

PUTNAM COUNTY FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2007

The new South Putnam County Government Center in Crescent City opened in March of 2007. After a six year effort to relocate county services, the opportunity came when City Hall moved their services, and leased their former property to the County. Renovations to the building began in January, and were designed to provide south Putnam residents with maximum convenience, in a functional and pleasant setting.

The continuing services include those provided by the Tax Collector, Clerk of Courts, Property Appraiser and Veterans Services. The Tax Collector currently supports payment of tag and title, fishing and occupational licenses, and property taxes. They will begin providing limited driver's license services in April. New services will include those provided by the Board of County Commissioners, Supervisor of Elections and the Chamber of Commerce.

Putnam County is pleased to provide residents with a place to conduct county business they can be proud of for many years to come.

INTRODUCTORY SECTION

STATE OF FLORIDA

COUNTY OF PUTNAM

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

September 30, 2007

Prepared by:

**Finance and Accounting Department
Of the Clerk of the Circuit Court**

**John H. Jones, CPA, CIA
Director of Finance**

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COUNTY OFFICIALS

BOARD OF COUNTY COMMISSIONERS

Nancy S. Harris	District No. 1
Chip Laibl	District No. 2
Hermon L. Somers, Jr.	District No. 3
Ed Taylor	District No. 4
Brad Purcell	District No. 5

CLERK OF COURTS

Tim Smith

SHERIFF

Dean Kelly

PROPERTY APPRAISER

William L. Pritchett, Jr., CFA

TAX COLLECTOR

Kenneth R. Mahaffey, CFC

SUPERVISOR OF ELECTIONS

Susan C. McCool

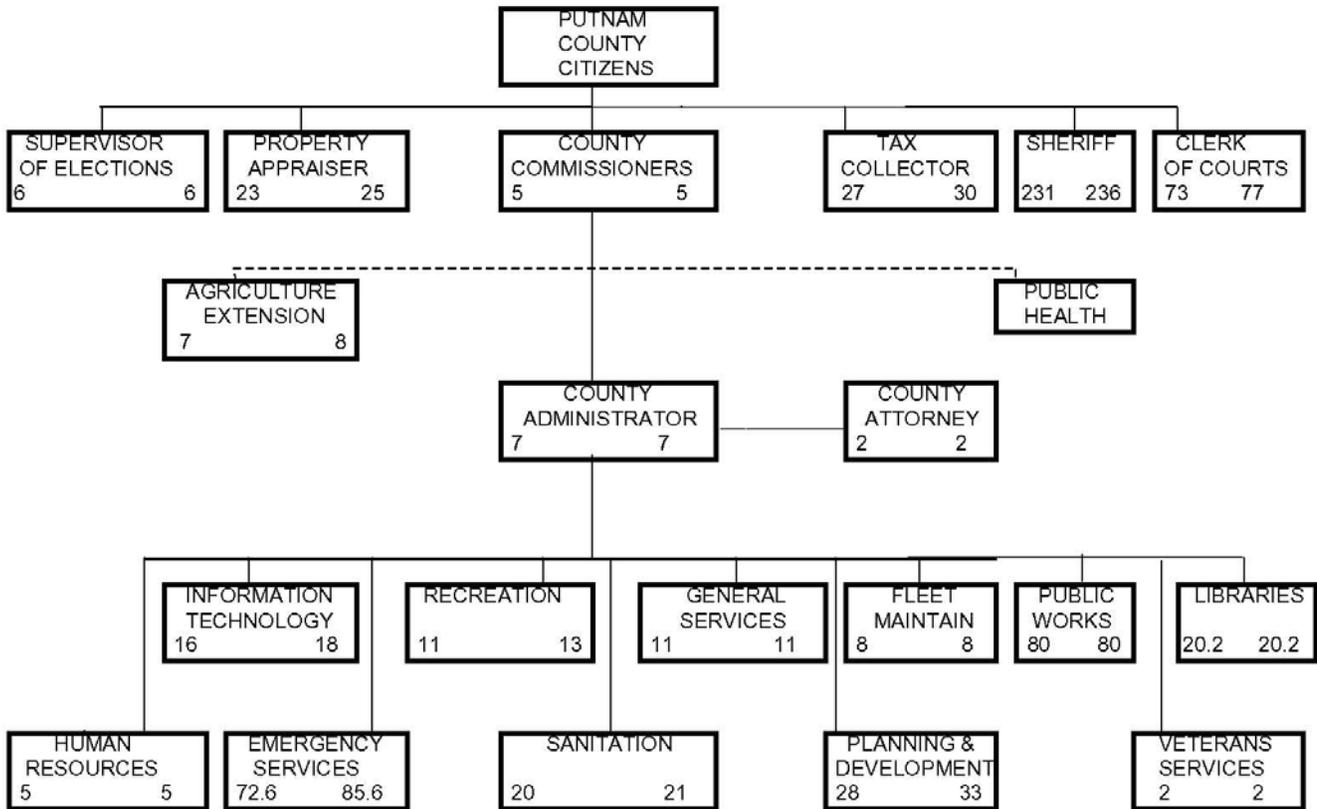
COUNTY ADMINISTRATOR

R. G. Leary

DIRECTOR OF FINANCE

John H. Jones, CPA, CIA

ORGANIZATION CHART



----- = Funded in whole or in part by the County, but administered by other agencies.

Numbers in above boxes equate to authorized Full Time Equivalent (FTE) employees at the end of the Fiscal Year:

Lower Left - Fiscal Year 2005-06
Lower Right - Fiscal Year 2006-07

Total FTE = 654.8
Total FTE = 692.8

SOURCE: PUTNAM COUNTY FLORIDA BUDGET.

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Putnam County
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Charles S. Cox

President

Jeffrey R. Enos

Executive Director

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TABLE OF CONTENTS

PUTNAM COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007
TABLE OF CONTENTS

INTRODUCTORY SECTION

Title Page.....	I
Principal County Officials.....	III
Organization Chart.....	IV
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	V
Table of Contents.....	VII
Letter of Transmittal.....	X

FINANCIAL SECTION

Independent Auditors' Report.....	i
Management's Discussion and Analysis.....	iii
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets.....	1
Statement of Activities.....	2
Governmental Fund Financial Statements:	
Balance Sheet.....	3
Reconciliation of the Balance Sheet to the Statement of Net Assets.....	4
Statement of Revenues, Expenditures and Changes in Fund Balance.....	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities.....	6
Proprietary Fund Financial Statements:	
Statement of Net Assets.....	7
Statement of Revenues, Expenses and Changes in Fund Net Assets.....	8
Statement of Cash Flows.....	9
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Assets.....	11
Notes to Financial Statements.....	12
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General Fund.....	40
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Sheriff Fund.....	41
Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	42
Supplemental Information:	
Combining Balance Sheet – Nonmajor Governmental Funds.....	45
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	53

Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
County Transportation Trust Fund.....	63
Fishing Improvement Fund.....	64
Fire Taxing Unit Fund.....	65
Community Development Block Grant Fund.....	66
Law Enforcement Trust Fund.....	67
E911 System Fund.....	68
Court Improvement Fund.....	69
Article V Fund.....	70
Court Technology Fund.....	71
Domestic Violence Trust Fund.....	72
Law Enforcement Education Fund.....	73
Information Technology Fund.....	74
Miscellaneous Grants Fund.....	75
Interlachen Lakes Estates Fund.....	76
Drivers Education Fund.....	77
SHIP Fund.....	78
Hurricane Housing Assistance Fund.....	79
Tourist Development Fund.....	80
Communication Improvement Fund.....	81
West Putnam MSBU Fund.....	82
Sewage Utilities Fund.....	83
Water Utilities Fund.....	84
MSBU Fund.....	85
Economic Development Fund.....	86
ILE Lake Access Trust Fund.....	87
Crime Prevention Fund.....	88
Impact Fee Fund.....	89
Commissary Fund.....	90
Federal Forfeiture Fund.....	91
Records Modernization Fund.....	92
Article V Records Modernization Fund.....	93
Clerk of the Circuit Court Fund.....	94
Court Fund.....	95
Supervisor of Elections Fund.....	96
Supervisor of Elections Grants Fund.....	97
Tax Collector Fund.....	98
Property Appraiser Fund.....	99
1995 Capital Improvement Refunding Revenue Bonds Fund.....	100
1989 Gas Tax Refunding Revenue Bonds Fund.....	101
MSBU Loan Fund.....	102
Capital Projects Fund.....	103
Road Projects Fund.....	104
Better Place Plan Fund.....	105
Internal Service Funds	106
Combining Statement of Net Assets – Internal Service Funds.....	107
Combining Statement of Revenues, Expenses and Changes in Fund	
Net Assets - Internal Service Funds.....	108
Combining Statement of Cash Flows – Internal Service Funds	109
Fiduciary Funds	110
Combining Statement of Fiduciary Net Assets – Agency Funds	111
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	112
Schedule of Expenditures of Federal Awards and State Financial Assistance.....	113
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.....	114

STATISTICAL SECTION

Table of Contents..... S-1

Financial Trends

Net Assets by Component..... S-3

Changes in Net Assets..... S-4

Fund Balances – Governmental Funds..... S-6

Changes in Fund Balances – Governmental Funds..... S-9

Revenue Capacity

Taxable and Estimated Actual Value of Taxable Property..... S-12

Property Tax Rates – Direct and Overlapping Governments..... S-14

Principal Taxpayers..... S-15

Property Tax Levies and Collections..... S-17

Debt Capacity

Ratios of Outstanding Debt by Type..... S-18

Ratios of Net General Bonded Debt Outstanding..... S-19

Direct and Overlapping Governmental Activities Debt S-21

Legal Debt Margin..... S-22

Pledged – Revenue Coverage S-23

Demographic and Economic Information

Demographic Statistics..... S-24

Principal Employers S-27

Operating Information

Full-Time Equivalent County Government Employees by Function..... S-29

Operating Indicators by Function/Program..... S-30

Capital Asset Statistics by Function/Program S-34

COMPLIANCE SECTION

Additional Elements Required by the Rules of the Auditor General:

Management Letter.....C-1

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters.....C-3

Report on Compliance and on Internal Control Over Compliance Applicable to
Each Major Federal Awards Program and State Financial Assistance Project.....C-5

Schedule of Findings and Questioned Costs C-7

Audit Findings Follow-Up:

 Summary Schedule of Prior Audit Findings (Relative to Federal Programs and
 State Projects) C-9

 Corrective Action Plan (Relative to Current Findings)..... C-10

Putnam County – General Information..... Inside Back Cover

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LETTER OF TRANSMITTAL



Office of
Clerk of Court
Tim Smith

March 15, 2008

The Honorable Hermon Somers
Chairman, Board of County Commissioners
P. O. Box 758
Palatka, FL 32178-0758

Dear Mr. Somers:

In accordance with Section 218.39 of the Florida Statutes, we are pleased to submit to you, the Board of County Commissioners and the Citizens of Putnam County, the Comprehensive Annual Financial Report (CAFR) of Putnam County, Florida, for the fiscal year ended September 30, 2007.

This report was prepared by the Finance Department of the Clerk of the Circuit Court. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of the Circuit Court as Chief Financial Officer of Putnam County. We believe the data contained in this report is accurate in all material respects and is shown in a manner that fairly presents the financial position of the County at September 30, 2007, and the results of its operations and its cash flows for the year then ended.

County management is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance that the County's assets are safeguarded against loss from unauthorized use or disposition. Additionally, the Clerk of the Circuit Court, through the Finance Department, is responsible for providing reasonable assurance that financial records are reliable for preparing financial statements and that proper accountability for assets is maintained. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires judgments by management. All internal control evaluations occur within this framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The independent accounting firm of Davis, Monk & Company, whose report is herein included, audited the County's Financial Statements. The goal of the audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by Management, and evaluating the overall financial statement presentation. Based upon their independent audit, Davis, Monk & Company concluded that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America for the fiscal year ended September 30, 2007.

Additionally, the audit was also designed to meet the requirements of Generally Accepted Government Auditing Standards, the Federal Single Audit Act of 1984, the Single Audit Act Amendments of 1996, related OMB Circular A-133, the Florida Single Audit Act, and the Rules of the Auditor General, Chapter 10.550. The standards require the auditor to report on the County's internal controls and legal compliance requirements as they specifically relate to state and federal awards. These reports are presented in the Compliance section of this report.

Putnam County • P.O. Box 758 • Palatka, FL 32178-0758

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with that document. Putnam County's MD&A can be found immediately following the report of the independent auditors.

GOVERNMENT PROFILE

Putnam County was founded in January 1849. The county seat, Palatka, was established in January 1853. The County encompasses approximately 827 square miles and is located in the Northeast region of the State of Florida between Gainesville to the west and Jacksonville to the northeast. On the St. Johns 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 river is primarily used for recreational boating and fishing, as are the numerous large and small lakes located throughout the County.

The Board of County Commissioners of Putnam County (the Board) operates under a non-charter form of government under the authority provided in Article III of the Constitution of the State of Florida, which empowers the creation of counties as political subdivisions of the State. Under the Constitution of the State of Florida, the offices of Clerk of Circuit Court, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections are specifically authorized and empowered to provide their functional services independently of the Board. All elected officials serve four-year terms and those currently in office are identified at the front of this CAFR.

The Board is composed of five members, one from each district within the County. However, each commissioner is elected Countywide. The Commissioners appoint a County Administrator whose duties include the administration of directives and policies of the Board and who has the responsibility for the operation of all business centers and the provision of services under the purview of the Board.

The County is financially accountable for an organization when the County appoints a voting majority of the organization's governing body and is able to impose its will on the organization; or there is a potential for the organization to provide a financial benefit or impose a financial burden on the County; or the organization is fiscally dependent on the County. The Putnam County Development Authority is included as a component unit in the County's reporting entity because the Authority has been deemed to be fiscally dependent on the County. However, the County has determined that the Putnam County Fair Association and the Putnam County School District do not meet the criteria for inclusion in the reporting entity.

Annual budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. Prior to June 1, elected constitutional officers, with the exception of the Tax Collector, submit tentative budget requests for the operation of their offices to the Board. Prior to July 15, the County Administrator/Budget Officer and the other members of the Budget Review Committee review these requests and those of the County's various departments for expenditures for the next fiscal year. All previous expenditures, accomplishments and objectives are reviewed. In particular, additional personnel, vehicles, computer equipment and software, and capital outlay appropriation requests are scrutinized. By July 15 the proposed budget is submitted to the Board. The final adoption of the budget by resolution occurs in September after two advertised public hearings are held to obtain taxpayer input. All budget appropriations lapse at year end and are not rolled forward into the next fiscal year unless they are included as expenditures in the next year's budget.

Florida Statutes provide that it is unlawful to make expenditures that exceed the total amount budgeted for each fund. Therefore, the fund level is the legal level of control for budget considerations. The County Administrator/Budget Officer and the Department managers can transfer appropriations within the budget, but cannot change the total appropriation of an individual fund without the approval of the Board.

