,144	1,062,733	543,411
Vehicle	114,902	97,301	17,601
Total Depreciable	<u>\$ 1,949,253</u>	<u>\$ 1,253,867</u>	<u>\$ 695,386</u>
Total	<u>\$ 1,949,253</u>	<u>\$ 1,253,867</u>	<u>\$ 695,386</u>

Assets	Balance 7-1-14	Increases/ Decreases	Balance 6-30-15
<u>Depreciable Assets</u>			
Building/Improvements	\$ 219,868	\$ 0	\$ 219,868
Furniture and Fixtures	8,339		8,339
Communications Equipment	1,606,144	0	1,606,144
Vehicle	114,902	0	114,902
Total Depreciable	<u>\$ 1,949,253</u>	<u>\$ 0</u>	<u>\$ 1,949,253</u>
Total	<u>\$ 1,949,253</u>	<u>\$ 0</u>	<u>\$ 1,949,253</u>

E. Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits with original maturities of three months or less with local financial institutions.

F. Compensated Absences

There were no employees at June 30, 2015.

G. Calculation of Invested in Capital Assets

Net Book Value	\$ 695,386
Invested in Capital Assets	<u>\$ 695,386</u>

H. Upper Cumberland Electric Membership Corporation Contract

The district provides after-hours call answering services for the Upper Cumberland Electric Membership Corporation. The amount is calculated by the number of meters energized multiplied by \$.50 or \$5,000, whichever is greater. Management has decided to include this amount in operating revenue on the Statement of Revenues, Expenses, and Changes in Fund Net Position.

I. Budgetary Information

The district must file a budget with Putnam County each year. The budget is prepared on the accrual basis of accounting. Compliance with the adopted budget is required at the line-item level.

VII. OTHER NOTES – DISCRETELY PRESENTED PUTNAM COUNTY AGRICULTURAL AND INDUSTRIAL FAIR, INC.

A. Summary of Significant Accounting Policies

1. Organization

The Putnam County Agricultural and Industrial Fair, Inc., was organized to promote agriculture, conduct an annual fair in Putnam County, Tennessee, and utilize the physical facilities of the fairground. All property and related facilities are owned by Putnam County and administered by the Putnam County Agricultural and Industrial Fair, Inc. Putnam County Agricultural and Industrial Fair, Inc., is a component unit of Putnam County, Tennessee. The Putnam County Commission approves all nominations to the board of directors of the Putnam County Agricultural and Industrial Fair, Inc. The legislative body has the authority to reject all nominations and to make nominations from the floor. Three members of the Putnam County Commission will be on the board of directors at all times. The bylaws do not give the board of directors permission to borrow money. In addition, all changes to the bylaws are subject to approval by the Putnam County Commission. The organization's major source of revenue comes from the annual fair. The organization's major source

of revenue comes from the annual fair. As of and for the year ended September 30, 2014, the annual fair represented 98 percent of revenue.

2. Basis of Accounting

The financial statements of the Putnam County Agricultural and Industrial Fair, Inc., have been prepared on the accrual basis of accounting and the economic resources measurement focus.

3. Capital Assets

All physical facilities of the fairground are owned by Putnam County and are not included in the financial statements of this component unit.

4. Statement of Cash Flows

For the purpose of the Statement of Cash Flows, cash is comprised of cash on hand, time and demand deposits in banks, and investments with original maturities of less than 90 days.

5. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. Cash and Investments

Deposits (cash and certificates of deposit) are carried at cost, which approximates market value. At September 30, 2014, deposits of Putnam County Agricultural and Industrial Fair, Inc., consisted of the following:

Checking - Operating	\$ 99,514
Checking - Premiums	<u>7,066</u>
Total	<u><u>\$ 106,580</u></u>

At September 30, 2014, the carrying amount of the Putnam County Agricultural and Industrial Fair, Inc.'s, cash deposits was \$106,580. The fair's deposit accounts are covered up to \$250,000 by the Federal Deposit Insurance Corporation. The fair is authorized to deposit and invest funds according to the provisions of Section 5-8-301, *Tennessee Code Annotated*.

C. Commitments

The Putnam County Agricultural and Industrial Fair, Inc., entered into a contract with James Gang Amusements, LLC, to provide carnival services for the annual Putnam County Fair. This contract expired in August 2014.

D. Risk Management

The Putnam County Agricultural and Industrial Fair, Inc., is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Putnam County Agricultural and Industrial Fair, Inc., maintains an insurance contract with a local insurance carrier to cover all such claims. All insurance expenses for the past three years are related to the premiums paid to the carrier for the respective years.

E. In-kind Contributions and Donated Personal Services

No in-kind contributions or donated services for the annual Putnam County Fair are recorded in the financial statements because the amounts are deemed immaterial.

F. Compensated Absences

There was no compensated absences balance at September 30, 2014.

**REQUIRED SUPPLEMENTARY
INFORMATION**

PUTNAM COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2015

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2015 were calculated based on the July 1, 2013, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Frozen Initial Liability
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	5 Years
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%

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

	<u>2014</u>
Total Pension Liability (Asset)	
Service Cost	\$ 2,834,627
Interest	5,839,055
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(1,180,708)
Changes in Assumptions	0
Benefit Payments, Including Refunds of Employee Contributions	<u>(3,103,658)</u>
Net Change in Total Pension Liability (Asset)	\$ 4,389,316
Total Pension Liability (Asset), Beginning	<u>76,571,263</u>
 Total Pension Liability (Asset), Ending (a)	 <u>\$ 80,960,579</u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,789,750
Contributions - Employee	1,344,972
Net Investment Income	11,209,298
Benefit Payments, Including Refunds of Employee Contributions	(3,103,658)
Administrative Expense	<u>(37,923)</u>
Net Change in Plan Fiduciary Net Position	\$ 12,202,439
Plan Fiduciary Net Position, Beginning	<u>67,103,835</u>
 Plan Fiduciary Net Position, Ending (b)	 <u>\$ 79,306,274</u>
 Net Pension Liability (Asset), Ending (a - b)	 <u>\$ 1,654,305</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	97.96%
Covered Employee Payroll	\$ 26,837,192
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	6.16%

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

Note: data presented includes primary government, discretely presented non-certified employees of the School Department, and the Putnam County Library, a joint venture.

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 2,789,750	\$ 2,889,251
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(2,789,750)</u>	<u>(2,889,251)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 26,837,192	\$ 28,047,934
Contributions as a Percentage of Covered Employee Payroll	10.4%	10.3%

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

Note: data presented includes primary government, discretely presented non-certified employees of the School Department, and the Putnam County Library, a joint venture.

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

	<u>2015</u>
Actuarially Determined Contribution	\$ 61,348
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(50,273)</u>
Contribution Deficiency (Excess)	<u>\$ 11,075</u>
Covered Employee Payroll	\$ 1,266,163
Contributions as a Percentage of Covered Employee Payroll	4.00%

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 3,539,956	\$ 3,645,428
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(3,539,956)</u>	<u>(3,645,428)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 39,864,283	\$ 40,384,001
Contributions as a Percentage of Covered Employee Payroll	8.88%	9.03%

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 Legacy Pension Plan of TCRS
Discretely Presented Putnam County School Department
For the Fiscal Year Ended June 30 *

	<u>2014</u>
School Department's Proportion of the Net Pension Asset	1.015655%
School Department's Proportionate Share of the Net Pension Asset	\$ 165,039
Covered Employee Payroll	\$ 39,864,283
School Department's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Employee Payroll	0.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%

* 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 Funding Progress – Other Postemployment Benefits Plans
Primary Government and Discretely Presented Putnam County School Department
June 30, 2015

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Local Government Commercial	7-1-10	\$ 0	\$ 1,301	\$ 1,301	0 %	\$ (1)	(1) %
"	7-1-11	0	979	979	0	15,225	6
"	7-1-14	0	1,067	1,067	0	15,345	7
Local Education Group	7-1-10	0	6,545	6,545	0	47,050	14
"	7-1-11	0	7,489	7,489	0	48,786	15
"	7-1-13	0	4,965	4,965	0	51,441	10

(1) Payroll information was not provided.

**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 Funds

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

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.

Other Capital Projects Fund – The Other 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 for the purchase of equipment.

Exhibit G-1

Putnam County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	Special Revenue Funds					Constitu - tional Officers - Fees
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,600
Equity in Pooled Cash and Investments	1,234,283	1,150,871	202,523	25,820	248,876	0
Accounts Receivable	187,050	0	0	0	14,107	0
Allowance for Uncollectibles	(56,367)	0	0	0	0	0
Due from Other Governments	1,942	0	2,500	0	0	0
Property Taxes Receivable	2,784,313	439,628	0	0	805,985	0
Allowance for Uncollectible Property Taxes	(58,529)	(9,241)	0	0	(16,943)	0
Total Assets	\$ 4,092,692	\$ 1,581,258	\$ 205,023	\$ 25,820	\$ 1,052,025	\$ 2,600
<u>LIABILITIES</u>						
Accounts Payable	\$ 217,959	\$ 1,950	\$ 100	\$ 0	\$ 9,473	\$ 0
Due to Other Funds	0	0	0	0	0	2,600
Total Liabilities	\$ 217,959	\$ 1,950	\$ 100	\$ 0	\$ 9,473	\$ 2,600
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 2,655,096	\$ 419,226	\$ 0	\$ 0	\$ 768,581	\$ 0
Deferred Delinquent Property Taxes	68,235	10,774	0	0	19,752	0
Other Deferred/Unavailable Revenue	24,772	0	0	0	0	0
Total Deferred Inflows of Resources	\$ 2,748,103	\$ 430,000	\$ 0	\$ 0	\$ 788,333	\$ 0

(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	\$ 204,923	\$ 0	\$ 0	\$ 0
Restricted for Public Safety	0	0	0	25,820	0	0
Restricted for Other Operations	0	996,850	0	0	0	0
Restricted for Highways/Public Works	0	0	0	0	0	0
Committed:						
Committed for Public Health and Welfare	933,623	0	0	0	0	0
Committed for Social, Cultural, and Recreational Services	0	0	0	0	244,318	0
Committed for Other Operations	0	152,458	0	0	0	0
Assigned:						
Assigned for Public Health and Welfare	193,007	0	0	0	0	0
Assigned for Social, Cultural, and Recreational Services	0	0	0	0	9,901	0
Unassigned	0	0	0	0	0	0
Total Fund Balances	\$ 1,126,630	\$ 1,149,308	\$ 204,923	\$ 25,820	\$ 254,219	\$ 0
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,092,692	\$ 1,581,258	\$ 205,023	\$ 25,820	\$ 1,052,025	\$ 2,600

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital</u> <u>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>Total</u>	<u>General</u> <u>Capital</u> <u>Projects</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 2,600	\$ 0	\$ 2,600
Equity in Pooled Cash and Investments	1,040,824	3,903,197	67,540	3,970,737
Accounts Receivable	0	201,157	0	201,157
Allowance for Uncollectibles	0	(56,367)	0	(56,367)
Due from Other Governments	414,667	419,109	0	419,109
Property Taxes Receivable	1,465,428	5,495,354	293,086	5,788,440
Allowance for Uncollectible Property Taxes	(30,804)	(115,517)	(6,161)	(121,678)
Total Assets	<u>\$ 2,890,115</u>	<u>\$ 9,849,533</u>	<u>\$ 354,465</u>	<u>\$ 10,203,998</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 229,482	\$ 0	\$ 229,482
Due to Other Funds	0	2,600	237,666	240,266
Total Liabilities	<u>\$ 0</u>	<u>\$ 232,082</u>	<u>\$ 237,666</u>	<u>\$ 469,748</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 1,397,419	\$ 5,240,322	\$ 279,484	\$ 5,519,806
Deferred Delinquent Property Taxes	35,659	134,420	7,183	141,603
Other Deferred/Unavailable Revenue	182,378	207,150	0	207,150
Total Deferred Inflows of Resources	<u>\$ 1,615,456</u>	<u>\$ 5,581,892</u>	<u>\$ 286,667</u>	<u>\$ 5,868,559</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>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>Total</u>	<u>General</u> <u>Capital</u> <u>Projects</u>	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for General Government	\$ 0	\$ 204,923	\$ 0	\$ 204,923
Restricted for Public Safety	0	25,820	0	25,820
Restricted for Other Operations	0	996,850	0	996,850
Restricted for Highways/Public Works	1,274,659	1,274,659	0	1,274,659
Committed:				
Committed for Public Health and Welfare	0	933,623	0	933,623
Committed for Social, Cultural, and Recreational Services	0	244,318	0	244,318
Committed for Other Operations	0	152,458	0	152,458
Assigned:				
Assigned for Public Health and Welfare	0	193,007	0	193,007
Assigned for Social, Cultural, and Recreational Services	0	9,901	0	9,901
Unassigned	0	0	(169,868)	(169,868)
Total Fund Balances	\$ 1,274,659	\$ 4,035,559	\$ (169,868)	\$ 3,865,691
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,890,115	\$ 9,849,533	\$ 354,465	\$ 10,203,998

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, 2015

	Special Revenue Funds					Constitu - tional Officers - Fees
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	
<u>Revenues</u>						
Local Taxes	\$ 2,808,334	\$ 443,070	\$ 0	\$ 0	\$ 887,332	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	22,012	0	0
Charges for Current Services	1,008,103	350	77,906	0	76,557	49
Other Local Revenues	235,921	0	4,570	15,694	61,507	0
State of Tennessee	16,314	0	2,500	0	0	0
Other Governments and Citizens Groups	0	0	0	7,942	0	0
Total Revenues	\$ 4,068,672	\$ 443,420	\$ 84,976	\$ 45,648	\$ 1,025,396	\$ 49
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 10,100	\$ 67,716	\$ 0	\$ 0	\$ 0
Public Safety	0	0	0	71,666	0	49
Public Health and Welfare	4,148,449	0	0	0	0	0
Social, Cultural, and Recreational Services	0	0	0	0	1,277,256	0
Other Operations	65,155	154,868	0	242	0	0
Highways	0	0	0	0	0	0
Capital Projects - Donated	0	0	0	0	0	0
Total Expenditures	\$ 4,213,604	\$ 164,968	\$ 67,716	\$ 71,908	\$ 1,277,256	\$ 49
Excess (Deficiency) of Revenues Over Expenditures	\$ (144,932)	\$ 278,452	\$ 17,260	\$ (26,260)	\$ (251,860)	\$ 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					Constitu - tional Officers - Fees
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	
<u>Other Financing Sources (Uses)</u>						
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Transfers In	0	0	0	0	81,700	0
Transfers Out	0	(28,000)	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ (28,000)	\$ 0	\$ 0	\$ 81,700	\$ 0
Net Change in Fund Balances	\$ (144,932)	\$ 250,452	\$ 17,260	\$ (26,260)	\$ (170,160)	\$ 0
Fund Balance, July 1, 2014	1,271,562	898,856	187,663	52,080	424,379	0
Fund Balance, June 30, 2015	\$ 1,126,630	\$ 1,149,308	\$ 204,923	\$ 25,820	\$ 254,219	\$ 0

(Continued)

Exhibit G-2

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>Highway / Public Works</u>	<u>Total</u>	<u>General Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>	
<u>Revenues</u>						
Local Taxes	\$ 1,633,814	\$ 5,772,550	\$ 294,877	\$ 0	\$ 294,877	\$ 6,067,427
Fines, Forfeitures, and Penalties	0	22,012	0	0	0	22,012
Charges for Current Services	0	1,162,965	0	0	0	1,162,965
Other Local Revenues	3,445	321,137	502	0	502	321,639
State of Tennessee	3,001,386	3,020,200	0	0	0	3,020,200
Other Governments and Citizens Groups	135,150	143,092	0	0	0	143,092
Total Revenues	\$ 4,773,795	\$ 10,441,956	\$ 295,379	\$ 0	\$ 295,379	\$ 10,737,335
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 77,816	\$ 0	\$ 0	\$ 0	\$ 77,816
Public Safety	0	71,715	0	0	0	71,715
Public Health and Welfare	0	4,148,449	0	0	0	4,148,449
Social, Cultural, and Recreational Services	0	1,277,256	0	0	0	1,277,256
Other Operations	0	220,265	5,940	0	5,940	226,205
Highways	4,802,691	4,802,691	0	0	0	4,802,691
Capital Projects - Donated	0	0	0	957,596	957,596	957,596
Total Expenditures	\$ 4,802,691	\$ 10,598,192	\$ 5,940	\$ 957,596	\$ 963,536	\$ 11,561,728
Excess (Deficiency) of Revenues Over Expenditures	\$ (28,896)	\$ (156,236)	\$ 289,439	\$ (957,596)	\$ (668,157)	\$ (824,393)

(Continued)

Exhibit G-2

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>			Total Nonmajor Governmental Funds
	Highway / Public Works	Total	General Capital Projects	Other Capital Projects	Total	
<u>Other Financing Sources (Uses)</u>						
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 957,596	\$ 957,596	\$ 957,596
Transfers In	0	81,700	0	0	0	81,700
Transfers Out	0	(28,000)	0	0	0	(28,000)
Total Other Financing Sources (Uses)	\$ 0	\$ 53,700	\$ 0	\$ 957,596	\$ 957,596	\$ 1,011,296
Net Change in Fund Balances	\$ (28,896)	\$ (102,536)	\$ 289,439	\$ 0	\$ 289,439	\$ 186,903
Fund Balance, July 1, 2014	1,303,555	4,138,095	(459,307)	0	(459,307)	3,678,788
Fund Balance, June 30, 2015	\$ 1,274,659	\$ 4,035,559	\$ (169,868)	\$ 0	\$ (169,868)	\$ 3,865,691

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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,808,334	\$ 0	\$ 0	\$ 2,808,334	\$ 2,750,979	\$ 2,750,979	\$ 57,355
Charges for Current Services	1,008,103	0	0	1,008,103	855,000	855,000	153,103
Other Local Revenues	235,921	0	0	235,921	200,000	200,000	35,921
State of Tennessee	16,314	0	0	16,314	40,000	40,000	(23,686)
Total Revenues	\$ 4,068,672	\$ 0	\$ 0	\$ 4,068,672	\$ 3,845,979	\$ 3,845,979	\$ 222,693
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 3,399,655	\$ (38,781)	\$ 165,007	\$ 3,525,881	\$ 3,797,902	\$ 3,797,902	\$ 272,021
Landfill Operation and Maintenance	93,724	0	0	93,724	153,600	153,600	59,876
Other Waste Disposal	516,430	0	28,000	544,430	673,583	673,583	129,153
Postclosure Care Costs	138,640	0	0	138,640	252,100	252,100	113,460
<u>Other Operations</u>							
Miscellaneous	65,155	0	0	65,155	66,000	66,000	845
Total Expenditures	\$ 4,213,604	\$ (38,781)	\$ 193,007	\$ 4,367,830	\$ 4,943,185	\$ 4,943,185	\$ 575,355
Excess (Deficiency) of Revenues Over Expenditures	\$ (144,932)	\$ 38,781	\$ (193,007)	\$ (299,158)	\$ (1,097,206)	\$ (1,097,206)	\$ 798,048
Net Change in Fund Balance	\$ (144,932)	\$ 38,781	\$ (193,007)	\$ (299,158)	\$ (1,097,206)	\$ (1,097,206)	\$ 798,048
Fund Balance, July 1, 2014	1,271,562	(38,781)	0	1,232,781	1,235,881	1,235,881	(3,100)
Fund Balance, June 30, 2015	\$ 1,126,630	\$ 0	\$ (193,007)	\$ 933,623	\$ 138,675	\$ 138,675	\$ 794,948

