

CITIZENS' ANNUAL FINANCIAL REPORT



MAJOR

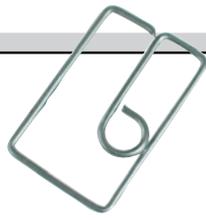
ABOUT PUTNAM

PUTNAM COUNTY, FLORIDA

PERFORMANCE INDICATORS

COMMUNITY ACTIVITIES

FISCAL YEAR ENDED SEPTEMBER 30, 2008



To the Citizens of Putnam County:

I am pleased to present this Citizens' Annual Financial Report for the fiscal year ended September 30, 2008. In my capacity as Clerk and Comptroller of Putnam County, I serve as accountant, auditor and custodian of funds for the Board of County Commissioners. This division of responsibilities is one of the key strengths of our system of government.

This report has been prepared by my Finance Department, from results audited by the accounting firm of Davis Monk & Company, to provide you with a better understanding of the County's operations and financial condition. I wish to thank the entire Finance Department, under the direction of John H. Jones, CPA, CIA. Their daily commitment to excellence is critical to the continued financial health of the County.

Each year the County legally adopts a budget to determine how much money it will raise and to prioritize how it will be spent. The County's operating Budget, which exceeds \$120 million annually, is funded primarily from Taxes, Grants & Contributions, Debt Proceeds, and Charges for Services. Much of the total revenue received is restricted in some manner or limited to "specific-use" purposes. This restricted use revenue is not available for funding the County's general operations and can only be spent for the particular purposes for which it was created or mandated. For this report, spending is summarized into major taxpayer service categories such as: Public Safety, Transportation, Physical Environment, Culture and Recreation, and General Government Services.

In order to realize the benefits of significant public works projects like the East Putnam Regional Water System sooner, the County has elected to finance the larger projects using long term debt. These tax-free obligations are due to be repaid using defined revenue sources. This Citizens' report highlights some of these recent projects.

A majority of the County's operations fall under the Board of County Commissioners, while other specific duties fall under financially related special districts and separately elected Constitutional Officers. Contact information for the Constitutional Officers and Board of County Commissioners is also provided.

It is a privilege to serve as your Clerk and Comptroller, and I am honored you have entrusted me with the associated duties and responsibilities. I hope you find the information contained within this report interesting, informative and easy-to-read. I welcome your input.

Sincerely,

Tim Smith

Tim Smith
Clerk of Courts & Comptroller

* Due to security concerns, the signature on this letter is a facsimile.



ABOUT THE COVER

Photo in background: St Johns River and Memorial Bridge facing East Palatka

Overlaid photos (clockwise from top):

1. Putnam County Government Center, 2509 Crill Avenue. Completed 2008. See Major Initiatives for more information.
2. Emergency Operations Center, 410 S Hwy 19. Completed 2008. See Major Initiatives for more information.
3. Putnam County Courthouse

Our thanks to Tiffany Sage of Tiffany Sage Photography for cover design and photography.

Tiffany was born and raised in Palatka, graduating from Palatka High School in 1997. She attended Florida School of the Arts in Palatka and received an Associate of Science degree in Painting in 2000 and an Associate of Arts in Fine Arts in 2001. Thereafter, she attended Savannah College of Art and Design where she received a Bachelor of Arts in Photography.

Some of her credits include a semester at sea where she visited and collected extensive photo stock of Canada, Japan, China, Vietnam, Cambodia, Malaysia, India, Kenya, South Africa, Brazil and Cuba. Her personal photography travels include Jamaica, Bahamas, St. Lucia, Italy, France and England.

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

**Putnam County
Florida**

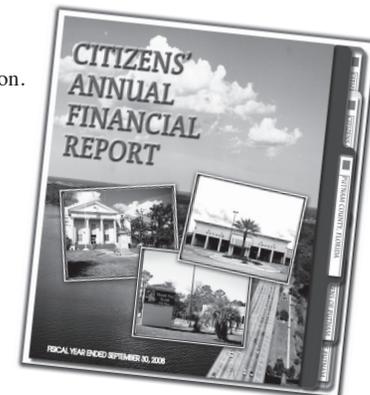
for the Fiscal Year Ended
September 30, 2007



Keith R. Pitt
President
Jeffrey L. Caser
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Putnam County, Florida for its Popular Annual Financial Report (the Citizens' Report) for the fiscal year ended September 30, 2007. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understanding and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



ABOUT THIS REPORT

This Citizens' Annual Financial Report is derived from information included in the County's Comprehensive Annual Financial Report (CAFR), but is reformatted to make it easier to read and understand. The financial information is presented in a condensed and summarized form and does not substitute for the County's CAFR, which provides detail on the County's financial position and financial changes for the year in conformity with generally accepted accounting principles (GAAP).

The financial information found throughout this report includes all funds and fund types of the County, including Constitutional Officers, excluding Fiduciary (Trust) funds and the Putnam County Development Authority, a component unit of the County. In addition, transfers between funds have been excluded.



ABOUT PUTNAM COUNTY

Total Area: 827.2 square miles
Land Area: 721.9 square miles
Water Area: 105.3 square miles
Founded: January 1849
County Seat: Palatka
Population (2000 Census): 70,423
Population (2008 Est.): 74,989
% of Population in Unincorporated Areas: 80%



Putnam County is located in the Northeast region of the State of Florida between Gainesville to the west and Jacksonville to the northeast. Of the county's total area, 12.73% is water. For much of its length, Putnam County straddles the St. Johns River, designated an American Heritage River. Palatka was a major water transportation and commerce center until a fire in 1884 destroyed the majority of the downtown/riverfront area. Today, the approximately 100 miles of river and numerous large and small lakes located throughout the County are primarily used for recreational boating and fishing.

Putnam County is a rural county, with relatively slow growth in development and population, and that trend is expected to continue for the foreseeable future. Fire protection (except for the City of Palatka) is provided by Volunteer Fire Departments. Of the 1,648 miles of roads in the County, nearly 68% remain unpaved. In 2002, the Citizens of Putnam County voted to approve a one-cent sales surtax to support infrastructure improvements throughout Putnam County, locally referred to as the "Better Place Plan".

YOUR ELECTED OFFICIALS

Putnam County Citizens

Clerk of Courts & Comptroller	Board of County Commissioners	Property Appraiser	Sheriff	Supervisor of Elections	Tax Collector
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The County is governed by an elected board of five (5) Commissioners, with other elected officials - Clerk of Courts & Comptroller, Sheriff, Supervisor of Elections, and Tax Collector - having their own specific areas of responsibility. All are elected to four year terms of office. The Tax Collector is a "fee officer", completely funding his operations from fees collected in the performance of his duties. The Clerk's office is funded partially by fees, and partially by budgeted support from the Board of County Commissioners for services provided to them or on their behalf. The remaining officials, who may collect minimal fees for certain services, normally receive complete funding from the Board through the County's annual operating budget. Excess fees and/or budget funds remaining at the end of the fiscal year revert to the Board for the Board's use in the following year. One exception to this is for court-related activities of the Clerk of Courts. Under Revision 7 to Article V of the Florida Constitution, effective July 1, 2004, excess fees generated by these activities revert to the State which is also responsible for funding any deficiencies.

