

ANNUAL FINANCIAL REPORT
PUTNAM COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2019



DIVISION OF LOCAL GOVERNMENT AUDIT



ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED JUNE 30, 2019

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
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This financial report is available at www.comptroller.tn.gov

PUTNAM COUNTY, TENNESSEE
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Summary of Audit Findings

Annual Financial Report
Putnam County, Tennessee
For the Year Ended June 30, 2019

Scope

We have audited the basic financial statements of Putnam County as of and for the year ended June 30, 2019.

Results

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

Our audit resulted in no findings.

INTRODUCTORY SECTION

Putnam County Officials

June 30, 2019

Officials

Randy Porter, County Mayor
Randy Jones, Road Supervisor
Jerry Boyd, 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, 2019, 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, 2019, 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, schedule of county and school contributions, schedule of school's proportionate share of the net pension liability, and schedules of county and school changes in the total OPEB liability and related ratios, 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 Fund, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), miscellaneous schedules and the other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

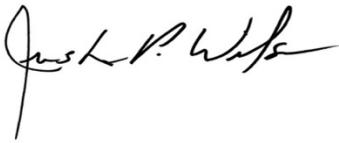
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Putnam County School Department (a discretely presented component unit), schedule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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2019, on our consideration of Putnam County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Putnam County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Putnam County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 6, 2019

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

Putnam County, Tennessee
Statement of Net Position
June 30, 2019

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Putnam County School Department</u>
<u>ASSETS</u>		
Cash	\$ 3,201	\$ 0
Equity in Pooled Cash and Investments	39,805,370	8,820,395
Inventories	0	38,646
Accounts Receivable	2,159,693	14,753
Allowance for Uncollectibles	(986,020)	0
Due from Other Governments	3,286,921	6,553,428
Due From Component Units	2,756,911	0
Due From Primary Government	0	28,639
Property Taxes Receivable	29,513,297	14,756,648
Allowance for Uncollectible Property Taxes	(552,691)	(276,345)
Net Pension Asset - Teacher Retirement Plan	0	341,252
Net Pension Asset - Teacher Legacy Plan	0	3,762,010
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	183,544
Assets Not Depreciated:		
Land	6,067,365	5,769,995
Intangibles - Indefinite Life	4,840,504	0
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	23,144,678	154,282,427
Infrastructure	25,524,034	0
Other Capital Assets	6,747,407	3,110,834
Total Assets	<u>\$ 142,310,670</u>	<u>\$ 197,386,226</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Amount on Refunding	\$ 1,657,227	\$ 0
Pension Changes in Experience	518,068	1,096,477
Pension Changes in Assumptions	853,612	2,759,810
Pension Contributions after Measurement Date	2,245,937	5,443,391
Pension Changes in Proportion	0	299,869
OPEB Changes in Assumptions	0	202,308
OPEB Changes in Proportion	0	105,584
OPEB Contributions After Measurement Date	0	432,223
Total Deferred Outflows of Resources	<u>\$ 5,274,844</u>	<u>\$ 10,339,662</u>

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Putnam County School Department</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 325,920	\$ 352,092
Accrued Payroll	0	708,360
Payroll Deductions Payable	11,276	340,582
Contracts Payable	473,911	0
Retainage Payable	24,943	0
Due to Primary Government	0	2,756,911
Due to Component Units	21,882	0
Due to State of Tennessee	32,362	0
Due to Litigants, Heirs, and Others	20,763	0
Claims and Judgments Payable	1,190,877	0
Accrued Interest Payable	1,179,796	0
Matured Bonds Payable	15,000	0
Noncurrent Liabilities:		
Due Within One Year - Debt	9,371,626	0
Due Within One Year - Other	571,799	229,130
Due in More Than One Year - Debt	119,466,511	0
Due in More Than One Year - Other	2,304,622	7,239,288
Total Liabilities	<u>\$ 135,011,288</u>	<u>\$ 11,626,363</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Revenue - Current Property Taxes	\$ 28,405,079	\$ 14,202,539
Pension Changes in Experience	899,642	5,638,834
Pension Changes in Investment Earnings	288,740	1,014,566
Pension Changes in Proportion	0	143,713
OPEB Changes in Experience	0	1,857,899
OPEB Changes in Assumptions	0	322,320
Total Deferred Inflows of Resources	<u>\$ 29,593,461</u>	<u>\$ 23,179,871</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 47,433,988	\$ 163,163,256
Restricted for:		
General Government	357,273	0
Finance	94,666	0
Administration of Justice	508,830	0
Public Safety	225,829	0
Highways/Public Works	2,681,582	0
Education	0	1,299,490
Pensions	0	4,286,806
Unrestricted	<u>(68,321,402)</u>	<u>4,170,102</u>
Total Net Position	<u>\$ (17,019,235)</u>	<u>\$ 172,919,654</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, 2019

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	\$ 10,463,202	\$ 1,644,137	\$ 289,577	\$ 0	\$ (8,529,488)	\$ 0
Finance	2,715,530	2,544,557	0	0	(170,973)	0
Administration of Justice	3,676,258	2,207,807	488,184	0	(980,267)	0
Public Safety	15,157,549	2,949,056	276,537	177,967	(11,753,989)	0
Public Health and Welfare	12,611,429	5,273,844	1,838,461	18,878	(5,480,246)	0
Social, Cultural, and Recreational Services	2,079,780	155,902	6,703	0	(1,917,175)	0
Agriculture and Natural Resources	350,113	0	16,500	0	(333,613)	0
Highways/Public Works	4,824,702	2,886	2,805,059	297,385	(1,719,372)	0
Education	867,291	807,456	22,450	0	(37,385)	0
Interest on Long-term Debt	5,057,487	0	0	0	(5,057,487)	0
Total Primary Government	\$ 57,803,341	\$ 15,585,645	\$ 5,743,471	\$ 494,230	\$ (35,979,995)	\$ 0
Component Units:						
School Department	\$ 104,600,892	\$ 2,773,315	\$ 12,405,762	\$ 0	\$ 0	\$ (89,421,815)
Total Component Unit	\$ 104,600,892	\$ 2,773,315	\$ 12,405,762	\$ 0	\$ 0	\$ (89,421,815)

(Continued)

Exhibit B

Putnam County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Component Unit
						Putnam County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes				\$ 20,629,693	\$ 15,465,764	
Property Taxes Levied for Debt Service				9,972,235	0	
Local Option Sales Taxes				8,730,800	16,999,992	
Hotel/Motel Tax				1,744,010	0	
Litigation Taxes				333,730	0	
Business Tax				1,459,443	0	
Mineral Severance Tax				116,220	0	
Wholesale Beer Tax				181,600	0	
Other Local Taxes				0	179,552	
Grants and Contributions Not Restricted to Specific Programs				2,156,648	57,689,696	
Unrestricted Investment Earnings				980,645	18,088	
Miscellaneous				271,306	33,644	
Amortized Premium				860,394	0	
Total General Revenues				<u>\$ 47,436,724</u>	<u>\$ 90,386,736</u>	
Transfers to Fiduciary Funds				\$ (36,965)	\$ 0	
Change in Net Position				\$ 11,419,764	\$ 964,921	
Net Position, July 1, 2018				(28,438,999)	171,954,733	
Net Position, June 30, 2019				<u>\$ (17,019,235)</u>	<u>\$ 172,919,654</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, 2019

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 100	\$ 0	\$ 3,101	\$ 3,201
Equity in Pooled Cash and Investments	14,311,573	13,826,493	10,109,690	38,247,756
Accounts Receivable	1,788,025	92,315	279,353	2,159,693
Allowance for Uncollectibles	(976,020)	0	(10,000)	(986,020)
Due from Other Governments	1,217,923	1,474,989	594,009	3,286,921
Due from Other Funds	19,611	0	0	19,611
Property Taxes Receivable	13,702,602	9,810,739	5,999,956	29,513,297
Allowance for Uncollectible Property Taxes	(256,606)	(183,724)	(112,361)	(552,691)
Total Assets	\$ 29,807,208	\$ 25,020,812	\$ 16,863,748	\$ 71,691,768
<u>LIABILITIES</u>				
Accounts Payable	\$ 86,412	\$ 0	\$ 239,508	\$ 325,920
Payroll Deductions Payable	11,276	0	0	11,276
Contracts Payable	0	0	473,911	473,911
Retainage Payable	0	0	24,943	24,943
Due to Other Funds	0	0	19,611	19,611
Due to Component Units	21,882	0	0	21,882
Due to State of Tennessee	32,362	0	0	32,362
Due to Litigants, Heirs, and Others	0	0	20,763	20,763
Matured Bonds Payable	0	15,000	0	15,000
Total Liabilities	\$ 151,932	\$ 15,000	\$ 778,736	\$ 945,668

(Continued)

Exhibit C-1

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Governmental Funds	
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 13,188,072	\$ 9,442,348	\$ 5,774,659	\$ 28,405,079
Deferred Delinquent Property Taxes	219,147	156,904	90,911	466,962
Other Deferred/Unavailable Revenue	427,071	672,600	237,050	1,336,721
Total Deferred Inflows of Resources	<u>\$ 13,834,290</u>	<u>\$ 10,271,852</u>	<u>\$ 6,102,620</u>	<u>\$ 30,208,762</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for General Government	\$ 109,332	\$ 0	\$ 247,941	\$ 357,273
Restricted for Finance	94,666	0	0	94,666
Restricted for Administration of Justice	508,830	0	0	508,830
Restricted for Public Safety	29,310	0	196,519	225,829
Restricted for Highways/Public Works	0	0	2,545,224	2,545,224
Committed:				
Committed for Public Health and Welfare	0	0	1,527,724	1,527,724
Committed for Social, Cultural, and Recreational Services	117,383	0	456,148	573,531
Committed for Agriculture and Natural Resources	5,749	0	0	5,749
Committed for Other Operations	0	0	1,116,036	1,116,036
Committed for Debt Service	0	14,733,960	0	14,733,960
Committed for Capital Projects	0	0	3,892,800	3,892,800
Committed for Other Purposes	20,000	0	0	20,000
Assigned:				
Assigned for General Government	83,232	0	0	83,232
Assigned for Finance	17,927	0	0	17,927
Assigned for Administration of Justice	1,149	0	0	1,149
Assigned for Public Safety	470,567	0	0	470,567

(Continued)

Exhibit C-1

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

FUND BALANCES (Cont.)

Assigned (Cont.):

Assigned for Public Health and Welfare

Assigned for Other Operations

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

	<u>Major Funds</u>		<u>Nonmajor</u>	
			<u>Funds</u>	
			<u>Other</u>	
			<u>Govern-</u>	<u>Total</u>
			<u>mental</u>	<u>Governmental</u>
	<u>General</u>	<u>Debt</u>	<u>Funds</u>	<u>Funds</u>
	<u>Service</u>			
\$ 549,557	\$ 0	\$ 0	\$ 0	\$ 549,557
926	0	0	0	926
13,812,358	0	0	0	13,812,358
<u>\$ 15,820,986</u>	<u>\$ 14,733,960</u>	<u>\$ 9,982,392</u>	<u>\$ 40,537,338</u>	
<u>\$ 29,807,208</u>	<u>\$ 25,020,812</u>	<u>\$ 16,863,748</u>	<u>\$ 71,691,768</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, 2019

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)		\$ 40,537,338
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 6,067,365	
Add: intangible assets	4,840,504	
Add: buildings and improvements net of accumulated depreciation	23,144,678	
Add: infrastructure net of accumulated depreciation	25,524,034	
Add: other capital assets net of accumulated depreciation	<u>6,747,407</u>	66,323,988
(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.		366,737
(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	\$ (118,190,000)	
Less: other loans payable	(2,029,884)	
Less: capital leases payable	(727,027)	
Add: debt to be contributed by the school department	2,756,911	
Less: landfill postclosure care costs	(379,328)	
Less: compensated absences payable	(1,078,745)	
Less: accrued interest on bonds	(1,179,796)	
Less: unamortized premium on debt	(7,891,226)	
Add: deferred amount on refunding	1,657,227	
Less: net OPEB liability	(533,277)	
Less: net pension liability	<u>(885,071)</u>	(128,480,216)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 3,617,617	
Less: deferred inflows of resources related to pensions	<u>(1,188,382)</u>	2,429,235
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,803,683</u>
Net position of governmental activities (Exhibit A)		<u>\$ (17,019,235)</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, 2019

	Major Funds		Nonmajor	Total
	General	General Debt Service	Funds Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 17,302,470	\$ 19,166,786	\$ 7,291,619	\$ 43,760,875
Licenses and Permits	585,918	0	0	585,918
Fines, Forfeitures, and Penalties	531,559	0	49,909	581,468
Charges for Current Services	4,611,555	0	1,808,097	6,419,652
Other Local Revenues	2,041,588	420,489	245,713	2,707,790
Fees Received From County Officials	4,370,433	0	0	4,370,433
State of Tennessee	5,109,129	0	3,249,814	8,358,943
Federal Government	658,396	0	14,763	673,159
Other Governments and Citizens Groups	800,502	703,683	16,329	1,520,514
Total Revenues	\$ 36,011,550	\$ 20,290,958	\$ 12,676,244	\$ 68,978,752
<u>Expenditures</u>				
Current:				
General Government	\$ 5,464,640	\$ 0	\$ 3,910,546	\$ 9,375,186
Finance	2,254,408	0	291	2,254,699
Administration of Justice	3,531,215	0	0	3,531,215
Public Safety	15,807,554	0	175,229	15,982,783
Public Health and Welfare	7,290,130	0	5,151,355	12,441,485
Social, Cultural, and Recreational Services	604,884	0	1,108,851	1,713,735
Agriculture and Natural Resources	346,977	0	0	346,977
Other Operations	1,375,901	0	461,211	1,837,112
Highways	0	0	4,204,903	4,204,903
Debt Service:				
Principal on Debt	0	7,806,233	0	7,806,233
Interest on Debt	0	5,162,323	0	5,162,323
Other Debt Service	0	293,754	0	293,754

(Continued)

Exhibit C-3

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

	<u>Major Funds</u>		<u>Nonmajor</u>	
		<u>General</u>	<u>Funds</u>	
	<u>General</u>	<u>Debt</u>	<u>Other</u>	<u>Total</u>
		<u>Service</u>	<u>Governmental</u>	<u>Governmental</u>
			<u>Funds</u>	<u>Funds</u>
<u>Expenditures (Cont.)</u>				
Capital Projects - Donated	\$ 0	\$ 0	\$ 1,090,560	\$ 1,090,560
Total Expenditures	\$ 36,675,709	\$ 13,262,310	\$ 16,102,946	\$ 66,040,965
Excess (Deficiency) of Revenues Over Expenditures	\$ (664,159)	\$ 7,028,648	\$ (3,426,702)	\$ 2,937,787
<u>Other Financing Sources (Uses)</u>				
Capital Leases Issued	\$ 0	\$ 0	\$ 1,090,560	\$ 1,090,560
Transfers In	0	0	4,600,000	4,600,000
Transfers Out	(50,000)	(4,550,000)	(36,965)	(4,636,965)
Total Other Financing Sources (Uses)	\$ (50,000)	\$ (4,550,000)	\$ 5,653,595	\$ 1,053,595
Net Change in Fund Balances	\$ (714,159)	\$ 2,478,648	\$ 2,226,893	\$ 3,991,382
Fund Balance, July 1, 2018	16,535,145	12,255,312	7,755,499	36,545,956
Fund Balance, June 30, 2019	\$ 15,820,986	\$ 14,733,960	\$ 9,982,392	\$ 40,537,338

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, 2019

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

Net change in fund balances - total governmental funds (Exhibit C-3)	\$	3,991,382
(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	\$	2,752,167
Less: current-year depreciation expense		<u>(2,993,758)</u>
		(241,591)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Add: assets donated and capitalized		33,322
Less: book value of capital assets disposed		<u>(112,012)</u>
		(78,690)
(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, 2019	\$	1,803,683
Less: deferred delinquent property taxes and other deferred June 30, 2018		<u>(2,582,876)</u>
		(779,193)
(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: capital lease proceeds	\$	(1,090,560)
Add: capital lease proceeds contributed to the school department		1,090,560
Less: change in premium on debt issuances		860,394
Add: change in deferred amount on refunding		(179,829)
Add: principal payments on bonds		7,125,000
Add: principal payments on other loans		317,700
Add: principal payments on capital leases		363,533
Less: principal contributions by the school department		<u>(681,233)</u>
		7,805,565
(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	\$	104,836
Change in landfill postclosure care costs		(136,299)
Change in compensated absences payable		(281,083)
Change in net OPEB liability		(41,612)
Change in net pension asset - agent plan		2,472,036
Change in deferred outflows related to pensions		(383,719)
Change in deferred inflows related to pensions		<u>(872,051)</u>
		862,108
(6) The internal service fund is used by management to charge the cost of liability and workers' compensation insurance to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>(139,817)</u>
Change in net position of governmental activities (Exhibit B)	\$	<u>11,419,764</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, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 17,302,470	\$ 0	\$ 0	\$ 17,302,470	\$ 17,090,985	\$ 17,090,985	\$ 211,485
Licenses and Permits	585,918	0	0	585,918	502,000	517,000	68,918
Fines, Forfeitures, and Penalties	531,559	0	0	531,559	500,300	500,300	31,259
Charges for Current Services	4,611,555	0	0	4,611,555	4,854,000	4,854,000	(242,445)
Other Local Revenues	2,041,588	0	0	2,041,588	1,747,000	2,164,609	(123,021)
Fees Received From County Officials	4,370,433	0	0	4,370,433	4,185,000	4,185,000	185,433
State of Tennessee	5,109,129	0	0	5,109,129	5,788,736	5,850,514	(741,385)
Federal Government	658,396	0	0	658,396	405,379	492,739	165,657
Other Governments and Citizens Groups	800,502	0	0	800,502	522,500	522,500	278,002
Total Revenues	\$ 36,011,550	\$ 0	\$ 0	\$ 36,011,550	\$ 35,595,900	\$ 36,177,647	\$ (166,097)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 156,235	\$ (4,844)	\$ 45	\$ 151,436	\$ 155,600	\$ 164,151	\$ 12,715
Beer Board	907	0	0	907	1,940	1,997	1,090
County Mayor/Executive	452,888	(1,086)	1,340	453,142	354,294	461,424	8,282
County Attorney	239,968	0	0	239,968	167,000	240,037	69
Election Commission	556,687	(751)	3,239	559,175	487,501	589,317	30,142
Register of Deeds	316,325	0	0	316,325	239,490	323,463	7,138
Codes Compliance	269,171	0	0	269,171	227,850	290,027	20,856
Geographical Information Systems	13,304	(615)	2,351	15,040	21,000	21,000	5,960
County Buildings	3,149,413	(79,885)	67,406	3,136,934	2,496,239	3,212,504	75,570
Other Facilities	309,742	(6,630)	8,850	311,962	282,100	330,202	18,240
<u>Finance</u>							
Property Assessor's Office	387,871	0	7,642	395,513	305,257	423,593	28,080
County Trustee's Office	515,276	(65)	0	515,211	401,493	524,193	8,982
County Clerk's Office	985,120	(2,764)	200	982,556	706,718	1,001,720	19,164
Other Finance	366,141	(29,012)	10,086	347,215	337,200	394,637	47,422
<u>Administration of Justice</u>							
Circuit Court	1,627,315	0	964	1,628,279	1,188,962	1,683,601	55,322

(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 7/1/2018	Add: Encumbrances 6/30/2019	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	\$ 497,228	\$ (64)	\$ 0	\$ 497,164	\$ 416,348	\$ 502,220	\$ 5,056
Drug Court	260,322	(133)	0	260,189	220,193	309,023	48,834
Chancery Court	408,822	(457)	185	408,550	307,632	421,570	13,020
Juvenile Court	322,929	(411)	0	322,518	244,800	333,045	10,527
District Attorney General	62,117	0	0	62,117	50,839	71,069	8,952
Judicial Commissioners	108,083	0	0	108,083	93,200	113,626	5,543
Probation Services	0	0	0	0	49,856	49,856	49,856
Victim Assistance Programs	244,399	0	0	244,399	206,313	268,860	24,461
<u>Public Safety</u>							
Sheriff's Department	7,682,255	(4,242)	39,466	7,717,479	5,755,674	7,916,980	199,501
Jail	4,660,271	(30,817)	293,104	4,922,558	3,398,246	5,109,548	186,990
Workhouse	132,430	(68)	0	132,362	95,106	133,358	996
Juvenile Services	732,293	(252)	590	732,631	597,572	796,224	63,593
Commissary	284,087	(5,652)	9,185	287,620	220,000	320,000	32,380
Fire Prevention and Control	804,369	(3,158)	67,005	868,216	703,119	950,648	82,432
Civil Defense	278,610	(861)	22,904	300,653	242,020	303,066	2,413
Other Emergency Management	136,250	(2,172)	1,140	135,218	264,529	264,529	129,311
County Coroner/Medical Examiner	125,567	(24,475)	37,173	138,265	141,900	144,607	6,342
Other Public Safety	971,422	0	0	971,422	806,800	1,054,598	83,176
<u>Public Health and Welfare</u>							
Local Health Center	302,321	(14,182)	16,016	304,155	357,860	385,441	81,286
Ambulance/Emergency Medical Services	5,224,675	(242,254)	524,615	5,507,036	4,305,050	5,603,779	96,743
Other Local Health Services	47,140	(16,001)	7,445	38,584	49,800	44,375	5,791
General Welfare Assistance	10,000	0	0	10,000	10,000	10,000	0
Aid to Dependent Children	0	0	0	0	8,000	8,000	8,000
Other Public Health and Welfare	1,705,994	(15,846)	1,481	1,691,629	1,604,400	2,007,420	315,791
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	84,170	0	0	84,170	84,170	84,170	0
Libraries	504,714	0	0	504,714	504,714	504,714	0

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Social, Cultural, and Recreational Services (Cont.)</u>							
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	260,444	0	0	260,444	251,150	272,186	11,742
Forest Service	1,500	0	0	1,500	1,500	1,500	0
Soil Conservation	85,033	0	0	85,033	57,700	88,271	3,238
<u>Other Operations</u>							
Housing and Urban Development	6,702	0	0	6,702	0	6,702	0
Airport	28,000	0	0	28,000	28,000	28,000	0
Veterans' Services	88,506	0	0	88,506	83,406	96,195	7,689
Contributions to Other Agencies	339,919	0	0	339,919	270,558	343,956	4,037
Employee Benefits	0	0	0	0	7,350,000	363,502	363,502
Miscellaneous	912,774	(9,304)	926	904,396	1,495,165	988,497	84,101
Total Expenditures	\$ 36,675,709	\$ (496,001)	\$ 1,123,358	\$ 37,303,066	\$ 37,665,618	\$ 39,578,755	\$ 2,275,689
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (664,159)	\$ 496,001	\$ (1,123,358)	\$ (1,291,516)	\$ (2,069,718)	\$ (3,401,108)	\$ 2,109,592
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (50,000)	\$ 0	\$ 0	\$ (50,000)	\$ (50,000)	\$ (65,243)	\$ 15,243
Total Other Financing Sources	\$ (50,000)	\$ 0	\$ 0	\$ (50,000)	\$ (50,000)	\$ (65,243)	\$ 15,243
Net Change in Fund Balance							
Fund Balance, July 1, 2018	\$ (714,159)	\$ 496,001	\$ (1,123,358)	\$ (1,341,516)	\$ (2,119,718)	\$ (3,466,351)	\$ 2,124,835
	16,535,145	(496,001)	0	16,039,144	15,978,310	15,978,310	60,834
Fund Balance, June 30, 2019							
	\$ 15,820,986	\$ 0	\$ (1,123,358)	\$ 14,697,628	\$ 13,858,592	\$ 12,511,959	\$ 2,185,669

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, 2019

	Governmental Activities - Internal Service Fund <hr/> Self- Insurance Fund <hr/>
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 1,557,614
Total Assets	<u>\$ 1,557,614</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Claims and Judgments Payable	\$ 1,190,877
Total Liabilities	<u>\$ 1,190,877</u>
<u>NET POSITION</u>	
Net Position - Unrestricted	<u>\$ 366,737</u>
Total Net Position	<u><u>\$ 366,737</u></u>

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

Putnam County, Tennessee
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2019

	Governmental Activities - Internal Service Fund
	<u>Self-Insurance Insurance Fund</u>
<u>Operating Revenues</u>	
Self-Insurance Premiums/Contributions	\$ 1,524,077
Refunds	88,700
Total Operating Revenues	<u>\$ 1,612,777</u>
<u>Operating Expenses</u>	
General Government	\$ 28,332
Finance	50,000
Administration of Justice	42,170
Public Safety	89,356
Public Health and Welfare	92,017
Social, Cultural, and Recreational Services	295
Other Operations	318,219
Highways	281,523
Education - Support Services	867,291
Total Operating Expenses	<u>\$ 1,769,203</u>
Operating Income (Loss)	<u>\$ (156,426)</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 16,609
Total Nonoperating Revenue	<u>\$ 16,609</u>
Change in Net Position	\$ (139,817)
Net Position, July 1, 2018	<u>506,554</u>
Net Position, June 30, 2019	<u><u>\$ 366,737</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, 2019

	Governmental Activities - Internal Service Fund
	<u>Self-Insurance Insurance Fund</u>
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-insurance Premiums	\$ 1,524,077
Receipts for Refunds	88,700
Payments for Administrative Costs and Premiums	(867,968)
Payments for Claims	(476,721)
Payments for Legal Costs	(290,012)
Payments for Other Charges	(25,184)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (47,108)</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	\$ 16,609
Net Cash Provided By (Used In) Investing Activities	<u>\$ 16,609</u>
Net Increase (Decrease) in Cash	\$ (30,499)
Cash, July 1, 2018	<u>1,588,113</u>
Cash, June 30, 2019	<u><u>\$ 1,557,614</u></u>
<u>Reconciliation of Net Operating Income to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (156,426)
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>109,318</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (47,108)</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, 2019

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,925,866
Equity in Pooled Cash and Investments	210,768
Due from Other Governments	<u>2,901,644</u>
Total Assets	<u>\$ 6,038,278</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 2,893,197
Due to Litigants, Heirs, and Others	3,025,825
Due to Joint Ventures	<u>119,256</u>
Total Liabilities	<u>\$ 6,038,278</u>

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

PUTNAM COUNTY, TENNESSEE
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PUTNAM COUNTY, TENNESSEE
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PUTNAM COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

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

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

Administrative Offices:

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

B. Government-wide and Fund Financial Statements

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

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

Putnam County issues all debt for the discretely presented Putnam County School Department. Net debt issues totaling \$1,090,560 were contributed by the county to the school department during the year ended June 30, 2019.