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, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 443,070	\$ 430,023	\$ 430,023	\$ 13,047
Charges for Current Services	350	2,000	2,000	(1,650)
Total Revenues	<u>\$ 443,420</u>	<u>\$ 432,023</u>	<u>\$ 432,023</u>	<u>\$ 11,397</u>
<u>Expenditures</u>				
<u>General Government</u>				
Development	\$ 10,100	\$ 9,800	\$ 9,800	\$ (300)
<u>Other Operations</u>				
Industrial Development	154,868	155,000	165,200	10,332
Miscellaneous	0	10,200	0	0
Total Expenditures	<u>\$ 164,968</u>	<u>\$ 175,000</u>	<u>\$ 175,000</u>	<u>\$ 10,032</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 278,452</u>	<u>\$ 257,023</u>	<u>\$ 257,023</u>	<u>\$ 21,429</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (28,000)	\$ (305,779)	\$ (305,779)	\$ 277,779
Total Other Financing Sources	<u>\$ (28,000)</u>	<u>\$ (305,779)</u>	<u>\$ (305,779)</u>	<u>\$ 277,779</u>
Net Change in Fund Balance	\$ 250,452	\$ (48,756)	\$ (48,756)	\$ 299,208
Fund Balance, July 1, 2014	898,856	898,860	898,860	(4)
Fund Balance, June 30, 2015	<u>\$ 1,149,308</u>	<u>\$ 850,104</u>	<u>\$ 850,104</u>	<u>\$ 299,204</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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 77,906	\$ 0	\$ 77,906	\$ 70,000	\$ 70,000	\$ 7,906
Other Local Revenues	4,570	0	4,570	0	2,000	2,570
State of Tennessee	2,500	0	2,500	0	0	2,500
Total Revenues	<u>\$ 84,976</u>	<u>\$ 0</u>	<u>\$ 84,976</u>	<u>\$ 70,000</u>	<u>\$ 72,000</u>	<u>\$ 12,976</u>
<u>Expenditures</u>						
<u>General Government</u>						
Preservation of Records	\$ 67,716	\$ (2,242)	\$ 65,474	\$ 81,050	\$ 81,750	\$ 16,276
Total Expenditures	<u>\$ 67,716</u>	<u>\$ (2,242)</u>	<u>\$ 65,474</u>	<u>\$ 81,050</u>	<u>\$ 81,750</u>	<u>\$ 16,276</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 17,260	\$ 2,242	\$ 19,502	\$ (11,050)	\$ (9,750)	\$ 29,252
Net Change in Fund Balance	\$ 17,260	\$ 2,242	\$ 19,502	\$ (11,050)	\$ (9,750)	\$ 29,252
Fund Balance, July 1, 2014	187,663	(2,242)	185,421	185,421	185,421	0
Fund Balance, June 30, 2015	<u>\$ 204,923</u>	<u>\$ 0</u>	<u>\$ 204,923</u>	<u>\$ 174,371</u>	<u>\$ 175,671</u>	<u>\$ 29,252</u>

Exhibit G-6

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 22,012	\$ 0	\$ 22,012	\$ 22,500	\$ 22,500	\$ (488)
Other Local Revenues	15,694	0	15,694	0	11,156	4,538
Other Governments and Citizens Groups	7,942	0	7,942	0	0	7,942
Total Revenues	<u>\$ 45,648</u>	<u>\$ 0</u>	<u>\$ 45,648</u>	<u>\$ 22,500</u>	<u>\$ 33,656</u>	<u>\$ 11,992</u>
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 71,666	\$ 24	\$ 71,690	\$ 67,000	\$ 78,156	\$ 6,466
<u>Other Operations</u>						
Miscellaneous	242	0	242	0	0	(242)
Total Expenditures	<u>\$ 71,908</u>	<u>\$ 24</u>	<u>\$ 71,932</u>	<u>\$ 67,000</u>	<u>\$ 78,156</u>	<u>\$ 6,224</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (26,260)</u>	<u>\$ (24)</u>	<u>\$ (26,284)</u>	<u>\$ (44,500)</u>	<u>\$ (44,500)</u>	<u>\$ 18,216</u>
Net Change in Fund Balance	\$ (26,260)	\$ (24)	\$ (26,284)	\$ (44,500)	\$ (44,500)	\$ 18,216
Fund Balance, July 1, 2014	<u>52,080</u>	<u>0</u>	<u>52,080</u>	<u>51,353</u>	<u>51,353</u>	<u>727</u>
Fund Balance, June 30, 2015	<u>\$ 25,820</u>	<u>\$ (24)</u>	<u>\$ 25,796</u>	<u>\$ 6,853</u>	<u>\$ 6,853</u>	<u>\$ 18,943</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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 887,332	\$ 0	\$ 0	\$ 887,332	\$ 860,075	\$ 860,075	\$ 27,257
Charges for Current Services	76,557	0	0	76,557	60,000	60,000	16,557
Other Local Revenues	61,507	0	0	61,507	55,000	55,000	6,507
Total Revenues	\$ 1,025,396	\$ 0	\$ 0	\$ 1,025,396	\$ 975,075	\$ 975,075	\$ 50,321
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Parks and Fair Boards	\$ 1,159,145	\$ (253,108)	\$ 9,901	\$ 915,938	\$ 966,420	\$ 976,720	\$ 60,782
Other Social, Cultural, and Recreational	118,111	0	0	118,111	122,395	131,595	13,484
<u>Other Operations</u>							
Miscellaneous	0	0	0	0	19,500	0	0
Total Expenditures	\$ 1,277,256	\$ (253,108)	\$ 9,901	\$ 1,034,049	\$ 1,108,315	\$ 1,108,315	\$ 74,266
Excess (Deficiency) of Revenues Over Expenditures	\$ (251,860)	\$ 253,108	\$ (9,901)	\$ (8,653)	\$ (133,240)	\$ (133,240)	\$ 124,587
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 81,700	\$ 0	\$ 0	\$ 81,700	\$ 81,700	\$ 81,700	\$ 0
Total Other Financing Sources	\$ 81,700	\$ 0	\$ 0	\$ 81,700	\$ 81,700	\$ 81,700	\$ 0
Net Change in Fund Balance	\$ (170,160)	\$ 253,108	\$ (9,901)	\$ 73,047	\$ (51,540)	\$ (51,540)	\$ 124,587
Fund Balance, July 1, 2014	424,379	(253,108)	0	171,271	172,045	172,045	(774)
Fund Balance, June 30, 2015	\$ 254,219	\$ 0	\$ (9,901)	\$ 244,318	\$ 120,505	\$ 120,505	\$ 123,813

Exhibit G-8

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,633,814	\$ 1,631,590	\$ 1,631,590	\$ 2,224
Other Local Revenues	3,445	2,100	2,100	1,345
State of Tennessee	3,001,386	3,238,850	3,103,700	(102,314)
Other Governments and Citizens Groups	135,150	0	135,150	0
Total Revenues	<u>\$ 4,773,795</u>	<u>\$ 4,872,540</u>	<u>\$ 4,872,540</u>	<u>\$ (98,745)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 306,891	\$ 315,527	\$ 315,527	\$ 8,636
Highway and Bridge Maintenance	2,749,937	2,729,150	2,985,150	235,213
Operation and Maintenance of Equipment	321,524	315,500	327,500	5,976
Other Charges	214,213	219,950	236,950	22,737
Capital Outlay	1,210,126	1,358,696	1,685,696	475,570
Total Expenditures	<u>\$ 4,802,691</u>	<u>\$ 4,938,823</u>	<u>\$ 5,550,823</u>	<u>\$ 748,132</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (28,896)</u>	<u>\$ (66,283)</u>	<u>\$ (678,283)</u>	<u>\$ 649,387</u>
Net Change in Fund Balance	\$ (28,896)	\$ (66,283)	\$ (678,283)	\$ 649,387
Fund Balance, July 1, 2014	1,303,555	1,379,778	1,379,778	(76,223)
Fund Balance, June 30, 2015	<u>\$ 1,274,659</u>	<u>\$ 1,313,495</u>	<u>\$ 701,495</u>	<u>\$ 573,164</u>

Exhibit G-9

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Capital Projects Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 294,877	\$ 286,682	\$ 286,682	\$ 8,195
Other Local Revenues	502	0	0	502
Total Revenues	<u>\$ 295,379</u>	<u>\$ 286,682</u>	<u>\$ 286,682</u>	<u>\$ 8,697</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Miscellaneous	\$ 5,940	\$ 244,167	\$ 244,167	\$ 238,227
Total Expenditures	<u>\$ 5,940</u>	<u>\$ 244,167</u>	<u>\$ 244,167</u>	<u>\$ 238,227</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 289,439</u>	<u>\$ 42,515</u>	<u>\$ 42,515</u>	<u>\$ 246,924</u>
Net Change in Fund Balance	\$ 289,439	\$ 42,515	\$ 42,515	\$ 246,924
Fund Balance, July 1, 2014	<u>(459,307)</u>	<u>(459,308)</u>	<u>(459,308)</u>	<u>1</u>
Fund Balance, June 30, 2015	<u>\$ (169,868)</u>	<u>\$ (416,793)</u>	<u>\$ (416,793)</u>	<u>\$ 246,925</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, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 15,233,040	\$ 13,369,665	\$ 13,369,665	\$ 1,863,375
Other Local Revenues	246,497	175,000	175,000	71,497
Other Governments and Citizens Groups	161,400	0	161,400	0
Total Revenues	\$ 15,640,937	\$ 13,544,665	\$ 13,706,065	\$ 1,934,872
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 200,000	\$ 0	\$ 200,000	\$ 0
Education	6,146,400	11,910,725	6,146,400	0
<u>Interest on Debt</u>				
General Government	901,638	0	901,638	0
Education	5,925,725	0	5,925,725	0
<u>Other Debt Service</u>				
General Government	850	0	850	0
Education	251,308	267,000	266,150	14,842
<u>Capital Projects</u>				
Public Safety Projects	0	1,101,638	0	0
Total Expenditures	\$ 13,425,921	\$ 13,279,363	\$ 13,440,763	\$ 14,842
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,215,016	\$ 265,302	\$ 265,302	\$ 1,949,714
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 721,556	\$ 721,556	\$ (721,556)
Transfers Out	0	(498,000)	(498,000)	498,000
Total Other Financing Sources	\$ 0	\$ 223,556	\$ 223,556	\$ (223,556)
Net Change in Fund Balance	\$ 2,215,016	\$ 488,858	\$ 488,858	\$ 1,726,158
Fund Balance, July 1, 2014	8,703,200	8,661,478	8,661,478	41,722
Fund Balance, June 30, 2015	\$ 10,918,216	\$ 9,150,336	\$ 9,150,336	\$ 1,767,880

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, 2015

	Agency Funds					Total
	Cities - Sales Tax	Constitu- tional Officers - Agency	Community Development Agency	Judicial District Drug	District Attorney General	
<u>ASSETS</u>						
Cash	\$ 0	\$ 3,960,890	\$ 0	\$ 0	\$ 0	\$ 3,960,890
Equity in Pooled Cash and Investments	0	0	48,388	18,731	40,072	107,191
Accounts Receivable	0	22,151	0	0	0	22,151
Due from Other Governments	2,498,666	0	7,500	4,236	0	2,510,402
Total Assets	<u>\$ 2,498,666</u>	<u>\$ 3,983,041</u>	<u>\$ 55,888</u>	<u>\$ 22,967</u>	<u>\$ 40,072</u>	<u>\$ 6,600,634</u>
<u>LIABILITIES</u>						
Due to Other Taxing Units	\$ 2,498,666	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,498,666
Due to Litigants, Heirs, and Others	0	3,983,041	0	0	40,072	4,023,113
Due to Joint Ventures	0	0	55,888	22,967	0	78,855
Total Liabilities	<u>\$ 2,498,666</u>	<u>\$ 3,983,041</u>	<u>\$ 55,888</u>	<u>\$ 22,967</u>	<u>\$ 40,072</u>	<u>\$ 6,600,634</u>

Exhibit I-2

Putnam County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds
For the Year Ended June 30, 2015

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 14,061,290	\$ 14,061,290	\$ 0
Due from Other Governments	2,320,716	2,498,666	2,320,716	2,498,666
Total Assets	\$ 2,320,716	\$ 16,559,956	\$ 16,382,006	\$ 2,498,666
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,320,716	\$ 16,559,956	\$ 16,382,006	\$ 2,498,666
Total Liabilities	\$ 2,320,716	\$ 16,559,956	\$ 16,382,006	\$ 2,498,666
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,283,613	\$ 29,502,005	\$ 27,824,728	\$ 3,960,890
Accounts Receivable	17,981	22,151	17,981	22,151
Total Assets	\$ 2,301,594	\$ 29,524,156	\$ 27,842,709	\$ 3,983,041
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,301,594	\$ 29,524,156	\$ 27,842,709	\$ 3,983,041
Total Liabilities	\$ 2,301,594	\$ 29,524,156	\$ 27,842,709	\$ 3,983,041
<u>Community Development - Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 59,184	\$ 100,000	\$ 110,796	\$ 48,388
Due from Other Governments	7,500	7,500	7,500	7,500
Total Assets	\$ 66,684	\$ 107,500	\$ 118,296	\$ 55,888
<u>Liabilities</u>				
Due to Joint Ventures	\$ 66,684	\$ 107,500	\$ 118,296	\$ 55,888
Total Liabilities	\$ 66,684	\$ 107,500	\$ 118,296	\$ 55,888

(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	\$ 8,303	\$ 124,489	\$ 114,061	\$ 18,731
Due from Other Governments	9,164	4,236	9,164	4,236
Due from Other Funds	9,378	0	9,378	0
Total Assets	\$ 26,845	\$ 128,725	\$ 132,603	\$ 22,967
<u>Liabilities</u>				
Due to Joint Ventures	\$ 26,845	\$ 128,725	\$ 132,603	\$ 22,967
Total Liabilities	\$ 26,845	\$ 128,725	\$ 132,603	\$ 22,967
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 13,201	\$ 46,240	\$ 19,369	\$ 40,072
Total Assets	\$ 13,201	\$ 46,240	\$ 19,369	\$ 40,072
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 13,201	\$ 46,240	\$ 19,369	\$ 40,072
Total Liabilities	\$ 13,201	\$ 46,240	\$ 19,369	\$ 40,072
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,283,613	\$ 29,502,005	\$ 27,824,728	\$ 3,960,890
Equity in Pooled Cash and Investments	80,688	14,332,019	14,305,516	107,191
Accounts Receivable	17,981	22,151	17,981	22,151
Due from Other Governments	2,337,380	2,510,402	2,337,380	2,510,402
Due from Other Funds	9,378	0	9,378	0
Total Assets	\$ 4,729,040	\$ 46,366,577	\$ 44,494,983	\$ 6,600,634
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,320,716	\$ 16,559,956	\$ 16,382,006	\$ 2,498,666
Due to Litigants, Heirs, and Others	2,314,795	29,570,396	27,862,078	4,023,113
Due to Joint Ventures	93,529	236,225	250,899	78,855
Total Liabilities	\$ 4,729,040	\$ 46,366,577	\$ 44,494,983	\$ 6,600,634

Exhibit J-1

Putnam County, Tennessee
Statement of Activities
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2015

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	\$ 23,764,383	\$ 5,190	\$ 7,293,061	\$ 0	\$ (16,466,132)
Support Services	59,878,287	1,216,460	2,527,157	0	(56,134,670)
Operation of Non-instructional Services	9,031,978	740,581	5,153,290	0	(3,138,107)
Total Governmental Activities	\$ 92,674,648	\$ 1,962,231	\$ 14,973,508	\$ 0	\$ (75,738,909)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 13,769,635
Local Option Sales Taxes					16,582,010
Other Local Taxes					186,363
Grants and Contributions Not Restricted to Specific Programs					46,252,720
Unrestricted Investment Earnings					4,489
Miscellaneous					39,423
Sale of Equipment					4,372
Pension Income					169,851
Total General Revenues					\$ 77,008,863
Change in Net Position					\$ 1,269,954
Net Position, July 1, 2014					193,580,019
Restatement - Pension Liability (see Note I.D.8)					(17,004,827)
Net Position, June 30, 2015					\$ 177,845,146

Exhibit J-2

Putnam County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2015

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>					
Equity in Pooled Cash and Investments	\$ 9,314,792	\$ 510,348	\$ 10,241,462	\$ 1,696,812	\$ 21,763,414
Inventories	40,398	0	0	0	40,398
Accounts Receivable	38,439	58,980	0	3,551	100,970
Due from Other Governments	3,432,112	477,499	0	75,949	3,985,560
Due from Other Funds	413,304	11,851	0	0	425,155
Property Taxes Receivable	13,555,209	0	0	0	13,555,209
Allowance for Uncollectible Property Taxes	(284,945)	0	0	0	(284,945)
Total Assets	<u>\$ 26,509,309</u>	<u>\$ 1,058,678</u>	<u>\$ 10,241,462</u>	<u>\$ 1,776,312</u>	<u>\$ 39,585,761</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 210,272	\$ 58,097	\$ 0	\$ 51	\$ 268,420
Accrued Payroll	449,040	102,664	0	0	551,704
Payroll Deductions Payable	925,701	96,332	158	26,057	1,048,248
Due to Other Funds	9,318	370,062	0	39,743	419,123
Other Current Liabilities	1,526	0	0	0	1,526
Total Liabilities	<u>\$ 1,595,857</u>	<u>\$ 627,155</u>	<u>\$ 158</u>	<u>\$ 65,851</u>	<u>\$ 2,289,021</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 12,926,127	\$ 0	\$ 0	\$ 0	\$ 12,926,127
Deferred Delinquent Property Taxes	329,838	0	0	0	329,838
Other Deferred/Unavailable Revenue	1,374,834	0	0	0	1,374,834
Total Deferred Inflows of Resources	<u>\$ 14,630,799</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,630,799</u>

(Continued)

Exhibit J-2

Putnam County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Putnam County School Department (Cont.)