BOARD OF COUNTY COMMISSIONERS



Nancy S. Harris
District No. 1



Chip Laibl
District No. 2



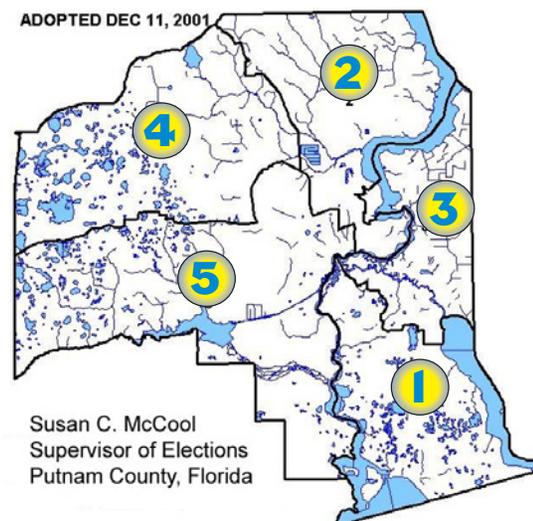
Kenny Eubanks
District No. 3



Ed Taylor
District No. 4



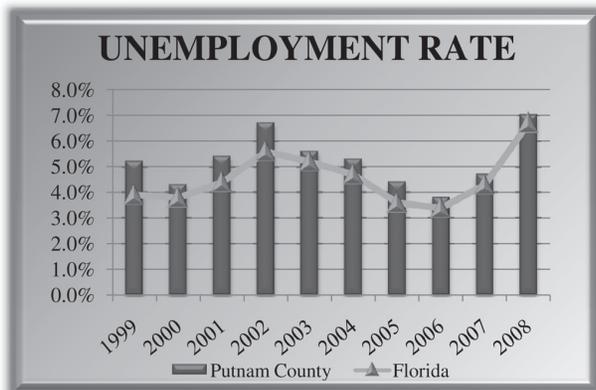
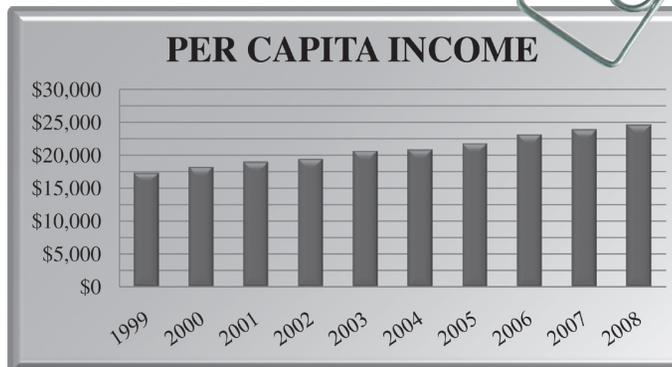
Brad Purcell, Chairman
District No. 5



ABOUT PUTNAM COUNTY

ECONOMIC CONDITION & OUTLOOK

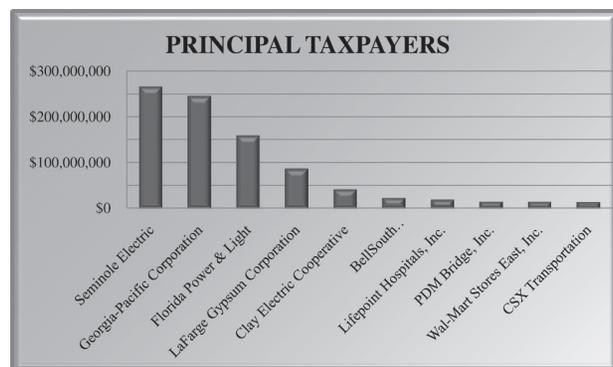
Despite modest growth in financial resources, County management has worked hard to manage the increasing demands on services and infrastructure. Critical review and prioritization of proposed projects has allowed the county to support a reasonable amount of growth, and begin to develop the means to expand commercial development. A one cent voter approved surtax has provided in excess of \$27.7 million for infrastructure improvements since January 2003. The improvements are helping to promote economic development and an overall improvement in quality of life for the citizens of Putnam County.



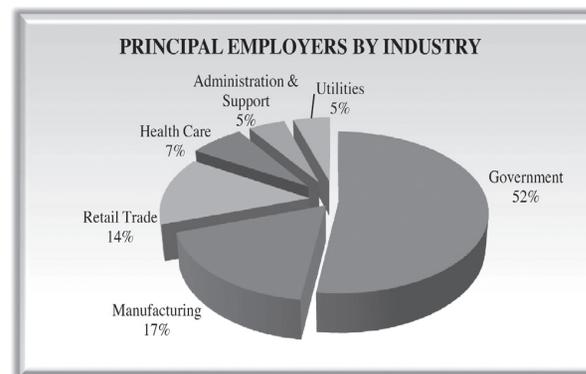
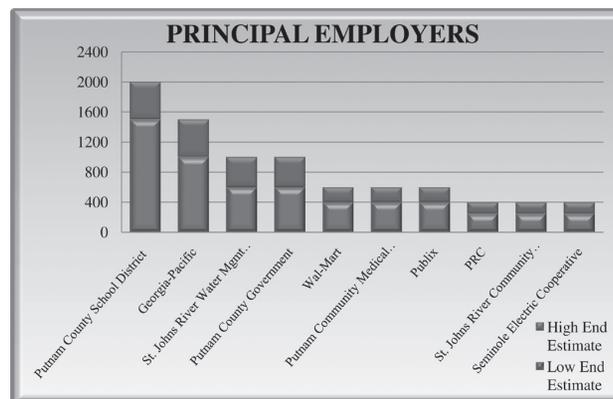
The County's unemployment rate of 8.1% for September 2008 is well above the State's rate of 6.6%, and is much higher than the 4.8% rate for September 2007, an increase of nearly 69%. This is indicative of the recent downturn in the economy.

The outlook for future economic growth in the County has moderated from previous years. Some of the factors affecting future growth are as follows:

- Wal-Mart has announced plans to construct a large distribution center in the southern end of the County. The proposed 850,000 square foot facility is projected to employ approximately 600 people.
- Seminole Electric is planning to expand its operations by adding a third generating unit. The latest projected in service date is mid 2016. While significantly increasing the County's tax base, the project, costing well in excess of \$1 billion, would provide an estimated 1,500 skilled construction jobs during the four year construction period. An additional 50 employees would be added to Seminole's work force when the unit goes into service.
- The recent completion of the four lane Highway 207 from East Palatka to St. Augustine, along with the future widening to four lanes of Highway 20 between Palatka and Gainesville, will greatly enhance access to the County.
- Recent statewide property tax reform will reduce the amount of ad-valorem tax revenue between \$3 and \$5 million annually. At a minimum, the reduction in revenue will result in some projects or capital expenditures being delayed. Additionally, some cuts in non-vital services may become necessary.



