

ANNUAL FINANCIAL REPORT

PUTNAM COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2020



DIVISION OF LOCAL GOVERNMENT AUDIT



ANNUAL FINANCIAL REPORT
PUTNAM COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2020

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

STEVE REEDER, CPA, CGFM, CFE
Audit Manager

ANITA SCARLETT, CPA
Senior Auditor

GARY RAMSEY, CPA
COURTNEY DYER, CPA
TYLER MUSIC
AUSTIN LANNOM
SARAH ALLEN
KATIE ARMSTRONG, CPA
JEFF BAILEY, CPA, CGFM, CFE
BARBARA SHULTS
State Auditors

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

PUTNAM COUNTY, TENNESSEE

TABLE OF CONTENTS

	Exhibit	Page(s)
Summary of Audit Findings		6
<u>INTRODUCTORY SECTION</u>		7
Putnam County Officials		8
<u>FINANCIAL SECTION</u>		9
Independent Auditor's Report		10-13
BASIC FINANCIAL STATEMENTS:		14
Government-wide Financial Statements:		
Statement of Net Position	A	15-16
Statement of Activities	B	17-18
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	19-21
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	22
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	23-24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	25
Statement of Revenues, Expenditures, and Changes in Fund Balance – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	26-28
Proprietary Fund:		
Statement of Net Position	D-1	29
Statement of Revenues, Expenses, and Changes in Net Position	D-2	30
Statement of Cash Flows	D-3	31
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	E	32
Index and Notes to the Financial Statements		33-96
REQUIRED SUPPLEMENTARY INFORMATION:		97
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-1	98
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-2	99
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented Putnam County School Department	F-3	100
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Putnam County School Department	F-4	101

	Exhibit	Page(s)
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Retirement Plan of TCRS – Discretely Presented Putnam County School Department	F-5	102
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Putnam County School Department	F-6	103
Schedule of Changes in the Total OPEB Liability and Related Ratios - Commercial Insurance Plan - Primary Government	F-7	104
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan - Discretely Presented Putnam County School Department	F-8	105
Notes to the Required Supplementary Information		106
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		107
Nonmajor Governmental Funds:		108
Combining Balance Sheet	G-1	109-112
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	G-2	113-116
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Solid Waste/Sanitation Fund	G-3	117
Industrial/Economic Development Fund	G-4	118
Special Purpose Fund	G-5	119
Drug Control Fund	G-6	120
Sports and Recreation Fund	G-7	121
Highway/Public Works Fund	G-8	122
Major Governmental Fund:		123
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual (Budgetary Basis) and Budget:		
General Debt Service Fund	H-1	124
General Capital Projects Fund	H-2	125
Fiduciary Funds:		126
Combining Statement of Fiduciary Assets and Liabilities	I-1	127-128
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	I-2	129-130
Component Unit:		
Discretely Presented Putnam County School Department:		131
Statement of Activities	J-1	132
Balance Sheet – Governmental Funds	J-2	133
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	J-3	134
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	J-4	135
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	J-5	136
Combining Balance Sheet – Nonmajor Governmental Funds	J-6	137
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	J-7	138
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	J-8	139-140
School Federal Projects Fund	J-9	141
Central Cafeteria Fund	J-10	142
Extended School Program Fund	J-11	143

	Exhibit	Page(s)
Miscellaneous Schedules:		144
Schedule of Changes in Long-term Bonds, Notes, Other Loans, and Capital Leases	K-1	145
Schedule of Long-term Debt Requirements by Year	K-2	146-147
Schedule of Transfers – Primary Government and Discretely Presented Putnam County School Department	K-3	148
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented Putnam County School Department	K-4	149
Schedule of Detailed Revenues – All Governmental Fund Types	K-5	150-163
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Putnam County School Department	K-6	164-167
Schedule of Detailed Expenditures – All Governmental Fund Types	K-7	168-192
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Putnam County School Department	K-8	193-206
Schedule of Detailed Revenues and Expenses – Self Insurance Fund (Internal Service Fund)	K-9	207-209
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balance – City Agency Fund	K-10	210
<u>SINGLE AUDIT SECTION</u>		211
Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		212-213
Auditor's Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance		214-216
Schedule of Expenditures of Federal Awards and State Grants		217-220
Summary Schedule of Prior-year Findings		221
Schedule of Findings and Questioned Costs		222-226
Management's Corrective Action Plan		227-231
Best Practice		232

Summary of Audit Findings

Annual Financial Report
Putnam County, Tennessee
For the Year Ended June 30, 2020

Scope

We have audited the basic financial statements of Putnam County as of and for the year ended June 30, 2020.

Results

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

Our audit resulted in four 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 MAYOR

- ◆ The Self-insurance Fund had a deficit in unrestricted net position.
- ◆ The Judicial District Drug Fund had a cash overdraft at June 30, 2020.

OFFICE OF ROAD SUPERVISOR

- ◆ Cash with trustee was not accurately reconciled with the general ledger.

OFFICE OF TRUSTEE

- ◆ The trustee certified checks issued on the Judicial District Drug Fund that exceeded available funds.

INTRODUCTORY SECTION

Putnam County Officials

June 30, 2020

Officials

Randy Porter, County Mayor
Randy Jones, Road Supervisor
Corby King, Director of Schools
Freddie Nelson, Trustee
Steve Pierce, Assessor of Property
Wayne Nabors, County Clerk
Jennifer Wilkerson, Circuit, General Sessions, and Juvenile Courts Clerk
Linda Reeder, Clerk and Master
Harold Burris, Register of Deeds
Eddie Farris, Sheriff

Board of County Commissioners

Ben Rodgers, Chairman	Jordan Iwanyszyn
Cindy Adams	Adam Johnson
Mike Atwood	Jim Martin
Grover Bennett, Jr.	Dale Moss
Kim Bradford	Jimmy Neal
Chris Cassetty	Terry Randolph
Kevin Christopher	Cathy Reel
Andrew Donadio	Jerry Roberson
Kathy Dunn	Sam Sandlin
Jerry Ford	Theresa Tayes
Danny Holmes	Jonathan Williams
Joe Iwanyszyn	Darren Wilson

Board of Education

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

Audit Committee

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

FINANCIAL SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Independent Auditor's Report

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

To the County Mayor 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, 2020, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Putnam County, Tennessee, as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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

Supplementary and Other Information

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

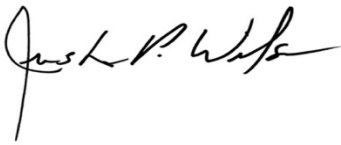
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020, on our consideration of Putnam County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Putnam County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Putnam County's internal control over financial reporting and compliance.

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 9, 2020

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

Putnam County, Tennessee
Statement of Net Position
June 30, 2020

	Primary Government Governmental Activities	Component Unit Putnam County School Department
<u>ASSETS</u>		
Cash	\$ 3,181	\$ 0
Equity in Pooled Cash and Investments	40,848,208	12,534,681
Inventories	0	23,885
Accounts Receivable	2,563,221	36,546
Allowance for Uncollectibles	(606,627)	0
Due from Other Governments	3,180,322	5,423,928
Due from Component Units	2,010,285	0
Property Taxes Receivable	30,438,953	15,094,982
Allowance for Uncollectible Property Taxes	(605,213)	(300,131)
Net Pension Asset - Teacher Retirement Plan	0	462,690
Net Pension Asset - Teacher Legacy Pension Plan	0	11,551,206
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	388,991
Assets Not Depreciated:		
Land	11,454,027	5,769,995
Intangibles - Indefinite Life	4,840,504	0
Construction in Progress	0	131,350
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	23,146,643	150,415,136
Infrastructure	24,686,794	0
Other Capital Assets	8,170,656	3,771,736
Total Assets	<u>\$ 150,130,954</u>	<u>\$ 205,304,995</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Amount on Refunding	\$ 585,049	\$ 0
Pension Changes in Experience	1,064,674	1,214,413
Pension Changes in Assumptions	575,126	1,914,508
Pension Changes in Proportion	0	156,200
Pension Contributions after Measurement Date	1,702,713	5,055,778
OPEB Changes in Experience	0	1,116,333
OPEB Changes in Assumptions	190,202	174,830
OPEB Changes in Proportion	0	94,352
OPEB Contributions After Measurement Date	0	369,661
Total Deferred Outflows of Resources	<u>\$ 4,117,764</u>	<u>\$ 10,096,075</u>

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Unit Putnam County School Department
<u>LIABILITIES</u>		
Accounts Payable	\$ 231,485	\$ 382,553
Accrued Payroll	0	714,503
Payroll Deductions Payable	18,109	362,593
Contracts Payable	584,187	0
Retainage Payable	14,646	0
Due to Primary Government	0	2,010,285
Due to State of Tennessee	33,771	0
Due to Litigants, Heirs, and Others	22,028	0
Claims and Judgments Payable	1,124,091	0
Accrued Interest Payable	1,159,842	0
Matured Bonds Payable	15,000	0
Noncurrent Liabilities:		
Due Within One Year - Debt	10,258,753	0
Due Within One Year - Other	800,345	315,696
Due in More Than One Year - Debt	113,787,751	0
Due in More Than One Year - Other	1,539,495	7,518,203
Total Liabilities	<u>\$ 129,589,503</u>	<u>\$ 11,303,833</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Revenue - Current Property Taxes	\$ 29,308,835	\$ 14,534,545
Pension Changes in Experience	580,065	7,481,262
Pension Changes in Investment Earnings	801,972	3,796,647
Pension Changes in Proportion	0	156,442
OPEB Changes in Experience	0	1,605,558
OPEB Changes in Assumptions	0	800,832
OPEB Changes in Proportion	0	240,783
Total Deferred Inflows of Resources	<u>\$ 30,690,872</u>	<u>\$ 28,616,069</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 48,671,624	\$ 160,088,217
Restricted for:		
General Government	383,364	0
Finance	102,430	0
Administration of Justice	537,141	0
Public Safety	307,270	0
Highways/Public Works	3,392,667	0
Debt Service	127,239	0
Education	0	1,589,106
Pensions	0	12,402,887
Unrestricted	<u>(59,553,392)</u>	<u>1,400,958</u>
Total Net Position	<u>\$ (6,031,657)</u>	<u>\$ 175,481,168</u>

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

Exhibit B

Putnam County, Tennessee
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Component Unit
						Putnam County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 15,125,204	\$ 1,422,196	\$ 113,547	\$ 0	\$ (13,589,461)	\$ 0
Finance	2,261,414	2,614,611	119,328	0	472,525	0
Administration of Justice	3,742,445	1,818,629	652,262	0	(1,271,554)	0
Public Safety	18,198,517	3,678,717	599,861	0	(13,919,939)	0
Public Health and Welfare	12,733,293	7,536,464	1,913,004	429,942	(2,853,883)	0
Social, Cultural, and Recreational Services	1,787,770	90,785	0	0	(1,696,985)	0
Agriculture and Natural Resources	359,843	0	18,000	0	(341,843)	0
Highways/Public Works	6,202,206	817	2,822,361	1,040,204	(2,338,824)	0
Education	664,435	804,831	24,271	0	164,667	0
Interest on Long-term Debt	4,603,585	0	0	0	(4,603,585)	0
Total Primary Government	<u>\$ 65,678,712</u>	<u>\$ 17,967,050</u>	<u>\$ 6,262,634</u>	<u>\$ 1,470,146</u>	<u>\$ (39,978,882)</u>	<u>\$ 0</u>
Component Unit:						
Putnam County School Department	\$ 106,443,073	\$ 2,204,048	\$ 14,277,470	\$ 0	\$ 0	\$ (89,961,555)
Total Component Unit	<u>\$ 106,443,073</u>	<u>\$ 2,204,048</u>	<u>\$ 14,277,470</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (89,961,555)</u>

(Continued)

Exhibit B

Putnam County, Tennessee
Statement of Activities (Cont.)

						Net (Expense) Revenue and Changes in Net Position
						Component Unit
		Program Revenues				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Putnam County School Department
Functions/Programs	Expenses					
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 23,363,876	\$ 16,975,058
Property Taxes Levied for Debt Service					10,474,482	0
Local Option Sales Taxes					9,220,971	16,999,992
Hotel/Motel Tax					1,524,026	0
Litigation Taxes					261,337	0
Business Tax					1,514,470	0
Mineral Severance Tax					169,373	0
Wholesale Beer Tax					208,151	0
Mixed Drink Tax					0	197,905
Grants and Contributions Not Restricted to Specific Programs					2,311,308	58,284,299
Unrestricted Investment Earnings					887,876	25,403
Miscellaneous					205,772	40,412
Amortized Premium					883,783	0
Total General Revenues					<u>\$ 51,025,425</u>	<u>\$ 92,523,069</u>
Transfers to Fiduciary Funds						
					<u>\$ (58,965)</u>	<u>\$ 0</u>
Change in Net Position						
Net Position, July 1, 2019					\$ 10,987,578	\$ 2,561,514
Net Position, June 30, 2020					<u>(17,019,235)</u>	<u>172,919,654</u>
					<u>\$ (6,031,657)</u>	<u>\$ 175,481,168</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, 2020

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 100	\$ 0	\$ 0	\$ 3,081	\$ 3,181
Equity in Pooled Cash and Investments	14,034,555	13,906,758	5,178,072	6,876,151	39,995,536
Accounts Receivable	2,044,125	87,112	0	431,984	2,563,221
Allowance for Uncollectibles	(594,858)	0	0	(11,769)	(606,627)
Due from Other Governments	1,057,239	1,599,507	0	523,576	3,180,322
Due from Other Funds	3,081	0	0	0	3,081
Property Taxes Receivable	15,032,734	9,414,911	311,237	5,680,071	30,438,953
Allowance for Uncollectible Property Taxes	(298,894)	(187,195)	(6,188)	(112,936)	(605,213)
Total Assets	\$ 31,278,082	\$ 24,821,093	\$ 5,483,121	\$ 13,390,158	\$ 74,972,454
<u>LIABILITIES</u>					
Accounts Payable	\$ 119,376	\$ 0	\$ 0	\$ 112,109	\$ 231,485
Payroll Deductions Payable	18,109	0	0	0	18,109
Contracts Payable	0	0	584,187	0	584,187
Retainage Payable	0	0	14,646	0	14,646
Due to Other Funds	0	0	0	3,081	3,081
Due to State of Tennessee	33,771	0	0	0	33,771
Due to Litigants, Heirs, and Others	0	0	0	22,028	22,028
Matured Bonds Payable	0	15,000	0	0	15,000
Total Liabilities	\$ 171,256	\$ 15,000	\$ 598,833	\$ 137,218	\$ 922,307
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 14,474,609	\$ 9,065,361	\$ 299,681	\$ 5,469,184	\$ 29,308,835

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 203,178	\$ 127,239	\$ 4,206	\$ 76,765	\$ 411,388
Other Deferred/Unavailable Revenue	415,179	672,600	0	271,803	1,359,582
Total Deferred Inflows of Resources	\$ 15,092,966	\$ 9,865,200	\$ 303,887	\$ 5,817,752	\$ 31,079,805
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 120,362	\$ 0	\$ 0	\$ 263,002	\$ 383,364
Restricted for Finance	102,430	0	0	0	102,430
Restricted for Administration of Justice	537,141	0	0	0	537,141
Restricted for Public Safety	35,384	0	0	271,886	307,270
Restricted for Highways/Public Works	0	0	0	3,239,974	3,239,974
Committed:					
Committed for Public Health and Welfare	0	0	0	1,870,504	1,870,504
Committed for Social, Cultural, and Recreational Services	116,958	0	0	487,115	604,073
Committed for Agriculture and Natural Resources	5,749	0	0	0	5,749
Committed for Other Operations	0	0	0	1,302,707	1,302,707
Committed for Debt Service	0	14,940,893	0	0	14,940,893
Committed for Capital Projects	0	0	4,580,401	0	4,580,401
Committed for Other Purposes	20,000	0	0	0	20,000
Assigned:					
Assigned for General Government	63,717	0	0	0	63,717
Assigned for Finance	13,687	0	0	0	13,687
Assigned for Administration of Justice	11,599	0	0	0	11,599
Assigned for Public Safety	222,089	0	0	0	222,089
Assigned for Public Health and Welfare	293,419	0	0	0	293,419

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Other Operations	\$ 4,649	\$ 0	\$ 0	\$ 0	\$ 4,649
Unassigned	14,466,676	0	0	0	14,466,676
Total Fund Balances	<u>\$ 16,013,860</u>	<u>\$ 14,940,893</u>	<u>\$ 4,580,401</u>	<u>\$ 7,435,188</u>	<u>\$ 42,970,342</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 31,278,082</u>	<u>\$ 24,821,093</u>	<u>\$ 5,483,121</u>	<u>\$ 13,390,158</u>	<u>\$ 74,972,454</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, 2020

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)		\$	42,970,342
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	11,454,027	
Add: intangible assets		4,840,504	
Add: buildings and improvements net of accumulated depreciation		23,146,643	
Add: infrastructure net of accumulated depreciation		24,686,794	
Add: other capital assets net of accumulated depreciation		<u>8,170,656</u>	72,298,624
(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.			(271,419)
(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	\$	(108,860,000)	
Less: notes payable		(5,395,000)	
Less: other loans payable		(1,645,140)	
Less: capital leases payable		(365,145)	
Add: debt to be contributed by the school department		2,010,285	
Less: landfill postclosure care costs		(297,078)	
Less: compensated absences payable		(974,876)	
Less: accrued interest on bonds		(1,083,864)	
Less: accrued interest on notes		(75,978)	
Less: unamortized premium on debt		(7,781,219)	
Add: deferred amount on refunding		585,049	
Less: net OPEB liability		(765,333)	
Less: net pension liability		<u>(302,553)</u>	(124,950,852)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	3,342,513	
Less: deferred inflows of resources related to pensions		(1,382,037)	
Add: deferred outflows of resources related to OPEB		<u>190,202</u>	2,150,678
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,770,970</u>
Net position of governmental activities (Exhibit A)		\$	<u>(6,031,657)</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, 2020

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>					
Local Taxes	\$ 19,919,088	\$ 19,987,933	\$ 355,570	\$ 7,345,581	\$ 47,608,172
Licenses and Permits	653,213	0	0	0	653,213
Fines, Forfeitures, and Penalties	449,955	0	0	37,572	487,527
Charges for Current Services	5,435,553	0	0	2,361,166	7,796,719
Other Local Revenues	2,189,326	62	272	347,578	2,537,238
Fees Received From County Officials	4,237,255	0	0	0	4,237,255
State of Tennessee	5,561,673	0	0	4,370,420	9,932,093
Federal Government	784,853	0	0	23,773	808,626
Other Governments and Citizens Groups	932,042	770,897	0	116	1,703,055
Total Revenues	\$ 40,162,958	\$ 20,758,892	\$ 355,842	\$ 14,486,206	\$ 75,763,898
<u>Expenditures</u>					
Current:					
General Government	\$ 5,359,351	\$ 0	\$ 11,309,241	\$ 84,922	\$ 16,753,514
Finance	2,243,197	0	0	0	2,243,197
Administration of Justice	3,503,458	0	0	0	3,503,458
Public Safety	18,368,687	0	0	86,476	18,455,163
Public Health and Welfare	7,910,924	0	0	5,687,273	13,598,197
Social, Cultural, and Recreational Services	611,180	0	0	1,120,310	1,731,490
Agriculture and Natural Resources	352,465	0	0	0	352,465
Other Operations	1,469,822	0	0	578,514	2,048,336
Highways	0	0	0	5,549,150	5,549,150
Debt Service:					
Principal on Debt	0	9,271,626	0	0	9,271,626
Interest on Debt	0	4,623,539	0	0	4,623,539
Other Debt Service	0	373,755	30,000	0	403,755
Total Expenditures	\$ 39,819,084	\$ 14,268,920	\$ 11,339,241	\$ 13,106,645	\$ 78,533,890

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds	
	General	General Debt Service	General Capital Projects	Other Govern- mental Funds	Total Governmental Funds
Excess (Deficiency) of Revenues Over Expenditures	\$ 343,874	\$ 6,489,972	\$ (10,983,399)	\$ 1,379,561	\$ (2,769,992)
Other Financing Sources (Uses)					
Notes Issued	\$ 0	\$ 0	\$ 5,395,000	\$ 0	\$ 5,395,000
Refunding Debt Issued	0	5,595,000	0	0	5,595,000
Premiums on Debt Sold	0	773,776	0	0	773,776
Transfers In	0	0	6,276,000	25,000	6,301,000
Transfers Out	(151,000)	(6,150,000)	0	(58,965)	(6,359,965)
Payments to Refunded Debt Escrow Agent	0	(6,501,815)	0	0	(6,501,815)
Total Other Financing Sources (Uses)	\$ (151,000)	\$ (6,283,039)	\$ 11,671,000	\$ (33,965)	\$ 5,202,996
Net Change in Fund Balances	\$ 192,874	\$ 206,933	\$ 687,601	\$ 1,345,596	\$ 2,433,004
Fund Balance, July 1, 2019	15,820,986	14,733,960	3,892,800	6,089,592	40,537,338
Fund Balance, June 30, 2020	\$ 16,013,860	\$ 14,940,893	\$ 4,580,401	\$ 7,435,188	\$ 42,970,342

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, 2020

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)		\$	2,433,004
(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	\$	9,071,860	
Less: current-year depreciation expense		(2,961,120)	6,110,740
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: book value of capital assets disposed			(136,104)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$	1,770,970	
Less: deferred delinquent property taxes and other deferred June 30, 2019		(1,803,683)	(32,713)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Less: bond proceeds	\$	(5,595,000)	
Less: note proceeds		(5,395,000)	
Add: debt refunded		6,400,000	
Add: change in premium on debt issuances		110,007	
Less: change in deferred amount on refunding		(1,072,178)	
Add: principal payments on bonds		8,525,000	
Add: principal payments on other loans		384,744	
Add: principal payments on capital leases		361,882	
Less: contributions from the school department for other loans and capital leases		(746,626)	2,972,829
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Change in accrued interest payable	\$	19,954	
Change in landfill postclosure care costs		82,250	
Change in compensated absences payable		103,869	
Change in net OPEB liability		(232,056)	
Change in deferred outflows related to OPEB		190,202	
Change in net pension liability/asset - agent plan		582,518	
Change in deferred outflows related to pensions		(275,104)	
Change in deferred inflows related to pensions		(193,655)	277,978
(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.			(638,156)
Change in net position of governmental activities (Exhibit B)	\$		<u>10,987,578</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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 19,919,088	\$ 0	\$ 0	\$ 19,919,088	\$ 19,327,612	\$ 19,327,612	\$ 591,476
Licenses and Permits	653,213	0	0	653,213	517,000	517,000	136,213
Fines, Forfeitures, and Penalties	449,955	0	0	449,955	492,750	492,750	(42,795)
Charges for Current Services	5,435,553	0	0	5,435,553	4,559,000	4,559,000	876,553
Other Local Revenues	2,189,326	0	0	2,189,326	2,328,000	2,375,974	(186,648)
Fees Received From County Officials	4,237,255	0	0	4,237,255	4,175,000	4,175,000	62,255
State of Tennessee	5,561,673	0	0	5,561,673	5,811,461	5,474,302	87,371
Federal Government	784,853	0	0	784,853	392,486	925,309	(140,456)
Other Governments and Citizens Groups	932,042	0	0	932,042	628,600	628,600	303,442
Total Revenues	\$ 40,162,958	\$ 0	\$ 0	\$ 40,162,958	\$ 38,231,909	\$ 38,475,547	\$ 1,687,411
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 148,391	\$ (45)	\$ 0	\$ 148,346	\$ 157,600	\$ 165,968	\$ 17,622
Beer Board	584	0	0	584	1,940	1,975	1,391
County Mayor/Executive	464,032	(1,340)	890	463,582	359,840	470,929	7,347
County Attorney	236,019	0	0	236,019	167,000	236,107	88
Election Commission	487,880	(3,239)	1,511	486,152	441,313	540,695	54,543
Register of Deeds	320,713	0	173	320,886	244,298	331,904	11,018
Codes Compliance	249,702	0	0	249,702	241,150	297,622	47,920
Geographical Information Systems	2,351	(2,351)	0	0	0	0	0
County Buildings	3,126,280	(67,406)	52,663	3,111,537	2,520,758	3,161,045	49,508
Other Facilities	323,399	(8,850)	8,479	323,028	327,000	366,562	43,534
<u>Finance</u>							
Property Assessor's Office	183,773	(7,642)	1,925	178,056	147,081	204,913	26,857
County Trustee's Office	473,056	0	1,213	474,269	382,947	496,322	22,053
County Clerk's Office	997,287	(200)	5,936	1,003,023	727,615	1,033,562	30,539
Other Finance	589,081	(10,086)	4,613	583,608	539,600	640,158	56,550
<u>Administration of Justice</u>							
Circuit Court	1,532,438	(964)	9,376	1,540,850	1,205,715	1,618,781	77,931

(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 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice (Cont.)</u>							
General Sessions Court	\$ 492,355	\$ 0	\$ 235	\$ 492,590	\$ 424,966	\$ 501,217	\$ 8,627
Drug Court	298,533	0	565	299,098	188,784	341,537	42,439
Chancery Court	382,168	(185)	461	382,444	313,591	418,023	35,579
Juvenile Court	262,821	0	460	263,281	202,900	276,067	12,786
District Attorney General	68,311	0	0	68,311	47,574	68,758	447
Office of Public Defender	54,892	0	502	55,394	55,625	66,387	10,993
Judicial Commissioners	102,351	0	0	102,351	96,172	109,185	6,834
Other Administration of Justice	599	0	0	599	0	599	0
Probation Services	53,859	0	0	53,859	47,900	56,726	2,867
Victim Assistance Programs	255,131	0	0	255,131	210,846	268,992	13,861
<u>Public Safety</u>							
Sheriff's Department	7,759,039	(39,466)	76,068	7,795,641	6,064,549	7,993,772	198,131
Jail	4,931,355	(293,104)	46,401	4,684,652	4,295,850	5,150,466	465,814
Workhouse	157,690	0	834	158,524	125,606	163,023	4,499
Juvenile Services	671,837	(590)	4,797	676,044	538,147	714,386	38,342
Commissary	250,061	(9,185)	8,797	249,673	425,000	425,000	175,327
Fire Prevention and Control	882,249	(67,005)	34,212	849,456	750,039	912,017	62,561
Civil Defense	316,688	(22,904)	0	293,784	243,170	299,254	5,470
Disaster Relief	2,144,342	0	3,453	2,147,795	0	2,150,000	2,205
Other Emergency Management	142,672	(1,140)	255	141,787	270,636	270,636	128,849
County Coroner/Medical Examiner	128,983	(37,173)	47,272	139,082	141,900	145,107	6,025
Other Public Safety	983,771	0	0	983,771	810,250	1,071,869	88,098
<u>Public Health and Welfare</u>							
Local Health Center	341,846	(16,016)	12,718	338,548	392,230	425,004	86,456
Ambulance/Emergency Medical Services	5,937,922	(524,615)	273,462	5,686,769	4,576,250	5,798,289	111,520
Other Local Health Services	55,956	(7,445)	6,111	54,622	49,800	80,605	25,983
Regional Mental Health Center	5,000	0	0	5,000	0	5,000	0
General Welfare Assistance	10,000	0	0	10,000	10,000	10,000	0
Aid to Dependent Children	0	0	0	0	8,000	8,000	8,000