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	
<u>FUND BALANCES</u>					
Nonspendable:					
Inventory	\$ 40,398	\$ 0	\$ 0	\$ 0	\$ 40,398
Restricted:					
Restricted for Education	36,365	0	0	1,450,184	1,486,549
Restricted for Capital Projects	0	0	10,241,304	0	10,241,304
Committed:					
Committed for Education	55,154	0	0	256,777	311,931
Committed for Capital Projects	0	0	0	3,500	3,500
Assigned:					
Assigned for Education	518,166	431,523	0	0	949,689
Unassigned	9,632,570	0	0	0	9,632,570
Total Fund Balances	<u>\$ 10,282,653</u>	<u>\$ 431,523</u>	<u>\$ 10,241,304</u>	<u>\$ 1,710,461</u>	<u>\$ 22,665,941</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 26,509,309</u>	<u>\$ 1,058,678</u>	<u>\$ 10,241,462</u>	<u>\$ 1,776,312</u>	<u>\$ 39,585,761</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, 2015

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)		\$	22,665,941
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	5,145,013	
Add: construction in progress		45,211,964	
Add: buildings and improvements net of accumulated depreciation		113,858,229	
Add: other capital assets net of accumulated depreciation		<u>3,136,683</u>	167,351,889
(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	\$	(236,923)	
Less: other postemployment benefits liability		(374,287)	
Less: contributions due on the primary government debt for capital lease		(796,196)	
Less: net pension liability		<u>(899,942)</u>	(2,307,348)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years:			
Add: deferred outflows of resources related to pensions	\$	5,240,048	
Less: deferred inflows of resources related to pensions		<u>(16,975,095)</u>	(11,735,047)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension assets - cost-sharing plan			165,039
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,704,672</u>
Net position of governmental activities (Exhibit A)		\$	<u>177,845,146</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, 2015

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 30,424,381	\$ 0	\$ 0	\$ 0	\$ 30,424,381
Licenses and Permits	5,443	0	0	0	5,443
Charges for Current Services	289,517	0	0	1,667,524	1,957,041
Other Local Revenues	11,416	0	0	43,897	55,313
State of Tennessee	46,074,187	0	0	52,329	46,126,516
Federal Government	456,884	9,850,897	0	4,659,642	14,967,423
Other Governments and Citizens Groups	1,021,652	0	0	0	1,021,652
Total Revenues	<u>\$ 78,283,480</u>	<u>\$ 9,850,897</u>	<u>\$ 0</u>	<u>\$ 6,423,392</u>	<u>\$ 94,557,769</u>
<u>Expenditures</u>					
Current:					
Instruction	\$ 47,820,920	\$ 6,556,007	\$ 0	\$ 0	\$ 54,376,927
Support Services	27,231,808	2,777,972	0	0	30,009,780
Operation of Non-instructional Services	2,630,347	574,678	0	5,816,169	9,021,194
Capital Outlay	957,596	0	0	0	957,596
Debt Service:					
Principal on Debt	161,400	0	0	0	161,400
Capital Projects	0	0	29,979,935	0	29,979,935
Total Expenditures	<u>\$ 78,802,071</u>	<u>\$ 9,908,657</u>	<u>\$ 29,979,935</u>	<u>\$ 5,816,169</u>	<u>\$ 124,506,832</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (518,591)</u>	<u>\$ (57,760)</u>	<u>\$ (29,979,935)</u>	<u>\$ 607,223</u>	<u>\$ (29,949,063)</u>

(Continued)

Exhibit J-4

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Federal Projects	Education Capital Projects	Other Govern- mental Funds	
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 698,171	\$ 0	\$ 0	\$ 0	\$ 698,171
Transfers Out	0	(179,230)	0	(518,941)	(698,171)
Total Other Financing Sources (Uses)	\$ 698,171	\$ (179,230)	\$ 0	\$ (518,941)	\$ 0
Net Change in Fund Balances	\$ 179,580	\$ (236,990)	\$ (29,979,935)	\$ 88,282	\$ (29,949,063)
Fund Balance, July 1, 2014	10,103,073	668,513	40,221,239	1,622,179	52,615,004
Fund Balance, June 30, 2015	\$ 10,282,653	\$ 431,523	\$ 10,241,304	\$ 1,710,461	\$ 22,665,941

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, 2015

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)		\$ (29,949,063)
(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	\$ 30,477,747	
Less: current-year depreciation expense	<u>(3,454,816)</u>	27,022,931
(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		(1,880)
(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, 2015	\$ 1,704,672	
Less: deferred delinquent property taxes and other deferred June 30, 2014	<u>(1,528,255)</u>	176,417
(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	\$ 161,400	
Less: lease proceeds contributed from primary government	<u>(957,596)</u>	(796,196)
(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	\$ (10,773)	
Change in other postemployment benefits liability	293,641	
Change in net pension liability/asset	16,269,924	
Change in deferred outflows related to pensions	5,240,048	
Change in deferred inflows related to pensions	<u>(16,975,095)</u>	<u>4,817,745</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,269,954</u>

Exhibit J-6

Putnam County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2015

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
	Central Cafeteria	Extended School Program	Total	Other Capital Projects	
<u>ASSETS</u>					
Equity in Pooled Cash and Investments	\$ 1,435,086	\$ 258,231	\$ 1,693,317	\$ 3,495	\$ 1,696,812
Accounts Receivable	2,210	1,336	3,546	5	3,551
Due from Other Governments	75,949	0	75,949	0	75,949
Total Assets	<u>\$ 1,513,245</u>	<u>\$ 259,567</u>	<u>\$ 1,772,812</u>	<u>\$ 3,500</u>	<u>\$ 1,776,312</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 51	\$ 51	\$ 0	\$ 51
Payroll Deductions Payable	23,318	2,739	26,057	0	26,057
Due to Other Funds	39,743	0	39,743	0	39,743
Total Liabilities	<u>\$ 63,061</u>	<u>\$ 2,790</u>	<u>\$ 65,851</u>	<u>\$ 0</u>	<u>\$ 65,851</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 1,450,184	\$ 0	\$ 1,450,184	\$ 0	\$ 1,450,184
Committed:					
Committed for Education	0	256,777	256,777	0	256,777
Committed for Capital Projects	0	0	0	3,500	3,500
Total Fund Balances	<u>\$ 1,450,184</u>	<u>\$ 256,777</u>	<u>\$ 1,706,961</u>	<u>\$ 3,500</u>	<u>\$ 1,710,461</u>
Total Liabilities and Fund Balances	<u>\$ 1,513,245</u>	<u>\$ 259,567</u>	<u>\$ 1,772,812</u>	<u>\$ 3,500</u>	<u>\$ 1,776,312</u>

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, 2015

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>Central</u>	<u>Extended</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Cafeteria</u>	<u>School</u>		<u>Other</u>	<u>Nonmajor</u>
		<u>Program</u>		<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Charges for Current Services	\$ 740,561	\$ 926,963	\$ 1,667,524	\$ 0	\$ 1,667,524
Other Local Revenues	43,897	0	43,897	0	43,897
State of Tennessee	52,329	0	52,329	0	52,329
Federal Government	4,659,642	0	4,659,642	0	4,659,642
Total Revenues	\$ 5,496,429	\$ 926,963	\$ 6,423,392	\$ 0	\$ 6,423,392
<u>Expenditures</u>					
Current:					
Operation of Non-instructional Services	\$ 4,983,453	\$ 832,716	\$ 5,816,169	\$ 0	\$ 5,816,169
Total Expenditures	\$ 4,983,453	\$ 832,716	\$ 5,816,169	\$ 0	\$ 5,816,169
Excess (Deficiency) of Revenues					
Over Expenditures	\$ 512,976	\$ 94,247	\$ 607,223	\$ 0	\$ 607,223
<u>Other Financing Sources (Uses)</u>					
Transfers Out	\$ (518,941)	\$ 0	\$ (518,941)	\$ 0	\$ (518,941)
Total Other Financing Sources (Uses)	\$ (518,941)	\$ 0	\$ (518,941)	\$ 0	\$ (518,941)
Net Change in Fund Balances	\$ (5,965)	\$ 94,247	\$ 88,282	\$ 0	\$ 88,282
Fund Balance, July 1, 2014	1,456,149	162,530	1,618,679	3,500	1,622,179
Fund Balance, June 30, 2015	\$ 1,450,184	\$ 256,777	\$ 1,706,961	\$ 3,500	\$ 1,710,461

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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 30,424,381	\$ 0	\$ 0	\$ 30,424,381	\$ 29,987,793	\$ 30,137,793	\$ 286,588
Licenses and Permits	5,443	0	0	5,443	5,000	5,000	443
Charges for Current Services	289,517	0	0	289,517	284,832	299,832	(10,315)
Other Local Revenues	11,416	0	0	11,416	95,100	95,100	(83,684)
State of Tennessee	46,074,187	0	0	46,074,187	45,676,981	46,240,020	(165,833)
Federal Government	456,884	0	0	456,884	557,127	421,023	35,861
Other Governments and Citizens Groups	1,021,652	0	0	1,021,652	9,000	1,080,254	(58,602)
Total Revenues	\$ 78,283,480	\$ 0	\$ 0	\$ 78,283,480	\$ 76,615,833	\$ 78,279,022	\$ 4,458
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 38,430,648	\$ (26,878)	\$ 27,911	\$ 38,431,681	\$ 38,745,465	\$ 38,893,842	\$ 462,161
Alternative Instruction Program	612,852	0	604	613,456	649,934	617,954	4,498
Special Education Program	7,353,735	(11,413)	1,007	7,343,329	7,490,458	7,391,595	48,266
Vocational Education Program	1,305,024	0	2,730	1,307,754	1,360,836	1,318,733	10,979
Adult Education Program	118,661	0	0	118,661	101,478	125,824	7,163
<u>Support Services</u>							
Attendance	256,392	0	0	256,392	256,491	258,416	2,024
Health Services	977,527	0	0	977,527	971,152	994,872	17,345
Other Student Support	2,325,488	(602)	1,312	2,326,198	2,440,440	2,329,970	3,772
Regular Instruction Program	2,465,746	(7,930)	1,207	2,459,023	2,575,192	2,492,812	33,789
Alternative Instruction Program	123,496	0	0	123,496	124,665	124,665	1,169
Special Education Program	1,063,347	(45)	0	1,063,302	1,147,729	1,102,529	39,227
Vocational Education Program	89,889	0	0	89,889	91,759	91,759	1,870
Adult Programs	144,659	0	0	144,659	135,589	149,147	4,488
Other Programs	306,796	0	0	306,796	0	306,796	0
Board of Education	1,411,969	0	267	1,412,236	1,502,516	1,502,516	90,280
Director of Schools	138,758	0	212	138,970	142,242	142,242	3,272
Office of the Principal	5,686,055	0	29,173	5,715,228	5,764,794	5,764,794	49,566
Fiscal Services	666,621	(10,309)	0	656,312	637,792	660,949	4,637

(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 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Human Services/Personnel	\$ 226,631	\$ (1,251)	\$ 0	\$ 225,380	\$ 218,629	\$ 229,615	\$ 4,235
Operation of Plant	5,797,294	(4,476)	415	5,793,233	5,968,793	5,928,793	135,560
Maintenance of Plant	1,758,702	(45,377)	64,515	1,777,840	2,066,765	1,882,608	104,768
Transportation	3,052,669	(454,884)	362,736	2,960,521	2,932,817	3,061,382	100,861
Central and Other	739,769	(2,300)	3,314	740,783	718,945	743,698	2,915
<u>Operation of Non-instructional Services</u>							
Food Service	313,968	0	0	313,968	302,097	337,258	23,290
Community Services	484,598	(480)	242	484,360	97,652	517,210	32,850
Early Childhood Education	1,831,781	0	22,521	1,854,302	1,783,953	1,877,559	23,257
<u>Capital Outlay</u>							
Regular Capital Outlay	957,596	0	0	957,596	0	957,596	0
<u>Principal on Debt</u>							
Education	161,400	0	0	161,400	0	161,400	0
Total Expenditures	\$ 78,802,071	\$ (565,945)	\$ 518,166	\$ 78,754,292	\$ 78,228,183	\$ 79,966,534	\$ 1,212,242
Excess (Deficiency) of Revenues Over Expenditures							
	\$ (518,591)	\$ 565,945	\$ (518,166)	\$ (470,812)	\$ (1,612,350)	\$ (1,687,512)	\$ 1,216,700
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 698,171	\$ 0	\$ 0	\$ 698,171	\$ 745,349	\$ 780,510	\$ (82,339)
Total Other Financing Sources	\$ 698,171	\$ 0	\$ 0	\$ 698,171	\$ 745,349	\$ 780,510	\$ (82,339)
Net Change in Fund Balance							
Fund Balance, July 1, 2014	\$ 179,580	\$ 565,945	\$ (518,166)	\$ 227,359	\$ (867,001)	\$ (907,002)	\$ 1,134,361
	10,103,073	(565,945)	0	9,537,128	9,806,669	9,806,669	(269,541)
Fund Balance, June 30, 2015	\$ 10,282,653	\$ 0	\$ (518,166)	\$ 9,764,487	\$ 8,939,668	\$ 8,899,667	\$ 864,820

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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 9,850,897	\$ 0	\$ 0	\$ 9,850,897	\$ 6,371,934	\$ 11,494,013	\$ (1,643,116)
Total Revenues	\$ 9,850,897	\$ 0	\$ 0	\$ 9,850,897	\$ 6,371,934	\$ 11,494,013	\$ (1,643,116)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 4,158,435	\$ (823)	\$ 39,603	\$ 4,197,215	\$ 1,862,393	\$ 4,796,268	\$ 599,053
Special Education Program	2,198,160	0	0	2,198,160	2,234,907	2,336,866	138,706
Vocational Education Program	199,412	0	24,583	223,995	138,615	229,474	5,479
<u>Support Services</u>							
Other Student Support	323,458	(5,756)	26,776	344,478	74,794	419,894	75,416
Regular Instruction Program	2,202,419	(35,844)	7,150	2,173,725	1,103,861	2,908,747	735,022
Special Education Program	220,026	0	0	220,026	218,960	228,486	8,460
Vocational Education Program	14,431	0	0	14,431	5,500	14,783	352
Transportation	17,638	0	0	17,638	12,645	19,125	1,487
<u>Operation of Non-instructional Services</u>							
Community Services	574,678	(155)	1,045	575,568	573,666	582,214	6,646
Total Expenditures	\$ 9,908,657	\$ (42,578)	\$ 99,157	\$ 9,965,236	\$ 6,225,341	\$ 11,535,857	\$ 1,570,621
Excess (Deficiency) of Revenues Over Expenditures	\$ (57,760)	\$ 42,578	\$ (99,157)	\$ (114,339)	\$ 146,593	\$ (41,844)	\$ (72,495)
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 169,445	\$ 169,445	\$ (169,445)
Transfers Out	(179,230)	0	0	(179,230)	(316,038)	(374,571)	195,341
Total Other Financing Sources	\$ (179,230)	\$ 0	\$ 0	\$ (179,230)	\$ (146,593)	\$ (205,126)	\$ 25,896
Net Change in Fund Balance	\$ (236,990)	\$ 42,578	\$ (99,157)	\$ (293,569)	\$ 0	\$ (246,970)	\$ (46,599)
Fund Balance, July 1, 2014	668,513	(42,578)	0	625,935	1,007,456	1,007,456	(381,521)
Fund Balance, June 30, 2015	\$ 431,523	\$ 0	\$ (99,157)	\$ 332,366	\$ 1,007,456	\$ 760,486	\$ (428,120)

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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 740,561	\$ 0	\$ 0	\$ 740,561	\$ 825,000	\$ 865,000	\$ (124,439)
Other Local Revenues	43,897	0	0	43,897	49,000	49,000	(5,103)
State of Tennessee	52,329	0	0	52,329	53,000	53,000	(671)
Federal Government	4,659,642	0	0	4,659,642	4,886,130	4,886,130	(226,488)
Total Revenues	\$ 5,496,429	\$ 0	\$ 0	\$ 5,496,429	\$ 5,813,130	\$ 5,853,130	\$ (356,701)
<u>Expenditures</u>							
<u>Operation of Non-instructional Services</u>							
Food Service	\$ 4,983,453	\$ (147,858)	\$ 134,213	\$ 4,969,808	\$ 5,323,551	\$ 5,308,551	\$ 338,743
Total Expenditures	\$ 4,983,453	\$ (147,858)	\$ 134,213	\$ 4,969,808	\$ 5,323,551	\$ 5,308,551	\$ 338,743
Excess (Deficiency) of Revenues Over Expenditures	\$ 512,976	\$ 147,858	\$ (134,213)	\$ 526,621	\$ 489,579	\$ 544,579	\$ (17,958)
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (518,941)	\$ 0	\$ 0	\$ (518,941)	\$ (489,579)	\$ (544,579)	\$ 25,638
Total Other Financing Sources	\$ (518,941)	\$ 0	\$ 0	\$ (518,941)	\$ (489,579)	\$ (544,579)	\$ 25,638
Net Change in Fund Balance	\$ (5,965)	\$ 147,858	\$ (134,213)	\$ 7,680	\$ 0	\$ 0	\$ 7,680
Fund Balance, July 1, 2014	1,456,149	(147,858)	0	1,308,291	1,417,077	1,417,077	(108,786)
Fund Balance, June 30, 2015	\$ 1,450,184	\$ 0	\$ (134,213)	\$ 1,315,971	\$ 1,417,077	\$ 1,417,077	\$ (101,106)

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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 926,963	\$ 0	\$ 926,963	\$ 909,628	\$ 909,628	\$ 17,335
Total Revenues	\$ 926,963	\$ 0	\$ 926,963	\$ 909,628	\$ 909,628	\$ 17,335
<u>Expenditures</u>						
<u>Operation of Non-instructional Services</u>						
Community Services	\$ 832,716	\$ (1,092)	\$ 831,624	\$ 909,628	\$ 909,628	\$ 78,004
Total Expenditures	\$ 832,716	\$ (1,092)	\$ 831,624	\$ 909,628	\$ 909,628	\$ 78,004
Excess (Deficiency) of Revenues Over Expenditures	\$ 94,247	\$ 1,092	\$ 95,339	\$ 0	\$ 0	\$ 95,339
Net Change in Fund Balance	\$ 94,247	\$ 1,092	\$ 95,339	\$ 0	\$ 0	\$ 95,339
Fund Balance, July 1, 2014	162,530	(1,092)	161,438	163,775	163,775	(2,337)
Fund Balance, June 30, 2015	\$ 256,777	\$ 0	\$ 256,777	\$ 163,775	\$ 163,775	\$ 93,002

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.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for bond proceeds issued for school construction.