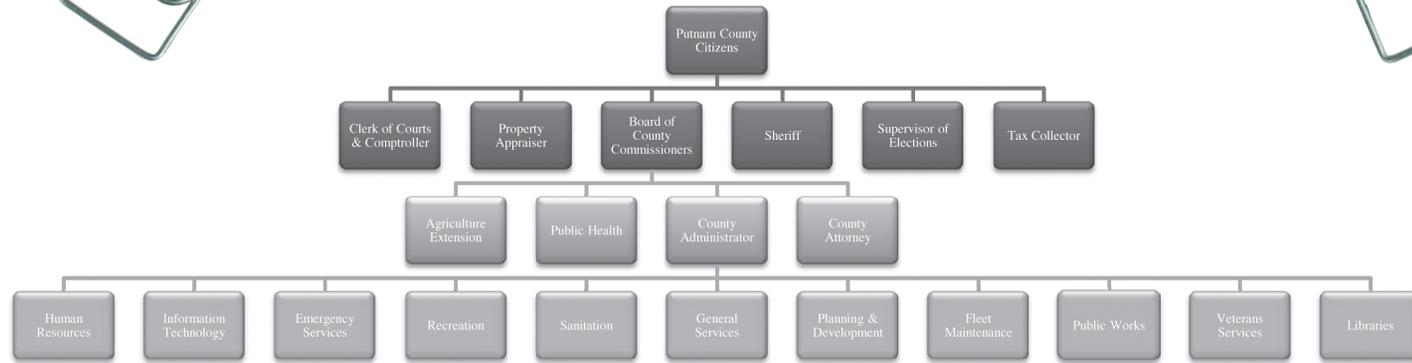
The Putnam County School District, with over 1,500 employees, is the single largest employer in the County. The school district, along with other governmental organizations, has maintained a significant portion of the employment market over the last ten or more years. Second as a principal employer is Georgia-Pacific Corporation with over 1,000 employees. The top ten employers, including the school district and Georgia Pacific Corporation, employed approximately 23% of the County's labor force in 2008, up from approximately 19% ten years ago.



Sources and Notes

- * Data has been taken from the Florida Statistical Abstract(s), Bureau of Economic and Business Research, University of Florida (1999 through 2007) and the Official Florida Population Estimates by County and Municipality, provided through the Office of Economic & Demographic Research of The Florida Legislature (October 2007 and July 2008). The data was said to be from census reports, or estimates, dated as of April 1 for the given year. Taxable sales data was, also, taken from the Florida Statistical Abstracts.
- * Annual Personal Income (API) figures are the results of multiplying Per Capita Personal Income by the Population figures for the given year. Consequently, the revisions noted in note (3) below may have, correspondingly, affected the API results.
- * Data was obtained through the U.S. Department of Commerce, Bureau of Economic Analysis (B.E.A.) website, Regional Economic Accounts, (HYPERLINK "<http://www.bea.gov/regional/reis/drill.cfm>")www.bea.gov/regional/reis/drill.cfm). Revisions have been made based on currently available B.E.A. tables.
- * State of Florida, Agency for Workforce Innovation – Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS). Figures for periods 1999 through 2007 are annual averages. The 2008 figure is based upon reports released as of December 19, 2008 and is subject to revision when the LAUS annual average has been established.
- * The source of data is the Profiles of Florida School Districts, produced by the Florida Department of Education (FDE). Reports are based upon the school year August through July.
- * Some 2007 and 2008 figures are projected estimates based on trend analysis calculations.
- * Unemployment data for the State of Florida was taken from the Bureau of Labor Statistics data for September of each year.

OPERATING INDICATORS



The statistics below are representative of some of the key activities in the major external service groups shown.

Function/Program	Fiscal Year		
	2006	2007	2008
Supervisor of Elections			
Registered Voters	44,206	43,019	45,566
Court Related			
New Cases Opened	30,035	26,928	24,640
Cases Closed	28,212	25,478	20,913
Culture & Recreation – Library			
Registered Borrowers	32,454	34,472	36,620
Volumes in Collection	138,329	96,641	128,547
Volumes Borrowed	117,386	97,600	111,460
Culture & Recreation – Parks & Recreation			
Program Participants	14,328 (b)	16,448	15,906
Program/Events Offered	57	45	37
Economic Environment – Veterans Services			
Claims Processed	2,566	1,658	1,905
Human Services – Animal Control			
Complaints Answered	7,139 (c)	6,913	7,533
Citations Issued	329 (c)	204	207
Human Services – Mosquito Control			
Complaints Answered	304	274	1,177
Miles Sprayed	1,745	2,165	2,566
Human Services – Welfare Administration			
HCRA Cases (d)	171	182	166
Public Safety – Buildings & Inspection			
Permits Issued: Commercial – New (e)	N/A	20	11
Commercial – Existing (e)	109	91	430
Residential – New (e)	738	512	226
Residential – Existing (e)	6,885	7,867	6,055
Inspections	36,913	25,151	20,154
Public Safety – Codes Enforcement			
New Cases Opened	1,523	1,646	1,278
New Case Inspections	4,971	5,574	4,031
Public Safety – Emergency Medical Services			
Emergency Responses	10,761	8,234	12,350
Transports	8,463	6,693	8,707
Public Safety – Fire Department			
Emergency Responses	5,252 (a)	5,615 (a)	5,925 (f)
Fires Attended	556 (a)	635 (a)	717 (f)
Sheriff's Office			
Violations	2,821 (a)	3,068 (a)	3,202 (f)
Arrests	6,058 (a)	5,829 (a)	5,708 (f)
Transportation/Public Works			
Road Gradings (miles)	3,261	2,722	3,004
Roads Paved/Resurfaced (miles)	64	56	22
Water Service Connections	235	235	235
Average Daily Water Consumption	36,705	42,037	37,465
Peak Daily Water Consumption	57,895	66,372	59,933
Average Daily Wastewater Treatment (gallons)	10,666	9,333	16,809
Business Type Activities – Sanitation			
Solid Waste Collections (tons)	100,718	96,357	90,482
Recycling Rate (g)	30%	30%	30%
Business Type Activities – Port Authority			
Dockage Days (h)	249	282	365



Sources:

- I. Fire Department Data has been taken from the State of Florida's Annual Fire Marshal Report.
- II. Sheriff's Office information has been extracted from the Florida Department of Law Enforcement (FDLE) Uniform Crime Reports.
- III. Sources other than those specified above were the various County departments.

Notes:

- (a) Revised figures based on newly acquired data.
- (b) Participation increase is largely attributable to the opening of a second Senior Citizen Center in fiscal year 2006.
- (c) Annualized estimate – data loss due to system problems.
- (d) HCRA (Health Care and Responsibility Act) obligates counties to pay out-of-county health care for county residents that meet eligibility criteria.
- (e) Categories were modified effective with FYE 2007 to reflect new and existing commercial and residential permits issued.
- (f) Projected estimates – finalized reports were not available.
- (g) Recycling rates represent ratios of Recycled Tons to Collected Tons.
- (h) The fluctuations in dockage days reported are largely attributable to one entity's usage.

COUNTY REVENUES

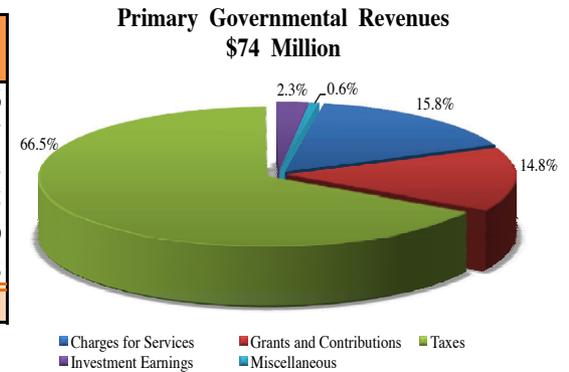
Primary Governmental Revenues increased over \$10 million in the past year driven largely by increases in Grants & Contributions (\$ 4.0 mil), and Taxes (\$ 3.9 mil).