(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 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Other Public Health and Welfare	\$ 1,560,200	\$ (1,481)	\$ 1,129	\$ 1,559,848	\$ 1,804,100	\$ 2,167,807	\$ 607,959
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	84,170	0	0	84,170	84,170	84,170	0
Libraries	511,010	0	0	511,010	511,010	511,010	0
Parks and Fair Boards	4,000	0	0	4,000	5,354	5,354	1,354
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	259,674	0	0	259,674	256,150	273,469	13,795
Forest Service	1,500	0	0	1,500	1,500	1,500	0
Soil Conservation	91,291	0	0	91,291	62,500	93,209	1,918
<u>Other Operations</u>							
Airport	53,000	0	0	53,000	53,000	53,000	0
Veterans' Services	88,521	0	97	88,618	85,498	96,342	7,724
Contributions to Other Agencies	338,206	0	0	338,206	275,258	338,209	3
Employee Benefits	9,185	0	0	9,185	8,008,000	874,423	865,238
COVID-19 Grant #2	1,567	0	0	1,567	0	1,567	0
COVID-19 Grant #6	14,188	0	0	14,188	0	14,188	0
Miscellaneous	965,155	(926)	4,552	968,781	1,495,165	1,085,197	116,416
Total Expenditures	\$ 39,819,084	\$ (1,123,358)	\$ 609,160	\$ 39,304,886	\$ 40,407,347	\$ 42,907,907	\$ 3,603,021
Excess (Deficiency) of Revenues Over Expenditures	\$ 343,874	\$ 1,123,358	\$ (609,160)	\$ 858,072	\$ (2,175,438)	\$ (4,432,360)	\$ 5,290,432
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (151,000)	\$ 0	\$ 0	\$ (151,000)	\$ (151,000)	\$ (198,974)	\$ 47,974
Total Other Financing Sources	\$ (151,000)	\$ 0	\$ 0	\$ (151,000)	\$ (151,000)	\$ (198,974)	\$ 47,974
Net Change in Fund Balance	\$ 192,874	\$ 1,123,358	\$ (609,160)	\$ 707,072	\$ (2,326,438)	\$ (4,631,334)	\$ 5,338,406
Fund Balance, July 1, 2019	15,820,986	(1,123,358)	0	14,697,628	13,666,241	13,666,241	1,031,387
Fund Balance, June 30, 2020	\$ 16,013,860	\$ 0	\$ (609,160)	\$ 15,404,700	\$ 11,339,803	\$ 9,034,907	\$ 6,369,793

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, 2020

	Governmental Activities - Internal Service Fund
	Self- Insurance Fund
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 852,672
Total Assets	\$ 852,672
<u>LIABILITIES</u>	
Current Liabilities:	
Claims and Judgments Payable	\$ 1,124,091
Total Liabilities	\$ 1,124,091
<u>NET POSITION</u>	
Net Position - Unrestricted	\$ (271,419)
Total Net Position	\$ (271,419)

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, 2020

	Governmental Activities - Internal Service Fund Self- Insurance Fund
<u>Operating Revenues</u>	
Self-Insurance Premiums/Contributions	\$ 1,521,452
Refunds	61,263
Total Operating Revenues	<u>\$ 1,582,715</u>
<u>Operating Expenses</u>	
General Government	\$ 4,905
Finance	6,466
Administration of Justice	1,832
Public Safety	412,459
Public Health and Welfare	312,101
Other Operations	530,865
Highways	302,772
Education - Support Services	664,435
Total Operating Expenses	<u>\$ 2,235,835</u>
Operating Income (Loss)	<u>\$ (653,120)</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 14,964
Total Nonoperating Revenue	<u>\$ 14,964</u>
Change in Net Position	\$ (638,156)
Net Position, July 1, 2019	<u>366,737</u>
Net Position, June 30, 2020	<u><u>\$ (271,419)</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, 2020

	Governmental Activities - Internal Service Fund Self- Insurance Fund
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-insurance Premiums	\$ 1,521,452
Receipts for Refunds	61,263
Payments for Administrative Costs and Premiums	(787,773)
Payments for Claims and Settlements	(1,157,377)
Payments for Legal Costs	(338,110)
Payments for Other Charges	(19,361)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (719,906)</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	\$ 14,964
Net Cash Provided By (Used In) Investing Activities	<u>\$ 14,964</u>
Net Increase (Decrease) in Cash	\$ (704,942)
Cash, July 1, 2019	<u>1,557,614</u>
Cash, June 30, 2020	<u><u>\$ 852,672</u></u>
<u>Reconciliation of Net Operating Income to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (653,120)
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	<u>(66,786)</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (719,906)</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, 2020

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 4,985,950
Equity in Pooled Cash and Investments	190,411
Accounts Receivable	9
Due from Other Governments	<u>3,104,339</u>
Total Assets	<u><u>\$ 8,280,709</u></u>
<u>LIABILITIES</u>	
Cash Overdraft	\$ 6,661
Due to Other Taxing Units	3,080,043
Due to Litigants, Heirs, and Others	5,080,686
Due to Joint Ventures	<u>113,319</u>
Total Liabilities	<u><u>\$ 8,280,709</u></u>

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

PUTNAM COUNTY, TENNESSEE

Index of Notes to Financial Statements

Note	Page(s)
I. Summary of Significant Accounting Policies	
A. Reporting Entity	35
B. Government-wide and Fund Financial Statements	36
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	37
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	39
2. Receivables and Payables	41
3. Inventories	42
4. Restricted Assets	42
5. Capital Assets	42
6. Deferred Outflows/Inflows of Resources	43
7. Compensated Absences	44
8. Long-term Debt and Long-term Obligations	45
9. Net Position and Fund Balance	45
E. Pension Plans	47
F. Other Postemployment Benefit (OPEB) Plans	48
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	48
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	48
III. Stewardship, Compliance, and Accountability	
A. Budgetary Information	49
B. Net Position Deficit	50
C. Cash Overdraft	50
IV. Detailed Notes on All Funds	
A. Deposits and Investments	50
B. Capital Assets	57
C. Construction Commitments	59
D. Interfund Receivables, Payables, and Transfers	59
E. Capital Leases	61
F. Long-term Debt	62
G. Long-term Obligations	65
H. On-Behalf Payments	67

PUTNAM COUNTY, TENNESSEE
Index of Notes to Financial Statements (Cont.)

Note	Page(s)
V. Other Information	
A. Risk Management	67
B. Contingent Liabilities	68
C. Change in Administration	68
D. Landfill Postclosure Care Costs	68
E. Joint Ventures	69
F. Jointly Governed Organization	71
G. Retirement Commitments	71
H. Other Postemployment Benefits (OPEB)	88
I. Purchasing Laws	95
J. Subsequent Events	96

PUTNAM COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

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

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

Administrative Offices:

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

B. Government-wide and Fund Financial Statements

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

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

Putnam County issues all debt for the discretely presented Putnam County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2020.

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.

General Capital Projects Fund – This fund is used to account for and report financial resources for the construction and renovation of various county buildings and the purchase of capital assets.

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.

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

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers; local sales taxes received from the state to be forwarded to the various cities in Putnam County;

and federal and state grants and other restricted revenues held for the benefit of the regional planning office, the Judicial District Drug Task Force, and the Office of District Attorney General. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

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

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

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

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

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

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

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

1. Deposits and Investments

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

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan

associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term Investment Fund; 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 Fund. Putnam County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, 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. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United State of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United

State of America. Putnam County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

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

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

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

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

Most payables are disaggregated on the face of the financial statements. Claims and judgments payable totaling \$1,124,091 are discussed in Note V.A. Risk Management.

Retainage payable in the General Capital Projects Fund represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the General Capital Projects Fund.

3. Inventories

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

4. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Putnam County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the Putnam County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Putnam County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

5. Capital Assets

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

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

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

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

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

<u>Assets</u>	<u>Years</u>
<u>Primary Government</u>	
Buildings and Improvements	50
Infrastructure:	
Roads	40
Bridges	40
Other Capital Assets	5 - 25
<u>School Department</u>	
Buildings and Improvements	40

6. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet.

These items are from the following sources: current and delinquent property taxes; pension changes in experience, investment earnings, and proportionate share of contributions; OPEB changes in experience, assumptions, and 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.

7. Compensated Absences

Primary Government

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

Discretely Presented Putnam County School Department

The general policy of the school department does not allow for the accumulation of vacation days beyond year-end with the exception of support staff who earn 12 to 18 days of vacation per year based upon year of service and can accumulate up to 30 days accrued leave. Support employees also earn compensatory time at a rate of one and one-half hours per additional hour worked. Compensatory time can be accrued to a maximum of 240 hours. All professional personnel (teachers) of the school department are allowed to accumulate unlimited sick leave days. The granting of sick leave has no guaranteed payment attached unless the employee has accumulated over 200 sick days upon retirement. Retirees with over 200 accrued sick days will be compensated \$50 per day for the sick days in excess of 200 days. Vacation, compensatory, and sick pay is accrued when incurred in the government-wide financial statements for the discretely presented school department. A liability for vacation, compensatory, and sick pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

8. Long-term Debt and Long-term Obligations

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

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

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

9. 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, 2020, Putnam County had \$94,120,285 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.

E. Pension Plans

Primary Government

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

Discretely Presented Putnam County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Putnam County School Department

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Putnam County School Department

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

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

Primary Government

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

Discretely Presented Putnam County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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 Mayor, 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, 2020, Putnam County and the Putnam County School Department reported the following significant encumbrances:

Funds	Amount
Primary Government:	
Major Funds:	
General	\$ 609,160
General Capital Projects	2,978,350
Nonmajor Funds:	
Solid Waste/Sanitation	170,056
Drug Control	13,407
Sports and Recreation	20,047
School Department:	
Major Fund:	
General Purpose School	1,018,382
Nonmajor Funds:	
School Federal Projects	5,995
Extended School Program	13,978

B. Net Position Deficit

The Self-Insurance Fund (internal service fund) had a deficit in unrestricted net position of \$271,419 at June 30, 2020. This deficit resulted from recognizing of a liability of \$1,124,091 for claims and judgments payable. The deficit was liquidated subsequent to June 30 by an assessment from the contributing funds.

C. Cash Overdraft

The Judicial District Drug Fund (agency fund) had a cash overdraft of \$6,661 at June 30, 2020. This cash overdraft resulted from the issuance of checks exceeding cash on deposit with the county trustee. The cash overdraft was liquidated subsequent to June 30, 2020.

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, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. 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, 2020, Putnam County had the following investments carried at amortized cost using a Stable Net Asset Value. Investments were in the State Treasurer’s Investment Pool. Separate disclosures concerning pooled investments cannot be made for Putnam County and the discretely presented Putnam County School Department since both pool their deposits and investments through the county trustee.

Investments	Weighted Average Maturity	Amortized Cost
State Treasurer's Investment Pool	1 to 105 days	\$ 28,215,920

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, 2020, Putnam County’s investment in the State Treasurer’s Investment pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer’s Investment Pool and the State Treasurer’s Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Consolidated Annual Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-cafr.html>.

TCRS Stabilization Trust

Legal Provisions. The Putnam County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as authorized by 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 trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Putnam County School Department may not impose any restrictions on investments placed by the trust on their behalf.

Investment Balances. Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest and dividend income. Interest income is recognized when earned. Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2020, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments where fair value is measured using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined to be calculated consistent with FASB principles for investment companies.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan’s custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes to be represented in the table below.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

U.S. Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter’s NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

At June 30, 2020, the Putnam County School Department had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 120,587
Developed Market International Equity	N/A	N/A	54,459
Emerging Market International Equity	N/A	N/A	15,560
U.S. Fixed Income	N/A	N/A	77,798
Real Estate	N/A	N/A	38,899
Short-term Securities	N/A	N/A	3,890
NAV - Private Equity and Strategic Lending	N/A	N/A	77,798
Total			<u>\$ 388,991</u>

Fair Value Measurements Using					
Investment by Fair Value Level	Fair Value 6-30-20	Quoted Prices in Active Markets for Identical Assets (Level 1)			NAV
		Significant Other Observable Inputs (Level 2)		Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 120,587	\$ 120,587	\$ 0	\$ 0	0
Developed Market International Equity	54,459	54,459	0	0	0
Emerging Market International Equity	15,560	15,560	0	0	0
U.S. Fixed Income	77,798	0	77,798	0	0
Real Estate	38,899	0	0	38,899	0
Short-term Securities	3,890	0	3,890	0	0
Private Equity and Strategic Lending	77,798	0	0	0	77,798
Total	<u>\$ 388,991</u>	<u>\$ 190,606</u>	<u>\$ 81,688</u>	<u>\$ 38,899</u>	<u>\$ 77,798</u>

Risks and Uncertainties. The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and

other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Putnam County School Department does not have the ability to limit trust 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. The Putnam County School Department does not have the ability to limit the credit ratings of individual investments made by the trust.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Putnam County School Department places no limit on the amount the county may invest in one issuer.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the Putnam County School Department to pay retirement benefits of the school department employees.

For further information concerning the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2019/ag18092.pdf>.

B. Capital Assets

Capital assets activity for the year ended June 30, 2020, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 6,067,365	\$ 5,386,662	\$ 0	\$ 11,454,027
Intangibles	4,840,504	0	0	4,840,504
Total Capital Assets Not Depreciated	<u>\$ 10,907,869</u>	<u>\$ 5,386,662</u>	<u>\$ 0</u>	<u>\$ 16,294,531</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 32,864,278	\$ 613,783	\$ 0	\$ 33,478,061
Infrastructure	53,770,816	323,478	0	54,094,294
Other Capital Assets	18,869,088	2,747,937	(732,835)	20,884,190
Total Capital Assets Depreciated	<u>\$ 105,504,182</u>	<u>\$ 3,685,198</u>	<u>\$ (732,835)</u>	<u>\$ 108,456,545</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 9,719,600	\$ 611,818	\$ 0	\$ 10,331,418
Infrastructure	28,246,782	1,160,718	0	29,407,500
Other Capital Assets	12,121,681	1,188,584	(596,731)	12,713,534
Total Accumulated Depreciation	<u>\$ 50,088,063</u>	<u>\$ 2,961,120</u>	<u>\$ (596,731)</u>	<u>\$ 52,452,452</u>
Total Capital Assets Depreciated, Net	<u>\$ 55,416,119</u>	<u>\$ 724,078</u>	<u>\$ (136,104)</u>	<u>\$ 56,004,093</u>
Governmental Activities Capital Assets, Net	<u>\$ 66,323,988</u>	<u>\$ 6,110,740</u>	<u>\$ (136,104)</u>	<u>\$ 72,298,624</u>

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

Governmental Activities:

General Government	\$	131,083
Finance		9,658
Administration of Justice		233,326
Public Safety		443,358
Public Health and Welfare		718,895
Social, Cultural, and Recreational Services		89,782
Agriculture and Natural Resources		7,217
Highways/Public Works		<u>1,327,801</u>

Total Depreciation Expense - Governmental Activities	\$	<u><u>2,961,120</u></u>
---	----	-------------------------

Discretely Presented Putnam County School Department**Governmental Activities:**

	Balance				Balance
	7-1-19	Increases	Decreases		6-30-20
Capital Assets Not Depreciated:					
Land	\$ 5,769,995	\$ 0	\$ 0	\$	5,769,995
Construction in Progress	0	131,350	0		131,350
Total Capital Assets					
Not Depreciated	\$ 5,769,995	\$ 131,350	\$ 0	\$	5,901,345
Capital Assets Depreciated:					
Buildings and Improvements	\$ 206,263,511	\$ 65,000	\$ 0	\$	206,328,511
Other Capital Assets	9,309,277	1,113,649	(54,477)		10,368,449
Total Capital Assets Depreciated	\$ 215,572,788	\$ 1,178,649	\$ (54,477)	\$	216,696,960
Less Accumulated Depreciation For:					
Buildings and Improvements	\$ 51,981,084	\$ 3,932,291	\$ 0	\$	55,913,375
Other Capital Assets	6,198,443	436,434	(38,164)		6,596,713
Total Accumulated Depreciation	\$ 58,179,527	\$ 4,368,725	\$ (38,164)	\$	62,510,088
Total Capital Assets Depreciated, Net	\$ 157,393,261	\$ (3,190,076)	\$ (16,313)	\$	154,186,872
Governmental Activities Capital Assets, Net	\$ 163,163,256	\$ (3,058,726)	\$ (16,313)	\$	<u><u>160,088,217</u></u>

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

Governmental Activities:

Instruction	\$ 3,975,968
Support Services	371,576
Operation on Non-instructional Services	<u>21,181</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,368,725</u>

C. Construction Commitments

At June 30, 2020, the county had uncompleted construction contracts of approximately \$1,389,688 for roofing projects. Since these contracts are considered repairs, they were not capitalized and are not included as construction in progress at June 30, 2020. Funding has been received for these future expenditures.

At June 30, 2020, the discretely presented Putnam County School Department had construction in progress of approximately \$131,350 for survey and design expenditures for a new elementary school. The construction contracts have not been bid for this project as of June 30, 2020. Funding for these future expenditures is expected to be received from debt issued by the county.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2020, was as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 3,081
Discretely Presented Putnam County School Department:		
General Purpose School	Nonmajor governmental	82,024
Nonmajor governmental	General Purpose School	562

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

The receivable in the General Purpose School Fund totaling \$81,034 was in transit from the Central Cafeteria Fund at June 30, 2020.

Due to/from Primary Government and Component Unit:

Receivable	Payable	Amount
<hr/>		
	Component Unit:	
Primary Government	School Department	\$ 2,010,285

The Due to Primary Government of \$2,010,285 is the balance of other loans (\$1,645,140) and capital leases (\$365,145) issued by the county for the school department. The school department has agreed to contribute the funds annually to retire the other loans. These long-term obligations are reflected in governmental activities on the Statement of Net Position.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2020, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In			Purpose
	General	Nonmajor	Fiduciary	
	Capital Projects	Governmental		
	Fund	Funds	Funds	
General Fund	\$ 0	\$ 25,000	\$ 0	Operations
"	126,000			Capital Projects
General Debt				
Service Fund	6,150,000	0	0	"
Nonmajor govern- mental funds	0	0	58,965	Operations
Total	\$ 6,276,000	\$ 25,000	\$ 58,965	

Discretely Presented Putnam County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Purpose
Nonmajor governmental funds	\$ 134,862	Indirect costs
"	642,066	Reimbursement of direct costs
Total	<u>\$ 776,928</u>	

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

E. Capital Lease

Discretely Presented Putnam County School Department

On September 1, 2018, the school department entered into a three-year lease-purchase agreement for 900 laptop computers. The terms of the agreement required total lease payments of \$1,090,560 plus interest of 0.9 percent. Title to the computers transfers to the school department at the end of the lease period. The lease payments were made from the General Debt Service Fund from contributions received from the school department. In the government-wide financial statements, the equipment was expensed in the year of acquisition because the equipment purchased did not meet the criteria set out in the county's capitalization policy.

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30	Governmental Funds
2021	\$ 367,612
Total Minimum Lease Payments	\$ 367,612
Less: Amount Representing Interest	<u>(2,467)</u>
Present Value of Minimum Lease Payments	<u>\$ 365,145</u>

F. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

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, credit, and taxing authority of the government. General obligation bonds 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. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Putnam County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of 11 years for notes and six years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, other loans, and capital leases outstanding as of June 30, 2020, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-20
General Obligation Bonds	2 to 3.5 %	4-1-33	\$ 52,235,000	\$ 51,435,000
General Obligation Bonds - Refunding	2 to 5	4-1-30	63,310,000	57,425,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	2.189	4-1-30	5,395,000	5,395,000
Other Loans	1	8-1-24	2,347,584	1,645,140
Capital Leases	0.9	3-1-21	1,090,560	365,145

The annual requirements to amortize all general obligation bonds and other loans outstanding at June 30, 2020, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 8,965,000	\$ 4,335,450	\$ 13,300,450
2022	9,290,000	3,892,000	13,182,000
2023	9,575,000	3,464,800	13,039,800
2024	10,075,000	3,026,300	13,101,300
2025	10,570,000	2,606,550	13,176,550
2026-2030	43,650,000	7,010,400	50,660,400
2031-2033	16,735,000	1,136,450	17,871,450
Total	<u>\$ 108,860,000</u>	<u>\$ 25,471,950</u>	<u>\$ 134,331,950</u>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 540,000	\$ 151,955	\$ 691,955
2022	540,000	106,324	646,324
2023	540,000	94,498	634,498
2024	540,000	82,673	622,673
2025	540,000	70,847	610,847
2026-2030	2,695,000	176,842	2,871,842
Total	<u>\$ 5,395,000</u>	<u>\$ 683,139</u>	<u>\$ 6,078,139</u>

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2021	\$ 388,608	\$ 14,676	\$ 403,284
2022	392,520	10,764	403,284
2023	396,456	6,828	403,284
2024	400,440	2,844	403,284
2025	67,116	87	67,203
Total	<u>\$ 1,645,140</u>	<u>\$ 35,199</u>	<u>\$ 1,680,339</u>

There is \$14,940,893 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,505, based on the 2010 federal census. Total debt per capita, including bonds, other loans, capital leases, and unamortized debt premiums, totaled \$1,715, 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 6-30-20</u>
<u>Other Loans - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficient Schools Initiative Loan	\$ 1,645,140
<u>Capital Leases - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Computers	<u>365,145</u>
Total	<u><u>\$ 2,010,285</u></u>

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2020, was as follows:

	Bonds	Notes - Direct Placement	Other Loans - Direct Placement	Capital Leases - Direct Placement
Balance, July 1, 2019	\$ 118,190,000	\$ 0	\$ 2,029,884	\$ 727,027
Additions	5,595,000	5,395,000	0	0
Reductions	(14,925,000)	0	(384,744)	(361,882)
Balance, June 30, 2020	<u><u>\$ 108,860,000</u></u>	<u><u>\$ 5,395,000</u></u>	<u><u>\$ 1,645,140</u></u>	<u><u>\$ 365,145</u></u>
Balance Due Within One Year	<u><u>\$ 8,965,000</u></u>	<u><u>\$ 540,000</u></u>	<u><u>\$ 388,608</u></u>	<u><u>\$ 365,145</u></u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 116,265,285
Less: Balance Due Within One Year - Debt	(10,258,753)
Add: Unamortized Premium on Debt	<u>7,781,219</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 113,787,751</u></u>

G. Long-term Obligations

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2020, was as follows:

	Net Pension Liability Agent Plan	Other Postemployment Benefits	Landfill Postclosure Care Costs
Balance, July 1, 2019	\$ 885,071	\$ 533,277	\$ 379,328
Additions	7,695,678	254,339	5,253
Reductions	<u>(8,278,196)</u>	<u>(22,283)</u>	<u>(87,503)</u>
Balance, June 30, 2020	<u><u>\$ 302,553</u></u>	<u><u>\$ 765,333</u></u>	<u><u>\$ 297,078</u></u>
Balance Due Within One Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 34,484</u></u>

	Compensated Absences
Balance, July 1, 2019	\$ 1,078,745
Additions	1,102,348
Reductions	<u>(1,206,217)</u>
Balance, June 30, 2020	<u><u>\$ 974,876</u></u>
Balance Due Within One Year	<u><u>\$ 765,861</u></u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 2,339,840
Less: Balance Due Within One Year - Other	<u>(800,345)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,539,495</u>
---	---------------------

Compensated absences, pensions, 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, 2020, was as follows:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2019	\$ 254,589	\$ 6,672,747
Additions	313,078	1,858,282
Reductions	<u>(216,894)</u>	<u>(1,227,737)</u>
Balance, June 30, 2020	<u>\$ 350,773</u>	<u>\$ 7,303,292</u>
Balance Due Within One Year	<u>\$ 315,696</u>	<u>\$ 0</u>

	Net Pension Liability Agent Plan
Balance, July 1, 2019	\$ 541,082
Additions	4,568,623
Reductions	<u>(4,929,871)</u>
Balance, June 30, 2020	<u>\$ 179,834</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 7,833,899
Less: Balance Due Within One Year - Other	<u>(315,696)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 7,518,203</u>
---	---------------------

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

H. On-Behalf Payments

Discretely Presented Putnam County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Putnam County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Teacher Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2020, were \$214,537 and \$119,606, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

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

The discretely presented Putnam County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local education agencies are eligible to participate. The LEGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

Putnam County's and the discretely presented Putnam County School Department's risks of loss relating to general liability, automobile liability, property, casualty, and workers' compensation are covered through a self-insurance program and by the purchase of commercial insurance to cover losses exceeding certain limits. The county is self-insured for individual

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

	Liability at Beginning of Year	Current Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2018-2019	\$ 1,081,559	\$ 586,039	\$ (476,721)	\$ 1,190,877
2019-2020	1,190,877	915,591	(982,377)	1,124,091

B. 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.

C. Change in Administration

Director of Schools Jerry Boyd resigned on January 21, 2020, and was succeeded by Corby King.

D. Landfill Postclosure Care Costs

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform

certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Putnam County closed its sanitary landfill in 2000. The \$297,078 reported as postclosure care liability at June 30, 2020, represents amounts based on what it would cost to perform all postclosure care in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Ventures

The Upper Cumberland Regional Airport was established as a joint venture between Putnam County, White County, the City of Cookeville, and the City of Sparta. The airport operates the regional airport for the two-county area. The five-member board of the airport includes one member appointed by each of the four participating governments with the fifth member of the board being the chief executive officer of one of the participating governments. This fifth board position serves a one-year term and rotates among the four participating governments in a prescribed order. Each participant retains a 25 percent ownership in the airport. Putnam County contributed \$25,000 to the Upper Cumberland Regional Airport for the year ended June 30, 2020.

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, 2020.

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 mayor, mayors of the various cities within the county, chamber of commerce members, and several additional members. The purpose of the board is to foster communication relative to economic and community development between and among governmental entities, industry, and private citizens. The Chamber of Commerce will provide the funding for the board. Putnam County did not make appropriations to the Joint Economic and Community Development Board for the year ended June 30, 2020.

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 \$7,745 to the Rail Trail Authority for the year ended June 30, 2020.

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. White County and the City of Algood discontinued their participation during the year. 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 Mayor in accordance with a budget approved by the Executive Committee. Putnam County contributed \$58,965 for planning services for the year ended June 30, 2020.

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 \$511,010 to the Putnam County Library for the year ended June 30, 2020.

On April 3, 2020, Putnam County entered into a one-year Memorandum of Understanding with the City of Cookeville to administer donations to victims of the March 3, 2020 tornado. The City of Cookeville and Putnam County established a coordinating committee to oversee the distribution of the donations to victims, and Putnam County administered the disbursement of funds in accordance with the committee's recommendations.