MISCELLANEOUS SCHEDULES

Exhibit K-1

Putnam County, Tennessee
Schedule of Changes in Long-term Bonds and Capital Lease
For the Year Ended June 30, 2015

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-14	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-15
<u>BONDS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
School Refunding	\$ 35,280,000	4.85 to 5.5 %	8-1-01	4-1-20	\$ 26,410,000	\$ 0	\$ 3,535,000	\$ 22,875,000
School Refunding	9,545,000	4.5	10-11-06	10-11-18	6,020,000	0	1,450,000	4,570,000
Public Improvement	16,000,000	4.38	6-7-07	4-1-28	15,400,000	0	100,000	15,300,000
School Bonds, Series 2007	57,700,000	4 to 5	9-12-07	4-1-28	54,400,000	0	900,000	53,500,000
General Obligation Public Improvement, Series 2010	7,200,000	3.6781	12-22-10	4-1-30	6,900,000	0	100,000	6,800,000
School Bonds, Series 2013	52,235,000	2 to 3.5	6-6-13	4-1-33	52,135,000	0	100,000	52,035,000
Total Bonds Payable					<u>\$ 161,265,000</u>	<u>\$ 0</u>	<u>\$ 6,185,000</u>	<u>\$ 155,080,000</u>
<u>CAPITAL LEASE PAYABLE</u>								
<u>Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund</u>								
Computers	957,596	0.9	4-15-15	10-15-17	<u>\$ 0</u>	<u>\$ 957,596</u>	<u>\$ 161,400</u>	<u>\$ 796,196</u>

Exhibit K-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 6,915,000	\$ 6,528,275	\$ 13,443,275
2017	7,615,000	6,193,738	13,808,738
2018	7,910,000	5,833,013	13,743,013
2019	7,460,000	5,450,800	12,910,800
2020	9,045,000	5,078,404	14,123,404
2021	9,530,000	4,634,788	14,164,788
2022	9,830,000	4,214,588	14,044,588
2023	10,130,000	3,777,363	13,907,363
2024	10,630,000	3,333,763	13,963,763
2025	11,130,000	2,908,588	14,038,588
2026	11,630,000	2,462,788	14,092,788
2027	11,630,000	1,999,325	13,629,325
2028	11,630,000	1,514,450	13,144,450
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	\$ 155,080,000	\$ 56,913,383	\$ 211,993,383

Year Ending June 30	Capital Lease		
	Principal	Interest	Total
2016	\$ 316,326	\$ 6,473	\$ 322,799
2017	319,195	3,604	322,799
2018	160,675	725	161,400
Total	\$ 796,196	\$ 10,802	\$ 806,998

Exhibit K-3

Putnam County, Tennessee
Schedule of Notes Receivable
For the Year Ended June 30, 2015

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-15
<u>Interfund Notes Receivable</u>						
<u>General Debt Service Fund</u>						
Fueling Station	General Fund	\$ 488,000	6-4-15	6-3-18	0%	\$ 488,000
Building	"	1,750,000	6-24-08	6-24-17	2	388,888
Emergency Capital Projects	General Capital Projects Fund	263,000	12-28-12	12-28-15	0	87,666
Justice Center Renovations	"	450,000	1-22-13	1-22-16	0	<u>150,000</u>
Total Notes Receivable						<u>\$ 1,114,554</u>

Exhibit K-4

Putnam County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Putnam County School Department
For the Year Ended June 30, 2015

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Sports and Recreation	Operations	\$ 81,700
Industrial/Economic Development	Community Development	Operations	<u>28,000</u>
Total Transfers Primary Government			<u>\$ 109,700</u>
<u>DISCRETELY PRESENTED PUTNAM COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 179,230
Central Cafeteria	"	Salary reimbursements/Direct costs	<u>518,941</u>
Total Transfers Discretely Presented Putnam County School Department			<u>\$ 698,171</u>

Exhibit K-5

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, 2015

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive:				
Kim Blaylock (7-1-14 through 8-31-14)	Section 8-24-102, TCA, and County Commission	\$ 15,483 (1)	\$ 50,000	Western Surety Company
Randy Porter (9-1-14 through 6-30-15)	Section 8-24-102, TCA, and County Commission	77,413 (2)	100,000	Nationwide Mutual
Road Supervisor	Section 8-24-102, TCA	87,272	100,000	Western Surety Company
Director of Schools	State Board of Education and Putnam County Board of Education	97,377 (3)	(8)	
Trustee	Section 8-24-102, TCA	79,338	4,300,000	Auto Owners Mutual Insurance Company
Assessor of Property:				
Barbara Bandy (7-1-14 through 8-31-14)	Section 8-24-102, TCA	14,677	50,000	Nationwide Mutual
Steve Pierce (9-1-14 through 6-30-15)	Section 8-24-102, TCA	64,661	50,000	Nationwide Mutual
County Clerk	Section 8-24-102, TCA and County Commission	79,338	100,000	Travelers Casualty and Surety Company of America
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, TCA, and Probate Judge	79,338 (4)	100,000	Western Surety Company
Clerk and Master	Section 8-24-102, TCA, and Chancery Court Judge	79,338 (5)	50,000	"
Register of Deeds	Section 8-24-102, TCA	79,338	100,000	"
Sheriff:				
David Andrews (7-1-14 through 8-31-14)	Section 8-24-102, TCA, and County Commission	14,745 (6)	25,000	"
Eddie Farris (9-1-14 through 6-30-15)	Section 8-24-102, TCA, and County Commission	73,727 (7)	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 \$210.
- (2) Includes additional appropriation of \$1,050.
- (3) Does not include \$1,000 paid from Regular Instruction - Career Ladder Program and \$1,000 for chief executive officer training.
- (4) Does not include special commissioners fees of \$6,996.
- (5) Does not include special commissioners fees of \$25,115.
- (6) Includes a payment of \$200 for serving as superintendent of the workhouse and does not include a law enforcement training supplement of \$600.
- (7) Includes \$1,000 for serving as superintendent of the workhouse.
- (8) The director of schools is covered by the public employee blanket bond.

Exhibit K-6

Putnam County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 For the Year Ended June 30, 2015

	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	\$ 11,574,190	\$ 2,633,635	\$ 415,828	\$ 0	\$ 0	\$ 762,380
Trustee's Collections - Prior Year	362,903	82,574	13,038	0	0	23,894
Circuit/Clerk and Master Collections - Prior Years	272,216	64,468	9,838	0	0	12,102
Interest and Penalty	64,863	14,760	2,330	0	0	4,272
Payments in-Lieu-of Taxes - T.V.A.	319	72	11	0	0	21
Payments in-Lieu-of Taxes - Other	6,818	393	62	0	0	114
<u>County Local Option Taxes</u>						
Local Option Sales Tax	11,396	0	0	0	0	0
Hotel/Motel Tax	311,452	0	0	0	0	80,950
Litigation Tax - General	312,381	0	0	0	0	0
Litigation Tax - Special Purpose	1,127	0	0	0	0	0
Business Tax	1,092,229	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	54,635	12,432	1,963	0	0	3,599
Wholesale Beer Tax	215,796	0	0	0	0	0
Interstate Telecommunications Tax	6,923	0	0	0	0	0
Total Local Taxes	\$ 14,287,248	\$ 2,808,334	\$ 443,070	\$ 0	\$ 0	\$ 887,332
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 248,258	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>						
Building Permits	111,084	0	0	0	0	0
Electrical Permits	74,009	0	0	0	0	0

(Continued)

Exhibit K-6

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>						
Plumbing Permits	\$ 7,361	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Permits	2,725	0	0	0	0	0
Total Licenses and Permits	\$ 443,437	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 59,415	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	13,391	0	0	0	0	0
Drug Control Fines	932	0	0	0	0	0
Drug Court Fees	2,412	0	0	0	0	0
Jail Fees	33,900	0	0	0	0	0
Judicial Commissioner Fees	325	0	0	0	0	0
DUI Treatment Fines	15,831	0	0	0	0	0
Data Entry Fee - Circuit Court	4,932	0	0	0	0	0
Courtroom Security Fee	626	0	0	0	0	0
Victims Assistance Assessments	4,886	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	49,527	0	0	0	0	0
Officers Costs	110,081	0	0	0	0	0
Game and Fish Fines	318	0	0	0	0	0
Drug Control Fines	1,822	0	0	0	0	0
Drug Court Fees	11,755	0	0	0	0	0
Jail Fees	126,438	0	0	0	0	0
Interpreter Fee	110	0	0	0	0	0
Judicial Commissioner Fees	506	0	0	0	0	0

(Continued)

Exhibit K-6

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>						
DUI Treatment Fines	\$ 12,436	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - General Sessions Court	42,388	0	0	0	0	0
Courtroom Security Fee	5,791	0	0	0	0	0
Victims Assistance Assessments	6,938	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	1,153	0	0	0	0	0
Officers Costs	10,750	0	0	0	0	0
Drug Control Fines	28	0	0	0	0	0
Jail Fees	11,234	0	0	0	0	0
Data Entry Fee - Juvenile Court	2,494	0	0	0	0	0
Courtroom Security Fee	213	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	4,396	0	0	0	0	0
Data Entry Fee - Chancery Court	7,208	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Courtroom Security Fee	384	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	22,012	0
Other Fines, Forfeitures, and Penalties	509	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 543,129	\$ 0	\$ 0	\$ 0	\$ 22,012	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 910,544	\$ 0	\$ 0	\$ 0	0
Solid Waste Disposal Fee	0	40,000	0	0	0	0

(Continued)

Exhibit K-6

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>						
Surcharge - Waste Tire Disposal	\$ 0	\$ 57,559	\$ 0	\$ 0	\$ 0	0
Patient Charges	3,797,572	0	0	0	0	0
Other General Service Charges	2,656	0	0	0	0	0
Service Charges	5,150	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	0	0	350	0	0	0
Recreation Fees	3,100	0	0	0	0	76,557
Archives and Records Management Fee - County Clerk	0	0	0	77,906	0	0
Telephone Commissions	45,904	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Data Processing Fee - Register	22,378	0	0	0	0	0
Data Processing Fee - Sheriff	11,816	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,280	0	0	0	0	0
Data Processing Fee - County Clerk	21,628	0	0	0	0	0
Total Charges for Current Services	\$ 3,913,484	\$ 1,008,103	\$ 350	\$ 77,906	\$ 0	76,557
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 143,996	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals	313,514	0	0	0	0	35,328
Sale of Materials and Supplies	1,877	0	0	0	0	0
Commissary Sales	471,804	0	0	0	0	0
Sale of Gasoline	94,269	0	0	0	0	0
Sale of Recycled Materials	0	235,826	0	0	0	0
Miscellaneous Refunds	24,124	95	0	0	2,726	347

(Continued)

Exhibit K-6

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>Nonrecurring Items</u>						
Sale of Property	\$ 62,503	\$ 0	\$ 0	\$ 0	\$ 12,296	\$ 0
Damages Recovered from Individuals	6,823	0	0	0	0	58
Contributions and Gifts	2,250	0	0	4,570	0	0
Performance Bond Forfeitures	43,158	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	376,876	0	0	0	672	25,774
Total Other Local Revenues	\$ 1,541,194	\$ 235,921	\$ 0	\$ 4,570	\$ 15,694	\$ 61,507
<u>Fees Received from County Officials</u>						
<u>Fees in-Lieu-of Salary</u>						
County Clerk	\$ 706,234	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	432,050	0	0	0	0	0
General Sessions Court Clerk	952,773	0	0	0	0	0
Clerk and Master	206,625	0	0	0	0	0
Juvenile Court Clerk	73,303	0	0	0	0	0
Register	291,945	0	0	0	0	0
Sheriff	34,999	0	0	0	0	0
Trustee	1,437,275	0	0	0	0	0
Total Fees Received from County Officials	\$ 4,135,204	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 64,809	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	4,680	0	0	0	0
On-behalf Contributions for OPEB	2,963	0	0	0	0	0
Other General Government Grants	0	0	0	2,500	0	0

(Continued)

Exhibit K-6

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 (Cont.)</u>						
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	\$ 34,800	\$ 0	\$ 0	\$ 0	\$ 0	0
Drug Control Grants	84,965	0	0	0	0	0
Other Public Safety Grants	2,400	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	1,627,683	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	0	0
State Aid Program	0	0	0	0	0	0
Litter Program	38,066	11,634	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	208,377	0	0	0	0	0
Beer Tax	18,055	0	0	0	0	0
Alcoholic Beverage Tax	105,003	0	0	0	0	0
State Revenue Sharing - T.V.A.	878,158	0	0	0	0	0
Contracted Prisoner Boarding	1,142,728	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 Revenues	78,374	0	0	0	0	0
Total State of Tennessee	\$ 4,301,545	\$ 16,314	\$ 0	\$ 2,500	\$ 0	0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 55,850	\$ 0	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	114,455	0	0	0	0	0

(Continued)

Exhibit K-6

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 (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Law Enforcement Grants	\$ 21,778	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	70,451	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	37,832	0	0	0	0	0
Total Federal Government	<u>\$ 300,366</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 436,208	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	0	0
Contracted Services	15,982	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	10,650	0	0	0	0	0
<u>Other</u>						
Other	165,842	0	0	0	7,942	0
Total Other Governments and Citizens Groups	<u>\$ 628,682</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,942</u>	<u>\$ 0</u>
Total	<u>\$ 30,094,289</u>	<u>\$ 4,068,672</u>	<u>\$ 443,420</u>	<u>\$ 84,976</u>	<u>\$ 45,648</u>	<u>\$ 1,025,396</u>

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital</u>	
	<u>Constitu-</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects Fund</u>	
	<u>tional -</u>	<u>Public</u>	<u>General</u>	<u>General</u>	
	<u>Officers -</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	
	<u>Fees</u>		<u>Service</u>	<u>Projects</u>	<u>Total</u>
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 0	\$ 1,386,401	\$ 9,051,230	\$ 277,218	\$ 26,100,882
Trustee's Collections - Prior Year	0	43,421	255,939	8,691	790,460
Circuit/Clerk and Master Collections - Prior Years	0	33,503	200,215	6,057	598,399
Interest and Penalty	0	7,547	50,476	1,553	145,801
Payments in-Lieu-of Taxes - T.V.A.	0	38	248	8	717
Payments in-Lieu-of Taxes - Other	0	207	1,345	41	8,980
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	4,825,337	0	4,836,733
Hotel/Motel Tax	0	0	805,720	0	1,198,122
Litigation Tax - General	0	0	0	0	312,381
Litigation Tax - Special Purpose	0	0	0	0	1,127
Business Tax	0	0	0	0	1,092,229
Mineral Severance Tax	0	156,154	0	0	156,154
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	6,543	42,530	1,309	123,011
Wholesale Beer Tax	0	0	0	0	215,796
Interstate Telecommunications Tax	0	0	0	0	6,923
Total Local Taxes	\$ 0	\$ 1,633,814	\$ 15,233,040	\$ 294,877	\$ 35,587,715
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 248,258
<u>Permits</u>					
Building Permits	0	0	0	0	111,084
Electrical Permits	0	0	0	0	74,009

(Continued)

Exhibit K-6

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

	Special Revenue Funds (Cont.)		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>					
Plumbing Permits	\$ 0	\$ 0	\$ 0	\$ 0	7,361
Other Permits	0	0	0	0	2,725
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	443,437
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	59,415
Officers Costs	0	0	0	0	13,391
Drug Control Fines	0	0	0	0	932
Drug Court Fees	0	0	0	0	2,412
Jail Fees	0	0	0	0	33,900
Judicial Commissioner Fees	0	0	0	0	325
DUI Treatment Fines	0	0	0	0	15,831
Data Entry Fee - Circuit Court	0	0	0	0	4,932
Courtroom Security Fee	0	0	0	0	626
Victims Assistance Assessments	0	0	0	0	4,886
<u>General Sessions Court</u>					
Fines	0	0	0	0	49,527
Officers Costs	0	0	0	0	110,081
Game and Fish Fines	0	0	0	0	318
Drug Control Fines	0	0	0	0	1,822
Drug Court Fees	0	0	0	0	11,755
Jail Fees	0	0	0	0	126,438
Interpreter Fee	0	0	0	0	110
Judicial Commissioner Fees	0	0	0	0	506

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital</u>	
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects Fund</u>	
	<u>Officers -</u>	<u>Public</u>	<u>General</u>	<u>General</u>	
	<u>Fees</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	
			<u>Service</u>	<u>Projects</u>	<u>Total</u>
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
DUI Treatment Fines	\$ 0	\$ 0	\$ 0	\$ 0	12,436
Data Entry Fee - General Sessions Court	0	0	0	0	42,388
Courtroom Security Fee	0	0	0	0	5,791
Victims Assistance Assessments	0	0	0	0	6,938
<u>Juvenile Court</u>					
Fines	0	0	0	0	1,153
Officers Costs	0	0	0	0	10,750
Drug Control Fines	0	0	0	0	28
Jail Fees	0	0	0	0	11,234
Data Entry Fee - Juvenile Court	0	0	0	0	2,494
Courtroom Security Fee	0	0	0	0	213
<u>Chancery Court</u>					
Officers Costs	0	0	0	0	4,396
Data Entry Fee - Chancery Court	0	0	0	0	7,208
<u>Judicial District Drug Program</u>					
Courtroom Security Fee	0	0	0	0	384
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	22,012
Other Fines, Forfeitures, and Penalties	0	0	0	0	509
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	565,141
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 0	910,544
Solid Waste Disposal Fee	0	0	0	0	40,000

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital</u>	
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects Fund</u>	
	<u>Officers -</u>	<u>Public</u>	<u>General</u>	<u>General</u>	
	<u>Fees</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	
			<u>Service</u>	<u>Projects</u>	<u>Total</u>
<u>Charges for Current Services (Cont.)</u>					
<u>General Service Charges (Cont.)</u>					
Surcharge - Waste Tire Disposal	\$ 0	\$ 0	\$ 0	\$ 0	57,559
Patient Charges	0	0	0	0	3,797,572
Other General Service Charges	0	0	0	0	2,656
Service Charges	0	0	0	0	5,150
<u>Fees</u>					
Subdivision Lot Fees	0	0	0	0	350
Recreation Fees	0	0	0	0	79,657
Archives and Records Management Fee - County Clerk	0	0	0	0	77,906
Telephone Commissions	0	0	0	0	45,904
Constitutional Officers' Fees and Commissions	49	0	0	0	49
Data Processing Fee - Register	0	0	0	0	22,378
Data Processing Fee - Sheriff	0	0	0	0	11,816
Sexual Offender Registration Fee - Sheriff	0	0	0	0	3,280
Data Processing Fee - County Clerk	0	0	0	0	21,628
Total Charges for Current Services	\$ 49	\$ 0	\$ 0	\$ 0	5,076,449
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	246,497	\$ 0	390,493
Lease/Rentals	0	0	0	0	348,842
Sale of Materials and Supplies	0	3,351	0	502	5,730
Commissary Sales	0	0	0	0	471,804
Sale of Gasoline	0	0	0	0	94,269
Sale of Recycled Materials	0	0	0	0	235,826
Miscellaneous Refunds	0	94	0	0	27,386