Governmental activities are those which are supported primarily by taxes and inter-governmental revenues.

Business-type activities are intended to operate much like private sector businesses; their income derived from user fees is expected to support their operational activities. Putnam County's business-type activities include the Port Authority, the Water and Wastewater Utility System, and the Waste Management System.

***NOTE: All dollars in thousands.

Revenues	Governmental Activities	Business Type Activities	Total 9/30/2008	Total 9/30/2007
Charges for Services	\$11,722	\$6,379	\$18,101	\$19,026
Grants & Contributions	11,007	582	11,589	12,437
Taxes	49,380	-	49,380	52,308
Investment Earnings	1,676	227	1,903	2,505
Sales of Capital Assets	-	108	108	159
Miscellaneous	473	7	480	538
Total Revenues	\$74,258	\$7,303	\$81,561	\$86,973



Charges for Services \$11,722

General Government \$4,410

Tax Collector	\$2,326
Property Appraiser	\$44
Clerk of Courts (Non-Court)	\$714
Internal Service/Health Insurance	\$1,031
Other, General Government	\$295

Public Safety \$4,064

Ambulance Fees	\$2,388
E-911 Fees	\$324
Building Permits	\$444
Building Codes Enforcement	\$30
Fines, Forfeitures, Penalties & Surcharges	\$353
Law Enforcement Related	\$388
Other, Public Safety	\$137

Court Related \$2,011

Court Service Charges & Filing Fees	\$1,575
Judgments and Fines	\$431
Miscellaneous, Court Related	\$5

Other Charges for Services \$1,237

Cultural and Recreation	\$93
Human Services	\$200
Local Housing Assistance	\$55
Physical Environment	\$187
Special Assessments (MSBU's)	\$702

Grants and Contributions \$11,007

Federal	\$2,232
State	\$7,294
Local	\$1,475
Private	\$6

Taxes \$49,380

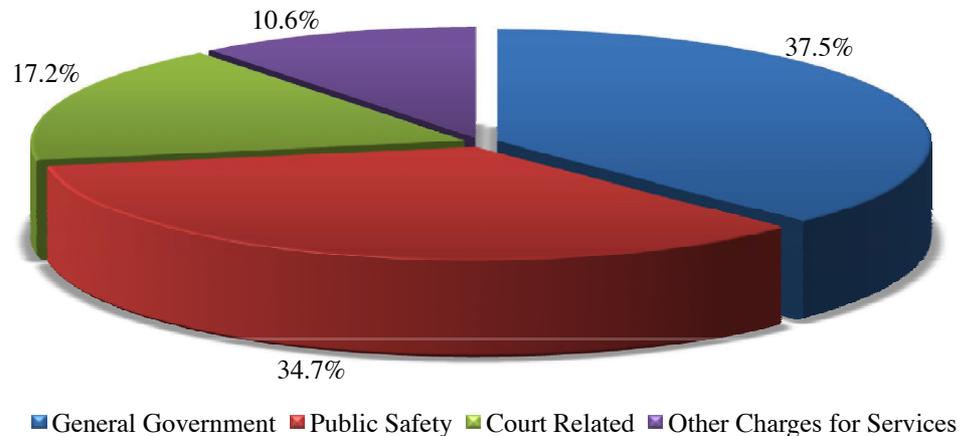
Property Taxes	\$37,131
Sales Taxes and Other State Shared Revenue	\$4,993
Local Infrastructure Surtax	\$4,715
Gas Taxes and Fuel Fees	\$1,821
Communications Service Tax	\$543
Tourist Development Tax	\$177

Investment Earnings \$1,676

Miscellaneous \$473

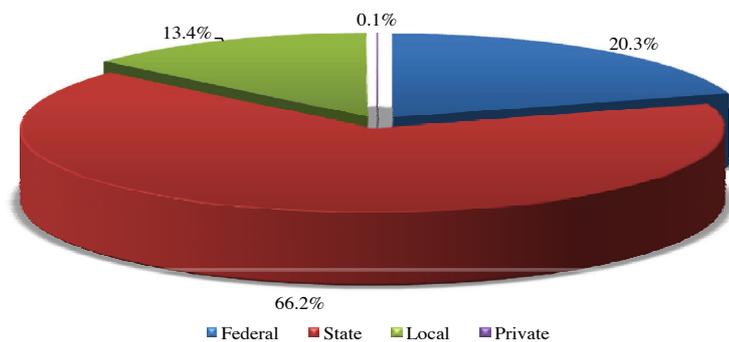
CHARGES FOR SERVICES

\$11.7 MILLION



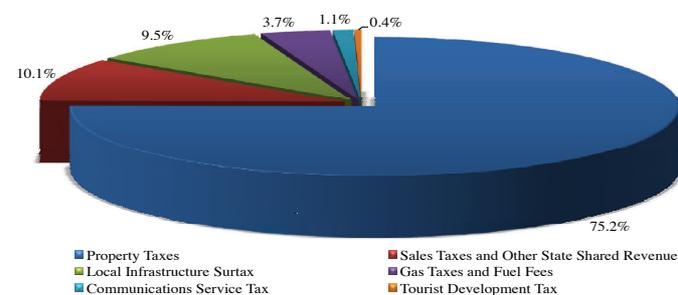
GRANTS AND CONTRIBUTIONS

\$11 MILLION



TAXES

\$49.4 MILLION

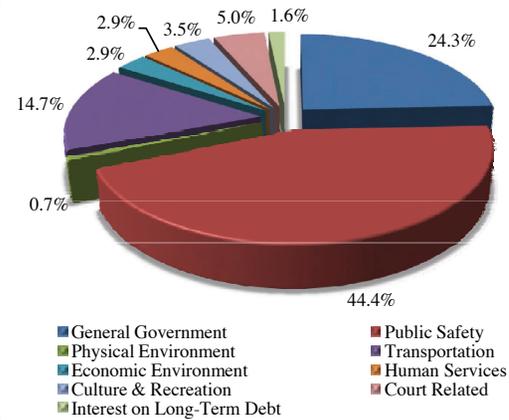


COUNTY EXPENSES

***NOTE: All dollars in thousands.

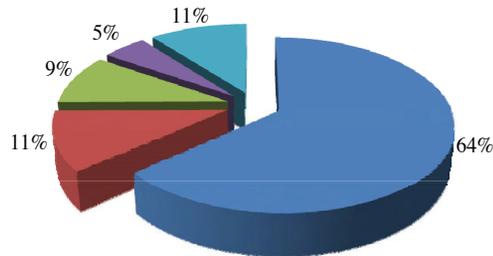
Expenses	Governmental Activities	Business Type Activities	Total 9/30/2008	Total 9/30/2007
General Government	\$16,081		\$16,081	\$12,956
Public Safety	29,311		29,311	26,527
Physical Environment	431	\$7,086	7,517	8,883
Transportation	9,709		9,709	8,298
Economic Environment	1,939		1,939	5,341
Human Services	1,945		1,945	2,682
Culture and Recreation	2,327		2,327	2,329
Court Related	3,292		3,292	3,200
Interest on Long Term Debt	1,053		1,053	653
Total Expenditures	\$66,088	\$7,086	\$73,174	\$70,869