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, the Putnam County Library, and the Cookeville-Putnam County Tornado Relief Fund 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 Mayor
300 East Spring Street, Room 8
Cookeville, TN 38501

Putnam County Library
50 East Broad Street
Cookeville, TN 38501

Cookeville-Putnam County Tornado Relief Fund
c/o Putnam County Mayor
300 East Spring Street, Room 8
Cookeville, TN 38501

F. Jointly Governed Organization

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

G. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Putnam County and non-certified employees of the discretely presented Putnam County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension

plan administered by the TCRS. The primary government employees comprise 62.72 percent, the non-certified employees of the discretely presented school department comprise 37.28 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

Employees Covered by Benefit Terms. At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	545
Inactive Employees Entitled to But Not Yet Receiving Benefits	1,205
Active Employees	<u>1,040</u>
Total	<u>2,790</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, 2020, the employer contribution for Putnam County was \$2,644,966 based on a rate of 7.55 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Putnam County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Putnam County's net pension liability (asset) was measured as of June 30, 2019, 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, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study

performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 105,683,792	\$ 104,257,639	\$ 1,426,153
Changes for the Year:			
Service Cost	\$ 2,729,951	\$ 0	\$ 2,729,951
Interest	7,697,659	0	7,697,659
Differences Between Expected and Actual Experience	1,735,973	0	1,735,973
Contributions-Employer	0	3,655,082	(3,655,082)
Contributions-Employees	0	1,749,497	(1,749,497)
Net Investment Income	0	7,794,076	(7,794,076)
Benefit Payments, Including Refunds of Employee Contributions	(4,478,269)	(4,478,269)	0
Administrative Expense	0	(91,306)	91,306
Net Changes	\$ 7,685,314	\$ 8,629,080	\$ (943,766)
Balance, June 30, 2019	\$ 113,369,106	\$ 112,886,719	\$ 482,387

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	62.72%	\$ 71,105,103	\$ 70,802,550	\$ 302,553
School Department	37.28%	42,264,003	42,084,169	179,834
Total		\$ 113,369,106	\$ 112,886,719	\$ 482,387

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

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Putnam County			
Net Pension Liability (Asset)	\$ 15,560,981	\$ 482,387	\$ (11,990,734)

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

Pension Expense. For the year ended June 30, 2020, Putnam County recognized pension expense of \$2,595,696.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, Putnam County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,697,503	\$ 924,848
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,278,655
Changes in Assumptions	916,974	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	2,644,966	N/A
Total	<u>\$ 5,259,443</u>	<u>\$ 2,203,503</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2019,” 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	\$ 3,342,513	\$ 1,382,037
School Department	1,916,930	821,466
Total	<u>\$ 5,259,443</u>	<u>\$ 2,203,503</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
2021	\$ 535,608
2022	(236,846)
2023	(193,951)
2024	306,169
2025	0
Thereafter	0

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

Discretely Presented Putnam County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Putnam County and non-certified employees of the discretely presented Putnam County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 62.72 percent and the non-certified employees of the discretely presented school department comprise 37.28 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$203,738 which is 2.03 percent of covered payroll. In addition, employer contributions of \$193,296, which is 1.97 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$462,690) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school department's proportion was .819666 percent. The proportion as of June 30, 2018, was .752439 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$141,005.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department reported deferred

outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 19,185	\$ 80,773
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	19,562
Changes in Assumptions	16,076	0
Changes in Proportion of Net Pension Liability (Asset)	0	48,163
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	203,738	N/A
Total	<u>\$ 238,999</u>	<u>\$ 148,498</u>

The school department's employer contributions of \$203,738, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2021. 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
2021	\$ (14,011)
2022	(17,004)
2023	(11,517)
2024	(8,719)
2025	(7,922)
Thereafter	(54,063)

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, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major 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	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

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

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

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

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

Net Pension Liability (Asset) \$ 146,598 \$ (462,690) \$ (913,068)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of

death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Putnam County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$3,909,788, which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$11,551,206) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school department's proportion was 1.123461 percent. The proportion measured at June 30, 2018, was 1.069082 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$1,606,474.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 562,399	\$ 7,055,706
Changes in Assumptions	1,556,584	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,300,402
Changes in Proportion of Net Pension Liability (Asset)	156,200	108,279
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	3,909,788	N/A
Total	<u>\$ 6,184,971</u>	<u>\$ 10,464,387</u>

The school department's employer contributions of \$3,909,788 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2021. 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
2021	\$ (2,291,988)
2022	(3,317,893)
2023	(1,474,991)
2024	(1,104,331)
2025	0
Thereafter	0

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

Actuarial Assumptions. The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

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

Net Pension Liability (Asset) \$ 23,618,879 \$ (11,551,206) \$ (39,528,034)

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 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 403(b). All costs of administering and funding the programs are the responsibility of plan participants. The 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457(b) and 403(b) plans establish participation, contribution, and withdrawal provisions for the plan.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$501,281 and teachers contributed \$215,839 to this deferred compensation pension plan.

H. **Other Postemployment Benefits (OPEB)**

Primary Government

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

Commercial Postemployment Benefits Plan

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

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

Employees Covered by Benefit Terms

At the measurement date of June 30, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	5
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	<u>426</u>
Total	<u><u>431</u></u>

Total OPEB Liability

The county's total OPEB liability of \$765,333 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3%
Salary Increases	2.50%
Discount Rate	2.21%
Healthcare Cost Trend Rates	4.50%
Retirees share of Benefit-related Cost	100%

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

Mortality rates were based on RHP-2014 mortality table with the MP-2019 projection scale.

The actuarial assumptions used in the June 30, 2020, valuation were based on plan data and costs presented by the county.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2019	\$ 533,277
Changes for the Year:	
Service Cost	\$ 25,095
Interest	21,233
Changes in Assumption and Other Inputs	208,011
Benefit Payments	<u>(22,283)</u>
Net Changes	<u>\$ 232,056</u>
Balance June 30, 2020	<u><u>\$ 765,333</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the county recognized OPEB expense of \$64,137. At June 30, 2020, the county reported no deferred inflows of resources. The county reported deferred outflows of resources of OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 0	\$ 0
Changes of Assumptions/Inputs	190,202	0
Total	<u><u>\$ 190,202</u></u>	<u><u>\$ 0</u></u>

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

<u>Year Ending June 30</u>	<u>County</u>
2021	\$ 17,809
2022	17,809
2023	17,809
2024	17,809
2025	17,809
Thereafter	101,157

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the county calculated using the discount rate of 2.21 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate:

<u>Discount Rate</u>		Current Discount Rate	
	1% Decrease		1% Increase
	1.21%	2.21%	3.21%
Total OPEB Liability	\$ 937,753	\$ 765,333	\$ 634,459

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the total OPEB liability of the county calculated using the healthcare cost trend rate of 4.50 percent, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (3.50%) or one percentage point higher (5.50%) than the current rate:

<u>Healthcare Cost Trend Rate</u>		Current Trend Rate	
	1% Decrease		1% Increase
	3.50%	4.50%	5.50%
Total OPEB Liability	\$ 621,730	\$ 765,333	\$ 959,062

Discretely Presented Putnam County School Department

The discretely presented Putnam County School Department provides OPEB benefits to its retirees through state administered public entity risk pools. For reporting purposes, the plans are considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental

Accounting Standards Board (GASB). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

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

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

Benefits Provided. The Putnam County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Putnam County does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	56
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees	<u>1,011</u>
Total	<u><u>1,068</u></u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$369,661 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Putnam County</u>	<u>State of</u>	
	<u>School Department</u>	<u>TN</u>	<u>Total OPEB</u>
	<u>64.4936%</u>	<u>35.5064%</u>	<u>Liability</u>
Balance July 1, 2018	\$ 6,672,747	\$ 3,332,797	\$ 10,005,544
Changes for the Year:			
Service Cost	\$ 367,702	\$ 202,435	\$ 570,137
Interest	239,424	131,813	371,237
Difference between Expected and Actuarial Experience	1,251,156	688,813	1,939,969
Change in Proportion	(219,812)	219,812	0
Changes in Assumption and Other Inputs	(590,806)	(325,263)	(916,069)
Benefit Payments	(417,119)	(229,641)	(646,760)
Net Changes	<u>\$ 630,545</u>	<u>\$ 687,969</u>	<u>\$ 1,318,514</u>
Balance June 30, 2019	<u>\$ 7,303,292</u>	<u>\$ 4,020,766</u>	<u>\$ 11,324,058</u>

The Putnam County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Putnam County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$276,574 in revenue for subsidies provided by

nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Putnam County School Department's proportionate share of the collective OPEB liability was 64.4936 percent and the State of Tennessee's share was 35.5064 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department recognized OPEB expense of \$728,673, including the state's share of the expense. At June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,116,333	\$ 1,605,558
Changes of Assumptions/Inputs	174,830	800,832
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	94,352	240,783
Benefits Paid After the Measurement Date of June 30, 2019	369,661	0
Total	<u>\$ 1,755,176</u>	<u>\$ 2,647,173</u>

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

Year Ending June 30	School Department
2021	\$ (155,027)
2022	(155,027)
2023	(155,027)
2024	(155,027)
2025	(155,027)
Thereafter	(486,523)

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

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

<u>Discount Rate</u>	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
----------------------	-------------------------	--------------------------------------	-------------------------

Proportionate Share of the Collective Total OPEB Liability	\$ 7,888,809	\$ 7,303,292	\$ 6,748,839
--	--------------	--------------	--------------

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease 5.03 to 3.5%	Curent Rates 6.03 to 4.5%	1% Increase 7.03 to 5.5%
-----------------------------------	--------------------------------	---------------------------------	--------------------------------

Proportionate Share of the Collective Total OPEB Liability	\$ 6,461,334	\$ 7,303,292	\$ 8,300,820
--	--------------	--------------	--------------

I. **Purchasing Laws**

Office of County Mayor

Purchasing procedures for the County Mayor'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. Furthermore, the Board of Education adopted the provisions of Section 12-3-1212, *TCA*. This statute requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$25,000.

J. Subsequent Events

On August 7, 2020, Putnam County sold general obligation refunding bonds totaling \$48,590,000.

On November 4, 2020, the county purchased land totaling \$1,953,500 for a jail addition with an option to purchase additional land for \$225,000.

On December 9, 2020, the county issued a \$2,155,000 capital outlay note for the above-noted land purchase.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

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

	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service Cost	\$ 2,834,627	\$ 2,242,949	\$ 2,389,869	\$ 2,454,542	\$ 2,698,019	\$ 2,729,951
Interest	5,839,055	6,105,144	6,600,671	6,979,419	7,383,423	7,697,659
Differences Between Actual and Expected Experience	(1,180,708)	1,858,499	(147,907)	771,811	(1,492,109)	1,735,973
Changes in Assumptions	0	0	0	2,292,438	0	0
Benefit Payments, Including Refunds of Employee Contributions	(3,103,658)	(3,603,212)	(3,889,774)	(3,824,890)	(4,095,679)	(4,478,269)
Net Change in Total Pension Liability	\$ 4,389,316	\$ 6,603,380	\$ 4,952,859	\$ 8,673,320	\$ 4,493,654	\$ 7,685,314
Total Pension Liability, Beginning	76,571,263	80,960,579	87,563,959	92,516,818	101,190,138	105,683,792
Total Pension Liability, Ending (a)	\$ 80,960,579	\$ 87,563,959	\$ 92,516,818	\$ 101,190,138	\$ 105,683,792	\$ 113,369,106
Plan Fiduciary Net Position						
Contributions - Employer	\$ 2,789,750	\$ 2,924,299	\$ 3,000,872	\$ 3,256,050	\$ 3,223,542	\$ 3,655,082
Contributions - Employee	1,344,972	1,408,317	1,436,729	1,554,155	1,560,614	1,749,497
Net Investment Income	11,209,298	2,449,987	2,190,388	9,695,100	7,967,993	7,794,076
Benefit Payments, Including Refunds of Employee Contributions	(3,103,658)	(3,603,212)	(3,889,774)	(3,824,890)	(4,095,679)	(4,478,269)
Administrative Expense	(37,923)	(48,823)	(73,224)	(85,659)	(95,420)	(91,306)
Net Change in Plan Fiduciary Net Position	\$ 12,202,439	\$ 3,130,568	\$ 2,664,991	\$ 10,594,756	\$ 8,561,050	\$ 8,629,080
Plan Fiduciary Net Position, Beginning	67,103,835	79,306,274	82,436,842	85,101,833	95,696,589	104,257,639
Plan Fiduciary Net Position, Ending (b)	\$ 79,306,274	\$ 82,436,842	\$ 85,101,833	\$ 95,696,589	\$ 104,257,639	\$ 112,886,719
Net Pension Liability (Asset), Ending (a - b)	\$ 1,654,305	\$ 5,127,117	\$ 7,414,985	\$ 5,493,549	\$ 1,426,153	\$ 482,387
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	97.96%	94.14%	91.99%	94.57%	98.65%	99.57%
Covered Payroll	\$ 26,837,192	\$ 27,925,707	\$ 28,684,067	\$ 30,346,771	\$ 30,726,303	\$ 34,733,370
Net Pension Liability (Asset) as a Percentage of Covered Payroll	6.16%	18.36%	25.85%	18.10%	4.64%	1.39%

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

Note: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.

Exhibit F-2

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 2,789,750	\$ 2,924,299	\$ 3,000,872	\$ 3,256,050	\$ 3,223,542	\$ 3,655,082	\$ 2,644,966
Less Contributions in Relation to the Actuarially Determined Contribution	(2,789,750)	(2,924,299)	(3,000,872)	(3,256,050)	(3,223,542)	(3,655,082)	(2,644,966)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 26,837,192	\$ 27,925,707	\$ 28,684,067	\$ 30,346,771	\$ 30,726,303	\$ 34,733,370	\$ 35,042,193
Contributions as a Percentage of Covered Payroll	10.40%	10.47%	10.46%	10.73%	10.49%	10.52%	7.55%

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

Note: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.

Exhibit F-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 50,263	\$ 109,798	\$ 183,008	\$ 263,016	\$ 168,271	\$ 203,738
Less Contributions in Relation to the						
Contractually Required Contribution	(50,263)	(109,798)	(183,008)	(263,016)	(168,271)	(203,738)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,256,568	\$ 2,744,927	\$ 4,546,845	\$ 6,575,385	\$ 8,673,749	\$ 10,036,338
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.02%	4.00%	1.94%	2.03%

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

Exhibit F-4

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 3,539,956	\$ 3,644,619	\$ 3,440,559	\$ 3,399,169	\$ 3,940,415	\$ 3,909,788
Less Contributions in Relation to the Contractually Required Contribution	(3,539,956)	(3,644,619)	(3,440,559)	(3,399,169)	(3,940,415)	(3,909,788)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 39,864,365	\$ 40,316,652	\$ 38,087,686	\$ 37,435,735	\$ 37,671,240	\$ 36,780,692
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.03%	9.08%	10.46%	10.63%

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

	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability/Asset	0.592303%	0.623846%	0.697078%	0.752439%	0.819666%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (24,330)	\$ (64,944)	\$ (183,912)	\$ (341,252)	\$ (462,690)
Covered Payroll	\$ 1,256,568	\$ 2,744,927	\$ 4,546,845	\$ 6,575,385	\$ 8,673,749
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.04)%	(5.19)%	(5.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit F-6

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability/Asset	1.015655%	1.076975%	1.067128%	1.076657%	1.069082%	1.123461%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (165,039)	\$ 441,166	\$ 6,668,957	\$ (352,264)	\$ (3,762,010)	\$ (11,551,206)
Covered Payroll	\$ 39,864,365	\$ 40,316,652	\$ 38,521,221	\$ 38,087,686	\$ 37,435,735	\$ 37,671,240
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.92)%	(10.05)%	(30.66)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

Exhibit F-7

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

	2018	2019	2020
Total OPEB Liability			
Service Cost	\$ 24,158	\$ 25,095	\$ 25,095
Interest	18,429	19,983	21,233
Changes in Assumptions or Other Inputs	0	0	208,011
Benefit Payments	(3,466)	(3,466)	(22,283)
Net Change in Total OPEB Liability	\$ 39,121	\$ 41,612	\$ 232,056
Total OPEB Liability, Beginning	452,544	491,665	533,277
Total OPEB Liability, Ending	<u>\$ 491,665</u>	<u>\$ 533,277</u>	<u>\$ 765,333</u>
Covered Employee Payroll	\$ 20,643,754	\$ 22,301,160	\$ 22,643,754
Net OPEB Liability as a Percentage of Covered Employee Payroll	2.38%	2.39%	3.38%

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

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Exhibit F-8

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 708,728	\$ 657,220	\$ 570,137
Interest	380,283	451,820	371,237
Differences Between Actual and Expected Experience	0	(3,082,219)	1,939,969
Changes in Assumptions or Other Inputs	(601,188)	335,625	(916,069)
Benefit Payments	(753,687)	(782,536)	(646,760)
Net Change in Total OPEB Liability	\$ (265,864)	\$ (2,420,090)	\$ 1,318,514
Total OPEB Liability, Beginning	12,691,498	12,425,634	10,005,544
Total OPEB Liability, Ending	<u>\$ 12,425,634</u>	<u>\$ 10,005,544</u>	<u>\$ 11,324,058</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 4,261,247	\$ 3,332,797	\$ 4,020,766
Employer Proportionate Share of the Total OPEB Liability	8,164,387	6,672,747	7,303,292
Covered Employee Payroll	\$ 56,683,904	\$ 59,612,529	\$ 60,163,441
Net OPEB Liability as a Percentage of Covered Employee Payroll	21.92%	16.78%	18.82%

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

Note 2: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%

(b) The assumed initial trend rate applicable to plan years was revised as follows:

For the 2019 plan year - from 5.4% to 6.75%
For the 2020 plan year - from 6.75% to 6.03%

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

PUTNAM COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2020

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2020 were calculated based on the June 30, 2018, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, 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	2.25%

Changes in Assumptions: In 2017, the following assumptions were changed: decreased the inflation rate from 3 percent to 2.5 percent; decreased the investment rate from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased the salary growth rate graded ranges from an average of 4.25 percent to 4 percent; and modified the mortality assumptions.

**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.

Exhibit G-1

Putnam County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds				
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	1,699,916	1,201,162	263,032	294,009	447,322
Accounts Receivable	299,116	102,333	0	0	30,387
Allowance for Uncollectibles	(11,769)	0	0	0	0
Due from Other Governments	4,429	0	0	0	9,703
Property Taxes Receivable	2,801,131	311,237	0	0	622,473
Allowance for Uncollectible Property Taxes	(55,694)	(6,188)	0	0	(12,377)
Total Assets	<u>\$ 4,737,129</u>	<u>\$ 1,608,544</u>	<u>\$ 263,032</u>	<u>\$ 294,009</u>	<u>\$ 1,097,508</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 107,416	\$ 1,950	\$ 30	\$ 95	\$ 2,618
Due to Other Funds	0	0	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	22,028	0
Total Liabilities	<u>\$ 107,416</u>	<u>\$ 1,950</u>	<u>\$ 30</u>	<u>\$ 22,123</u>	<u>\$ 2,618</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 2,697,132	\$ 299,681	\$ 0	\$ 0	\$ 599,363
Deferred Delinquent Property Taxes	37,857	4,206	0	0	8,412
Other Deferred/Unavailable Revenue	24,220	0	0	0	0
Total Deferred Inflows of Resources	<u>\$ 2,759,209</u>	<u>\$ 303,887</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 607,775</u>

(Continued)

Exhibit G-1

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

	Special Revenue Funds				
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 0	\$ 0	\$ 263,002	\$ 0	\$ 0
Restricted for Public Safety	0	0	0	271,886	0
Restricted for Highways/Public Works	0	0	0	0	0
Committed:					
Committed for Public Health and Welfare	1,870,504	0	0	0	0
Committed for Social, Cultural, and Recreational Services	0	0	0	0	487,115
Committed for Other Operations	0	1,302,707	0	0	0
Total Fund Balances	<u>\$ 1,870,504</u>	<u>\$ 1,302,707</u>	<u>\$ 263,002</u>	<u>\$ 271,886</u>	<u>\$ 487,115</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,737,129</u>	<u>\$ 1,608,544</u>	<u>\$ 263,032</u>	<u>\$ 294,009</u>	<u>\$ 1,097,508</u>

(Continued)

Exhibit G-1

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

ASSETS

Cash
Equity in Pooled Cash and Investments
Accounts Receivable
Allowance for Uncollectibles
Due from Other Governments
Property Taxes Receivable
Allowance for Uncollectible Property Taxes

Total Assets

LIABILITIES

Accounts Payable
Due to Other Funds
Due to Litigants, Heirs, and Others
Total Liabilities

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes
Deferred Delinquent Property Taxes
Other Deferred/Unavailable Revenue
Total Deferred Inflows of Resources

<u>Special Revenue Funds (Cont.)</u>			
Constitu - tional Officers - Fees	Highway / Public Works	Total Nonmajor Governmental Funds	
\$ 3,081	\$ 0	\$ 3,081	
0	2,970,710	6,876,151	
0	148	431,984	
0	0	(11,769)	
0	509,444	523,576	
0	1,945,230	5,680,071	
0	(38,677)	(112,936)	
<hr/>			
\$ 3,081	\$ 5,386,855	\$ 13,390,158	
<hr/>			
\$ 0	\$ 0	\$ 112,109	
3,081	0	3,081	
0	0	22,028	
<hr/>			
\$ 3,081	\$ 0	\$ 137,218	
<hr/>			
\$ 0	\$ 1,873,008	\$ 5,469,184	
0	26,290	76,765	
0	247,583	271,803	
<hr/>			
\$ 0	\$ 2,146,881	\$ 5,817,752	
<hr/>			

(Continued)

Exhibit G-1

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

FUND BALANCES

Restricted:

Restricted for General Government

Restricted for Public Safety

Restricted for Highways/Public Works

Committed:

Committed for Public Health and Welfare

Committed for Social, Cultural, and Recreational Services

Committed for Other Operations

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>Special Revenue Funds (Cont.)</u>			
Constitu - tional Officers - Fees	Highway / Public Works	Total Nonmajor Governmental Funds	
\$ 0	\$ 0	\$ 263,002	
0	0	271,886	
0	3,239,974	3,239,974	
0	0	1,870,504	
0	0	487,115	
0	0	1,302,707	
<u>\$ 0</u>	<u>\$ 3,239,974</u>	<u>\$ 7,435,188</u>	
<u>\$ 3,081</u>	<u>\$ 5,386,855</u>	<u>\$ 13,390,158</u>	

Exhibit G-2

Putnam County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue Funds			
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control
<u>Revenues</u>				
Local Taxes	\$ 3,200,290	\$ 767,067	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	37,572
Charges for Current Services	2,254,057	4,860	85,557	0
Other Local Revenues	126,666	63,407	3,126	75,498
State of Tennessee	449,040	0	0	0
Federal Government	0	0	0	23,773
Other Governments and Citizens Groups	0	116	0	0
Total Revenues	\$ 6,030,053	\$ 835,450	\$ 88,683	\$ 136,843
<u>Expenditures</u>				
Current:				
General Government	\$ 0	\$ 11,300	\$ 73,622	\$ 0
Public Safety	0	0	0	86,476
Public Health and Welfare	5,687,273	0	0	0
Social, Cultural, and Recreational Services	0	0	0	0
Other Operations	0	578,514	0	0
Highways	0	0	0	0
Total Expenditures	\$ 5,687,273	\$ 589,814	\$ 73,622	\$ 86,476
Excess (Deficiency) of Revenues Over Expenditures	\$ 342,780	\$ 245,636	\$ 15,061	\$ 50,367

(Continued)

Exhibit G-2

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

	Special Revenue Funds			
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 0	\$ 0	\$ 25,000
Transfers Out	0	(58,965)	0	0
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ (58,965)</u>	<u>\$ 0</u>	<u>\$ 25,000</u>
Net Change in Fund Balances	\$ 342,780	\$ 186,671	\$ 15,061	\$ 75,367
Fund Balance, July 1, 2019	<u>1,527,724</u>	<u>1,116,036</u>	<u>247,941</u>	<u>196,519</u>
Fund Balance, June 30, 2020	<u>\$ 1,870,504</u>	<u>\$ 1,302,707</u>	<u>\$ 263,002</u>	<u>\$ 271,886</u>

(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>		Total Nonmajor Governmental Funds
	Sports and Recreation	Highway / Public Works	
<u>Revenues</u>			
Local Taxes	\$ 1,000,682	\$ 2,377,542	\$ 7,345,581
Fines, Forfeitures, and Penalties	0	0	37,572
Charges for Current Services	16,692	0	2,361,166
Other Local Revenues	54,637	24,244	347,578
State of Tennessee	79,266	3,842,114	4,370,420
Federal Government	0	0	23,773
Other Governments and Citizens Groups	0	0	116
Total Revenues	<u>\$ 1,151,277</u>	<u>\$ 6,243,900</u>	<u>\$ 14,486,206</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 0	\$ 0	\$ 84,922
Public Safety	0	0	86,476
Public Health and Welfare	0	0	5,687,273
Social, Cultural, and Recreational Services	1,120,310	0	1,120,310
Other Operations	0	0	578,514
Highways	0	5,549,150	5,549,150
Total Expenditures	<u>\$ 1,120,310</u>	<u>\$ 5,549,150</u>	<u>\$ 13,106,645</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 30,967</u>	<u>\$ 694,750</u>	<u>\$ 1,379,561</u>

(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>		Total Nonmajor Governmental Funds
	Sports and Recreation	Highway / Public Works	
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 0	\$ 0	\$ 25,000
Transfers Out	0	0	(58,965)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (33,965)</u>
Net Change in Fund Balances	\$ 30,967	\$ 694,750	\$ 1,345,596
Fund Balance, July 1, 2019	<u>456,148</u>	<u>2,545,224</u>	<u>6,089,592</u>
Fund Balance, June 30, 2020	<u>\$ 487,115</u>	<u>\$ 3,239,974</u>	<u>\$ 7,435,188</u>

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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 3,200,290	\$ 0	\$ 0	\$ 3,200,290	\$ 3,146,052	\$ 3,146,052	\$ 54,238
Charges for Current Services	2,254,057	0	0	2,254,057	1,440,000	1,590,000	664,057
Other Local Revenues	126,666	0	0	126,666	150,000	150,000	(23,334)
State of Tennessee	449,040	0	0	449,040	622,790	472,790	(23,750)
Total Revenues	\$ 6,030,053	\$ 0	\$ 0	\$ 6,030,053	\$ 5,358,842	\$ 5,358,842	\$ 671,211
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 4,278,135	\$ (123,712)	\$ 170,056	\$ 4,324,479	\$ 4,407,210	\$ 4,472,885	\$ 148,406
Other Waste Collection	439,385	(434,457)	0	4,928	22,386	22,386	17,458
Landfill Operation and Maintenance	44,743	0	0	44,743	145,000	145,000	100,257
Other Waste Disposal	837,507	(1,150)	0	836,357	860,000	860,000	23,643
Postclosure Care Costs	87,503	0	0	87,503	247,600	247,600	160,097
Total Expenditures	\$ 5,687,273	\$ (559,319)	\$ 170,056	\$ 5,298,010	\$ 5,682,196	\$ 5,747,871	\$ 449,861
Excess (Deficiency) of Revenues Over Expenditures	\$ 342,780	\$ 559,319	\$ (170,056)	\$ 732,043	\$ (323,354)	\$ (389,029)	\$ 1,121,072
Net Change in Fund Balance	\$ 342,780	\$ 559,319	\$ (170,056)	\$ 732,043	\$ (323,354)	\$ (389,029)	\$ 1,121,072
Fund Balance, July 1, 2019	1,527,724	(559,319)	0	968,405	953,090	953,090	15,315
Fund Balance, June 30, 2020	\$ 1,870,504	\$ 0	\$ (170,056)	\$ 1,700,448	\$ 629,736	\$ 564,061	\$ 1,136,387