ECONOMIC CONDITION AND OUTLOOK

Putnam County is a rural county with a population of about 75,000 of which approximately 80% is located within the unincorporated areas of the County. Historically, the County has experienced relatively slow growth and that trend is expected to continue for the foreseeable future.

Despite past 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 \$23 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 4.8% for September 2007 is slightly higher than the State's rate of 4.3%, and is a full percentage point higher than the 3.8% rate for September 2006. 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:

1. Seminole Electric, the County's largest taxpayer, is planning to expand its operations by adding a third generating unit. Construction was scheduled to begin in September 2008 with commercial operations scheduled to begin in May 2012, but unexpected permitting issues have stalled the project. While significantly increasing the County's tax base, the \$1.2 billion project 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.
2. 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.
3. Plans for several large residential developments have been revealed, but current economic conditions affecting the housing market will slow these developments.
4. 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.
5. Recent statewide property tax reform will reduce the amount of ad-valorem tax revenue between \$3 to \$5 million annually. At a minimum, the reduction in revenue will result in some projects or capital expenditures being delayed. Additional, some cuts in non-vital services may become necessary.

Major Initiatives

Property tax reform and the resulting reduction in revenue makes it imperative that the County enhance its tax base through economic development and the creation of jobs. The Business Park on St. John's Avenue is a major attraction to companies and businesses considering relocation. In March of 2006 the County finalized the sale of 10 acres in the Business Park to a developer who was planning the construction of an upscale office complex. This work was expected to start in 2007, however the downturn in the economy has delayed this project. Three years ago a public-private partnership between the County and a Los Angeles-based development company resulted in the construction of a 50,000 square foot industrial shell building in the Park. Industrial prospects have a keen interest in facilities which can be readily completed to expedite start-up in new locations. The arrangement between the County and the developer required that the County acquire the building if it had not sold within a three year period. This acquisition was finalized

in November, 2006 and efforts to market the building continue. When successful, these efforts may lead to the construction of another building in the Business Park and commensurate employment opportunities.

Following the hurricane season of 2004, the County determined that its existing Emergency Operations Center was inadequate to provide shelter and serve as a base of operations for emergency management personnel. The County acquired a former telephone center, previously owned by BellSouth encompassing 20,000 square feet, to serve as the new Emergency Operations Center. The building was acquired in June of 2005. One grant application was approved, and, coupled with local funding, construction bids for renovation to make the facility both habitable and functional to withstand a category 5 storm were awarded in April 2007. The Center was opened in December 2007. The space previously occupied by Emergency Services will be turned over to the Sheriff's Department. This will help to relieve some overcrowding in the facility where the Sheriff's Department is housed.

Road projects, including resurfacing, widening and turning "dirt to pavement", continue to place a high demand on the dollars being collected from the one cent infrastructure surtax approved by referendum in 2002. The County is committed to spending \$1,000,000 of these funds each year for resurfacing, with remaining costs funded by grants and general revenue dollars. Although the rising cost of asphalt has had a negative impact on the number of miles that can be resurfaced with the available funds, projects of this nature carry a top priority and resurfacing continues when practical. In addition, County Road 308B and Yelvington Road were resurfaced and widened with help from this surtax in collaboration with funding from the Florida Department of Transportation. The Public Works staff continues to pursue grant funds from the State to resurface roads which were formerly the responsibility of the State. Additional resurfacing projects will be considered following evaluation of alternative asphalt mixes to stretch available dollars and maximize resurfacing of road miles.

The design work on the East Putnam Regional Water System was submitted to cognizant state and federal agencies for review. The system will consist of a reverse osmosis treatment plant, storage, transmission and distribution lines. Bids were solicited in June, 2007 and a resolution relating to the award was adopted in August, 2007. The Notice to Proceed is expected to be issued in November, 2007. Construction time is estimated at eighteen months. The \$26 million project is funded from state, federal, water management district and local sources.

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 the expansion to retire debt for construction.

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 have 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.

Space constraints hamper not only the jail and court system, but also general county government functions. In July, 2006 the County had an opportunity to purchase an 80,000 square foot shopping complex in another part of the city from where the current offices are located. Renovation of approximately 40,000 square feet of this space to house general county government which is currently housed in buildings adjacent to the courthouse will enable the County to ease overcrowding in general county government offices. This will have a domino effect on some of the court-related functions which could then expand into vacated county office space. This will be a short-term solution for some of the court office overcrowding. Bids were awarded in May, 2007 for the \$4.7 million renovation project, and substantial

completion is expected in May, 2008. The remaining 40,000 square feet will be renovated as the leases of current tenants expire.

The County undertook negotiations for additional property adjacent to its current landfill. The property under discussion consisted of approximately 560 acres. Successful negotiations and acquisition in December, 2006 assure the County of 50-75 years of land availability for the future disposal of solid waste.

In March, 2006 the County partnered with the Health Department to construct an additional building at the site of the current Health Department facility. This 3,000 sq. ft. structure allowed expansion for the Health Department into a hardened facility so that the Department could continue operations during adverse conditions. Total cost was \$698,000, and it was completed in January, 2007.

Grant funding is enabling the Parks and Recreation Department to oversee improvements at the Francis Sports Complex and the South Putnam Recreation Complex. The County partnered with the Rotary Club to undertake the construction of an additional picnic pavilion in the same area of the park as the current pavilion. These have proven to be very popular with the public and are in constant use. Grant funds and monies from the Fishing Fund have been used for improvements to the Brown's Landing and Welaka boat ramps. New lighting was installed at the main soccer field of the John Theobald Sports Complex.

During a previous year the County was notified that a grant of \$500,000 had been awarded for the expansion of the branch library in Interlachen. The project was supplemented by \$100,000 of local funds, and bids were awarded in April, 2006. The project was completed in March, 2007. A ribbon-cutting took place in April, 2007 and the expansion of nearly 4,000 square feet doubled the size of the library. The County began the third phase of the renovation of the historic schoolhouse in Bostwick to house a branch library. Bids were awarded in May, 2007, and the County occupied the facility in the fall of 2007.

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. Ordinances were prepared to implement impact fees for fire, transportation, EMS and parks and recreation. Impact fees for water and sewer will be considered at a later date.

The County evaluated the advantages of a fire assessment in lieu of the current fire tax. An assessment for fire would be applicable to all property without regard to the homestead exemption and may have been a more equitable way to assess the costs for fire protection; however, in July 2006, the Board of Commissioners determined that it would no longer consider this option. The County did proceed with a plan to employ career firefighters and place them in select geographic locations in the County to augment the fire response capabilities of volunteer fire departments. In April 2007, six career firefighters were employed to provide this service.

In June 2007, the County awarded a bid for the formal closure of its Class III landfill which is the disposal site for demolition debris. This work was completed in February 2008. In the coming year the County will authorize consulting engineers to proceed with the design and permitting of a new Class I landfill area for the disposal of household waste. This will be constructed on land the County owns adjacent to the existing landfill.

In June 2007, the Fair Authority was authorized to initiate improvements to the property where the annual County Fair is held. Phase I improvements include a new ticket booth, asphalt walkways and parking lot upgrades.

The County is interested in the greenprinting of the St. Johns River. This process will provide information on preserving the river and establishing river access areas. Perhaps the county's greatest asset, this process is viewed as an integral part of any plan for the river's future. In April, 2007 a consultant was engaged to oversee the year-long greenprinting process. In future years the County will develop a master plan to address the recommendations to be derived from the greenprinting process.

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 has been negotiating 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. Negotiations regarding leases and agreements for services are in the final stages. To that end, once these negotiations are finalized in the coming year, a Scope of Services with a consulting engineering firm for the design, permitting and bidding of a wastewater system will be considered.

FINANCIAL POLICIES

General Fund Balance: In 2002, the Board of County Commissioners adopted a General Fund Balance policy which established a "Rainy Day Fund" to be used for the following nonrecurring purposes: (1) the acquisition of capital assets, (2) the non-scheduled retirement of outstanding debt, and (3) for fiscal stabilization such as offsetting short-term revenue shortfalls due to economic downturns. The policy further requires that the level of unreserved, undesignated fund balance (identified in the policy as the "General Fund Reserve") shall not be less than 10% of annual General Fund revenues excluding transfers and other financing sources. The County has consistently exceeded the mandated requirement.

Cash Management: The County utilizes a pooled cash account and maintains separate "zero balance" checking accounts for Payroll and Accounts Payable. Funds are automatically drawn from the concentration (operating) account as needed. The County's financial institution does not require compensating balances. Interest is received monthly on funds remaining in the concentration account.

Cash in excess of amounts needed for immediate operations is invested with the State Board of Administration (state investment pool), the Florida Local Government Investment Trust, and several qualified public depositories. Other cash is invested in money market funds, certificates of deposit, obligations of the United States and Repurchase Agreements.

The County invests funds in accordance with Board policy, which was developed in compliance with the guidelines established in Section 218.415(17), Florida Statutes. This policy allows the County to achieve market rates of return using safety, liquidity and yield, in that order of priority, as its three main objectives.

Risk Management: The County administers a self-insurance program for worker's compensation coverage. The Risk Management Fund, an Internal Service Fund, provides worker's compensation coverage for its employees up to a maximum of \$500,000 for each occurrence.

The County provides health and life insurance for its employees via the Group Insurance Reserve Fund (an Internal Service Fund). Under this program, the Insurance Reserve Fund provides life insurance coverage up to a maximum of three times the employee's salary. Effective October 1, 2002, the County became "fully insured" for its health insurance coverage. As such, the County has no liability for claims beyond the monthly premiums charged by the commercial insurance carrier.

The County is a member of the Florida Association of Counties Trust (the "Trust"), which insures various risks of loss related to general liability, personal injury, and errors and omissions. The County pays an annual premium to the Trust for its coverage. The premiums are designed to fund the liability risks assumed by the Trust and are based on certain actual exposures of each member. The premiums are paid from the Risk Management Fund, an Internal Service Fund.

LONG-TERM FINANCING PLANNING

The County's long-term Capital Improvement Plan serves as the starting point in the determination of the need for future financing, however, the decision to issue debt is made on a case by case basis after careful evaluation of all relevant factors. Some of the factors that are considered include the following:

- Current constraints under existing debt covenants
- The County's current financial condition
- Current market conditions, including current interest rates
- The type, availability and stability of revenues pledged for debt repayment
- Evaluation between the availability of internal and external funding sources

The County's responsiveness to emerging economic challenges and its careful long-range planning have been key factors in Putnam County's fiscal health. Fiscal conservatism, a streamlined budget, and operating efficiencies have resulted in a solid financial position for the County at the close of FY 2007.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the year ended September 30, 2006. This was the 23rd consecutive year the County has received this prestigious award.

In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the requirements of the Certificate of Achievement Program. This report will be submitted to the GFOA to determine its eligibility for another certificate.

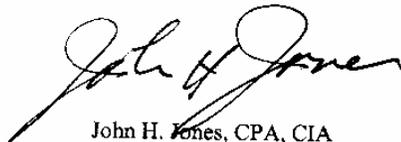
Additionally, the County has received the GFOA's Distinguished Budget Presentation Award for each of the past twenty one years and the Award for Outstanding Achievement in Popular Annual Financial Reporting for the last three years.

Acknowledgments: A Comprehensive Annual Financial Report of this nature could not have been prepared without the dedicated efforts of the Finance Department staff of the Office of Clerk of Courts. Each member of the department has our sincere appreciation for the contributions made in the presentation of this report. We thank the Board of County Commissioners and the Constitutional Officers for their leadership and support in planning the financial operations of the County in a responsible and progressive manner. We would also like to recognize and thank the members of Davis, Monk & Company, our independent auditors; Mr. Scott Fleming, Assistant Director of Finance; Ms. Sherry Mehl, Director of Administration; Mr. Michael Anderson, Deputy County Administrator/Budget Officer; Ms. Linda Vining, Staff Accountant and Ms. Deedra James, Administrative Assistant; for their valuable assistance and contributions toward this effort.

Respectfully submitted,



Tim Smith
Clerk of the Circuit Court



John H. Jones, CPA, CIA
Director of Finance

FINANCIAL SECTION



INDEPENDENT ACCOUNTANTS' REPORT

Board of County Commissioners
Putnam County, Florida

Certified Public Accountants
& Business Consultants

A Partnership Consisting of
Professional Associations

Gainesville

4010 N.W. 25th Place
P.O. Box 13494 (32604)
Gainesville, Florida 32606
Phone: (352) 372-6300
(800) 344-5034
Fax: (352) 375-1583

Palatka

906 South State Road 19
Palatka, Florida 32177
Phone: (386) 325-4561
Fax: (386) 328-1014

St. Augustine

1301 Plantation Island Dr.
Suite 205A
St. Augustine, Florida 32080
Phone: (904) 471-3445
Fax: (904) 471-3825

Website:

www.davismonk.com

Members:

CPAmerica International

Florida Institute of
Certified Public Accountants

American Institute of
Certified Public Accountants

Horwath International

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

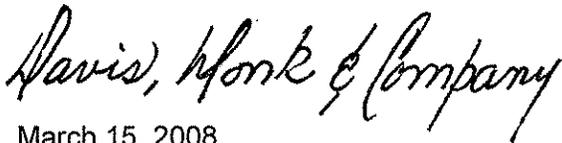
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the County as of September 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 15, 2008 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's discussion and analysis and the required supplementary information listed in the table of contents are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The information listed in the table of contents as "supplemental information," including the Schedule of Expenditures of Federal Awards and State Financial Assistance, which is required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and Chapter 10.550, Rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



March 15, 2008
Palatka, Florida

MANAGEMENT'S
DISCUSSION
&
ANALYSIS

PUTNAM COUNTY, FLORIDA
Management's Discussion and Analysis
September 30, 2007

The County's discussion and analysis is designed to provide an objective and easy to read analysis of the County's financial activities for the fiscal year ended September 30, 2007. It is intended to provide a broad overview using a short-term and long-term analysis of the County's activities based on information in the financial report and fiscal policies that have been adopted by the Board of County Commissioners. Please read it in conjunction with the Letter of Transmittal and the County's financial statements. *All amounts, unless otherwise indicated, are expressed in thousands of dollars.*

Financial Highlights

Government-wide Statements

- Putnam County's assets exceeded its liabilities at September 30, 2007 by \$117,274 (*net assets*). Of this amount, \$10,052 may be used to meet the government's ongoing obligations to citizens and creditors.
- Total net assets are comprised of the following:
 - 1) Capital assets, net of related debt, of \$95,504, include property, equipment and infrastructure, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets.
 - 2) Net assets of \$11,718 are restricted by constraints imposed from outside of the County such as debt covenants, grantors, laws, or regulations.
 - 3) \$12,958 of governmental net assets less a deficit of \$2,906 of business-type net assets represents the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's total net assets increased \$16,104 over the previous year with an increase of \$16,397 resulting from governmental activities and a decrease of \$293 resulting from business activities.