Separate financial statements are provided for governmental funds, proprietary funds (internal service), and fiduciary funds. The internal service

fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

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

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

accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Putnam County reports the following major governmental funds:

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

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

Additionally, Putnam County reports the following fund types:

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

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

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

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

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

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

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

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

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

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

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

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

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

1. Deposits and Investments

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

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

The county trustee maintains a cash and internal investment pool that is used by all Putnam County funds and the Putnam County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General and General Debt Service funds. Putnam County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. 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 Pooled complied with accounting principles generally accepted in the United State of America.

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 \$1,190,877 are discussed in Note V.A. Risk Management.

Retainage payable in the primary government's nonmajor governmental funds 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 nonmajor governmental funds.

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
Other Capital Assets	5 - 20
Infrastructure:	
Roads	40
Bridges	40
<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, changes in assumptions, employer contributions made to the pension plan after the measurement date, changes in proportionate share of contributions, other postemployment benefits (OPEB) changes in assumptions, changes in proportionate share, and employer contributions made after the measurement date.

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

governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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, 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, 2019, Putnam County had \$102,056,911 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

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, 2019, Putnam County and the Putnam County School Department reported the following significant encumbrances:

Fund	Amount
Primary Government	
Major Fund:	
General	\$ 1,123,358
Nonmajor Funds:	
Solid Waste/Sanitation	559,319
Special Purpose	595
Drug Control	2,617
Sports and Recreation	11,796
General Capital Projects	2,379,595
School Department:	
Major Fund:	
General Purpose School	429,108
Nonmajor Funds:	
School Federal Projects	5,968
Extended School Program	848

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loans associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county’s own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer’s Investment Pool and in repurchase agreements. 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. 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, 2019, Putnam County had the following investments carried at amortized cost using a Stable Net Asset Value. Investments were in the State Treasurer’s Investment Pool. Separate disclosures concerning pooled investments cannot be made for Putnam County and the discretely presented Putnam County School Department since both pool their deposits and investments through the county trustee.

Investments	Weighted Average Maturity (Days)	Amortized Cost
State Treasurer's Investment Pool	1 to 86	\$ 35,585,372

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, 2019, Putnam County's investment in the State Treasurer's Investment pool was unrated.

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 or amortized, which approximates 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 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, 2019, 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 using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined using amortized cost, which approximates fair value.

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, 2019, 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	\$ 56,899
Developed Market International Equity	N/A	N/A	25,696
Emerging Market International Equity	N/A	N/A	7,342
U.S. Fixed Income	N/A	N/A	36,709
Real Estate	N/A	N/A	18,354
Short-term Securities	N/A	N/A	1,835
Investments at Amortized Cost using the NAV:			
Private Equity and Strategic Lending	N/A	N/A	36,709
Total			\$ 183,544

Investment by Fair Value Level	Fair Value 6-30-19	Fair Value Measurements Using			Amortized Cost
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV
U.S. Equity	\$ 56,899	\$ 56,899	0 \$	0 \$	0
Developed Market					
International Equity	25,696	25,696	0	0	0
Emerging Market					
International Equity	7,342	7,342	0	0	0
U.S. Fixed Income	36,709	0	36,709	0	0
Real Estate	18,354	0	0	18,354	0
Short-term Securities	1,835	0	1,835	0	0
Private Equity and Strategic Lending	36,709	0	0	0	36,709
Total	\$ 183,544	\$ 89,937	\$ 38,544	\$ 18,354	36,709

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, 2019, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets Not Depreciated:				
Land	\$ 5,833,833	\$ 233,532	\$ 0	\$ 6,067,365
Intangibles	4,840,504	0	0	4,840,504
Total Capital Assets Not Depreciated	\$ 10,674,337	\$ 233,532	\$ 0	\$ 10,907,869
Capital Assets Depreciated:				
Buildings and Improvements	\$ 32,814,578	\$ 49,700	\$ 0	\$ 32,864,278
Roads and Bridges	53,688,648	82,168	0	53,770,816
Other Capital Assets	16,797,644	2,420,089	(348,645)	18,869,088
Total Capital Assets Depreciated	\$ 103,300,870	\$ 2,551,957	\$ (348,645)	\$ 105,504,182
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 9,115,993	\$ 603,607	\$ 0	\$ 9,719,600
Roads and Bridges	27,089,389	1,157,393	0	28,246,782
Other Capital Assets	11,125,556	1,232,758	(236,633)	12,121,681
Total Accumulated Depreciation	\$ 47,330,938	\$ 2,993,758	\$ (236,633)	\$ 50,088,063
Total Capital Assets Depreciated, Net	\$ 55,969,932	\$ (441,801)	\$ (112,012)	\$ 55,416,119
Governmental Activities Capital Assets, Net	\$ 66,644,269	\$ (208,269)	\$ (112,012)	\$ 66,323,988

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

Governmental Activities:

General Government	\$	119,669
Finance		9,658
Administration of Justice		233,326
Public Safety		412,913
Public Health and Welfare		831,935
Social, Cultural, and Recreational Services		78,763
Agriculture and Natural Resources		7,217
Highways/Public Works		<u>1,300,277</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$</u>	 <u>2,993,758</u>

Discretely Presented Putnam County School Department

Governmental Activities:

	<u>Balance</u>		<u>Balance</u>
	7-1-18	Increases	6-30-19
Capital Assets Not Depreciated:			
Land	\$ 5,129,273	\$ 640,722	\$ 5,769,995
Total Capital Assets Not Depreciated	<u>\$ 5,129,273</u>	<u>\$ 640,722</u>	<u>\$ 5,769,995</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 206,208,311	\$ 55,200	\$ 206,263,511
Other Capital Assets	8,725,928	583,349	9,309,277
Total Capital Assets Depreciated	<u>\$ 214,934,239</u>	<u>\$ 638,549</u>	<u>\$ 215,572,788</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 48,285,904	\$ 3,695,180	\$ 51,981,084
Other Capital Assets	5,808,103	390,340	6,198,443
Total Accumulated Depreciation	<u>\$ 54,094,007</u>	<u>\$ 4,085,520</u>	<u>\$ 58,179,527</u>
Total Capital Assets Depreciated, Net	<u>\$ 160,840,232</u>	<u>\$ (3,446,971)</u>	<u>\$ 157,393,261</u>
Governmental Activities Capital Assets, Net	<u>\$ 165,969,505</u>	<u>\$ (2,806,249)</u>	<u>\$ 163,163,256</u>

There were no decreases in capital assets to report during the year ended June 30, 2019.

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

Governmental Activities:

Instruction	\$ 3,727,894
Support Services	329,120
Operation on Non-instructional Services	<u>28,506</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 4,085,520</u></u>

C. Construction Commitments

At June 30, 2019, the county had uncompleted construction contracts of approximately \$940,831 for roofing projects. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2019, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 19,611
Discretely Presented Putnam County School Department:		
General Purpose School	Nonmajor governmental	9,399

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 \$9,399 was in transit from the Central Cafeteria (\$8,715) and Extended School Program (\$684) funds at June 30, 2019.

Due to/from Primary Government and Component Unit:

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
Primary Government	Component Unit: School Department	\$ 2,756,911
Component Unit: School Department Fund: General Purpose School	Primary Government Fund: General	21,882
"	Highway/Public Works	6,757

The Due to Primary Government of \$2,756,911 is the balance of other loans (\$2,029,884) and capital leases (\$727,027) issued by the county for the school department. The school department has agreed to contribute the funds annually to retire the other loans. These long-term obligations are reflected in governmental activities on the Statement of Net Position.

Receivables in the discretely presented General Purpose School Fund of \$6,757 were in transit from the Highway/Public Works Fund at June 30, 2019.

Interfund Transfers:

Interfund transfers for the year ended June 30, 2019, consisted of the following amounts:

Primary Government

<u>Transfers Out</u>	<u>Transfers In</u>		<u>Purpose</u>
	Nonmajor Governmental Funds	Fiduciary Funds	
General Fund	\$ 50,000	\$ 0	Operations
General Debt Service Fund	4,550,000	0	Capital Projects
Nonmajor governmental funds	0	36,965	Operations
Total	<u>\$ 4,600,000</u>	<u>\$ 36,965</u>	

Discretely Presented Putnam County School Department

Transfers Out	Transfers In	
	General Purpose School Fund	Purpose
Nonmajor governmental funds	\$ 163,887	Indirect costs
"	<u>710,125</u>	Reimbursement of direct costs
Total	<u>\$ 874,012</u>	

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

E. Capital Leases

Discretely Presented Putnam County School Department

On 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, 2019, were as follows:

Year Ending June 30	Governmental Funds
2020	\$ 367,613
2021	<u>367,612</u>
Total Minimum Lease Payments	\$ 735,225
Less: Amount Representing Interest	<u>(8,198)</u>
Present Value of Minimum Lease Payments	<u>\$ 727,027</u>

F. Long-term Debt

Primary Government

General Obligation Bonds 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, 2019, 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. Other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for original terms of six years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. Other loans included in long-term debt as of June 30, 2019, will be retired from the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2019, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-19
General Obligation Bonds	2 to 3.6781 %	4-1-33	\$ 59,435,000	\$ 58,035,000
General Obligation Bonds - Refunding	2 to 5.5	4-1-28	92,995,000	60,155,000
Direct Borrowing and Direct Placement:				
Other Loans	1	8-1-24	2,347,584	2,029,884
Capital Leases	0.9	3-1-21	1,090,560	727,027

The annual requirements to amortize all general obligation bonds and other loans outstanding at June 30, 2019, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 8,625,000	\$ 4,719,178	\$ 13,344,178
2021	9,085,000	4,296,913	13,381,913
2022	9,375,000	3,890,613	13,265,613
2023	9,655,000	3,470,188	13,125,188
2024	10,145,000	3,038,713	13,183,713
2025-2029	47,940,000	8,946,226	56,886,226
2030-2033	23,365,000	1,957,375	25,322,375
Total	\$ 118,190,000	\$ 30,319,206	\$ 148,509,206

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2020	\$ 384,744	\$ 18,540	\$ 403,284
2021	388,608	14,676	403,284
2022	392,520	10,764	403,284
2023	396,456	6,828	403,284
2024	400,440	2,844	403,284
2025	67,116	87	67,203
Total	\$ 2,029,884	\$ 53,739	\$ 2,083,623

There is \$14,733,960 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,634, based on the 2010 federal census. Total debt per capita, including bonds, other loans, capital leases, and unamortized debt premiums, totaled \$1,781, 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 6-30-19</u>
<u>Other Loans - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficient Schools Initiative Loan	\$ 2,029,884
<u>Capital Leases - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Computers	<u>727,027</u>
Total	<u>\$ 2,756,911</u>

Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2019, was as follows:

	<u>Bonds</u>	<u>Other Loans - Direct Placement</u>	<u>Capital Leases - Direct Placement</u>
Balance, July 1, 2018	\$ 125,315,000	\$ 2,347,584	\$ 0
Additions	0	0	1,090,560
Reductions	<u>(7,125,000)</u>	<u>(317,700)</u>	<u>(363,533)</u>
Balance, June 30, 2019	<u>\$ 118,190,000</u>	<u>\$ 2,029,884</u>	<u>\$ 727,027</u>
Balance Due Within One Year	<u>\$ 8,625,000</u>	<u>\$ 384,744</u>	<u>\$ 361,882</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2019	\$ 120,946,911
Less: Balance Due Within One Year - Debt	(9,371,626)
Add: Unamortized Premium on Debt	<u>7,891,226</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 119,466,511</u>

G. Long-term Obligations

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2019, was as follows:

	Net Pension Liability Agent Plan	Other Postemployment Benefits	Landfill Postclosure Care Costs
Balance, July 1, 2018	\$ 3,357,107	\$ 491,665	\$ 243,029
Additions	1,006,642	45,078	274,531
Reductions	(3,478,678)	(3,466)	(138,232)
Balance, June 30, 2019	\$ 885,071	\$ 533,277	\$ 379,328
Balance Due Within One Year	\$ 0	\$ 0	\$ 33,709

	Compensated Absences
Balance, July 1, 2018	\$ 797,662
Additions	1,151,246
Reductions	(870,163)
Balance, June 30, 2019	\$ 1,078,745
Balance Due Within One Year	\$ 538,090

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2019	\$ 2,876,421
Less: Balance Due Within One Year - Other	(571,799)
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$ 2,304,622

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

Discretely Presented Putnam County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Putnam County School Department for the year ended June 30, 2019, was as follows:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2018	\$ 231,875	\$ 8,164,387
Additions	252,765	1,085,784
Reductions	(230,051)	(2,577,424)
Balance, June 30, 2019	<u>\$ 254,589</u>	<u>\$ 6,672,747</u>
Balance Due Within One Year	<u>\$ 229,130</u>	<u>\$ 0</u>

	Net Pension Liability Agent Plan
Balance, July 1, 2018	\$ 2,136,442
Additions	583,498
Reductions	(2,178,858)
Balance, June 30, 2019	<u>\$ 541,082</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2019	\$ 7,468,418
Less: Balance Due Within One Year	<u>(229,130)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 7,239,288</u>

Compensated absences 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, 2019, were \$271,511 and \$115,417, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

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
2017-2018	\$ 823,743	\$	748,200	\$	(490,384)	\$	1,081,559
2018-2019	1,081,559		586,039		(476,721)		1,190,877

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations*; Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements* became effective for the year ended June 30, 2019. In addition, Putnam County early implemented the provisions of GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*.

GASB Statement No. 83, *Certain Asset Retirement Obligations* establishes accounting and reporting requirements for certain asset retirement obligations (AROs) associated with tangible capital assets. The scope of this statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, and expense/expenditures. In addition, this standard establishes note disclosure requirements for AROs.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements* addresses note disclosure requirements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should report when disclosing information related to debt. These required disclosures include direct borrowings and direct placements, unused lines of credit, assets pledged as collateral for debt, terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant acceleration clauses.

GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period* amends paragraphs 5 through 22 of GASB Statement No. 62. This standard establishes that interest cost incurred before the end of a construction period should be recognized as an expense/expenditure. The changes adopted to conform with this standard are to be applied prospectively.

C. Contingent Liabilities

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

D. Change in Administration

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

E. Landfill Postclosure Care Costs

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Putnam County closed its sanitary landfill in 2000. The \$379,328 reported as postclosure care liability at June 30, 2019, represents amounts based on what it would cost to perform all postclosure care in 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. Joint Ventures

The Upper Cumberland Regional Airport was established as a joint venture between Putnam County, White County, the City of Cookeville, and the City of Sparta. The airport operates the regional airport for the two-county area. The five-member board of the airport includes one member appointed by each of the four participating governments with the fifth member of the board being the chief executive officer of one of the participating governments. This fifth board position serves a one-year term and rotates among the four participating governments in a prescribed order. Each participant retains a 25 percent ownership in the airport. Putnam County contributed \$28,000 to the Upper Cumberland Regional Airport for the year ended June 30, 2019.

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, 2019.

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, 2019.

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 \$7,043 to the Rail Trail Authority for the year ended June 30, 2019.

Putnam County entered into an interlocal agreement with White County and the Cities of Algood, Monterey, and Sparta to provide planning services for the area that were formerly provided by the Regional Planning Offices operated by the State of Tennessee. The Planning Services Executive Committee is comprised of each of the county/city mayors/executives for the participating entities. Each county/city agreed to an annual contribution for planning services to be administered by the Putnam County Mayor in accordance with a budget approved by the Executive Committee. Putnam County contributed \$36,965 for planning services for the year ended June 30, 2019.

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 \$504,714 to the Putnam County Library for the year ended June 30, 2019.

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

Administrative Offices:

Upper Cumberland Regional Airport
700 Airport Road
Sparta, TN 38583

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

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

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

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

Putnam County Library
50 East Broad Street
Cookeville, TN 38501

G. Jointly Governed Organization

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

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Putnam County 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 62.06 percent, the non-certified employees of the discretely presented school department comprise 37.94 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, 2018, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	519
Inactive Employees Entitled to But Not Yet Receiving Benefits	1,155
Active Employees	<u>1,002</u>
 Total	 <u><u>2,676</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Putnam County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2019, the employer contribution for Putnam County was \$3,580,645 based on a rate of 10.51 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, 2018, 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, 2018, 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, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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, 2017	\$ 101,190,138	\$ 95,696,589	\$ 5,493,549
Changes for the Year:			
Service Cost	\$ 2,698,019	\$ 0	\$ 2,698,019
Interest	7,383,423	0	7,383,423
Differences Between Expected and Actual Experience	(1,492,109)	0	(1,492,109)
Changes in Assumptions	0	0	0
Contributions-Employer	0	3,223,542	(3,223,542)
Contributions-Employees	0	1,560,614	(1,560,614)
Net Investment Income	0	7,967,993	(7,967,993)
Benefit Payments, Including Refunds of Employee Contributions	(4,095,679)	(4,095,679)	0
Administrative Expense	0	(95,420)	95,420
Other Changes	0	0	0
Net Changes	\$ 4,493,654	\$ 8,561,050	\$ (4,067,396)
Balance, June 30, 2018	\$ 105,683,792	\$ 104,257,639	\$ 1,426,153

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	62.06%	\$ 65,587,361	\$ 64,702,291	\$ 885,071
School Department	37.94%	40,096,431	39,555,348	541,082
Total		\$ 105,683,792	\$ 104,257,639	\$ 1,426,153

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

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

Net Pension Liability \$ 15,529,087 \$ 1,426,153 \$ (10,232,538)

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

Pension Expense or Negative Pension Expense. For the year ended June 30, 2019, Putnam County recognized pension expense of \$1,537,950.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2019, 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	\$ 834,786	\$ 1,449,634
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	465,260
Changes in Assumptions	1,375,462	0
Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	3,580,645	N/A
Total	<u>\$ 5,790,893</u>	<u>\$ 1,914,894</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2018,” 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	\$ 3,617,617	\$ 1,188,382
School Department	2,173,276	726,512
Total	<u>\$ 5,790,893</u>	<u>\$ 1,914,894</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
2020	\$ 1,109,055
2021	229,439
2022	(543,015)
2023	(500,120)
2024	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 62.06 percent and the non-certified employees of the discretely presented school department comprise 37.94 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, 2019, to the Teacher Retirement Plan were \$168,271, which is 1.94 percent of covered payroll. In addition, employer contributions of \$174,278, which is 2.06 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, 2019, the school department reported a liability (asset) of (\$341,252) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2018, 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, 2018, the school department's proportion was .752439 percent. The proportion as of June 30, 2017, was .697078 percent.

Pension Expense. For the year ended June 30, 2019, the school department recognized pension expense of \$114,698.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2019, 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	\$ 19,328	\$ 13,592
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	19,276
Changes in Assumptions	16,099	0
Changes in Proportion of Net Pension Liability (Asset)	0	21,622
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	168,271	N/A
Total	<u>\$ 203,698</u>	<u>\$ 54,490</u>

The school department's employer contributions of \$168,271, 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, 2020. 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
2020	\$ (4,340)
2021	(4,952)
2022	(7,699)
2023	(2,662)
2024	(94)
Thereafter	685

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, 2018, 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, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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	\$ 52,758	\$ (341,252)	\$ (631,544)

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, 2019, to the Teacher Legacy Pension Plan were \$3,940,412, which is 10.46 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, 2019, the school department reported a liability (asset) of (\$3,762,010) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2018, 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, 2018, the school department's proportion was 1.069082 percent. The proportion measured at June 30, 2017, was 1.076657 percent.

Pension Expense. For the year ended June 30, 2019, the school department recognized (negative) pension expense of (\$1,001,048).

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2019, 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	\$ 760,431	\$ 5,075,250
Changes in Assumptions	2,221,861	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	818,770
Changes in Proportion of Net Pension Liability (Asset)	299,869	122,091
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	3,940,412	N/A
Total	<u>\$ 7,222,573</u>	<u>\$ 6,016,111</u>

The school department's employer contributions of \$3,940,412 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, 2020. 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
2020	\$ 851,363
2021	(1,125,560)
2022	(2,106,785)
2023	(352,969)
2024	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, 2018, 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, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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%
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Net Pension Liability \$ 28,999,947 \$ (3,762,010) \$ (30,867,966)

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

2. Deferred Compensation

The primary government, except for the highway department, offers its employees a deferred compensation plan established pursuant to IRC Section 457(b). The discretely presented Putnam County School Department offers its employees deferred compensation plans established pursuant to IRC Sections 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 \$437,843 and teachers contributed \$203,195 to this deferred compensation pension plan.

I. 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, 2019, the following employees were covered by the benefit terms:

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

Total OPEB Liability

The county’s total OPEB liability of \$533,277 was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2019, 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	3.88%
Healthcare Cost Trend Rates	5.50%
Retirees share of Benefit-related Cost	100%

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

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

The actuarial assumptions used in the June 30, 2019, 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, 2018	\$ 491,665
Changes for the Year:	
Service Cost	\$ 25,095
Interest	19,983
Changes in Benefit Terms	0
Difference between Expected and Actuarial Experience	0
Changes in Assumption and Other Inputs	0
Benefit Payments	(3,466)
Net Changes	<u>\$ 41,612</u>
Balance June 30, 2019	<u>\$ 533,277</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2019, the county recognized OPEB expense of \$45,078. At June 30, 2019, the county reported no deferred outflows of resources or deferred inflows of resources related to OPEB.