PRIMARY GOVERNMENTAL EXPENSES \$66.1 MILLION



General Government	\$16,081
Administrative/Financial/Legislative	\$10,267
Clerk of Courts & Comptroller	\$1,770
Property Appraiser	\$1,516
Supervisor of Elections	\$784
Tax Collector	\$1,744

GENERAL GOVERNMENT \$16.1 MILLION



■ Administrative/Financial/Legislative ■ Clerk of Courts & Comptroller
■ Property Appraiser ■ Supervisor of Elections
■ Tax Collector

Physical Environment	\$431
Agriculture/Resource Conservation	\$442
Fishing Facilities Improvement	\$30
Water and Sewer Utilities	\$(41)*

Transportation	\$9,709
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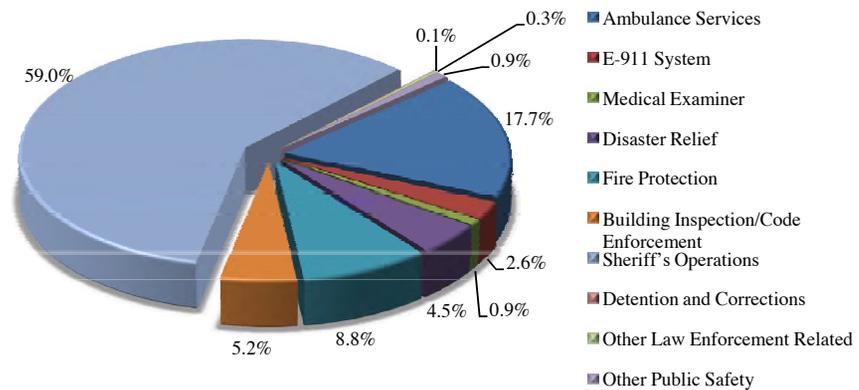
Economic Environment	\$1,939
Housing Assistance	\$1,169
Industry Development	\$489
Tourist Development	\$183
Veterans Services	\$98

Human Services	\$1,945
Behavioral Health Care	\$383
Health Care for the Needy	\$1,419
Mosquito Control	\$143

Public Safety	\$29,311
Ambulance Services	\$5,178
E-911 System	\$758
Medical Examiner	\$261
Disaster Relief	\$1,327
Fire Protection	\$2,573
Building Inspection/Code Enforcement	\$1,523
Sheriff's Operations	\$17,333
Detention and Corrections	\$27
Other Law Enforcement Related	\$81
Other Public Safety	\$250



PUBLIC SAFETY \$29.3 MILLION



Culture & Recreation	\$2,327
Library	\$873
Parks and Recreation	\$1,441
Other	\$13

Court Related	\$3,292
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Interest on Long-Term Debt	\$1,053
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*Certain expenses recorded in this functional category were used to make a capital contribution, an amount of \$13,254,665, to an enterprise fund resulting in the negative number seen here.



COUNTY EXPENSES

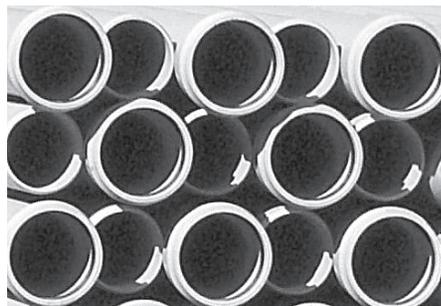
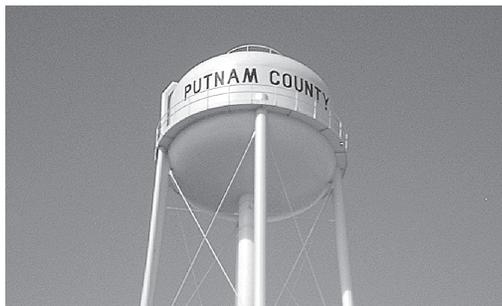
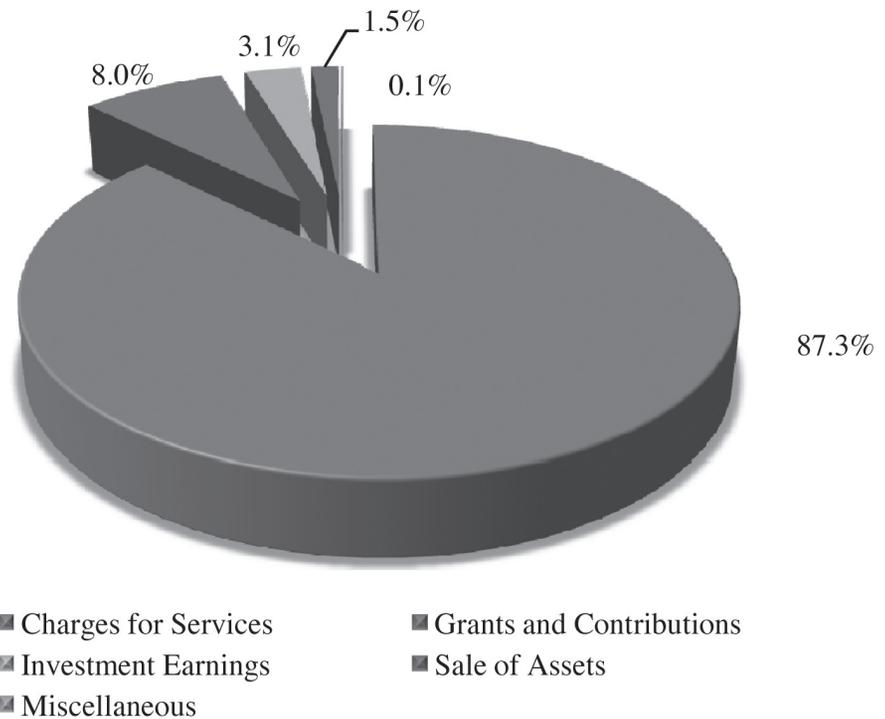
BUSINESS TYPE ACTIVITIES

REVENUES

Charges for Services	\$6,379
East Putnam Water	\$54
Potable Water Charges	\$37
Wastewater Charges	\$17
Solid Waste	\$6,196
Landfill Assessments	\$4,902
Landfill Fees	\$1,294
Port Authority	\$129
Water Utility Charges	\$11
Rents	\$118
Grants and Contributions	\$582
Federal Grants	\$305
State Grants	\$277
Investment Earnings	\$227
Sale of Assets	\$108
Miscellaneous	\$7

* Note: All dollars in thousands

REVENUES FROM BUSINESS TYPE ACTIVITIES \$7.3 MILLION

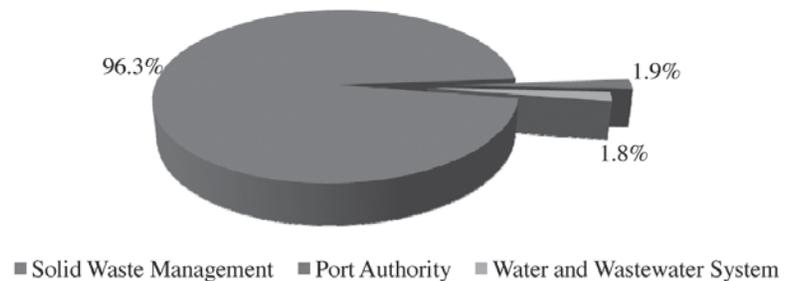


EXPENSES

Solid Waste Management	\$6,827
Port Authority	\$132
Water and Wastewater System	\$127