Fund Statements

- At September 30, 2007, the County's governmental funds reported combined ending fund balances of \$23,843, an increase of \$6,678 in comparison with the prior fiscal year.
- At September 30, 2007, unreserved fund balance for the General Fund (a major fund) was \$12,131 or 25.7% of General Fund operating revenue. This is within the Government Finance Officers Association's Recommended Practices guidelines for fund balance levels and within levels required by policy of the Board of County Commissioners. The General Fund Cash and Equivalent balance at year end was \$8,237.
- Governmental Fund revenues increased \$9,324 or 13.5% over the prior year. All categories of revenue increased for the year except Charges for Services and Licenses and Permits which showed modest decreases. Tax revenue increased by \$8,709 because of a \$9,022 increase in ad valorem tax collections along with a decrease of \$306 in Local Infrastructure Surtax collections, while intergovernmental revenue increased by \$387 because of increases in grant dollars received. Other increases (decreases) were as follow: charges for services, (\$98); licenses and permits, (\$8); fines and forfeitures,

\$117; and miscellaneous, \$217, including a \$637 increase in interest earnings and a (\$499) decrease in special assessment collections.

- The County's outstanding governmental long-term obligations increased by \$8,830. The change was due to the following: issuance of a \$10,000 note to finance road paving projects; issuances of debt for Sheriff's vehicles in the amount of \$888; financing a vehicle for \$26; payment of outstanding principal in the amount of \$2,226; and an increase of accrued compensated absences in the amount of \$142.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Putnam County's Comprehensive Annual Financial Report (CAFR). The CAFR contains the Basic Financial Statements which include three components: Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements. The report also contains the Statistical Section, Compliance Section and Other Supplementary Information.

Government-wide Financial Statements

The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. These statements include a *Statement of Net Assets* and a *Statement of Activities*.

- The *Statement of Net Assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Changes in net assets over time may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.
- The *Statement of Activities* presents information showing how the government's net assets changed during the fiscal year. Changes in net assets are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the Statement of Activities will have cash flows in future fiscal periods. For example, certain sales taxes are shown as revenues although cash receipts will occur early in the following fiscal year; an increase in unused vacation leave is recorded as an expense although related cash outflows will occur in the future. Furthermore, this statement demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Please refer to the Notes to the Financial Statements for further elaboration regarding direct expenses and program versus general revenues.

The *Government-wide Financial Statements* show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (i.e., governmental activities) and activities that attempt to recover all or most of their costs through user fees and charges (i.e., business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, court related activities, and culture and recreation. Business-type activities of the County are the Water and Wastewater Utility System, Port Authority and the Waste Management System.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. The fund statements focus on the *major* funds of the County (i.e., the most significant funds, either quantitatively or qualitatively). All of the County's funds may be divided into three categories: *governmental*, *proprietary* and *fiduciary* funds.

Governmental funds

Governmental funds are used to account for essentially the same functions that are reported as *governmental activities* in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Reconciliations of the differences between the Government-wide and the Fund Financial Statements are provided immediately after the *Balance Sheet-Governmental Funds* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds*, respectively, in the *Basic Financial Statements*.

Governmental funds presented individually in the County's statements include four major funds: the General Fund, the Sheriff's Fund, the East Putnam Grant Fund and the Better Place Plan Fund. Although there are numerous smaller governmental funds in the County, they have been presented in a total column labeled as *Other Governmental Funds*. Budget and actual comparison statements are also presented as *Required Supplementary Information (RSI)* for the General Fund and each major special revenue fund with an annually adopted budget. Combining statements for the County's non-major funds, budget and actual comparison schedules for the County's major capital projects fund (the Better Place Plan Fund) and budget and actual comparison schedules for any non-major funds with annually appropriated budgets, are presented in the *Supplemental Information* section of this report.

Proprietary funds

The *Proprietary Fund Financial Statements* may be found in the *Basic Financial Statements*. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report in greater detail the same functions presented as business-type activities in the Government-wide Financial Statements. The County uses enterprise funds to account for its Water and Wastewater Utility System, Port Authority and its Waste Management System. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its Fleet Maintenance, Group Insurance Reserve and Risk Management Funds. These programs are included within governmental activities in the Government-wide Financial Statements because they predominantly benefit governmental rather than business-type functions. The internal service funds are combined into a single presentation in the Proprietary Fund Financial Statements. Individual fund data for the internal service funds are provided in the *Supplemental Information* section of the report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. *Agency funds* are the only type of fiduciary fund used by the County. The amounts in these fiduciary funds are not included in the Government-wide Financial Statements because the resources of these funds are not available to support the County's own programs. However,

the *Statement of Fiduciary Net Assets-Fiduciary Funds* in the *Basic Financial Statements* is provided for information on the fiduciary funds. In addition, the individual agency funds are presented in the *Supplemental Information* section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements.

Other Information

Combining and individual statements and schedules referred to earlier, which present more detailed views of nonmajor funds, as well as individual fund budget and actual comparison schedules for the nonmajor funds, are found in the *Supplemental Information* section of the CAFR.

Government-wide Financial Analysis

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$117,274 at the close of the fiscal year ended September 30, 2007. By far the largest portion of the County's net assets, \$95,504 or 81.4%, reflects its investment in capital assets such as land, buildings, infrastructure and equipment, less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens. Consequently, these assets are *not available* for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The payment of maintenance and debt service costs on those capital assets will require future government resources.

Putnam County
Summary Statement of Net Assets
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Percent Change
	2007	2006	2007	2006	2007	2006	
Cash and Investments	\$ 33,169	\$ 23,404	\$ 8,176	\$ 9,558	\$ 41,345	\$ 32,962	25.4%
Other Current Assets	6,393	6,472	247	319	6,640	6,791	-2.2%
Capital Assets, Net	98,776	80,270	13,248	11,649	112,024	91,919	21.9%
Total Assets	138,338	110,146	21,671	21,526	160,009	131,672	21.5%
Current Liabilities	12,940	9,976	818	475	13,758	10,451	31.6%
Long-Term Obligations	18,386	9,555	10,590	10,495	28,976	20,050	44.5%
Total Liabilities	31,326	19,531	11,408	10,970	42,734	30,501	40.1%
Net Assets:							
Invested in Capital Assets, net of Related Debt	82,336	72,518	13,168	11,465	95,504	83,983	13.7%
Restricted	11,718	10,504	-	-	11,718	10,504	11.6%
Unrestricted	12,958	7,593	(2,906)	(909)	10,052	6,684	50.4%
TOTAL NET ASSETS	\$ 107,012	\$ 90,615	\$ 10,262	\$ 10,556	\$ 117,274	\$ 101,171	15.9%

An additional portion of the County's net assets, \$11,718, are restricted, meaning they are subject to constraints on how they may be used, such as by laws, grantors, debt covenants, regulations or capital projects. At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets, for the government as a whole, as well as for its separate governmental and business-type activities. The County's business-type activities, however, reflect a deficit unrestricted net asset balance. This deficit balance is a direct result of large changes during the 2005 through 2007 fiscal years in estimates for closure costs, long-term care costs and remaining capacity related to the County's Landfill operations.

Change in Net Assets

Governmental activities increased the County's net assets by \$16,397. This increase resulted from the following: capital asset acquisitions and disposals \$24,501; the recognition of (\$6,021) of depreciation expense; the issuance of debt in the amount of (\$10,915); principal payments of \$2,226; the recognition of accrued interest expense of (\$131); the recognition of deferred revenues of \$92; the recognition of (\$138) expense for increased compensated absences; the inclusion of Internal Service Funds in governmental activities in the amount of \$105; and a \$6,678 increase in the fund balance total for the Governmental Funds, driven primarily by a \$5,213 increase in the fund balance of the General Fund.

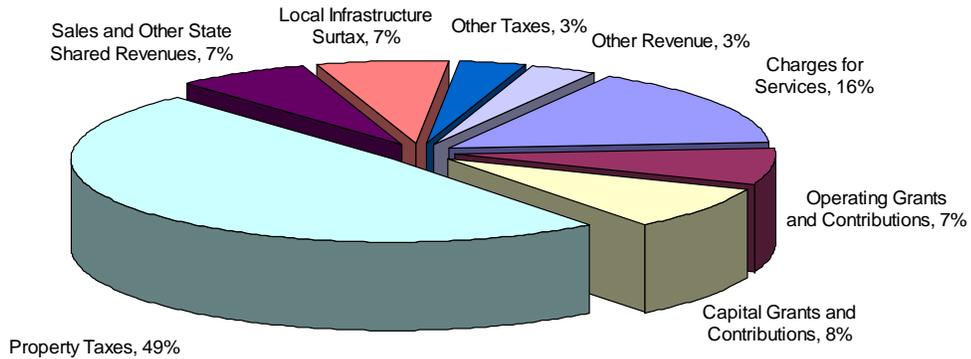
Putnam County, Florida
Changes in Net Assets
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Percent Change
	2007	2006	2007	2006	2007	2006	
Revenues:							
Program revenues:							
Charges for services	\$ 12,435	\$ 12,913	\$ 6,591	\$ 6,188	\$ 19,026	\$ 19,101	-0.4%
Operating grants and contributions	5,506	6,107	191	1,686	5,697	7,793	-26.9%
Capital grants and contributions	6,740	5,826	-	-	6,740	5,826	15.7%
General revenues:							
Property taxes	38,957	29,935	-	-	38,957	29,935	30.1%
Sales and other state shared revenues	5,439	5,261	-	-	5,439	5,261	3.4%
Local Infrastructure Surtax	5,279	5,585	-	-	5,279	5,585	-5.5%
Other taxes	2,633	2,649	-	-	2,633	2,649	-0.6%
Other revenue	2,596	2,015	607	783	3,203	2,798	14.5%
Total revenues	79,585	70,291	7,389	8,657	86,974	78,948	10.2%
Expenses:							
General Government	12,956	13,296	-	-	12,956	13,296	-2.6%
Public Safety	26,527	22,232	-	-	26,527	22,232	19.3%
Physical Environment	724	579	-	-	724	579	25.0%
Transportation	8,299	11,402	-	-	8,299	11,402	-27.2%
Economic Environment	5,341	1,786	-	-	5,341	1,786	199.0%
Human Services	2,682	2,417	-	-	2,682	2,417	11.0%
Culture/Recreation	2,329	1,863	-	-	2,329	1,863	25.0%
Court Related	3,200	3,034	-	-	3,200	3,034	5.5%
Interest on L-T Obligations	653	317	-	-	653	317	106.0%
Water and Wastewater	-	-	117	122	117	122	-4.1%
Solid Waste	-	-	7,942	7,971	7,942	7,971	-0.4%
Port Authority	-	-	100	174	100	174	-42.5%
Total Expenses	62,711	56,926	8,159	8,267	70,870	65,193	8.7%
Increase in Net Assets							
Before Transfers	16,874	13,365	(770)	390	16,104	13,755	
Transfers	(477)	(325)	477	325	-	-	
Increase (Decrease) in net assets	16,397	13,040	(293)	715	16,104	13,755	
Net Assets - Beginning of Year	90,615	77,575	10,556	9,841	101,171	87,416	
Net Assets - End of Year	\$ 107,012	\$ 90,615	\$ 10,263	\$ 10,556	\$ 117,275	\$ 101,171	15.9%

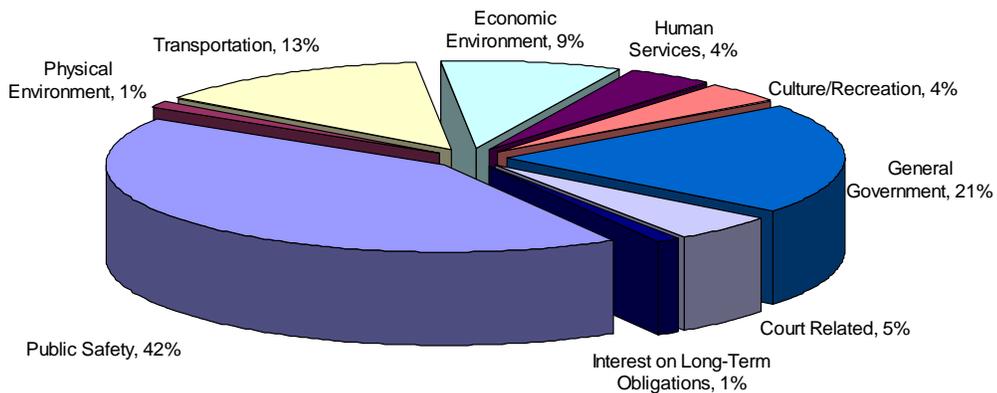
Governmental Activities

The County's overall financial position improved in comparison to the previous year. Total net assets increased \$16,104 over the prior year with an increase of \$16,397 resulting from governmental activities and a decrease of \$293 resulting from business-type activities. The reasons for these changes are the same as enumerated above in the discussion of the statement of net assets and on the following page under the caption of Business-Type Activities.

Revenues by Source - Governmental Activities



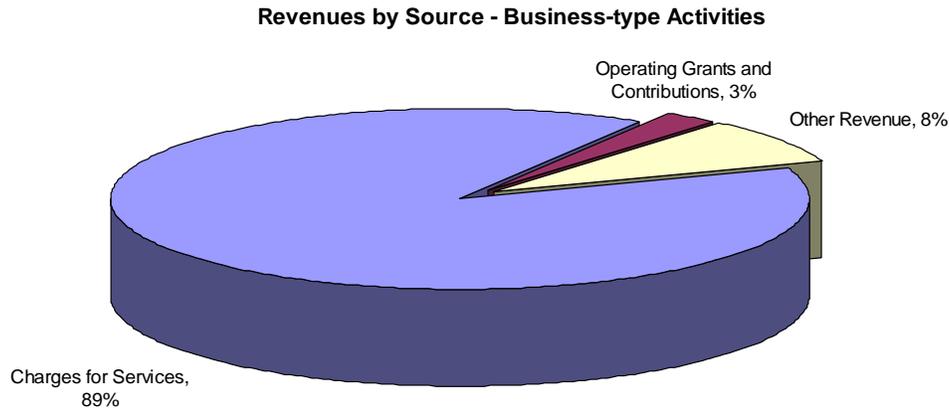
Expenses - Governmental Activities



Business-type Activities

Business-type activities decreased the County's net assets by \$293. Key elements resulting in the decrease are as follows:

- The County's Waste Management (Solid Waste) operation sustained an operating loss of \$1,530 caused primarily by closure and long-term care costs of \$1,575 as a result of revised engineering estimates. Transfers and non-operating activities including investment earnings, grant revenues, the sale of surplus property and interest expense offset \$626 of the loss.
- Capital contributions, totaling \$587 and consisting of recently constructed East Putnam Regional Water and Wastewater infrastructure from Governmental Funds also partially offset the loss mentioned above.