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, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 767,067	\$ 748,728	\$ 748,728	\$ 18,339
Charges for Current Services	4,860	2,000	2,000	2,860
Other Local Revenues	63,407	0	0	63,407
Other Governments and Citizens Groups	116	0	0	116
Total Revenues	<u>\$ 835,450</u>	<u>\$ 750,728</u>	<u>\$ 750,728</u>	<u>\$ 84,722</u>
<u>Expenditures</u>				
<u>General Government</u>				
Development	\$ 11,300	\$ 9,800	\$ 11,300	\$ 0
<u>Other Operations</u>				
Industrial Development	578,514	662,250	660,750	82,236
Total Expenditures	<u>\$ 589,814</u>	<u>\$ 672,050</u>	<u>\$ 672,050</u>	<u>\$ 82,236</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 245,636</u>	<u>\$ 78,678</u>	<u>\$ 78,678</u>	<u>\$ 166,958</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (58,965)	\$ (58,965)	\$ (58,965)	\$ 0
Total Other Financing Sources	<u>\$ (58,965)</u>	<u>\$ (58,965)</u>	<u>\$ (58,965)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 186,671	\$ 19,713	\$ 19,713	\$ 166,958
Fund Balance, July 1, 2019	<u>1,116,036</u>	<u>1,071,800</u>	<u>1,071,800</u>	<u>44,236</u>
Fund Balance, June 30, 2020	<u><u>\$ 1,302,707</u></u>	<u><u>\$ 1,091,513</u></u>	<u><u>\$ 1,091,513</u></u>	<u><u>\$ 211,194</u></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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 85,557	\$ 0	\$ 85,557	\$ 79,000	\$ 79,000	\$ 6,557
Other Local Revenues	3,126	0	3,126	1,000	1,000	2,126
Total Revenues	<u>\$ 88,683</u>	<u>\$ 0</u>	<u>\$ 88,683</u>	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 8,683</u>
<u>Expenditures</u>						
<u>General Government</u>						
Preservation of Records	\$ 73,622	\$ (595)	\$ 73,027	\$ 97,060	\$ 97,760	\$ 24,733
Total Expenditures	<u>\$ 73,622</u>	<u>\$ (595)</u>	<u>\$ 73,027</u>	<u>\$ 97,060</u>	<u>\$ 97,760</u>	<u>\$ 24,733</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 15,061</u>	<u>\$ 595</u>	<u>\$ 15,656</u>	<u>\$ (17,060)</u>	<u>\$ (17,760)</u>	<u>\$ 33,416</u>
Net Change in Fund Balance	\$ 15,061	\$ 595	\$ 15,656	\$ (17,060)	\$ (17,760)	\$ 33,416
Fund Balance, July 1, 2019	<u>247,941</u>	<u>(595)</u>	<u>247,346</u>	<u>241,505</u>	<u>241,505</u>	<u>5,841</u>
Fund Balance, June 30, 2020	<u>\$ 263,002</u>	<u>\$ 0</u>	<u>\$ 263,002</u>	<u>\$ 224,445</u>	<u>\$ 223,745</u>	<u>\$ 39,257</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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 37,572	\$ 0	\$ 0	\$ 37,572	\$ 47,000	\$ 47,000	\$ (9,428)
Other Local Revenues	75,498	0	0	75,498	28,000	75,974	(476)
Federal Government	23,773	0	0	23,773	0	0	23,773
Total Revenues	\$ 136,843	\$ 0	\$ 0	\$ 136,843	\$ 75,000	\$ 122,974	\$ 13,869
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 86,476	\$ (2,617)	\$ 13,407	\$ 97,266	\$ 195,000	\$ 195,000	\$ 97,734
Total Expenditures	\$ 86,476	\$ (2,617)	\$ 13,407	\$ 97,266	\$ 195,000	\$ 195,000	\$ 97,734
Excess (Deficiency) of Revenues Over Expenditures	\$ 50,367	\$ 2,617	\$ (13,407)	\$ 39,577	\$ (120,000)	\$ (72,026)	\$ 111,603
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 25,000	\$ 0	\$ 0	\$ 25,000	\$ 25,000	\$ 25,000	\$ 0
Total Other Financing Sources	\$ 25,000	\$ 0	\$ 0	\$ 25,000	\$ 25,000	\$ 25,000	\$ 0
Net Change in Fund Balance	\$ 75,367	\$ 2,617	\$ (13,407)	\$ 64,577	\$ (95,000)	\$ (47,026)	\$ 111,603
Fund Balance, July 1, 2019	196,519	(2,617)	0	193,902	179,378	179,378	14,524
Fund Balance, June 30, 2020	\$ 271,886	\$ 0	\$ (13,407)	\$ 258,479	\$ 84,378	\$ 132,352	\$ 126,127

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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,000,682	\$ 0	\$ 0	\$ 1,000,682	\$ 998,456	\$ 998,456	\$ 2,226
Charges for Current Services	16,692	0	0	16,692	55,000	55,000	(38,308)
Other Local Revenues	54,637	0	0	54,637	60,000	60,000	(5,363)
State of Tennessee	79,266	0	0	79,266	0	20,000	59,266
Total Revenues	\$ 1,151,277	\$ 0	\$ 0	\$ 1,151,277	\$ 1,113,456	\$ 1,133,456	\$ 17,821
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Parks and Fair Boards	\$ 1,021,252	\$ (10,796)	\$ 19,448	\$ 1,029,904	\$ 1,149,070	\$ 1,169,070	\$ 139,166
Other Social, Cultural, and Recreational	99,058	(1,000)	599	98,657	129,350	129,350	30,693
Total Expenditures	\$ 1,120,310	\$ (11,796)	\$ 20,047	\$ 1,128,561	\$ 1,278,420	\$ 1,298,420	\$ 169,859
Excess (Deficiency) of Revenues Over Expenditures	\$ 30,967	\$ 11,796	\$ (20,047)	\$ 22,716	\$ (164,964)	\$ (164,964)	\$ 187,680
Net Change in Fund Balance	\$ 30,967	\$ 11,796	\$ (20,047)	\$ 22,716	\$ (164,964)	\$ (164,964)	\$ 187,680
Fund Balance, July 1, 2019	456,148	(11,796)	0	444,352	387,572	387,572	56,780
Fund Balance, June 30, 2020	\$ 487,115	\$ 0	\$ (20,047)	\$ 467,068	\$ 222,608	\$ 222,608	\$ 244,460

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, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,377,542	\$ 2,358,587	\$ 2,358,587	\$ 18,955
Other Local Revenues	24,244	2,000	2,000	22,244
State of Tennessee	3,842,114	3,498,076	3,819,989	22,125
Total Revenues	<u>\$ 6,243,900</u>	<u>\$ 5,858,663</u>	<u>\$ 6,180,576</u>	<u>\$ 63,324</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 348,898	\$ 383,553	\$ 385,999	\$ 37,101
Highway and Bridge Maintenance	3,206,079	3,490,750	4,085,750	879,671
Operation and Maintenance of Equipment	410,310	406,500	488,500	78,190
Other Charges	238,732	249,450	249,450	10,718
Capital Outlay	1,345,131	1,064,922	1,646,950	301,819
Total Expenditures	<u>\$ 5,549,150</u>	<u>\$ 5,595,175</u>	<u>\$ 6,856,649</u>	<u>\$ 1,307,499</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 694,750</u>	<u>\$ 263,488</u>	<u>\$ (676,073)</u>	<u>\$ 1,370,823</u>
Net Change in Fund Balance	\$ 694,750	\$ 263,488	\$ (676,073)	\$ 1,370,823
Fund Balance, July 1, 2019	2,545,224	832,983	832,983	1,712,241
Fund Balance, June 30, 2020	<u><u>\$ 3,239,974</u></u>	<u><u>\$ 1,096,471</u></u>	<u><u>\$ 156,910</u></u>	<u><u>\$ 3,083,064</u></u>

Major Governmental Funds

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.

Capital Projects Fund

The General Capital Projects Fund is 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.

Exhibit H-1

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, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 19,987,933	\$ 18,119,897	\$ 18,119,897	\$ 1,868,036
Other Local Revenues	62	0	0	62
Other Governments and Citizens Groups	770,897	0	770,897	0
Total Revenues	<u>\$ 20,758,892</u>	<u>\$ 18,119,897</u>	<u>\$ 18,890,794</u>	<u>\$ 1,868,098</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,335,000	\$ 0	\$ 1,335,000	\$ 0
Education	7,936,626	11,228,063	7,936,626	0
<u>Interest on Debt</u>				
General Government	561,206	0	563,659	2,453
Education	4,062,333	0	4,062,334	1
<u>Other Debt Service</u>				
General Government	79,015	0	79,015	0
Education	294,740	337,000	338,322	43,582
<u>Capital Projects</u>				
Public Safety Projects	0	2,110,713	0	0
Total Expenditures	<u>\$ 14,268,920</u>	<u>\$ 13,675,776</u>	<u>\$ 14,314,956</u>	<u>\$ 46,036</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 6,489,972</u>	<u>\$ 4,444,121</u>	<u>\$ 4,575,838</u>	<u>\$ 1,914,134</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 5,595,000	\$ 0	\$ 5,595,000	\$ 0
Premiums on Debt Sold	773,776	0	773,776	0
Transfers Out	(6,150,000)	(6,150,000)	(6,150,000)	0
Payments to Refunded Debt Escrow Agent	(6,501,815)	0	(6,501,815)	0
Total Other Financing Sources	<u>\$ (6,283,039)</u>	<u>\$ (6,150,000)</u>	<u>\$ (6,283,039)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 206,933	\$ (1,705,879)	\$ (1,707,201)	\$ 1,914,134
Fund Balance, July 1, 2019	14,733,960	13,810,092	13,810,092	923,868
Fund Balance, June 30, 2020	<u>\$ 14,940,893</u>	<u>\$ 12,104,213</u>	<u>\$ 12,102,891</u>	<u>\$ 2,838,002</u>

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Capital Projects Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 355,570	\$ 0	\$ 0	\$ 355,570	\$ 348,228	\$ 348,228	\$ 7,342
Other Local Revenues	272	0	0	272	0	0	272
Total Revenues	<u>\$ 355,842</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 355,842</u>	<u>\$ 348,228</u>	<u>\$ 348,228</u>	<u>\$ 7,614</u>
<u>Expenditures</u>							
<u>General Government</u>							
County Buildings	\$ 11,309,241	\$ (2,229,728)	\$ 2,978,350	\$ 12,057,863	\$ 7,717,000	\$ 13,082,000	\$ 1,024,137
<u>Other Debt Service</u>							
General Government	30,000	0	0	30,000	0	30,000	0
Total Expenditures	<u>\$ 11,339,241</u>	<u>\$ (2,229,728)</u>	<u>\$ 2,978,350</u>	<u>\$ 12,087,863</u>	<u>\$ 7,717,000</u>	<u>\$ 13,112,000</u>	<u>\$ 1,024,137</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (10,983,399)</u>	<u>\$ 2,229,728</u>	<u>\$ (2,978,350)</u>	<u>\$ (11,732,021)</u>	<u>\$ (7,368,772)</u>	<u>\$ (12,763,772)</u>	<u>\$ 1,031,751</u>
<u>Other Financing Sources (Uses)</u>							
Notes Issued	\$ 5,395,000	\$ 0	\$ 0	\$ 5,395,000	\$ 0	\$ 5,395,000	\$ 0
Transfers In	6,276,000	0	0	6,276,000	6,276,000	6,276,000	0
Total Other Financing Sources	<u>\$ 11,671,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,671,000</u>	<u>\$ 6,276,000</u>	<u>\$ 11,671,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 687,601	\$ 2,229,728	\$ (2,978,350)	\$ (61,021)	\$ (1,092,772)	\$ (1,092,772)	\$ 1,031,751
Fund Balance, July 1, 2019	<u>3,892,800</u>	<u>(2,229,728)</u>	<u>0</u>	<u>1,663,072</u>	<u>1,383,827</u>	<u>1,383,827</u>	<u>279,245</u>
Fund Balance, June 30, 2020	<u><u>\$ 4,580,401</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (2,978,350)</u></u>	<u><u>\$ 1,602,051</u></u>	<u><u>\$ 291,055</u></u>	<u><u>\$ 291,055</u></u>	<u><u>\$ 1,310,996</u></u>

Fiduciary Funds

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

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

Cookeville – Putnam County Tornado Relief Fund – The Cookeville – Putnam County Tornado Relief Fund was established to account for donations which are held in trust for the benefit of victims of the March 3, 2020 tornado.

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.

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.

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, 2020

	Agency Funds			
	Cities - Sales Tax	Cookeville - Putnam County Tornado Relief	Community Development - Agency	Constitu - tional Officers - Agency
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 0	\$ 4,985,950
Equity in Pooled Cash and Investments	0	11,935	95,638	0
Accounts Receivable	0	0	0	0
Due from Other Governments	3,080,043	0	0	0
Total Assets	<u>\$ 3,080,043</u>	<u>\$ 11,935</u>	<u>\$ 95,638</u>	<u>\$ 4,985,950</u>
<u>LIABILITIES</u>				
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0
Due to Other Taxing Units	3,080,043	0	0	0
Due to Litigants, Heirs, and Others	0	11,935	0	4,985,950
Due to Joint Ventures	0	0	95,638	0
Total Liabilities	<u>\$ 3,080,043</u>	<u>\$ 11,935</u>	<u>\$ 95,638</u>	<u>\$ 4,985,950</u>

(Continued)

Exhibit I-1

Putnam County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds (Cont.)

ASSETS

Cash
Equity in Pooled Cash and Investments
Accounts Receivable
Due from Other Governments

Total Assets

LIABILITIES

Cash Overdraft
Due to Other Taxing Units
Due to Litigants, Heirs, and Others
Due to Joint Ventures

Total Liabilities

<u>Agency Funds (Cont.)</u>			
<u>Judicial</u>	<u>District</u>		
<u>District</u>	<u>Attorney</u>		
<u>Drug</u>	<u>General</u>		<u>Total</u>
\$ 0	\$ 0	\$	4,985,950
46	82,792		190,411
0	9		9
24,296	0		3,104,339
\$ 24,342	\$ 82,801	\$	8,280,709
\$ 6,661	\$ 0	\$	6,661
0	0		3,080,043
0	82,801		5,080,686
17,681	0		113,319
\$ 24,342	\$ 82,801	\$	8,280,709

Exhibit I-2

Putnam County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds
For the Year Ended June 30, 2020

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 17,207,635	\$ 17,207,635	\$ 0
Due from Other Governments	2,893,197	3,080,043	2,893,197	3,080,043
Total Assets	<u>\$ 2,893,197</u>	<u>\$ 20,287,678</u>	<u>\$ 20,100,832</u>	<u>\$ 3,080,043</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,893,197	\$ 20,287,678	\$ 20,100,832	\$ 3,080,043
Total Liabilities	<u>\$ 2,893,197</u>	<u>\$ 20,287,678</u>	<u>\$ 20,100,832</u>	<u>\$ 3,080,043</u>
<u>Cookeville - Putnam County Tornado Relief Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 2,309,264	\$ 2,297,329	\$ 11,935
Total Assets	<u>\$ 0</u>	<u>\$ 2,309,264</u>	<u>\$ 2,297,329</u>	<u>\$ 11,935</u>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 0	\$ 2,309,264	\$ 2,297,329	\$ 11,935
Total Liabilities	<u>\$ 0</u>	<u>\$ 2,309,264</u>	<u>\$ 2,297,329</u>	<u>\$ 11,935</u>
<u>Community Development - Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 88,459	\$ 116,393	\$ 109,214	\$ 95,638
Total Assets	<u>\$ 88,459</u>	<u>\$ 116,393</u>	<u>\$ 109,214</u>	<u>\$ 95,638</u>
<u>Liabilities</u>				
Due to Joint Ventures	\$ 88,459	\$ 116,393	\$ 109,214	\$ 95,638
Total Liabilities	<u>\$ 88,459</u>	<u>\$ 116,393</u>	<u>\$ 109,214</u>	<u>\$ 95,638</u>
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,925,866	\$ 33,107,703	\$ 31,047,619	\$ 4,985,950
Total Assets	<u>\$ 2,925,866</u>	<u>\$ 33,107,703</u>	<u>\$ 31,047,619</u>	<u>\$ 4,985,950</u>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,925,866	\$ 33,107,703	\$ 31,047,619	\$ 4,985,950
Total Liabilities	<u>\$ 2,925,866</u>	<u>\$ 33,107,703</u>	<u>\$ 31,047,619</u>	<u>\$ 4,985,950</u>

(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	\$ 22,350	\$ 54,981	\$ 77,285	\$ 46
Due from Other Governments	8,447	24,296	8,447	24,296
Total Assets	\$ 30,797	\$ 79,277	\$ 85,732	\$ 24,342
<u>Liabilities</u>				
Cash Overdraft	\$ 0	\$ 6,661	\$ 0	\$ 6,661
Due to Joint Ventures	30,797	72,616	85,732	17,681
Total Liabilities	\$ 30,797	\$ 79,277	\$ 85,732	\$ 24,342
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 99,959	\$ 31,043	\$ 48,210	\$ 82,792
Accounts Receivable	0	9	0	9
Total Assets	\$ 99,959	\$ 31,052	\$ 48,210	\$ 82,801
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 99,959	\$ 31,052	\$ 48,210	\$ 82,801
Total Liabilities	\$ 99,959	\$ 31,052	\$ 48,210	\$ 82,801
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,925,866	\$ 33,107,703	\$ 31,047,619	\$ 4,985,950
Equity in Pooled Cash and Investments	210,768	19,719,316	19,739,673	190,411
Accounts Receivable	0	9	0	9
Due from Other Governments	2,901,644	3,104,339	2,901,644	3,104,339
Total Assets	\$ 6,038,278	\$ 55,931,367	\$ 53,688,936	\$ 8,280,709
<u>Liabilities</u>				
Cash Overdraft	\$ 0	\$ 6,661	\$ 0	\$ 6,661
Due to Other Taxing Units	2,893,197	20,287,678	20,100,832	3,080,043
Due to Litigants, Heirs, and Others	3,025,825	35,448,019	33,393,158	5,080,686
Due to Joint Ventures	119,256	189,009	194,946	113,319
Total Liabilities	\$ 6,038,278	\$ 55,931,367	\$ 53,688,936	\$ 8,280,709

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, and three Special Revenue 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.

Exhibit J-1

Putnam County, Tennessee
Statement of Activities
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
Governmental Activities:				
Instruction	\$ 62,901,932	\$ 0	\$ 4,601,259	\$ (58,300,673)
Support Services	33,089,858	969,160	1,581,230	(30,539,468)
Operation of Non-instructional Services	10,427,012	1,234,888	8,094,981	(1,097,143)
Interest on Long-term Debt	24,271	0	0	(24,271)
Total Governmental Activities	<u>\$ 106,443,073</u>	<u>\$ 2,204,048</u>	<u>\$ 14,277,470</u>	<u>\$ (89,961,555)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 16,975,058
Local Option Sales Taxes				16,999,992
Mixed Drink Tax				197,905
Grants and Contributions Not Restricted to Specific Programs				58,284,299
Unrestricted Investment Earnings				25,403
Miscellaneous				40,412
Total General Revenues				<u>\$ 92,523,069</u>
Change in Net Position				\$ 2,561,514
Net Position, July 1, 2019				<u>172,919,654</u>
Net Position, June 30, 2020				<u>\$ 175,481,168</u>

Exhibit J-2

Putnam County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2020

	Major Fund	Nonmajor Funds	Total
	General Purpose School	Other Governmental Funds	Governmental Funds
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 10,661,836	\$ 1,791,811	\$ 12,453,647
Inventories	23,885	0	23,885
Accounts Receivable	29,103	7,443	36,546
Due from Other Governments	3,850,264	1,573,664	5,423,928
Due from Other Funds	82,024	562	82,586
Property Taxes Receivable	15,094,982	0	15,094,982
Allowance for Uncollectible Property Taxes	(300,131)	0	(300,131)
Restricted Assets	388,991	0	388,991
Total Assets	<u>\$ 29,830,954</u>	<u>\$ 3,373,480</u>	<u>\$ 33,204,434</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 320,968	\$ 61,585	\$ 382,553
Accrued Payroll	570,287	144,216	714,503
Payroll Deductions Payable	324,225	38,368	362,593
Due to Other Funds	562	990	1,552
Total Liabilities	<u>\$ 1,216,042</u>	<u>\$ 245,159</u>	<u>\$ 1,461,201</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 14,534,545	\$ 0	\$ 14,534,545
Deferred Delinquent Property Taxes	204,012	0	204,012
Other Deferred/Unavailable Revenue	1,416,666	0	1,416,666
Total Deferred Inflows of Resources	<u>\$ 16,155,223</u>	<u>\$ 0</u>	<u>\$ 16,155,223</u>
<u>FUND BALANCES</u>			
Nonspendable:			
Inventory	\$ 23,885	\$ 0	\$ 23,885
Restricted:			
Restricted for Education	32,694	1,532,527	1,565,221
Restricted for Hybrid Retirement Stabilization Funds	388,991	0	388,991
Committed:			
Committed for Education	0	1,595,794	1,595,794
Assigned:			
Assigned for Education	1,018,382	0	1,018,382
Unassigned	10,995,737	0	10,995,737
Total Fund Balances	<u>\$ 12,459,689</u>	<u>\$ 3,128,321</u>	<u>\$ 15,588,010</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 29,830,954</u>	<u>\$ 3,373,480</u>	<u>\$ 33,204,434</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, 2020

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)		\$ 15,588,010
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 5,769,995	
Add: construction in progress	131,350	
Add: buildings and improvements net of accumulated depreciation	150,415,136	
Add: other capital assets net of accumulated depreciation	<u>3,771,736</u>	160,088,217
(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	\$ (350,773)	
Less: contributions due on the primary government debt for other loans	(1,645,140)	
Less: contributions due on the primary government debt for capital leases	(365,145)	
Less: net OPEB liability	(7,303,292)	
Less: net pension liability - agent plan	<u>(179,834)</u>	(9,844,184)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 8,340,899	
Less: deferred inflows of resources related to pensions	(11,434,351)	
Add: deferred outflows of resources related to OPEB	1,755,176	
Less: deferred inflows of resources related to OPEB	<u>(2,647,173)</u>	(3,985,449)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - teacher retirement plan	\$ 462,690	
Add: net pension asset - teacher legacy pension plan	<u>11,551,206</u>	12,013,896
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.		<u>1,620,678</u>
Net position of governmental activities (Exhibit A)		<u>\$ 175,481,168</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, 2020

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 34,442,701	\$ 0	\$ 34,442,701
Licenses and Permits	5,900	0	5,900
Charges for Current Services	219,926	1,984,122	2,204,048
Other Local Revenues	43,090	23,230	66,320
State of Tennessee	58,426,549	52,769	58,479,318
Federal Government	756,129	13,388,710	14,144,839
Other Governments and Citizens Groups	69,860	0	69,860
Total Revenues	<u>\$ 93,964,155</u>	<u>\$ 15,448,831</u>	<u>\$ 109,412,986</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 56,530,758	\$ 5,004,594	\$ 61,535,352
Support Services	31,856,900	2,084,976	33,941,876
Operation of Non-Instructional Services	2,965,556	7,433,001	10,398,557
Debt Service:			
Principal on Debt	746,626	0	746,626
Interest on Debt	24,271	0	24,271
Total Expenditures	<u>\$ 92,124,111</u>	<u>\$ 14,522,571</u>	<u>\$ 106,646,682</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,840,044</u>	<u>\$ 926,260</u>	<u>\$ 2,766,304</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 776,928	\$ 0	\$ 776,928
Transfers Out	0	(776,928)	(776,928)
Total Other Financing Sources (Uses)	<u>\$ 776,928</u>	<u>\$ (776,928)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 2,616,972	\$ 149,332	\$ 2,766,304
Fund Balance, July 1, 2019	<u>9,842,717</u>	<u>2,978,989</u>	<u>12,821,706</u>
Fund Balance, June 30, 2020	<u>\$ 12,459,689</u>	<u>\$ 3,128,321</u>	<u>\$ 15,588,010</u>

Exhibit J-5

Putnam County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2020

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)		\$ 2,766,304
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,309,999	
Less: current-year depreciation expense	<u>(4,368,725)</u>	(3,058,726)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(16,313)
(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, 2020	\$ 1,620,678	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(1,694,429)</u>	(73,751)
(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 other loans to the primary government	\$ 384,744	
Add: principal contribution on capital lease to the primary government	<u>361,882</u>	746,626
(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	\$ (96,184)	
Change in OPEB liability	(630,545)	
Change in deferred outflows related to OPEB	1,015,061	
Change in deferred inflows related to OPEB	(466,954)	
Change in net pension liability/asset - agent plan	361,248	
Change in net pension liability/asset - teacher retirement plan	121,438	
Change in net pension liability/asset - teacher legacy pension plan	7,789,196	
Change in deferred outflows related to pensions	(1,258,648)	
Change in deferred inflows related to pensions	<u>(4,637,238)</u>	2,197,374
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,561,514</u>

Exhibit J-6

Putnam County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2020

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 377,306	\$ 817,489	\$ 597,016	\$ 1,791,811
Accounts Receivable	2	7,437	4	7,443
Due from Other Governments	859,872	713,792	0	1,573,664
Due from Other Funds	562	0	0	562
Total Assets	<u>\$ 1,237,742</u>	<u>\$ 1,538,718</u>	<u>\$ 597,020</u>	<u>\$ 3,373,480</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 59,559	\$ 2,026	\$ 0	\$ 61,585
Accrued Payroll	144,216	0	0	144,216
Payroll Deductions Payable	29,987	8,145	236	38,368
Due to Other Funds	0	0	990	990
Total Liabilities	<u>\$ 233,762</u>	<u>\$ 10,171</u>	<u>\$ 1,226</u>	<u>\$ 245,159</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 3,980	\$ 1,528,547	\$ 0	\$ 1,532,527
Committed:				
Committed for Education	1,000,000	0	595,794	1,595,794
Total Fund Balances	<u>\$ 1,003,980</u>	<u>\$ 1,528,547</u>	<u>\$ 595,794</u>	<u>\$ 3,128,321</u>
Total Liabilities and Fund Balances	<u>\$ 1,237,742</u>	<u>\$ 1,538,718</u>	<u>\$ 597,020</u>	<u>\$ 3,373,480</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, 2020

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 1,089,739	\$ 894,383	\$ 1,984,122
Other Local Revenues	562	22,668	0	23,230
State of Tennessee	0	52,769	0	52,769
Federal Government	7,274,233	5,954,139	160,338	13,388,710
Total Revenues	\$ 7,274,795	\$ 7,119,315	\$ 1,054,721	\$ 15,448,831
<u>Expenditures</u>				
Current:				
Instruction	\$ 5,004,594	\$ 0	\$ 0	\$ 5,004,594
Support Services	2,084,976	0	0	2,084,976
Operation of Non-Instructional Services	136,657	6,086,578	1,209,766	7,433,001
Total Expenditures	\$ 7,226,227	\$ 6,086,578	\$ 1,209,766	\$ 14,522,571
Excess (Deficiency) of Revenues Over Expenditures	\$ 48,568	\$ 1,032,737	\$ (155,045)	\$ 926,260
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (134,862)	\$ (642,066)	\$ 0	\$ (776,928)
Total Other Financing Sources (Uses)	\$ (134,862)	\$ (642,066)	\$ 0	\$ (776,928)
Net Change in Fund Balances	\$ (86,294)	\$ 390,671	\$ (155,045)	\$ 149,332
Fund Balance, July 1, 2019	1,090,274	1,137,876	750,839	2,978,989
Fund Balance, June 30, 2020	\$ 1,003,980	\$ 1,528,547	\$ 595,794	\$ 3,128,321

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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 34,442,701	\$ 0	\$ 0	\$ 34,442,701	\$ 34,540,885	\$ 34,208,655	\$ 234,046
Licenses and Permits	5,900	0	0	5,900	6,000	6,000	(100)
Charges for Current Services	219,926	0	0	219,926	260,850	303,350	(83,424)
Other Local Revenues	43,090	0	0	43,090	31,700	31,700	11,390
State of Tennessee	58,426,549	0	0	58,426,549	56,433,191	58,294,616	131,933
Federal Government	756,129	0	0	756,129	352,237	912,832	(156,703)
Other Governments and Citizens Groups	69,860	0	0	69,860	9,000	74,650	(4,790)
Total Revenues	\$ 93,964,155	\$ 0	\$ 0	\$ 93,964,155	\$ 91,633,863	\$ 93,831,803	\$ 132,352
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 44,616,260	\$ (71,789)	\$ 307,300	\$ 44,851,771	\$ 48,616,462	\$ 45,413,824	\$ 562,053
Alternative Instruction Program	760,741	0	1,487	762,228	655,833	774,246	12,018
Special Education Program	9,012,156	0	1,727	9,013,883	9,612,062	9,271,806	257,923
Career and Technical Education Program	1,617,299	(8,256)	1,214	1,610,257	1,720,518	1,683,736	73,479
Adult Education Program	524,302	0	0	524,302	0	581,146	56,844
<u>Support Services</u>							
Attendance	295,105	0	0	295,105	306,683	298,661	3,556
Health Services	1,058,564	0	7,578	1,066,142	1,214,368	1,089,933	23,791
Other Student Support	3,102,188	(26,800)	24,099	3,099,487	2,923,628	3,341,964	242,477
Regular Instruction Program	2,826,899	(5,747)	27,993	2,849,145	3,059,189	2,980,124	130,979
Alternative Instruction Program	133,222	0	0	133,222	141,269	135,420	2,198
Special Education Program	1,715,187	(181)	3,625	1,718,631	1,806,956	1,796,420	77,789
Career and Technical Education Program	91,523	0	0	91,523	96,696	93,987	2,464
Technology	1,133,760	(6,353)	16,507	1,143,914	1,833,455	1,158,711	14,797
Adult Programs	179,068	0	0	179,068	0	186,294	7,226
Other Programs	334,143	0	0	334,143	0	334,143	0
Board of Education	1,734,759	(70)	5,818	1,740,507	1,842,781	1,840,838	100,331
Director of Schools	159,360	0	0	159,360	155,291	165,441	6,081