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

	1% Decrease 2.88%	Current Discount Rate 3.88%	1% Increase 4.88%
Total OPEB Liability	\$ 661,987	\$ 533,277	\$ 436,607

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 5.50 percent, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (4.50%) or one percentage point higher (6.50%) than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 428,457	\$ 533,277	\$ 675,668

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, 20 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, 2018, the following employees were covered by the benefit terms:

	<u>School Department</u>
Retirees and Beneficiaries	69
Inactive, Nonretired Members	0
Active Members Eligible for Future Benefits	1,004
Active Members Not Eligible for Future Benefits	<u>71</u>
Total	<u><u>1,144</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 \$432,223 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 School Department 66.6905%</u>	<u>State of TN 33.3095%</u>	<u>Total OPEB Liability</u>
Balance July 1, 2017	\$ 8,164,387	\$ 4,261,247	\$ 12,425,634
Changes for the Year:			
Service Cost	\$ 438,303	\$ 218,917	\$ 657,220
Interest	301,321	150,499	451,820
Changes in Benefit Terms	0	0	0
Difference between Expected and Actuarial Experience	(2,055,547)	(1,026,672)	(3,082,219)
Changes in Proportionate Share	122,330	(122,330)	0
Changes in Assumption and Other Inputs	223,830	111,795	335,625
Benefit Payments	(521,877)	(260,659)	(782,536)
Net Changes	<u>\$ (1,491,640)</u>	<u>\$ (928,450)</u>	<u>\$ (2,420,090)</u>
Balance June 30, 2018	<u>\$ 6,672,747</u>	<u>\$ 3,332,797</u>	<u>\$ 10,005,544</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 \$250,582 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 66.6905 percent and the State of Tennessee's share was 33.3095 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2018, the school department recognized OPEB expense of \$786,005, including the state's share of the expense. At June 30, 2019, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 1,857,899
Changes of Assumptions/Inputs	202,308	322,320
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	105,584	0
Benefits Paid After the Measurement Date of June 30, 2018	432,223	0
Total	<u>\$ 740,115</u>	<u>\$ 2,180,219</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>School Department</u>
2020	\$ (204,202)
2021	(204,202)
2022	(204,202)
2023	(204,202)
2024	(204,202)
Thereafter	(851,319)

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	Current Discount Rate	1% Increase
	2.62%	3.62%	4.62%

Proportionate Share of the Collective Total OPEB Liability	\$ 7,158,407	\$ 6,672,747	\$ 6,211,743
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Rates	1% Increase
	5.75 to 2.85%	6.75 to 3.85%	7.75 to 4.85%

Proportionate Share of the Collective Total OPEB Liability	\$ 5,928,887	\$ 6,672,747	\$ 7,553,942
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J. 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.

K. Subsequent Events

On October 21, 2019, the county commission approved capital outlay notes of \$5,000,000 for the purchase of land and to construct a new fairground facility.

**REQUIRED SUPPLEMENTARY
INFORMATION**

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

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
Actuarially Determined Contribution	\$ 2,789,750	\$ 2,924,299	\$ 3,000,872	\$ 3,256,050	\$ 3,223,542	\$ 3,580,645
Less Contributions in Relation to the Actuarially Determined Contribution	(2,789,750)	(2,924,299)	(3,000,872)	(3,256,050)	(3,223,542)	(3,580,645)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 26,837,192	\$ 27,925,707	\$ 28,684,067	\$ 30,346,771	\$ 30,726,303	\$ 34,064,166
Contributions as a Percentage of Covered Payroll	10.40%	10.47%	10.46%	10.73%	10.49%	10.51%

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*
Contractually Required Contribution	\$ 50,263	\$ 109,798	\$ 183,008	\$ 263,016	\$ 168,271
Less Contributions in Relation to the Contractually Required Contribution	(50,263)	(109,798)	(183,008)	(263,016)	(168,271)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,256,568	\$ 2,744,927	\$ 4,546,845	\$ 6,575,385	\$ 8,673,749
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.02%	4.00%	1.94%

* In FY 2019 the school department placed the actuarially determined contribution rate (1.94%) of covered payroll into the pension plan and placed 2.06% of covered payroll into the Pension Stabilization Reserve Trust.

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
Contractually Required Contribution	\$ 3,539,956	\$ 3,644,619	\$ 3,440,559	\$ 3,399,169	\$ 3,940,412
Less Contributions in Relation to the Contractually Required Contribution	(3,539,956)	(3,644,619)	(3,440,559)	(3,399,169)	(3,940,412)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 39,864,365	\$ 40,316,652	\$ 38,087,686	\$ 37,435,735	\$ 37,671,240
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.03%	9.08%	10.46%

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

Exhibit F-5

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

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

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
School Department's Proportion of the Net Pension Liability/Asset	1.015655%	1.076975%	1.067128%	1.076657%	1.069082%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (165,039)	\$ 441,166	\$ 6,668,957	\$ (352,264)	\$ (3,762,010)
Covered Payroll	\$ 39,864,365	\$ 40,316,652	\$ 38,521,221	\$ 38,087,686	\$ 37,435,735
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)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%

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

Exhibit F-7

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

	<u>2018</u>	<u>2019</u>
Total OPEB Liability		
Service Cost	\$ 24,158	\$ 25,095
Interest	18,429	19,983
Changes in Benefit Terms	0	0
Differences Between Actual and Expected Experience	0	0
Changes in Assumptions or Other Inputs	0	0
Benefit Payments	<u>(3,466)</u>	<u>(3,466)</u>
Net Change in Total OPEB Liability	\$ 39,121	\$ 41,612
Total OPEB Liability, Beginning	<u>452,544</u>	<u>491,665</u>
Total OPEB Liability, Ending	<u>\$ 491,665</u>	<u>\$ 533,277</u>
Covered Employee Payroll	\$ 20,643,754	\$ 22,301,160
Net OPEB Liability as a Percentage of Covered Employee Payroll	2.38%	2.39%

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
Total OPEB Liability		
Service Cost	\$ 708,728	\$ 657,220
Interest	380,283	451,820
Changes in Benefit Terms	0	0
Differences Between Actual and Expected Experience	0	(3,082,219)
Changes in Assumptions or Other Inputs	(601,188)	335,625
Benefit Payments	(753,687)	(782,536)
Net Change in Total OPEB Liability	\$ (265,864)	\$ (2,420,090)
Total OPEB Liability, Beginning	12,691,498	12,425,634
Total OPEB Liability, Ending	<u>\$ 12,425,634</u>	<u>\$ 10,005,544</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 4,261,247	\$ 3,332,797
Employer Proportionate Share of the Total OPEB Liability	8,164,387	6,672,747
Covered Employee Payroll	\$ 56,683,904	\$ 59,612,529
Net OPEB Liability as a Percentage of Covered Employee Payroll	21.92%	16.78%

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

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

2017	2.92%
2018	3.56%
2019	3.62%

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, 2019

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2019 were calculated based on the June 30, 2017, 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: (1) decreased the inflation rate from 3.0 to 2.5 percent; (2) decreased the investment rate from 7.5 to 7.25 percent; (3) decreased the cost-of-living adjustment from 2.5 to 2.25 percent; (4) decreased the salary growth rate graded ranges from an average of 4.25 to 4.0 percent; and (5) 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.

Capital Projects Funds

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

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

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

Exhibit G-1

Putnam County, Tennessee
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2019

	Special Revenue Funds					
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	Constitu - tional Officers - Fees
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3,101
Equity in Pooled Cash and Investments	1,512,834	1,071,913	247,941	203,025	409,162	0
Accounts Receivable	174,161	45,156	0	0	53,836	0
Allowance for Uncollectibles	(10,000)	0	0	0	0	0
Due from Other Governments	78,947	0	0	14,763	0	0
Property Taxes Receivable	2,918,897	324,322	0	0	648,644	0
Allowance for Uncollectible Property Taxes	(54,662)	(6,074)	0	0	(12,147)	0
Total Assets	\$ 4,620,177	\$ 1,435,317	\$ 247,941	\$ 217,788	\$ 1,099,495	\$ 3,101
<u>LIABILITIES</u>						
Accounts Payable	\$ 213,751	\$ 1,950	\$ 0	\$ 506	\$ 4,984	\$ 0
Contracts Payable	0	0	0	0	0	0
Retainage Payable	0	0	0	0	0	0
Due to Other Funds	12,808	0	0	0	3,702	3,101
Due to Litigants, Heirs, and Others	0	0	0	20,763	0	0
Total Liabilities	\$ 226,559	\$ 1,950	\$ 0	\$ 21,269	\$ 8,686	\$ 3,101
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 2,809,294	\$ 312,144	\$ 0	\$ 0	\$ 624,287	\$ 0
Deferred Delinquent Property Taxes	46,682	5,187	0	0	10,374	0
Other Deferred/Unavailable Revenue	9,918	0	0	0	0	0
Total Deferred Inflows of Resources	\$ 2,865,894	\$ 317,331	\$ 0	\$ 0	\$ 634,661	\$ 0

(Continued)

Exhibit G-1

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	Constitu - tional Officers - Fees
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 0	\$ 0	\$ 247,941	\$ 0	\$ 0	\$ 0
Restricted for Public Safety	0	0	0	196,519	0	0
Restricted for Highways/Public Works	0	0	0	0	0	0
Committed:						
Committed for Public Health and Welfare	1,527,724	0	0	0	0	0
Committed for Social, Cultural, and Recreational Services	0	0	0	0	456,148	0
Committed for Other Operations	0	1,116,036	0	0	0	0
Committed for Capital Projects	0	0	0	0	0	0
Total Fund Balances	<u>\$ 1,527,724</u>	<u>\$ 1,116,036</u>	<u>\$ 247,941</u>	<u>\$ 196,519</u>	<u>\$ 456,148</u>	<u>\$ 0</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,620,177</u>	<u>\$ 1,435,317</u>	<u>\$ 247,941</u>	<u>\$ 217,788</u>	<u>\$ 1,099,495</u>	<u>\$ 3,101</u>

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital</u> <u>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>Total</u>	<u>General</u> <u>Capital</u> <u>Projects</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 3,101	\$ 0	\$ 3,101
Equity in Pooled Cash and Investments	2,274,078	5,718,953	4,390,737	10,109,690
Accounts Receivable	0	273,153	6,200	279,353
Allowance for Uncollectibles	0	(10,000)	0	(10,000)
Due from Other Governments	500,299	594,009	0	594,009
Property Taxes Receivable	1,783,771	5,675,634	324,322	5,999,956
Allowance for Uncollectible Property Taxes	(33,404)	(106,287)	(6,074)	(112,361)
Total Assets	\$ 4,524,744	\$ 12,148,563	\$ 4,715,185	\$ 16,863,748
<u>LIABILITIES</u>				
Accounts Payable	\$ 12,117	\$ 233,308	\$ 6,200	\$ 239,508
Contracts Payable	0	0	473,911	473,911
Retainage Payable	0	0	24,943	24,943
Due to Other Funds	0	19,611	0	19,611
Due to Litigants, Heirs, and Others	0	20,763	0	20,763
Total Liabilities	\$ 12,117	\$ 273,682	\$ 505,054	\$ 778,736
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 1,716,790	\$ 5,462,515	\$ 312,144	\$ 5,774,659
Deferred Delinquent Property Taxes	23,481	85,724	5,187	90,911
Other Deferred/Unavailable Revenue	227,132	237,050	0	237,050
Total Deferred Inflows of Resources	\$ 1,967,403	\$ 5,785,289	\$ 317,331	\$ 6,102,620

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital</u> <u>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>Total</u>	<u>General</u> <u>Capital</u> <u>Projects</u>	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for General Government	\$ 0	\$ 247,941	\$ 0	\$ 247,941
Restricted for Public Safety	0	196,519	0	196,519
Restricted for Highways/Public Works	2,545,224	2,545,224	0	2,545,224
Committed:				
Committed for Public Health and Welfare	0	1,527,724	0	1,527,724
Committed for Social, Cultural, and Recreational Services	0	456,148	0	456,148
Committed for Other Operations	0	1,116,036	0	1,116,036
Committed for Capital Projects	0	0	3,892,800	3,892,800
Total Fund Balances	<u>\$ 2,545,224</u>	<u>\$ 6,089,592</u>	<u>\$ 3,892,800</u>	<u>\$ 9,982,392</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,524,744</u>	<u>\$ 12,148,563</u>	<u>\$ 4,715,185</u>	<u>\$ 16,863,748</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, 2019

	Special Revenue Funds					
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	Constitu - tional Officers - Fees
<u>Revenues</u>						
Local Taxes	\$ 3,089,583	\$ 814,179	\$ 0	\$ 0	\$ 1,017,953	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	49,909	0	0
Charges for Current Services	1,651,155	1,500	83,070	0	72,081	291
Other Local Revenues	148,032	3,030	650	23,421	66,971	0
State of Tennessee	179,704	0	0	0	0	0
Federal Government	0	0	0	14,763	0	0
Other Governments and Citizens Groups	0	1,086	0	15,243	0	0
Total Revenues	\$ 5,068,474	\$ 819,795	\$ 83,720	\$ 103,336	\$ 1,157,005	\$ 291
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 9,300	\$ 73,663	\$ 0	\$ 0	\$ 0
Finance	0	0	0	0	0	291
Public Safety	0	0	0	175,229	0	0
Public Health and Welfare	5,151,355	0	0	0	0	0
Social, Cultural, and Recreational Services	0	0	0	0	1,108,851	0
Other Operations	0	461,211	0	0	0	0
Highways	0	0	0	0	0	0
Capital Projects - Donated	0	0	0	0	0	0
Total Expenditures	\$ 5,151,355	\$ 470,511	\$ 73,663	\$ 175,229	\$ 1,108,851	\$ 291
Excess (Deficiency) of Revenues Over Expenditures	\$ (82,881)	\$ 349,284	\$ 10,057	\$ (71,893)	\$ 48,154	\$ 0

(Continued)

Exhibit G-2

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation	
<u>Other Financing Sources (Uses)</u>						
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Transfers In	0	0	0	50,000	0	0
Transfers Out	0	(36,965)	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ (36,965)	\$ 0	\$ 50,000	\$ 0	0
Net Change in Fund Balances	\$ (82,881)	\$ 312,319	\$ 10,057	\$ (21,893)	\$ 48,154	0
Fund Balance, July 1, 2018	1,610,605	803,717	237,884	218,412	407,994	0
Fund Balance, June 30, 2019	\$ 1,527,724	\$ 1,116,036	\$ 247,941	\$ 196,519	\$ 456,148	0

(Continued)

Exhibit G-2

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

	Special Revenue Funds (Cont.)		Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway / Public Works	Total	General Capital Projects	Education Capital Projects	Total	
<u>Revenues</u>						
Local Taxes	\$ 2,026,621	\$ 6,948,336	\$ 343,283	\$ 0	\$ 343,283	\$ 7,291,619
Fines, Forfeitures, and Penalties	0	49,909	0	0	0	49,909
Charges for Current Services	0	1,808,097	0	0	0	1,808,097
Other Local Revenues	3,609	245,713	0	0	0	245,713
State of Tennessee	3,070,110	3,249,814	0	0	0	3,249,814
Federal Government	0	14,763	0	0	0	14,763
Other Governments and Citizens Groups	0	16,329	0	0	0	16,329
Total Revenues	\$ 5,100,340	\$ 12,332,961	\$ 343,283	\$ 0	\$ 343,283	\$ 12,676,244
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 82,963	\$ 3,827,583	\$ 0	\$ 3,827,583	\$ 3,910,546
Finance	0	291	0	0	0	291
Public Safety	0	175,229	0	0	0	175,229
Public Health and Welfare	0	5,151,355	0	0	0	5,151,355
Social, Cultural, and Recreational Services	0	1,108,851	0	0	0	1,108,851
Other Operations	0	461,211	0	0	0	461,211
Highways	4,204,903	4,204,903	0	0	0	4,204,903
Capital Projects - Donated	0	0	0	1,090,560	1,090,560	1,090,560
Total Expenditures	\$ 4,204,903	\$ 11,184,803	\$ 3,827,583	\$ 1,090,560	\$ 4,918,143	\$ 16,102,946
Excess (Deficiency) of Revenues Over Expenditures	\$ 895,437	\$ 1,148,158	\$ (3,484,300)	\$ (1,090,560)	\$ (4,574,860)	\$ (3,426,702)

(Continued)

Exhibit G-2

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

	Special Revenue Funds (Cont.)		Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway / Public Works	Total	General Capital Projects	Education Capital Projects	Total	
<u>Other Financing Sources (Uses)</u>						
Capital Leases Issued	\$ 0	\$ 0	\$ 0	\$ 1,090,560	\$ 1,090,560	\$ 1,090,560
Transfers In	0	50,000	4,550,000	0	4,550,000	4,600,000
Transfers Out	0	(36,965)	0	0	0	(36,965)
Total Other Financing Sources (Uses)	\$ 0	\$ 13,035	\$ 4,550,000	\$ 1,090,560	\$ 5,640,560	\$ 5,653,595
Net Change in Fund Balances	\$ 895,437	\$ 1,161,193	\$ 1,065,700	\$ 0	\$ 1,065,700	\$ 2,226,893
Fund Balance, July 1, 2018	1,649,787	4,928,399	2,827,100	0	2,827,100	7,755,499
Fund Balance, June 30, 2019	\$ 2,545,224	\$ 6,089,592	\$ 3,892,800	\$ 0	\$ 3,892,800	\$ 9,982,392

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, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 3,089,583	\$ 0	\$ 0	\$ 3,089,583	\$ 3,096,340	\$ 3,096,340	\$ (6,757)
Charges for Current Services	1,651,155	0	0	1,651,155	1,065,000	1,415,000	236,155
Other Local Revenues	148,032	0	0	148,032	200,000	200,000	(51,968)
State of Tennessee	179,704	0	0	179,704	833,066	683,066	(503,362)
Total Revenues	\$ 5,068,474	\$ 0	\$ 0	\$ 5,068,474	\$ 5,194,406	\$ 5,394,406	\$ (325,932)
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 4,011,497	\$ (54,213)	\$ 123,712	\$ 4,080,996	\$ 4,153,784	\$ 4,353,784	\$ 272,788
Other Waste Collection	208,432	0	434,457	642,889	665,276	665,276	22,387
Landfill Operation and Maintenance	138,232	(9,500)	0	128,732	145,000	145,000	16,268
Other Waste Disposal	588,891	0	1,150	590,041	625,000	625,000	34,959
Postclosure Care Costs	204,303	0	0	204,303	217,600	217,600	13,297
Total Expenditures	\$ 5,151,355	\$ (63,713)	\$ 559,319	\$ 5,646,961	\$ 5,806,660	\$ 6,006,660	\$ 359,699
Excess (Deficiency) of Revenues Over Expenditures	\$ (82,881)	\$ 63,713	\$ (559,319)	\$ (578,487)	\$ (612,254)	\$ (612,254)	\$ 33,767
Net Change in Fund Balance	\$ (82,881)	\$ 63,713	\$ (559,319)	\$ (578,487)	\$ (612,254)	\$ (612,254)	\$ 33,767
Fund Balance, July 1, 2018	1,610,605	(63,713)	0	1,546,892	1,504,532	1,504,532	42,360
Fund Balance, June 30, 2019	\$ 1,527,724	\$ 0	\$ (559,319)	\$ 968,405	\$ 892,278	\$ 892,278	\$ 76,127

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, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 814,179	\$ 748,260	\$ 748,260	\$ 65,919
Charges for Current Services	1,500	2,000	2,000	(500)
Other Local Revenues	3,030	0	0	3,030
Other Governments and Citizens Groups	1,086	0	0	1,086
Total Revenues	<u>\$ 819,795</u>	<u>\$ 750,260</u>	<u>\$ 750,260</u>	<u>\$ 69,535</u>
<u>Expenditures</u>				
<u>General Government</u>				
Development	\$ 9,300	\$ 9,800	\$ 9,800	\$ 500
<u>Other Operations</u>				
Industrial Development	461,211	662,250	662,250	201,039
Total Expenditures	<u>\$ 470,511</u>	<u>\$ 672,050</u>	<u>\$ 672,050</u>	<u>\$ 201,539</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 349,284</u>	<u>\$ 78,210</u>	<u>\$ 78,210</u>	<u>\$ 271,074</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (36,965)	\$ (36,965)	\$ (36,965)	\$ 0
Total Other Financing Sources	<u>\$ (36,965)</u>	<u>\$ (36,965)</u>	<u>\$ (36,965)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 312,319	\$ 41,245	\$ 41,245	\$ 271,074
Fund Balance, July 1, 2018	<u>803,717</u>	<u>758,747</u>	<u>758,747</u>	<u>44,970</u>
Fund Balance, June 30, 2019	<u>\$ 1,116,036</u>	<u>\$ 799,992</u>	<u>\$ 799,992</u>	<u>\$ 316,044</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, 2019

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 83,070	\$ 0	\$ 83,070	\$ 75,000	\$ 75,000	\$ 8,070
Other Local Revenues	650	0	650	5,000	5,000	(4,350)
Total Revenues	<u>\$ 83,720</u>	<u>\$ 0</u>	<u>\$ 83,720</u>	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 3,720</u>
<u>Expenditures</u>						
<u>General Government</u>						
Preservation of Records	\$ 73,663	\$ 595	\$ 74,258	\$ 96,960	\$ 96,960	\$ 22,702
Total Expenditures	<u>\$ 73,663</u>	<u>\$ 595</u>	<u>\$ 74,258</u>	<u>\$ 96,960</u>	<u>\$ 96,960</u>	<u>\$ 22,702</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 10,057</u>	<u>\$ (595)</u>	<u>\$ 9,462</u>	<u>\$ (16,960)</u>	<u>\$ (16,960)</u>	<u>\$ 26,422</u>
Net Change in Fund Balance	\$ 10,057	\$ (595)	\$ 9,462	\$ (16,960)	\$ (16,960)	\$ 26,422
Fund Balance, July 1, 2018	<u>237,884</u>	<u>0</u>	<u>237,884</u>	<u>237,418</u>	<u>237,418</u>	<u>466</u>
Fund Balance, June 30, 2019	<u>\$ 247,941</u>	<u>\$ (595)</u>	<u>\$ 247,346</u>	<u>\$ 220,458</u>	<u>\$ 220,458</u>	<u>\$ 26,888</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, 2019

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 49,909	\$ 0	\$ 49,909	\$ 40,000	\$ 40,000	\$ 9,909
Other Local Revenues	23,421	0	23,421	12,000	12,000	11,421
Federal Government	14,763	0	14,763	0	0	14,763
Other Governments and Citizens Groups	15,243	0	15,243	0	0	15,243
Total Revenues	<u>\$ 103,336</u>	<u>\$ 0</u>	<u>\$ 103,336</u>	<u>\$ 52,000</u>	<u>\$ 52,000</u>	<u>\$ 51,336</u>
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 175,229	\$ 2,617	\$ 177,846	\$ 235,000	\$ 235,000	\$ 57,154
Total Expenditures	<u>\$ 175,229</u>	<u>\$ 2,617</u>	<u>\$ 177,846</u>	<u>\$ 235,000</u>	<u>\$ 235,000</u>	<u>\$ 57,154</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (71,893)</u>	<u>\$ (2,617)</u>	<u>\$ (74,510)</u>	<u>\$ (183,000)</u>	<u>\$ (183,000)</u>	<u>\$ 108,490</u>
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 50,000	\$ 0	\$ 50,000	\$ 50,000	\$ 65,243	\$ (15,243)
Total Other Financing Sources	<u>\$ 50,000</u>	<u>\$ 0</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 65,243</u>	<u>\$ (15,243)</u>
Net Change in Fund Balance	\$ (21,893)	\$ (2,617)	\$ (24,510)	\$ (133,000)	\$ (117,757)	\$ 93,247
Fund Balance, July 1, 2018	<u>218,412</u>	<u>0</u>	<u>218,412</u>	<u>218,412</u>	<u>218,412</u>	<u>0</u>
Fund Balance, June 30, 2019	<u>\$ 196,519</u>	<u>\$ (2,617)</u>	<u>\$ 193,902</u>	<u>\$ 85,412</u>	<u>\$ 100,655</u>	<u>\$ 93,247</u>

Exhibit G-7

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Sports and Recreation Fund
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,017,953	\$ 0	\$ 0	\$ 1,017,953	\$ 975,520	\$ 975,520	\$ 42,433
Charges for Current Services	72,081	0	0	72,081	50,000	50,000	22,081
Other Local Revenues	66,971	0	0	66,971	55,000	55,000	11,971
Total Revenues	<u>\$ 1,157,005</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,157,005</u>	<u>\$ 1,080,520</u>	<u>\$ 1,080,520</u>	<u>\$ 76,485</u>
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Parks and Fair Boards	\$ 994,751	\$ (16,923)	\$ 10,796	\$ 988,624	\$ 1,114,874	\$ 1,114,874	\$ 126,250
Other Social, Cultural, and Recreational	114,100	(5,649)	1,000	109,451	121,750	121,750	12,299
Total Expenditures	<u>\$ 1,108,851</u>	<u>\$ (22,572)</u>	<u>\$ 11,796</u>	<u>\$ 1,098,075</u>	<u>\$ 1,236,624</u>	<u>\$ 1,236,624</u>	<u>\$ 138,549</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 48,154</u>	<u>\$ 22,572</u>	<u>\$ (11,796)</u>	<u>\$ 58,930</u>	<u>\$ (156,104)</u>	<u>\$ (156,104)</u>	<u>\$ 215,034</u>
Net Change in Fund Balance	\$ 48,154	\$ 22,572	\$ (11,796)	\$ 58,930	\$ (156,104)	\$ (156,104)	\$ 215,034
Fund Balance, July 1, 2018	407,994	(22,572)	0	385,422	334,757	334,757	50,665
Fund Balance, June 30, 2019	<u>\$ 456,148</u>	<u>\$ 0</u>	<u>\$ (11,796)</u>	<u>\$ 444,352</u>	<u>\$ 178,653</u>	<u>\$ 178,653</u>	<u>\$ 265,699</u>