Financial Analysis of the County's Funds

As mentioned earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. This difference in focus and purpose creates significant variances between the Governmental Fund Financial Statements and the Government-wide Financial Statements. For the year ended September 30, 2007, the net increase in fund balances per the Governmental Funds Financial Statements totaled \$6,678 while the governmental activities column of the Government-wide Financial Statements reported a much greater \$16,397 increase in net assets. A detailed reconciliation between these two amounts is provided on page 6 of the accompanying Financial Statements.

Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At September 30, 2007, the County's governmental funds reported combined ending fund balances of \$23,843. Of the total governmental fund balance, \$22,512 constitutes unreserved fund balance, which is available for spending within the constraints of each particular fund. The remainder of the fund balance is reserved for local housing assistance (SHIP) loan guarantees \$952, debt service \$163, prepaid expenditures \$172 and for inventory of supplies \$44.

Governmental funds posted a \$6,678 net increase in fund balances for the fiscal year. The following funds experienced the most significant changes in fund balance for the year: the General Fund and the Fire Tax Unit Fund increased \$5,213 and \$1,085, respectively, largely due to increased collections of property tax revenues; the Court Improvement Fund increased \$836 primarily because a \$600 capital grant was received from the State of Florida; the Court Technology Fund increased \$121 because of funding received due to recent changes in the fee structure of the State Court System; the County Transportation Trust Fund increased \$591 primarily because budgeted positions for additional work crews were not filled; the fund balance for the Better Place Plan Fund (a major fund) increased \$1,354 as the result of borrowings, while the new Impact Fee Fund generated revenues of \$177; the fund balances for The East Putnam Grant Fund (a major fund), the MSBU Fund, the Law Enforcement Trust Fund and the Records Modernization Funds declined \$423, \$500, \$218 and \$159 respectively, as the result of planned and budgeted spending for the East Putnam Regional Water System, certain road projects, a new fleet maintenance building for the Sheriff's Office and computer software development for records modernization; the SHIP and Hurricane Housing Assistance Funds experienced fund balance decreases of \$497 and \$262 respectively because expenditures were made to provide affordable housing aid to qualified residents; the Communications Improvement Fund's fund balance declined by \$363 because certain debt proceeds acquired in the previous years were expended to complete the installation of several communications towers and related equipment.

The Sheriff (a major fund) is funded by the Board of County Commissioners. The Sheriff's expenditures for the year were \$17,154, an increase of 5.7% over the prior fiscal year. The Sheriff's expenditures were greater mainly due to the hiring of additional patrol staff.

Proprietary Funds

The proprietary funds provide the same type of information found in the Government-wide Financial Statements, but in more detail. All three proprietary funds are major funds. At September 30, 2007, total net assets amounted to \$10,262, a decrease of \$293 from the prior fiscal year. Unrestricted net assets totaled (\$2,906). Other factors concerning the finances of the Proprietary Funds were previously addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

The General Fund budget to actual schedule is presented as *Required Supplementary Information* on page 40 of the accompanying Financial Statements. The variance between original and final budgeted amounts for the year is composed of the following:

- Intergovernmental revenues were increased by \$325 to account for unanticipated grant revenues received. All \$325 was transferred to the Sheriff for various law enforcement activities.
- Miscellaneous Revenues increase by \$28 to reflect unanticipated revenues collected by the Sheriff and forwarded to the General Fund.

- The budget for Transfers Out increased by \$429. The increase is composed of \$353 for the Sheriff's operations and \$76 for those of the Supervisor of Elections. The transfers were funded by \$325 in unanticipated intergovernmental revenues and a \$76 reduction in Reserve for Contingencies, and a \$28 increase in Miscellaneous Revenues.

A comparison of actual revenues versus the final budget reflects that the collection of Intergovernmental Revenue, Charges for Services, and Fines and Forfeitures were \$721, \$182 and \$27 less than the budgeted projections, respectively. All other categories of revenues exceeded budget estimates by a total of \$2,427. A substantial portion of the additional revenue over budget and the prior year's revenue was attributable to the rise in the County's property tax base and an increased effort by the Tax Collector to collect delinquent taxes.

A review of actual expenditure results versus the final budget reveals that the actual expenditures for the General Fund were \$7,136 under budget. General Government expenditures were \$3,946 less than budget primarily because of a delay in starting renovations of the new government office complex. The expenditures for that project were \$3,874 under budget for the year. Public Safety and Transportation expenditures were \$489 and \$875 under budget, respectively, the result of delayed capital acquisitions. Human Services expenditures were \$567 under projections because Medicaid billing from the State of Florida were well below budget. Additionally, Reserves for Contingencies of \$1,313 were not needed during the year.

Capital Asset and Debt Administration

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Percent Change
	2007	2006	2007	2006	2007	2006	
	Land	\$ 16,946	\$ 16,646	\$ 5,452	\$ 3,758	\$ 22,398	
Buildings and Improvements	16,758	13,638	801	871	17,559	14,509	21.0%
Equipment	9,569	10,109	664	745	10,233	10,854	-5.7%
Infrastructure	52,522	38,506	-	-	52,522	38,506	36.4%
Water and Sewer Distribution System	-	-	2,784	2,866	2,784	2,866	-2.9%
Landfill	-	-	1,014	1,462	1,014	1,462	-30.6%
Construction in Progress	2,981	1,371	2,533	1,947	5,514	3,318	66.2%
Total Capital Assets, Net	\$ 98,776	\$ 80,270	\$ 13,248	\$ 11,649	\$ 112,024	\$ 91,919	21.9%

Capital Assets

The County's financial statements present capital assets in two groups: those assets subject to depreciation such as infrastructure, equipment and operational facilities, and those assets not subject to depreciation such as land and construction in progress. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2007, amounts to \$112,024 (net of accumulated depreciation). This investment in capital assets includes land, buildings and building improvements, equipment, infrastructure (including roads and bridges), construction in progress, the Landfill, and the Water and Sewer Distribution System. Currently, infrastructure, land and buildings and improvements represent the largest components of governmental capital assets.

Major capital asset events completed during the current fiscal year include the following:

- The County purchased a 50,000 square foot industrial shell magnet building and associated land in the Business Park for \$2,467. Additionally, the County purchased 560 acres of land adjacent to the existing Landfill for future expansion for \$1,705, as well as vehicles for use in landfill operations for another \$242.
- \$1,126 was expended on renovations of the new Government Office Complex purchased in the prior year, while \$887 was spent for renovations to the new Emergency Operations Center. \$197 was spent to renovate the Old Bostwick School House and \$283 was expended to complete a new building for the Health Department. Additionally, the Interlachen Branch Library expansion was completed at a cost of \$413.
- \$356 was expended for the construction of a fleet maintenance building for the Sheriff and several bus stop shelters throughout the County. The County expended \$300 to complete work on a new communications tower.
- \$289 was expended for various equipment and vehicles for the Volunteer Fire Departments, while \$219 was spent for equipment for Emergency Medical Services.
- Improvements and equipment for the Recreation Department totaled \$223.
- The County continued its program to resurface, widen and add paved roads during the year at a capitalized cost of \$16,091.

Additional information on the County's Capital Assets may be found in Note 8 beginning on page 27 of the accompanying Financial Statements.

Long-term Obligations

County-wide, total long-term debt obligations owed to outside institutions increased by \$8,584 from the prior year, while the long-term liability for compensated absences increased by approximately \$153. Additionally, accrued landfill closure and long-term care costs increased by a net of \$189.

Throughout fiscal year 2007, the County's governmental activities entered into two notes and one capital lease agreement, while the business-type activities incurred no new debt.

Governmental Activities:

- The Sheriff entered into an \$888 capital lease to finance the acquisition of patrol vehicles and related equipment.
- The Better Place Plan Fund Borrowed \$10,000,000 from a financial institution to finance several road paving projects
- The Clerk of Courts borrowed \$26,449 to finance a new van.

- The County made the following principal payments during the year: special assessment debt - \$245, commercial paper - \$640, notes payable - \$484, and capital leases - \$857.
- Governmental obligations for compensated absences rose 7.9% or \$142 to \$1,946.

Putnam County, FL
Long-Term Debt Obligations
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total		Percent Change
	2007	2006	2007	2006	2007	2006	
Special Assessment Debt	2,653	2,899	-	-	2,653	2,899	-8.5%
Commercial Paper	-	640	-	-	-	640	-100.0%
Notes Payable	11,947	2,404	80	184	12,027	2,588	364.7%
Capital Lease Obligations	1,840	1,809	-	-	1,840	1,809	1.7%
Total	\$ 16,440	\$ 7,752	\$ 80	\$ 184	\$ 16,520	\$ 7,936	108.2%

Business-type Activities:

- The Waste Management Fund retired \$104 of notes payable.
- Accrued landfill closure and post-closure costs were increased by \$1,575 due to a change in accounting estimate that resulted when an engineering study revealed less than expected remaining capacity within the active cells. Those increases were offset by a reduction of \$1,386 due to payments made toward a cell closure.
- Obligations for compensated absences increased by \$11, or 37.3%, to \$40.

Additional information on the County's long-term obligations can be found in Note 9 beginning on page 29 of the accompanying Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County for September 2007 was 4.8%. This represents an increase of 26.3% from the prior year.
- The taxable value of real property increased 31.4%, while the taxable value of personal property increased 1.9% in the 2007 fiscal year.
- Building permit activity revenues increased approximately 1.8% in the 2007 fiscal year,
- The population increased slightly from the prior year to an estimated 75,419 from 74,416.

During the current fiscal year, the unreserved fund balance in the General Fund increased to \$12,131, an increase of 75.6%. This increase was primarily the result of increased ad valorem tax revenues and fiscal conservatism. The ad valorem tax rate remained at 9.2 mils for fiscal year 2007.

Requests for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional information, contact the Putnam County Clerk of Courts, Finance and Accounting, P.O. Box 758, Palatka, Florida 32178-0758. Additional financial information can be found on our web site at <http://www.putnam-fl.com/clk/>.

**BASIC
FINANCIAL
STATEMENTS**

**Putnam County, Florida
Statement of Net Assets
September 30, 2007**

	<u>Primary Government</u>			<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Putnam County Development Authority</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 33,169,488	\$ 3,372,490	\$ 36,541,978	\$ 26,289
Investments	1,676,551	725,000	2,401,551	228,616
Receivables	1,100,121	252,155	1,352,276	1,325
Internal Balances	10,772	(10,772)	-	-
Due From Other Governments	3,289,799	6,086	3,295,885	-
Inventory	125,795	-	125,795	-
Prepays	171,561	-	171,561	-
Other Assets	17,974	-	17,974	-
Restricted Investments	-	4,077,889	4,077,889	-
Capital Assets:				
Non-Depreciable	19,926,303	7,985,865	27,912,168	153,854
Depreciable, Net	<u>78,849,393</u>	<u>5,262,769</u>	<u>84,112,162</u>	<u>120,987</u>
TOTAL ASSETS	<u>138,337,757</u>	<u>21,671,482</u>	<u>160,009,239</u>	<u>531,071</u>
<u>LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	4,494,815	679,902	5,174,717	46
Other Liabilities	679,522	138,226	817,748	-
Unearned Revenue	7,765,817	-	7,765,817	-
Noncurrent Liabilities:				
Due Within One Year	3,288,969	102,538	3,391,507	-
Due in More Than One Year	<u>15,097,017</u>	<u>10,487,898</u>	<u>25,584,915</u>	<u>-</u>
TOTAL LIABILITIES	<u>31,326,140</u>	<u>11,408,564</u>	<u>42,734,704</u>	<u>46</u>
<u>NET ASSETS</u>				
Invested in Capital Assets, Net of Related Debt	82,335,510	13,168,496	95,504,006	274,841
Restricted For:				
Affordable Housing Assistance	1,946,705	-	1,946,705	-
Court Functions and Courthouse Improvements	2,958,151	-	2,958,151	-
Fire Protection	3,071,733	-	3,071,733	-
Law Enforcement	537,606	-	537,606	-
Road and Bridge Maintenance	1,813,613	-	1,813,613	-
Public Records Modernization	626,178	-	626,178	-
Fishing Improvement	348,950	-	348,950	-
Tourist Development	192,881	-	192,881	-
Voter Education and Equipment	113,893	-	113,893	-
Other Purposes	108,344	-	108,344	-
Unrestricted	<u>12,958,053</u>	<u>(2,905,578)</u>	<u>10,052,475</u>	<u>256,184</u>
TOTAL NET ASSETS	<u>\$ 107,011,617</u>	<u>\$ 10,262,918</u>	<u>\$ 117,274,535</u>	<u>\$ 531,025</u>

See accompanying notes.

Putnam County, Florida
Statement of Activities
For the Year Ended September 30, 2007

Functions/Programs PRIMARY GOVERNMENTAL ACTIVITIES:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit Putnam County Development Authority
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
General Government	\$ 12,956,339	\$ 41,227	\$ 47,000	\$ (8,434,424)	\$ -	\$ (8,434,424)	\$ -
Public Safety	26,526,912	1,301,389	638,239	(20,328,559)	-	(20,328,559)	-
Physical Environment	723,732	37,000	-	(484,892)	-	(484,892)	-
Transportation	8,298,519	2,261,243	4,728,829	(511,381)	-	(511,381)	-
Economic Environment	5,340,613	1,237,329	-	(4,054,329)	-	(4,054,329)	-
Human Services	2,682,154	-	184,737	(2,302,334)	-	(2,302,334)	-
Culture and Recreation	2,329,061	281,527	540,766	(1,415,615)	-	(1,415,615)	-
Court Related	3,199,629	346,545	600,000	154,952	-	154,952	-
Interest on Long-Term Debt	653,098	-	-	(653,098)	-	(653,098)	-
TOTAL GOVERNMENTAL ACTIVITIES	62,710,057	5,506,260	6,739,571	(38,029,680)	-	(38,029,680)	-
BUSINESS-TYPE ACTIVITIES:							
Water and Wastewater System	117,273	-	-	-	(59,306)	(59,306)	-
Solid Waste	7,941,522	191,176	-	-	(1,352,519)	(1,352,519)	-
Port Authority	100,406	-	-	-	34,585	34,585	-
TOTAL BUSINESS-TYPE ACTIVITIES	8,159,201	191,176	-	-	(1,377,240)	(1,377,240)	-
TOTAL PRIMARY GOVERNMENT	\$ 70,869,258	\$ 5,697,436	\$ 6,739,571	(38,029,680)	(1,377,240)	(39,406,920)	-
COMPONENT UNIT:							
Putnam County Development Authority	\$ 52,401	\$ -	\$ -	-	-	-	13,594
GENERAL REVENUES:							
Property Taxes				38,956,651		38,956,651	
Sales Taxes				2,876,587		2,876,587	
Unrestricted State Shared Revenues				2,562,340		2,562,340	
Gas Taxes				1,905,036		1,905,036	
Local Infrastructure Surtax				5,279,106		5,279,106	
Tourist Development Tax				122,162		122,162	
Communications Service Tax				606,240		606,240	
Investment Earnings				2,066,319	439,241	2,505,560	2,466
Gain on Sale of Capital Assets				-	158,580	158,580	-
Miscellaneous				529,489	9,124	538,613	5
Transfers				(477,241)	477,241	-	-
TOTAL GENERAL REVENUES AND TRANSFERS				54,426,689	1,084,186	55,510,875	2,471
CHANGE IN NET ASSETS				16,397,009	(293,054)	16,103,955	16,065
NET ASSETS - BEGINNING OF YEAR				90,614,608	10,555,972	101,170,580	514,960
NET ASSETS - END OF YEAR				\$ 107,011,617	\$ 10,262,918	117,274,535	\$ 531,025

See accompanying notes.