(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 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Office of the Principal	\$ 6,505,216	\$ 0	\$ 0	\$ 6,505,216	\$ 6,885,206	\$ 6,579,302	\$ 74,086
Fiscal Services	882,888	0	2,949	885,837	904,512	906,441	20,604
Human Services/Personnel	238,922	0	0	238,922	250,286	244,087	5,165
Operation of Plant	6,002,440	(1,742)	279,975	6,280,673	7,095,242	6,532,623	251,950
Maintenance of Plant	2,035,876	(76,111)	220,829	2,180,594	2,830,577	2,296,879	116,285
Transportation	3,427,780	(222,627)	110,035	3,315,188	4,284,635	3,539,934	224,746
<u>Operation of Non-Instructional Services</u>							
Food Service	447,118	0	0	447,118	500,615	495,511	48,393
Community Services	628,057	(2,848)	6,062	631,271	70,527	782,431	151,160
Early Childhood Education	1,853,289	(6,584)	1,184	1,847,889	1,918,638	1,897,557	49,668
COVID-19 Expenditures	37,092	0	0	37,092	0	39,440	2,348
<u>Principal on Debt</u>							
Education	746,626	0	0	746,626	0	746,626	0
<u>Interest on Debt</u>							
Education	24,271	0	0	24,271	0	24,271	0
Total Expenditures	\$ 92,124,111	\$ (429,108)	\$ 1,018,382	\$ 92,713,385	\$ 98,725,429	\$ 95,231,796	\$ 2,518,411
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,840,044	\$ 429,108	\$ (1,018,382)	\$ 1,250,770	\$ (7,091,566)	\$ (1,399,993)	\$ 2,650,763
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 776,928	\$ 0	\$ 0	\$ 776,928	\$ 900,000	\$ 900,000	\$ (123,072)
Total Other Financing Sources	\$ 776,928	\$ 0	\$ 0	\$ 776,928	\$ 900,000	\$ 900,000	\$ (123,072)
Net Change in Fund Balance	\$ 2,616,972	\$ 429,108	\$ (1,018,382)	\$ 2,027,698	\$ (6,191,566)	\$ (499,993)	\$ 2,527,691
Fund Balance, July 1, 2019	9,842,717	(429,108)	0	9,413,609	9,459,546	9,459,546	(45,937)
Fund Balance, June 30, 2020	\$ 12,459,689	\$ 0	\$ (1,018,382)	\$ 11,441,307	\$ 3,267,980	\$ 8,959,553	\$ 2,481,754

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, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Other Local Revenues	\$ 562	\$ 0	\$ 0	\$ 562	\$ 0	\$ 0	\$ 562
Federal Government	7,274,233	0	0	7,274,233	6,224,169	9,036,626	(1,762,393)
Total Revenues	\$ 7,274,795	\$ 0	\$ 0	\$ 7,274,795	\$ 6,224,169	\$ 9,036,626	\$ (1,761,831)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 2,427,303	\$ (5,350)	\$ 2,450	\$ 2,424,403	\$ 2,091,812	\$ 2,892,649	\$ 468,246
Special Education Program	2,350,177	0	515	2,350,692	2,167,717	2,593,349	242,657
Career and Technical Education Program	227,114	0	280	227,394	168,248	227,435	41
<u>Support Services</u>							
Other Student Support	60,341	0	0	60,341	69,016	76,402	16,061
Regular Instruction Program	1,637,240	(25)	2,750	1,639,965	1,623,519	1,974,085	334,120
Special Education Program	378,782	0	0	378,782	255,071	411,455	32,673
Transportation	8,613	0	0	8,613	23,484	24,984	16,371
<u>Operation of Non-Instructional Services</u>							
Food Service	593	(593)	0	0	0	0	0
Community Services	136,064	0	0	136,064	0	280,861	144,797
Total Expenditures	\$ 7,226,227	\$ (5,968)	\$ 5,995	\$ 7,226,254	\$ 6,398,867	\$ 8,481,220	\$ 1,254,966
Excess (Deficiency) of Revenues Over Expenditures	\$ 48,568	\$ 5,968	\$ (5,995)	\$ 48,541	\$ (174,698)	\$ 555,406	\$ (506,865)
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 301,050	\$ 301,050	\$ (301,050)
Transfers Out	(134,862)	0	0	(134,862)	(126,352)	(856,454)	721,592
Total Other Financing Sources	\$ (134,862)	\$ 0	\$ 0	\$ (134,862)	\$ 174,698	\$ (555,404)	\$ 420,542
Net Change in Fund Balance	\$ (86,294)	\$ 5,968	\$ (5,995)	\$ (86,321)	\$ 0	\$ 2	\$ (86,323)
Fund Balance, July 1, 2019	1,090,274	(5,968)	0	1,084,306	0	0	1,084,306
Fund Balance, June 30, 2020	\$ 1,003,980	\$ 0	\$ (5,995)	\$ 997,985	\$ 0	\$ 2	\$ 997,983

Exhibit J-10

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Putnam County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 1,089,739	\$ 1,150,000	\$ 1,150,000	\$ (60,261)
Other Local Revenues	22,668	0	0	22,668
State of Tennessee	52,769	50,000	50,000	2,769
Federal Government	5,954,139	6,200,000	6,200,000	(245,861)
Total Revenues	<u>\$ 7,119,315</u>	<u>\$ 7,400,000</u>	<u>\$ 7,400,000</u>	<u>\$ (280,685)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 6,086,578	\$ 7,150,000	\$ 6,720,000	\$ 633,422
Total Expenditures	<u>\$ 6,086,578</u>	<u>\$ 7,150,000</u>	<u>\$ 6,720,000</u>	<u>\$ 633,422</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,032,737</u>	<u>\$ 250,000</u>	<u>\$ 680,000</u>	<u>\$ 352,737</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (642,066)	\$ (250,000)	\$ (680,000)	\$ 37,934
Total Other Financing Sources	<u>\$ (642,066)</u>	<u>\$ (250,000)</u>	<u>\$ (680,000)</u>	<u>\$ 37,934</u>
Net Change in Fund Balance	\$ 390,671	\$ 0	\$ 0	\$ 390,671
Fund Balance, July 1, 2019	<u>1,137,876</u>	<u>1,324,351</u>	<u>1,324,351</u>	<u>(186,475)</u>
Fund Balance, June 30, 2020	<u>\$ 1,528,547</u>	<u>\$ 1,324,351</u>	<u>\$ 1,324,351</u>	<u>\$ 204,196</u>

Exhibit J-11

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Putnam County School Department
Extended School Program Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 894,383	\$ 0	\$ 0	\$ 894,383	\$ 1,368,870	\$ 1,208,532	\$ (314,149)
Federal Government	160,338	0	0	160,338	0	160,338	0
Total Revenues	\$ 1,054,721	\$ 0	\$ 0	\$ 1,054,721	\$ 1,368,870	\$ 1,368,870	\$ (314,149)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 1,209,766	\$ (848)	\$ 13,978	\$ 1,222,896	\$ 1,368,870	\$ 1,394,270	\$ 171,374
Total Expenditures	\$ 1,209,766	\$ (848)	\$ 13,978	\$ 1,222,896	\$ 1,368,870	\$ 1,394,270	\$ 171,374
Excess (Deficiency) of Revenues Over Expenditures	\$ (155,045)	\$ 848	\$ (13,978)	\$ (168,175)	\$ 0	\$ (25,400)	\$ (142,775)
Net Change in Fund Balance	\$ (155,045)	\$ 848	\$ (13,978)	\$ (168,175)	\$ 0	\$ (25,400)	\$ (142,775)
Fund Balance, July 1, 2019	750,839	(848)	0	749,991	756,827	756,827	(6,836)
Fund Balance, June 30, 2020	\$ 595,794	\$ 0	\$ (13,978)	\$ 581,816	\$ 756,827	\$ 731,427	\$ (149,611)

MISCELLANEOUS SCHEDULES

Exhibit K-1

Putnam County, Tennessee
Schedule of Changes in Long-term Bonds, Notes, Other Loans, and Capital Leases
For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-20
<u>BONDS PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Public Improvement, Series 2010	\$ 7,200,000	3.6781	%	12-22-10	4-1-30	\$ 6,400,000	\$ 0	\$ 0	\$ 6,400,000
School Bonds, Series 2013	52,235,000	2 to 3.5		6-6-13	4-1-33	51,635,000	0	200,000	51,435,000
School Refunding	35,280,000	4.85 to 5.5		8-1-01	4-1-20	4,945,000	0	4,945,000	0
School Refunding, Series 2017	44,260,000	4 to 5		2-17-17	4-1-28	42,720,000	0	2,045,000	40,675,000
General Obligation Refunding Bond, Series 2018	13,455,000	2 to 4		2-9-18	4-1-28	12,490,000	0	1,335,000	11,155,000
General Obligation Refunding Bond, Series 2020	5,595,000	2 to 5		2-14-20	4-1-30	0	5,595,000	0	5,595,000
Total Bonds Payable						\$ 118,190,000	\$ 5,595,000	\$ 8,525,000	\$ 108,860,000
<u>NOTES PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Capital Outlay Note, Series 2019	5,395,000	2.189		12-18-19	4-1-30	\$ 0	\$ 5,395,000	\$ 0	\$ 5,395,000
<u>OTHER LOANS PAYABLE</u>									
<u>Contributions Due by the School Department from the General</u>									
<u>Purpose School Fund to the General Debt Service Fund</u>									
Energy Efficient Schools Initiative Loan	2,347,584	1		1-4-18	8-1-24	\$ 2,029,884	\$ 0	\$ 384,744	\$ 1,645,140
<u>CAPITAL LEASES PAYABLE</u>									
<u>Contributions Due by the School Department from the General</u>									
<u>Purpose School Fund to the General Debt Service Fund</u>									
Computers	1,090,560	0.9		9-1-18	3-1-21	\$ 727,027	\$ 0	\$ 361,882	\$ 365,145

Exhibit K-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 8,965,000	\$ 4,335,450	\$ 13,300,450
2022	9,290,000	3,892,000	13,182,000
2023	9,575,000	3,464,800	13,039,800
2024	10,075,000	3,026,300	13,101,300
2025	10,570,000	2,606,550	13,176,550
2026	11,060,000	2,168,300	13,228,300
2027	11,020,000	1,744,025	12,764,025
2028	8,435,000	1,292,725	9,727,725
2029	6,575,000	998,425	7,573,425
2030	6,560,000	806,925	7,366,925
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	\$ 108,860,000	\$ 25,471,950	\$ 134,331,950

Year Ending June 30	Notes		
	Principal	Interest	Total
2021	\$ 540,000	\$ 151,955	\$ 691,955
2022	540,000	106,324	646,324
2023	540,000	94,498	634,498
2024	540,000	82,673	622,673
2025	540,000	70,847	610,847
2026	540,000	59,020	599,020
2027	540,000	47,195	587,195
2028	540,000	35,368	575,368
2029	540,000	23,543	563,543
2030	535,000	11,716	546,716
Total	\$ 5,395,000	\$ 683,139	\$ 6,078,139

(Continued)

Exhibit K-2

Putnam County, Tennessee

Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2021	\$ 388,608	\$ 14,676	\$ 403,284
2022	392,520	10,764	403,284
2023	396,456	6,828	403,284
2024	400,440	2,844	403,284
2025	67,116	87	67,203
Total	\$ 1,645,140	\$ 35,199	\$ 1,680,339

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2021	\$ 365,145	\$ 2,467	\$ 367,612
Total	\$ 365,145	\$ 2,467	\$ 367,612

Exhibit K-3

Putnam County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Putnam County School Department
For the Year Ended June 30, 2020

From Fund	To Fund	Purpose	Amount
<u>PRIMARY GOVERNMENT</u>			
General	Drug Control	Operations	\$ 25,000
"	General Capital Projects	Capital projects	126,000
Industrial/Economic Development	Community Development - Agency Fund	Operations	58,965
General Debt Service	General Capital Projects	Capital projects	<u>6,150,000</u>
Total Transfers Primary Government			<u>\$ 6,359,965</u>
<u>DISCRETELY PRESENTED PUTNAM COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 134,862
Central Cafeteria	"	Reimbursement of direct costs	<u>642,066</u>
Total Transfers Discretely Presented Putnam County School Department			<u>\$ 776,928</u>

Exhibit K-4

Putnam County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Putnam County School Department
For the Year Ended June 30, 2020

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i> , and County Commission	\$ 106,890 (1)	\$ 100,000	Nationwide Mutual
Road Supervisor	Section 8-24-102, <i>TCA</i>	100,299	100,000	Western Surety Company
Director of Schools: Jerry Boyd (7-1-19 to 1-21-20)	State Board of Education and Putnam County Board of Education	68,701 (2)	100,000	Nationwide Mutual
Corby King (1-22-20 to 6-30-20)	State Board of Education and Putnam County Board of Education	43,738	100,000	"
Trustee	Section 8-24-102, <i>TCA</i>	91,181	3,700,000	Auto Owners Mutual Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	91,181	50,000	Nationwide Mutual Insurance Company
County Clerk	Section 8-24-102, <i>TCA</i> and County Commission	91,181	100,000	Travelers Casualty and Surety Company of America
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i> , and Probate Judge	91,181 (3)	110,000	RLI Insurance Company
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	91,181 (4)	150,000	Western Surety Company
Register of Deeds	Section 8-24-102, <i>TCA</i>	91,181	100,000	"
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	100,299 (5)	100,000	Nationwide Mutual Insurance Company
Employee Blanket Bonds: Public Employee Dishonesty - Primary Government and the Discretely Presented Putnam County School Department			500,000	The Hartford Insurance Company

(1) Includes additional appropriation of \$1,575.

(2) Does not include \$1,000 for chief executive officer training and \$723 career ladder.

(3) Does not include special commissioners fees of \$13,653.

(4) Does not include special commissioners fees of \$30.

(5) Does not include a payment of \$1,015 for serving as superintendent of the workhouse
and does not include a law enforcement training supplement of \$800.

Exhibit K-5

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2020

	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	\$ 16,235,528	\$ 3,024,195	\$ 336,014	\$ 0	\$ 0	\$ 672,074
Trustee's Collections - Prior Year	248,201	52,872	5,875	0	0	11,750
Circuit Clerk/Clerk and Master Collections - Prior Years	183,059	38,059	4,229	0	0	8,458
Interest and Penalty	51,743	10,443	1,160	0	0	2,320
Payments in-Lieu-of Taxes - T.V.A.	1,261	235	26	0	0	52
Payments in-Lieu-of Taxes - Other	210,016	38,351	4,261	0	0	8,523
<u>County Local Option Taxes</u>						
Local Option Sales Tax	811,396	0	0	0	0	0
Hotel/Motel Tax	0	0	411,487	0	0	289,475
Litigation Tax - General	261,142	0	0	0	0	0
Litigation Tax - Special Purpose	195	0	0	0	0	0
Business Tax	1,514,470	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	193,926	36,135	4,015	0	0	8,030
Wholesale Beer Tax	208,151	0	0	0	0	0
Total Local Taxes	\$ 19,919,088	\$ 3,200,290	\$ 767,067	\$ 0	\$ 0	\$ 1,000,682
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 375,887	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>						
Building Permits	192,602	0	0	0	0	0
Electrical Permits	69,500	0	0	0	0	0
Plumbing Permits	10,794	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Food Handling Permits	\$ 1,880	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Permits	2,550	0	0	0	0	0
Total Licenses and Permits	\$ 653,213	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 23,348	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	11,689	0	0	0	0	0
Drug Control Fines	8,162	0	0	0	8,613	0
Drug Court Fees	7,295	0	0	0	0	0
Veterans Treatment Court Fees	3,877	0	0	0	0	0
Jail Fees	31,635	0	0	0	0	0
District Attorney General Fees	91	0	0	0	0	0
Judicial Commissioner Fees	57	0	0	0	0	0
DUI Treatment Fines	11,500	0	0	0	0	0
Data Entry Fee - Circuit Court	5,326	0	0	0	0	0
Courtroom Security Fee	558	0	0	0	0	0
Victims Assistance Assessments	16,886	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	20,749	0	0	0	0	0
Fines for Littering	71	0	0	0	0	0
Officers Costs	95,292	0	0	0	0	0
Game and Fish Fines	481	0	0	0	0	0
Drug Court Fees	11,919	0	0	0	0	0
Veterans Treatment Court Fees	6,854	0	0	0	0	0

(Continued)

Exhibit K-5

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

	General	Special Revenue Funds				
		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>						
Jail Fees	\$ 93,666	\$ 0	\$ 0	\$ 0	\$ 0	0
Interpreter Fee	55	0	0	0	0	0
Judicial Commissioner Fees	95	0	0	0	0	0
DUI Treatment Fines	6,601	0	0	0	0	0
Data Entry Fee - General Sessions Court	35,916	0	0	0	0	0
Courtroom Security Fee	4,428	0	0	0	0	0
Victims Assistance Assessments	22,933	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	494	0	0	0	0	0
Officers Costs	9,369	0	0	0	0	0
Jail Fees	5,159	0	0	0	0	0
Data Entry Fee - Juvenile Court	3,187	0	0	0	0	0
Courtroom Security Fee	1,040	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	3,651	0	0	0	0	0
Data Entry Fee - Chancery Court	7,540	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	10,021	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	18,938	0
Other Fines, Forfeitures, and Penalties	31	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 449,955	\$ 0	\$ 0	\$ 0	\$ 37,572	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 2,115,028	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Disposal Fee	0	40,000	0	0	0	0
Surcharge - Waste Tire Disposal	0	99,029	0	0	0	0
Patient Charges	5,167,427	0	0	0	0	0
Other General Service Charges	4,340	0	0	0	0	0
Service Charges	12,200	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	0	0	4,860	0	0	0
Recreation Fees	9,800	0	0	0	0	16,692
Copy Fees	518	0	0	0	0	0
Archives and Records Management Fee	0	0	0	85,557	0	0
Greenbelt Late Application Fee	100	0	0	0	0	0
Telephone Commissions	172,601	0	0	0	0	0
Data Processing Fee - Register	27,154	0	0	0	0	0
Data Processing Fee - Sheriff	8,617	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	2,360	0	0	0	0	0
Data Processing Fee - County Clerk	26,014	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	4,180	0	0	0	0	0
<u>Education Charges</u>						
Receipts from Individual Schools	242	0	0	0	0	0
Total Charges for Current Services	\$ 5,435,553	\$ 2,254,057	\$ 4,860	\$ 85,557	\$ 0	\$ 16,692
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 811,587	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Lease/Rentals	\$ 227,419	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,773
Sale of Materials and Supplies	27,440	0	0	0	0	0
Commissary Sales	448,145	0	0	0	0	0
Sale of Gasoline	63,134	0	0	0	0	0
Sale of Recycled Materials	0	110,670	0	0	0	0
Miscellaneous Refunds	20,278	2,385	60,331	0	6,729	0
<u>Nonrecurring Items</u>						
Sale of Equipment	33,003	0	0	0	0	0
Sale of Property	1,112	13,611	0	0	68,769	0
Damages Recovered from Individuals	4,429	0	0	0	0	0
Contributions and Gifts	4,550	0	0	3,126	0	0
Performance Bond Forfeitures	41,319	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	506,910	0	3,076	0	0	21,864
Total Other Local Revenues	\$ 2,189,326	\$ 126,666	\$ 63,407	\$ 3,126	\$ 75,498	\$ 54,637
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 774,473	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	319,593	0	0	0	0	0
General Sessions Court Clerk	740,556	0	0	0	0	0
Clerk and Master	165,760	0	0	0	0	0
Juvenile Court Clerk	69,852	0	0	0	0	0
Register	406,798	0	0	0	0	0
Sheriff	35,916	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Fees Received From County Officials (Cont.)</u>						
<u>Fees In-Lieu-of Salary (Cont.)</u>						
Trustee	\$ 1,724,307	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Fees Received From County Officials	\$ 4,237,255	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	429,942	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	60,800	0	0	0	0	0
Drug Control Grants	159,839	0	0	0	0	0
Other Public Safety Grants	4,800	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	1,575,599	0	0	0	0	79,266
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	0	0
State Aid Program	0	0	0	0	0	0
Litter Program	50,590	19,098	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	67,538	0	0	0	0	0
Beer Tax	18,175	0	0	0	0	0
Alcoholic Beverage Tax	137,500	0	0	0	0	0
State Revenue Sharing - T.V.A.	957,698	0	0	0	0	0
State Revenue Sharing - Telecommunications	306,809	0	0	0	0	0
Contracted Prisoner Boarding	2,044,503	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Petroleum Special Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Revenues	153,658	0	0	0	0	0
Total State of Tennessee	<u>\$ 5,561,673</u>	<u>\$ 449,040</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 79,266</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Civil Defense Reimbursement	\$ 55,850	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Homeland Security Grants	235,141	0	0	0	0	0
Law Enforcement Grants	1,520	0	0	0	0	0
Other Federal through State	406,451	0	0	0	0	0
<u>Direct Federal Revenue</u>						
COVID-19 Grant #6	14,188	0	0	0	0	0
COVID-19 Grant #7	1,567	0	0	0	0	0
Other Direct Federal Revenue	70,136	0	0	0	23,773	0
Total Federal Government	<u>\$ 784,853</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 23,773</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 450,383	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	0	0
Contracted Services	2,097	0	116	0	0	0
<u>Other</u>						
Other	479,562	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 932,042</u>	<u>\$ 0</u>	<u>\$ 116</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 40,162,958</u>	<u>\$ 6,030,053</u>	<u>\$ 835,450</u>	<u>\$ 88,683</u>	<u>\$ 136,843</u>	<u>\$ 1,151,277</u>

(Continued)

Exhibit K-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 2,105,871	\$ 10,164,738	\$ 336,005	\$ 32,874,425
Trustee's Collections - Prior Year	22,216	176,388	5,874	523,176
Circuit Clerk/Clerk and Master Collections - Prior Years	21,872	127,922	4,229	387,828
Interest and Penalty	6,578	35,099	1,160	108,503
Payments in-Lieu-of Taxes - T.V.A.	163	790	26	2,553
Payments in-Lieu-of Taxes - Other	26,375	128,903	4,261	420,690
<u>County Local Option Taxes</u>				
Local Option Sales Tax	0	8,409,575	0	9,220,971
Hotel/Motel Tax	0	823,064	0	1,524,026
Litigation Tax - General	0	0	0	261,142
Litigation Tax - Special Purpose	0	0	0	195
Business Tax	0	0	0	1,514,470
Mineral Severance Tax	169,373	0	0	169,373
<u>Statutory Local Taxes</u>				
Bank Excise Tax	25,094	121,454	4,015	392,669
Wholesale Beer Tax	0	0	0	208,151
Total Local Taxes	\$ 2,377,542	\$ 19,987,933	\$ 355,570	\$ 47,608,172
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 375,887
<u>Permits</u>				
Building Permits	0	0	0	192,602
Electrical Permits	0	0	0	69,500
Plumbing Permits	0	0	0	10,794

(Continued)

Exhibit K-5

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

	Special Revenue Fund Highway / Public Works	Debt Service Fund General Debt Service	Capital Projects Fund General Capital Projects	Total
<u>Licenses and Permits (Cont.)</u>				
<u>Permits (Cont.)</u>				
Food Handling Permits	\$ 0	\$ 0	\$ 0	1,880
Other Permits	0	0	0	2,550
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	653,213
<u>Fines, Forfeitures, and Penalties</u>				
<u>Circuit Court</u>				
Fines	\$ 0	\$ 0	\$ 0	23,348
Officers Costs	0	0	0	11,689
Drug Control Fines	0	0	0	16,775
Drug Court Fees	0	0	0	7,295
Veterans Treatment Court Fees	0	0	0	3,877
Jail Fees	0	0	0	31,635
District Attorney General Fees	0	0	0	91
Judicial Commissioner Fees	0	0	0	57
DUI Treatment Fines	0	0	0	11,500
Data Entry Fee - Circuit Court	0	0	0	5,326
Courtroom Security Fee	0	0	0	558
Victims Assistance Assessments	0	0	0	16,886
<u>General Sessions Court</u>				
Fines	0	0	0	20,749
Fines for Littering	0	0	0	71
Officers Costs	0	0	0	95,292
Game and Fish Fines	0	0	0	481
Drug Court Fees	0	0	0	11,919
Veterans Treatment Court Fees	0	0	0	6,854

(Continued)

Exhibit K-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>				
<u>General Sessions Court (Cont.)</u>				
Jail Fees	\$ 0	\$ 0	\$ 0	93,666
Interpreter Fee	0	0	0	55
Judicial Commissioner Fees	0	0	0	95
DUI Treatment Fines	0	0	0	6,601
Data Entry Fee - General Sessions Court	0	0	0	35,916
Courtroom Security Fee	0	0	0	4,428
Victims Assistance Assessments	0	0	0	22,933
<u>Juvenile Court</u>				
Fines	0	0	0	494
Officers Costs	0	0	0	9,369
Jail Fees	0	0	0	5,159
Data Entry Fee - Juvenile Court	0	0	0	3,187
Courtroom Security Fee	0	0	0	1,040
<u>Chancery Court</u>				
Officers Costs	0	0	0	3,651
Data Entry Fee - Chancery Court	0	0	0	7,540
<u>Judicial District Drug Program</u>				
Drug Task Force Forfeitures and Seizures	0	0	0	10,021
<u>Other Fines, Forfeitures, and Penalties</u>				
Proceeds from Confiscated Property	0	0	0	18,938
Other Fines, Forfeitures, and Penalties	0	0	0	31
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	487,527

(Continued)

Exhibit K-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 2,115,028
Solid Waste Disposal Fee	0	0	0	40,000
Surcharge - Waste Tire Disposal	0	0	0	99,029
Patient Charges	0	0	0	5,167,427
Other General Service Charges	0	0	0	4,340
Service Charges	0	0	0	12,200
<u>Fees</u>				
Subdivision Lot Fees	0	0	0	4,860
Recreation Fees	0	0	0	26,492
Copy Fees	0	0	0	518
Archives and Records Management Fee	0	0	0	85,557
Greenbelt Late Application Fee	0	0	0	100
Telephone Commissions	0	0	0	172,601
Data Processing Fee - Register	0	0	0	27,154
Data Processing Fee - Sheriff	0	0	0	8,617
Sexual Offender Registration Fee - Sheriff	0	0	0	2,360
Data Processing Fee - County Clerk	0	0	0	26,014
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	4,180
<u>Education Charges</u>				
Receipts from Individual Schools	0	0	0	242
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 7,796,719
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 0	\$ 62	\$ 0	\$ 811,649

(Continued)