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital</u>	
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects Fund</u>	
	<u>Officers -</u>	<u>Public</u>	<u>General</u>	<u>General</u>	
	<u>Fees</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	
			<u>Service</u>	<u>Projects</u>	<u>Total</u>
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items</u>					
Sale of Property	\$ 0	\$ 0	\$ 0	\$ 0	74,799
Damages Recovered from Individuals	0	0	0	0	6,881
Contributions and Gifts	0	0	0	0	6,820
Performance Bond Forfeitures	0	0	0	0	43,158
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	0	403,322
Total Other Local Revenues	\$ 0	\$ 3,445	\$ 246,497	\$ 502	\$ 2,109,330
<u>Fees Received from County Officials</u>					
<u>Fees in-Lieu-of Salary</u>					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	706,234
Circuit Court Clerk	0	0	0	0	432,050
General Sessions Court Clerk	0	0	0	0	952,773
Clerk and Master	0	0	0	0	206,625
Juvenile Court Clerk	0	0	0	0	73,303
Register	0	0	0	0	291,945
Sheriff	0	0	0	0	34,999
Trustee	0	0	0	0	1,437,275
Total Fees Received from County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,135,204
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	64,809
Solid Waste Grants	0	0	0	0	4,680
On-behalf Contributions for OPEB	0	0	0	0	2,963
Other General Government Grants	0	0	0	0	2,500

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital</u>	
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects Fund</u>	
	<u>Officers -</u>	<u>Public</u>	<u>General</u>	<u>General</u>	
	<u>Fees</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	
			<u>Service</u>	<u>Projects</u>	<u>Total</u>
<u>State of Tennessee (Cont.)</u>					
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	\$ 0	\$ 0	\$ 0	\$ 0	34,800
Drug Control Grants	0	0	0	0	84,965
Other Public Safety Grants	0	0	0	0	2,400
<u>Health and Welfare Grants</u>					
Health Department Programs	0	0	0	0	1,627,683
<u>Public Works Grants</u>					
Bridge Program	0	779,028	0	0	779,028
State Aid Program	0	185,984	0	0	185,984
Litter Program	0	0	0	0	49,700
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	208,377
Beer Tax	0	0	0	0	18,055
Alcoholic Beverage Tax	0	0	0	0	105,003
State Revenue Sharing - T.V.A.	0	0	0	0	878,158
Contracted Prisoner Boarding	0	0	0	0	1,142,728
Gasoline and Motor Fuel Tax	0	1,984,191	0	0	1,984,191
Petroleum Special Tax	0	52,183	0	0	52,183
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Revenues	0	0	0	0	78,374
Total State of Tennessee	\$ 0	\$ 3,001,386	\$ 0	\$ 0	7,321,745
<u>Federal Government</u>					
<u>Federal Through State</u>					
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	55,850
Homeland Security Grants	0	0	0	0	114,455

(Continued)

Exhibit K-6

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	<u>Constitu -</u>	<u>Highway /</u>	<u>General</u>	<u>General</u>	
	<u>Officers -</u>	<u>Public</u>	<u>Debt</u>	<u>Capital</u>	
	<u>Fees</u>	<u>Works</u>	<u>Service</u>	<u>Projects</u>	<u>Total</u>
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Law Enforcement Grants	\$ 0	\$ 0	\$ 0	\$ 0	21,778
Other Federal through State	0	0	0	0	70,451
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	0	0	0	0	37,832
Total Federal Government	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>300,366</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	436,208
Contributions	0	0	161,400	0	161,400
Contracted Services	0	0	0	0	15,982
<u>Citizens Groups</u>					
Donations	0	0	0	0	10,650
<u>Other</u>					
Other	0	135,150	0	0	308,934
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 135,150</u>	<u>\$ 161,400</u>	<u>\$ 0</u>	<u>933,174</u>
Total	<u>\$ 49</u>	<u>\$ 4,773,795</u>	<u>\$ 15,640,937</u>	<u>\$ 295,379</u>	<u>\$ 56,472,561</u>

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2015

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria	Extended School Program	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 12,861,287	\$ 0	\$ 0	\$ 0	\$ 12,861,287
Trustee's Collections - Prior Year	364,691	0	0	0	364,691
Circuit/Clerk and Master Collections - Prior Years	297,414	0	0	0	297,414
Interest and Penalty	69,826	0	0	0	69,826
Payments in-Lieu-of Taxes - T.V.A.	353	0	0	0	353
Payments in-Lieu-of Taxes - Other	1,914	0	0	0	1,914
<u>County Local Option Taxes</u>					
Local Option Sales Tax	16,582,010	0	0	0	16,582,010
Mixed Drink Tax	183,047	0	0	0	183,047
<u>Statutory Local Taxes</u>					
Bank Excise Tax	60,523	0	0	0	60,523
Interstate Telecommunications Tax	3,316	0	0	0	3,316
Total Local Taxes	\$ 30,424,381	\$ 0	\$ 0	\$ 0	\$ 30,424,381
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 5,443	\$ 0	\$ 0	\$ 0	\$ 5,443
Total Licenses and Permits	\$ 5,443	\$ 0	\$ 0	\$ 0	\$ 5,443
<u>Charges for Current Services</u>					
<u>Fees</u>					
Vending Machine Collections	\$ 20	\$ 0	\$ 0	\$ 0	\$ 20
<u>Education Charges</u>					
Lunch Payments - Children	0	0	460,252	0	460,252

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria	Extended School Program	
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Lunch Payments - Adults	\$ 0	\$ 0	\$ 23,131	\$ 0	\$ 23,131
Income from Breakfast	0	0	153,333	0	153,333
A la carte Sales	0	0	103,845	0	103,845
Transportation - Other State Systems	8,037	0	0	0	8,037
Transportation from Individuals	100,126	0	0	0	100,126
Contract for Instructional Services with Other LEAs	33,000	0	0	0	33,000
Receipts from Individual Schools	134,780	0	0	0	134,780
Community Service Fees - Children	0	0	0	926,963	926,963
TBI Criminal Background Fee	13,554	0	0	0	13,554
Total Charges for Current Services	\$ 289,517	\$ 0	\$ 740,561	\$ 926,963	\$ 1,957,041
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 4,489	\$ 0	\$ 4,489
Sale of Materials and Supplies	5,190	0	0	0	5,190
Miscellaneous Refunds	0	0	35,311	0	35,311
<u>Nonrecurring Items</u>					
Sale of Equipment	2,114	0	4,097	0	6,211
Damages Recovered from Individuals	3,747	0	0	0	3,747
<u>Other Local Revenues</u>					
Other Local Revenues	365	0	0	0	365
Total Other Local Revenues	\$ 11,416	\$ 0	\$ 43,897	\$ 0	\$ 55,313

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria	Extended School Program	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 306,796	\$ 0	\$ 0	\$ 0	\$ 306,796
<u>State Education Funds</u>					
Basic Education Program	43,004,000	0	0	0	43,004,000
Early Childhood Education	1,638,709	0	0	0	1,638,709
School Food Service	0	0	52,329	0	52,329
Driver Education	1,786	0	0	0	1,786
Other State Education Funds	742,559	0	0	0	742,559
Career Ladder Program	302,492	0	0	0	302,492
Career Ladder - Extended Contract	77,845	0	0	0	77,845
Total State of Tennessee	\$ 46,074,187	\$ 0	\$ 52,329	\$ 0	\$ 46,126,516
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 3,168,580	\$ 0	\$ 3,168,580
USDA - Commodities	0	0	178,641	0	178,641
Breakfast	0	0	1,155,363	0	1,155,363
USDA - Other	0	0	144,558	0	144,558
Adult Education State Grant Program	186,670	0	0	0	186,670
Vocational Education - Basic Grants to States	0	184,925	0	0	184,925
Other Vocational	12,622	494,287	0	0	506,909
Title I Grants to Local Education Agencies	0	2,499,374	0	0	2,499,374
Special Education - Grants to States	134,073	2,404,182	0	0	2,538,255
Special Education Preschool Grants	6,092	30,409	0	0	36,501
English Language Acquisition Grants	0	91,559	0	0	91,559

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria	Extended School Program	
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Eisenhower Professional Development State Grants	\$ 0	\$ 279,075	\$ 0	\$ 0	\$ 279,075
Job Training Partnership Act	22,000	0	0	0	22,000
Race to the Top - ARRA	0	1,990,416	0	0	1,990,416
Other Federal through State	0	1,876,670	12,500	0	1,889,170
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	95,427	0	0	0	95,427
Total Federal Government	\$ 456,884	\$ 9,850,897	\$ 4,659,642	\$ 0	\$ 14,967,423
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 957,596	\$ 0	\$ 0	\$ 0	\$ 957,596
<u>Citizens Groups</u>					
Donations	13,315	0	0	0	13,315
<u>Other</u>					
Other	50,741	0	0	0	50,741
Total Other Governments and Citizens Groups	\$ 1,021,652	\$ 0	\$ 0	\$ 0	\$ 1,021,652
Total	\$ 78,283,480	\$ 9,850,897	\$ 5,496,429	\$ 926,963	\$ 94,557,769

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2015

General Fund

General Government

County Commission

Board and Committee Members Fees	\$ 119,250	
Social Security	9,123	
Audit Services	21,696	
Dues and Memberships	3,262	
Printing, Stationery, and Forms	332	
Other Charges	2,736	
Total County Commission		\$ 156,399

Beer Board

Board and Committee Members Fees	\$ 1,577	
Social Security	83	
Medical Insurance	29	
Total Beer Board		1,689

County Mayor/Executive

County Official/Administrative Officer	\$ 92,896	
Temporary Personnel	2,658	
Longevity Pay	6,800	
Other Salaries and Wages	173,336	
Social Security	20,170	
Pensions	27,593	
Employee and Dependent Insurance	429	
Life Insurance	186	
Medical Insurance	34,864	
Dental Insurance	582	
Unemployment Compensation	493	
Communication	4,848	
Data Processing Services	8,755	
Dues and Memberships	1,850	
Maintenance and Repair Services - Equipment	3,151	
Travel	1,385	
Office Supplies	13,450	
Premiums on Corporate Surety Bonds	1,190	
Workers' Compensation Insurance	2,481	
Other Charges	1,353	
Office Equipment	865	
Total County Mayor/Executive		399,335

County Attorney

County Official/Administrative Officer	\$ 163,484	
Legal Services	2,752	
Other Charges	249	
Total County Attorney		166,485

Election Commission

County Official/Administrative Officer	\$ 71,405	
Part-time Personnel	21,696	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Longevity Pay	\$	2,100	
Overtime Pay		5,676	
Other Salaries and Wages		94,483	
Election Commission		7,200	
Election Workers		94,068	
Social Security		18,496	
Pensions		16,883	
Life Insurance		149	
Medical Insurance		23,834	
Dental Insurance		119	
Unemployment Compensation		826	
Communication		1,171	
Data Processing Services		10,120	
Dues and Memberships		269	
Legal Notices, Recording, and Court Costs		11,074	
Maintenance and Repair Services - Equipment		230	
Printing, Stationery, and Forms		4,260	
Travel		5,839	
Other Contracted Services		20,485	
Office Supplies		14,101	
Liability Insurance		4,924	
Workers' Compensation Insurance		1,985	
Office Equipment		2,721	
Total Election Commission			\$ 434,114

Register of Deeds

County Official/Administrative Officer	\$	79,338	
Longevity Pay		1,800	
Other Salaries and Wages		80,599	
Social Security		11,345	
Pensions		16,255	
Life Insurance		186	
Medical Insurance		29,508	
Dental Insurance		80	
Unemployment Compensation		216	
Communication		1,519	
Dues and Memberships		681	
Maintenance Agreements		15,216	
Travel		544	
Data Processing Supplies		6,158	
Office Supplies		4,141	
Premiums on Corporate Surety Bonds		100	
Workers' Compensation Insurance		2,481	
Total Register of Deeds			250,167

Codes Compliance

Assistant(s)	\$	34,050	
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(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

Supervisor/Director	\$	44,100	
Longevity Pay		1,200	
Other Salaries and Wages		408	
In-service Training		850	
Social Security		3,752	
Pensions		5,780	
Life Insurance		112	
Medical Insurance		14,462	
Unemployment Compensation		147	
Communication		2,713	
Printing, Stationery, and Forms		729	
Other Contracted Services		58,230	
Gasoline		2,520	
Office Supplies		2,505	
Periodicals		1,614	
Uniforms		350	
Workers' Compensation Insurance		1,489	
Office Equipment		248	
Total Codes Compliance			\$ 175,259

Geographical Information Systems

In-service Training	\$	125	
Maintenance Agreements		3,000	
Travel		162	
Other Contracted Services		809	
Office Supplies		2,227	
Other Equipment		6,083	
Total Geographical Information Systems			12,406

County Buildings

Supervisor/Director	\$	57,100	
Secretary(ies)		31,650	
Custodial Personnel		107,299	
Part-time Personnel		26,896	
Longevity Pay		23,472	
Overtime Pay		6,986	
Other Salaries and Wages		598,714	
In-service Training		484	
Social Security		59,568	
Pensions		81,732	
Life Insurance		868	
Medical Insurance		190,526	
Dental Insurance		2,246	
Unemployment Compensation		2,089	
Communication		9,673	
Maintenance Agreements		94,762	
Maintenance and Repair Services - Buildings		359,505	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Maintenance and Repair Services - Vehicles	\$	232,972	
Rentals		2,758	
Custodial Supplies		26,544	
Gasoline		33,231	
Office Supplies		3,629	
Small Tools		3,579	
Uniforms		10,326	
Utilities		675,490	
Workers' Compensation Insurance		10,714	
Other Charges		3,480	
Other Equipment		7,518	
Other Capital Outlay		488,331	
Total County Buildings			\$ 3,152,142

Other Facilities

Computer Programmer(s)	\$	123,354	
Longevity Pay		3,300	
Overtime Pay		17,143	
In-service Training		3,996	
Social Security		10,088	
Pensions		12,729	
Life Insurance		112	
Medical Insurance		21,183	
Dental Insurance		274	
Unemployment Compensation		242	
Communication		4,411	
Maintenance and Repair Services - Office Equipment		61,868	
Office Supplies		1,188	
Small Tools		785	
Workers' Compensation Insurance		1,489	
Other Charges		713	
Data Processing Equipment		244,173	
Other Equipment		568	
Total Other Facilities			507,616

Other General Administration

On-behalf Payments to OPEB	\$	2,963	
Total Other General Administration			2,963

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	79,338	
Part-time Personnel		9,630	
Longevity Pay		6,600	
Other Salaries and Wages		222,764	
In-service Training		449	
Social Security		22,715	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Pensions	\$	31,369	
Life Insurance		335	
Medical Insurance		51,884	
Dental Insurance		989	
Unemployment Compensation		786	
Audit Services		21,050	
Communication		6,515	
Data Processing Services		12,969	
Dues and Memberships		1,850	
Maintenance and Repair Services - Equipment		2,119	
Gasoline		2,265	
Office Supplies		3,881	
Premiums on Corporate Surety Bonds		298	
Workers' Compensation Insurance		4,467	
Office Equipment		24,460	
Total Property Assessor's Office			\$ 506,733

County Trustee's Office

County Official/Administrative Officer	\$	79,338	
Longevity Pay		13,300	
Other Salaries and Wages		204,390	
Social Security		21,808	
Pensions		25,424	
Life Insurance		260	
Medical Insurance		38,754	
Dental Insurance		586	
Unemployment Compensation		432	
Communication		2,416	
Data Processing Services		14,906	
Dues and Memberships		716	
Legal Notices, Recording, and Court Costs		175	
Travel		929	
Office Supplies		26,760	
Premiums on Corporate Surety Bonds		22,549	
Workers' Compensation Insurance		3,474	
Office Equipment		2,937	
Total County Trustee's Office			459,154

County Clerk's Office

County Official/Administrative Officer	\$	79,338	
Part-time Personnel		5,334	
Longevity Pay		13,500	
Overtime Pay		172	
Other Salaries and Wages		464,543	
Social Security		39,931	
Pensions		56,066	
Life Insurance		794	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Medical Insurance	\$	119,361	
Dental Insurance		885	
Unemployment Compensation		1,518	
Communication		5,471	
Data Processing Services		2,855	
Dues and Memberships		746	
Maintenance Agreements		15,427	
Travel		899	
Office Supplies		29,611	
Premiums on Corporate Surety Bonds		232	
Workers' Compensation Insurance		10,587	
Other Charges		500	
Office Equipment		41,030	
Total County Clerk's Office			\$ 888,800

Other Finance

Longevity Pay	\$	700	
Overtime Pay		1,132	
Other Salaries and Wages		72,352	
Social Security		4,930	
Pensions		7,342	
Life Insurance		74	
Medical Insurance		22,730	
Unemployment Compensation		181	
Communication		337	
Data Processing Services		10,485	
Office Supplies		2,863	
Workers' Compensation Insurance		993	
Office Equipment		968	
Total Other Finance			125,087

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	79,338	
Part-time Personnel		20,608	
Longevity Pay		28,600	
Other Salaries and Wages		776,369	
Jury and Witness Expense		18,473	
Other Per Diem and Fees		28,100	
Social Security		65,541	
Pensions		80,554	
Life Insurance		744	
Medical Insurance		162,023	
Dental Insurance		2,104	
Unemployment Compensation		2,270	
Communication		3,704	
Data Processing Services		3,588	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Dues and Memberships	\$	766	
Maintenance Agreements		11,961	
Travel		584	
Data Processing Supplies		2,904	
Office Supplies		45,454	
Premiums on Corporate Surety Bonds		634	
Workers' Compensation Insurance		7,926	
Data Processing Equipment		1,609	
Total Circuit Court			\$ 1,343,854

General Sessions Court

Judge(s)	\$	317,572	
Longevity Pay		2,100	
Other Salaries and Wages		57,100	
Social Security		25,882	
Pensions		37,866	
Life Insurance		112	
Medical Insurance		14,733	
Dental Insurance		295	
Unemployment Compensation		66	
Communication		2	
Data Processing Services		1,175	
Dues and Memberships		500	
Travel		2,756	
Office Supplies		2,317	
Workers' Compensation Insurance		1,489	
Total General Sessions Court			463,965

Drug Court

Supervisor/Director	\$	50,500	
Social Security		3,753	
Pensions		5,101	
Life Insurance		37	
Medical Insurance		5,913	
Unemployment Compensation		72	
Communication		4,680	
Rentals		4,884	
Travel		4,905	
Other Contracted Services		23,594	
Gasoline		5,225	
Office Supplies		5,139	
Workers' Compensation Insurance		497	
Other Charges		2,792	
Total Drug Court			117,092

Chancery Court

County Official/Administrative Officer	\$	79,338	
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(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Longevity Pay	\$	3,300	
Other Salaries and Wages		162,670	
Other Per Diem and Fees		12,700	
Social Security		18,083	
Pensions		24,653	
Life Insurance		223	
Medical Insurance		41,081	
Dental Insurance		704	
Unemployment Compensation		463	
Communication		1,101	
Data Processing Services		7,575	
Dues and Memberships		766	
Legal Notices, Recording, and Court Costs		2,274	
Maintenance Agreements		1,205	
Maintenance and Repair Services - Equipment		1,558	
Data Processing Supplies		2,825	
Office Supplies		9,673	
Premiums on Corporate Surety Bonds		350	
Workers' Compensation Insurance		2,978	
Office Equipment		1,718	
Total Chancery Court			\$ 375,238