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, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,026,621	\$ 2,065,580	\$ 2,080,580	\$ (53,959)
Other Local Revenues	3,609	2,000	2,000	1,609
State of Tennessee	3,070,110	3,811,770	3,811,770	(741,660)
Total Revenues	<u>\$ 5,100,340</u>	<u>\$ 5,879,350</u>	<u>\$ 5,894,350</u>	<u>\$ (794,010)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 341,500	\$ 370,188	\$ 370,488	\$ 28,988
Highway and Bridge Maintenance	2,238,993	3,448,500	3,276,800	1,037,807
Operation and Maintenance of Equipment	392,913	413,500	455,500	62,587
Other Charges	232,362	246,850	249,050	16,688
Capital Outlay	999,135	1,398,216	1,913,216	914,081
Total Expenditures	<u>\$ 4,204,903</u>	<u>\$ 5,877,254</u>	<u>\$ 6,265,054</u>	<u>\$ 2,060,151</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 895,437</u>	<u>\$ 2,096</u>	<u>\$ (370,704)</u>	<u>\$ 1,266,141</u>
Net Change in Fund Balance	\$ 895,437	\$ 2,096	\$ (370,704)	\$ 1,266,141
Fund Balance, July 1, 2018	1,649,787	1,341,450	1,341,450	308,337
Fund Balance, June 30, 2019	<u>\$ 2,545,224</u>	<u>\$ 1,343,546</u>	<u>\$ 970,746</u>	<u>\$ 1,574,478</u>

Exhibit G-9

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Capital Projects Fund
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 343,283	\$ 0	\$ 0	\$ 343,283	\$ 343,260	\$ 343,260	\$ 23
Total Revenues	\$ 343,283	\$ 0	\$ 0	\$ 343,283	\$ 343,260	\$ 343,260	\$ 23
<u>Expenditures</u>							
<u>General Government</u>							
County Buildings	\$ 3,827,583	\$ (1,420,305)	\$ 2,379,595	\$ 4,786,873	\$ 5,311,500	\$ 5,341,700	\$ 554,827
Total Expenditures	\$ 3,827,583	\$ (1,420,305)	\$ 2,379,595	\$ 4,786,873	\$ 5,311,500	\$ 5,341,700	\$ 554,827
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,484,300)	\$ 1,420,305	\$ (2,379,595)	\$ (4,443,590)	\$ (4,968,240)	\$ (4,998,440)	\$ 554,850
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 4,550,000	\$ 0	\$ 0	\$ 4,550,000	\$ 4,550,000	\$ 4,550,000	\$ 0
Total Other Financing Sources	\$ 4,550,000	\$ 0	\$ 0	\$ 4,550,000	\$ 4,550,000	\$ 4,550,000	\$ 0
Net Change in Fund Balance	\$ 1,065,700	\$ 1,420,305	\$ (2,379,595)	\$ 106,410	\$ (418,240)	\$ (448,440)	\$ 554,850
Fund Balance, July 1, 2018	2,827,100	(1,420,305)	0	1,406,795	1,339,035	1,339,035	67,760
Fund Balance, June 30, 2019	\$ 3,892,800	\$ 0	\$ (2,379,595)	\$ 1,513,205	\$ 920,795	\$ 890,595	\$ 622,610

Major Governmental Fund

Debt Service Fund

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

Exhibit H

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 19,166,786	\$ 17,418,865	\$ 17,433,865	\$ 1,732,921
Other Local Revenues	420,489	0	0	420,489
Other Governments and Citizens Groups	703,683	0	703,683	0
Total Revenues	<u>\$ 20,290,958</u>	<u>\$ 17,418,865</u>	<u>\$ 18,137,548</u>	<u>\$ 2,153,410</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,065,000	\$ 0	\$ 1,065,000	\$ 0
Education	6,741,233	10,412,463	6,741,233	0
<u>Interest on Debt</u>				
General Government	787,411	0	788,127	716
Education	4,374,912	0	4,374,913	1
<u>Other Debt Service</u>				
Education	293,754	337,000	337,000	43,246
<u>Capital Projects</u>				
Public Safety Projects	0	1,853,127	0	0
Total Expenditures	<u>\$ 13,262,310</u>	<u>\$ 12,602,590</u>	<u>\$ 13,306,273</u>	<u>\$ 43,963</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 7,028,648</u>	<u>\$ 4,816,275</u>	<u>\$ 4,831,275</u>	<u>\$ 2,197,373</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (4,550,000)	\$ (4,550,000)	\$ (4,565,000)	\$ 15,000
Total Other Financing Sources	<u>\$ (4,550,000)</u>	<u>\$ (4,550,000)</u>	<u>\$ (4,565,000)</u>	<u>\$ 15,000</u>
Net Change in Fund Balance	\$ 2,478,648	\$ 266,275	\$ 266,275	\$ 2,212,373
Fund Balance, July 1, 2018	12,255,312	11,619,682	11,619,682	635,630
Fund Balance, June 30, 2019	<u>\$ 14,733,960</u>	<u>\$ 11,885,957</u>	<u>\$ 11,885,957</u>	<u>\$ 2,848,003</u>

Fiduciary Funds

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

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

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

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

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

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

Exhibit I-1

Putnam County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2019

	Agency Funds					
	Cities - Sales Tax	Community Development Agency	Constitu - tional Officers - Agency	Judicial District Drug	District Attorney General	Total
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 2,925,866	\$ 0	\$ 0	\$ 2,925,866
Equity in Pooled Cash and Investments	0	88,459	0	22,350	99,959	210,768
Due from Other Governments	2,893,197	0	0	8,447	0	2,901,644
Total Assets	<u>\$ 2,893,197</u>	<u>\$ 88,459</u>	<u>\$ 2,925,866</u>	<u>\$ 30,797</u>	<u>\$ 99,959</u>	<u>\$ 6,038,278</u>
<u>LIABILITIES</u>						
Due to Other Taxing Units	\$ 2,893,197	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,893,197
Due to Litigants, Heirs, and Others	0	0	2,925,866	0	99,959	3,025,825
Due to Joint Ventures	0	88,459	0	30,797	0	119,256
Total Liabilities	<u>\$ 2,893,197</u>	<u>\$ 88,459</u>	<u>\$ 2,925,866</u>	<u>\$ 30,797</u>	<u>\$ 99,959</u>	<u>\$ 6,038,278</u>

Exhibit I-2

Putnam County, Tennessee
Combining Statement of Changes in Assets and
Liabilities - All Agency Funds
For the Year Ended June 30, 2019

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 16,719,108	\$ 16,719,108	\$ 0
Due from Other Governments	2,737,093	2,893,197	2,737,093	2,893,197
Total Assets	\$ 2,737,093	\$ 19,612,305	\$ 19,456,201	\$ 2,893,197
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,737,093	\$ 19,612,305	\$ 19,456,201	\$ 2,893,197
Total Liabilities	\$ 2,737,093	\$ 19,612,305	\$ 19,456,201	\$ 2,893,197
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 3,169,431	\$ 30,412,415	\$ 30,655,980	\$ 2,925,866
Total Assets	\$ 3,169,431	\$ 30,412,415	\$ 30,655,980	\$ 2,925,866
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 3,169,431	\$ 30,412,415	\$ 30,655,980	\$ 2,925,866
Total Liabilities	\$ 3,169,431	\$ 30,412,415	\$ 30,655,980	\$ 2,925,866
<u>Community Development - Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 77,272	\$ 132,018	\$ 120,831	\$ 88,459
Total Assets	\$ 77,272	\$ 132,018	\$ 120,831	\$ 88,459
<u>Liabilities</u>				
Due to Joint Ventures	\$ 77,272	\$ 132,018	\$ 120,831	\$ 88,459
Total Liabilities	\$ 77,272	\$ 132,018	\$ 120,831	\$ 88,459

(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	\$ 39,575	\$ 63,483	\$ 80,708	\$ 22,350
Due from Other Governments	3,944	8,447	3,944	8,447
Total Assets	\$ 43,519	\$ 71,930	\$ 84,652	\$ 30,797
<u>Liabilities</u>				
Due to Joint Ventures	\$ 43,519	\$ 71,930	\$ 84,652	\$ 30,797
Total Liabilities	\$ 43,519	\$ 71,930	\$ 84,652	\$ 30,797
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 99,364	\$ 36,847	\$ 36,252	\$ 99,959
Total Assets	\$ 99,364	\$ 36,847	\$ 36,252	\$ 99,959
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 99,364	\$ 36,847	\$ 36,252	\$ 99,959
Total Liabilities	\$ 99,364	\$ 36,847	\$ 36,252	\$ 99,959
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 3,169,431	\$ 30,412,415	\$ 30,655,980	\$ 2,925,866
Equity in Pooled Cash and Investments	216,211	16,951,456	16,956,899	210,768
Due from Other Governments	2,741,037	2,901,644	2,741,037	2,901,644
Total Assets	\$ 6,126,679	\$ 50,265,515	\$ 50,353,916	\$ 6,038,278
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,737,093	\$ 19,612,305	\$ 19,456,201	\$ 2,893,197
Due to Litigants, Heirs, and Others	3,268,795	30,449,262	30,692,232	3,025,825
Due to Joint Ventures	120,791	203,948	205,483	119,256
Total Liabilities	\$ 6,126,679	\$ 50,265,515	\$ 50,353,916	\$ 6,038,278

Putnam County School Department

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

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

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

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

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

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

Exhibit J-1

Putnam County, Tennessee
Statement of Activities
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2019

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	\$ 60,740,278	\$ 0	\$ 5,104,628	\$ (55,635,650)
Support Services	32,864,925	259,638	210,481	(32,394,806)
Operation of Non-instructional Services	10,973,239	2,513,677	7,090,653	(1,368,909)
Interest on Long-term Debt	22,450	0	0	(22,450)
Total Governmental Activities	<u>\$ 104,600,892</u>	<u>\$ 2,773,315</u>	<u>\$ 12,405,762</u>	<u>\$ (89,421,815)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 15,465,764
Local Option Sales Taxes				16,999,992
Mixed Drink Tax				179,552
Grants and Contributions Not Restricted to Specific Programs				57,689,696
Unrestricted Investment Earnings				18,088
Miscellaneous				33,644
Total General Revenues				<u>\$ 90,386,736</u>
Change in Net Position				\$ 964,921
Net Position, July 1, 2018				<u>171,954,733</u>
Net Position, June 30, 2019				<u>\$ 172,919,654</u>

Exhibit J-2

Putnam County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2019

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	<u>General</u>	<u>Other</u>	
	<u>Purpose</u>	<u>Govern-</u>	<u>Total</u>
	<u>School</u>	<u>mental</u>	<u>Governmental</u>
		<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 6,897,165	\$ 1,913,831	\$ 8,810,996
Inventories	38,646	0	38,646
Accounts Receivable	1,905	12,848	14,753
Due from Other Governments	5,326,558	1,226,870	6,553,428
Due from Other Funds	9,399	0	9,399
Due from Primary Government	28,639	0	28,639
Property Taxes Receivable	14,756,648	0	14,756,648
Allowance for Uncollectible Property Taxes	(276,345)	0	(276,345)
Restricted Assets	183,544	0	183,544
Total Assets	<u>\$ 26,966,159</u>	<u>\$ 3,153,549</u>	<u>\$ 30,119,708</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 349,187	\$ 2,905	\$ 352,092
Accrued Payroll	571,053	137,307	708,360
Payroll Deductions Payable	306,234	34,348	340,582
Total Liabilities	<u>\$ 1,226,474</u>	<u>\$ 174,560</u>	<u>\$ 1,401,034</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 14,202,539	\$ 0	\$ 14,202,539
Deferred Delinquent Property Taxes	277,763	0	277,763
Other Deferred/Unavailable Revenue	1,416,666	0	1,416,666
Total Deferred Inflows of Resources	<u>\$ 15,896,968</u>	<u>\$ 0</u>	<u>\$ 15,896,968</u>
<u>FUND BALANCES</u>			
Nonspendable:			
Inventory	\$ 38,646	\$ 0	\$ 38,646
Restricted:			
Restricted for Education	32,694	1,228,150	1,260,844
Restricted for Hybrid Retirement Stabilization Funds	183,544	0	183,544
Committed:			
Committed for Education	0	1,750,839	1,750,839
Assigned:			
Assigned for Education	429,108	0	429,108
Unassigned	9,158,725	0	9,158,725
Total Fund Balances	<u>\$ 9,842,717</u>	<u>\$ 2,978,989</u>	<u>\$ 12,821,706</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 26,966,159</u>	<u>\$ 3,153,549</u>	<u>\$ 30,119,708</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, 2019

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)		\$	12,821,706
(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: buildings and improvements net of accumulated depreciation		154,282,427	
Add: other capital assets net of accumulated depreciation		<u>3,110,834</u>	163,163,256
(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	\$	(254,589)	
Less: contributions due on the primary government debt for other loans		(2,029,884)	
Less: contributions due on the primary government debt for capital leases		(727,027)	
Less: net OPEB liability		(6,672,747)	
Less: net pension liability - agent plan		<u>(541,082)</u>	(10,225,329)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension expense in future years:			
Add: deferred outflows of resources related to pensions	\$	9,599,547	
Less: deferred inflows of resources related to pensions		(6,797,113)	
Add: deferred outflows of resources related to OPEB		740,115	
Less: deferred inflows of resources related to OPEB		<u>(2,180,219)</u>	1,362,330
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension assets - teacher retirement plan	\$	341,252	
Add: net pension assets - teacher legacy plan		<u>3,762,010</u>	4,103,262
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,694,429</u>
Net position of governmental activities (Exhibit A)			<u>\$ 172,919,654</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, 2019

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 32,753,576	\$ 0	\$ 32,753,576
Licenses and Permits	5,672	0	5,672
Charges for Current Services	270,344	2,390,397	2,660,741
Other Local Revenues	36,493	15,238	51,731
State of Tennessee	56,467,375	110,630	56,578,005
Federal Government	889,880	12,910,371	13,800,251
Other Governments and Citizens Groups	1,167,040	0	1,167,040
Total Revenues	<u>\$ 91,590,380</u>	<u>\$ 15,426,636</u>	<u>\$ 107,017,016</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 56,065,940	\$ 4,803,002	\$ 60,868,942
Support Services	32,084,462	2,108,539	34,193,001
Operation of Non-Instructional Services	3,161,521	7,785,860	10,947,381
Capital Outlay	1,767,710	0	1,767,710
Debt Service:			
Principal on Debt	681,233	0	681,233
Interest on Debt	22,450	0	22,450
Total Expenditures	<u>\$ 93,783,316</u>	<u>\$ 14,697,401</u>	<u>\$ 108,480,717</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,192,936)</u>	<u>\$ 729,235</u>	<u>\$ (1,463,701)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 874,012	\$ 0	\$ 874,012
Transfers Out	0	(874,012)	(874,012)
Total Other Financing Sources (Uses)	<u>\$ 874,012</u>	<u>\$ (874,012)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ (1,318,924)	\$ (144,777)	\$ (1,463,701)
Fund Balance, July 1, 2018	11,161,641	3,123,766	14,285,407
Fund Balance, June 30, 2019	<u>\$ 9,842,717</u>	<u>\$ 2,978,989</u>	<u>\$ 12,821,706</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, 2019

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ (1,463,701)
<p>(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:</p>		
Add: capital assets purchased in the current period	\$ 1,279,271	
Less: current-year depreciation expense	<u>(4,085,520)</u>	(2,806,249)
<p>(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Add: deferred delinquent property taxes and other deferred June 30, 2019	\$ 1,694,429	
Less: deferred delinquent property taxes and other deferred June 30, 2018	<u>(1,668,144)</u>	26,285
<p>(3) 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.</p>		
Add: principal contribution on other loans to the primary government	\$ 317,700	
Add: principal contribution on capital lease to the primary government	363,533	
Less: capital lease proceeds contributed from primary government	<u>(1,090,560)</u>	(409,327)
<p>(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Change in compensated absences payable	\$ (22,714)	
Change in OPEB liability	1,491,640	
Change in deferred outflows related to OPEB	229,090	
Change in deferred inflows related to OPEB	(1,823,930)	
Change in net pension liability - agent plan	1,595,360	
Change in net pension liability - teacher retirement plan	157,340	
Change in net pension liability - teacher legacy plan	3,409,746	
Change in deferred outflows related to pensions	(272,735)	
Change in deferred inflows related to pensions	<u>854,116</u>	<u>5,617,913</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 964,921</u>

Exhibit J-6

Putnam County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Putnam County School Department
June 30, 2019

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Extended School Program</u>	
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 272,908	\$ 888,519	\$ 752,404	\$ 1,913,831
Accounts Receivable	154	12,244	450	12,848
Due from Other Governments	988,982	237,888	0	1,226,870
Total Assets	<u>\$ 1,262,044</u>	<u>\$ 1,138,651</u>	<u>\$ 752,854</u>	<u>\$ 3,153,549</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 333	\$ 775	\$ 1,797	\$ 2,905
Accrued Payroll	137,307	0	0	137,307
Payroll Deductions Payable	34,130	0	218	34,348
Total Liabilities	<u>\$ 171,770</u>	<u>\$ 775</u>	<u>\$ 2,015</u>	<u>\$ 174,560</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 90,274	\$ 1,137,876	\$ 0	\$ 1,228,150
Committed:				
Committed for Education	1,000,000	0	750,839	1,750,839
Total Fund Balances	<u>\$ 1,090,274</u>	<u>\$ 1,137,876</u>	<u>\$ 750,839</u>	<u>\$ 2,978,989</u>
Total Liabilities and Fund Balances	<u>\$ 1,262,044</u>	<u>\$ 1,138,651</u>	<u>\$ 752,854</u>	<u>\$ 3,153,549</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, 2019

	Special Revenue Funds				Capital	Total
	School Federal Projects	Central Cafeteria	Extended School Program	Total	Projects Fund Education Capital Projects	Nonmajor Governmental Funds
<u>Revenues</u>						
Charges for Current Services	\$ 0	\$ 1,348,021	\$ 1,042,376	\$ 2,390,397	\$ 0	\$ 2,390,397
Other Local Revenues	0	15,238	0	15,238	0	15,238
State of Tennessee	61,164	49,466	0	110,630	0	110,630
Federal Government	7,186,566	5,611,230	112,575	12,910,371	0	12,910,371
Total Revenues	<u>\$ 7,247,730</u>	<u>\$ 7,023,955</u>	<u>\$ 1,154,951</u>	<u>\$ 15,426,636</u>	<u>\$ 0</u>	<u>\$ 15,426,636</u>
<u>Expenditures</u>						
Current:						
Instruction	\$ 4,803,002	\$ 0	\$ 0	\$ 4,803,002	\$ 0	\$ 4,803,002
Support Services	2,087,437	0	0	2,087,437	21,102	2,108,539
Operation of Non-Instructional Services	186,613	6,500,305	1,098,942	7,785,860	0	7,785,860
Total Expenditures	<u>\$ 7,077,052</u>	<u>\$ 6,500,305</u>	<u>\$ 1,098,942</u>	<u>\$ 14,676,299</u>	<u>\$ 21,102</u>	<u>\$ 14,697,401</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 170,678</u>	<u>\$ 523,650</u>	<u>\$ 56,009</u>	<u>\$ 750,337</u>	<u>\$ (21,102)</u>	<u>\$ 729,235</u>
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (163,887)	\$ (710,125)	\$ 0	\$ (874,012)	\$ 0	\$ (874,012)
Total Other Financing Sources (Uses)	<u>\$ (163,887)</u>	<u>\$ (710,125)</u>	<u>\$ 0</u>	<u>\$ (874,012)</u>	<u>\$ 0</u>	<u>\$ (874,012)</u>
Net Change in Fund Balances	\$ 6,791	\$ (186,475)	\$ 56,009	\$ (123,675)	\$ (21,102)	\$ (144,777)
Fund Balance, July 1, 2018	1,083,483	1,324,351	694,830	3,102,664	21,102	3,123,766
Fund Balance, June 30, 2019	<u>\$ 1,090,274</u>	<u>\$ 1,137,876</u>	<u>\$ 750,839</u>	<u>\$ 2,978,989</u>	<u>\$ 0</u>	<u>\$ 2,978,989</u>

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, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 32,753,576	\$ 0	\$ 0	\$ 32,753,576	\$ 32,585,830	\$ 32,735,830	\$ 17,746
Licenses and Permits	5,672	0	0	5,672	5,000	5,000	672
Charges for Current Services	270,344	0	0	270,344	281,317	405,037	(134,693)
Other Local Revenues	36,493	0	0	36,493	22,700	22,700	13,793
State of Tennessee	56,467,375	0	0	56,467,375	54,460,706	57,128,296	(660,921)
Federal Government	889,880	0	0	889,880	242,338	630,522	259,358
Other Governments and Citizens Groups	1,167,040	0	0	1,167,040	9,000	1,169,560	(2,520)
Total Revenues	\$ 91,590,380	\$ 0	\$ 0	\$ 91,590,380	\$ 87,606,891	\$ 92,096,945	\$ (506,565)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 44,559,658	\$ (103,094)	\$ 71,789	\$ 44,528,353	\$ 45,840,970	\$ 44,859,452	\$ 331,099
Alternative Instruction Program	621,595	(845)	0	620,750	655,589	629,934	9,184
Special Education Program	8,812,541	(2,809)	0	8,809,732	8,851,190	8,953,921	144,189
Career and Technical Education Program	1,511,144	(1,168)	8,256	1,518,232	1,483,082	1,529,944	11,712
Adult Education Program	561,002	(59)	0	560,943	0	687,466	126,523
<u>Support Services</u>							
Attendance	290,764	0	0	290,764	286,408	298,515	7,751
Health Services	1,004,542	0	0	1,004,542	1,382,879	1,013,876	9,334
Other Student Support	2,773,741	(2,970)	26,800	2,797,571	2,843,750	2,991,042	193,471
Regular Instruction Program	2,792,298	(3,733)	5,747	2,794,312	2,664,532	2,843,521	49,209
Alternative Instruction Program	135,183	0	0	135,183	141,413	141,372	6,189
Special Education Program	1,657,629	0	181	1,657,810	1,179,789	1,706,275	48,465
Career and Technical Education Program	87,152	0	0	87,152	93,635	87,728	576
Technology	1,141,286	(28,129)	6,353	1,119,510	1,575,826	1,149,813	30,303
Adult Programs	181,701	0	0	181,701	0	197,239	15,538
Other Programs	386,928	0	0	386,928	0	386,928	0
Board of Education	1,760,969	(82)	70	1,760,957	1,760,583	1,835,253	74,296
Director of Schools	154,192	0	0	154,192	156,066	154,664	472

(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 7/1/2018	Add: Encumbrances 6/30/2019	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	\$ 6,448,864	\$ 0	\$ 0	\$ 6,448,864	\$ 6,649,356	\$ 6,500,079	\$ 51,215
Fiscal Services	730,868	(422)	0	730,446	717,544	749,580	19,134
Human Services/Personnel	236,689	0	0	236,689	247,383	252,834	16,145
Operation of Plant	6,418,376	(2,622)	1,742	6,417,496	6,773,139	6,513,069	95,573
Maintenance of Plant	2,287,917	(127,565)	76,111	2,236,463	2,558,544	2,476,760	240,297
Transportation	3,595,363	(2,323)	222,627	3,815,667	3,577,677	3,900,441	84,774
<u>Operation of Non-Instructional Services</u>							
Food Service	495,718	0	0	495,718	447,878	502,651	6,933
Community Services	765,285	(5,204)	2,848	762,929	68,570	799,234	36,305
Early Childhood Education	1,900,518	0	6,584	1,907,102	1,927,785	1,955,324	48,222
<u>Capital Outlay</u>							
Regular Capital Outlay	1,767,710	0	0	1,767,710	0	1,767,710	0
<u>Principal on Debt</u>							
Education	681,233	0	0	681,233	0	681,233	0
<u>Interest on Debt</u>							
Education	22,450	0	0	22,450	0	22,450	0
Total Expenditures	\$ 93,783,316	\$ (281,025)	\$ 429,108	\$ 93,931,399	\$ 91,883,588	\$ 95,588,308	\$ 1,656,909
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (2,192,936)	\$ 281,025	\$ (429,108)	\$ (2,341,019)	\$ (4,276,697)	\$ (3,491,363)	\$ 1,150,344
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 874,012	\$ 0	\$ 0	\$ 874,012	\$ 709,496	\$ 705,919	\$ 168,093
Total Other Financing Sources	\$ 874,012	\$ 0	\$ 0	\$ 874,012	\$ 709,496	\$ 705,919	\$ 168,093
Net Change in Fund Balance	\$ (1,318,924)	\$ 281,025	\$ (429,108)	\$ (1,467,007)	\$ (3,567,201)	\$ (2,785,444)	\$ 1,318,437
Fund Balance, July 1, 2018	11,161,641	(281,025)	0	10,880,616	11,392,370	11,392,370	(511,754)
Fund Balance, June 30, 2019	\$ 9,842,717	\$ 0	\$ (429,108)	\$ 9,413,609	\$ 7,825,169	\$ 8,606,926	\$ 806,683