Putnam County, Florida
Balance Sheet – Governmental Funds
September 30, 2007

	<u>General Fund</u>	<u>Sheriff Fund</u>	<u>East Putnam Grant Fund</u>	<u>Better Place Plan Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and Equivalents	\$ 8,237,009	\$ 1,108,585	\$ 5,922,704	\$ 5,256	\$ 16,004,200	\$ 31,277,754
Investments	724,809	-	-	-	951,742	1,676,551
Receivables	1,030,033	-	-	-	69,129	1,099,162
Due From Other Funds	6,078,997	-	-	-	90,097	6,169,094
Due From Other Governments	558,494	-	-	876,263	1,707,037	3,141,794
Inventory	43,492	-	-	-	724	44,216
Prepays	-	-	-	-	171,561	171,561
Other Assets	2,400	-	-	-	4,317	6,717
TOTAL ASSETS	<u>\$ 16,675,234</u>	<u>\$ 1,108,585</u>	<u>\$ 5,922,704</u>	<u>\$ 881,519</u>	<u>\$ 18,998,807</u>	<u>\$ 43,586,849</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ 1,485,691	\$ 309,441	\$ 23,098	\$ 413,283	\$ 2,067,908	\$ 4,299,421
Due to Other Funds	-	799,144	570,000	2,350,000	2,578,132	6,297,276
Due to Other Governments	8,518	-	-	-	191,482	200,000
Deferred Revenue	3,006,926	-	5,749,537	-	190,558	8,947,021
TOTAL LIABILITIES	<u>4,501,135</u>	<u>1,108,585</u>	<u>6,342,635</u>	<u>2,763,283</u>	<u>5,028,080</u>	<u>19,743,718</u>
FUND BALANCES						
Reserved For:						
Debt Service	-	-	163,424	-	-	163,424
Inventory	43,492	-	-	-	724	44,216
Loan Guarantees	-	-	-	-	952,151	952,151
Prepays	-	-	-	-	171,561	171,561
Unreserved, Reported In:						
General Fund	12,130,607	-	-	-	-	12,130,607
Special Revenue Funds	-	-	(583,355)	-	12,347,690	11,764,335
Debt Service Funds	-	-	-	-	581,812	581,812
Capital Projects Funds	-	-	-	(1,881,764)	(83,211)	(1,964,975)
TOTAL FUND BALANCES	<u>12,174,099</u>	<u>-</u>	<u>(419,931)</u>	<u>(1,881,764)</u>	<u>13,970,727</u>	<u>23,843,131</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 16,675,234</u>	<u>\$ 1,108,585</u>	<u>\$ 5,922,704</u>	<u>\$ 881,519</u>	<u>\$ 18,998,807</u>	<u>\$ 43,586,849</u>

See accompanying notes.

Putnam County, Florida
Reconciliation of the Balance Sheet to the Statement of Net Assets –
Governmental Funds
September 30, 2007

FUND BALANCES – TOTAL GOVERNMENTAL FUNDS \$ 23,843,131

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Capital Assets – Net..... 98,726,964

Interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Accrued Interest on Long-term debt..... (131,402)

Long-term liabilities do not require the use of current financial resources and are not reported in the funds.

Long-Term Debt.....	(14,600,160)	
Capital Lease Obligations.....	(1,840,026)	
Compensated Absences.....	<u>(1,917,300)</u>	
Total Long-term Liabilities.....		(18,357,486)

Unearned revenues in the statement of net assets differs from the deferred revenue amount reported in the governmental funds due to certain receivables. Governmental fund financial statements report unearned revenues or revenues which are measurable but not available as deferred revenues. However, deferred revenues in the governmental funds are susceptible to full accrual on the government-wide financial statements.

Deferred Revenues Reduced..... 1,181,204

Internal service funds are used by management to charge the costs of fleet maintenance and insurance activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets because they primarily serve governmental activities of the County.

Internal Service Funds..... 1,749,206

Net Assets of Governmental Activities \$ 107,011,617

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds
For the Year Ended September 30, 2007

	General Fund	Sheriff Fund	East Putnam Grant Fund	Better Place Plan Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 36,743,038	\$ -	\$ -	\$ 5,279,105	\$ 4,757,301	\$ 46,779,444
Licenses and Permits	881,541	-	-	-	54,945	936,486
Intergovernmental	5,190,893	-	-	-	12,284,037	17,474,930
Charges for Services	2,994,264	-	-	-	5,541,751	8,536,015
Fines and Forfeitures	119,532	-	-	-	710,743	830,275
Miscellaneous	1,358,434	-	163,424	39,300	2,402,021	3,963,179
TOTAL REVENUES	47,287,702	-	163,424	5,318,405	25,750,798	78,520,329
EXPENDITURES						
Current:						
General Government	9,506,140	-	-	-	6,014,712	15,520,852
Public Safety	6,735,081	15,675,833	-	-	3,584,142	25,995,056
Physical Environment	610,826	-	586,526	-	144,618	1,341,970
Transportation	70,001	-	-	-	6,898,725	6,968,726
Economic Environment	417,256	-	-	-	2,455,029	2,872,285
Human Services	2,372,291	-	-	-	-	2,372,291
Culture and Recreation	1,920,793	-	-	-	280,846	2,201,639
Court Related	231,676	511,055	-	-	2,405,358	3,148,089
Capital Outlay	-	-	-	13,538,548	5,995,883	19,534,431
Debt Service:						
Principal Retirement	753,641	890,955	-	185,000	396,803	2,226,399
Interest and Fiscal Charges	27,565	75,952	-	240,355	177,824	521,696
TOTAL EXPENDITURES	22,645,270	17,153,795	586,526	13,963,903	28,353,940	82,703,434
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	24,642,432	(17,153,795)	(423,102)	(8,645,498)	(2,603,142)	(4,183,105)
OTHER FINANCING SOURCES (USES)						
Transfers In	2,349,180	16,917,930	-	-	4,832,193	24,099,303
Transfers Out	(21,816,024)	(652,135)	-	-	(1,761,509)	(24,229,668)
Sale of Capital Assets	37,040	-	-	-	39,567	76,607
Debt Issued	-	888,000	-	10,000,000	26,449	10,914,449
TOTAL OTHER FINANCING SOURCES (USES)	(19,429,804)	17,153,795	-	10,000,000	3,136,700	10,860,691
NET CHANGE IN FUND BALANCES	5,212,628	-	(423,102)	1,354,502	533,558	6,677,586
FUND BALANCES – BEGINNING OF YEAR	6,961,471	-	3,171	(3,236,266)	13,437,169	17,165,545
FUND BALANCES – END OF YEAR	\$ 12,174,099	\$ -	\$ (419,931)	\$ (1,881,764)	\$ 13,970,727	\$ 23,843,131

See accompanying notes.

Putnam County, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities – Governmental Funds
For the Year Ended September 30, 2007

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS		\$ 6,677,586
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. Certain capital assets were contributed to an enterprise fund by a governmental fund, requiring the recognition of expense not reported in the funds.		
Capital assets acquired by use of financial resources.....	25,327,339	
Capital assets contributed to enterprise fund.....	(586,526)	
Current year depreciation.....	<u>(6,020,918)</u>	
Difference.....		18,719,895
Some deferred revenues related to receivables are not recognized in the current period because the resources are not available and therefore the revenues are not reported in the funds.		
Change in Deferred Revenues.....		91,620
In the statement of activities, only the gain or loss on the disposal of capital assets is reported. However, in the governmental funds, the proceeds from the transaction increases financial resources. Thus the change in net assets differs from the change in fund balance by the net book value of the assets disposed.		
Proceeds from disposal of capital assets.....	(76,607)	
Loss on disposal of capital assets.....	<u>(163,562)</u>	
Total Change.....		(240,169)
Issuance of debt provides current financial resources to governmental funds, but increases long-term liabilities in the statement of net assets.....		
		(10,914,449)
Repayment of debt principal is an expenditure in governmental funds, but the repayment results in a reduction of long-term liabilities in the statement of net assets.		
Debt Principal Payments.....		2,226,399
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.		
Compensated Absences.....	(137,800)	
Accrued Interest Payable.....	<u>(131,402)</u>	
Total		(269,202)
Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) is reported with governmental activities.		
		<u>105,329</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u>\$ 16,397,009</u>

See accompanying notes.

Putnam County, Florida
Statement of Net Assets – Proprietary Funds
September 30, 2007

	Business-type Activities – Enterprise Funds				Governmental Activities
	Waste Management Fund	East Putnam Water Fund	Port Authority Fund	Total Enterprise Funds	Internal Service Funds
ASSETS					
CURRENT ASSETS:					
Cash and Equivalents	\$ 2,234,178	\$ 240,024	\$ 898,288	\$ 3,372,490	\$ 1,891,734
Investments	725,000	-	-	725,000	-
Receivables	140,944	17,801	93,410	252,155	959
Due From Other Funds	-	-	-	-	139,812
Due From Other Governments	6,086	-	-	6,086	148,005
Inventory	-	-	-	-	81,579
Other Assets	-	-	-	-	11,257
TOTAL CURRENT ASSETS	3,106,208	257,825	991,698	4,355,731	2,273,346
NONCURRENT ASSETS:					
Restricted Investments	4,077,889	-	-	4,077,889	-
Capital Assets, Net	5,608,871	5,317,336	2,322,427	13,248,634	48,732
TOTAL NONCURRENT ASSETS	9,686,760	5,317,336	2,322,427	17,326,523	48,732
TOTAL ASSETS	12,792,968	5,575,161	3,314,125	21,682,254	2,322,078
LIABILITIES					
CURRENT LIABILITIES:					
Accounts Payable and Accrued Liabilities	677,522	289	2,091	679,902	63,992
Due to Other Funds	10,772	-	-	10,772	858
Due to Other Governments	123,654	-	-	123,654	-
Estimated Liability for Self-Insured Losses	-	-	-	-	479,522
Customer Deposits	10,220	2,352	2,000	14,572	-
Current Portion of Long-Term Liabilities	102,538	-	-	102,538	14,600
TOTAL CURRENT LIABILITIES	924,706	2,641	4,091	931,438	558,972
NONCURRENT LIABILITIES	10,487,898	-	-	10,487,898	13,900
TOTAL LIABILITIES	11,412,604	2,641	4,091	11,419,336	572,872
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	5,528,733	5,317,336	2,322,427	13,168,496	48,732
Unrestricted	(4,148,369)	255,184	987,607	(2,905,578)	1,700,474
TOTAL NET ASSETS	\$ 1,380,364	\$ 5,572,520	\$ 3,310,034	\$ 10,262,918	\$ 1,749,206

See accompanying notes.

Putnam County, Florida
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds
For the Year Ended September 30, 2007

	<u>Business-type Activities – Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Port</u> <u>Authority</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Internal</u> <u>Service</u> <u>Funds</u>
<u>OPERATING REVENUES</u>					
User Fees and Assessments	\$ 6,397,827	\$ 57,967	\$ 134,991	\$ 6,590,785	\$ 7,278,116
Miscellaneous	8,850	6	268	9,124	67,358
TOTAL OPERATING REVENUES	6,406,677	57,973	135,259	6,599,909	7,345,474
<u>OPERATING EXPENSES</u>					
Personal Services	781,986	-	-	781,986	379,751
Insurance	-	-	-	-	6,024,980
Claims Expense	-	-	-	-	400,227
Contractual Services	3,878,326	500	3,078	3,881,904	317,306
Repairs and Maintenance	336,645	15,874	2,111	354,630	52,682
Other Operating Expenses	576,667	15,504	42,065	634,236	289,721
Depreciation and Amortization	787,612	85,395	53,152	926,159	15,128
Closure and Long-Term Care Costs	1,575,067	-	-	1,575,067	-
TOTAL OPERATING EXPENSES	7,936,303	117,273	100,406	8,153,982	7,479,795
OPERATING INCOME (LOSS)	(1,529,626)	(59,300)	34,853	(1,554,073)	(134,321)
<u>NONOPERATING REVENUES</u>					
<u>(EXPENSES)</u>					
Interest Revenue	391,339	9,908	37,994	439,241	-
Grants	191,176	-	-	191,176	-
Interest Expense	(5,219)	-	-	(5,219)	-
Sale of Surplus Property	157,175	-	1,405	158,580	-
TOTAL NONOPERATING REVENUES	734,471	9,908	39,399	783,778	-
(EXPENSES)	734,471	9,908	39,399	783,778	-
INCOME (LOSS) BEFORE CAPITAL					
CONTRIBUTIONS AND TRANSFERS	(795,155)	(49,392)	74,252	(770,295)	(134,321)
Capital Contributions	-	586,526	-	586,526	-
Transfers In	-	-	-	-	242,188
Transfers Out	(107,959)	-	(1,326)	(109,285)	(2,538)
CHANGE IN NET ASSETS	(903,114)	537,134	72,926	(293,054)	105,329
NET ASSETS – BEGINNING					
OF YEAR	2,283,478	5,035,386	3,237,108	10,555,972	1,643,877
NET ASSETS – END OF YEAR	\$ 1,380,364	\$ 5,572,520	\$ 3,310,034	\$ 10,262,918	\$ 1,749,206

See accompanying notes.