Exhibit K-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Other Local Revenues (Cont.)</u>				
<u>Recurring Items (Cont.)</u>				
Lease/Rentals	\$ 0	\$ 0	\$ 0	\$ 260,192
Sale of Materials and Supplies	792	0	0	28,232
Commissary Sales	0	0	0	448,145
Sale of Gasoline	0	0	0	63,134
Sale of Recycled Materials	0	0	0	110,670
Miscellaneous Refunds	855	0	272	90,850
<u>Nonrecurring Items</u>				
Sale of Equipment	22,572	0	0	55,575
Sale of Property	0	0	0	83,492
Damages Recovered from Individuals	25	0	0	4,454
Contributions and Gifts	0	0	0	7,676
Performance Bond Forfeitures	0	0	0	41,319
<u>Other Local Revenues</u>				
Other Local Revenues	0	0	0	531,850
Total Other Local Revenues	\$ 24,244	\$ 62	\$ 272	\$ 2,537,238
<u>Fees Received From County Officials</u>				
<u>Fees In-Lieu-of Salary</u>				
County Clerk	\$ 0	\$ 0	\$ 0	\$ 774,473
Circuit Court Clerk	0	0	0	319,593
General Sessions Court Clerk	0	0	0	740,556
Clerk and Master	0	0	0	165,760
Juvenile Court Clerk	0	0	0	69,852
Register	0	0	0	406,798
Sheriff	0	0	0	35,916

(Continued)

Exhibit K-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Fees Received From County Officials (Cont.)</u>				
<u>Fees In-Lieu-of Salary (Cont.)</u>				
Trustee	\$ 0	\$ 0	\$ 0	\$ 1,724,307
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 4,237,255
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 9,000
Solid Waste Grants	0	0	0	429,942
<u>Public Safety Grants</u>				
Law Enforcement Training Programs	0	0	0	60,800
Drug Control Grants	0	0	0	159,839
Other Public Safety Grants	0	0	0	4,800
<u>Health and Welfare Grants</u>				
Health Department Programs	0	0	0	1,654,865
<u>Public Works Grants</u>				
Bridge Program	306,805	0	0	306,805
State Aid Program	733,399	0	0	733,399
Litter Program	0	0	0	69,688
<u>Other State Revenues</u>				
Income Tax	0	0	0	67,538
Beer Tax	0	0	0	18,175
Alcoholic Beverage Tax	0	0	0	137,500
State Revenue Sharing - T.V.A.	0	0	0	957,698
State Revenue Sharing - Telecommunications	0	0	0	306,809
Contracted Prisoner Boarding	0	0	0	2,044,503
Gasoline and Motor Fuel Tax	2,749,727	0	0	2,749,727

(Continued)

Exhibit K-5

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

	Special Revenue Fund Highway / Public Works	Debt Service Fund General Debt Service	Capital Projects Fund General Capital Projects	Total
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues (Cont.)</u>				
Petroleum Special Tax	\$ 52,183	\$ 0	\$ 0	\$ 52,183
Registrar's Salary Supplement	0	0	0	15,164
Other State Revenues	0	0	0	153,658
Total State of Tennessee	\$ 3,842,114	\$ 0	\$ 0	\$ 9,932,093
<u>Federal Government</u>				
<u>Federal Through State</u>				
Civil Defense Reimbursement	\$ 0	\$ 0	\$ 0	\$ 55,850
Homeland Security Grants	0	0	0	235,141
Law Enforcement Grants	0	0	0	1,520
Other Federal through State	0	0	0	406,451
<u>Direct Federal Revenue</u>				
COVID-19 Grant #6	0	0	0	14,188
COVID-19 Grant #7	0	0	0	1,567
Other Direct Federal Revenue	0	0	0	93,909
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 808,626
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 450,383
Contributions	0	770,897	0	770,897
Contracted Services	0	0	0	2,213
<u>Other</u>				
Other	0	0	0	479,562
Total Other Governments and Citizens Groups	\$ 0	\$ 770,897	\$ 0	\$ 1,703,055
Total	\$ 6,243,900	\$ 20,758,892	\$ 355,842	\$ 75,763,898

Exhibit K-6

Putnam County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2020

	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	\$ 16,341,701	\$ 0	\$ 0	\$ 0	\$ 16,341,701
Trustee's Collections - Prior Year	267,295	0	0	0	267,295
Circuit Clerk/Clerk and Master Collections - Prior Years	180,937	0	0	0	180,937
Interest and Penalty	53,236	0	0	0	53,236
Payments in-Lieu-of Taxes - T.V.A.	1,266	0	0	0	1,266
Payments in-Lieu-of Taxes - Other	205,640	0	0	0	205,640
<u>County Local Option Taxes</u>					
Local Option Sales Tax	16,999,992	0	0	0	16,999,992
Mixed Drink Tax	197,905	0	0	0	197,905
<u>Statutory Local Taxes</u>					
Bank Excise Tax	194,729	0	0	0	194,729
Total Local Taxes	\$ 34,442,701	\$ 0	\$ 0	\$ 0	\$ 34,442,701
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 5,900	\$ 0	\$ 0	\$ 0	\$ 5,900
Total Licenses and Permits	\$ 5,900	\$ 0	\$ 0	\$ 0	\$ 5,900
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Lunch Payments - Children	\$ 0	\$ 0	\$ 828,070	\$ 0	\$ 828,070
Lunch Payments - Adults	0	0	10,195	0	10,195
Income from Breakfast	0	0	148,226	0	148,226
A la Carte Sales	0	0	103,248	0	103,248

(Continued)

Exhibit K-6

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

	General Purpose School	School Federal Projects	Special Revenue Funds Central Cafeteria	Extended School Program	Total
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Transportation - Other State Systems	\$ 3,000	\$ 0	\$ 0	\$ 0	\$ 3,000
Transportation from Individuals	69,417	0	0	0	69,417
Receipts from Individual Schools	145,149	0	0	0	145,149
Community Service Fees - Children	1,920	0	0	894,383	896,303
TBI Criminal Background Fee	440	0	0	0	440
Total Charges for Current Services	\$ 219,926	\$ 0	\$ 1,089,739	\$ 894,383	\$ 2,204,048
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 12,150	\$ 0	\$ 13,253	\$ 0	\$ 25,403
Sale of Materials and Supplies	1,240	0	0	0	1,240
Miscellaneous Refunds	19,951	562	9,415	0	29,928
<u>Nonrecurring Items</u>					
Sale of Equipment	9,444	0	0	0	9,444
Damages Recovered from Individuals	305	0	0	0	305
Total Other Local Revenues	\$ 43,090	\$ 562	\$ 22,668	\$ 0	\$ 66,320
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 334,143	\$ 0	\$ 0	\$ 0	\$ 334,143
<u>State Education Funds</u>					
Basic Education Program	54,911,510	0	0	0	54,911,510
Early Childhood Education	1,595,677	0	0	0	1,595,677
School Food Service	0	0	52,769	0	52,769

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Total	
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds (Cont.)</u>						
Other State Education Funds	\$ 1,445,545	\$ 0	\$ 0	\$ 0	\$ 1,445,545	
Career Ladder Program	139,674	0	0	0	139,674	
Total State of Tennessee	\$ 58,426,549	\$ 0	\$ 52,769	\$ 0	\$ 58,479,318	
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,156,933	\$ 0	\$ 2,156,933	
USDA - Commodities	0	0	407,672	0	407,672	
Breakfast	0	0	1,254,770	0	1,254,770	
USDA - Other	0	0	2,134,764	0	2,134,764	
Adult Education State Grant Program	478,272	0	0	0	478,272	
Vocational Education - Basic Grants to States	0	207,005	0	0	207,005	
Other Vocational	21,840	57,496	0	0	79,336	
Title I Grants to Local Education Agencies	0	3,170,894	0	0	3,170,894	
Special Education - Grants to States	116,760	2,638,517	0	0	2,755,277	
Special Education Preschool Grants	0	165,798	0	0	165,798	
English Language Acquisition Grants	0	78,611	0	0	78,611	
Rural Education	0	192,230	0	0	192,230	
Eisenhower Professional Development State Grants	0	365,799	0	0	365,799	
Other Federal through State	33,696	397,883	0	160,338	591,917	
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	105,561	0	0	0	105,561	
Total Federal Government	\$ 756,129	\$ 7,274,233	\$ 5,954,139	\$ 160,338	\$ 14,144,839	

(Continued)

Exhibit K-6

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	
Other Governments and Citizens Groups					
Citizens Groups					
Donations	\$ 69,860	\$ 0	\$ 0	\$ 0	\$ 69,860
Total Other Governments and Citizens Groups	\$ 69,860	\$ 0	\$ 0	\$ 0	\$ 69,860
Total	\$ 93,964,155	\$ 7,274,795	\$ 7,119,315	\$ 1,054,721	\$ 109,412,986

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2020

General FundGeneral GovernmentCounty Commission

Board and Committee Members Fees	\$	109,375	
Social Security		8,367	
Audit Services		27,482	
Dues and Memberships		1,850	
Printing, Stationery, and Forms		323	
Other Charges		994	
Total County Commission			\$ 148,391

Beer Board

Board and Committee Members Fees	\$	550	
Social Security		34	
Total Beer Board			584

County Mayor/Executive

County Official/Administrative Officer	\$	106,890	
Longevity Pay		10,200	
Other Salaries and Wages		203,600	
Social Security		23,688	
Pensions		23,241	
Life Insurance		175	
Medical Insurance		50,559	
Dental Insurance		198	
Unemployment Compensation		210	
Communication		2,582	
Data Processing Services		13,898	
Dues and Memberships		1,850	
Travel		1,578	
Office Supplies		15,150	
Workers' Compensation Insurance		2,818	
Other Charges		964	
Office Equipment		6,431	
Total County Mayor/Executive			464,032

County Attorney

County Official/Administrative Officer	\$	215,212	
Legal Services		20,807	
Total County Attorney			236,019

Election Commission

County Official/Administrative Officer	\$	86,293	
Part-time Personnel		12,126	
Longevity Pay		3,700	
Overtime Pay		2,853	
Other Salaries and Wages		143,665	
Election Commission		9,900	
Election Workers		53,309	
Social Security		20,792	

(Continued)

Exhibit K-7

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

General Fund (Cont.)General Government (Cont.)Election Commission (Cont.)

Pensions	\$	16,805	
Life Insurance		140	
Medical Insurance		50,818	
Dental Insurance		14	
Unemployment Compensation		531	
Communication		4,022	
Data Processing Services		11,720	
Dues and Memberships		300	
Legal Notices, Recording, and Court Costs		6,622	
Maintenance and Repair Services - Equipment		27	
Printing, Stationery, and Forms		8,180	
Travel		750	
Other Contracted Services		26,929	
Office Supplies		14,111	
Liability Insurance		6,257	
Workers' Compensation Insurance		2,254	
Office Equipment		5,762	
Total Election Commission			\$ 487,880

Register of Deeds

County Official/Administrative Officer	\$	91,181	
Longevity Pay		2,600	
Other Salaries and Wages		120,650	
Social Security		15,068	
Pensions		15,139	
Life Insurance		175	
Medical Insurance		51,393	
Dental Insurance		245	
Unemployment Compensation		168	
Communication		2,574	
Dues and Memberships		859	
Maintenance Agreements		13,239	
Data Processing Supplies		2,712	
Office Supplies		1,542	
Premiums on Corporate Surety Bonds		350	
Workers' Compensation Insurance		2,818	
Total Register of Deeds			320,713

Codes Compliance

Assistant(s)	\$	38,850	
Supervisor/Director		48,900	
Longevity Pay		2,700	
Other Salaries and Wages		40,300	
In-service Training		2,746	
Social Security		8,827	
Pensions		8,860	
Life Insurance		105	

(Continued)

Exhibit K-7

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

General Fund (Cont.)General Government (Cont.)Codes Compliance (Cont.)

Medical Insurance	\$	33,456	
Dental Insurance		50	
Unemployment Compensation		153	
Communication		3,497	
Other Contracted Services		55,220	
Gasoline		670	
Office Supplies		2,179	
Periodicals		569	
Uniforms		457	
Workers' Compensation Insurance		1,691	
Office Equipment		472	
Total Codes Compliance	\$		249,702

Geographical Information Systems

Office Supplies	\$	36	
Other Equipment		2,315	
Total Geographical Information Systems			2,351

County Buildings

Supervisor/Director	\$	61,300	
Secretary(ies)		36,450	
Custodial Personnel		120,141	
Part-time Personnel		44,982	
Longevity Pay		29,500	
Overtime Pay		11,527	
Other Salaries and Wages		642,053	
In-service Training		946	
Social Security		67,243	
Pensions		63,997	
Life Insurance		817	
Medical Insurance		225,799	
Dental Insurance		1,337	
Unemployment Compensation		1,350	
Communication		13,044	
Maintenance Agreements		123,492	
Maintenance and Repair Services - Buildings		396,569	
Maintenance and Repair Services - Equipment		251,191	
Maintenance and Repair Services - Vehicles		243,741	
Rentals		1,169	
Custodial Supplies		30,137	
Gasoline		15,735	
Office Supplies		2,300	
Small Tools		3,803	
Uniforms		12,554	
Utilities		681,816	
Workers' Compensation Insurance		13,151	
Other Charges		3,709	

(Continued)

Exhibit K-7

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

General Fund (Cont.)General Government (Cont.)County Buildings (Cont.)

Land	\$	16,000	
Other Equipment		10,427	
Total County Buildings			\$ 3,126,280

Other Facilities

Computer Programmer(s)	\$	152,700	
Longevity Pay		1,900	
Overtime Pay		22,000	
In-service Training		14,223	
Social Security		13,370	
Pensions		12,468	
Life Insurance		105	
Medical Insurance		9,902	
Unemployment Compensation		126	
Communication		5,941	
Maintenance Agreements		45,900	
Maintenance and Repair Services - Office Equipment		39,497	
Travel		46	
Office Supplies		640	
Small Tools		133	
Workers' Compensation Insurance		1,691	
Other Charges		418	
Other Equipment		2,339	
Total Other Facilities			323,399

FinanceProperty Assessor's Office

County Official/Administrative Officer	\$	91,181	
Longevity Pay		7,300	
Board and Committee Members Fees		620	
In-service Training		1,029	
Social Security		12,736	
Pensions		12,306	
Life Insurance		23	
Medical Insurance		23,854	
Dental Insurance		30	
Unemployment Compensation		46	
Data Processing Services		17,831	
Dues and Memberships		2,035	
Maintenance Agreements		3,000	
Other Contracted Services		1,496	
Gasoline		1,048	
Office Supplies		5,392	
Workers' Compensation Insurance		376	
Other Equipment		3,470	
Total Property Assessor's Office			183,773

(Continued)

Exhibit K-7

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

General Fund (Cont.)Finance (Cont.)County Trustee's Office

County Official/Administrative Officer	\$	91,181	
Longevity Pay		11,800	
Other Salaries and Wages		220,590	
Social Security		22,520	
Pensions		18,603	
Life Insurance		245	
Medical Insurance		55,662	
Dental Insurance		390	
Unemployment Compensation		210	
Communication		3,502	
Data Processing Services		19,770	
Dues and Memberships		894	
Legal Notices, Recording, and Court Costs		68	
Travel		1,620	
Office Supplies		18,217	
Workers' Compensation Insurance		3,945	
Office Equipment		3,839	
Total County Trustee's Office			\$ 473,056

County Clerk's Office

County Official/Administrative Officer	\$	91,181	
Longevity Pay		12,800	
Overtime Pay		19	
Other Salaries and Wages		525,860	
Social Security		44,623	
Pensions		45,258	
Life Insurance		747	
Medical Insurance		169,341	
Dental Insurance		1,547	
Unemployment Compensation		856	
Communication		5,965	
Data Processing Services		3,696	
Dues and Memberships		924	
Maintenance Agreements		14,755	
Travel		550	
Office Supplies		39,059	
Premiums on Corporate Surety Bonds		243	
Workers' Compensation Insurance		12,024	
Other Charges		1,174	
Office Equipment		26,665	
Total County Clerk's Office			997,287

Other Finance

Part-time Personnel	\$	8,045	
Other Salaries and Wages		399,785	
In-service Training		1,755	
Social Security		24,252	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Finance (Cont.)Other Finance (Cont.)

Pensions	\$	22,901	
Life Insurance		304	
Medical Insurance		47,275	
Dental Insurance		216	
Unemployment Compensation		724	
Audit Services		29,350	
Communication		6,352	
Data Processing Services		12,806	
Travel		2,283	
Other Contracted Services		14,545	
Office Supplies		10,513	
Workers' Compensation Insurance		4,885	
Office Equipment		3,090	
Total Other Finance			\$ 589,081

Administration of JusticeCircuit Court

County Official/Administrative Officer	\$	91,181	
Part-time Personnel		7,274	
Longevity Pay		24,000	
Other Salaries and Wages		871,843	
Jury and Witness Expense		10,616	
Other Per Diem and Fees		1,127	
Social Security		69,637	
Pensions		69,396	
Life Insurance		701	
Medical Insurance		224,068	
Dental Insurance		1,814	
Unemployment Compensation		1,178	
Communication		3,509	
Data Processing Services		53,000	
Dues and Memberships		1,244	
Maintenance Agreements		18,408	
Travel		817	
Other Contracted Services		8,734	
Data Processing Supplies		3,550	
Office Supplies		45,961	
Premiums on Corporate Surety Bonds		600	
Workers' Compensation Insurance		11,272	
Data Processing Equipment		2,944	
Office Equipment		9,564	
Total Circuit Court			1,532,438

General Sessions Court

Judge(s)	\$	342,066
Longevity Pay		2,600
Other Salaries and Wages		61,300

(Continued)

Exhibit K-7

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

General Fund (Cont.)Administration of Justice (Cont.)General Sessions Court (Cont.)

In-service Training	\$	2,653	
Social Security		26,207	
Pensions		28,661	
Life Insurance		105	
Medical Insurance		16,838	
Dental Insurance		110	
Unemployment Compensation		39	
Data Processing Services		2,071	
Dues and Memberships		900	
Travel		3,224	
Other Contracted Services		1,712	
Office Supplies		2,178	
Workers' Compensation Insurance		1,691	
Total General Sessions Court			\$ 492,355

Drug Court

Supervisor/Director	\$	55,400	
Part-time Personnel		8,229	
Longevity Pay		700	
Other Salaries and Wages		64,046	
Social Security		10,285	
Pensions		9,256	
Life Insurance		47	
Medical Insurance		13,546	
Unemployment Compensation		201	
Communication		7,319	
Rentals		21,300	
Travel		8,401	
Other Contracted Services		23,499	
Gasoline		186	
Office Supplies		30,831	
Other Supplies and Materials		3,060	
Workers' Compensation Insurance		751	
Other Charges		17,931	
Office Equipment		1,320	
Other Equipment		22,225	
Total Drug Court			298,533

Chancery Court

County Official/Administrative Officer	\$	91,181	
Longevity Pay		4,000	
Other Salaries and Wages		167,369	
Social Security		18,050	
Pensions		18,536	
Life Insurance		210	
Medical Insurance		59,393	
Dental Insurance		173	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Administration of Justice (Cont.)Chancery Court (Cont.)

Unemployment Compensation	\$	210	
Communication		903	
Data Processing Services		10,608	
Dues and Memberships		944	
Legal Notices, Recording, and Court Costs		816	
Maintenance and Repair Services - Equipment		478	
Office Supplies		5,165	
Premiums on Corporate Surety Bonds		750	
Workers' Compensation Insurance		3,382	
Total Chancery Court			\$ 382,168

Juvenile Court

Youth Service Officer(s)	\$	150,400	
Longevity Pay		3,600	
In-service Training		2,977	
Social Security		11,117	
Pensions		11,297	
Life Insurance		175	
Medical Insurance		43,446	
Dental Insurance		500	
Unemployment Compensation		173	
Communication		8,692	
Dues and Memberships		650	
Maintenance Agreements		10,875	
Travel		1,676	
Other Contracted Services		10,446	
Gasoline		34	
Office Supplies		708	
Workers' Compensation Insurance		2,818	
Office Equipment		3,237	
Total Juvenile Court			262,821

District Attorney General

Supervisor/Director	\$	44,640	
Social Security		3,091	
Pensions		3,151	
Life Insurance		35	
Medical Insurance		14,301	
Unemployment Compensation		42	
Communication		365	
Travel		2,122	
Workers' Compensation Insurance		564	
Total District Attorney General			68,311

Office of Public Defender

Assistant(s)	\$	36,580	
Social Security		2,605	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Administration of Justice (Cont.)Office of Public Defender (Cont.)

Pensions	\$	2,473	
Medical Insurance		5,642	
Unemployment Compensation		42	
Communication		348	
Travel		2,329	
Office Supplies		826	
Office Equipment		4,047	
Total Office of Public Defender			\$ 54,892

Judicial Commissioners

Part-time Personnel	\$	33,841	
Other Salaries and Wages		54,605	
In-service Training		293	
Social Security		6,776	
Pensions		3,808	
Life Insurance		70	
Medical Insurance		956	
Unemployment Compensation		276	
Office Supplies		420	
Workers' Compensation Insurance		1,127	
Other Charges		179	
Total Judicial Commissioners			102,351

Other Administration of Justice

Life Insurance	\$	35	
Workers' Compensation Insurance		564	
Total Other Administration of Justice			599

Probation Services

Youth Service Officer(s)	\$	44,900	
Longevity Pay		1,900	
Social Security		3,580	
Pensions		3,304	
Unemployment Compensation		42	
Office Supplies		133	
Total Probation Services			53,859

Victim Assistance Programs

Assistant(s)	\$	158,903	
Longevity Pay		600	
Social Security		11,648	
Pensions		9,741	
Life Insurance		47	
Medical Insurance		35,108	
Unemployment Compensation		251	
Communication		3,483	
Rentals		26,718	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Administration of Justice (Cont.)Victim Assistance Programs (Cont.)

Travel	\$	448	
Office Supplies		5,373	
Other Supplies and Materials		2,060	
Workers' Compensation Insurance		751	
Total Victim Assistance Programs			\$ 255,131

Public SafetySheriff's Department

County Official/Administrative Officer	\$	100,299	
Deputy(ies)		3,050,471	
Investigator(s)		503,558	
Salary Supplements		59,699	
Dispatchers/Radio Operators		335,019	
Secretary(ies)		255,400	
Temporary Personnel		25,000	
Part-time Personnel		156,753	
Longevity Pay		63,700	
Overtime Pay		240,891	
Other Salaries and Wages		119,500	
In-service Training		141,520	
Other Per Diem and Fees		74,295	
Social Security		359,895	
Pensions		480,897	
Life Insurance		1,985	
Medical Insurance		785,081	
Dental Insurance		4,410	
Unemployment Compensation		5,350	
Communication		95,937	
Contributions		5,130	
Data Processing Services		7,912	
Evaluation and Testing		11,117	
Maintenance Agreements		59,914	
Maintenance and Repair Services - Vehicles		9,824	
Rentals		2,100	
Transportation - Other than Students		6,389	
Travel		7,101	
Animal Food and Supplies		7,995	
Gasoline		133,814	
Instructional Supplies and Materials		2,720	
Uniforms		82,458	
Other Supplies and Materials		18,168	
Workers' Compensation Insurance		31,938	
Communication Equipment		86,133	
Data Processing Equipment		5	
Law Enforcement Equipment		64,448	
Motor Vehicles		293,998	
Traffic Control Equipment		6,991	
Other Equipment		61,224	
Total Sheriff's Department			7,759,039

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Jail

Guards	\$	2,033,786	
Longevity Pay		30,800	
Overtime Pay		52,198	
Other Per Diem and Fees		44,017	
Social Security		156,382	
Pensions		155,908	
Life Insurance		1,238	
Medical Insurance		410,984	
Dental Insurance		62	
Unemployment Compensation		2,809	
Contracts with Government Agencies		3,275	
Maintenance and Repair Services - Equipment		5,519	
Medical and Dental Services		1,232,107	
Other Contracted Services		273,395	
Custodial Supplies		42,478	
Food Supplies		350,742	
Office Supplies		19,501	
Uniforms		14,606	
Other Supplies and Materials		18,631	
Workers' Compensation Insurance		19,914	
Other Charges		26,393	
Data Processing Equipment		5,927	
Office Equipment		3,431	
Other Equipment		27,252	
Total Jail			\$ 4,931,355

Workhouse

Supervisor/Director	\$	1,015	
Guards		75,325	
Social Security		5,145	
Pensions		5,425	
Life Insurance		35	
Medical Insurance		25,839	
Dental Insurance		325	
Unemployment Compensation		84	
Uniforms		388	
Workers' Compensation Insurance		564	
Other Charges		8,737	
Motor Vehicles		34,808	
Total Workhouse			157,690

Juvenile Services

Supervisor/Director	\$	57,250	
Guards		390,368	
Longevity Pay		5,600	
Overtime Pay		8,258	
In-service Training		2,105	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Juvenile Services (Cont.)

Other Per Diem and Fees	\$	12,295	
Social Security		34,268	
Pensions		35,960	
Life Insurance		537	
Medical Insurance		90,542	
Dental Insurance		54	
Unemployment Compensation		636	
Communication		6,905	
Laundry Service		769	
Medical and Dental Services		406	
Food Supplies		2,424	
Office Supplies		1,554	
Uniforms		1,715	
Other Supplies and Materials		1,846	
Workers' Compensation Insurance		8,642	
Other Charges		8,473	
Office Equipment		1,230	
Total Juvenile Services			\$ 671,837

Commissary

Food Supplies	\$	158,552	
Other Supplies and Materials		91,509	
Total Commissary			250,061

Fire Prevention and Control

Supervisor/Director	\$	65,500	
Salary Supplements		4,800	
Part-time Personnel		143,858	
Longevity Pay		500	
Overtime Pay		12,541	
Other Salaries and Wages		214,311	
In-service Training		9,707	
Other Per Diem and Fees		69,245	
Social Security		33,447	
Pensions		46,256	
Life Insurance		175	
Medical Insurance		54,549	
Dental Insurance		33	
Unemployment Compensation		794	
Communication		11,692	
Evaluation and Testing		4,782	
Maintenance and Repair Services - Equipment		1,031	
Gasoline		21,695	
Office Supplies		497	
Uniforms		6,551	
Excess Risk Insurance		10,336	
Workers' Compensation Insurance		2,818	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Fire Prevention and Control (Cont.)