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, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
State of Tennessee	\$ 61,164	\$ 0	\$ 0	\$ 61,164	\$ 0	\$ 61,164	\$ 0
Federal Government	7,186,566	0	0	7,186,566	6,237,161	8,713,097	(1,526,531)
Total Revenues	\$ 7,247,730	\$ 0	\$ 0	\$ 7,247,730	\$ 6,237,161	\$ 8,774,261	\$ (1,526,531)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 2,171,951	\$ (2,017)	\$ 5,350	\$ 2,175,284	\$ 2,008,286	\$ 2,498,612	\$ 323,328
Special Education Program	2,439,795	0	0	2,439,795	2,133,012	2,669,469	229,674
Career and Technical Education Program	191,256	(1,692)	0	189,564	139,012	200,956	11,392
<u>Support Services</u>							
Other Student Support	63,766	0	0	63,766	73,903	72,293	8,527
Regular Instruction Program	1,595,203	0	25	1,595,228	1,492,213	2,061,126	465,898
Special Education Program	408,314	0	0	408,314	229,270	426,381	18,067
Transportation	20,154	0	0	20,154	23,484	25,484	5,330
<u>Operation of Non-Instructional Services</u>							
Food Service	1,513	0	593	2,106	0	2,106	0
Community Services	185,100	0	0	185,100	0	272,834	87,734
Total Expenditures	\$ 7,077,052	\$ (3,709)	\$ 5,968	\$ 7,079,311	\$ 6,099,180	\$ 8,229,261	\$ 1,149,950
Excess (Deficiency) of Revenues Over Expenditures	\$ 170,678	\$ 3,709	\$ (5,968)	\$ 168,419	\$ 137,981	\$ 545,000	\$ (376,581)
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 285,305	\$ 285,305	\$ (285,305)
Transfers Out	(163,887)	0	0	(163,887)	(423,286)	(830,305)	666,418
Total Other Financing Sources	\$ (163,887)	\$ 0	\$ 0	\$ (163,887)	\$ (137,981)	\$ (545,000)	\$ 381,113
Net Change in Fund Balance	\$ 6,791	\$ 3,709	\$ (5,968)	\$ 4,532	\$ 0	\$ 0	\$ 4,532
Fund Balance, July 1, 2018	1,083,483	(3,709)	0	1,079,774	1,000,000	1,000,000	79,774
Fund Balance, June 30, 2019	\$ 1,090,274	\$ 0	\$ (5,968)	\$ 1,084,306	\$ 1,000,000	\$ 1,000,000	\$ 84,306

Exhibit J-10

Putnam County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Putnam County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 1,348,021	\$ 0	\$ 1,348,021	\$ 1,100,000	\$ 1,090,000	\$ 258,021
Other Local Revenues	15,238	0	15,238	0	0	15,238
State of Tennessee	49,466	0	49,466	50,000	50,000	(534)
Federal Government	5,611,230	0	5,611,230	5,961,763	6,138,738	(527,508)
Total Revenues	\$ 7,023,955	\$ 0	\$ 7,023,955	\$ 7,111,763	\$ 7,278,738	\$ (254,783)
<u>Expenditures</u>						
<u>Operation of Non-Instructional Services</u>						
Food Service	\$ 6,500,305	\$ (4,008)	\$ 6,496,297	\$ 6,436,763	\$ 6,549,738	\$ 53,441
Total Expenditures	\$ 6,500,305	\$ (4,008)	\$ 6,496,297	\$ 6,436,763	\$ 6,549,738	\$ 53,441
Excess (Deficiency) of Revenues Over Expenditures	\$ 523,650	\$ 4,008	\$ 527,658	\$ 675,000	\$ 729,000	\$ (201,342)
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (710,125)	\$ 0	\$ (710,125)	\$ (675,000)	\$ (729,000)	\$ 18,875
Total Other Financing Sources	\$ (710,125)	\$ 0	\$ (710,125)	\$ (675,000)	\$ (729,000)	\$ 18,875
Net Change in Fund Balance	\$ (186,475)	\$ 4,008	\$ (182,467)	\$ 0	\$ 0	\$ (182,467)
Fund Balance, July 1, 2018	1,324,351	(4,008)	1,320,343	1,472,125	1,472,125	(151,782)
Fund Balance, June 30, 2019	\$ 1,137,876	\$ 0	\$ 1,137,876	\$ 1,472,125	\$ 1,472,125	\$ (334,249)

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, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,042,376	\$ 0	\$ 0	\$ 1,042,376	\$ 1,113,038	\$ 1,000,463	\$ 41,913
Federal Government	112,575	0	0	112,575	0	112,575	0
Total Revenues	<u>\$ 1,154,951</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,154,951</u>	<u>\$ 1,113,038</u>	<u>\$ 1,113,038</u>	<u>\$ 41,913</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 1,098,942	\$ (19,901)	\$ 848	\$ 1,079,889	\$ 1,113,038	\$ 1,113,038	\$ 33,149
Total Expenditures	<u>\$ 1,098,942</u>	<u>\$ (19,901)</u>	<u>\$ 848</u>	<u>\$ 1,079,889</u>	<u>\$ 1,113,038</u>	<u>\$ 1,113,038</u>	<u>\$ 33,149</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 56,009</u>	<u>\$ 19,901</u>	<u>\$ (848)</u>	<u>\$ 75,062</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 75,062</u>
Net Change in Fund Balance	\$ 56,009	\$ 19,901	\$ (848)	\$ 75,062	\$ 0	\$ 0	\$ 75,062
Fund Balance, July 1, 2018	694,830	(19,901)	0	674,929	570,166	570,166	104,763
Fund Balance, June 30, 2019	<u>\$ 750,839</u>	<u>\$ 0</u>	<u>\$ (848)</u>	<u>\$ 749,991</u>	<u>\$ 570,166</u>	<u>\$ 570,166</u>	<u>\$ 179,825</u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

Putnam County, Tennessee
Schedule of Changes in Long-term Bonds, Other Loans, and Capital Leases
For the Year Ended June 30, 2019

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-18	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-19
<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	\$ 6,500,000	\$ 0	\$ 100,000	\$ 6,400,000
School Bonds, Series 2013	52,235,000	2 to 3.5	6-6-13	4-1-33	51,735,000	0	100,000	51,635,000
General Obligation Refunding Bond, Series 2018	13,455,000	2 to 4	2-9-18	4-1-28	13,455,000	0	965,000	12,490,000
School Refunding	35,280,000	4.85 to 5.5	8-1-01	4-1-20	9,905,000	0	4,960,000	4,945,000
School Refunding, Series 2017	44,260,000	4 to 5	2-17-17	4-1-28	43,720,000	0	1,000,000	42,720,000
Total Bonds Payable					<u>\$ 125,315,000</u>	<u>\$ 0</u>	<u>\$ 7,125,000</u>	<u>\$ 118,190,000</u>
<u>OTHER LOANS PAYABLE</u>								
<u>Contributions Due by the School Department from the General 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	<u>\$ 2,347,584</u>	<u>\$ 0</u>	<u>\$ 317,700</u>	<u>\$ 2,029,884</u>
<u>CAPITAL LEASES PAYABLE</u>								
<u>Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund</u>								
Computers	1,090,560	0.9	9-1-18	3-1-21	<u>\$ 0</u>	<u>\$ 1,090,560</u>	<u>\$ 363,533</u>	<u>\$ 727,027</u>

Exhibit K-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 8,625,000	\$ 4,719,178	\$ 13,344,178
2021	9,085,000	4,296,913	13,381,913
2022	9,375,000	3,890,613	13,265,613
2023	9,655,000	3,470,188	13,125,188
2024	10,145,000	3,038,713	13,183,713
2025	10,635,000	2,624,913	13,259,913
2026	11,120,000	2,192,863	13,312,863
2027	11,075,000	1,774,250	12,849,250
2028	8,480,000	1,328,075	9,808,075
2029	6,630,000	1,026,125	7,656,125
2030	6,630,000	820,925	7,450,925
2031	6,000,000	585,725	6,585,725
2032	5,735,000	375,725	6,110,725
2033	5,000,000	175,000	5,175,000
Total	\$ 118,190,000	\$ 30,319,206	\$ 148,509,206

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2020	\$ 384,744	\$ 18,540	\$ 403,284
2021	388,608	14,676	403,284
2022	392,520	10,764	403,284
2023	396,456	6,828	403,284
2024	400,440	2,844	403,284
2025	67,116	87	67,203
Total	\$ 2,029,884	\$ 53,739	\$ 2,083,623

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2020	\$ 361,882	\$ 5,731	\$ 367,613
2021	365,145	2,467	367,612
Total	\$ 727,027	\$ 8,198	\$ 735,225

Exhibit K-3

Putnam County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Putnam County School Department
For the Year Ended June 30, 2019

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Drug Control	Operations	\$ 50,000
Industrial/Economic Development	Community Development - Agency Fund	Operations	36,965
General Debt Service	General Capital Projects	Capital projects	<u>4,550,000</u>
Total Transfers Primary Government			<u>\$ 4,636,965</u>
<u>DISCRETELY PRESENTED PUTNAM COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 163,887
Central Cafeteria	"	Reimbursement of direct costs	<u>710,125</u>
Total Transfers Discretely Presented Putnam County School Department			<u>\$ 874,012</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, 2019

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i> , and County Commission	\$ 104,444 (1)	\$ 100,000	Nationwide Mutual
Road Supervisor	Section 8-24-102, <i>TCA</i>	97,853	100,000	Western Surety Company
Director of Schools	State Board of Education and Putnam County Board of Education	109,120 (2)	100,000	Nationwide Mutual
Trustee	Section 8-24-102, <i>TCA</i>	88,957	3,700,000	Auto Owners Mutual Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	88,957	50,000	Nationwide Mutual Insurance Company
County Clerk	Section 8-24-102, <i>TCA</i> and County Commission	88,957 (3)	100,000	Travelers Casualty and Surety Company of America
Circuit, General Sessions, and Juvenile Courts Clerk:				
Marcia Borys (7-1-18 to 8-31-18)	Section 8-24-102, <i>TCA</i> , and Probate Judge	15,739 (4)	110,000	Western Surety Company
Jennifer Wilkerson (9-1-18 to 6-30-19)	Section 8-24-102, <i>TCA</i> , and Probate Judge	73,218 (5)	110,000	RLI Insurance Company
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	88,957 (6)	150,000	Western Surety Company
Register of Deeds	Section 8-24-102, <i>TCA</i>	88,957	100,000	"
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	97,853 (7)	100,000	Nationwide Mutual Insurance Company
Employee Blanket Bonds				
Public Employee Dishonesty - Primary Government and the Discretely Presented Putnam County School Department			500,000	Hartford Insurance Company

- (1) Includes additional appropriation of \$1,698.
- (2) Includes \$1,000 for chief executive officer training.
- (3) Does not include \$150 for serving as secretary of the Beer Board.
- (4) Does not include special commissioners fees of \$13,500.
- (5) Does not include special commissioners fees of \$4,103.
- (6) Does not include special commissioners fees of \$11,865.
- (7) Does not include a payment of \$1,154 for serving as superintendent of the workhouse and does not include a law enforcement training supplement of \$600.

Exhibit K-5

Putnam County, Tennessee
 Schedule of Detailed Revenues -
All Governmental Fund Types
 For the Year Ended June 30, 2019

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 13,740,715	\$ 2,927,012	\$ 325,222	\$ 0	\$ 0	\$ 650,448
Trustee's Collections - Prior Year	241,711	51,500	5,730	0	0	11,456
Circuit Clerk/Clerk and Master Collections - Prior Years	170,569	36,334	4,037	0	0	8,074
Interest and Penalty	51,347	10,942	1,219	0	0	2,436
Payments in-Lieu-of Taxes - T.V.A.	331	71	8	0	0	16
Payments in-Lieu-of Taxes - Other	180,541	37,180	4,131	0	0	8,262
<u>County Local Option Taxes</u>						
Local Option Sales Tax	811,396	0	0	0	0	0
Hotel/Motel Tax	0	0	470,883	0	0	331,362
Litigation Tax - General	333,484	0	0	0	0	0
Litigation Tax - Special Purpose	246	0	0	0	0	0
Business Tax	1,459,443	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	131,087	26,544	2,949	0	0	5,899
Wholesale Beer Tax	181,600	0	0	0	0	0
Total Local Taxes	\$ 17,302,470	\$ 3,089,583	\$ 814,179	\$ 0	\$ 0	\$ 1,017,953
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 293,310	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>						
Building Permits	164,684	0	0	0	0	0
Electrical Permits	114,085	0	0	0	0	0
Plumbing Permits	10,964	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Other Permits	\$ 2,875	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 585,918	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 21,930	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	14,037	0	0	0	0	0
Drug Control Fines	3,999	0	0	0	4,336	0
Drug Court Fees	8,766	0	0	0	0	0
Veterans Treatment Court Fees	5,148	0	0	0	0	0
Jail Fees	34,127	0	0	0	0	0
Judicial Commissioner Fees	81	0	0	0	0	0
DUI Treatment Fines	13,313	0	0	0	0	0
Data Entry Fee - Circuit Court	5,914	0	0	0	0	0
Courtroom Security Fee	242	0	0	0	0	0
Victims Assistance Assessments	20,051	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	21,592	0	0	0	0	0
Officers Costs	126,001	0	0	0	0	0
Game and Fish Fines	233	0	0	0	0	0
Drug Control Fines	236	0	0	0	520	0
Drug Court Fees	10,552	0	0	0	0	0
Veterans Treatment Court Fees	5,710	0	0	0	0	0
Jail Fees	119,471	0	0	0	0	0
Interpreter Fee	10	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Judicial Commissioner Fees	\$ 167	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DUI Treatment Fines	8,053	0	0	0	0	0
Data Entry Fee - General Sessions Court	46,876	0	0	0	0	0
Courtroom Security Fee	5,088	0	0	0	0	0
Victims Assistance Assessments	23,821	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	285	0	0	0	0	0
Officers Costs	13,796	0	0	0	0	0
Drug Control Fines	28	0	0	0	0	0
Jail Fees	7,150	0	0	0	0	0
Data Entry Fee - Juvenile Court	4,326	0	0	0	0	0
Courtroom Security Fee	1,232	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	3,249	0	0	0	0	0
Data Entry Fee - Chancery Court	5,974	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Courtroom Security Fee	25	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	45,053	0
Other Fines, Forfeitures, and Penalties	76	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 531,559	\$ 0	\$ 0	\$ 0	\$ 49,909	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 1,521,430	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Charges for Current Services (Cont.)</u>						
<u>General Service Charges (Cont.)</u>						
Solid Waste Disposal Fee	\$ 0	\$ 40,000	\$ 0	\$ 0	\$ 0	\$ 0
Surcharge - Waste Tire Disposal	0	89,725	0	0	0	0
Patient Charges	4,350,787	0	0	0	0	0
Other General Service Charges	6,946	0	0	0	0	0
Service Charges	16,875	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	0	0	1,500	0	0	0
Recreation Fees	16,925	0	0	0	0	72,006
Copy Fees	415	0	0	0	0	0
Archives and Records Management Fee	0	0	0	83,070	0	0
Greenbelt Late Application Fee	150	0	0	0	0	0
Telephone Commissions	150,712	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0	75
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Data Processing Fee - Register	23,866	0	0	0	0	0
Data Processing Fee - Sheriff	10,654	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,650	0	0	0	0	0
Data Processing Fee - County Clerk	28,200	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	2,375	0	0	0	0	0
Total Charges for Current Services	\$ 4,611,555	\$ 1,651,155	\$ 1,500	\$ 83,070	\$ 0	\$ 72,081
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 543,567	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	111,041	0	0	0	0	39,828

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Other Local Revenues (Cont.)</u>						
<u>Recurring Items (Cont.)</u>						
Sale of Materials and Supplies	\$ 475	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Commissary Sales	543,990	0	0	0	0	0
Sale of Gasoline	71,570	0	0	0	0	0
Sale of Recycled Materials	0	147,800	0	0	0	0
Miscellaneous Refunds	8,408	232	0	0	351	0
<u>Nonrecurring Items</u>						
Sale of Equipment	998	0	0	0	0	0
Sale of Property	223,762	0	0	0	23,070	0
Damages Recovered from Individuals	4,754	0	0	0	0	0
Contributions and Gifts	2,250	0	0	650	0	0
Performance Bond Forfeitures	19,704	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	511,069	0	3,030	0	0	27,143
Total Other Local Revenues	\$ 2,041,588	\$ 148,032	\$ 3,030	\$ 650	\$ 23,421	\$ 66,971
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 779,584	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	364,362	0	0	0	0	0
General Sessions Court Clerk	957,713	0	0	0	0	0
Clerk and Master	154,406	0	0	0	0	0
Juvenile Court Clerk	97,485	0	0	0	0	0
Register	328,232	0	0	0	0	0
Sheriff	37,764	0	0	0	0	0
Trustee	1,650,887	0	0	0	0	0
Total Fees Received From County Officials	\$ 4,370,433	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	163,607	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	42,000	0	0	0	0	0
Drug Control Grants	138,487	0	0	0	0	0
Other Public Safety Grants	3,600	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	1,671,755	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	90,430	16,097	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	126,938	0	0	0	0	0
Beer Tax	17,960	0	0	0	0	0
Alcoholic Beverage Tax	129,712	0	0	0	0	0
State Revenue Sharing - T.V.A.	921,975	0	0	0	0	0
State Revenue Sharing - Telecommunications	302,548	0	0	0	0	0
Contracted Prisoner Boarding	1,609,085	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Revenues	30,475	0	0	0	0	0
Total State of Tennessee	\$ 5,109,129	\$ 179,704	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Industrial / Economic Development	Special Purpose	Drug Control	Sports and Recreation
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 6,703	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Civil Defense Reimbursement	55,850	0	0	0	0	0
Homeland Security Grants	136,285	0	0	0	0	0
Law Enforcement Grants	8,360	0	0	0	0	0
Other Federal through State	363,235	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	87,963	0	0	0	14,763	0
Total Federal Government	<u>\$ 658,396</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 14,763</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 517,647	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	0	0	0	0	0	0
Contracted Services	11,342	0	1,086	0	0	0
<u>Other</u>						
Other	271,513	0	0	0	15,243	0
Total Other Governments and Citizens Groups	<u>\$ 800,502</u>	<u>\$ 0</u>	<u>\$ 1,086</u>	<u>\$ 0</u>	<u>\$ 15,243</u>	<u>\$ 0</u>
Total	<u>\$ 36,011,550</u>	<u>\$ 5,068,474</u>	<u>\$ 819,795</u>	<u>\$ 83,720</u>	<u>\$ 103,336</u>	<u>\$ 1,157,005</u>

(Continued)

Exhibit K-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
	<u>Constitu -</u> <u>Officers -</u> <u>Fees</u>	<u>Highway /</u> <u>Public</u> <u>Works</u>	<u>Fund</u> <u>General</u> <u>Debt</u> <u>Service</u>	<u>Projects Fund</u> <u>General</u> <u>Capital</u> <u>Projects</u>	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 0	\$ 1,796,124	\$ 9,838,030	\$ 325,224	\$ 29,602,775
Trustee's Collections - Prior Year	0	31,457	173,108	5,721	520,683
Circuit Clerk/Clerk and Master Collections - Prior Years	0	22,347	122,123	4,037	367,521
Interest and Penalty	0	6,488	36,782	1,213	110,427
Payments in-Lieu-of Taxes - T.V.A.	0	43	237	8	714
Payments in-Lieu-of Taxes - Other	0	22,721	124,968	4,131	381,934
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	15,000	7,840,555	0	8,666,951
Hotel/Motel Tax	0	0	941,765	0	1,744,010
Litigation Tax - General	0	0	0	0	333,484
Litigation Tax - Special Purpose	0	0	0	0	246
Business Tax	0	0	0	0	1,459,443
Mineral Severance Tax	0	116,220	0	0	116,220
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	16,221	89,218	2,949	274,867
Wholesale Beer Tax	0	0	0	0	181,600
Total Local Taxes	\$ 0	\$ 2,026,621	\$ 19,166,786	\$ 343,283	\$ 43,760,875
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$ 0	\$ 293,310
<u>Permits</u>					
Building Permits	0	0	0	0	164,684
Electrical Permits	0	0	0	0	114,085
Plumbing Permits	0	0	0	0	10,964

(Continued)

Exhibit K-5

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional - Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	
<u>Licenses and Permits (Cont.)</u>					
<u>Permits (Cont.)</u>					
Other Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,875
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 585,918
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,930
Officers Costs	0	0	0	0	14,037
Drug Control Fines	0	0	0	0	8,335
Drug Court Fees	0	0	0	0	8,766
Veterans Treatment Court Fees	0	0	0	0	5,148
Jail Fees	0	0	0	0	34,127
Judicial Commissioner Fees	0	0	0	0	81
DUI Treatment Fines	0	0	0	0	13,313
Data Entry Fee - Circuit Court	0	0	0	0	5,914
Courtroom Security Fee	0	0	0	0	242
Victims Assistance Assessments	0	0	0	0	20,051
<u>General Sessions Court</u>					
Fines	0	0	0	0	21,592
Officers Costs	0	0	0	0	126,001
Game and Fish Fines	0	0	0	0	233
Drug Control Fines	0	0	0	0	756
Drug Court Fees	0	0	0	0	10,552
Veterans Treatment Court Fees	0	0	0	0	5,710
Jail Fees	0	0	0	0	119,471
Interpreter Fee	0	0	0	0	10

(Continued)

Exhibit K-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Capital</u>	
	<u>Constitu-</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects Fund</u>	
	<u>Officers -</u>	<u>Public</u>	<u>General</u>	<u>General</u>	
	<u>Fees</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	<u>Total</u>
			<u>Service</u>	<u>Projects</u>	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Judicial Commissioner Fees	\$ 0	\$ 0	\$ 0	\$ 0	167
DUI Treatment Fines	0	0	0	0	8,053
Data Entry Fee - General Sessions Court	0	0	0	0	46,876
Courtroom Security Fee	0	0	0	0	5,088
Victims Assistance Assessments	0	0	0	0	23,821
<u>Juvenile Court</u>					
Fines	0	0	0	0	285
Officers Costs	0	0	0	0	13,796
Drug Control Fines	0	0	0	0	28
Jail Fees	0	0	0	0	7,150
Data Entry Fee - Juvenile Court	0	0	0	0	4,326
Courtroom Security Fee	0	0	0	0	1,232
<u>Chancery Court</u>					
Officers Costs	0	0	0	0	3,249
Data Entry Fee - Chancery Court	0	0	0	0	5,974
<u>Judicial District Drug Program</u>					
Courtroom Security Fee	0	0	0	0	25
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	45,053
Other Fines, Forfeitures, and Penalties	0	0	0	0	76
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	581,468
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 0	1,521,430

(Continued)

Exhibit K-5

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

	Special Revenue Funds		Debt Service	Capital	Total
	Constitu - tional - Officers - Fees	Highway / Public Works	Fund General Debt Service	Projects Fund General Capital Projects	
<u>Charges for Current Services (Cont.)</u>					
<u>General Service Charges (Cont.)</u>					
Solid Waste Disposal Fee	\$ 0	\$ 0	\$ 0	\$ 0	40,000
Surcharge - Waste Tire Disposal	0	0	0	0	89,725
Patient Charges	0	0	0	0	4,350,787
Other General Service Charges	0	0	0	0	6,946
Service Charges	0	0	0	0	16,875
<u>Fees</u>					
Subdivision Lot Fees	0	0	0	0	1,500
Recreation Fees	0	0	0	0	88,931
Copy Fees	0	0	0	0	415
Archives and Records Management Fee	0	0	0	0	83,070
Greenbelt Late Application Fee	0	0	0	0	150
Telephone Commissions	0	0	0	0	150,712
Vending Machine Collections	0	0	0	0	75
Constitutional Officers' Fees and Commissions	291	0	0	0	291
Data Processing Fee - Register	0	0	0	0	23,866
Data Processing Fee - Sheriff	0	0	0	0	10,654
Sexual Offender Registration Fee - Sheriff	0	0	0	0	3,650
Data Processing Fee - County Clerk	0	0	0	0	28,200
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	2,375
Total Charges for Current Services	\$ 291	\$ 0	\$ 0	\$ 0	6,419,652
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 420,469	\$ 0	964,036
Lease/Rentals	0	0	0	0	150,869