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2007

	<u>Business-type Activities – Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Port</u> <u>Authority</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Internal</u> <u>Service</u> <u>Funds</u>
<u>CASH FLOWS FROM OPERATING</u>					
<u>ACTIVITIES</u>					
Receipts From Customers	\$6,459,993	\$ 55,569	\$ 135,998	\$6,651,560	\$ 7,743,428
Payments to Suppliers	(5,826,882)	(33,472)	(45,876)	(5,906,230)	(7,076,069)
Payments to Employees	(771,486)	-	-	(771,486)	(375,251)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(138,375)	22,097	90,122	(26,156)	292,108
<u>CASH FLOWS FROM NONCAPITAL</u>					
<u>FINANCING ACTIVITIES</u>					
Transfers In	-	-	-	-	242,188
Transfers Out	(107,959)	-	(1,326)	(109,285)	(2,538)
Grants	191,176	-	-	191,176	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	83,217	-	(1,326)	81,891	239,650
<u>CASH FLOWS FROM CAPITAL AND</u>					
<u>RELATED FINANCING ACTIVITIES</u>					
Payments Received on Mortgage Receivable	-	-	11,893	11,893	-
Principal Paid on Debt	(103,557)	-	-	(103,557)	-
Interest Paid on Debt	(5,219)	-	-	(5,219)	-
Proceeds From Sale of Capital Assets	157,175	-	12,000	169,175	-
Acquisitions of Capital Assets	(1,950,043)	-	-	(1,950,043)	(41,516)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,901,644)	-	23,893	(1,877,751)	(41,516)
<u>CASH FLOWS FROM INVESTING</u>					
<u>ACTIVITIES</u>					
Proceeds from Investments	1,510,374	-	-	1,510,374	-
Purchase of Investments	(281,306)	-	-	(281,306)	-
Interest on Investments	391,339	9,908	37,994	439,241	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,620,407	9,908	37,994	1,668,309	-
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(336,395)	32,005	150,683	(153,707)	490,242
CASH AND EQUIVALENTS – BEGINNING OF YEAR	2,570,573	208,019	747,605	3,526,197	1,401,492
CASH AND EQUIVALENTS – END OF YEAR	\$2,234,178	\$ 240,024	\$ 898,288	\$3,372,490	\$ 1,891,734

(continued)

Putnam County, Florida
Statement of Cash Flows – Proprietary Funds
For the Year Ended September 30, 2007

(concluded)

	<u>Business-type Activities – Enterprise Funds</u>				<u>Governmental</u>
	<u>Waste</u> <u>Management</u> <u>Fund</u>	<u>East</u> <u>Putnam</u> <u>Water Fund</u>	<u>Port</u> <u>Authority</u> <u>Fund</u>	<u>Total</u> <u>Enterprise</u> <u>Funds</u>	<u>Activities</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$(1,529,626)	\$ (59,300)	\$ 34,853	\$ (1,554,073)	\$ (134,321)
Depreciation and Amortization	787,612	85,395	53,152	926,159	15,128
Change In:					
Receivables	43,700	(2,479)	(11)	41,210	(959)
Due From Other Funds	-	-	-	-	144,160
Due From Other Governments	8,035	-	-	8,035	(138,347)
Inventory	-	-	-	-	(7,386)
Other Assets	-	-	-	-	393,098
Accounts Payable and Accrued Liabilities	340,504	(1,594)	1,378	340,288	(54,145)
Due to Other Funds	10,772	-	-	10,772	858
Estimated Liability for Self- Insurance Losses	-	-	-	-	69,522
Customer Deposits	1,581	75	750	2,406	-
Compensated Absences	10,500	-	-	10,500	4,500
Accrued Landfill and Post- Closure Costs	188,547	-	-	188,547	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (138,375)</u>	<u>\$ 22,097</u>	<u>\$ 90,122</u>	<u>\$ (26,156)</u>	<u>\$ 292,108</u>
<u>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</u>					
Contribution of Capital Assets	\$ -	\$ 586,526	\$ -	\$ 586,526	\$ -

See accompanying notes.

Putnam County, Florida
Statement of Fiduciary Net Assets
September 30, 2007

	Agency Funds
<u>ASSETS</u>	
Cash and Equivalents	\$ 3,806,414
Receivables	<u>8,205</u>
TOTAL ASSETS	<u>3,814,619</u>
<u>LIABILITIES</u>	
Due to Other Governments	135,153
Assets Held for Others	<u>3,679,466</u>
TOTAL LIABILITIES	<u>3,814,619</u>
NET ASSETS	<u><u>\$ -</u></u>

See accompanying notes.

Putnam County, Florida
Index to Notes to Financial Statements
September 30, 2007

1.	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	
	A. Reporting Entity	13
	B. Government-wide and Fund Financial Statements.....	14
	C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	15
	D. Assets, Liabilities and Net Assets or Equity.....	17
	Cash and Investments	17
	Statement of Cash Flows	18
	Accounts Receivable.....	18
	Due To/From Other Funds.....	18
	Restricted Assets	18
	Inventories.....	19
	Prepays	19
	Long-Term Receivables.....	19
	Capital Assets	19
	Unearned/Deferred Revenues.....	20
	Compensated Absences	20
	E. Management Estimates and Assumptions.....	21
2.	DEFINED BENEFIT PENSION PLAN	21
3.	DEFERRED COMPENSATION PLAN	22
4.	PROPERTY TAXES	22
5.	DEPOSITS AND INVESTMENTS	23
6.	ACCOUNTS RECEIVABLE	25
7.	INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS	26
8.	CAPITAL ASSET ACTIVITY	27
9.	LONG-TERM OBLIGATIONS	29
10.	CONDUIT DEBT	34
11.	FUND EQUITY RESERVATIONS AND DESIGNATIONS	34
12.	DEFICIT BALANCES/BUDGET OVEREXPENDITURES – INDIVIDUAL FUNDS.....	35
13.	RISK MANAGEMENT	35
14.	ACCRUED LANDFILL CLOSURE AND LONG-TERM CARE COSTS	36
15.	POST-EMPLOYMENT HEALTH CARE BENEFITS	37
16.	OPERATING LEASES.....	37
17.	COMMITMENTS AND CONTINGENCIES.....	38
18.	LINE OF CREDIT.....	38
19.	NET ASSETS RESTRICTED BY ENABLING LEGISLATION	38
20.	SUBSEQUENT EVENTS.....	38

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

The financial statements of Putnam County, Florida have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units in accordance with the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's Basic Financial Statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Putnam County, Florida (the County), conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

A. Reporting Entity

The County is a non-charter, general purpose local government established under the legal authority of the Constitution of the State of Florida. It is composed of an elected Board of County Commissioners and elected Constitutional Officers, who are governed by State statutes and regulations. The Commissioners appoint a county administrator whose duties include the administration of directives and policies of the Commissioners and who has responsibility for the operation of all business centers and the provision of services under the purview of the Commissioners.

The Board of County Commissioners and the offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The office of the Tax Collector operates on a fee system, whereby the officer retains fees, commissions, and other revenues to pay all operating expenditures, including statutory compensation. Any excess income is remitted to the Board of County Commissioners at the end of the fiscal year. The offices of the Sheriff, Property Appraiser, and Supervisor of Elections operate on a budget system, whereby County-appropriated funds are received from the Board of County Commissioners, and any unexpended appropriations are required to be returned to the Board of County Commissioners at the end of the fiscal year. The Clerk's duties as Clerk to the Board and Chief Financial Officer for the County are budgeted functions, funded by the Board. The Clerk's duties as Clerk of the Circuit and County Courts are funded by fines and fees collected by that office.

The accompanying financial statements present the County as a primary government, and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations and, accordingly, data from these units are combined with data of the County. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the County. Each blended and discretely presented component unit has a September 30 year end.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Blended Component Units – The Putnam County Port Authority, a dependent special district created by Chapter 67-1961, Laws of Florida, to carry out the operations of the County's barge port, is a blended component unit of the primary government. The Putnam County Solid Waste District, a dependent special district, is also a blended component unit of the primary government and was created by Ordinance 87-9 of the County to provide waste disposal services. The Putnam County Board of County Commissioners serves as the governing board of the Port Authority and makes up the majority of the Board of the Solid Waste District. These component units are presented as Enterprise Funds. Separate financial statements are not prepared.

Discretely Presented Component Unit – The Putnam County Development Authority is an independent special district created by Chapter 61-2727 as amended by Chapter 69-1523, Laws of Florida, for the purpose of promoting economic growth and development in all areas of the County. The governing Board of the Authority has nine members, of which three are appointed by the County's Board of County Commissioners. The Authority cannot issue bonded debt without the substantive approval of the Board of County Commissioners and, accordingly, the Authority is considered to be fiscally dependent on the Board of County Commissioners. The Authority is presented as an Enterprise Fund. The Authority does not issue separate financial statements.

Related Organization – The Putnam County Fair Association is a not-for-profit organization created under Chapter 616, Florida Statutes. The Association is considered a related organization because a majority of its Board of Directors is appointed by the Putnam County Board of County Commissioners. The County is not financially accountable for the Association and, accordingly, the Association is not included in the accompanying financial statements.

Joint Ventures – The County did not participate in any joint ventures during fiscal year 2006-2007.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Assets and the Statement of Activities) concentrate on the County as a whole, except for its fiduciary activities, and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental activities and business-type activities comprise the primary government and are reported separately from the component unit for which the County is accountable. General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services.

The statement of activities reflects the direct expenses of a given function or segment, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes and other items not properly included among program revenues are reported as general revenues.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County's major funds are presented in separate columns on the governmental fund financial statements and the proprietary fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB 34. The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements. Non-major governmental funds are comprised of special revenue, debt service and capital projects funds.

The effect of interfund activity has been removed from the government-wide financial statements. However, the interfund services between functions are not eliminated. The internal service activity has been eliminated except for the outside activity and is combined with the governmental activity on the government-wide financial statements. Internal service activity is reported in full on the proprietary fund financial statements. The internal service funds are combined and thus reported in a single summary column on the proprietary fund financial statements.

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

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or retained earnings, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The accounting and financial reporting treatment is determined by the applicable measurement focus and the basis of accounting. The *basis of accounting* refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. *Measurement focus* indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities).

The government-wide financial statements, the proprietary fund financial statements and the fiduciary fund financial statements are prepared on a full accrual basis using the economic resources measurement focus. Revenues are recorded in the period in which they are earned and measurable and expenses are recorded in the period in which the related liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all of the eligibility requirements imposed by the provider have been met.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Proprietary funds record both operating and non-operating revenues and expenses. The principal operating revenues are those that are obtained from the operations of the proprietary fund and include user fees, special assessments, and rental fees. Non-operating revenues are not related to the operations of the proprietary fund and include taxes, interest earnings and grants. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses are not related to operations, such as interest expense.

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. For this purpose, the County considers all revenues available if they are collected within sixty days after year-end. Primary revenues, such as property taxes, special assessments, intergovernmental revenues, charges for services, sales and franchise taxes, rents and interest are treated as susceptible to accrual under the modified accrual basis and have been recognized as revenues. Expenditures reported in governmental fund financial statements are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes principal and interest on general long-term debt, which is recognized when due.

The business-type activities (enterprise funds) follow private sector standards issued prior to December 1, 1989, to the extent those standards do not conflict with Governmental Accounting Standards Board statements. However, pursuant to Government Accounting Standards Board Statement Number 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting, the County has elected not to apply accounting standards issued after November 30, 1989 by the Financial Accounting Standards Board.

The County reports the following major funds in the governmental fund financial statements:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.

Putnam County Sheriff's Fund – The Sheriff's Fund is used to account for the operations of the Putnam County Sheriff's Office that are necessary to carry out the obligations of the Office as detailed in Florida Statutes, Chapter 30.

East Putnam Grant Fund – The East Putnam Grant Fund is used to account for the collection and use of the proceeds of grants and loans to benefit primarily the economic environment of East Putnam.

Better Place Plan Fund – The Better Place Plan Fund is used to account for revenues received from a one cent discretionary surtax imposed to finance certain capital projects.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County reports the following major funds in the proprietary fund financial statements:

Waste Management Fund – The County's Waste Management Fund is used to account for the fees charged for providing solid waste collection and disposal services to the general public on a user fee basis, and to account for special assessments levied to County residents for mandatory solid waste collection.

East Putnam Water Fund – The East Putnam Water Fund is used to account for the collection and use of fees established to provide a water and wastewater system to residents in that region of the County.

Port Authority Fund – The Putnam County Port Authority is used to account for fees charged for users of the County's barge port and industrial park.

The County reports the following other fund types:

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis (i.e., risk management, liability insurance, and fleet maintenance).

Agency Funds – The 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. The Clerk of the Circuit Court maintains agency funds to account for assets held for others under court order; the Sheriff's agency fund accounts for assets held for use by inmates while incarcerated; the Tax Collector maintains agency funds to account for taxes received but not distributed and for funds not yet distributed to the state from the sale of vehicle license tags.

D. Assets, Liabilities and Net Assets or Equity

Cash and Investments

For accounting and investment purposes, the County maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to legal or other restrictions. Investments within this pool are treated as a demand deposit account by the various funds of the County that participate. Interest earned on investments in the pool is allocated to the various funds based upon each fund's equity balance in the pool during the allocation period.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All funds that are not invested are deposited in institutions that are certified as "Qualified Public Depositories," as required under the Florida Security for Public Deposits Act. This law requires every qualified public depository to deposit, with the State Treasurer, eligible collateral equal to or in excess of an amount to be determined by the State Treasurer. The law requires the State Treasurer to ensure that funds are entirely collateralized throughout the fiscal year. Therefore, the County's total deposits and the deposits of the Putnam County Development Authority, a component unit, are insured or collateralized by the Federal Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance.

Investments are stated at fair value, except for investments in the State Board of Administration Local Government Surplus Trust Fund Investment Pool (SBA). The SBA is not a registrant with the Securities and Exchange Commission (SEC); however, the SBA has adopted operating procedures consistent with the requirements for a 2a7-like fund and the fair value of the position in the pool is equal to the value of the pool shares. Investments in the SBA are classified as Cash and Equivalents and are stated at amortized cost in the accompanying financial statements.

Statement of Cash Flows

For purposes of the statement of cash flows, the County considers cash and cash equivalents to be cash on hand, demand deposits, and highly liquid investments with original maturities of three months or less when purchased.

Accounts Receivable

The accounts receivable of the County are recorded in the government-wide, governmental, and proprietary fund financial statements and are net of an allowance for doubtful accounts, which is generally equivalent to the receivables that are over 90 days.

Due To/From Other Funds

Activity between funds during the year is recorded by moving cash, however after September 30 cash can no longer move between funds; therefore a "due from" and "due to" are used to record any activity representing current interfund loans. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statement of net assets as "internal balances".

Restricted Assets

Certain resources of the County are classified as restricted assets on the statement of net assets because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Inventories

Inventories, consisting primarily of materials and supplies, are stated at cost, which approximates fair market value. The “first-in/first-out” (FIFO) method is used to determine cost.

All inventories are recorded as expenditures, or expense, as they are used (consumption method). An offsetting reserve is reported in the governmental fund financial statements to indicate that the asset is not available for appropriation or expenditure.

Prepays

Certain payments to vendors for software development costs and goods and services applicable to future accounting periods are recorded as prepaids in the accompanying financial statements. An offsetting “reserve” is reported in the fund financial statements to indicate that prepaids do not represent available spendable resources.

Long-Term Receivables

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they are not considered “available spendable resources,” since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables.

Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets. Infrastructure assets are defined as public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the governmental unit. Capital assets are reported in the government-wide financial statements in the applicable governmental or business-type activities column, as well as the proprietary fund financial statements. The established threshold for capitalizing property, plant and equipment is generally \$3,000. The threshold for capitalizing infrastructure ranges from \$5,000 to \$25,000. The Office of the Sheriff, however, has established a capitalization threshold of \$5,000 for all classes of capital assets.

The County began prospective reporting of general infrastructure assets at the effective date of GASB Statement No. 34. Effective October 1, 2005, the County began retroactive reporting of all major general governmental infrastructure assets. The estimated cost of the initial reporting of these assets was obtained through backtrending (i.e. estimating the current replacement cost of the infrastructure and associated land and using appropriate indices to deflate the cost to the acquisition year or estimated acquisition year). The reported values exclude normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County holds legal title to the capital assets of the Board of County Commissioners, Property Appraiser, Tax Collector, Clerk of the Circuit Court, and Supervisor of Elections and is accountable for them under Florida Law. The Sheriff, under Florida Law, is accountable for maintaining capital asset records for equipment used in the operations of the Office.

Capital assets are recorded at cost, or estimated historical cost. Contributed assets are recorded at estimated fair market value at the time received.

Interest costs related to construction are capitalized for proprietary activities. During the current period, the County had no capitalized interest. For assets constructed with governmental fund resources, interest is not capitalized.

Amortization of assets recorded under capital leases is included with depreciation expense.

Depreciation is calculated using the straight-line method over the following estimated useful lives:

Buildings	30 – 50 Years
Improvements	10 – 50 Years
Equipment	5 – 15 Years
Water Distribution System	40 Years

Infrastructure assets are depreciated using a group depreciation method over a period of 10-100 years.

The landfill is depreciated proportionately based on capacity used.

Unearned/Deferred Revenues

Unearned/deferred revenue represents revenues collected in advance of services performed. This revenue will be recognized when the services are rendered. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

Compensated Absences

The various County agencies maintain policies that permit employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation of service if certain criteria are met. These benefits, plus their related tax and retirement costs, are classified as compensated absences. The policies of the various County agencies vary as to the amount and the vesting of employee vacation and sick time. Generally, the policies allow limited vesting of unused employee vacation leave time and in some instances sick time. The amount of vacation time is determined by the

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

period of employment. In prior years, the following governmental funds have typically been used to eliminate the liability for compensated absences: the General Fund, the County Transportation Trust Fund, the Fire Tax Unit Fund, the E911 System Fund, the Clerk of the Circuit Court Fund, the Court Fund, the Property Appraiser Fund, the Supervisor of Elections Fund, the Tax Collector Fund and the Sheriff Fund.

Compensated absences liabilities are accrued when incurred in the government-wide and proprietary fund financial statements. No expenditure is reported in the governmental fund statements for these amounts until payment is due. The compensated absences liability is based on current rates of pay.

E. Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from estimates used.

NOTE 2 – DEFINED BENEFIT PENSION PLAN

Plan Description

Putnam County contributes to the Florida Retirement System (the "System"), a cost-sharing multiple-employer defined benefit pension plan administered by the State of Florida, Department of Administration, Division of Retirement. The System provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000, or by calling (850) 488-6491.

Funding Policy

The System is employee noncontributory. Putnam County is required to contribute at an actuarially determined rate. The rates at September 30, 2007 were as follows: Regular Employees 9.85%; Special Risk Employees 20.92%; Senior Management 13.12%; Elected Officials 16.53%. The contribution requirements of plan members and Putnam County are established and may be amended by the Florida Legislature. Putnam County's contributions to the System for the years ending September 30, 2007, 2006 and 2005 were \$3,267,000, \$2,658,000, and \$2,344,000 respectively, equal to the required contributions for each year.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 3 – DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan (the "Plan") created in accordance with Section 457 of the Internal Revenue Code. This Plan (refer to Section 112.215, Florida Statutes), is available to all regular payroll County employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (notwithstanding the mandates of 26 U.S.C. s. 457 (b) (6), all of the assets specified in subparagraph 1) held in trust for the exclusive benefit of participants and their beneficiaries as mandated by 26 U.S.C. s. 457 (g) (1).

NOTE 4 – PROPERTY TAXES

Property taxes become due and payable on November 1st of each year and are delinquent on April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 delinquent date. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1st of each year.

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. There were no significant delinquent property taxes receivable at September 30, 2007.

Tax revenues are recognized when levied, to the extent that they result in current receivables in governmental funds. By year-end, substantially all property taxes have been collected. Accordingly, there is no ad-valorem property taxes receivable reported in the accompanying financial statements.

Details of the County's tax calendar are presented below:

Lien Date	January 1
Levy Date	October 1
Installment Payments:	
1st Installment	No later than June 30
2nd Installment	No later than September 30
3rd Installment	No later than December 31
4th Installment	No later than March 31
Regular Payments:	
Discount Periods	November - February
No Discount Period	March
Delinquent Date	April 1

**Putnam County, Florida
Notes to Financial Statements
September 30, 2007**

NOTE 5 – DEPOSITS AND INVESTMENTS

As of September 30, 2007, the County had the following investments and maturities:

<u>Investment</u>	Investment Maturities (in years)					S & P Rating
	Fair Value	Less Than 1	1 - 2	2 - 3	3 - 5	
State Investment Pool	\$ 29,592,943	\$ 29,592,943	\$ -	\$ -	\$ -	Not Rated
Florida Local Government Investment Trust	4,162,346	217,275	1,760,256	1,781,900	402,915	AAAf
Repurchase Agreement	2,197,733	2,197,733	-	-	-	NA
Money Market Funds	800,000	800,000	-	-	-	NA
Certificates of Deposit	100,000	100,000	-	-	-	NA
TOTAL INVESTMENTS	\$ 36,853,022	\$ 32,907,951	\$ 1,760,256	\$ 1,781,900	\$ 402,915	

Total Investments include \$30,373,582 classified as Cash and Equivalents in the accompanying financial statements. Investments exclude \$228,616 in non negotiable certificates of deposit of the Putnam County Development Authority, a component unit.

Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the maturity of investments to less than five years. Additionally, the investment policy requires the portfolio to be diversified by type of investment, issuer, and dates of maturity in order to protect against fluctuations in the market economy.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The various agencies of the County and its component unit invest excess public funds pursuant to the guidelines established in Section 218.415, Florida Statutes, and County Investment Resolution 2003-112 (investment policy), which authorizes investments of excess public funds in the following instruments: The Local Government Surplus Funds Trust Fund (State Investment Pool); Securities and Exchange Commission registered money market funds with the highest credit quality rating; savings accounts; interest bearing time deposits in qualified public depositories; direct obligations of the U.S. Treasury; Federal agencies and instrumentalities; certain securities (limited to obligations of the U.S. Government or any agency or instrumentalities; thereof; certificates of deposit and other evidence of deposit at financial institutions, bankers' acceptances, and commercial paper rated in the highest tier by a nationally recognized rating agency; and other investments authorized by law or by ordinance for the County. Additionally, the Tax Collector (a Special Revenue Fund) is authorized to invest in repurchase agreements under its written investment policy.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 5 – DEPOSITS AND INVESTMENTS

The Local Government Surplus Funds Trust Fund (State Investment Pool) is an external investment pool administered by the State Board of Administration. As of September 30, 2007, for credit quality risk, the State Investment Pool is not rated by a nationally recognized rating agency.

The County participates in the Florida Local Government Investment Trust (FLGIT), an external investment pool. Regulatory oversight for the pool consists of the Board of Trustees comprised of County Clerks and County Commissioners; an Investment Board comprised of finance officers throughout the State; an Independent Investment Advisor; a Custodian Bank; and an Administrator (Florida Association of Court Clerks). Additionally, the pool's investments are periodically rated by Standard & Pools. At September 30, 2007, the Credit Quality and Bond Fund Volatility Ratings were AA+ and S1, respectively.

The County may have indirect exposure to derivatives through its participation in the FLGIT. Information about the nature and extent of the County's indirect exposure to risks from derivatives and similar debt and investment items is not available. Management is aware of this aspect of the investments held in the FLGIT and has adhered to the County's investment policy requirements to monitor such investment activity on a consistent periodic basis.

The Tax Collector had contractual agreements with qualified public depositories in the State of Florida under which, at the close of each business day, total bank balances were transferred into a sweep account. The financial institution sells securities to the Tax Collector in the form of repurchase agreements. The underlying securities are obligations of the United States government and have a fair value of at least equal to 100% of the purchase price. The investment in repurchase agreement is stated at cost which approximates fair value.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. All County deposits are in qualified public depositories pursuant to Chapter 280, Florida Statutes. All deposits made in qualified public depositories are fully collateralized and backed by the Public Deposit Security Trust Fund.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, 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. The County's investment policy and Florida Statutes require that securities purchased by and all collateral obtained by the County be properly designated as an asset of the County and held in safekeeping by a third party. The underlying securities of the Tax Collector's \$2.2 million investment in repurchase agreements are held by the investment's counterparty, not in the name of the Tax Collector or the County.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 5 – DEPOSITS AND INVESTMENTS

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Unless market conditions otherwise require, the investment policy requires that no more than fifteen (15%) of the County's investment portfolio may be in any one class of security other than those issued or guaranteed by the U.S. Government or its agencies.

Investment in State Pool

Subsequent to year-end, the SBA reported that the State Pool is exposed to potential risks due to exposure in the sub-prime mortgage financial market, and placed some restrictions on how governments could access portions of their resources. The SBA engaged BlackRock, a provider of global investment management services, to undertake an assessment of the status of the investments of the State Pool. In a report dated December 4, 2007, BlackRock made the following observations on the portfolio:

- Market value today is less than book value
- \$867 million face amount (6% of fund) is held in securities that are in default, have defaulted or extended, which adds uncertainty to timing and amount of payments
- \$1.2 billion face amount (8% of fund) is held in securities that are under stress due to credit issues
- 12.0 billion face amount (86% of fund) are high quality money market instruments
- Of the high quality assets, the securities have maturities ranging between December 2007 and December 2008

The State Pool was subsequently divided into two separate pools. Pool A contained the high quality money market instruments representing 86% of the par value of the investments, while Pool B contained the other 14% representing the instruments under some form of duress.

Subsequent to September 30, 2007, Pool A received a rating of AAAm from Standard and Poors. As of the audit report date, the potential loss exposure of the County in Pool B was approximately \$ 28,000, however, BlackRock has stated that more than half of the securities are expected to pay in full.

NOTE 6 – ACCOUNTS RECEIVABLE

Accounts receivable of the General Fund consist primarily of ambulance service accounts and are reported net of an allowance for doubtful accounts of \$2,432,680, at September 30, 2007. The allowance represents approximately 70% of the gross ambulance service accounts receivable at September 30, 2007. The balance of the receivable consists of miscellaneous service fees.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 6 – ACCOUNTS RECEIVABLE

Accounts receivable of the non-major Governmental Funds consist primarily of \$9,698 in utility customer receivables, court related receivables of \$39,024, E-911 receivables of \$4,660, and other miscellaneous receivables. Allowances for doubtful accounts are not considered necessary, except for an allowance of \$37,493 for Court Receivables. All net receivables are expected to be collected within the next year.

Accounts receivable of the Enterprise Funds consist of: Landfill and Water Utility customer receivables of \$158,745 and \$93,410 of mortgages receivable by the Port Authority; and other miscellaneous receivables resulting from normal business activities. No allowances for doubtful accounts were deemed necessary. All receivables, with the exception of the mortgages receivable are expected to be collected within the next year.

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a schedule of interfund receivables and payables as of September 30, 2007:

<u>RECEIVABLE FUND</u>	<u>PAYABLE FUND</u>	<u>AMOUNT</u>
General Fund	Sheriff Fund	\$ 659,332
General Fund	East Putnam Grant Fund	570,000
General Fund	Better Place Plan Fund	2,350,000
General Fund	Nonmajor Governmental Funds	2,488,035
General Fund	Internal Service Funds	858
General Fund	Waste Management Fund	10,772
Internal Service Funds	Sheriff Fund	139,812
Nonmajor Governmental Funds	Nonmajor Governmental Funds	90,097
TOTAL PRIMARY GOVERNMENT		<u><u>\$ 6,308,906</u></u>

Interfund transfers for the year ended September 30, 2007, consisted of the following:

	Transfer In:				Total Transfers In
	General Fund	Sheriff Fund	Nonmajor Govern- mental	Internal Service	
<u>Transfer Out:</u>					
General Fund	\$ -	\$ 16,917,930	\$ 4,727,321	\$ 170,773	\$ 21,816,024
Sheriff Fund	652,135	-	-	-	652,135
Nonmajor Governmental	1,647,045	-	58,500	55,964	1,761,509
Waste Management	50,000	-	46,372	11,587	107,959
Port Authority	-	-	-	1,326	1,326
Internal Service	-	-	-	2,538	2,538
Total Transfers Out	<u>\$ 2,349,180</u>	<u>\$ 16,917,930</u>	<u>\$ 4,832,193</u>	<u>\$ 242,188</u>	24,341,491

Transfer of capital assets from governmental activities to business-type activities:	586,526
	<u><u>\$ 24,928,017</u></u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The General Fund had amounts due from the Constitutional Officers of \$2,204,850, which represents the return of excess fees due at the end of the fiscal year from either budget officers or fee officers. All remaining balances resulted from the time lag between the dates that (a) interfund goods and services are provided or reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments are made between funds.

Other balances are transfers that include transfers to fund the Constitutional Officers budgets; provide match for grant requirements; transfer moneys to other funds based on budgetary requirements; and to move moneys from a fund that by statute or budgetary authority must collect revenues to funds that are required by statute or budgetary authority to expend them.