Other Charges	\$	2,866	
Communication Equipment		11,572	
Other Equipment		152,693	
Total Fire Prevention and Control			\$ 882,249

Civil Defense

Supervisor/Director	\$	62,500	
Longevity Pay		5,300	
Other Salaries and Wages		57,500	
In-service Training		126	
Other Per Diem and Fees		70,000	
Social Security		11,939	
Pensions		10,598	
Life Insurance		58	
Medical Insurance		21,616	
Dental Insurance		438	
Unemployment Compensation		176	
Communication		2,930	
Other Contracted Services		5,026	
Gasoline		4,965	
Instructional Supplies and Materials		1,495	
Office Supplies		1,229	
Uniforms		253	
Workers' Compensation Insurance		939	
Other Charges		196	
Office Equipment		500	
Other Equipment		58,904	
Total Civil Defense			316,688

Disaster Relief

Other Equipment	\$	2,144,342	
Total Disaster Relief			2,144,342

Other Emergency Management

Communication Equipment	\$	126,051	
Other Equipment		16,621	
Total Other Emergency Management			142,672

County Coroner/Medical Examiner

Other Per Diem and Fees	\$	16,640	
Social Security		1,230	
Pensions		753	
Medical Insurance		1,218	
Unemployment Compensation		6	
Other Contracted Services		106,950	
Premiums on Corporate Surety Bonds		900	
Other Charges		1,286	
Total County Coroner/Medical Examiner			128,983

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Safety (Cont.)Other Public Safety

Supervisor/Director	\$	66,500	
Deputy(ies)		95,728	
Dispatchers/Radio Operators		473,400	
Part-time Personnel		56,231	
Longevity Pay		21,700	
Overtime Pay		30,293	
Social Security		55,522	
Pensions		53,687	
Life Insurance		245	
Medical Insurance		125,675	
Dental Insurance		63	
Unemployment Compensation		782	
Workers' Compensation Insurance		3,945	
Total Other Public Safety			\$ 983,771

Public Health and WelfareLocal Health Center

Other Salaries and Wages	\$	79,942	
Social Security		5,883	
Pensions		5,644	
Life Insurance		35	
Medical Insurance		19,254	
Dental Insurance		792	
Unemployment Compensation		173	
Communication		21,453	
Contracts with Government Agencies		128,953	
Maintenance and Repair Services - Equipment		425	
Travel		1,174	
Other Contracted Services		19,476	
Custodial Supplies		11,921	
Drugs and Medical Supplies		11,435	
Office Supplies		12,368	
Other Supplies and Materials		3,993	
Workers' Compensation Insurance		564	
Other Charges		12,368	
Building Improvements		5,993	
Total Local Health Center			341,846

Ambulance/Emergency Medical Services

Supervisor/Director	\$	69,523
Deputy(ies)		57,500
Accountants/Bookkeepers		42,550
Paraprofessionals		2,507,374
Secretary(ies)		31,050
Part-time Personnel		400,964
Longevity Pay		48,500
Overtime Pay		197,598

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Health and Welfare (Cont.)Ambulance/Emergency Medical Services (Cont.)

In-service Training	\$	65,132	
Social Security		242,123	
Pensions		221,311	
Life Insurance		1,355	
Medical Insurance		563,298	
Dental Insurance		1,957	
Unemployment Compensation		3,914	
Communication		13,914	
Maintenance and Repair Services - Equipment		15,794	
Medical and Dental Services		9,500	
Travel		480	
Permits		4,750	
Other Contracted Services		231,467	
Drugs and Medical Supplies		213,730	
Gasoline		104,312	
Office Supplies		10,322	
Uniforms		36,362	
Other Supplies and Materials		8,877	
Workers' Compensation Insurance		21,793	
Other Charges		656	
Communication Equipment		7,418	
Furniture and Fixtures		1,171	
Motor Vehicles		737,213	
Office Equipment		1,240	
Other Equipment		64,774	
Total Ambulance/Emergency Medical Services			\$ 5,937,922

Other Local Health Services

Supervisor/Director	\$	577	
Social Security		40	
Pensions		41	
Life Insurance		35	
Medical Insurance		124	
Drugs and Medical Supplies		54,002	
Other Supplies and Materials		573	
Workers' Compensation Insurance		564	
Total Other Local Health Services			55,956

Regional Mental Health Center

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

General Welfare Assistance

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

(Continued)

Exhibit K-7

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

General Fund (Cont.)Public Health and Welfare (Cont.)Other Public Health and Welfare

Longevity Pay	\$	10,400	
Other Salaries and Wages		1,185,801	
Social Security		87,676	
Pensions		69,523	
Life Insurance		747	
Medical Insurance		177,147	
Dental Insurance		1,512	
Unemployment Compensation		1,612	
Communication		500	
Travel		12,559	
Office Supplies		699	
Workers' Compensation Insurance		12,024	
Total Other Public Health and Welfare			\$ 1,560,200

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

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

Libraries

Contributions	\$	511,010	
Total Libraries			511,010

Parks and Fair Boards

Salary Supplements	\$	4,000	
Total Parks and Fair Boards			4,000

Other Social, Cultural, and Recreational

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

Agriculture and Natural ResourcesAgricultural Extension Service

Salary Supplements	\$	136,424	
Longevity Pay		1,500	
Other Salaries and Wages		32,050	
In-service Training		2,000	
Social Security		2,141	
Pensions		2,369	
Life Insurance		35	
Medical Insurance		10,668	
Unemployment Compensation		42	
Other Fringe Benefits		61,446	
Communication		4,425	
Travel		3,010	
Workers' Compensation Insurance		564	
Other Charges		1,000	
Office Equipment		2,000	
Total Agricultural Extension Service			259,674

(Continued)

Exhibit K-7

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

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Forest Service

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

Soil Conservation

Secretary(ies)	\$ 28,932	
Other Salaries and Wages	31,650	
Social Security	4,140	
Pensions	4,277	
Life Insurance	35	
Medical Insurance	21,609	
Unemployment Compensation	84	
Workers' Compensation Insurance	564	
Total Soil Conservation		91,291

Other OperationsAirport

Contributions	\$ 25,000	
Matching Share	28,000	
Total Airport		53,000

Veterans' Services

Supervisor/Director	\$ 38,850	
Other Salaries and Wages	31,650	
Social Security	5,184	
Pensions	4,977	
Life Insurance	35	
Unemployment Compensation	84	
Communication	3,478	
Maintenance Agreements	898	
Travel	580	
Office Supplies	868	
Workers' Compensation Insurance	564	
Other Charges	843	
Office Equipment	510	
Total Veterans' Services		88,521

Contributions to Other Agencies

Contributions	\$ 275,258	
Gasoline	62,948	
Total Contributions to Other Agencies		338,206

Employee Benefits

Life Insurance	\$ 4	
Medical Insurance	9,181	
Total Employee Benefits		9,185

(Continued)

Exhibit K-7

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

General Fund (Cont.)Other Operations (Cont.)COVID-19 Grant #2

Other Charges	\$ 1,567	
Total COVID-19 Grant #2		\$ 1,567

COVID-19 Grant #6

Other Charges	\$ 14,188	
Total COVID-19 Grant #6		14,188

Miscellaneous

Handling Charges and Administrative Costs	\$ 5,250	
Dues and Memberships	9,746	
Engineering Services	175	
Legal Notices, Recording, and Court Costs	2,309	
Other Contracted Services	1,000	
Gasoline	186	
Library Books/Media	20,000	
Building and Contents Insurance	43,350	
Excess Risk Insurance	87,312	
Liability Insurance	112,150	
Refunds	2,035	
Trustee's Commission	487,804	
Tax Relief Program	137,493	
Other Charges	56,345	
Total Miscellaneous		965,155

Total General Fund		\$ 39,819,084
--------------------	--	---------------

Solid Waste/Sanitation FundPublic Health and WelfareSanitation Management

Supervisor/Director	\$ 60,100
Attendants	245,607
Part-time Personnel	29,960
Overtime Pay	38,793
Other Salaries and Wages	648,397
Other Fringe Benefits	309,320
Communication	22,992
Legal Services	11,076
Maintenance and Repair Services - Buildings	84,372
Maintenance and Repair Services - Equipment	55,954
Maintenance and Repair Services - Vehicles	87,941
Travel	7,347
Disposal Fees	2,044,014
Permits	315
Other Contracted Services	128,505
Crushed Stone	11,236
Gasoline	80,782
Office Supplies	5,163

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation Fund (Cont.)Public Health and Welfare (Cont.)Sanitation Management (Cont.)

Uniforms	\$	13,131	
Utilities		44,953	
Refunds		393	
Trustee's Commission		83,316	
Other Charges		37,677	
Building Improvements		36,204	
Land		65,675	
Office Equipment		1,354	
Solid Waste Equipment		123,558	
Total Sanitation Management			\$ 4,278,135

Other Waste Collection

Solid Waste Equipment	\$	439,385	
Total Other Waste Collection			439,385

Landfill Operation and Maintenance

Engineering Services	\$	12,628	
Other Charges		32,115	
Total Landfill Operation and Maintenance			44,743

Other Waste Disposal

Engineering Services	\$	88,644	
Contracts for Landfill Facilities		63,014	
Other Contracted Services		300,000	
Wood Products		81,902	
Other Construction		303,947	
Total Other Waste Disposal			837,507

Postclosure Care Costs

Engineering Services	\$	34,773	
Other Contracted Services		52,730	
Total Postclosure Care Costs			87,503

Total Solid Waste/Sanitation Fund \$ 5,687,273

Industrial/Economic Development FundGeneral GovernmentDevelopment

Engineering Services	\$	3,500	
Other Contracted Services		7,800	
Total Development			\$ 11,300

Other OperationsIndustrial Development

Salary Supplements	\$	7,250	
Contributions		440,010	
Contracts for Development Costs		120,000	

(Continued)

Exhibit K-7

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

Industrial/Economic Development Fund (Cont.)

Other Operations (Cont.)

Industrial Development (Cont.)

Refunds	\$	42	
Trustee's Commission		11,212	
Total Industrial Development			\$ 578,514

Total Industrial/Economic Development Fund \$ 589,814

Special Purpose Fund

General Government

Preservation of Records

Supervisor/Director	\$	34,650	
Part-time Personnel		11,760	
Other Fringe Benefits		15,657	
Communication		1,838	
Office Supplies		3,164	
Other Supplies and Materials		5,794	
Trustee's Commission		759	
Total Preservation of Records			\$ 73,622

Total Special Purpose Fund 73,622

Drug Control Fund

Public Safety

Drug Enforcement

In-service Training	\$	8,544	
Communication		104	
Confidential Drug Enforcement Payments		20,000	
Maintenance and Repair Services - Vehicles		20,551	
Rentals		10,500	
Other Supplies and Materials		1,064	
Trustee's Commission		128	
Building Construction		16,035	
Law Enforcement Equipment		9,550	
Total Drug Enforcement			\$ 86,476

Total Drug Control Fund 86,476

Sports and Recreation Fund

Social, Cultural, and Recreational Services

Parks and Fair Boards

Supervisor/Director	\$	49,500	
Secretary(ies)		32,250	
Temporary Personnel		74,450	
Other Salaries and Wages		336,347	
In-service Training		400	
Other Fringe Benefits		170,810	
Communication		7,221	
Maintenance and Repair Services - Buildings		40,015	

(Continued)

Exhibit K-7

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

Sports and Recreation Fund (Cont.)Social, Cultural, and Recreational Services (Cont.)Parks and Fair Boards (Cont.)

Maintenance and Repair Services - Equipment	\$	2,921	
Maintenance and Repair Services - Vehicles		7,909	
Permits		1,020	
Custodial Supplies		3,757	
Equipment and Machinery Parts		307	
Food Supplies		3,950	
Gasoline		8,468	
Office Supplies		1,341	
Sand		942	
Small Tools		1,209	
Uniforms		6,308	
Utilities		124,250	
Chemicals		4,643	
Other Supplies and Materials		22,063	
Refunds		4,155	
Trustee's Commission		17,657	
Workers' Compensation Insurance		9,961	
Other Charges		17,784	
Other Equipment		26,197	
Other Capital Outlay		45,417	
Total Parks and Fair Boards			\$ 1,021,252

Other Social, Cultural, and Recreational

Foremen	\$	36,450	
Other Fringe Benefits		12,478	
Communication		726	
Maintenance and Repair Services - Buildings		3,938	
Maintenance and Repair Services - Vehicles		1,275	
Fertilizer, Lime, and Seed		12,052	
Small Tools		1,527	
Utilities		25,975	
Other Supplies and Materials		4,637	
Total Other Social, Cultural, and Recreational			99,058

Total Sports and Recreation Fund \$ 1,120,310

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$	100,299	
Assistant(s)		52,300	
Accountants/Bookkeepers		46,800	
Longevity Pay		5,600	
Other Salaries and Wages		38,250	
Social Security		14,694	
Employee and Dependent Insurance		17,975	
Life Insurance		154	

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Administration (Cont.)

Dental Insurance	\$	919	
Local Retirement		17,501	
Employer Medicare		3,437	
Data Processing Services		8,000	
Dues and Memberships		4,604	
Legal Services		9,785	
Legal Notices, Recording, and Court Costs		200	
Maintenance and Repair Services - Office Equipment		195	
Postal Charges		385	
Printing, Stationery, and Forms		999	
Travel		1,198	
Data Processing Supplies		1,000	
Drugs and Medical Supplies		452	
Office Supplies		788	
Workers' Compensation Insurance		13,938	
Other Charges		3,926	
Communication Equipment		4,000	
Data Processing Equipment		1,499	
Total Administration			\$ 348,898

Highway and Bridge Maintenance

Foremen	\$	44,300	
Equipment Operators		767,312	
Truck Drivers		230,000	
Longevity Pay		41,000	
Overtime Pay		23,122	
Other Salaries and Wages		37,541	
Social Security		67,551	
Employee and Dependent Insurance		235,460	
Life Insurance		704	
Dental Insurance		526	
Unemployment Compensation		851	
Local Retirement		80,436	
Employer Medicare		15,798	
Other Contracted Services		133,513	
Asphalt - Cold Mix		23,891	
Asphalt - Hot Mix		1,176,239	
Crushed Stone		145,458	
Electricity		266	
Pipe - Metal		49,239	
Road Signs		34,995	
Other Supplies and Materials		5,379	
Workers' Compensation Insurance		90,194	
Other Charges		2,304	
Total Highway and Bridge Maintenance			3,206,079

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment

Mechanic(s)	\$	67,646	
Maintenance Personnel		32,460	
Longevity Pay		2,123	
Overtime Pay		460	
Social Security		5,984	
Employee and Dependent Insurance		17,262	
Life Insurance		118	
Dental Insurance		182	
Local Retirement		7,208	
Employer Medicare		1,400	
Laundry Service		2,777	
Maintenance and Repair Services - Equipment		33,092	
Diesel Fuel		63,199	
Equipment and Machinery Parts		93,507	
Garage Supplies		8,980	
Gasoline		20,219	
Lubricants		9,446	
Small Tools		1,478	
Tires and Tubes		26,383	
Other Supplies and Materials		4,971	
Workers' Compensation Insurance		6,429	
Other Charges		4,986	
Total Operation and Maintenance of Equipment	\$		410,310

Other Charges

Communication	\$	5,758	
Evaluation and Testing		2,278	
Electricity		6,053	
Natural Gas		2,854	
Water and Sewer		496	
Building and Contents Insurance		1,495	
Excess Risk Insurance		41,991	
Liability Insurance		96,810	
Trustee's Commission		71,115	
Other Charges		9,882	
Total Other Charges			238,732

Capital Outlay

Engineering Services	\$	26,964	
Matching Share		16,611	
Bridge Construction		249,355	
Highway Equipment		401,968	
State Aid Projects		650,233	
Total Capital Outlay			1,345,131

Total Highway/Public Works Fund \$ 5,549,150

(Continued)

Exhibit K-7

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

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$ 1,335,000	
Total General Government		\$ 1,335,000

Education

Principal on Bonds	\$ 7,190,000	
Principal on Capital Leases	361,882	
Principal on Other Loans	384,744	
Total Education		7,936,626

Interest on DebtGeneral Government

Interest on Bonds	\$ 561,206	
Total General Government		561,206

Education

Interest on Bonds	\$ 4,038,062	
Interest on Capital Leases	5,731	
Interest on Other Loans	18,540	
Total Education		4,062,333

Other Debt ServiceGeneral Government

Underwriter's Discount	\$ 14,372	
Other Debt Issuance Charges	64,643	
Total General Government		79,015

Education

Trustee's Commission	\$ 292,864	
Other Debt Service	1,876	
Total Education		294,740

Total General Debt Service Fund		\$ 14,268,920
---------------------------------	--	---------------

General Capital Projects FundGeneral GovernmentCounty Buildings

Refunds	\$ 44	
Trustee's Commission	7,027	
Building Improvements	1,533,700	
Land	5,350,937	
Motor Vehicles	28,886	
Other Equipment	487,359	
Other Capital Outlay	3,901,288	
Total County Buildings		\$ 11,309,241

(Continued)

Exhibit K-7

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

<u>General Capital Projects Fund (Cont.)</u>			
<u>Other Debt Service</u>			
<u>General Government</u>			
Other Debt Issuance Charges	\$	30,000	
Total General Government			\$ 30,000
Total General Capital Projects Fund			\$ 11,339,241
Total Governmental Funds - Primary Government			\$ 78,533,890

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2020

General Purpose School FundInstructionRegular Instruction Program

Teachers	\$ 28,471,746	
Career Ladder Program	83,737	
Homebound Teachers	59,268	
Salary Supplements	573,801	
Educational Assistants	1,283,045	
Certified Substitute Teachers	192,295	
Non-certified Substitute Teachers	246,449	
Social Security	1,766,883	
Pensions	2,916,449	
Life Insurance	14,048	
Medical Insurance	5,628,061	
Dental Insurance	77,328	
Unemployment Compensation	8,097	
Employer Medicare	416,079	
Maintenance and Repair Services - Equipment	12,858	
Travel	400	
Other Contracted Services	544,209	
Instructional Supplies and Materials	446,696	
Textbooks - Bound	1,256,532	
Fee Waivers	33,744	
Other Charges	229,792	
Regular Instruction Equipment	351,311	
Other Equipment	3,432	
Total Regular Instruction Program		\$ 44,616,260

Alternative Instruction Program

Teachers	\$ 552,261	
Career Ladder Program	1,000	
Social Security	31,606	
Pensions	57,272	
Life Insurance	246	
Medical Insurance	108,867	
Dental Insurance	1,525	
Employer Medicare	7,392	
Instructional Supplies and Materials	11	
Other Supplies and Materials	561	
Total Alternative Instruction Program		760,741

Special Education Program

Teachers	\$ 4,518,654	
Career Ladder Program	10,063	
Homebound Teachers	59,269	
Educational Assistants	1,187,620	
Speech Pathologist	517,320	
Other Salaries and Wages	171,166	
Certified Substitute Teachers	4,270	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Instruction (Cont.)Special Education Program (Cont.)

Non-certified Substitute Teachers	\$	7,088	
Other Per Diem and Fees		10,357	
Social Security		367,025	
Pensions		566,528	
Life Insurance		3,674	
Medical Insurance		1,384,061	
Dental Insurance		19,844	
Employer Medicare		86,241	
Contracts with Private Agencies		35,883	
Instructional Supplies and Materials		36,830	
Other Supplies and Materials		3,333	
Special Education Equipment		22,930	
Total Special Education Program			\$ 9,012,156

Career and Technical Education Program

Teachers	\$	881,805	
Career Ladder Program		1,000	
Other Salaries and Wages		93,216	
Certified Substitute Teachers		478	
Non-certified Substitute Teachers		7,704	
Social Security		57,145	
Pensions		92,870	
Life Insurance		435	
Medical Insurance		188,914	
Dental Insurance		2,234	
Employer Medicare		13,380	
Maintenance and Repair Services - Equipment		1,315	
Other Contracted Services		224,817	
Instructional Supplies and Materials		27,814	
Vocational Instruction Equipment		24,172	
Total Career and Technical Education Program			1,617,299

Adult Education Program

Teachers	\$	233,128	
Other Salaries and Wages		154,735	
Social Security		21,633	
Pensions		22,210	
Life Insurance		150	
Medical Insurance		52,324	
Dental Insurance		567	
Employer Medicare		5,331	
Travel		3,828	
Other Contracted Services		1,000	
Instructional Supplies and Materials		18,493	
Other Equipment		10,903	
Total Adult Education Program			524,302

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support ServicesAttendance

Supervisor/Director	\$	75,841	
Career Ladder Program		1,000	
Clerical Personnel		22,343	
Other Salaries and Wages		72,543	
Social Security		10,040	
Pensions		17,457	
Life Insurance		62	
Medical Insurance		27,360	
Dental Insurance		354	
Employer Medicare		2,348	
Other Contracted Services		59,089	
Other Supplies and Materials		1,843	
In Service/Staff Development		1,138	
Attendance Equipment		3,687	
Total Attendance			\$ 295,105

Health Services

Supervisor/Director	\$	73,573	
Career Ladder Program		1,000	
Social Workers		63,366	
Medical Personnel		464,804	
Secretary(ies)		15,972	
Other Salaries and Wages		86,788	
Other Per Diem and Fees		1,440	
Social Security		39,130	
Pensions		49,617	
Life Insurance		425	
Medical Insurance		203,536	
Dental Insurance		2,955	
Employer Medicare		9,150	
Travel		3,850	
Other Contracted Services		11,076	
Drugs and Medical Supplies		7,974	
Office Supplies		151	
Other Supplies and Materials		10,894	
In Service/Staff Development		10,929	
Other Charges		181	
Other Equipment		1,753	
Total Health Services			1,058,564

Other Student Support

Career Ladder Program	\$	4,513	
Guidance Personnel		1,634,647	
Psychological Personnel		39,369	
Social Workers		65,287	
Assessment Personnel		10,434	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Other Student Support (Cont.)

Other Salaries and Wages	\$	65,698	
Social Security		104,372	
Pensions		179,274	
Life Insurance		742	
Medical Insurance		318,197	
Dental Insurance		4,398	
Employer Medicare		24,463	
Contracts with Government Agencies		265,850	
Evaluation and Testing		1,504	
Travel		3,855	
Other Contracted Services		144,812	
Other Supplies and Materials		7,932	
In Service/Staff Development		5,506	
Other Equipment		221,335	
Total Other Student Support			\$ 3,102,188

Regular Instruction Program

Supervisor/Director	\$	480,852	
Career Ladder Program		14,999	
Librarians		1,041,842	
Clerical Personnel		145,384	
Educational Assistants		22,066	
Other Salaries and Wages		137,502	
Social Security		106,954	
Pensions		180,771	
Life Insurance		729	
Medical Insurance		305,111	
Dental Insurance		3,760	
Employer Medicare		25,014	
Travel		7,609	
Other Contracted Services		27,893	
Library Books/Media		79,139	
Office Supplies		3,945	
Other Supplies and Materials		32,863	
In Service/Staff Development		25,534	
Other Charges		182,274	
Other Equipment		2,658	
Total Regular Instruction Program			2,826,899

Alternative Instruction Program

Supervisor/Director	\$	77,328	
Career Ladder Program		1,000	
Secretary(ies)		30,488	
Social Security		6,625	
Pensions		10,404	
Life Insurance		51	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program (Cont.)

Medical Insurance	\$	5,635	
Dental Insurance		142	
Employer Medicare		1,549	
Total Alternative Instruction Program			\$ 133,222

Special Education Program

Supervisor/Director	\$	72,353	
Career Ladder Program		3,000	
Psychological Personnel		354,988	
Medical Personnel		339,587	
Assessment Personnel		93,901	
Secretary(ies)		43,953	
Other Salaries and Wages		247,867	
Other Per Diem and Fees		2,400	
Social Security		66,431	
Pensions		100,860	
Life Insurance		449	
Medical Insurance		215,761	
Dental Insurance		3,041	
Employer Medicare		15,537	
Communication		2,730	
Travel		17,693	
Other Contracted Services		51,246	
Other Supplies and Materials		25,348	
In Service/Staff Development		54,933	
Other Charges		1,609	
Other Equipment		1,500	
Total Special Education Program			1,715,187

Career and Technical Education Program

Supervisor/Director	\$	60,519	
Social Security		3,462	
Pensions		6,433	
Life Insurance		19	
Medical Insurance		14,650	
Dental Insurance		76	
Employer Medicare		810	
Travel		1,890	
Other Contracted Services		226	
Other Supplies and Materials		698	
In Service/Staff Development		2,740	
Total Career and Technical Education Program			91,523

Technology

Supervisor/Director	\$	74,300	
Career Ladder Program		2,000	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Technology (Cont.)

Computer Programmer(s)	\$	470,384	
Clerical Personnel		61,559	
Other Per Diem and Fees		720	
Social Security		34,930	
Pensions		54,825	
Life Insurance		269	
Medical Insurance		107,426	
Dental Insurance		1,343	
Employer Medicare		8,169	
Maintenance and Repair Services - Equipment		7,821	
Internet Connectivity		225,629	
Travel		5,840	
Other Contracted Services		16,000	
Office Supplies		378	
Other Supplies and Materials		38,683	
Other Equipment		23,484	
Total Technology			\$ 1,133,760

Adult Programs

Supervisor/Director	\$	70,000	
Career Ladder Program		1,000	
Clerical Personnel		34,631	
Social Security		5,965	
Pensions		9,992	
Life Insurance		50	
Medical Insurance		28,515	
Dental Insurance		276	
Employer Medicare		1,395	
Travel		2,448	
Other Contracted Services		24,500	
Instructional Supplies and Materials		296	
Total Adult Programs			179,068

Other Programs

On-behalf Payments to OPEB	\$	334,143	
Total Other Programs			334,143

Board of Education

Secretary to Board	\$	54,747	
Other Salaries and Wages		18,900	
Board and Committee Members Fees		23,700	
Social Security		5,706	
Pensions		5,735	
Life Insurance		13	
Medical Insurance		11,002	
Dental Insurance		142	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Employer Medicare	\$	1,334	
Audit Services		12,600	
Communication		248,951	
Dues and Memberships		28,521	
Legal Services		36,660	
Travel		6,155	
Other Contracted Services		25,856	
Office Supplies		692	
Other Supplies and Materials		1,017	
Liability Insurance		218,040	
Refunds		1,988	
Trustee's Commission		570,420	
Workers' Compensation Insurance		165,980	
In Service/Staff Development		872	
Criminal Investigation of Applicants - TBI		3,651	
Other Charges		292,077	
Total Board of Education			\$ 1,734,759

Director of Schools

County Official/Administrative Officer	\$	112,439	
Social Security		6,696	
Pensions		11,952	
Life Insurance		28	
Medical Insurance		14,673	
Dental Insurance		154	
Employer Medicare		1,566	
Travel		2,728	
Office Supplies		1,201	
Other Charges		3,373	
Administration Equipment		4,550	
Total Director of Schools			159,360

Office of the Principal

Principals	\$	1,491,414	
Career Ladder Program		19,001	
Accountants/Bookkeepers		571,884	
Assistant Principals		1,804,972	
Secretary(ies)		848,710	
Social Security		270,942	
Pensions		438,888	
Life Insurance		2,256	
Medical Insurance		959,483	
Dental Insurance		11,857	
Employer Medicare		63,366	
Postal Charges		9,500	
Office Supplies		3,443	
Other Charges		9,500	
Total Office of the Principal			6,505,216

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services

Supervisor/Director	\$	136,992	
Accountants/Bookkeepers		230,958	
Purchasing Personnel		45,169	
Clerical Personnel		34,845	
Other Salaries and Wages		85,927	
Social Security		30,279	
Pensions		37,571	
Life Insurance		243	
Medical Insurance		108,674	
Dental Insurance		1,478	
Employer Medicare		7,081	
Travel		1,351	
Other Contracted Services		126,710	
Office Supplies		9,065	
In Service/Staff Development		1,544	
Other Charges		24,065	
Administration Equipment		936	
Total Fiscal Services			\$ 882,888

Human Services/Personnel

Supervisor/Director	\$	83,300	
Other Salaries and Wages		81,705	
Social Security		9,056	
Pensions		11,650	
Life Insurance		64	
Medical Insurance		27,638	
Dental Insurance		425	
Employer Medicare		2,118	
Dues and Memberships		1,261	
Travel		202	
Other Contracted Services		17,376	
Office Supplies		2,616	
In Service/Staff Development		214	
Administration Equipment		1,297	
Total Human Services/Personnel			238,922

Operation of Plant

Communication	\$	52,420	
Janitorial Services		2,147,171	
Other Contracted Services		187,936	
Custodial Supplies		84,100	
Electricity		2,412,290	
Natural Gas		247,080	
Water and Sewer		617,318	
Building and Contents Insurance		254,125	
Total Operation of Plant			6,002,440

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Maintenance of Plant

Supervisor/Director	\$	125,031	
Secretary(ies)		29,487	
Maintenance Personnel		620,596	
Social Security		44,691	
Pensions		54,628	
Life Insurance		401	
Medical Insurance		153,218	
Dental Insurance		1,867	
Employer Medicare		10,452	
Architects		90,000	
Other Contracted Services		455,556	
Other Supplies and Materials		421,698	
Maintenance Equipment		28,251	
Total Maintenance of Plant			\$ 2,035,876