(Continued)

Exhibit K-5

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

	Special Revenue Funds		Debt Service	Capital	Total
	Constitu- tional - Officers - Fees	Highway / Public Works	Fund General Debt Service	Projects Fund General Capital Projects	
<u>Other Local Revenues (Cont.)</u>					
<u>Recurring Items (Cont.)</u>					
Sale of Materials and Supplies	\$ 0	\$ 2,836	\$ 0	\$ 0	\$ 3,311
Commissary Sales	0	0	0	0	543,990
Sale of Gasoline	0	0	0	0	71,570
Sale of Recycled Materials	0	0	0	0	147,800
Miscellaneous Refunds	0	723	20	0	9,734
<u>Nonrecurring Items</u>					
Sale of Equipment	0	0	0	0	998
Sale of Property	0	0	0	0	246,832
Damages Recovered from Individuals	0	50	0	0	4,804
Contributions and Gifts	0	0	0	0	2,900
Performance Bond Forfeitures	0	0	0	0	19,704
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	0	541,242
Total Other Local Revenues	\$ 0	\$ 3,609	\$ 420,489	\$ 0	\$ 2,707,790
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 779,584
Circuit Court Clerk	0	0	0	0	364,362
General Sessions Court Clerk	0	0	0	0	957,713
Clerk and Master	0	0	0	0	154,406
Juvenile Court Clerk	0	0	0	0	97,485
Register	0	0	0	0	328,232
Sheriff	0	0	0	0	37,764
Trustee	0	0	0	0	1,650,887
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,370,433

(Continued)

Exhibit K-5

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

	Special Revenue Funds		Debt Service	Capital	Total
	Constitu - tional - Officers - Fees	Highway / Public Works	Fund General Debt Service	Projects Fund General Capital Projects	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Solid Waste Grants	0	0	0	0	163,607
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	42,000
Drug Control Grants	0	0	0	0	138,487
Other Public Safety Grants	0	0	0	0	3,600
<u>Health and Welfare Grants</u>					
Health Department Programs	0	0	0	0	1,671,755
<u>Public Works Grants</u>					
State Aid Program	0	297,385	0	0	297,385
Litter Program	0	0	0	0	106,527
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	126,938
Beer Tax	0	0	0	0	17,960
Alcoholic Beverage Tax	0	0	0	0	129,712
State Revenue Sharing - T.V.A.	0	0	0	0	921,975
State Revenue Sharing - Telecommunications	0	0	0	0	302,548
Contracted Prisoner Boarding	0	0	0	0	1,609,085
Gasoline and Motor Fuel Tax	0	2,720,542	0	0	2,720,542
Petroleum Special Tax	0	52,183	0	0	52,183
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Revenues	0	0	0	0	30,475
Total State of Tennessee	\$ 0	\$ 3,070,110	\$ 0	\$ 0	\$ 8,358,943

(Continued)

Exhibit K-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Constitu - tional - Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	Total
<u>Federal Government</u>					
<u>Federal Through State</u>					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,703
Civil Defense Reimbursement	0	0	0	0	55,850
Homeland Security Grants	0	0	0	0	136,285
Law Enforcement Grants	0	0	0	0	8,360
Other Federal through State	0	0	0	0	363,235
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	0	0	0	0	102,726
Total Federal Government	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 673,159</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 517,647
Contributions	0	0	703,683	0	703,683
Contracted Services	0	0	0	0	12,428
<u>Other</u>					
Other	0	0	0	0	286,756
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 703,683</u>	<u>\$ 0</u>	<u>\$ 1,520,514</u>
Total	<u>\$ 291</u>	<u>\$ 5,100,340</u>	<u>\$ 20,290,958</u>	<u>\$ 343,283</u>	<u>\$ 68,978,752</u>

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, 2019

	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	\$ 14,775,354	\$ 0	\$ 0	\$ 0	\$ 14,775,354
Trustee's Collections - Prior Year	260,328	0	0	0	260,328
Circuit Clerk/Clerk and Master Collections - Prior Years	162,116	0	0	0	162,116
Interest and Penalty	53,714	0	0	0	53,714
Payments in-Lieu-of Taxes - T.V.A.	357	0	0	0	357
Payments in-Lieu-of Taxes - Other	187,967	0	0	0	187,967
<u>County Local Option Taxes</u>					
Local Option Sales Tax	16,999,992	0	0	0	16,999,992
Mixed Drink Tax	179,552	0	0	0	179,552
<u>Statutory Local Taxes</u>					
Bank Excise Tax	134,196	0	0	0	134,196
Total Local Taxes	\$ 32,753,576	\$ 0	\$ 0	\$ 0	\$ 32,753,576
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 5,672	\$ 0	\$ 0	\$ 0	\$ 5,672
Total Licenses and Permits	\$ 5,672	\$ 0	\$ 0	\$ 0	\$ 5,672
<u>Charges for Current Services</u>					
<u>Fees</u>					
Vending Machine Collections	\$ 1	\$ 0	\$ 0	\$ 0	\$ 1
<u>Education Charges</u>					
Lunch Payments - Children	0	0	941,026	0	941,026
Lunch Payments - Adults	0	0	13,951	0	13,951

(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	
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Income from Breakfast	\$ 0	\$ 0	\$ 249,241	\$ 0	\$ 249,241
A la Carte Sales	0	0	143,803	0	143,803
Transportation - Other State Systems	3,000	0	0	0	3,000
Transportation from Individuals	104,993	0	0	0	104,993
Receipts from Individual Schools	150,553	0	0	0	150,553
Community Service Fees - Children	10,705	0	0	1,042,376	1,053,081
TBI Criminal Background Fee	1,092	0	0	0	1,092
Total Charges for Current Services	\$ 270,344	\$ 0	\$ 1,348,021	\$ 1,042,376	\$ 2,660,741
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 9,266	\$ 0	\$ 8,822	\$ 0	\$ 18,088
Sale of Materials and Supplies	5,330	0	0	0	5,330
Miscellaneous Refunds	20,562	0	5,757	0	26,319
Expenditure Credits	0	0	659	0	659
<u>Nonrecurring Items</u>					
Sale of Equipment	500	0	0	0	500
Damages Recovered from Individuals	835	0	0	0	835
Total Other Local Revenues	\$ 36,493	\$ 0	\$ 15,238	\$ 0	\$ 51,731
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 386,928	\$ 0	\$ 0	\$ 0	\$ 386,928

(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	
<u>State of Tennessee (Cont.)</u>					
<u>State Education Funds</u>					
Basic Education Program	\$ 52,929,830	\$ 0	\$ 0	\$ 0	\$ 52,929,830
Early Childhood Education	1,616,880	0	0	0	1,616,880
School Food Service	0	0	49,466	0	49,466
Other State Education Funds	1,300,677	0	0	0	1,300,677
Career Ladder Program	233,060	0	0	0	233,060
<u>Other State Revenues</u>					
Other State Grants	0	61,164	0	0	61,164
Total State of Tennessee	\$ 56,467,375	\$ 61,164	\$ 49,466	\$ 0	\$ 56,578,005
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,878,196	\$ 0	\$ 2,878,196
USDA - Commodities	0	0	483,236	0	483,236
Breakfast	0	0	1,259,920	0	1,259,920
USDA - Other	0	0	989,878	0	989,878
Adult Education State Grant Program	511,766	0	0	0	511,766
Vocational Education - Basic Grants to States	0	181,412	0	0	181,412
Other Vocational	11,089	45,873	0	0	56,962
Title I Grants to Local Education Agencies	0	3,002,761	0	0	3,002,761
Special Education - Grants to States	231,437	2,796,229	0	0	3,027,666
Special Education Preschool Grants	0	157,054	0	0	157,054
English Language Acquisition Grants	0	78,428	0	0	78,428
Rural Education	0	200,050	0	0	200,050
Eisenhower Professional Development State Grants	0	305,962	0	0	305,962
Other Federal through State	30,487	418,797	0	112,575	561,859

(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	
<u>Federal Government (Cont.)</u>					
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	\$ 105,101	\$ 0	\$ 0	\$ 0	\$ 105,101
Total Federal Government	\$ 889,880	\$ 7,186,566	\$ 5,611,230	\$ 112,575	\$ 13,800,251
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 1,090,560	\$ 0	\$ 0	\$ 0	\$ 1,090,560
<u>Citizens Groups</u>					
Donations	76,465	0	0	0	76,465
<u>Other</u>					
Other	15	0	0	0	15
Total Other Governments and Citizens Groups	\$ 1,167,040	\$ 0	\$ 0	\$ 0	\$ 1,167,040
Total	\$ 91,590,380	\$ 7,247,730	\$ 7,023,955	\$ 1,154,951	\$ 107,017,016

Exhibit K-7

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2019

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	111,775	
Social Security		8,551	
Audit Services		26,000	
Dues and Memberships		1,850	
Printing, Stationery, and Forms		326	
Travel		100	
Other Charges		7,633	
Total County Commission			\$ 156,235

Beer Board

Board and Committee Members Fees	\$	850	
Social Security		57	
Total Beer Board			907

County Mayor/Executive

County Official/Administrative Officer	\$	104,444	
Longevity Pay		7,100	
Other Salaries and Wages		201,800	
Social Security		25,057	
Pensions		34,614	
Life Insurance		171	
Medical Insurance		36,799	
Dental Insurance		20	
Unemployment Compensation		360	
Communication		2,645	
Data Processing Services		13,832	
Dues and Memberships		1,850	
Maintenance and Repair Services - Equipment		160	
Travel		3,281	
Office Supplies		13,401	
Premiums on Corporate Surety Bonds		1,190	
Workers' Compensation Insurance		2,847	
Other Charges		625	
Office Equipment		2,692	
Total County Mayor/Executive			452,888

County Attorney

County Official/Administrative Officer	\$	212,958	
Legal Services		26,010	
Other Charges		1,000	
Total County Attorney			239,968

Election Commission

County Official/Administrative Officer	\$	80,061	
Part-time Personnel		16,256	
Longevity Pay		3,400	
Overtime Pay		6,714	

(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.)

Other Salaries and Wages	\$	139,612	
Election Commission		10,300	
Election Workers		111,459	
Social Security		23,520	
Pensions		23,063	
Life Insurance		136	
Medical Insurance		47,999	
Dental Insurance		215	
Unemployment Compensation		1,085	
Communication		939	
Data Processing Services		19,120	
Dues and Memberships		550	
Legal Notices, Recording, and Court Costs		9,140	
Maintenance and Repair Services - Equipment		122	
Printing, Stationery, and Forms		8,518	
Travel		9,400	
Other Contracted Services		18,183	
Office Supplies		17,012	
Liability Insurance		6,307	
Workers' Compensation Insurance		2,276	
Office Equipment		1,300	
Total Election Commission			\$ 556,687

Register of Deeds

County Official/Administrative Officer	\$	88,957	
Longevity Pay		2,300	
Other Salaries and Wages		118,250	
Social Security		14,801	
Pensions		21,076	
Life Insurance		171	
Medical Insurance		42,220	
Dental Insurance		212	
Unemployment Compensation		346	
Communication		2,556	
Dues and Memberships		837	
Maintenance Agreements		13,745	
Data Processing Supplies		5,571	
Office Supplies		2,086	
Premiums on Corporate Surety Bonds		350	
Workers' Compensation Insurance		2,847	
Total Register of Deeds			316,325

Codes Compliance

Assistant(s)	\$	38,250	
Supervisor/Director		48,300	
Longevity Pay		2,500	
Other Salaries and Wages		30,254	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

In-service Training	\$	1,365	
Social Security		8,300	
Pensions		10,379	
Life Insurance		102	
Medical Insurance		22,467	
Unemployment Compensation		286	
Communication		3,262	
Printing, Stationery, and Forms		1,216	
Other Contracted Services		96,638	
Gasoline		1,345	
Office Supplies		1,385	
Periodicals		275	
Uniforms		827	
Refunds		224	
Workers' Compensation Insurance		1,708	
Office Equipment		88	
Total Codes Compliance			\$ 269,171

Geographical Information Systems

In-service Training	\$	199	
Maintenance Agreements		3,000	
Travel		927	
Other Contracted Services		2,615	
Office Supplies		2,394	
Other Equipment		4,169	
Total Geographical Information Systems			13,304

County Buildings

Supervisor/Director	\$	55,572	
Secretary(ies)		35,850	
Custodial Personnel		124,229	
Part-time Personnel		26,945	
Longevity Pay		28,900	
Overtime Pay		10,791	
Other Salaries and Wages		659,206	
In-service Training		950	
Social Security		66,771	
Pensions		92,021	
Life Insurance		796	
Medical Insurance		206,629	
Dental Insurance		1,629	
Unemployment Compensation		2,142	
Communication		9,816	
Maintenance Agreements		120,865	
Maintenance and Repair Services - Buildings		426,732	
Maintenance and Repair Services - Equipment		34,954	
Maintenance and Repair Services - Vehicles		239,314	

(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.)

Rentals	\$	1,456	
Custodial Supplies		26,038	
Gasoline		15,189	
Office Supplies		1,825	
Small Tools		1,919	
Uniforms		11,991	
Utilities		695,693	
Workers' Compensation Insurance		12,286	
Other Charges		2,367	
Land		228,303	
Other Equipment		8,234	
Total County Buildings			\$ 3,149,413

Other Facilities

Computer Programmer(s)	\$	150,549	
Longevity Pay		1,800	
Overtime Pay		20,269	
In-service Training		8,406	
Social Security		14,101	
Pensions		18,756	
Life Insurance		102	
Medical Insurance		11,223	
Dental Insurance		116	
Unemployment Compensation		288	
Communication		5,052	
Maintenance Agreements		20,856	
Maintenance and Repair Services - Office Equipment		53,096	
Travel		1,709	
Office Supplies		416	
Small Tools		191	
Workers' Compensation Insurance		1,708	
Other Charges		192	
Other Equipment		912	
Total Other Facilities			309,742

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	88,957	
Longevity Pay		10,300	
Other Salaries and Wages		169,370	
Board and Committee Members Fees		930	
In-service Training		550	
Social Security		20,840	
Pensions		29,348	
Life Insurance		307	
Medical Insurance		49,901	
Unemployment Compensation		437	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Data Processing Services	\$	2,715	
Dues and Memberships		2,080	
Maintenance and Repair Services - Equipment		228	
Travel		1,918	
Gasoline		1,764	
Office Supplies		2,187	
Workers' Compensation Insurance		5,124	
Office Equipment		915	
Total Property Assessor's Office	\$		387,871

County Trustee's Office

County Official/Administrative Officer	\$	88,957	
Longevity Pay		11,500	
Other Salaries and Wages		219,205	
Social Security		23,162	
Pensions		27,425	
Life Insurance		239	
Medical Insurance		55,305	
Dental Insurance		582	
Unemployment Compensation		501	
Communication		3,650	
Data Processing Services		19,048	
Dues and Memberships		872	
Legal Notices, Recording, and Court Costs		323	
Travel		3,133	
Office Supplies		25,148	
Premiums on Corporate Surety Bonds		19,424	
Workers' Compensation Insurance		3,986	
Office Equipment		12,816	
Total County Trustee's Office			515,276

County Clerk's Office

County Official/Administrative Officer	\$	88,957	
Part-time Personnel		6,658	
Longevity Pay		10,000	
Overtime Pay		18	
Other Salaries and Wages		509,179	
Social Security		42,739	
Pensions		61,180	
Life Insurance		627	
Medical Insurance		153,679	
Dental Insurance		1,129	
Unemployment Compensation		1,301	
Communication		6,617	
Data Processing Services		15,614	
Dues and Memberships		902	
Maintenance Agreements		16,186	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Travel	\$	1,363	
Office Supplies		42,315	
Premiums on Corporate Surety Bonds		243	
Workers' Compensation Insurance		12,147	
Other Charges		532	
Office Equipment		13,734	
Total County Clerk's Office			\$ 985,120

Other Finance

Part-time Personnel	\$	11,609	
Other Salaries and Wages		204,482	
In-service Training		918	
Social Security		14,072	
Pensions		18,247	
Life Insurance		68	
Medical Insurance		23,213	
Dental Insurance		101	
Unemployment Compensation		597	
Audit Services		30,375	
Communication		6,666	
Data Processing Services		12,704	
Travel		1,185	
Other Contracted Services		29,040	
Office Supplies		9,095	
Workers' Compensation Insurance		1,139	
Office Equipment		2,630	
Total Other Finance			366,141

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	88,957	
Part-time Personnel		1,797	
Longevity Pay		26,000	
Other Salaries and Wages		882,020	
Jury and Witness Expense		15,052	
Other Per Diem and Fees		2,394	
Social Security		69,196	
Pensions		98,449	
Life Insurance		582	
Medical Insurance		224,382	
Dental Insurance		1,241	
Unemployment Compensation		1,999	
Communication		3,496	
Data Processing Services		103,606	
Dues and Memberships		1,252	
Maintenance Agreements		14,645	
Maintenance and Repair Services - Equipment		402	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Travel	\$	813	
Other Contracted Services		17,026	
Data Processing Supplies		3,201	
Office Supplies		57,978	
Premiums on Corporate Surety Bonds		600	
Workers' Compensation Insurance		11,388	
Data Processing Equipment		839	
Total Circuit Court			\$ 1,627,315

General Sessions Court

Judge(s)	\$	334,048	
Longevity Pay		2,500	
Other Salaries and Wages		61,300	
In-service Training		2,707	
Social Security		25,490	
Pensions		40,023	
Life Insurance		136	
Medical Insurance		15,876	
Dental Insurance		72	
Unemployment Compensation		67	
Data Processing Services		1,435	
Dues and Memberships		1,529	
Travel		1,408	
Other Contracted Services		1,525	
Office Supplies		2,529	
Workers' Compensation Insurance		1,708	
Office Equipment		4,875	
Total General Sessions Court			497,228

Drug Court

Supervisor/Director	\$	54,800	
Part-time Personnel		12,155	
Longevity Pay		600	
Other Salaries and Wages		66,800	
Social Security		10,761	
Pensions		13,403	
Life Insurance		46	
Medical Insurance		12,805	
Dental Insurance		238	
Unemployment Compensation		297	
Communication		6,201	
Rentals		20,784	
Travel		10,898	
Other Contracted Services		16,648	
Gasoline		455	
Office Supplies		16,592	
Other Supplies and Materials		6,096	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court (Cont.)

Workers' Compensation Insurance	\$	569	
Other Charges		8,918	
Office Equipment		1,256	
Total Drug Court			\$ 260,322

Chancery Court

County Official/Administrative Officer	\$	88,957	
Longevity Pay		3,700	
Other Salaries and Wages		177,281	
Social Security		18,543	
Pensions		27,156	
Life Insurance		212	
Medical Insurance		59,283	
Dental Insurance		702	
Unemployment Compensation		473	
Communication		979	
Data Processing Services		10,098	
Dues and Memberships		922	
Legal Notices, Recording, and Court Costs		1,718	
Maintenance Agreements		1,291	
Maintenance and Repair Services - Equipment		453	
Office Supplies		12,138	
Premiums on Corporate Surety Bonds		750	
Workers' Compensation Insurance		3,416	
Office Equipment		750	
Total Chancery Court			408,822

Juvenile Court

Youth Service Officer(s)	\$	191,914	
Longevity Pay		5,100	
In-service Training		3,438	
Social Security		14,407	
Pensions		20,521	
Life Insurance		171	
Medical Insurance		44,310	
Dental Insurance		479	
Unemployment Compensation		369	
Communication		6,745	
Data Processing Services		1,207	
Dues and Memberships		853	
Maintenance Agreements		11,112	
Travel		2,361	
Other Contracted Services		13,851	
Gasoline		40	
Office Supplies		2,365	
Workers' Compensation Insurance		2,847	
Office Equipment		839	
Total Juvenile Court			322,929

(Continued)

Exhibit K-7

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

General Fund (Cont.)Administration of Justice (Cont.)District Attorney General

Supervisor/Director	\$	40,034	
Social Security		2,287	
Pensions		4,028	
Life Insurance		34	
Medical Insurance		13,371	
Unemployment Compensation		73	
Communication		372	
Travel		1,480	
Workers' Compensation Insurance		438	
Total District Attorney General			\$ 62,117

Judicial Commissioners

Part-time Personnel	\$	21,627	
Other Salaries and Wages		63,000	
In-service Training		1,616	
Social Security		6,526	
Pensions		6,338	
Life Insurance		68	
Medical Insurance		5,530	
Dental Insurance		500	
Unemployment Compensation		324	
Office Supplies		838	
Workers' Compensation Insurance		1,139	
Other Charges		277	
Communication Equipment		300	
Total Judicial Commissioners			108,083

Victim Assistance Programs

Assistant(s)	\$	133,629	
Longevity Pay		500	
Social Security		9,678	
Pensions		13,493	
Life Insurance		46	
Medical Insurance		28,337	
Unemployment Compensation		423	
Communication		2,763	
Rentals		18,000	
Travel		6,627	
Other Contracted Services		11,215	
Office Supplies		500	
Other Supplies and Materials		17,118	
Workers' Compensation Insurance		569	
Office Equipment		1,501	
Total Victim Assistance Programs			244,399

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	97,853	
Deputy(ies)		2,796,682	
Investigator(s)		478,165	
Salary Supplements		43,800	
Dispatchers/Radio Operators		323,872	
Secretary(ies)		255,485	
Temporary Personnel		25,211	
Longevity Pay		55,900	
Overtime Pay		240,272	
Other Salaries and Wages		258,792	
In-service Training		95,684	
Other Per Diem and Fees		64,871	
Social Security		338,023	
Pensions		580,722	
Life Insurance		1,584	
Medical Insurance		661,338	
Dental Insurance		3,501	
Unemployment Compensation		8,285	
Communication		83,831	
Contributions		5,110	
Data Processing Services		22,071	
Maintenance Agreements		55,819	
Maintenance and Repair Services - Vehicles		28,931	
Rentals		3,000	
Transportation - Other than Students		9,678	
Travel		6,275	
Animal Food and Supplies		10,164	
Gasoline		164,584	
Instructional Supplies and Materials		2,665	
Uniforms		78,314	
Other Supplies and Materials		11,115	
Premiums on Corporate Surety Bonds		1,700	
Workers' Compensation Insurance		31,611	
Communication Equipment		56,092	
Law Enforcement Equipment		51,947	
Motor Vehicles		673,304	
Traffic Control Equipment		4,103	
Other Equipment		51,901	
Total Sheriff's Department			\$ 7,682,255

Jail

Guards	\$	1,875,250
Part-time Personnel		38,730
Longevity Pay		28,100
Overtime Pay		45,724
Other Per Diem and Fees		47,507
Social Security		147,620

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Pensions	\$	204,987	
Life Insurance		1,161	
Medical Insurance		356,155	
Dental Insurance		874	
Unemployment Compensation		4,761	
Contracts with Government Agencies		10,509	
Maintenance and Repair Services - Equipment		3,930	
Medical and Dental Services		1,347,815	
Custodial Supplies		47,746	
Food Supplies		367,846	
Office Supplies		19,002	
Uniforms		14,428	
Other Supplies and Materials		9,317	
Workers' Compensation Insurance		22,965	
Other Charges		29,325	
Data Processing Equipment		4,818	
Office Equipment		4,734	
Other Equipment		26,967	
Total Jail			\$ 4,660,271

Workhouse

Supervisor/Director	\$	1,154	
Guards		77,000	
Social Security		5,284	
Pensions		7,903	
Life Insurance		34	
Medical Insurance		23,741	
Dental Insurance		577	
Unemployment Compensation		144	
Uniforms		994	
Workers' Compensation Insurance		569	
Other Charges		9,260	
Motor Vehicles		5,770	
Total Workhouse			132,430

Juvenile Services

Supervisor/Director	\$	57,250	
Guards		373,374	
Secretary(ies)		43,250	
Longevity Pay		4,800	
Overtime Pay		10,206	
In-service Training		932	
Other Per Diem and Fees		15,254	
Social Security		35,603	
Pensions		52,786	
Life Insurance		523	
Medical Insurance		94,696	

(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.)