Juvenile Court

Probation Officer(s)	\$	29,100	
Youth Service Officer(s)		112,500	
Part-time Personnel		9,224	
Longevity Pay		4,968	
Overtime Pay		1,128	
Other Salaries and Wages		27,776	
In-service Training		2,453	
Social Security		13,089	
Pensions		18,525	
Life Insurance		186	
Medical Insurance		35,810	
Dental Insurance		80	
Unemployment Compensation		449	
Communication		7,197	
Data Processing Services		11,976	
Dues and Memberships		140	
Travel		1,666	
Other Contracted Services		17,225	
Office Supplies		2,350	
Workers' Compensation Insurance		2,481	
Office Equipment		1,888	
Total Juvenile Court			300,211

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

District Attorney General

Supervisor/Director	\$	41,100	
Social Security		3,672	
Pensions		4,131	
Medical Insurance		8,767	
Dental Insurance		240	
Unemployment Compensation		222	
Communication		808	
Rentals		3,000	
Travel		2,747	
Office Supplies		768	
Other Supplies and Materials		2,389	
Workers' Compensation Insurance		496	
Office Equipment		3,242	
Total District Attorney General			\$ 71,582

Judicial Commissioners

Part-time Personnel	\$	8,680	
Longevity Pay		1,400	
Other Salaries and Wages		57,162	
In-service Training		1,005	
Social Security		5,121	
Pensions		3,438	
Life Insurance		74	
Medical Insurance		5,889	
Unemployment Compensation		318	
Workers' Compensation Insurance		993	
Other Charges		568	
Total Judicial Commissioners			84,648

Other Administration of Justice

Probation Officer(s)	\$	15,600	
Social Security		1,193	
Life Insurance		37	
Unemployment Compensation		74	
Travel		587	
Other Contracted Services		525	
Office Supplies		736	
Workers' Compensation Insurance		496	
Total Other Administration of Justice			19,248

Courtroom Security

Communication Equipment	\$	7,175	
Total Courtroom Security			7,175

Victim Assistance Programs

Other Contracted Services	\$	14,832	
Total Victim Assistance Programs			14,832

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	87,272	
Deputy(ies)		2,321,069	
Investigator(s)		348,248	
Salary Supplements		36,818	
Dispatchers/Radio Operators		281,654	
Secretary(ies)		174,079	
Longevity Pay		70,679	
Overtime Pay		83,221	
Other Salaries and Wages		125,137	
In-service Training		56,759	
Other Per Diem and Fees		75,000	
Social Security		261,594	
Pensions		417,586	
Life Insurance		2,094	
Medical Insurance		512,451	
Dental Insurance		3,271	
Unemployment Compensation		7,944	
Communication		61,801	
Contributions		6,204	
Data Processing Services		5,386	
Maintenance Agreements		10,405	
Maintenance and Repair Services - Equipment		1,818	
Transportation - Other than Students		4,839	
Travel		3,009	
Animal Food and Supplies		7,352	
Gasoline		227,999	
Instructional Supplies and Materials		1,830	
Uniforms		101,210	
Other Supplies and Materials		17,988	
Premiums on Corporate Surety Bonds		2,600	
Workers' Compensation Insurance		27,250	
Communication Equipment		39,775	
Law Enforcement Equipment		22,728	
Motor Vehicles		393,296	
Traffic Control Equipment		5,277	
Other Equipment		40,909	
Total Sheriff's Department			\$ 5,846,552

Jail

Guards	\$	1,268,746
Cafeteria Personnel		75,098
Part-time Personnel		35,160
Longevity Pay		15,300
Overtime Pay		29,374
Other Per Diem and Fees		47,980
Social Security		107,879
Pensions		141,621

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Life Insurance	\$	1,500	
Medical Insurance		246,902	
Dental Insurance		1,088	
Unemployment Compensation		3,965	
Contracts with Government Agencies		131,013	
Maintenance and Repair Services - Equipment		395	
Medical and Dental Services		506,287	
Custodial Supplies		38,538	
Food Supplies		351,018	
Office Supplies		20,713	
Fencing		20,510	
Other Supplies and Materials		13,876	
Workers' Compensation Insurance		23,016	
Other Charges		31,758	
Data Processing Equipment		6,833	
Office Equipment		2,959	
Other Equipment		34,507	
Other Capital Outlay		31,200	
Total Jail			\$ 3,187,236

Workhouse

Supervisor/Director	\$	1,200	
Guards		30,500	
Social Security		2,086	
Pensions		3,193	
Life Insurance		37	
Medical Insurance		8,386	
Dental Insurance		89	
Unemployment Compensation		74	
Maintenance and Repair Services - Equipment		215	
Uniforms		1,183	
Workers' Compensation Insurance		496	
Other Charges		2,978	
Total Workhouse			50,437

Juvenile Services

Supervisor/Director	\$	56,886	
Guards		337,556	
Secretary(ies)		35,967	
Longevity Pay		10,600	
Overtime Pay		6,441	
In-service Training		4,331	
Other Per Diem and Fees		13,692	
Social Security		32,795	
Pensions		46,486	
Life Insurance		570	
Medical Insurance		79,562	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Dental Insurance	\$	248	
Unemployment Compensation		970	
Communication		2,958	
Laundry Service		24	
Medical and Dental Services		897	
Travel		588	
Food Supplies		4,057	
Gasoline		360	
Office Supplies		6,547	
Uniforms		1,785	
Workers' Compensation Insurance		7,610	
Other Charges		9,967	
Office Equipment		3,045	
Total Juvenile Services			\$ 663,942

Commissary

Food Supplies	\$	70,980	
Other Supplies and Materials		119,599	
Other Equipment		113	
Total Commissary			190,692

Fire Prevention and Control

Supervisor/Director	\$	41,284	
Salary Supplements		2,400	
Part-time Personnel		76,829	
Overtime Pay		13,991	
Other Salaries and Wages		216,063	
In-service Training		17,706	
Social Security		23,522	
Pensions		35,303	
Life Insurance		186	
Medical Insurance		36,562	
Dental Insurance		321	
Unemployment Compensation		1,343	
Communication		5,472	
Maintenance and Repair Services - Equipment		471	
Gasoline		31,663	
Office Supplies		858	
Uniforms		12,472	
Workers' Compensation Insurance		2,481	
Other Charges		1,458	
Building Construction		27,856	
Communication Equipment		6,994	
Law Enforcement Equipment		15,000	
Motor Vehicles		12,459	
Other Equipment		92,826	
Total Fire Prevention and Control			675,520

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense

Supervisor/Director	\$	58,500	
Longevity Pay		4,700	
Other Salaries and Wages		55,500	
In-service Training		2,965	
Other Per Diem and Fees		60,000	
Social Security		11,690	
Pensions		14,648	
Medical Insurance		17,379	
Dental Insurance		572	
Unemployment Compensation		237	
Communication		5,053	
Dues and Memberships		110	
Maintenance and Repair Services - Equipment		4,984	
Travel		10	
Other Contracted Services		4,127	
Gasoline		11,870	
Instructional Supplies and Materials		203	
Office Supplies		768	
Uniforms		154	
Other Charges		523	
Office Equipment		300	
Other Equipment		30,625	
Total Civil Defense			\$ 284,918

Disaster Relief

Other Contracted Services	\$	1,172,028	
Other Supplies and Materials		6,049	
Total Disaster Relief			1,178,077

Other Emergency Management

Communication Equipment	\$	86,580	
Other Equipment		27,875	
Total Other Emergency Management			114,455

County Coroner/Medical Examiner

Other Per Diem and Fees	\$	8,550	
Social Security		632	
Pensions		493	
Medical Insurance		558	
Unemployment Compensation		9	
Other Contracted Services		74,640	
Premiums on Corporate Surety Bonds		700	
Other Charges		2,788	
Total County Coroner/Medical Examiner			88,370

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Other Salaries and Wages	\$	38,987	
Social Security		3,875	
Pensions		5,134	
Life Insurance		37	
Medical Insurance		5,790	
Dental Insurance		1,376	
Unemployment Compensation		236	
Communication		21,041	
Contracts with Government Agencies		98,230	
Contributions		46,657	
Travel		123	
Other Contracted Services		9,528	
Custodial Supplies		10,412	
Drugs and Medical Supplies		14,104	
Office Supplies		13,602	
Other Supplies and Materials		1,379	
Workers' Compensation Insurance		496	
Other Charges		9,836	
Building Improvements		32,161	
Total Local Health Center			\$ 313,004

Ambulance/Emergency Medical Services

Supervisor/Director	\$	64,500
Deputy(ies)		52,679
Accountants/Bookkeepers		38,729
Paraprofessionals		2,005,310
Dispatchers/Radio Operators		270,500
Secretary(ies)		49,559
Part-time Personnel		291,300
Longevity Pay		62,900
Overtime Pay		162,481
In-service Training		25,008
Social Security		221,445
Pensions		276,530
Life Insurance		1,538
Medical Insurance		425,614
Dental Insurance		3,159
Unemployment Compensation		6,366
Communication		11,741
Data Processing Services		13,339
Maintenance and Repair Services - Equipment		7,774
Medical and Dental Services		9,500
Travel		794
Permits		5,020
Drugs and Medical Supplies		142,394
Gasoline		127,284
Office Supplies		15,298

(Continued)

Exhibit K-8

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.)

Uniforms	\$ 29,737	
Other Supplies and Materials	7,790	
Workers' Compensation Insurance	22,152	
Other Charges	1,030	
Communication Equipment	6,239	
Furniture and Fixtures	4,708	
Motor Vehicles	304,760	
Office Equipment	1,926	
Other Equipment	41,392	
Total Ambulance/Emergency Medical Services		\$ 4,710,496

Other Local Health Services

Supervisor/Director	\$ 600	
Social Security	24	
Pensions	35	
Life Insurance	37	
Medical Insurance	57	
Other Contracted Services	6,923	
Drugs and Medical Supplies	23,333	
Other Supplies and Materials	8,861	
Workers' Compensation Insurance	496	
Total Other Local Health Services		40,366

Regional Mental Health Center

Contributions	\$ 5,000	
Total Regional Mental Health Center		5,000

General Welfare Assistance

Contributions	\$ 10,670	
Total General Welfare Assistance		10,670

Other Public Health and Welfare

Longevity Pay	\$ 9,400	
Other Salaries and Wages	1,221,035	
Social Security	88,756	
Pensions	89,318	
Employee and Dependent Insurance	286	
Life Insurance	794	
Medical Insurance	175,696	
Dental Insurance	102	
Unemployment Compensation	2,668	
Travel	14,524	
Drugs and Medical Supplies	236	
Office Supplies	19,333	
Workers' Compensation Insurance	10,587	
Total Other Public Health and Welfare		1,632,735

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$ 84,170	
Total Senior Citizens Assistance		\$ 84,170

Libraries

Contributions	\$ 437,145	
Other Capital Outlay	9,512	
Total Libraries		446,657

Parks and Fair Boards

Salary Supplements	\$ 4,334	
Social Security	281	
Pensions	369	
Total Parks and Fair Boards		4,984

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	\$ 94,075	
Longevity Pay	900	
Other Salaries and Wages	27,250	
In-service Training	2,000	
Social Security	2,064	
Pensions	2,829	
Life Insurance	37	
Dental Insurance	992	
Unemployment Compensation	72	
Other Fringe Benefits	30,401	
Communication	3,312	
Travel	3,102	
Workers' Compensation Insurance	496	
Other Charges	1,000	
Total Agricultural Extension Service		168,530

Forest Service

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

Soil Conservation

Secretary(ies)	\$ 26,650	
Other Salaries and Wages	32,252	
Social Security	4,205	
Pensions	5,920	
Life Insurance	37	
Medical Insurance	8,767	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

Dental Insurance	\$	82	
Unemployment Compensation		144	
Workers' Compensation Insurance		496	
Total Soil Conservation			\$ 78,553

Other Operations

Tourism

Contributions	\$	223,500	
Total Tourism			223,500

Airport

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

Veterans' Services

Supervisor/Director	\$	37,347	
Longevity Pay		700	
Social Security		2,859	
Pensions		3,781	
Life Insurance		37	
Unemployment Compensation		113	
Communication		2,268	
Maintenance Agreements		399	
Travel		1,300	
Office Supplies		684	
Workers' Compensation Insurance		496	
Office Equipment		395	
Total Veterans' Services			50,379

Contributions to Other Agencies

Contracts with Government Agencies	\$	15,175	
Contributions		265,813	
Gasoline		84,095	
Total Contributions to Other Agencies			365,083

Employee Benefits

Pensions	\$	65,682	
Life Insurance		52	
Total Employee Benefits			65,734

Miscellaneous

Dues and Memberships	\$	9,746	
Legal Notices, Recording, and Court Costs		2,489	
Other Contracted Services		3,872	
Library Books/Media		20,000	
Building and Contents Insurance		40,179	
Excess Risk Insurance		66,693	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Liability Insurance	\$ 112,150	
Refunds	4,375	
Trustee's Commission	359,704	
Tax Relief Program	101,526	
Other Charges	50,021	
Interest on Notes	11,667	
Disabilities Act Improvements	4,000	
Total Miscellaneous		<u>\$ 786,422</u>

Total General Fund \$ 31,344,176

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$ 55,300	
Attendants	234,074	
Part-time Personnel	9,138	
Overtime Pay	29,997	
Other Salaries and Wages	471,071	
Other Fringe Benefits	222,728	
Communication	18,459	
Engineering Services	11,138	
Legal Services	6,551	
Maintenance and Repair Services - Buildings	23,858	
Maintenance and Repair Services - Equipment	81,637	
Maintenance and Repair Services - Vehicles	91,039	
Travel	2,121	
Disposal Fees	1,534,278	
Permits	150	
Other Contracted Services	99,644	
Crushed Stone	54,069	
Gasoline	92,609	
Office Supplies	3,724	
Uniforms	6,208	
Utilities	50,256	
Other Charges	16,152	
Building Improvements	28,138	
Office Equipment	2,071	
Solid Waste Equipment	224,885	
Other Construction	30,360	
Total Sanitation Management		<u>\$ 3,399,655</u>

Landfill Operation and Maintenance

Engineering Services	\$ 21,390	
Other Charges	1,763	
Other Construction	70,571	
Total Landfill Operation and Maintenance		<u>93,724</u>

(Continued)

Exhibit K-8

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

<u>Solid Waste/Sanitation Fund (Cont.)</u>			
<u>Public Health and Welfare (Cont.)</u>			
<u>Other Waste Disposal</u>			
Engineering Services	\$	14,754	
Contracts for Landfill Facilities		39,404	
Other Contracted Services		255,933	
Wood Products		13,450	
Other Construction		192,889	
Total Other Waste Disposal			\$ 516,430
 <u>Postclosure Care Costs</u>			
Engineering Services	\$	20,669	
Other Contracted Services		50,682	
Other Construction		67,289	
Total Postclosure Care Costs			138,640
 <u>Other Operations</u>			
<u>Miscellaneous</u>			
Trustee's Commission	\$	65,155	
Total Miscellaneous			<u>65,155</u>
Total Solid Waste/Sanitation Fund			\$ 4,213,604
 <u>Industrial/Economic Development Fund</u>			
<u>General Government</u>			
<u>Development</u>			
Engineering Services	\$	2,000	
Other Contracted Services		8,100	
Total Development			\$ 10,100
 <u>Other Operations</u>			
<u>Industrial Development</u>			
Contributions	\$	145,995	
Trustee's Commission		8,873	
Total Industrial Development			<u>154,868</u>
Total Industrial/Economic Development Fund			164,968
 <u>Special Purpose Fund</u>			
<u>General Government</u>			
<u>Preservation of Records</u>			
Supervisor/Director	\$	29,850	
Part-time Personnel		5,338	
Other Fringe Benefits		13,200	
Communication		1,892	
Other Supplies and Materials		16,665	
Trustee's Commission		771	
Total Preservation of Records			<u>\$ 67,716</u>
Total Special Purpose Fund			67,716

(Continued)

Exhibit K-8

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

Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	4,286	
Confidential Drug Enforcement Payments		27,000	
Rentals		2,575	
Animal Food and Supplies		929	
Other Supplies and Materials		3,693	
Law Enforcement Equipment		11,133	
Motor Vehicles		22,050	
Total Drug Enforcement			\$ 71,666

Other Operations

Miscellaneous

Trustee's Commission	\$	242	
Total Miscellaneous			242

Total Drug Control Fund \$ 71,908

Sports and Recreation Fund

Social, Cultural, and Recreational Services

Parks and Fair Boards

Supervisor/Director	\$	50,100	
Secretary(ies)		26,663	
Temporary Personnel		51,265	
Part-time Personnel		14,037	
Other Salaries and Wages		289,248	
Other Fringe Benefits		157,000	
Communication		7,847	
Maintenance and Repair Services - Buildings		36,544	
Maintenance and Repair Services - Equipment		1,950	
Maintenance and Repair Services - Vehicles		4,420	
Permits		1,020	
Custodial Supplies		5,914	
Food Supplies		455	
Gasoline		17,028	
Office Supplies		1,925	
Small Tools		926	
Utilities		133,782	
Chemicals		5,757	
Other Supplies and Materials		8,903	
Refunds		3,195	
Trustee's Commission		17,768	
Workers' Compensation Insurance		8,771	
Other Charges		11,491	
Other Equipment		2,664	
Other Capital Outlay		300,472	
Total Parks and Fair Boards			\$ 1,159,145

(Continued)

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

Sports and Recreation Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational

Foremen	\$	33,650	
Other Fringe Benefits		7,558	
Communication		1,417	
Maintenance and Repair Services - Buildings		10,993	
Maintenance and Repair Services - Vehicles		1,645	
Small Tools		1,000	
Utilities		13,764	
Chemicals		9,190	
Other Supplies and Materials		19,865	
Other Charges		109	
Other Capital Outlay		18,920	
Total Other Social, Cultural, and Recreational			\$ 118,111

Total Sports and Recreation Fund \$ 1,277,256

Constitutional Officers - Fees Fund

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$	49	
Total Sheriff's Department			\$ 49

Total Constitutional Officers - Fees Fund 49

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	87,272	
Assistant(s)		49,896	
Accountants/Bookkeepers		43,197	
Longevity Pay		5,700	
Other Salaries and Wages		34,050	
Social Security		13,404	
Employee and Dependent Insurance		18,550	
Life Insurance		130	
Dental Insurance		1,175	
Unemployment Compensation		270	
Local Retirement		22,120	
Employer Medicare		3,135	
Data Processing Services		5,589	
Dues and Memberships		4,944	
Legal Services		1,428	
Legal Notices, Recording, and Court Costs		41	
Postal Charges		445	
Printing, Stationery, and Forms		500	
Travel		284	
Data Processing Supplies		796	
Drugs and Medical Supplies		153	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Office Supplies	\$	500	
Workers' Compensation Insurance		10,148	
Other Charges		991	
Communication Equipment		1,674	
Data Processing Equipment		499	
Total Administration			\$ 306,891