* Note: All dollars in thousands

EXPENSES FROM BUSINESS TYPE ACTIVITIES \$7.1 MILLION

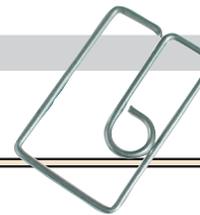


LONG TERM DEBT

Solid Waste Management	\$357
Compactor – Lease Purchase	\$357

* Note: Amount is principal balance at 9/30/08.
All dollars in thousands

ELECTED OFFICIALS



Board of County Commissioners

329-0205; Fax: 329-1216
2509 Crill Avenue, Suite 100
Palatka, FL 32177



Board Members: Nancy S. Harris, Chip Laibl, Kenny Eubanks, Ed Taylor and Brad Purcell

The Board of County Commissioners serves as the legislative and policy making body for Putnam County. The governing body has the power to perform the following duties: approve the budget, set millage rates, and adopt ordinances and resolutions necessary to carry out the operations of all County departments and programs. The Board also has the power to adopt its own rules of procedure, select its officers, and set the time and place of its official meetings. They also prepare and enforce comprehensive plans for the development of the county.

Clerk of Courts & Comptroller: Tim Smith

Palatka Main Office
698-1217; Fax: 698-4283
410 St. Johns Avenue
Putnam County Courthouse
Second Floor, Building 1-B

Interlachen Satellite Office
684-3717; Fax: 684-4648
1114 State Road 20
Interlachen, FL 32148

Crescent City Satellite Office
698-1217; Fax: 698-4283
19th North Summit Street
Crescent City, FL 32112



This elected official, a Constitutional Officer, serves as Clerk to the County Court and the Circuit Court. In this capacity, the Clerk is the custodian of all court records, evidence, and the court's seal. The Clerk also issues subpoenas and warrants, enters judgments and orders, gives certified copies from record, collects court ordered child support, court fines and fees, and makes disbursements pursuant to law. The Clerk also acts as the County Recorder, issues marriage licenses and home solicitation permits, and collects and distributes documentary stamps and intangible taxes for the Department of Revenue. The Clerk, serving as the Board's Comptroller, provides a full range of financial services to the County. The Clerk prepares financial statements and other mandated financial reporting, provides general accounting, accounts payable, payroll, accounts receivable, grant and enterprise accounting, treasury and investment functions, debt and property management, and internal auditing. The Clerk also records the minutes of Board of County Commissioners meetings.

Supervisor of Elections: Susan McCool

329-0224; Fax: 329-0455
2509 Crill Avenue, Suite 900

This elected official, a Constitutional Officer, is responsible for all matters pertaining to voter registration within Putnam County. Supervises County, State, and National elections, maintains the County's voting equipment, files all candidate contributions and expenditure reports, oversees candidate qualifying, financial disclosures filed by selected government officials and employees, and assists County municipalities with their elections.

Sheriff: Jeff Hardy

329-0800; Fax: 329-0448
130 Orié Griffin Boulevard



This elected official, a Constitutional Officer, is responsible for the protection of the lives and property of the citizens of Putnam County. Enforces laws mandated by Florida Statute and County ordinances. Manages the centralized dispatch center, which receives calls for service for law enforcement, fire and rescue; responsible for dispatching and maintaining coordinated communication and response for those responding units. Provides bailiffs for Putnam County Courts. Oversees and operates the Putnam County Jail. Also responsible for animal control services, and for providing school crossing guards throughout the County.

Property Appraiser: Tim Parker

Palatka Main Office
329-0296; Fax: 329-0447
312 Oak Street (East Annex)

Crescent City Satellite Office
698-1217; Fax: 698-4283
19th North Summit Street

Interlachen Satellite Office
684-3717; Fax: 684-4648
1114 State Road 20

This elected official, a Constitutional Officer, appraises all property within the borders of Putnam County; administers Ad Valorem exemptions, produces and administers the tax rolls for the Board of County Commissioners, the Municipal Services Taxing Units, the School District, and various municipalities and other entities in Putnam County.

Tax Collector: Ken Mahaffey



Palatka Main Office
329-0277; Fax: 329-0886
312 Oak Street (East Annex)

Crescent City Satellite Office
698-3088; Fax: 698-4283
19th North Summit Street

Interlachen Satellite Office
684-1288; Fax: 684-4640
1114 State Road 20

Palatka Mall Office
329-3762; Fax: 329-3763
400 Hwy 19 N, Suite 52

This elected official, a Constitutional Officer, collects and distributes all current and delinquent Ad Valorem Taxes and Non-Ad Valorem Assessments levied by the Board of County Commissioners, School Board, Municipalities, and Refuse and Water Districts. Acts as an agent for the Dept. of Highway Safety and Motor Vehicles and Fish and Wild Life Commission in the issuing of licenses and the collection of fees. Also, collects tourist development taxes and occupational license fees.

MAJOR INITIATIVES

Property tax reform and the resulting annual reduction in revenue of approximately \$4.5 million per year has created a difficult situation for the county in being able to move forward on critical infrastructure projects and those which would improve quality of life. This makes it even more important that the County broaden its tax base through economic development and the creation of jobs.

BUSINESS PARK

The Business Park on St. Johns Avenue should be a major attraction to companies and businesses considering relocation. Previously, the County, in partnership with a private developer, constructed a 50,000 square foot industrial shell building in the Park. This building remains available, and it is hoped that this will aid in attracting a prospect that has an interest in a facility which can be readily completed to expedite start-up in a new location. Successful marketing of this structure may lead to the construction of another building or the extension of infrastructure within the Park. In the coming year the County will consider changes to the future land use map designating several properties for large scale industrial use in order to provide some diversity in location for businesses which may have an interest in Putnam County.



EMERGENCY OPERATIONS CENTER

The completion of the renovation of a building which formerly housed a telephone center was accomplished in December 2007. This facility, acquired by the County in 2005, has filled a major void in providing emergency management personnel and other county officials a safe haven from which to direct operations during and after disasters. The office space previously occupied by Emergency Services was turned over to the Sheriff's Department. It has been renovated and now houses the Department's detective division. This has relieved some overcrowding in the Sheriff's Department and allowed the Department to re-allocate space to those personnel who remain housed in the main building.

ROAD PROJECTS

Improving roads through resurfacing, widening and turning "dirt to pavement" will continue to be a major priority for the County. The evaluation of alternative asphalt mixes has aided in stretching available dollars to maximize the number of miles that can be improved. While the one cent infrastructure surtax, approved in a referendum in September 2002, provides the primary source of revenue for these road projects, the County continues to pursue grant funds from both the State and Federal governments. Federal funds are earmarked for 309C which is in design and may be initiated in the coming fiscal year. Grant funds from the State for county roads 309 and 310 have been awarded. The resurfacing of 310 and the widening and resurfacing of 309 will be undertaken in the next fiscal year. A number of roads were resurfaced in the past year and significant "dirt to pavement" projects included Beecher Springs Road, Old Welaka Road and Strickland Road. Road projects undertaken using the surtax dollars may be limited in the coming year due to accelerated spending to accomplish multiple projects in the past and the need to repay principal and interest of Board-authorized borrowing against the expected surtax proceeds.