Dental Insurance	\$	108	
Unemployment Compensation		1,259	
Communication		5,109	
Maintenance and Repair Services - Equipment		146	
Medical and Dental Services		227	
Food Supplies		2,196	
Office Supplies		4,481	
Uniforms		2,585	
Other Supplies and Materials		4,548	
Workers' Compensation Insurance		8,731	
Other Charges		13,663	
Office Equipment		566	
Total Juvenile Services			\$ 732,293

Commissary

Food Supplies	\$	164,936	
Other Supplies and Materials		119,151	
Total Commissary			284,087

Fire Prevention and Control

Supervisor/Director	\$	64,500	
Salary Supplements		3,600	
Part-time Personnel		133,962	
Longevity Pay		2,000	
Overtime Pay		17,865	
Other Salaries and Wages		202,846	
In-service Training		10,623	
Other Per Diem and Fees		70,360	
Social Security		32,539	
Pensions		54,200	
Life Insurance		170	
Medical Insurance		51,583	
Unemployment Compensation		1,175	
Communication		8,527	
Evaluation and Testing		668	
Maintenance and Repair Services - Equipment		875	
Gasoline		25,908	
Office Supplies		1,023	
Uniforms		8,231	
Excess Risk Insurance		10,266	
Workers' Compensation Insurance		2,847	
Other Charges		1,832	
Communication Equipment		9,234	
Land		37,720	
Other Equipment		51,815	
Total Fire Prevention and Control			804,369

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense

Supervisor/Director	\$	62,500	
Longevity Pay		5,200	
Other Salaries and Wages		57,500	
In-service Training		1,488	
Other Per Diem and Fees		70,000	
Social Security		12,142	
Pensions		14,643	
Medical Insurance		19,960	
Dental Insurance		504	
Unemployment Compensation		292	
Communication		4,227	
Dues and Memberships		55	
Other Contracted Services		4,964	
Gasoline		7,082	
Instructional Supplies and Materials		995	
Office Supplies		1,404	
Uniforms		750	
Workers' Compensation Insurance		949	
Office Equipment		915	
Other Equipment		13,040	
Total Civil Defense			\$ 278,610

Other Emergency Management

Communication Equipment	\$	16,224	
Other Equipment		120,026	
Total Other Emergency Management			136,250

County Coroner/Medical Examiner

Other Per Diem and Fees	\$	11,728	
Social Security		870	
Pensions		735	
Medical Insurance		1,091	
Unemployment Compensation		11	
Other Contracted Services		107,302	
Premiums on Corporate Surety Bonds		630	
Other Charges		3,200	
Total County Coroner/Medical Examiner			125,567

Other Public Safety

Supervisor/Director	\$	68,808	
Deputy(ies)		86,637	
Dispatchers/Radio Operators		469,558	
Part-time Personnel		60,744	
Longevity Pay		20,400	
Overtime Pay		31,577	
Social Security		48,600	
Pensions		66,045	

(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 (Cont.)

Life Insurance	\$	238	
Medical Insurance		112,798	
Dental Insurance		687	
Unemployment Compensation		1,344	
Workers' Compensation Insurance		3,986	
Total Other Public Safety			\$ 971,422

Public Health and Welfare

Local Health Center

Other Salaries and Wages	\$	81,161	
Social Security		6,089	
Pensions		8,165	
Life Insurance		34	
Medical Insurance		12,474	
Dental Insurance		34	
Unemployment Compensation		216	
Communication		20,840	
Contracts with Government Agencies		64,476	
Contributions		3,266	
Travel		1,151	
Other Contracted Services		9,137	
Custodial Supplies		9,732	
Drugs and Medical Supplies		12,713	
Office Supplies		14,451	
Other Supplies and Materials		4,163	
Workers' Compensation Insurance		569	
Other Charges		15,003	
Building Improvements		38,647	
Total Local Health Center			302,321

Ambulance/Emergency Medical Services

Supervisor/Director	\$	67,500	
Deputy(ies)		54,500	
Accountants/Bookkeepers		41,950	
Paraprofessionals		2,352,969	
Secretary(ies)		30,450	
Part-time Personnel		358,704	
Longevity Pay		43,900	
Overtime Pay		187,778	
In-service Training		42,513	
Social Security		226,110	
Pensions		297,165	
Life Insurance		1,873	
Medical Insurance		528,890	
Dental Insurance		2,758	
Unemployment Compensation		6,047	
Communication		16,806	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Maintenance and Repair Services - Equipment	\$	26,137	
Medical and Dental Services		9,500	
Travel		290	
Permits		4,789	
Other Contracted Services		231,797	
Drugs and Medical Supplies		198,858	
Gasoline		125,294	
Office Supplies		5,002	
Uniforms		35,393	
Other Supplies and Materials		7,913	
Workers' Compensation Insurance		27,710	
Other Charges		1,455	
Communication Equipment		7,961	
Furniture and Fixtures		5,710	
Motor Vehicles		199,914	
Office Equipment		2,165	
Other Equipment		74,874	
Total Ambulance/Emergency Medical Services			\$ 5,224,675

Other Local Health Services

Supervisor/Director	\$	600	
In-service Training		900	
Social Security		41	
Pensions		60	
Life Insurance		34	
Medical Insurance		120	
Unemployment Compensation		1	
Drugs and Medical Supplies		30,696	
Other Supplies and Materials		14,119	
Workers' Compensation Insurance		569	
Total Other Local Health Services			47,140

General Welfare Assistance

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

Other Public Health and Welfare

Longevity Pay	\$	14,100	
Other Salaries and Wages		1,280,579	
Social Security		94,933	
Pensions		105,486	
Life Insurance		728	
Medical Insurance		170,334	
Dental Insurance		3,374	
Unemployment Compensation		3,104	
Travel		13,737	
Office Supplies		4,754	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Public Health and Welfare (Cont.)

Workers' Compensation Insurance	\$ 4,696	
Other Charges	10,169	
Total Other Public Health and Welfare		\$ 1,705,994

Social, Cultural, and Recreational Services

Senior Citizens Assistance

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

Libraries

Contributions	\$ 504,714	
Total Libraries		504,714

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 Resources

Agricultural Extension Service

Salary Supplements	\$ 133,824	
Longevity Pay	1,400	
Other Salaries and Wages	31,450	
In-service Training	2,000	
Social Security	2,076	
Pensions	3,305	
Life Insurance	34	
Medical Insurance	9,962	
Dental Insurance	219	
Unemployment Compensation	72	
Other Fringe Benefits	59,791	
Communication	3,942	
Maintenance and Repair Services - Equipment	3,399	
Matching Share	1,000	
Travel	4,401	
Workers' Compensation Insurance	569	
Other Charges	1,000	
Office Equipment	2,000	
Total Agricultural Extension Service		260,444

Forest Service

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

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation

Secretary(ies)	\$	24,012	
Other Salaries and Wages		30,450	
Social Security		3,674	
Pensions		5,479	
Life Insurance		34	
Medical Insurance		20,671	
Unemployment Compensation		144	
Workers' Compensation Insurance		569	
Total Soil Conservation			\$ 85,033

Other Operations

Housing and Urban Development

Building Improvements	\$	6,702	
Total Housing and Urban Development			6,702

Airport

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

Veterans' Services

Supervisor/Director	\$	38,250	
Other Salaries and Wages		31,050	
Social Security		5,070	
Pensions		6,972	
Life Insurance		34	
Unemployment Compensation		144	
Communication		3,012	
Maintenance Agreements		898	
Travel		151	
Office Supplies		397	
Workers' Compensation Insurance		569	
Other Charges		90	
Office Equipment		1,869	
Total Veterans' Services			88,506

Contributions to Other Agencies

Contributions	\$	270,058	
Gasoline		69,861	
Total Contributions to Other Agencies			339,919

Miscellaneous

Handling Charges and Administrative Costs	\$	5,250	
Dues and Memberships		9,746	
Engineering Services		11,900	
Legal Notices, Recording, and Court Costs		2,360	
Other Contracted Services		14,940	
Gasoline		3,126	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous (Cont.)

Library Books/Media	\$	20,000	
Building and Contents Insurance		42,462	
Excess Risk Insurance		86,230	
Liability Insurance		112,150	
Trustee's Commission		431,354	
Tax Relief Program		94,639	
Other Charges		74,617	
Disabilities Act Improvements		4,000	
Total Miscellaneous			\$ 912,774

Total General Fund

\$ 36,675,709

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	59,500	
Attendants		239,186	
Part-time Personnel		11,338	
Overtime Pay		33,586	
Other Salaries and Wages		605,074	
Other Fringe Benefits		302,774	
Communication		23,963	
Legal Services		8,719	
Maintenance and Repair Services - Buildings		75,954	
Maintenance and Repair Services - Equipment		153,242	
Maintenance and Repair Services - Vehicles		72,434	
Travel		9,360	
Disposal Fees		1,987,122	
Permits		300	
Other Contracted Services		127,898	
Crushed Stone		12,900	
Gasoline		81,321	
Office Supplies		2,740	
Uniforms		8,077	
Utilities		45,088	
Trustee's Commission		75,680	
Other Charges		24,502	
Office Equipment		2,848	
Solid Waste Equipment		47,891	
Total Sanitation Management			\$ 4,011,497

Other Waste Collection

Solid Waste Equipment	\$	208,432	
Total Other Waste Collection			208,432

Landfill Operation and Maintenance

Engineering Services	\$	38,747	
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(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Landfill Operation and Maintenance (Cont.)

Other Charges	\$ 1,784	
Other Construction	97,701	
Total Landfill Operation and Maintenance		\$ 138,232

Other Waste Disposal

Engineering Services	\$ 40,325	
Contracts for Landfill Facilities	40,706	
Other Contracted Services	286,587	
Wood Products	63,884	
Other Construction	157,389	
Total Other Waste Disposal		588,891

Postclosure Care Costs

Engineering Services	\$ 27,061	
Other Contracted Services	50,708	
Site Development	41,590	
Other Construction	84,944	
Total Postclosure Care Costs		204,303

Total Solid Waste/Sanitation Fund \$ 5,151,355

Industrial/Economic Development Fund

General Government

Development

Engineering Services	\$ 1,500	
Other Contracted Services	7,800	
Total Development		\$ 9,300

Other Operations

Industrial Development

Salary Supplements	\$ 7,250	
Contributions	442,443	
Trustee's Commission	11,518	
Total Industrial Development		461,211

Total Industrial/Economic Development Fund 470,511

Special Purpose Fund

General Government

Preservation of Records

Supervisor/Director	\$ 34,050	
Part-time Personnel	11,440	
Other Fringe Benefits	15,556	
Communication	1,962	
Office Supplies	3,702	
Other Supplies and Materials	6,174	
Trustee's Commission	779	
Total Preservation of Records		\$ 73,663

Total Special Purpose Fund 73,663

(Continued)

Exhibit K-7

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

Drug Control Fund

Public Safety

Drug Enforcement

In-service Training	\$	9,220	
Communication		1,834	
Confidential Drug Enforcement Payments		30,000	
Maintenance and Repair Services - Vehicles		44,922	
Rentals		9,600	
Other Contracted Services		1,025	
Other Supplies and Materials		285	
Trustee's Commission		42	
Building Construction		35,888	
Law Enforcement Equipment		42,413	
Total Drug Enforcement			\$ 175,229

Total Drug Control Fund \$ 175,229

Sports and Recreation Fund

Social, Cultural, and Recreational Services

Parks and Fair Boards

Supervisor/Director	\$	48,900	
Secretary(ies)		31,650	
Temporary Personnel		70,968	
Other Salaries and Wages		303,124	
In-service Training		1,035	
Other Fringe Benefits		172,793	
Advertising		450	
Communication		7,502	
Maintenance and Repair Services - Buildings		46,092	
Maintenance and Repair Services - Equipment		3,643	
Maintenance and Repair Services - Vehicles		3,207	
Permits		1,020	
Custodial Supplies		4,070	
Equipment and Machinery Parts		2,528	
Food Supplies		2,752	
Gasoline		12,195	
Office Supplies		2,344	
Sand		705	
Small Tools		3,704	
Uniforms		5,750	
Utilities		133,434	
Chemicals		5,178	
Other Supplies and Materials		17,410	
Refunds		4,193	
Trustee's Commission		17,952	
Workers' Compensation Insurance		10,063	
Other Charges		12,979	
Other Equipment		30,048	
Other Capital Outlay		39,062	
Total Parks and Fair Boards			\$ 994,751

(Continued)

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

Sports and Recreation Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Other Social, Cultural, and Recreational

Foremen	\$	35,850	
Other Fringe Benefits		13,000	
Communication		317	
Maintenance and Repair Services - Buildings		12,465	
Maintenance and Repair Services - Vehicles		466	
Custodial Supplies		1,161	
Fertilizer, Lime, and Seed		14,663	
Small Tools		1,907	
Utilities		27,058	
Other Supplies and Materials		5,713	
Other Charges		1,500	
Total Other Social, Cultural, and Recreational			<u>\$ 114,100</u>

Total Sports and Recreation Fund \$ 1,108,851

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

Constitutional Officers' Operating Expenses	\$	291	
Total County Clerk's Office			<u>\$ 291</u>

Total Constitutional Officers - Fees Fund 291

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	97,853	
Assistant(s)		52,300	
Accountants/Bookkeepers		46,800	
Longevity Pay		5,400	
Other Salaries and Wages		37,660	
Social Security		14,361	
Employee and Dependent Insurance		20,376	
Life Insurance		122	
Dental Insurance		7	
Unemployment Compensation		2	
Local Retirement		24,142	
Employer Medicare		3,359	
Data Processing Services		7,934	
Dues and Memberships		5,054	
Legal Services		4,000	
Legal Notices, Recording, and Court Costs		94	
Maintenance and Repair Services - Office Equipment		252	
Postal Charges		393	
Printing, Stationery, and Forms		1,000	
Travel		874	
Data Processing Supplies		997	

(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.)

Drugs and Medical Supplies	\$	500	
Office Supplies		800	
Workers' Compensation Insurance		14,020	
Other Charges		1,735	
Communication Equipment		129	
Data Processing Equipment		1,336	
Total Administration			\$ 341,500

Highway and Bridge Maintenance

Foremen	\$	44,300	
Equipment Operators		738,648	
Truck Drivers		205,644	
Longevity Pay		38,700	
Overtime Pay		14,692	
Other Salaries and Wages		36,905	
Social Security		63,431	
Employee and Dependent Insurance		220,183	
Life Insurance		694	
Medical Insurance		214	
Dental Insurance		1,949	
Unemployment Compensation		785	
Local Retirement		108,327	
Employer Medicare		14,835	
Other Contracted Services		87,781	
Asphalt - Cold Mix		40,000	
Asphalt - Hot Mix		33,112	
Asphalt - Liquid		220,559	
Crushed Stone		184,206	
Electricity		269	
Pipe - Metal		60,000	
Road Signs		19,993	
Small Tools		436	
Wood Products		72	
Other Supplies and Materials		7,853	
Workers' Compensation Insurance		93,364	
Other Charges		2,041	
Total Highway and Bridge Maintenance			2,238,993

Operation and Maintenance of Equipment

Mechanic(s)	\$	72,710	
Maintenance Personnel		32,482	
Longevity Pay		1,800	
Overtime Pay		204	
Social Security		6,087	
Employee and Dependent Insurance		24,355	
Life Insurance		78	
Dental Insurance		96	

(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 (Cont.)

Unemployment Compensation	\$	2	
Local Retirement		10,782	
Employer Medicare		1,424	
Laundry Service		2,701	
Licenses		99	
Maintenance and Repair Services - Equipment		3,864	
Diesel Fuel		72,244	
Equipment and Machinery Parts		88,547	
Garage Supplies		10,481	
Gasoline		25,409	
Lubricants		8,735	
Small Tools		578	
Tires and Tubes		14,558	
Other Supplies and Materials		4,177	
Workers' Compensation Insurance		6,500	
Other Charges		5,000	
Total Operation and Maintenance of Equipment			\$ 392,913

Other Charges

Communication	\$	4,196	
Evaluation and Testing		1,651	
Electricity		6,701	
Natural Gas		3,979	
Water and Sewer		397	
Building and Contents Insurance		1,200	
Excess Risk Insurance		40,992	
Liability Insurance		96,810	
Premiums on Corporate Surety Bonds		350	
Trustee's Commission		66,240	
Other Charges		9,846	
Total Other Charges			232,362

Capital Outlay

Engineering Services	\$	15,915	
Matching Share		5,780	
Highway Equipment		694,213	
State Aid Projects		283,227	
Total Capital Outlay			999,135

Total Highway/Public Works Fund \$ 4,204,903

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	1,065,000	
Total General Government			\$ 1,065,000

(Continued)

Exhibit K-7

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

<u>General Debt Service Fund (Cont.)</u>			
<u>Principal on Debt (Cont.)</u>			
<u>Education</u>			
Principal on Bonds	\$	6,060,000	
Principal on Capital Leases		363,533	
Principal on Other Loans		317,700	
Total Education			\$ 6,741,233
<u>Interest on Debt</u>			
<u>General Government</u>			
Interest on Bonds	\$	787,411	
Total General Government			787,411
<u>Education</u>			
Interest on Bonds	\$	4,352,462	
Interest on Capital Leases		4,080	
Interest on Other Loans		18,370	
Total Education			4,374,912
<u>Other Debt Service</u>			
<u>Education</u>			
Trustee's Commission	\$	292,130	
Other Debt Service		1,624	
Total Education			<u>293,754</u>
Total General Debt Service Fund			\$ 13,262,310
<u>General Capital Projects Fund</u>			
<u>General Government</u>			
<u>County Buildings</u>			
Trustee's Commission	\$	6,788	
Building Improvements		2,106,633	
Motor Vehicles		513,763	
Other Equipment		1,200,399	
Total County Buildings			<u>\$ 3,827,583</u>
Total General Capital Projects Fund			3,827,583
<u>Education Capital Projects Fund</u>			
<u>Capital Projects - Donated</u>			
<u>Capital Projects Donated to School Department</u>			
Contributions	\$	1,090,560	
Total Capital Projects Donated to School Department			<u>\$ 1,090,560</u>
Total Education Capital Projects Fund			<u>1,090,560</u>
Total Governmental Funds - Primary Government			<u><u>\$ 66,040,965</u></u>

Exhibit K-8

Putnam County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Putnam County School Department
For the Year Ended June 30, 2019

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 28,392,093	
Career Ladder Program	97,517	
Homebound Teachers	49,684	
Salary Supplements	572,162	
Educational Assistants	1,366,549	
Certified Substitute Teachers	244,414	
Non-certified Substitute Teachers	329,648	
Social Security	1,782,333	
Pensions	2,945,517	
Life Insurance	14,617	
Medical Insurance	5,573,701	
Dental Insurance	75,707	
Unemployment Compensation	8,263	
Employer Medicare	419,218	
Maintenance and Repair Services - Equipment	7,362	
Travel	10,651	
Other Contracted Services	400,968	
Instructional Supplies and Materials	483,653	
Textbooks - Bound	1,251,035	
Fee Waivers	64,223	
Other Charges	225,062	
Furniture and Fixtures	216	
Regular Instruction Equipment	208,493	
Other Equipment	36,572	
Total Regular Instruction Program		\$ 44,559,658

Alternative Instruction Program

Teachers	\$ 450,734	
Career Ladder Program	1,000	
Social Security	25,852	
Pensions	45,773	
Life Insurance	203	
Medical Insurance	87,666	
Dental Insurance	1,098	
Unemployment Compensation	113	
Employer Medicare	6,046	
Instructional Supplies and Materials	918	
Other Supplies and Materials	1,676	
Other Equipment	516	
Total Alternative Instruction Program		621,595

Special Education Program

Teachers	\$ 4,361,684
Career Ladder Program	10,751
Homebound Teachers	87,871
Educational Assistants	1,139,526

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Speech Pathologist	\$	494,535	
Other Salaries and Wages		159,763	
Certified Substitute Teachers		5,135	
Non-certified Substitute Teachers		7,800	
Other Per Diem and Fees		25,593	
Social Security		356,192	
Pensions		588,129	
Life Insurance		3,502	
Medical Insurance		1,347,498	
Dental Insurance		19,209	
Unemployment Compensation		2,124	
Employer Medicare		83,925	
Contracts with Private Agencies		27,934	
Instructional Supplies and Materials		68,107	
Other Supplies and Materials		3,076	
Special Education Equipment		20,187	
Total Special Education Program			\$ 8,812,541

Career and Technical Education Program

Teachers	\$	920,882	
Career Ladder Program		1,000	
Certified Substitute Teachers		3,850	
Non-certified Substitute Teachers		11,788	
Social Security		53,977	
Pensions		88,446	
Life Insurance		412	
Medical Insurance		190,713	
Dental Insurance		2,010	
Unemployment Compensation		240	
Employer Medicare		12,674	
Maintenance and Repair Services - Equipment		2,795	
Other Contracted Services		145,514	
Instructional Supplies and Materials		19,840	
Vocational Instruction Equipment		32,862	
Other Equipment		24,141	
Total Career and Technical Education Program			1,511,144

Adult Education Program

Teachers	\$	236,215	
Other Salaries and Wages		149,287	
Social Security		21,171	
Pensions		26,640	
Life Insurance		139	
Medical Insurance		48,068	
Dental Insurance		511	
Employer Medicare		5,255	

(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.)

Adult Education Program (Cont.)