Highway and Bridge Maintenance

Foremen	\$	42,500	
Equipment Operators		601,264	
Truck Drivers		226,313	
Laborers		70,548	
Longevity Pay		31,700	
Overtime Pay		27,928	
Other Salaries and Wages		40,250	
Social Security		59,318	
Employee and Dependent Insurance		220,789	
Life Insurance		1,082	
Dental Insurance		2,271	
Unemployment Compensation		2,755	
Local Retirement		101,559	
Employer Medicare		13,873	
Other Contracted Services		766,454	
Asphalt - Hot Mix		32,202	
Asphalt - Liquid		261,827	
Crushed Stone		80,541	
Electricity		180	
Pipe - Metal		24,565	
Road Signs		9,981	
Salt		45,634	
Small Tools		1,951	
Wood Products		1,000	
Other Supplies and Materials		3,945	
Workers' Compensation Insurance		78,618	
Other Charges		889	
Total Highway and Bridge Maintenance			2,749,937

Operation and Maintenance of Equipment

Mechanic(s)	\$	64,300	
Longevity Pay		500	
Overtime Pay		133	
Social Security		3,975	
Employee and Dependent Insurance		11,829	
Life Insurance		69	
Unemployment Compensation		180	
Local Retirement		6,714	
Employer Medicare		930	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Laundry Service	\$	2,369	
Licenses		39	
Maintenance and Repair Services - Equipment		10,860	
Diesel Fuel		83,368	
Equipment and Machinery Parts		53,188	
Garage Supplies		6,885	
Gasoline		36,683	
Lubricants		8,606	
Small Tools		1,820	
Tires and Tubes		19,505	
Other Supplies and Materials		1,988	
Workers' Compensation Insurance		5,100	
Other Charges		<u>2,483</u>	
Total Operation and Maintenance of Equipment			\$ 321,524

Other Charges

Communication	\$	4,952	
Evaluation and Testing		1,078	
Electricity		6,741	
Natural Gas		4,611	
Water and Sewer		183	
Building and Contents Insurance		1,101	
Excess Risk Insurance		38,567	
Liability Insurance		96,810	
Premiums on Corporate Surety Bonds		350	
Trustee's Commission		51,410	
Other Charges		<u>8,410</u>	
Total Other Charges			214,213

Capital Outlay

Engineering Services	\$	5,767	
Bridge Construction		919,864	
Highway Equipment		106,828	
State Aid Projects		<u>177,667</u>	
Total Capital Outlay			<u>1,210,126</u>

Total Highway/Public Works Fund \$ 4,802,691

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	<u>200,000</u>	
Total General Government			\$ 200,000

Education

Principal on Bonds	\$	5,985,000	
Principal on Capital Leases		<u>161,400</u>	
Total Education			6,146,400

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Bonds	<u>\$ 901,638</u>	
Total General Government		\$ 901,638

Education

Interest on Bonds	<u>\$ 5,925,725</u>	
Total Education		5,925,725

Other Debt Service

General Government

Other Debt Service	<u>\$ 850</u>	
Total General Government		850

Education

Trustee's Commission	\$ 249,334	
Other Debt Service	<u>1,974</u>	
Total Education		<u>251,308</u>

Total General Debt Service Fund		\$ 13,425,921
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General Capital Projects Fund

Other Operations

Miscellaneous

Trustee's Commission	<u>\$ 5,940</u>	
Total Miscellaneous		<u>\$ 5,940</u>

Total General Capital Projects Fund		5,940
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Other Capital Projects Fund

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	<u>\$ 957,596</u>	
Total Capital Projects Donated to School Department		<u>\$ 957,596</u>

Total Other Capital Projects Fund		<u>957,596</u>
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Total Governmental Funds - Primary Government		<u>\$ 56,331,825</u>
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Exhibit K-9

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2015

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 24,813,325	
Career Ladder Program	171,221	
Career Ladder Extended Contracts	103,387	
Homebound Teachers	23,993	
Salary Supplements	394,819	
Educational Assistants	1,161,322	
Certified Substitute Teachers	201,240	
Non-certified Substitute Teachers	214,013	
Social Security	1,588,100	
Pensions	2,401,806	
Life Insurance	13,496	
Medical Insurance	5,270,556	
Dental Insurance	76,316	
Unemployment Compensation	30,709	
Employer Medicare	371,752	
Maintenance and Repair Services - Equipment	27,188	
Other Contracted Services	41,465	
Instructional Supplies and Materials	376,024	
Textbooks	619,037	
Fee Waivers	49,066	
Other Charges	215,301	
Regular Instruction Equipment	223,101	
Other Equipment	43,411	
Total Regular Instruction Program		\$ 38,430,648

Alternative Instruction Program

Teachers	\$ 434,944	
Career Ladder Program	3,000	
Educational Assistants	12,763	
Social Security	26,422	
Pensions	40,880	
Life Insurance	212	
Medical Insurance	84,562	
Dental Insurance	1,299	
Unemployment Compensation	496	
Employer Medicare	6,179	
Instructional Supplies and Materials	256	
Other Supplies and Materials	1,129	
Other Equipment	710	
Total Alternative Instruction Program		612,852

Special Education Program

Teachers	\$ 3,597,975	
Career Ladder Program	22,999	
Homebound Teachers	77,460	
Educational Assistants	977,946	

(Continued)

Exhibit K-9

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	\$	313,874	
Other Salaries and Wages		194,553	
Certified Substitute Teachers		4,200	
Non-certified Substitute Teachers		8,515	
Other Per Diem and Fees		22,638	
Social Security		303,322	
Pensions		471,463	
Life Insurance		3,153	
Medical Insurance		1,168,983	
Dental Insurance		17,850	
Unemployment Compensation		7,556	
Employer Medicare		71,027	
Contracts with Private Agencies		33,472	
Instructional Supplies and Materials		40,997	
Other Supplies and Materials		3,406	
Special Education Equipment		12,346	
Total Special Education Program	\$		7,353,735

Vocational Education Program

Teachers	\$	893,378	
Career Ladder Program		2,000	
Certified Substitute Teachers		4,538	
Non-certified Substitute Teachers		6,370	
Social Security		53,032	
Pensions		80,881	
Life Insurance		374	
Medical Insurance		201,409	
Dental Insurance		2,904	
Unemployment Compensation		1,115	
Employer Medicare		12,410	
Maintenance and Repair Services - Equipment		2,986	
Other Contracted Services		7,939	
Instructional Supplies and Materials		35,310	
Vocational Instruction Equipment		378	
Total Vocational Education Program			1,305,024

Adult Education Program

Teachers	\$	65,457	
Other Salaries and Wages		26,000	
Social Security		5,445	
Pensions		4,749	
Life Insurance		27	
Medical Insurance		5,624	
Dental Insurance		148	
Unemployment Compensation		101	
Employer Medicare		1,303	

(Continued)

Exhibit K-9

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.)

Adult Education Program (Cont.)

Travel	\$	905	
Instructional Supplies and Materials		8,902	
Total Adult Education Program			\$ 118,661

Support Services

Attendance

Supervisor/Director	\$	69,266	
Career Ladder Program		1,000	
Clerical Personnel		14,690	
Other Salaries and Wages		67,607	
Social Security		9,159	
Pensions		13,938	
Life Insurance		65	
Medical Insurance		21,556	
Dental Insurance		370	
Unemployment Compensation		124	
Employer Medicare		2,142	
Other Contracted Services		52,364	
Other Supplies and Materials		364	
Attendance Equipment		3,747	
Total Attendance			256,392

Health Services

Supervisor/Director	\$	67,908	
Career Ladder Program		1,000	
Social Workers		52,779	
Medical Personnel		286,190	
Secretary(ies)		22,517	
Other Salaries and Wages		243,881	
Social Security		38,537	
Pensions		64,623	
Life Insurance		454	
Medical Insurance		151,359	
Dental Insurance		2,759	
Unemployment Compensation		1,192	
Employer Medicare		9,031	
Travel		6,999	
Other Contracted Services		17,743	
Drugs and Medical Supplies		7,569	
Office Supplies		280	
Other Supplies and Materials		1,510	
In Service/Staff Development		734	
Other Charges		462	
Total Health Services			977,527

(Continued)

Exhibit K-9

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

Career Ladder Program	\$	10,333	
Guidance Personnel		1,390,328	
Psychological Personnel		34,227	
Social Workers		107,157	
Assessment Personnel		9,152	
Social Security		91,292	
Pensions		141,123	
Life Insurance		780	
Medical Insurance		274,344	
Dental Insurance		4,387	
Unemployment Compensation		1,790	
Employer Medicare		21,378	
Contracts with Government Agencies		85,000	
Evaluation and Testing		68,138	
Travel		4,638	
Other Contracted Services		75,212	
Other Supplies and Materials		5,809	
In Service/Staff Development		400	
Total Other Student Support	\$		2,325,488

Regular Instruction Program

Supervisor/Director	\$	346,327	
Career Ladder Program		19,249	
Librarians		929,109	
Materials Supervisor		7,183	
Instructional Computer Personnel		65,615	
Secretary(ies)		97,832	
Clerical Personnel		42,262	
Educational Assistants		11,048	
Other Salaries and Wages		116,140	
Certified Substitute Teachers		188	
Non-certified Substitute Teachers		292	
Social Security		96,747	
Pensions		148,179	
Life Insurance		705	
Medical Insurance		268,065	
Dental Insurance		4,385	
Unemployment Compensation		1,598	
Employer Medicare		22,627	
Travel		13,253	
Other Contracted Services		118,790	
Library Books/Media		65,906	
Office Supplies		2,724	
Other Supplies and Materials		4,588	
In Service/Staff Development		39,555	
Other Charges		40,751	
Other Equipment		2,628	
Total Regular Instruction Program			2,465,746

(Continued)

Exhibit K-9

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	\$	71,699	
Career Ladder Program		1,000	
Secretary(ies)		32,512	
Social Security		6,491	
Pensions		9,835	
Life Insurance		46	
Dental Insurance		296	
Unemployment Compensation		99	
Employer Medicare		1,518	
Total Alternative Instruction Program			\$ 123,496

Special Education Program

Supervisor/Director	\$	66,719	
Career Ladder Program		5,000	
Psychological Personnel		308,655	
Assessment Personnel		82,363	
Secretary(ies)		35,600	
Other Salaries and Wages		144,531	
Other Per Diem and Fees		1,598	
Social Security		36,716	
Pensions		56,961	
Life Insurance		296	
Medical Insurance		119,833	
Dental Insurance		1,735	
Unemployment Compensation		669	
Employer Medicare		8,853	
Travel		21,053	
Other Contracted Services		74,078	
Other Supplies and Materials		38,455	
In Service/Staff Development		23,662	
Other Charges		9,917	
Other Equipment		26,653	
Total Special Education Program			1,063,347

Vocational Education Program

Supervisor/Director	\$	66,927	
Social Security		3,976	
Pensions		6,050	
Life Insurance		26	
Medical Insurance		10,438	
Dental Insurance		148	
Unemployment Compensation		50	
Employer Medicare		930	
Travel		458	
Other Contracted Services		580	
Other Supplies and Materials		306	
Total Vocational Education Program			89,889

(Continued)

Exhibit K-9

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.)

Adult Programs

Supervisor/Director	\$	65,429	
Career Ladder Program		1,000	
Clerical Personnel		30,647	
Social Security		5,528	
Pensions		9,085	
Life Insurance		49	
Medical Insurance		23,973	
Dental Insurance		275	
Unemployment Compensation		92	
Employer Medicare		1,293	
Travel		7,288	
Total Adult Programs			\$ 144,659

Other Programs

On-behalf Payments to OPEB	\$	306,796	
Total Other Programs			306,796

Board of Education

Secretary to Board	\$	51,135	
Other Salaries and Wages		18,394	
Board and Committee Members Fees		23,700	
Social Security		5,549	
Pensions		6,847	
Life Insurance		20	
Medical Insurance		10,080	
Dental Insurance		148	
Unemployment Compensation		50	
Employer Medicare		1,298	
Audit Services		12,000	
Communication		41,212	
Dues and Memberships		21,027	
Legal Services		43,830	
Travel		10,097	
Other Contracted Services		17,200	
Office Supplies		332	
Other Supplies and Materials		1,578	
Liability Insurance		218,040	
Trustee's Commission		528,355	
Workers' Compensation Insurance		131,316	
In Service/Staff Development		740	
Criminal Investigation of Applicants - TBI		3,713	
Other Charges		265,308	
Total Board of Education			1,411,969

Director of Schools

County Official/Administrative Officer	\$	97,377	
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(Continued)

Exhibit K-9

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.)

Director of Schools (Cont.)

Social Security	\$	5,829	
Pensions		8,803	
Life Insurance		26	
Medical Insurance		6,284	
Dental Insurance		148	
Unemployment Compensation		50	
Employer Medicare		1,363	
Travel		7,619	
Office Supplies		317	
Other Charges		10,373	
Administration Equipment		569	
Total Director of Schools			\$ 138,758

Office of the Principal

Principals	\$	1,244,149	
Career Ladder Program		22,749	
Accountants/Bookkeepers		502,978	
Assistant Principals		1,422,176	
Secretary(ies)		786,747	
Social Security		230,925	
Pensions		372,259	
Life Insurance		2,209	
Medical Insurance		844,999	
Dental Insurance		11,747	
Unemployment Compensation		4,171	
Employer Medicare		54,006	
Communication		153,411	
Dues and Memberships		13,635	
Postal Charges		9,500	
Office Supplies		894	
Other Charges		9,500	
Total Office of the Principal			5,686,055

Fiscal Services

Supervisor/Director	\$	78,113	
Accountants/Bookkeepers		197,375	
Purchasing Personnel		38,524	
Clerical Personnel		43,013	
Social Security		20,439	
Pensions		35,881	
Life Insurance		197	
Medical Insurance		73,132	
Dental Insurance		1,160	
Unemployment Compensation		397	
Employer Medicare		4,780	
Travel		971	

(Continued)

Exhibit K-9

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.)

Fiscal Services (Cont.)

Other Contracted Services	\$	118,290	
Office Supplies		11,072	
In Service/Staff Development		5,786	
Other Charges		17,931	
Administration Equipment		19,560	
Total Fiscal Services			\$ 666,621

Human Services/Personnel

Supervisor/Director	\$	73,889	
Other Salaries and Wages		80,333	
Social Security		8,893	
Pensions		15,499	
Life Insurance		74	
Medical Insurance		30,624	
Dental Insurance		444	
Unemployment Compensation		149	
Employer Medicare		2,080	
Travel		1,702	
Other Contracted Services		5,022	
Office Supplies		701	
In Service/Staff Development		3,279	
Administration Equipment		3,942	
Total Human Services/Personnel			226,631

Operation of Plant

Communication	\$	181,354	
Janitorial Services		1,916,233	
Other Contracted Services		185,559	
Custodial Supplies		88,485	
Electricity		2,324,923	
Natural Gas		469,599	
Water and Sewer		278,328	
Building and Contents Insurance		233,918	
Other Charges		118,895	
Total Operation of Plant			5,797,294

Maintenance of Plant

Supervisor/Director	\$	99,605	
Secretary(ies)		71,533	
Maintenance Personnel		601,211	
Social Security		45,082	
Pensions		77,785	
Life Insurance		479	
Medical Insurance		162,916	
Dental Insurance		2,437	
Unemployment Compensation		1,031	

(Continued)

Exhibit K-9

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.)

Maintenance of Plant (Cont.)

Employer Medicare	\$	10,543	
Travel		2,777	
Other Contracted Services		247,473	
Other Supplies and Materials		435,830	
Total Maintenance of Plant			\$ 1,758,702

Transportation

Supervisor/Director	\$	61,842	
Mechanic(s)		120,295	
Bus Drivers		946,532	
Clerical Personnel		53,519	
Part-time Personnel		56,896	
Other Salaries and Wages		219,021	
Social Security		82,779	
Pensions		142,813	
Life Insurance		1,497	
Medical Insurance		404,030	
Dental Insurance		7,773	
Unemployment Compensation		3,817	
Employer Medicare		19,373	
Contracts with Parents		1,314	
Laundry Service		2,133	
Travel		1,696	
Other Contracted Services		28,498	
Diesel Fuel		233,965	
Gasoline		38,348	
Lubricants		3,262	
Tires and Tubes		20,524	
Vehicle Parts		130,558	
Other Supplies and Materials		4,880	
Other Charges		7,854	
Transportation Equipment		459,450	
Total Transportation			3,052,669

Central and Other

Supervisor/Director	\$	67,685	
Career Ladder Program		2,000	
Computer Programmer(s)		419,876	
Clerical Personnel		32,678	
Social Security		30,511	
Pensions		49,406	
Life Insurance		285	
Medical Insurance		92,708	
Dental Insurance		1,310	
Unemployment Compensation		496	
Employer Medicare		7,135	

(Continued)

Exhibit K-9

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.)

Central and Other (Cont.)

Maintenance and Repair Services - Equipment	\$	1,792	
Travel		4,963	
Other Contracted Services		12,783	
Office Supplies		83	
Other Supplies and Materials		16,058	
Total Central and Other	\$		739,769

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	52,832	
Career Ladder Program		250	
Accountants/Bookkeepers		42,485	
Clerical Personnel		60,238	
Maintenance Personnel		80,900	
Social Security		14,067	
Pensions		23,650	
Life Insurance		123	
Medical Insurance		35,161	
Dental Insurance		675	
Unemployment Compensation		297	
Employer Medicare		3,290	
Total Food Service			313,968

Community Services

Teachers	\$	145,953	
Bus Drivers		18,848	
Clerical Personnel		12,012	
Educational Assistants		32,252	
Other Salaries and Wages		70,454	
Certified Substitute Teachers		375	
Non-certified Substitute Teachers		65	
Social Security		16,275	
Pensions		26,247	
Life Insurance		53	
Medical Insurance		20,045	
Dental Insurance		216	
Unemployment Compensation		149	
Employer Medicare		3,807	
Printing, Stationery, and Forms		54	
Travel		10,284	
Other Contracted Services		101,265	
Other Supplies and Materials		21,172	
In Service/Staff Development		2,180	
Other Charges		2,766	
Other Equipment		126	
Total Community Services			484,598

(Continued)

Exhibit K-9

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	\$	35,916	
Teachers		786,886	
Clerical Personnel		18,092	
Educational Assistants		350,273	
Social Security		68,238	
Pensions		110,694	
Life Insurance		914	
Medical Insurance		303,357	
Dental Insurance		4,634	
Unemployment Compensation		1,834	
Employer Medicare		15,957	
Travel		263	
Other Contracted Services		81,142	
Food Supplies		822	
Instructional Supplies and Materials		17,478	
Other Supplies and Materials		29,680	
In Service/Staff Development		980	
Other Charges		2,808	
Other Equipment		1,813	
Total Early Childhood Education			\$ 1,831,781

Capital Outlay

Regular Capital Outlay

Data Processing Equipment	\$	957,596	
Total Regular Capital Outlay			957,596

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	161,400	
Total Education			161,400

Total General Purpose School Fund \$ 78,802,071

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	2,089,214	
Educational Assistants		296,809	
Other Salaries and Wages		18,525	
Certified Substitute Teachers		6,600	
Non-certified Substitute Teachers		10,535	
Social Security		139,271	
Pensions		212,714	
Life Insurance		750	
Medical Insurance		253,784	
Dental Insurance		3,942	

(Continued)

Exhibit K-9

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.)