WATER FOR EAST PUTNAM

The East Putnam Regional Water System has been long in the making, but a Notice to Proceed was issued to the successful bidder in November 2007. The system will consist of a reverse osmosis treatment plant, storage, transmission and distribution lines. The \$26 million project is funded from state, federal, water management district and local sources. Anticipated completion date for water service to be initiated to customers is August 2009.

GOVERNMENT CENTER

Space constraints existed for many general county government functions. In particular, those which were housed in buildings across the parking lot from the courthouse which included Administration, Human Resources, Planning and Development, Veteran Services, Elections and the Board of County Commissioners. In July 2006 the county purchased an 80,000 square foot shopping complex in another part of the city. Renovation of approximately 45,000 square feet of this space began in May 2007, and it is intended to house the county government offices previously mentioned. Final renovation costs were approximately \$5.2 million and county offices moved in on August 8, 2008. In addition to providing much needed office space, the facelift of the façade revitalized the entire area in which it is located. The vacated office space will create a domino effect giving relief to some of the court-related functions which are experiencing similar space limitations.



PARKS AND RECREATION

Grant funding enabled the Parks and Recreation Department to oversee some expansion and improvements to the Francis Sports Complex and the South Putnam Recreation Complex. Improved irrigation, multi-use fields and a concession stand in the South Putnam facility were among the additions to these two facilities. The Department will oversee the design and construction of an amphitheater and related amenities at the West Putnam Recreation Complex in Interlachen in the coming year. An LWCF grant and local funds will make this project possible.



LIBRARY RENOVATION

In April 2008 a dedication ceremony was held at the historic schoolhouse in Bostwick to celebrate the completion of the third phase of renovation. The renovation began in 2001 and was funded through historic preservation grants and local funds. This historic building now houses the Bostwick branch of the library system.

FAIRGROUNDS

In June 2007 the Fair Authority was authorized to initiate improvements to the county-owned property where the annual County Fair is held. Phase I improvements included a new ticket booth, asphalt walkways in the midway and parking lot upgrades. This work was coordinated by the Fair Authority and, with the assistance of county forces and community donations, it was completed in time to host the fair in March 2008.



LANDFILL

The County has engaged a consultant to provide a design and secure permitting for a new class I area at the landfill for the disposal of household solid waste. The construction of this cell in the coming year is imperative to ensure continued viability of the County's landfill as a facility to dispose of solid waste, prior to the space in the cell currently being used becoming filled to capacity.

FACILITY NEEDS

The existing jail facility continues to be a situation that must be addressed in the future. A needs assessment indicated that a two hundred bed expansion, renovation of existing cells and improved and expanded ancillary services is necessary. The estimated costs vary, but approximately \$22 million will be required. Rising construction costs and the ensuing anticipated increased operational costs have slowed progress on this project during a time when limited resources make it difficult to consider undertaking a project of this magnitude. The unexpected delay in the expansion of the Seminole Power Generating Plant has disrupted plans to use increased revenue from that expansion to acquire debt for construction of the jail.

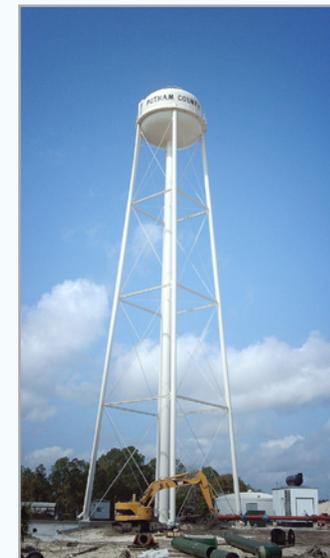
A consultant previously conducted a needs assessment of the court functions and judicial offices. An increasing number of court cases requiring the assignment of additional court personnel has created overcrowded conditions in the courthouse and in offices that support the judicial process. A Task Force recommended that the County consider a new, stand-alone structure to address the space requirements for the judiciary and support functions. To this end, a fifty-six acre parcel of property adjacent to the existing jail was acquired in January 2006. Regrettably, progress on this project has been slowed by limited resources as has the jail expansion with the untimely delay of the Seminole expansion project being the most significant factor. However, the aforementioned renovation of a facility to house county offices will provide some space relief for court-related functions and obviate the need for immediate action on a future judicial center. This will remain a long-term objective for the county.

WASTEWATER TREATMENT

The need for a centralized wastewater treatment system in the East Putnam area is essential to abating pollution of the river and reducing contamination of wells. The County negotiated with the Florida Department of Corrections to partner in utilizing parts of its facilities as a segue to a Regional County Wastewater System in that area. Leases and agreements for services will be formally executed in the coming year. A Scope of Services with a consulting engineering firm for the design, permitting and bidding of a wastewater system has been approved. Design plans are to be submitted to DEP in June 2009. Following review and approval, bid documents for Phase I of the approximately \$9 million project will be prepared.

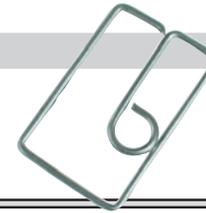
IMPACT FEES

In October 2006 the county implemented impact fees on new construction to generate revenue to offset the capital costs of providing infrastructure for essential county services that are impacted by growth. Ordinances were prepared to implement impact fees for schools, fire, transportation, EMS and parks and recreation. In an attempt to stimulate the local economy, the impact fees were suspended for one year by the Board of County Commissioners, effective March 1, 2009.



DEPARTMENTS & SERVICES

COUNTY DEPARTMENTS *(alphabetically)*



County Administrator: R.G. Leary

329-0212; Fax: 329-1216
2509 Crill Avenue, Suite 200

Responsible for administrative and management work directing and coordinating all phases of County government functions and activities under the jurisdiction of the Board of County Commissioners, in accordance with Chapter 125 of Florida Statutes and the County Ordinance. Serves as a liaison between the Board of County Commissioners and the citizens of Putnam County. In addition, the County Administrator is responsible for the County's annual budget.

Deputy County Administrator/ Budget Officer: Michael E. Anderson, CPA

329-0403; Fax: 329-1216
2509 Crill Avenue, Suite 200

Responsible for assisting the County Administrator in the execution of his duties and representing the Office in the absence of the County Administrator; one of the primary responsibilities of the Deputy Administrator is to oversee, monitor and manage the County's \$120 Million dollar Operating Budget; coordinate information and assure effective communications between County departments; clarify and reconcile issues relating to County funds, budgets and accounting procedures.

County Attorney: Russ Castleberry

329-1903; Fax: 326-2721
2509 Crill Avenue, Suite 200

Provides legal representation and advice to the Board of County Commissioners, County Administration, County Departments, Port Authority and Solid Waste District.

County Extension Service

329-0318; Fax 329-1262
111 Yelvington Road
East Palatka, FL 32131

Director: Edsel Redden

In cooperation with the University of Florida, provides research based information and conducts life-long learning programs on issues such as sustainable agriculture, natural resource and energy conservation, food nutrition and safety, child and family development, consumer education, youth development through 4-H, and homeowner and commercial horticulture.

Emergency Services

329-0380; Fax: 329-0897
410 South Highway 19

Chief, Emergency Management: Quin Romay
Chief, Emergency Medical Services:
Mike Patterson

Provides expedient 24-hour emergency services throughout the County.