Travel	\$	7,650	
Instructional Supplies and Materials		29,088	
Other Equipment		36,978	
Total Adult Education Program			\$ 561,002

Support Services

Attendance

Supervisor/Director	\$	75,841	
Career Ladder Program		1,000	
Clerical Personnel		21,267	
Other Salaries and Wages		72,543	
Social Security		10,009	
Pensions		17,765	
Life Insurance		64	
Medical Insurance		27,276	
Dental Insurance		330	
Unemployment Compensation		32	
Employer Medicare		2,341	
Other Contracted Services		57,536	
Other Supplies and Materials		1,013	
Attendance Equipment		3,747	
Total Attendance			290,764

Health Services

Supervisor/Director	\$	73,580	
Career Ladder Program		1,000	
Social Workers		62,731	
Medical Personnel		430,826	
Secretary(ies)		27,579	
Other Salaries and Wages		72,041	
Other Per Diem and Fees		1,472	
Social Security		37,505	
Pensions		62,555	
Life Insurance		431	
Medical Insurance		191,101	
Dental Insurance		2,962	
Unemployment Compensation		396	
Employer Medicare		8,771	
Travel		5,588	
Other Contracted Services		14,748	
Drugs and Medical Supplies		5,322	
Office Supplies		280	
Other Supplies and Materials		2,659	
In Service/Staff Development		1,999	
Other Charges		996	
Total Health Services			1,004,542

(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

Career Ladder Program	\$	7,000	
Guidance Personnel		1,611,628	
Psychological Personnel		36,680	
Social Workers		64,632	
Assessment Personnel		10,220	
Social Security		99,115	
Pensions		171,896	
Life Insurance		722	
Medical Insurance		309,056	
Dental Insurance		3,727	
Unemployment Compensation		436	
Employer Medicare		23,240	
Contracts with Government Agencies		90,850	
Evaluation and Testing		118,085	
Travel		8,221	
Other Contracted Services		142,000	
Other Supplies and Materials		2,840	
In Service/Staff Development		4,903	
Other Equipment		68,490	
Total Other Student Support			\$ 2,773,741

Regular Instruction Program

Supervisor/Director	\$	353,312	
Career Ladder Program		14,084	
Librarians		1,025,602	
Materials Supervisor		7,795	
Instructional Computer Personnel		71,594	
Secretary(ies)		71,387	
Clerical Personnel		123,604	
Educational Assistants		11,998	
Other Salaries and Wages		133,744	
Social Security		105,555	
Pensions		183,766	
Life Insurance		712	
Medical Insurance		289,759	
Dental Insurance		3,536	
Unemployment Compensation		405	
Employer Medicare		24,687	
Travel		11,702	
Other Contracted Services		17,097	
Library Books/Media		78,727	
Office Supplies		4,801	
Other Supplies and Materials		34,406	
In Service/Staff Development		40,891	
Other Charges		175,475	
Other Equipment		7,659	
Total Regular Instruction Program			2,792,298

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program

Supervisor/Director	\$	78,858	
Career Ladder Program		1,000	
Secretary(ies)		29,917	
Social Security		6,684	
Pensions		11,361	
Life Insurance		51	
Medical Insurance		5,568	
Dental Insurance		143	
Unemployment Compensation		38	
Employer Medicare		1,563	
Total Alternative Instruction Program			\$ 135,183

Special Education Program

Supervisor/Director	\$	72,353	
Career Ladder Program		3,000	
Psychological Personnel		333,780	
Assessment Personnel		91,978	
Secretary(ies)		44,729	
Other Salaries and Wages		560,497	
Other Per Diem and Fees		2,332	
Social Security		63,596	
Pensions		109,354	
Life Insurance		423	
Medical Insurance		203,115	
Dental Insurance		2,566	
Unemployment Compensation		165	
Employer Medicare		14,896	
Communication		2,831	
Travel		25,813	
Other Contracted Services		41,198	
Other Supplies and Materials		31,288	
In Service/Staff Development		49,049	
Other Charges		2,176	
Other Equipment		2,490	
Total Special Education Program			1,657,629

Career and Technical Education Program

Supervisor/Director	\$	59,769	
Social Security		3,427	
Pensions		6,252	
Life Insurance		19	
Medical Insurance		14,472	
Unemployment Compensation		13	
Employer Medicare		801	
Travel		1,811	
Other Contracted Services		140	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

Other Supplies and Materials	\$	49	
In Service/Staff Development		399	
Total Career and Technical Education Program			\$ 87,152

Technology

Supervisor/Director	\$	74,300	
Career Ladder Program		2,000	
Computer Programmer(s)		476,803	
Clerical Personnel		41,196	
Other Per Diem and Fees		700	
Social Security		34,395	
Pensions		61,183	
Life Insurance		257	
Medical Insurance		99,187	
Dental Insurance		1,186	
Unemployment Compensation		139	
Employer Medicare		8,044	
Maintenance and Repair Services - Equipment		15,617	
Internet Connectivity		212,189	
Travel		10,364	
Other Contracted Services		16,000	
Office Supplies		402	
Other Supplies and Materials		38,875	
Other Equipment		48,449	
Total Technology			1,141,286

Adult Programs

Supervisor/Director	\$	70,000	
Career Ladder Program		1,000	
Clerical Personnel		34,499	
Social Security		5,970	
Pensions		10,897	
Life Insurance		49	
Medical Insurance		27,606	
Dental Insurance		251	
Employer Medicare		1,396	
Travel		4,665	
Other Contracted Services		25,094	
Instructional Supplies and Materials		274	
Total Adult Programs			181,701

Other Programs

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

(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

Secretary to Board	\$	56,788	
Other Salaries and Wages		18,850	
Board and Committee Members Fees		23,100	
Social Security		5,800	
Pensions		7,674	
Life Insurance		13	
Medical Insurance		10,867	
Dental Insurance		132	
Unemployment Compensation		13	
Employer Medicare		1,356	
Audit Services		12,600	
Communication		260,509	
Dues and Memberships		20,432	
Legal Services		51,154	
Travel		7,990	
Other Contracted Services		13,137	
Other Supplies and Materials		76	
Liability Insurance		218,040	
Trustee's Commission		569,572	
Workers' Compensation Insurance		172,710	
In Service/Staff Development		2,625	
Criminal Investigation of Applicants - TBI		32,580	
Other Charges		274,951	
Total Board of Education			\$ 1,760,969

Director of Schools

County Official/Administrative Officer	\$	109,120	
Social Security		6,425	
Pensions		11,428	
Life Insurance		26	
Medical Insurance		14,472	
Dental Insurance		132	
Unemployment Compensation		13	
Employer Medicare		1,503	
Travel		6,340	
Office Supplies		417	
Other Charges		4,316	
Total Director of Schools			154,192

Office of the Principal

Principals	\$	1,428,953	
Career Ladder Program		20,001	
Accountants/Bookkeepers		559,286	
Assistant Principals		1,805,686	
Secretary(ies)		854,589	
Social Security		266,330	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Pensions	\$	475,504	
Life Insurance		2,233	
Medical Insurance		940,396	
Dental Insurance		11,453	
Unemployment Compensation		1,249	
Employer Medicare		62,703	
Dues and Memberships		1,285	
Postal Charges		9,500	
Office Supplies		196	
Other Charges		9,500	
Total Office of the Principal			\$ 6,448,864

Fiscal Services

Supervisor/Director	\$	90,927	
Accountants/Bookkeepers		240,595	
Purchasing Personnel		45,985	
Clerical Personnel		39,859	
Social Security		23,752	
Pensions		41,556	
Life Insurance		180	
Medical Insurance		84,315	
Dental Insurance		1,043	
Unemployment Compensation		101	
Employer Medicare		5,555	
Travel		2,219	
Other Contracted Services		129,484	
Office Supplies		7,859	
In Service/Staff Development		2,677	
Other Charges		11,280	
Administration Equipment		3,481	
Total Fiscal Services			730,868

Human Services/Personnel

Supervisor/Director	\$	86,052	
Other Salaries and Wages		83,177	
Social Security		9,325	
Pensions		17,024	
Life Insurance		64	
Medical Insurance		27,302	
Dental Insurance		395	
Unemployment Compensation		38	
Employer Medicare		2,181	
Travel		2,640	
Other Contracted Services		4,840	
Office Supplies		1,436	
In Service/Staff Development		829	
Administration Equipment		1,386	
Total Human Services/Personnel			236,689

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant

Communication	\$	58,588	
Janitorial Services		2,354,266	
Other Contracted Services		200,067	
Custodial Supplies		72,992	
Electricity		2,657,046	
Natural Gas		436,185	
Water and Sewer		389,615	
Building and Contents Insurance		248,917	
Other Charges		700	
Total Operation of Plant			\$ 6,418,376

Maintenance of Plant

Supervisor/Director	\$	132,982	
Secretary(ies)		79,307	
Maintenance Personnel		678,127	
Social Security		51,491	
Pensions		90,167	
Life Insurance		444	
Medical Insurance		184,821	
Dental Insurance		1,952	
Unemployment Compensation		277	
Employer Medicare		12,042	
Other Contracted Services		527,913	
Other Supplies and Materials		474,825	
Building Construction		25,000	
Maintenance Equipment		28,569	
Total Maintenance of Plant			2,287,917

Transportation

Supervisor/Director	\$	64,219	
Mechanic(s)		154,938	
Bus Drivers		1,216,167	
Clerical Personnel		21,941	
Part-time Personnel		38,136	
Other Salaries and Wages		269,353	
Social Security		100,598	
Pensions		170,675	
Life Insurance		1,165	
Medical Insurance		335,190	
Dental Insurance		6,452	
Unemployment Compensation		1,185	
Employer Medicare		23,839	
Contracts with Parents		1,233	
Laundry Service		3,958	
Travel		2,920	
Other Contracted Services		45,533	

(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.)

Support Services (Cont.)

Transportation (Cont.)

Diesel Fuel	\$	285,387	
Gasoline		103,881	
Lubricants		7,615	
Tires and Tubes		33,871	
Vehicle Parts		175,362	
Other Supplies and Materials		3,156	
Other Charges		7,459	
Transportation Equipment		521,130	
Total Transportation			\$ 3,595,363

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	65,778	
Accountants/Bookkeepers		37,056	
Clerical Personnel		118,323	
Maintenance Personnel		133,156	
Other Per Diem and Fees		720	
Social Security		20,131	
Pensions		35,717	
Life Insurance		163	
Medical Insurance		79,033	
Dental Insurance		845	
Unemployment Compensation		88	
Employer Medicare		4,708	
Total Food Service			495,718

Community Services

Supervisor/Director	\$	55,705	
Teachers		298,085	
Bus Drivers		32,940	
Clerical Personnel		29,279	
Educational Assistants		56,637	
Other Salaries and Wages		131,539	
Other Per Diem and Fees		192	
Social Security		34,879	
Pensions		48,982	
Life Insurance		58	
Medical Insurance		31,095	
Dental Insurance		332	
Unemployment Compensation		13	
Employer Medicare		8,226	
Travel		3,888	
Instructional Supplies and Materials		2,148	
Other Supplies and Materials		25,760	
In Service/Staff Development		5,527	
Total Community Services			765,285

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education

Supervisor/Director	\$	38,977	
Teachers		821,798	
Clerical Personnel		21,702	
Educational Assistants		370,899	
Social Security		71,581	
Pensions		124,976	
Life Insurance		800	
Medical Insurance		285,196	
Dental Insurance		4,084	
Unemployment Compensation		460	
Employer Medicare		16,741	
Travel		130	
Other Contracted Services		86,101	
Food Supplies		831	
Instructional Supplies and Materials		45,622	
Other Supplies and Materials		2,856	
In Service/Staff Development		6,360	
Other Charges		1,242	
Other Equipment		162	
Total Early Childhood Education			\$ 1,900,518

Capital Outlay

Regular Capital Outlay

Data Processing Equipment	\$	1,090,560	
Land		677,150	
Total Regular Capital Outlay			1,767,710

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	681,233	
Total Education			681,233

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$	22,450	
Total Education			22,450

Total General Purpose School Fund \$ 93,783,316

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	957,174	
Educational Assistants		354,029	
Other Salaries and Wages		12,200	
Certified Substitute Teachers		17,768	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Non-certified Substitute Teachers	\$	28,808	
Social Security		73,918	
Pensions		118,223	
Life Insurance		678	
Medical Insurance		276,039	
Dental Insurance		3,761	
Employer Medicare		18,398	
Instructional Supplies and Materials		61,845	
Other Charges		620	
Regular Instruction Equipment		248,490	
Total Regular Instruction Program			\$ 2,171,951

Special Education Program

Teachers	\$	119,985	
Educational Assistants		1,504,087	
Certified Substitute Teachers		2,028	
Non-certified Substitute Teachers		6,788	
Social Security		88,236	
Pensions		152,375	
Life Insurance		1,176	
Medical Insurance		527,792	
Dental Insurance		7,701	
Employer Medicare		20,721	
Instructional Supplies and Materials		3,783	
Special Education Equipment		5,123	
Total Special Education Program			2,439,795

Career and Technical Education Program

Other Contracted Services	\$	1,000	
Instructional Supplies and Materials		25,676	
Other Supplies and Materials		3,032	
Vocational Instruction Equipment		161,548	
Total Career and Technical Education Program			191,256

Support Services

Other Student Support

Other Salaries and Wages	\$	8,350	
Social Security		518	
Pensions		782	
Employer Medicare		121	
Travel		8,431	
Other Contracted Services		285	
Other Supplies and Materials		800	
In Service/Staff Development		12,767	
Other Charges		31,712	
Total Other Student Support			63,766

(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.)

Regular Instruction Program

Supervisor/Director	\$	86,818	
Secretary(ies)		63,267	
Clerical Personnel		1,500	
Other Salaries and Wages		534,486	
Certified Substitute Teachers		845	
Non-certified Substitute Teachers		280	
Social Security		37,141	
Pensions		61,533	
Life Insurance		216	
Medical Insurance		90,495	
Dental Insurance		1,246	
Employer Medicare		9,486	
Travel		8,928	
Other Contracted Services		340,977	
Other Supplies and Materials		34,873	
In Service/Staff Development		91,577	
Other Charges		215,481	
Other Equipment		16,054	
Total Regular Instruction Program			\$ 1,595,203

Special Education Program

Other Salaries and Wages	\$	240,239	
In-service Training		1,959	
Social Security		13,809	
Pensions		24,996	
Life Insurance		112	
Medical Insurance		48,656	
Dental Insurance		516	
Employer Medicare		3,226	
Travel		2,838	
Other Contracted Services		14,991	
Other Supplies and Materials		7,623	
In Service/Staff Development		49,349	
Total Special Education Program			408,314

Transportation

Bus Drivers	\$	5,477	
Social Security		316	
Pensions		474	
Employer Medicare		74	
Rentals		13,813	
Total Transportation			20,154

Operation of Non-Instructional Services

Food Service

Food Supplies	\$	1,513	
Total Food Service			1,513

(Continued)

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

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services

Supervisor/Director	\$	13,926	
Teachers		64,072	
Bus Drivers		38,739	
Clerical Personnel		7,320	
Educational Assistants		12,344	
Other Salaries and Wages		6,753	
Other Per Diem and Fees		48	
Social Security		8,165	
Pensions		13,396	
Life Insurance		12	
Medical Insurance		5,666	
Dental Insurance		53	
Employer Medicare		1,914	
Travel		824	
Instructional Supplies and Materials		4,721	
Other Supplies and Materials		5,439	
In Service/Staff Development		1,708	
Total Community Services			<u>\$ 185,100</u>

Total School Federal Projects Fund

\$ 7,077,052

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Bus Drivers	\$	10,266	
Cafeteria Personnel		2,010,515	
Social Security		116,730	
Pensions		137,954	
Life Insurance		998	
Medical Insurance		331,822	
Dental Insurance		9,771	
Unemployment Compensation		2,309	
Employer Medicare		27,577	
Communication		13,140	
Maintenance and Repair Services - Equipment		78,815	
Travel		17,588	
Other Contracted Services		70,187	
Food Preparation Supplies		244,658	
Food Supplies		2,818,687	
Office Supplies		12,122	
USDA - Commodities		483,236	
Other Supplies and Materials		14,738	
In Service/Staff Development		12,949	
Criminal Investigation of Applicants - TBI		2,090	
Other Charges		32,618	
Food Service Equipment		51,535	
Total Food Service			<u>\$ 6,500,305</u>

Total Central Cafeteria Fund

6,500,305

(Continued)

Exhibit K-8

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

<u>Extended School Program Fund</u>		
<u>Operation of Non-Instructional Services</u>		
<u>Community Services</u>		
Other Salaries and Wages	\$ 867,731	
Other Per Diem and Fees	240	
Social Security	52,300	
Pensions	27,161	
Life Insurance	158	
Medical Insurance	68,684	
Dental Insurance	834	
Employer Medicare	12,232	
Travel	641	
Food Supplies	10,031	
Refunds	1,255	
Other Charges	38,388	
Other Equipment	19,287	
Total Community Services		<u>\$ 1,098,942</u>
Total Extended School Program Fund		\$ 1,098,942
<u>Education Capital Projects Fund</u>		
<u>Support Services</u>		
<u>Maintenance of Plant</u>		
Other Contracted Services	\$ 21,102	
Total Maintenance of Plant		<u>\$ 21,102</u>
Total Education Capital Projects Fund		<u>21,102</u>
Total Governmental Funds - Putnam County School Department		<u><u>\$ 108,480,717</u></u>

Exhibit K-9

Putnam County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2019

	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	\$ 1,524,077
<u>Other Local Revenues</u>	
Miscellaneous Refunds	88,700
Total Operating Revenues	<u>\$ 1,612,777</u>
<u>Nonoperating Revenues</u>	
Investment Income	\$ 16,609
Total Nonoperating Revenues	<u>\$ 16,609</u>
Total Revenues	<u>\$ 1,629,386</u>
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>General Government</u>	
<u>County Buildings</u>	
Other Self-insured Claims	\$ 28,332
Total General Government	<u>\$ 28,332</u>
<u>Finance</u>	
<u>County Clerk's Office</u>	
Liability Claims	\$ 50,000
Total Finance	<u>\$ 50,000</u>
<u>Administration of Justice</u>	
<u>Circuit Court</u>	
Legal Services	\$ 14,891
Liability Claims	27,279
Total Administration of Justice	<u>\$ 42,170</u>
<u>Public Safety</u>	
<u>Sheriff's Department</u>	
Legal Services	\$ 9,869
Vehicle and Equipment Insurance	6,471
Workers' Compensation Insurance	34,782
Other Charges	2,484
<u>Jail</u>	
Other Self-insured Claims	20,976
<u>Fire Prevention and Control</u>	
Liability Insurance	10,266
<u>Civil Defense</u>	
Excess Risk Insurance	4,508
Total Public Safety	<u>\$ 89,356</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	\$ 34,970
Excess Risk Insurance	29,388
Other Self-insured Claims	3,393
<u>Sanitation Management</u>	
Liability Claims	4,631
Other Self-insured Claims	19,635
Total Public Health and Welfare	<u>\$ 92,017</u>
<u>Social Cultural and Recreational Services</u>	
<u>Parks and Fair Boards</u>	
Legal Services	\$ 295
Total Social Cultural and Recreational Services	<u>\$ 295</u>
<u>Other Operations</u>	
<u>Other Charges</u>	
Handling Charges and Administrative Costs	\$ 14,302
Other Contracted Services	2,533
Building and Contents Insurance	99,567
Excess Risk Insurance	78,126
Liability Insurance	33,241
Premiums on Corporate Surety Bonds	4,148
Workers' Compensation Insurance	44,933
Liability Claims	3,763
Other Self-insured Claims	30,984
Other Charges	6,622
Total Other Operations	<u>\$ 318,219</u>
<u>Highways</u>	
<u>Administration</u>	
Handling Charges and Administrative Costs	\$ 8,413
Legal Services	47,048
Other Contracted Services	1,490
Building and Contents Insurance	58,569
Excess Risk Insurance	38,939
Liability Insurance	19,554
Medical Claims	10,625
Premiums on Corporate Surety Bonds	2,440
Workers' Compensation Insurance	26,431
Liability Claims	135
Other Self-insured Claims	64,219
Other Charges	3,660
Total Highways	<u>\$ 281,523</u>

(Continued)

Exhibit K-9

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

	Governmental Activities - Internal Service Fund <hr/> Self- Insurance Fund <hr/>
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Education</u>	
<u>Central and Other</u>	
Handling Charges and Administrative Costs	\$ 19,350
Legal Services	6,679
Other Contracted Services	3,427
Building and Contents Insurance	134,708
Excess Risk Insurance	77,830
Liability Insurance	44,973
Premiums on Corporate Surety Bonds	5,612
Workers' Compensation Insurance	60,792
Other Self-insured Claims	508,952
Other Charges	4,968
Total Education	<hr/> \$ 867,291 <hr/>
Total Expenses	<hr/> \$ 1,769,203 <hr/>

Putnam County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2019

	<u>Cities - Sales Tax Fund</u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 16,719,108
Total Cash Receipts	<u>\$ 16,719,108</u>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 16,551,917
Trustee's Commission	<u>167,191</u>
Total Cash Disbursements	<u>\$ 16,719,108</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2018	<u>0</u>
Cash Balance, June 30, 2019	<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, 2019, 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 6, 2019.

Internal Control Over Financial Reporting

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

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

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

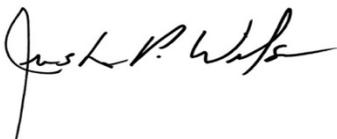
Compliance and Other Matters

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

Purpose of this Report

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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 6, 2019

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, 2019. 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, 2019.

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, 2019, and the related notes to the financial statements, which collectively comprise Putnam County's basic financial statements. We issued our report thereon dated December 6, 2019, 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 6, 2019

JPW/yu

Putnam County, Tennessee, and the Putnam County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2)
For the Year Ended June 30, 2019

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: (4)			
School Breakfast Program	10.553	N/A	\$ 1,259,920
National School Lunch Program	10.555	N/A	2,922,245 (5)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	483,236 (5)
National School Lunch Program - State Administrative Expenses	10.555	N/A	16,289 (5)
Passed-through East Tennessee Human Resource Agency:			
Child and Adult Care Food Program	10.558	N/A	609,752
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	N/A	319,788
Total U.S. Department of Agriculture			<u>\$ 5,611,230</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>\$ 113,237</u>
U.S. Department of Housing and Urban Development:			
Passed-through Tennessee Housing Development Agency:			
Home Investment Partnerships Program	14.239	(3)	<u>\$ 6,703</u>
U.S. Department of Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	N/A	<u>\$ 6,000</u>
U.S. Department of Justice:			
Direct Program:			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 8,360
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(3)	265,467
Passed-through State Department of Mental Health and			
Substance Abuse Services:			
Drug Court Discretionary Grant Program	16.585	(3)	71,874
Total U.S. Department of Justice			<u>\$ 345,701</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	(3)	\$ 511,766
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	3,045,387
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	3,028,175
Special Education - Preschool Grants	84.173	N/A	157,054
Career and Technical Education - Basic Grants to States	84.048	N/A	228,901
Twenty-first Century Community Learning Centers	84.287	N/A	190,620
Rural Education	84.358	(3)	200,050
English Language Acquisition Grants	84.365	(3)	78,493
Supporting Effective Instruction State Grant	84.367	N/A	306,053 (6)
Student Support and Academic Enrichment Program	84.424	N/A	194,503
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	(3)	11,089
Passed-through WCTE PBS Channel 22:			
Ready-to-Learn Television	84.295	(3)	30,487
Passed-through Metro Nashville Public Schools:			
Math and Science Partnership Grant	84.366	N/A	11,378
Passed-through Warren County Board of Education:			
Supporting Effective Instruction State Grant	84.367	N/A	7,866 (6)
Total U.S. Department of Education			<u>\$ 8,001,822</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Mental Health and Substance Abuse Services:			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	(3)	\$ 3,356
Passed-through State Department of Education:			
CCDF Cluster: (4)			
Child Care and Development Block Grant	93.575	G1801TNCCDF	<u>14,419</u>
Total U.S. Department of Health and Human Services			<u>\$ 17,775</u>
U.S. Executive Office of the President:			
Passed-through Laurel County, Kentucky Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	(3)	<u>\$ 22,538</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(3)	\$ 55,850
Homeland Security Grant Program	97.067	(3)	<u>136,285</u>
Total U.S. Department of Homeland Security			<u>\$ 192,135</u>
Total Expenditures of Federal Awards			<u>\$ 14,317,141</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
State Supplement Juvenile Court Improvements Funds - State Commission on Children and Youth	N/A	(3)	\$ 9,000
Local Health Services - State Department of Health	N/A	(3)	1,671,755
Tennessee Certified Drug Court Program - State Department of Mental Health and Substance Abuse Services	N/A	(3)	69,320
Tennessee Veterans Treatment Court Initiative - State Department of Mental Health and Substance Abuse Services	N/A	(3)	59,462
Alcohol and Drug Addiction Treatment Program - State Department of Mental Health and Substance Abuse Services	N/A	(3)	5,760
Litter Program - State Department of Transportation	N/A	Z19LIT071	45,775
Recycling Equipment Grant - State Department of Environment and Conservation	N/A	32701-02946	18,878
Organics Management Grant - State Department of Environment and Conservation	N/A	32701-03266	74,442
Household Hazardous Waste Collection Facility Grant - State Department of Environment and Conservation	N/A	32701-03075	38,387
Education and Outreach Grant - State Department of Environment and Conservation	N/A	32701-03424	31,900
Lottery for Education - Afterschool Programs (LEAPS) - State Department of Education	N/A	(3)	686,344
Adult Basic Education - State Department of Labor and Workforce Development	N/A	(9)	170,589
Family Resource - State Department of Education	N/A	(3)	30,412
Coordinated School Health Project - State Department of Education	N/A	(3)	155,000
Youth Wellness - State Department of Education	N/A	(3)	300
Safe Schools Act - State Department of Education	N/A	(3)	69,250
School Safety - State Department of Education	N/A	(3)	104,090
Early Childhood Education - State Department of Education	N/A	(3)	1,616,880
ConnecTenn - State Department of Education	N/A	(3)	28,087
Read to be Ready Summer Literacy Grant - State Department of Education	N/A	(3)	57,677
Read to Be Ready Coaching Network - State Department of Education	N/A	(3)	9,994
			\$ 4,953,302
Total State Grants			

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) Information not available.
- (4) Child Nutrition Cluster total \$5,001,478; Special Education Cluster total \$3,185,229; CCDF Cluster total \$14,419.
- (5) Total for CFDA No. 10.555 is \$3,421,770.
- (6) Total for CFDA No. 84.367 is \$313,919.
- (7) During the year ended June 30, 2019, Putnam County received excess military equipment from the U.S. Department of Military valued at \$113,237.

(Continued)

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

(8) SCHOOL-WIDE PROGRAM

The following amounts were consolidated for School-wide purposes:

Program Title	Federal CFDA Number	Amount Provided to Schoolwide Program
Title I Grants to Local Educational Agencies	84.010	\$ 331,891
Supporting Effective Instruction State Grant	84.367	13,993
Total amounts consolidated for School-wide Program		\$ 345,884

CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	Federal CFDA Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$ 201,320
Rural Education	84.358	21,088
English Language Acquisition Grants	84.365	1,212
Supporting Effective Instruction State Grant	84.367	22,260
Student Support and Academic Enrichment Program	84.424	86
Total amounts consolidated for administration purposes		\$ 245,966

Putnam County, Tennessee
Summary Schedule of Prior-year Findings
For the Year Ended June 30, 2019

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, 2019.

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, 2019

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

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

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings and recommendations, as a result of our audit of the financial statements of Putnam County, Tennessee, for the year ended June 30, 2019.

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, 2019.

Putnam County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2019

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

BEST PRACTICE

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

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

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

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