Unemployment Compensation	\$	1,784	
Employer Medicare		33,448	
Other Contracted Services		64,900	
Instructional Supplies and Materials		451,334	
Other Charges		13,883	
Regular Instruction Equipment		560,942	
Total Regular Instruction Program			\$ 4,158,435

Special Education Program

Teachers	\$	58,004	
Educational Assistants		1,238,866	
Speech Pathologist		21,009	
Social Security		73,020	
Pensions		124,755	
Life Insurance		1,459	
Medical Insurance		456,205	
Dental Insurance		6,926	
Unemployment Compensation		3,272	
Employer Medicare		17,081	
Instructional Supplies and Materials		145,993	
Special Education Equipment		51,570	
Total Special Education Program			2,198,160

Vocational Education Program

Clerical Personnel	\$	30,798	
Other Salaries and Wages		54,453	
Social Security		5,015	
Pensions		8,568	
Life Insurance		42	
Medical Insurance		14,183	
Dental Insurance		230	
Unemployment Compensation		149	
Employer Medicare		1,173	
Instructional Supplies and Materials		8,497	
Other Supplies and Materials		2,188	
Vocational Instruction Equipment		74,116	
Total Vocational Education Program			199,412

Support Services

Other Student Support

Teachers	\$	18,057	
Other Salaries and Wages		800	
Certified Substitute Teachers		788	
Non-certified Substitute Teachers		845	
Other Per Diem and Fees		689	
Social Security		179	

(Continued)

Exhibit K-9

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.)

Pensions	\$	120	
Unemployment Compensation		50	
Employer Medicare		306	
Transportation - Other than Students		6,882	
Travel		23,377	
Other Contracted Services		186,031	
Other Supplies and Materials		11,672	
In Service/Staff Development		13,215	
Other Charges		26,872	
Other Equipment		33,575	
Total Other Student Support			\$ 323,458

Regular Instruction Program

Supervisor/Director	\$	72,817	
Teachers		36,077	
Secretary(ies)		69,886	
Clerical Personnel		33,031	
Other Salaries and Wages		397,892	
Certified Substitute Teachers		11,080	
Non-certified Substitute Teachers		16,992	
Social Security		34,232	
Pensions		50,969	
Life Insurance		196	
Medical Insurance		85,559	
Dental Insurance		1,335	
Unemployment Compensation		708	
Employer Medicare		8,878	
Consultants		51,815	
Travel		15,660	
Other Contracted Services		660,503	
Instructional Supplies and Materials		37,966	
Other Supplies and Materials		74,438	
In Service/Staff Development		109,480	
Other Charges		205,616	
Regular Instruction Equipment		28,509	
Other Equipment		198,780	
Total Regular Instruction Program			2,202,419

Special Education Program

Clerical Personnel	\$	40,685	
Other Salaries and Wages		112,948	
Social Security		8,967	
Pensions		14,144	
Life Insurance		71	
Medical Insurance		33,460	
Dental Insurance		444	

(Continued)

Exhibit K-9

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.)

Special Education Program (Cont.)

Unemployment Compensation	\$	149	
Employer Medicare		2,075	
Travel		500	
Other Contracted Services		70	
Other Supplies and Materials		971	
In Service/Staff Development		5,416	
Other Charges		126	
Total Special Education Program			\$ 220,026

Vocational Education Program

Travel	\$	12,705	
Other Supplies and Materials		39	
Other Charges		1,687	
Total Vocational Education Program			14,431

Transportation

Rentals	\$	17,638	
Total Transportation			17,638

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	2,000	
Teachers		276,778	
Bus Drivers		34,045	
Clerical Personnel		16,305	
Educational Assistants		41,620	
Other Salaries and Wages		28,950	
Certified Substitute Teachers		225	
Non-certified Substitute Teachers		130	
Social Security		23,873	
Pensions		35,314	
Life Insurance		26	
Medical Insurance		6,464	
Dental Insurance		69	
Unemployment Compensation		99	
Employer Medicare		5,689	
Printing, Stationery, and Forms		450	
Travel		13,204	
Other Contracted Services		61,457	
Other Supplies and Materials		21,126	
In Service/Staff Development		1,707	
Other Charges		4,652	
Other Equipment		495	
Total Community Services			<u>574,678</u>

Total School Federal Projects Fund \$ 9,908,657

(Continued)

Exhibit K-9

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

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	1,531,916	
Social Security		87,775	
Pensions		103,803	
Life Insurance		860	
Medical Insurance		331,980	
Dental Insurance		6,600	
Unemployment Compensation		6,053	
Employer Medicare		20,768	
Communication		12,020	
Maintenance and Repair Services - Equipment		89,201	
Travel		7,341	
Other Contracted Services		62,035	
Food Preparation Supplies		126,839	
Food Supplies		2,217,375	
Office Supplies		11,722	
USDA - Commodities		178,641	
Other Supplies and Materials		4,955	
In Service/Staff Development		2,287	
Other Charges		23,336	
Food Service Equipment		157,946	
Total Food Service			\$ 4,983,453

Total Central Cafeteria Fund \$ 4,983,453

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	654,232	
Other Per Diem and Fees		240	
Social Security		39,783	
Pensions		21,897	
Life Insurance		184	
Medical Insurance		44,793	
Dental Insurance		898	
Unemployment Compensation		347	
Employer Medicare		9,304	
Travel		1,104	
Food Supplies		30,368	
Refunds		1,186	
Other Charges		28,380	
Total Community Services			\$ 832,716

Total Extended School Program Fund 832,716

(Continued)

Exhibit K-9

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

<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Other Salaries and Wages	\$	13,208
Social Security		796
Pensions		1,327
Life Insurance		5
Medical Insurance		1,125
Dental Insurance		30
Employer Medicare		188
Architects		189,264
Other Contracted Services		134,302
Building Construction		<u>29,639,690</u>
Total Education Capital Projects		<u>\$ 29,979,935</u>
Total Education Capital Projects Fund		<u>\$ 29,979,935</u>
Total Governmental Funds - Putnam County School Department		<u><u>\$ 124,506,832</u></u>

Exhibit K-10

Putnam County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2015

	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	\$ 1,404,888
<u>Other Local Revenues</u>	
Miscellaneous Refunds	15,994
Total Operating Revenues	<u>\$ 1,420,882</u>
<u>Nonoperating Revenues</u>	
Investment Income	\$ 11,150
Total Nonoperating Revenues	<u>\$ 11,150</u>
Total Revenues	<u>\$ 1,432,032</u>
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>Public Safety</u>	
<u>Sheriff's Department</u>	
Legal Services	\$ 30,831
Other Charges	384
<u>Fire Prevention and Control</u>	
Liability Insurance	9,660
<u>Civil Defense</u>	
Excess Risk Insurance	4,420
Total Public Safety	<u>\$ 45,295</u>
<u>Public Health and Welfare</u>	
<u>Ambulance/Emergency Medical Services</u>	
Legal Services	\$ 5,501
Excess Risk Insurance	29,589
<u>Sanitation Management</u>	
Liability Claims	9,911
Total Public Health and Welfare	<u>\$ 45,001</u>
<u>Social Cultural and Recreational Services</u>	
<u>Parks and Fair Boards</u>	
Legal Services	\$ 106
Total Social Cultural and Recreational Services	<u>\$ 106</u>

(Continued)

Exhibit K-10

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>Other Operations</u>	
<u>Other Charges</u>	
Handling Charges and Administrative Costs	\$ 17,570
Building and Contents Insurance	93,567
Excess Risk Insurance	57,815
Liability Insurance	31,905
Premium on Corporate Surety Bonds	4,148
Workers' Compensation Insurance	31,435
Other Self-insurance Claims	509,970
Total Other Operations	<u>\$ 746,410</u>
<u>Highways</u>	
<u>Other Charges</u>	
Handling Charges and Administrative Costs	\$ 10,335
Building and Contents Insurance	55,040
Excess Risk Insurance	34,009
Liability Insurance	18,767
Premium on Corporate Surety Bonds	2,440
Workers' Compensation Insurance	18,491
Liability Claims	840
Other Self-insurance Claims	189,018
Total Highways	<u>\$ 328,940</u>
<u>Education</u>	
<u>Central and Other</u>	
Handling Charges and Administrative Costs	\$ 23,770
Legal Services	2,076
Maintenance and Repair Services - Buildings	39,125
Building and Contents Insurance	126,591
Excess Risk Insurance	78,220
Liability Insurance	43,165
Premium on Corporate Surety Bonds	5,612
Workers' Compensation Insurance	42,530
Liability Claims	37,350
Other Self-insurance Claims	524,398
Total Education	<u>\$ 922,837</u>
Total Expenses	<u>\$ 2,088,589</u>

Putnam County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2015

	<u>Cities - Sales Tax Fund</u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 14,061,290
Total Cash Receipts	<u>\$ 14,061,290</u>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 13,920,677
Trustee's Commission	140,613
Total Cash Disbursements	<u>\$ 14,061,290</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2014	<u>0</u>
Cash Balance, June 30, 2015	<u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7841

**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, 2015, and the related notes to the financial statements, which collectively comprise Putnam County's basic financial statements, and have issued our report thereon dated February 25, 2016. Our report includes a reference to other auditors who audited the financial statements of the discretely presented Putnam County Emergency Communications District and the Putnam County Agricultural and Industrial Fair, Inc., as described in our report on Putnam County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness: 2015-002.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies: 2015-001 and 2015-003.

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*.

Putnam County's Responses to Findings

Putnam County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Putnam County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a prominent vertical stroke at the end.

Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

February 25, 2016

JPW/yu



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
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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 OMB Circular A-133

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, 2015. 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 requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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, 2015.

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 OMB Circular A-133, 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.

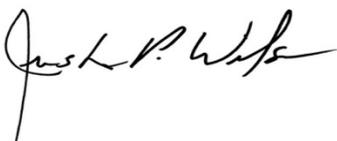
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

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, 2015, and the related notes to the financial statements, which collectively comprise Putnam County's basic financial statements. We issued our report thereon dated February 25, 2016, 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 OMB Circular A-133 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 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

February 25, 2016

JPW/yu

Putnam County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2015

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 Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 178,641 (3)
Fresh Fruit and Vegetable Program	10.582	N/A	45,950
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	1,155,363
National School Lunch Program	10.555	N/A	3,267,218 (3)
Passed-through State Department of Human Services:			
Child Nutrition Direct Certification Performance Awards	10.589	N/A	12,500
Total U.S. Department of Agriculture			\$ 4,659,672
U.S. Department of Defense:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program	12.Unknown	N/A	\$ 252,812
U.S. Department of Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	(2)	\$ 5,090
U.S. Department of Justice:			
Direct Program:			
Joint Law Enforcement Operations (JLEO)	16.111	N/A	\$ 3,371
Bulletproof Vest partnership Program	16.607	N/A	13,984
Passed-through State Administrative Office of the Courts:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	70,451 (4)
Passed-through City of Cookeville, Tennessee:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	7,038 (4)
Total U.S. Department of Justice			\$ 94,844
U.S. Department of Labor:			
Passed-through Upper Cumberland Human Resource Agency:			
WIA/WIOA Youth Activities	17.259	(2)	\$ 22,000
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(2)	\$ 186,670
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	2,499,266
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	2,557,034
Special Education - Preschool Grants	84.173	N/A	54,145
Career and Technical Education - Basic Grants to States	84.048	N/A	603,948
Safe and Drug-free Schools and Communities National Programs	84.184	(2)	81,695
Twenty-first Century Community Learning Centers	84.287	(2)	581,111
English Language Acquisition Grants	84.365	(2)	91,559
Math and Science Partnership Grant	84.366	N/A	1,179,000
Improving Teacher Quality State Grants	84.367	N/A	279,108
Teacher Incentive Fund	84.374	N/A	522,993
State Fiscal Stabilization Fund - Race-to-the-Top Incentive Grants, Recovery Act	84.395	N/A	1,778,195
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	Z-15-70515-00	12,622
Total U.S. Department of Education			\$ 10,427,346

(Continued)

Putnam County, Tennessee

Schedule of Expenditures of Federal Awards and State Grants (1) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Executive Office of the President: Passed-through Laurel County, Kentucky Fiscal Court: High Intensity Drug Trafficking Areas Program	95.001	(2)	\$ 14,740
U.S. Department of Homeland Security: Passed-through State Department of Military: Emergency Management Performance Grants	97.042	(2)	\$ 55,850
Homeland Security Grant Program	97.067	(2)	114,455
Total U.S. Department of Homeland Security			<u>\$ 170,305</u>
Total Expenditures of Federal Awards			<u>\$ 15,646,809</u>

State Grants		Contract Number	Expenditures
Juvenile Court Grant Program - State Department of Children's Services	N/A	(2)	\$ 55,809
State Supplement Juvenile Court Improvements Funds - State Commission on Children and Youth	N/A	(2)	9,000
Archives Development Program Grant - Tennessee Secretary of State	N/A	(2)	2,500
Law Enforcement Training Program - State Department of Safety and Homeland Security	N/A	(2)	34,800
Firefighter Educational Incentive Pay Program - State Department of Commerce and Insurance	N/A	(2)	2,400
Local Health Services - State Department of Health	N/A	(2)	1,627,683
Tennessee Certified Drug Court Program - State Department of Mental Health and Substance Abuse	N/A	(2)	84,965
Litter Program - State Department of Transportation	N/A	(2)	49,700
Waste Tire Storage and Disposal - State Department of Environment and Conservation	N/A	(2)	4,680
ConnecTenn Grant - State Department of Education	N/A	(2)	30,938
Lottery for Education - Afterschool Programs (LEAPS) - State Department of Education	N/A	(2)	398,392
Voluntary PreK for Tennessee - State Department of Education	N/A	(2)	1,638,709
Adult Basic Education - State Department of Labor and Workforce Development	N/A	(2)	62,223
Family Resource - State Department of Education	N/A	(2)	29,612
Coordinated School Health Project - State Department of Education	N/A	(2)	155,000
Safe Schools Act - State Department of Education	N/A	(2)	50,510
Total State Grants			<u>\$ 4,236,921</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) Information not available.

(3) Total for CFDA No. 10.555 is \$3,445,859.

(4) Total CFDA No. 16.738 is \$77,489.

Putnam County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2015

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. Presented below are findings from the Annual Financial Report for Putnam County, Tennessee, for the year ended June 30, 2014, which have not been corrected.

OFFICE OF COUNTY EXECUTIVE

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2014-001	196	The General Capital Projects Fund had a deficit in unassigned fund balance

OFFICE OF DIRECTOR OF SCHOOLS

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2014-004	199	The School Federal Projects Fund required material audit adjustments for proper financial statement presentation.
2014-005	200	General ledger payroll liability accounts were not reconciled.

PUTNAM COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Putnam County is unmodified.
2. The audit of the financial statements of Putnam County reported significant deficiencies in internal control. One of these deficiencies was considered to be a material weakness.
3. The audit did not disclose any instances of noncompliance that were material to the financial statements of Putnam County.
4. The audit reported no significant deficiencies in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555); the Title I Grants to Local Educational Agencies (CFDA No 84.010), the Twenty-first Century Community Learning Centers (CFDA No. 84.287); the Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173), and the State Fiscal Stabilization Fund – Race-to-the-Top Incentive Grants, Recovery Act (CFDA No. 84.395) were determined to be major programs.
8. A \$469,404 threshold was used to distinguish between Type A and Type B federal programs.
9. Putnam County did not qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The written responses of the county executive and the director of schools are included in this report.

OFFICE OF COUNTY EXECUTIVE

FINDING 2015-001 **THE GENERAL CAPITAL PROJECTS FUND HAD A DEFICIT IN UNASSIGNED FUND BALANCE**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The General Capital Projects Fund had a deficit in unassigned fund balance of \$169,868 at June 30, 2015. This deficit resulted from the recognition of a long-term liability of \$237,666 due to the General Debt Service Fund for two interfund loans: \$150,000 for justice center renovations and \$87,666 for jail upgrades and roof repairs at Avery Trace Middle School. This deficiency is the result of management's failure to correct the finding noted in the prior-year audit report. This deficit is expected to be liquidated from property tax collections subsequent to June 30, 2015.

RECOMMENDATION

County officials should liquidate the deficit in unassigned fund balance.

MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE

This situation and finding occurred prior to me being elected and taking office. I fully expect the finding will correct itself this year by the repayment of the outstanding interfund loans. I concur with the audit finding.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2015-002 **THE SCHOOL FEDERAL PROJECTS FUND REQUIRED MATERIAL AUDIT ADJUSTMENTS FOR PROPER FINANCIAL STATEMENT PRESENTATION**
(Internal Control – Material Weakness Under *Government Auditing Standards*)

At June 30, 2015, certain general ledger account balances in the School Federal Projects Fund were not materially correct, and audit adjustments totaling \$689,778 were required for the financial statements to be materially correct at year-end. Generally accepted accounting principles require the School Department to have adequate internal controls over the maintenance of its accounting records. The material audit adjustments were required because the School Department's financial reporting system did not prevent, detect, or correct

potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the School Department has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency exists because management failed to correct the finding noted in the prior-year audit report. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

The School Department should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with the auditor's recommendation. Year-end procedures have been established to prevent this situation from occurring in the future.

FINDING 2015-003

GENERAL LEDGER PAYROLL LIABILITY ACCOUNTS WERE NOT RECONCILED

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

General ledger payroll liability accounts were not reconciled with subsidiary payroll records and payments each month in the General Purpose School, School Federal Projects, Central Cafeteria, and Extended School Program funds. As a result, unidentified balances accumulated in the liability accounts for several payroll deductions. These errors were not corrected in the financial statements of this report; however, we do not consider the uncorrected amounts to be material to the financial statements. Sound business practices dictate that payroll liability accounts should be reconciled with billings and payments monthly. The failure to regularly reconcile payroll liability accounts is a significant deficiency that increases the risk that errors will not be discovered and corrected in a timely manner. This deficiency exists because management failed to correct the finding noted in the prior-year audit report.

RECOMMENDATION

General ledger payroll liability accounts should be reconciled monthly with payroll reports and payments, and any errors discovered should be corrected promptly.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

I concur with the auditor's recommendation. Monthly procedures are being created to correct this problem.

**PART III, FINDINGS AND QUESTIONED
COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs for federal awards.

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 is 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. 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.

**PUTNAM COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2015**

There were no audit findings relative to federal awards presented in the prior- or current-years' Schedules of Findings and Questioned Costs.