Fire suppression, Fire Marshal, prevention, fire code compliance and fire investigations throughout the County except in the City of Palatka with full-time and volunteer staff. Provides emergency management / disaster response and shelter coordination County wide. Reviews healthcare and other State required emergency plans.

The new Putnam County Emergency Operations Center is the County wide coordination point for all declared emergencies impacting Putnam County.

Finance Department

326-7660; Fax: 329-0473
514 St. Johns Avenue
Building 1-C, Second Floor

Director: John H. Jones, CPA, CIA

The Finance Department, under the general direction of the Clerk of Courts & Comptroller, serves as the auditor, recorder and custodian of all funds for both the Board of County Commissioners and the Clerk of Courts. The Department has responsibility for maintaining accurate accounting, payroll and disbursement (Accounts Payable) records in accordance with Board and Clerk policies; it is responsible for preparing financial, regulatory and compliance reports; and formulating, recommending and implementing new and changed policies of the Board and Clerk of Courts. The Finance Department has the fiduciary responsibility to accurately account for and to prudently manage all public funds.

Fleet Maintenance

329-0475; Fax: 329-1203
223 Putnam County Boulevard
East Palatka, 32131, Building 231-B

Manager: Gary Armstrong

Directs the work of the county fleet maintenance operation, which maintains all County owned vehicles and equipment. Develops and administers a comprehensive preventive maintenance program. Assists in developing bid specifications, evaluating bid proposals, and recommending vendor selection for County owned vehicles and equipment.

General Services



329-0370;
Fax: 329-0468
223 Putnam County Boulevard
East Palatka, 32131, Building 10-C

Director: Maureen Torma

Responsible for the procurement of all supplies, equipment, and services for County government; coordination of County records management; and care, maintenance and repair of buildings, facilities and grounds.

Human Resources

329-0219; Fax: 329-1257
2509 Crill Avenue, Suite 300

Director: Ken McClinton

Directs the Human Resources Department, including recruitment, selections, and training. Supervises the development and maintenance of personnel records, policies and procedures, and employee benefits. Oversees safety program, risk management, social services, and insurance claims for the County.

Information Technology

329-0357; Fax: 329-0215
323 St. Johns Avenue

Director: John Rundgren, Interim

Provides technology related services to the offices of the Board of County Commissioners, Clerk of Courts, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. Assists in the analysis, acquisition, installation, and maintenance of application systems and hardware necessary for the efficient and effective operation of County government. Provides technical assistance for Judiciary, Public Defender, State Attorney, and Public Access customers.

Library System



Palatka (Main Branch)
329-0126; Fax: 329-1240
601 College Road

Bostwick Branch
326-2750; Fax 326-2733
125 Tillman Street

Interlachen Branch
684-1600;
Fax 684-1601
133 North State Road 318

Melrose Branch
(352) 475-1237;
Fax (352) 475-5779
312 Wynwood Avenue

Director: Steve Crowley

Oversees all activities of the library system, including children's story times, adult travel and classic film programs, visiting author programs and the Florida Virtual Library; coordinates literacy and early childhood development programs such as Born to Read, Ready, Set, Read! and one-on-one adult literacy tutoring; develops collections of print and non-print items to meet leisure and vocational needs; maintains collection of popular Hollywood releases, educational, how-to and independent films. Is responsible for the County Archives and Law Library.

Parks and Recreation



329-1269; Fax: 329-1265
120 Carter Road

Director: Bob Stevens

Administers and directs a comprehensive County recreation program for youth and adults. Responsible for the maintenance of county parks, athletic fields, and boat ramps.

Planning & Development

329-0490; Fax: 329-1213
2509 Crill Avenue, Suite 300

Director: Brian Hammons

Comprised of three Divisions, the Department is responsible for the preparation and implementation of the County's Comprehensive Plan. It assists the public and makes recommendations to the Board of County Commissioners on zonings, land development regulations, Comprehensive Plan amendments, and Developments of Regional Impact. The Department also issues building permits, performs inspections, Administers the trades licensing program for contractors, including electricians and plumbers among others, and provides information about building codes, zoning and other development regulations. Violations of these regulations are processed through the Codes Enforcement Division of the Department.

Public Works



329-0346; Fax: 329-0340
P.O. Box 310
223 Putnam County Boulevard
East Palatka 32131

Director: Don Jacobovitz, P.E.

Responsible for the maintenance of roads, bridges and storm water systems; the provision of engineering services for the County; management and operation of County water and wastewater systems; assessing transportation improvement needs; the design of transportation and storm water management projects; inspection of transportation, storm water, and utility construction projects; review of development plans; and oversight of engineering and construction contracts. Also responsible for the issuance of various types of permits, and the acquisition of real property and rights of way for the County.

Sanitation

329-0395; Fax: 329-0486
P.O. Box 2499
140 County Landfill Road

Director: Stephen Nataline

Responsible for the operation of one active landfill and the maintenance of three closed landfills; the operation of two solid waste collection/recycling centers; and the maintenance of four recyclable materials collection sites and eight waste oil sites. Administers the Household Hazardous Waste Collection Program, the Waste Tire Collection Program, and the Mosquito Control Program. Monitors household garbage collection, yard trash collection, and curbside recycling programs.

Veterans Services

329-0327; Fax: 329-0455
2509 Crill Avenue, Suite 800

Director: Thomas Moltimore

Responsible for the operation of the Veterans Service office to ensure efficient service to veterans and their dependents and widows.

LIQUIDITY & DEBT

One indicator of a county's financial strength is its ability to pay current obligations. The Current Ratio is defined as Current Assets divided by Current Liabilities and is often used to measure liquidity. The term "Current" refers to Assets and Liabilities that can, or will be, liquidated within the next year. Current Liabilities includes that portion of long term Liabilities due within one year; \$9.9 million of the \$26.9 million is due within the next fiscal year.

Description	9/30/2008	9/30/2007	9/30/2006	9/30/2005
Current Assets	\$48.1	\$43.9	\$34.4	\$30.3
Current Liabilities	\$26.9	\$17.1	\$13.6	\$8.4
Current Ratio	1.8	2.6	2.5	3.6
Current Ratio*	2.5			

*At 9/30/08, a Bond Anticipation Note (BAN) for \$6 million was included in the total \$9.9 million in Current Liabilities due on Long Term Debt. This Note was placed to provide working capital for the East Putnam Regional Water System until the planned Water Revenue Bonds were issued. The BAN was retired when those Bonds closed on December 12, 2008.
 The Current Ratio changes significantly when restated to reflect the payoff of the BAN.
 **Note: Dollars in millions



LIQUIDITY & DEBT

LONG TERM DEBT

Governmental Activities	\$29,061
General Government	\$1,336
Legal Settlement	\$556
Phone System – Lease Purchase	\$766
Clerk of Courts – Van	\$14
Public Safety	\$1,981
EMS – Equipping & construction of communication towers	\$1,127
Sheriff's Office – Lease Purchase	\$855
Physical Environment	\$10,533
East Putnam Water System	\$10,533
Transportation	\$15,053
Caterpillar Grader – Lease Purchase	\$99
Specific road improvements within several municipal service benefit units (MSBU)	\$2,399
Better Place Plan – Road projects within the County	\$12,555
Economic Environment	\$158
Communications infrastructure in County's industrial complex	\$158

PRINCIPAL BALANCES AT 9/30/08 \$29.1 MILLION