Transportation

Supervisor/Director	\$	62,217	
Mechanic(s)		163,556	
Bus Drivers		1,218,674	
Clerical Personnel		21,578	
Part-time Personnel		31,245	
Other Salaries and Wages		258,108	
Social Security		99,737	
Pensions		117,118	
Life Insurance		1,029	
Medical Insurance		333,928	
Dental Insurance		6,046	
Employer Medicare		23,710	
Contracts with Parents		1,161	
Laundry Service		4,276	
Travel		1,042	
Other Contracted Services		91,238	
Diesel Fuel		198,394	
Gasoline		78,766	
Lubricants		7,599	
Tires and Tubes		19,190	
Vehicle Parts		158,729	
Other Supplies and Materials		3,335	
Other Charges		7,777	
Transportation Equipment		519,327	
Total Transportation			3,427,780

Operation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	84,948	
Accountants/Bookkeepers		36,533	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Clerical Personnel	\$	116,697	
Maintenance Personnel		85,915	
Other Per Diem and Fees		940	
Social Security		18,389	
Pensions		22,877	
Life Insurance		151	
Medical Insurance		75,422	
Dental Insurance		945	
Employer Medicare		4,301	
Total Food Service			\$ 447,118

Community Services

Supervisor/Director	\$	56,425	
Teachers		250,488	
Bus Drivers		25,355	
Clerical Personnel		28,947	
Educational Assistants		41,307	
Other Salaries and Wages		91,603	
Other Per Diem and Fees		192	
Social Security		28,695	
Pensions		38,300	
Life Insurance		45	
Medical Insurance		26,858	
Dental Insurance		278	
Employer Medicare		6,758	
Travel		3,515	
Other Contracted Services		1,600	
Other Supplies and Materials		23,829	
In Service/Staff Development		3,862	
Total Community Services			628,057

Early Childhood Education

Supervisor/Director	\$	38,977	
Teachers		805,313	
Clerical Personnel		21,316	
Educational Assistants		369,758	
Social Security		69,514	
Pensions		110,058	
Life Insurance		787	
Medical Insurance		286,118	
Dental Insurance		4,441	
Employer Medicare		16,260	
Retirement - Hybrid Stabilization		20	
Travel		326	
Other Contracted Services		86,539	
Instructional Supplies and Materials		18,878	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Other Supplies and Materials	\$	3,398	
In Service/Staff Development		19,625	
Other Charges		1,961	
Total Early Childhood Education			\$ 1,853,289

COVID-19 Expenditures

Other Salaries and Wages	\$	32,968	
Social Security		2,026	
Pensions		1,618	
Employer Medicare		478	
Retirement - Hybrid Stabilization		2	
Total COVID-19 Expenditures			37,092

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	746,626	
Total Education			746,626

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$	24,271	
Total Education			24,271

Total General Purpose School Fund \$ 92,124,111

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	879,986	
Educational Assistants		374,332	
Other Salaries and Wages		14,269	
Certified Substitute Teachers		15,729	
Non-certified Substitute Teachers		31,505	
Social Security		70,992	
Pensions		104,612	
Life Insurance		781	
Medical Insurance		246,352	
Dental Insurance		3,997	
Employer Medicare		17,770	
Other Contracted Services		158,751	
Instructional Supplies and Materials		34,336	
Software		103,427	
Refunds		59,541	
Regular Instruction Equipment		310,923	
Total Regular Instruction Program			\$ 2,427,303

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)Instruction (Cont.)Special Education Program

Teachers	\$	126,901	
Educational Assistants		1,436,935	
Certified Substitute Teachers		1,395	
Non-certified Substitute Teachers		3,525	
Social Security		84,394	
Pensions		102,324	
Life Insurance		1,561	
Medical Insurance		562,942	
Dental Insurance		8,367	
Employer Medicare		19,772	
Instructional Supplies and Materials		2,061	
Total Special Education Program			\$ 2,350,177

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	1,667	
Other Contracted Services		2,833	
Instructional Supplies and Materials		45,720	
Other Supplies and Materials		3,659	
Vocational Instruction Equipment		173,235	
Total Career and Technical Education Program			227,114

Support ServicesOther Student Support

Travel	\$	7,911	
Other Supplies and Materials		12,500	
In Service/Staff Development		12,538	
Other Charges		27,392	
Total Other Student Support			60,341

Regular Instruction Program

Supervisor/Director	\$	80,681	
Secretary(ies)		62,400	
Other Salaries and Wages		627,805	
Certified Substitute Teachers		400	
Social Security		41,356	
Pensions		68,765	
Life Insurance		248	
Medical Insurance		104,896	
Dental Insurance		1,495	
Employer Medicare		10,624	
Travel		6,004	
Other Contracted Services		280,393	
Other Supplies and Materials		23,694	
In Service/Staff Development		187,968	
Other Charges		132,455	
Other Equipment		8,056	
Total Regular Instruction Program			1,637,240

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Special Education Program

Other Salaries and Wages	\$	240,903	
Social Security		13,694	
Pensions		23,078	
Life Insurance		115	
Medical Insurance		49,584	
Dental Insurance		567	
Employer Medicare		3,203	
Travel		2,032	
Other Supplies and Materials		5,870	
In Service/Staff Development		16,619	
Other Charges		22,827	
Other Equipment		290	
Total Special Education Program			\$ 378,782

Transportation

Rentals	\$	8,288	
Other Charges		325	
Total Transportation			8,613

Operation of Non-Instructional ServicesFood Service

Food Supplies	\$	593	
Total Food Service			593

Community Services

Supervisor/Director	\$	14,106	
Teachers		47,456	
Bus Drivers		20,508	
Clerical Personnel		7,168	
Educational Assistants		11,314	
Other Salaries and Wages		7,287	
Other Per Diem and Fees		48	
Social Security		6,124	
Pensions		8,938	
Life Insurance		9	
Medical Insurance		5,860	
Dental Insurance		57	
Employer Medicare		1,437	
Travel		1,070	
Instructional Supplies and Materials		3,083	
In Service/Staff Development		1,599	
Total Community Services			136,064

Total School Federal Projects Fund \$ 7,226,227

(Continued)

Exhibit K-8

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

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Cafeteria Personnel	\$	1,931,600	
Social Security		111,372	
Pensions		94,302	
Life Insurance		1,211	
Medical Insurance		342,258	
Dental Insurance		7,290	
Employer Medicare		26,246	
Communication		9,738	
Maintenance and Repair Services - Equipment		52,021	
Travel		9,878	
Other Contracted Services		91,838	
Food Preparation Supplies		225,802	
Food Supplies		2,661,138	
Office Supplies		16,334	
USDA - Commodities		407,672	
Other Supplies and Materials		9,560	
In Service/Staff Development		9,158	
Criminal Investigation of Applicants - TBI		246	
Other Charges		30,293	
Food Service Equipment		48,621	
Total Food Service			\$ 6,086,578

Total Central Cafeteria Fund \$ 6,086,578

Extended School Program FundOperation of Non-Instructional ServicesCommunity Services

Other Salaries and Wages	\$	986,704	
Other Per Diem and Fees		240	
Social Security		59,593	
Pensions		19,859	
Life Insurance		154	
Medical Insurance		77,820	
Dental Insurance		1,081	
Employer Medicare		13,937	
Travel		455	
Food Supplies		6,467	
Refunds		5,938	
Trustee's Commission		8,992	
Other Charges		20,646	
Other Equipment		7,880	
Total Community Services			\$ 1,209,766

Total Extended School Program Fund 1,209,766

Total Governmental Funds - Putnam County School Department \$ 106,646,682

Exhibit K-9

Putnam County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Fund
	Self- Insurance Fund
<u>Revenues</u>	
<u>Operating Revenues</u>	
<u>Charges of Current Services</u>	
Self-Insurance Premiums/Contributions	\$ 1,521,452
<u>Other Local Revenues</u>	
Miscellaneous Refunds	61,263
Total Operating Revenues	<u>\$ 1,582,715</u>
<u>Nonoperating Revenues</u>	
Investment Income	\$ 14,964
Total Nonoperating Revenues	<u>\$ 14,964</u>
Total Revenues	<u><u>\$ 1,597,679</u></u>
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>General Government</u>	
<u>County Buildings</u>	
Other Self-insured Claims	\$ 4,905
Total General Government	<u>\$ 4,905</u>
<u>Finance</u>	
<u>County Trustee's Office</u>	
Legal Services	\$ 216
<u>County Clerk's Office</u>	
Legal Services	6,250
Total Finance	<u>\$ 6,466</u>
<u>Administration of Justice</u>	
<u>Circuit Court</u>	
Legal Services	\$ 1,612
Other Charges	220
Total Administration of Justice	<u>\$ 1,832</u>
<u>Public Safety</u>	
<u>Sheriff's Department</u>	
Legal Services	\$ 108,671
Excess Risk Insurance	6,471
Judgements	175,000
Liability Claims	23,469
Other Self-insured Claims	52,767
Other Charges	97
Motor Vehicles	27,197
<u>Fire Prevention and Control</u>	
Liability Insurance	10,336
Other Self-insured Claims	3,943
<u>Civil Defense</u>	
Excess Risk Insurance	4,508
Total Public Safety	<u><u>\$ 412,459</u></u>

(Continued)

Exhibit K-9

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

	Governmental Activities - Internal Service Fund
	Self- Insurance Fund
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Public Health and Welfare</u>	
<u>Ambulance/Emergency Medical Services</u>	
Legal Services	\$ 211,509
Excess Risk Insurance	21,321
Liability Claims	64,538
Other Self-insured Claims	12,935
<u>Sanitation Management</u>	
Liability Claims	1,798
Total Public Health and Welfare	<u>\$ 312,101</u>
<u>Other Operations</u>	
<u>Other Charges</u>	
Handling Charges and Administrative Costs	\$ 9,745
Audit Services	3,938
Building and Contents Insurance	101,651
Excess Risk Insurance	60,756
Liability Insurance	33,035
Premiums on Corporate Surety Bonds	4,148
Workers' Compensation Insurance	43,211
Other Self-insured Claims	273,548
Other Charges	833
Total Other Operations	<u>\$ 530,865</u>
<u>Highways</u>	
<u>Administration</u>	
Handling Charges and Administrative Costs	\$ 5,732
Audit Services	2,316
Legal Services	9,852
Building and Contents Insurance	59,795
Excess Risk Insurance	37,010
Liability Insurance	19,433
Premiums on Corporate Surety Bonds	2,440
Workers' Compensation Insurance	25,418
Liability Claims	3,084
Other Self-insured Claims	132,189
Other Charges	5,503
Total Highways	<u>\$ 302,772</u>

(Continued)

Exhibit K-9

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

	Governmental Activities - Internal Service Fund
	Self- Insurance Fund
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Education</u>	
<u>Central and Other</u>	
Handling Charges and Administrative Costs	\$ 13,184
Audit Services	5,327
Building and Contents Insurance	137,528
Excess Risk Insurance	83,282
Liability Insurance	44,695
Premiums on Corporate Surety Bonds	5,612
Workers' Compensation Insurance	58,462
Liability Claims	15,112
Other Self-insured Claims	300,106
Other Charges	1,127
Total Education	<u>\$ 664,435</u>
Total Expenses	<u>\$ 2,235,835</u>

Putnam County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2020

	<u>Cities - Sales Tax Fund</u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 17,207,635
Total Cash Receipts	<u>\$ 17,207,635</u>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 17,035,559
Trustee's Commission	172,076
Total Cash Disbursements	<u>\$ 17,207,635</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2019	<u>0</u>
Cash Balance, June 30, 2020	<u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

**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 Mayor and
Board of County Commissioners
Putnam County, Tennessee

To the County Mayor 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, 2020, and the related notes to the financial statements, which collectively comprise Putnam County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 9, 2020.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Putnam County's internal control. Accordingly, we do not express an opinion on the effectiveness of Putnam County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control

that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2020-001, 2020-002, and 2020-003.

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 financial statements. 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 one instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item 2020-004.

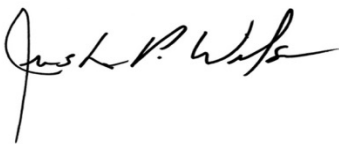
Putnam County's Responses to Findings

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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 9, 2020

JPW/yu



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

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

Independent Auditor's Report

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

To the County Mayor 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, 2020. Putnam County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Putnam County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

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

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

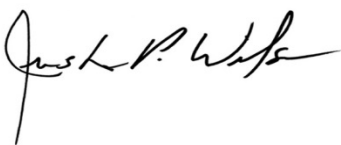
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Putnam County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Putnam County's basic financial statements. We issued our report thereon dated December 9, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 9, 2020

JPW/yu

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (9) (10)
For the Year Ended June 30, 2020

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	
U.S. Department of Agriculture:				
Passed-through State Department of Education:				
Child Nutrition Cluster: (5)				
School Breakfast Program	10.553	N/A	\$ 1,254,504	(6)
COVID 19 - School Breakfast Program	10.553	N/A	266	(6)
National School Lunch Program	10.555	N/A	2,174,221	(6)
COVID 19 - National School Lunch Program	10.555	N/A	711	(6)
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (5)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	407,672	(6)
National School Lunch Program - State Administrative Expenses	10.555	N/A	25,052	(6)
Fresh Fruit and Vegetable Program	10.582	N/A	15,360	
Passed-through East Tennessee Human Resource Agency:				
Child and Adult Care Food Program	10.558	N/A	487,470	
Child Nutrition Cluster: (5)				
Summer Food Service Program for Children	10.559	N/A	298,328	(6)
COVID 19 - Summer Food Service Program for Children	10.559	N/A	1,290,555	(6)
Total U.S. Department of Agriculture			<u>\$ 5,954,139</u>	
U.S. Department of Defense:				
Passed-through State Department of General Services:				
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	N/A	<u>\$ 161,999</u>	(7)
U.S. Department of Interior:				
Direct Program:				
Payments in-Lieu-of Taxes	15.226	N/A	<u>\$ 6,128</u>	
U.S. Department of Justice:				
Direct Program:				
Bulletproof Vest Partnership Program	16.607	N/A	\$ 1,520	
Passed-through State Department of Finance and Administration:				
Crime Victim Assistance	16.575	(4)	335,652	
Passed-through State Department of Mental Health and				
Substance Abuse Services:				
Drug Court Discretionary Grant Program	16.585	(4)	69,986	
Total U.S. Department of Justice			<u>\$ 407,158</u>	

(Continued)

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (9) (10) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	
U.S. Department of Education:				
Passed-through State Department of Labor and Workforce Development:				
Adult Education - Basic Grants to States	84.002	(4)	\$ 478,272	
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	N/A	3,195,758	
Special Education Cluster: (5)				
Special Education - Grants to States	84.027	N/A	2,755,310	
Special Education - Preschool Grants	84.173	N/A	165,763	
Career and Technical Education - Basic Grants to States	84.048	N/A	264,855	
Education for Homeless Children and Youth	84.196	N/A	57,935	
Twenty-first Century Community Learning Centers	84.287	N/A	136,065	
Rural Education	84.358	(4)	191,520	
English Language Acquisition Grants	84.365	(4)	78,611	
Supporting Effective Instruction State Grant	84.367	N/A	367,238	(6)
Student Support and Academic Enrichment Program	84.424	N/A	198,846	
Passed-through State Department of Human Services:				
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	(4)	21,840	
Passed-through WCTE PBS Channel 22:				
Ready-to-Learn Television	84.295	(4)	33,697	
Passed-through Warren County Board of Education:				
Supporting Effective Instruction State Grant	84.367	N/A	6,474	(6)
Total U.S. Department of Education			<u>\$ 7,952,184</u>	
U.S. Election Assistance Commission:				
Passed-through Tennessee Secretary of State:				
2020 HAVA Election Security Grants	90.404	(4)	\$ 813	(6)
COVID 19 - Election Security Grants	90.404	(4)	1,567	(6)
Total U.S. Election Assistance Commission			<u>\$ 2,380</u>	
U.S. Department of Health and Human Services:				
Passed-through State Department of Education:				
CCDF Cluster: (5)				
Child Care and Development Block Grant	93.575	G1801TNCCDF	\$ 4,359	
U.S. Executive Office of the President:				
Passed-through Laurel County, Kentucky Fiscal Court:				
High Intensity Drug Trafficking Areas Program	95.001	(4)	\$ 17,904	
U.S. Department of Homeland Security:				
Direct Program:				
Assistance to Firefighters Grant	97.044	N/A	\$ 109,091	
Passed-through State Department of Military:				
Emergency Management Performance Grants	97.042	(4)	55,850	
Homeland Security Grant Program	97.067	(4)	126,050	
Total U.S. Department of Homeland Security			<u>\$ 290,991</u>	
Total Expenditures of Federal Awards			<u>\$ 14,797,242</u>	

(Continued)

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (9) (10) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
State Supplement Juvenile Court Improvements Funds - State Commission on Children and Youth	N/A	(4)	\$ 9,000
Local Health Services - State Department of Health	N/A	GG-20-63633-00	1,560,878
Access to Health through Healthy Active Built Environments - State Department of Health	N/A	(4)	73,987
Tennessee Certified Recovery Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(4)	98,088
Tennessee Veterans Treatment Court Initiative - State Department of Mental Health and Substance Abuse Services	N/A	(4)	58,691
Alcohol and Drug Addiction Treatment Program - State Department of Mental Health and Substance Abuse Services	N/A	(4)	3,060
Litter Program - State Department of Transportation	N/A	(4)	50,590
Litter Program - State Department of Transportation	N/A	Z20LIT071	19,098
Household Hazardous Waste Collection Facility Grant - State Department of Environment and Conservation	N/A	32701-03075	429,942
Healthy Build Environment - State Department of Health	N/A	(4)	20,000
Lottery for Education - Afterschool Programs (LEAPS) - State Department of Education	N/A	(4)	582,625
Adult Basic Education - State Department of Labor and Workforce Development	N/A	(4)	159,424
Family Resource - State Department of Education	N/A	(4)	31,111
Coordinated School Health Project - State Department of Education	N/A	(4)	155,000
Safe Schools Act - State Department of Education	N/A	(4)	183,424
School Safety - State Department of Education	N/A	(4)	112,462
Early Childhood Education - State Department of Education	N/A	(4)	1,575,677
Quality Pre-K - State Department of Education	N/A	(4)	20,000
Work Based Learning - State Department of Economic and Community Development	N/A	(4)	24,969
School Resource Officer - State Department of Education	N/A	(4)	175,000
Middle School STEM - State Department of Education	N/A	(4)	10,000
Early Postsecondary Expansion - State Department of Education	N/A	(4)	6,630
Total State Grants			<u>\$ 5,359,656</u>

CFDA - Catalog of Federal Domestic Assistance

N/A - Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Putnam County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$5,451,309; Special Education Cluster total \$2,921,073; CCDF Cluster total \$4,359.
- (6) Total for CFDA No. 10.553 is \$1,254,770; Total for CFDA No. 10.555 is \$2,607,656; Total for CFDA No. 10.559 is \$1,588,883; Total for CFDA No. 84.367 is \$373,712; Total for CFDA No. 90.404 is \$2,308.
- (7) During the year ended June 30, 2020, Putnam County received excess military equipment from the U.S. Department of Military valued at \$161,999.
- (8) During the year ended June 30, 2020, the Tennessee Department of Military donated PPE valued at \$14,188 (\$10,641 federal and \$3,547 state) to the county.

(Continued)

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (8) (9) (10) (Cont.)

(9) SCHOOL-WIDE PROGRAM

Program Title	Federal CFDA Number	Amount	
		Provided to Schoolwide Program	
The following amounts were consolidated for School-wide purposes:			
Title I Grants to Local Educational Agencies	84.010	\$	346,165
Supporting Effective Instruction State Grant	84.367		12,729
Total amounts consolidated for School-wide Program		\$	<u>358,894</u>

(10) CONSOLIDATED ADMINISTRATION

Program Title	Federal CFDA Number	Amount	
		Provided to Consolidated Administration	
The following amounts were consolidated for administration purposes:			
Title I Grants to Local Educational Agencies	84.010	\$	211,839
Rural Education	84.358		26,570
English Language Acquisition Grants	84.365		1,506
Supporting Effective Instruction State Grant	84.367		22,142
Student Support and Academic Enrichment Program	84.424		3,631
Total amounts consolidated for administration purposes		\$	<u>265,688</u>

Putnam County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2020

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Putnam County, Tennessee, for the year ended June 30, 2020.

Prior-year Financial Statement Findings

There were no prior-year findings to report.

Prior-year Federal Awards Findings

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

PUTNAM COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2020

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * CFDA Number: 84.010 Title I Grants to Local Educational Agencies
 - * CFDA Numbers: 84.027 and 84.173 Special Education Cluster:
Special Education - Grants to States and Special Education -
Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICE OF COUNTY MAYOR

FINDING 2020-001

THE SELF-INSURANCE FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION

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

The Self-Insurance Fund had a deficit of \$271,419 in unrestricted net position at June 30, 2020. This deficit resulted from the recognition of a liability totaling \$1,124,091 in the financial statements for claims and judgments against the county. Generally accepted accounting principles dictate that internal service funds recover costs, and all costs associated with the internal service fund be reflected in the financial statements. This deficiency exists due to the failure of management to provide sufficient funding for these operations. The deficit was liquidated subsequent to June 30, 2020.

RECOMMENDATION

County officials should develop and implement a plan that would fund the deficit in unrestricted net position.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with this finding. We budgeted and paid an additional contribution of \$400,000 to cover the increase in liabilities in September 2020 to correct this issue. We agree this should have been done before June 30th, but with the tornado, COVID Pandemic/shutdown and the unprecedented times and stress we were all working under, it didn't happen until we did the new budget in July.

FINDING 2020-002

THE JUDICIAL DISTRICT DRUG FUND HAD A CASH OVERDRAFT AT JUNE 30, 2020

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

The Judicial District Drug Fund had a cash overdraft of \$6,661 at June 30, 2020. This cash overdraft resulted from the issuance of checks exceeding cash on deposit with the county

trustee. Sound business practices dictate that expenditures be held within available funds. The cash overdraft was liquidated subsequent to June 30, 2020.

RECOMMENDATION

Officials should not issue checks in excess of cash on deposit with the county trustee.

MANAGEMENT'S RESPONSE – COUNTY MAYOR

I concur with this finding. This was overlooked by all departments involved. We will monitor the cash balance at year end to make sure there are no future overdrafts.

OFFICE OF ROAD SUPERVISOR

FINDING 2020-003

CASH WITH TRUSTEE WAS NOT ACCURATELY RECONCILED WITH THE GENERAL LEDGER

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

The office did not properly reconcile the general ledger cash account with county trustee's reports. The office attempted to reconcile the cash account with the trustee's reports monthly; however, the account did not reconcile by \$264,862 at June 30, 2020. Section 9-2-138, *Tennessee Code Annotated*, requires officials to reconcile their respective fund accounts with the trustee's reports monthly. Failure to reconcile the general ledger cash account with the county trustee's reports increases the risks that errors may occur and not be detected. The cash balance was determined by substantive tests and alternative audit procedures.

RECOMMENDATION

Cash with trustee should be reconciled with the general ledger monthly, and any differences discovered should be corrected promptly.

MANAGEMENT'S RESPONSE – ROAD SUPERVISOR

I concur with this finding.

OFFICE OF TRUSTEE

FINDING 2020-004

THE TRUSTEE CERTIFIED CHECKS ISSUED ON THE JUDICIAL DISTRICT DRUG FUND THAT EXCEEDED AVAILABLE FUNDS

(Noncompliance Under *Government Auditing Standards*)

The trustee certified checks issued on the Judicial District Drug Fund that exceeded the available cash on deposit. At June 30, 2020, the checks issued exceeded the available cash on

deposit by \$6,661. Section 5-8-210, *Tennessee Code Annotated*, prohibits the trustee from certifying checks if sufficient funds are not available. This deficiency exists because the County Mayor's Office continued to issue checks exceeding cash on deposit with the trustee, and the trustee continued to certify the checks.

RECOMMENDATION

As required by state statute, the trustee should not certify checks that exceed available cash.

MANAGEMENT'S RESPONSE – TRUSTEE

I concur with this finding. Before we download any checks, we will make sure fund balance is sufficient to cover checks.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2020.

Putnam County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2020

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
-------------------	------------------	---------------------------------------

OFFICE OF COUNTY MAYOR

2020-001	The Self-insurance Fund had a deficit in unrestricted net position	228
2020-002	The Judicial District Drug Fund had a cash overdraft at June 30, 2020	228

OFFICE OF ROAD SUPERVISOR

2020-003	Cash with trustee was not accurately reconciled with the general ledger	230
----------	---	-----

OFFICE OF TRUSTEE

2020-004	The trustee certified checks issued on the Judicial District Drug Fund that exceeded available funds	231
----------	--	-----



Corrective Action Plan

FINDING: THE SELF-INSURANCE FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION

Response and Corrective Action Plan Prepared by:
Randy Porter, County Mayor

Person Responsible for Implementing the Corrective Action:
Randy Porter, County Mayor

Anticipated Completion Date of Corrective Action:
September 2020

Repeat Finding:
No

Planned Corrective Action:
We budgeted and paid an additional contribution of \$400,000 to cover the increase in liabilities in September 2020 to correct this issue. We agree this should have been done before June 30th, but with the tornado, COVID Pandemic/shutdown and the unprecedented times and stress we all were working under, it didn't happen until we did the new budget in July.

FINDING: THE JUDICIAL DISTRICT DRUG FUND HAD A CASH OVERDRAFT AT JUNE 30, 2020

Response and Corrective Action Plan Prepared by:
Randy Porter, County Mayor

Person Responsible for Implementing the Corrective Action:
Chelsea Qualls, Budget Director

Anticipated Completion Date of Corrective Action:
June 30, 2021

Repeat Finding:

No

Planned Corrective Action:

We will monitor the cash balance at year end to make sure there are no future overdrafts.
This was overlooked by all departments involved.

Signature: 

Putnam County Highway Department

505 East Veterans Dr.

Cookeville, TN. 38501

(931) 526-4864

(931) 520-7637 Fax



Corrective Action Plan

FINDING: CASH WITH TRUSTEE WAS NOT ACCURATELY RECONCILED WITH THE GENERAL LEDGER

Response and Corrective Action Plan Prepared by:
Randy Jones, Road Supervisor

Person Responsible for Implementing the Corrective Action:
Angel Loudon, Bookkeeper

Anticipated Completion Date of Corrective Action:
10/31/2020

Repeat Finding:
No

Planned Corrective Action:
Cash with trustee will be reconciled with the general ledger monthly, and any mistakes, voids, etc. will be corrected promptly.

Signature:

A handwritten signature in cursive script that reads "Randy Jones". The signature is written in black ink and is positioned over a horizontal line.



Putnam County Trustee

Putnam County Courthouse
300 E. Spring St., Room 2
Cookeville, TN 38501
(931) 526-8845
Fax (931) 525-6393
fnelson@putnamco.org

Putnam County

FINDING: THE TRUSTEE CERTIFIED CHEKS ISSUED ON THE JUDICIAL DISTRICT DRUG
FUND THAT EXCEEDED AVAILABLE FUNDS

Response and Corrective Action Plan Prepared by:

Freddie G. Nelson, Trustee

Person Responsible for Implementing the Corrective Action:

Freddie G. Nelson, Trustee

Anticipated Completion Date of Corrective Action:

Date: August 1, 2020

Repeat Finding:

No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

Before we download any checks, we make sure fund balance is sufficient to cover checks.

Signature Freddie G. Nelson
Freddie G. Nelson, Trustee

BEST PRACTICE

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

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

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

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