NOTE 8 – CAPITAL ASSET ACTIVITY

Capital asset activity for the year was as follows:

	<u>Balance October 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance September 30, 2007</u>
<u>Primary Government</u>				
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 16,645,597	\$ 300,000	\$ -	16,945,597
Construction in Progress	1,370,579	2,261,563	(651,436)	2,980,706
Total Capital Assets Not Being Depreciated	<u>18,016,176</u>	<u>2,561,563</u>	<u>(651,436)</u>	<u>19,926,303</u>
Capital Assets Being Depreciated:				
Buildings	19,292,915	3,871,669	(20,260)	23,144,324
Improvements	2,026,661	123,324	-	2,149,985
Equipment	24,286,637	2,786,589	(1,426,031)	25,647,195
Infrastructure	51,128,287	16,090,620	(3,291,511)	63,927,396
Total Capital Assets Being Depreciated	<u>96,734,500</u>	<u>22,872,202</u>	<u>(4,737,802)</u>	<u>114,868,900</u>
Less Accumulated Depreciation For:				
Buildings	(6,818,215)	(672,367)	-	(7,490,582)
Improvements	(863,030)	(182,591)	-	(1,045,621)
Equipment	(14,177,320)	(3,106,635)	1,206,122	(16,077,833)
Infrastructure	(12,622,529)	(2,074,453)	3,291,511	(11,405,471)
Total Accumulated Depreciation	<u>(34,481,094)</u>	<u>(6,036,046)</u>	<u>4,497,633</u>	<u>(36,019,507)</u>
Total Capital Assets Being Depreciated, Net	<u>62,253,406</u>	<u>16,836,156</u>	<u>(240,169)</u>	<u>78,849,393</u>
Governmental Activities Capital Assets, Net	<u>\$ 80,269,582</u>	<u>\$ 19,397,719</u>	<u>\$ (891,605)</u>	<u>\$ 98,775,696</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 8 – CAPITAL ASSET ACTIVITY

Business-type Activities

Capital Assets Not Being Depreciated:				
Land	\$ 3,758,227	\$ 1,704,700	\$ (10,595)	\$ 5,452,332
Construction in Progress	1,947,007	586,526	-	2,533,533
Total Capital Assets Not Being Depreciated	<u>5,705,234</u>	<u>2,291,226</u>	<u>(10,595)</u>	<u>7,985,865</u>
Capital Assets Being Depreciated:				
Buildings	1,440,158	-	-	1,440,158
Improvements	967,510	-	-	967,510
Landfill	4,817,308	-	-	4,817,308
Water and Sewer Distribution System	3,327,513	-	-	3,327,513
Equipment	2,332,064	245,343	(621,688)	1,955,719
Total Capital Assets Being Depreciated	<u>12,884,553</u>	<u>245,343</u>	<u>(621,688)</u>	<u>12,508,208</u>
Less Accumulated Depreciation For:				
Buildings	(897,552)	(39,943)	-	(937,495)
Improvements	(639,749)	(29,640)	-	(669,389)
Landfill	(3,355,145)	(447,951)	-	(3,803,096)
Water and Sewer Distribution System	(461,386)	(82,324)	-	(543,710)
Equipment	(1,587,136)	(326,301)	621,688	(1,291,749)
Total Accumulated Depreciation	<u>(6,940,968)</u>	<u>(926,159)</u>	<u>621,688</u>	<u>(7,245,439)</u>
Total Capital Assets Being Depreciated, Net	<u>5,943,585</u>	<u>(680,816)</u>	<u>-</u>	<u>5,262,769</u>
Business-type Activities Capital Assets, Net	<u>\$ 11,648,819</u>	<u>\$ 1,610,410</u>	<u>\$ (10,595)</u>	<u>\$ 13,248,634</u>

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

Governmental Activities:	
General Government	\$ 600,513
Public Safety	2,511,164
Physical Environment	26,268
Transportation	2,594,660
Human Services	26,863
Culture and Recreation	213,039
Court Related	48,411
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	15,128
Total Depreciation Expense - Governmental Activities	<u>\$ 6,036,046</u>
Business-type Activities:	
Waste Management	\$ 787,612
Water and Sewer System	85,395
Port Authority	53,152
Total Depreciation Expense - Business-type Activities	<u>\$ 926,159</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 9 – LONG-TERM OBLIGATIONS

Governmental Activities

Special Assessment Debt with Governmental Commitment \$1,381,795, 3.58%, 10-year note issued during fiscal year 2003-2004, to fund specific road improvements within several Municipal Service Benefits Units. The note is payable from and secured by a pledge of special assessments levied pursuant to County ordinance. The County is obligated to provide other non-ad valorem revenue sources for repayment to cover deficiencies. Principal and interest totaling \$13,748 is due monthly until maturity on August 1, 2014. The note is payable from the MSBU Loan Fund (a Debt Service Fund). \$ 1,016,132

\$1,900,000, variable rate, 13-year note to fund specific road improvements within several Municipal Service Benefit Units. The County entered into an interest rate swap agreement to fix the interest rate at 3.90%. The note is payable from and secured by a pledge of special assessments levied pursuant to County ordinance. The County is obligated to provide other non-ad valorem revenue sources for repayment to cover deficiencies. Principal and interest totaling approximately \$46,900 is due quarterly until maturity on June 1, 2018. The note is payable from the MSBU Loan Fund (a Debt Service Fund). 1,637,340

Notes Payable - \$10,000,000, variable rate, 11-year note from a financial institution to finance certain road projects within the County. The County entered into an interest rate swap agreement to fix the interest rate at 4.11%. The note is payable from and secured by a pledge of proceeds of the one cent local infrastructure surtax. Principal and interest payments of approximately \$290,000 are due quarterly until maturity on January 1, 2018. The note is payable from the Better Place Fund (a Capital Project Fund). 9,815,000

\$1,500,000 from a financial institution to pay a lawsuit settlement under a mutual release agreement. The note is to be paid from legally available non-ad valorem funds. The interest rate is 4.25%. Payments of principal and interest in the amount of \$46,359 are to be made on the first day of each calendar quarter until and including July 1, 2011. All remaining principal, together with all accrued and unpaid interest will be due October 1, 2011. The note is payable from the General Fund. 712,829

\$1,356,000, variable rate, 15-year note from a financial institution to construct and equip several communications towers within the County. The County entered into an interest rate swap agreement to fix the interest rate at 3.89%. The note is payable and secured by a pledge of a specific traffic ticket surcharge designated for communications improvements. The County is obligated to provide other non-ad valorem revenue sources for repayment to cover deficiencies. Principal and interest payments of approximately \$30,000 are due quarterly until maturity on May 1, 2020. The note is payable from the Communications Improvement Fund (a Special Revenue Fund). 1,200,450

\$26,449 note payable at 5.125% from a local financial institution to finance the acquisition of a new vehicle. The loan is secured by the vehicle and is payable from the Clerk of Courts Fund in monthly payments of principal and interest in the amount of \$794 until maturity in May 2010. 23,014

OTTED Loan in the amount of \$260,527 through the Office of the Governor, Office of Tourism, Trade and Economic Development (OTTED) to help finance communications infrastructure in the County's new industrial park complex. The note is to be paid from legally available non-ad valorem funds. The interest rate is 3.0% fixed. Principal payments of \$9,304 plus accrued interest are due quarterly until the loan is fully paid in October 2012. The note is payable from the Economic Development Fund (a Special Revenue Fund). 195,395

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 9 – LONG-TERM OBLIGATIONS

Obligations under Capital Leases	1,840,026
Accrued Compensated Absences	1,945,800
Total Long-Term Obligations, Governmental Activities	\$ 18,385,986

Business-Type Activities

Note Payable consists of an agreement with a local financial institution at 3.55% to finance the acquisition of a new compactor for the landfill. The original note totaled \$403,535 and is secured by the compactor. Principal and interest payments totaling \$27,194 are due quarterly until the note matures in June 2008. The loan is payable from a portion of net revenues of the Waste Management fund.

	\$ 80,138
Accrued Landfill Closure and Long-Term Care Costs	10,470,298
Accrued Compensated Absences	40,000
Total Long-Term Obligations, Business-Type Activities	\$ 10,590,436

Interest Rate Swaps

Swap Objectives

The County has entered into three floating-to-fixed interest rate swap agreements in connection with issuing variable rate notes. The intention of the swaps was to protect against the potential of rising interest rates by creating synthetic fixed rate debt at a cost anticipated to be less than the County would have paid to issue fixed rate debt.

Terms, Fair Values and Credit Risk

The terms, fair values and credit ratings of the outstanding swaps as of September 30, 2007 were as follows. The notional amounts of the swaps match the principal amounts of the outstanding debt.

Notional Amounts	\$ 1,200,450	\$ 1,637,340	\$ 9,815,000
Effective Date	05/31/2005	06/28/2005	11/28/2006
Fixed Payer Rate	3.89%	3.90%	4.11%
Variable Receiver Rate	63.7% of LIBOR plus 0.90%	63.7% of LIBOR plus 0.90%	63.7% of LIBOR plus 0.70%
Fair Value	\$ 22,822	\$ 26,069	\$ (36,795)
Termination Date	05/01/2020	06/01/2018	01/01/2018
Counterparty Credit Rating	AA+/A-1+	AA+/A-1+	AA+/A-1+

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 9 – LONG-TERM OBLIGATIONS

Fair Value

Two swap agreements had a positive fair value as of September 30, 2007. Because interest rates were above the fixed rates during the year, the overall variable receiver rate exceeded the fixed payer rate at that date. The fixed payer rate of the third swap exceeded the variable receiver rate at September 30, 2007, and consequently had a negative fair value at that date.

Swap Payments and Associated Debt

Assuming that interest rates remain the same, at September 30, 2007, debt service requirements on the variable rate notes and interest rate swaps would be as follows:

Year Ending Sept 30	Variable Rate Notes		Interest	Total
	Principal	Interest	Rate Swaps	
2008	\$ 958,237	\$ 501,167	\$ (1,700)	\$ 1,457,704
2009	1,001,285	461,466	(1,641)	1,461,110
2010	1,044,663	420,059	(1,581)	1,463,141
2011	1,083,378	376,982	(1,518)	1,458,842
2012	1,132,449	332,120	(1,453)	1,463,116
2013-2017	6,411,720	917,999	(6,267)	7,323,452
2018-2020	1,021,058	31,726	(1,685)	1,051,099
Total	<u>\$ 12,652,790</u>	<u>\$ 3,041,519</u>	<u>\$ (15,845)</u>	<u>\$ 15,678,464</u>

Credit Risk

As of September 30, 2007 the fair value of two swap agreements was positive, therefore the County is exposed to credit risk in the amount of the derivative's fair value. The County is not subject to credit risk from the third swap agreement since the fair value was negative. However, should interest rates change and the fair value of the swap become positive, the County would be exposed to credit risk.

Termination Risk

The County or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the contract. The swaps can be terminated due to illegality, a credit event upon merger or an event of default.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 9 – LONG-TERM OBLIGATIONS

Annual debt service requirements to maturity for long-term obligations at September 30, 2007, excluding obligations under capital leases, are as follows:

<u>Year Ending</u> <u>September 30</u>	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	1,291,313	577,128	80,138	1,445
2009	1,346,572	522,522	-	-
2010	1,398,585	466,879	-	-
2011	1,444,501	409,393	-	-
2012	1,361,629	352,002	-	-
2013-2017	6,736,502	937,319	-	-
2018-2022	1,021,058	30,524	-	-
	<u>\$ 14,600,160</u>	<u>\$ 3,295,767</u>	<u>\$ 80,138</u>	<u>\$ 1,445</u>

Capital Lease Obligations at September 30, 2007 are comprised of the following:

Agreements with financial institution for vehicles: Interest Rates from 2.8% to 4.2%; aggregate historical cost \$3,173,332.	\$ 1,660,200
Agreement with auto dealerships for vehicles: Interest Rate 4.2%; aggregate historical cost \$31,380.	6,394
Agreement with financial institution for computers: Interest Rate 3.7%; aggregate historical cost \$39,500.	9,117
Agreement with a heavy equipment company for two road graders, Interest Rates from 4.30% to 4.75%; aggregate historical cost \$269,851.	164,315
	<u>\$ 1,840,026</u>

Amortization expense of leased equipment is included in depreciation expense. The annual requirements under capital lease obligations are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Governmental</u> <u>Activities</u>
2008	956,156
2009	670,259
2010	309,946
Total Minimum Lease Payments	1,936,361
Less: Amount Representing Interest	(96,335)
Present Value of Minimum Lease Payments	<u>\$ 1,840,026</u>

**Putnam County, Florida
Notes to Financial Statements
September 30, 2007**

NOTE 9 – LONG-TERM OBLIGATIONS

Changes in long-term debt transactions of the County for the year ended September 30, 2007 are summarized below:

Governmental Activities					
	Balance October 1, 2006	Increases	Decreases	Balance September 30, 2007	Due Within One Year
Special Assessment Debt with Governmental Commitment	2,898,738	-	(245,266)	2,653,472	254,665
\$1 million Commercial Paper Program	640,000	-	(640,000)	-	-
Notes Payable	2,171,496	10,026,449	(446,652)	11,751,293	999,430
\$260,507 Economic Development Loan (OTTED)	232,613	-	(37,218)	195,395	37,218
Obligations under Capital Leases	1,809,289	888,000	(857,263)	1,840,026	894,156
Accrued Compensated Absences	1,803,500	1,936,000	(1,793,700)	1,945,800	1,103,500
Total Long-Term Obligations, Governmental Activities	<u>\$ 9,555,636</u>	<u>\$ 12,850,449</u>	<u>\$(4,020,099)</u>	<u>\$18,385,986</u>	<u>\$3,288,969</u>

Business-Type Activities					
	Balance October 1, 2006	Increases	Decreases	Balance September 30, 2007	Due Within One Year
Note Payable	\$ 183,695	\$ -	\$ (103,557)	\$ 80,138	\$ 80,138
Accrued Landfill Closure and Post-Closure Care Costs	10,281,751	1,575,067	(1,386,520)	10,470,298	-
Accrued Compensated Absences	29,500	61,200	(50,700)	40,000	22,400
Total Long-Term Obligations, Business-Type Activities	<u>\$10,494,946</u>	<u>\$ 1,636,267</u>	<u>\$(1,540,777)</u>	<u>\$10,590,436</u>	<u>\$ 102,538</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 10 – CONDUIT DEBT

The Putnam County Development Authority, a discretely presented component unit of Putnam County, has issued Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Neither the Authority, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

During the year, the Putnam County Development Authority issued two Pollution Control Revenue Refunding Bonds in an aggregate principal amount of \$125,250,000 to refund several series issued prior to July 1, 1995. At September 30, 2007, the aggregate bonds outstanding were \$125,250,000.

NOTE 11 – FUND EQUITY RESERVATIONS AND DESIGNATIONS

In the accompanying fund financial statements, use of the term “reserved” is limited to indicating that a portion of reported fund equity is legally restricted to a specific use, or not available for appropriation or expenditure. “Designated” portions of fund equity represent management’s tentative future spending plans. Such designations should be clearly distinguished from reserves, since managerial plans are subject to change and may never be legally authorized or result in actual expenditures. A brief description of reported reserves follows:

Reserved for Debt Service – Represents portion of governmental fund assets that do not constitute “available spendable financial resources.”

Reserved for Inventory – Represents portion of governmental fund assets that do not constitute “available expendable financial resources.”

Reserved for Prepaids – Represents portion of governmental funds that do not constitute “available spendable financial resources.”

Reserved for Loan Guarantees – Legally earmarked by agreements with financial institutions in which the County agrees to pay a maximum amount in case of default or foreclosure of certain mortgages awarded for low income housing. The proceeds are from the State Housing Initiatives Program.

Balances of reported reserved fund equity at September 30, 2007, follow:

<u>Reserve For:</u>	<u>General Fund</u>	<u>East Putnam Grant Fund</u>	<u>Other Governmental Funds</u>
Debt Service	\$ -	\$ 163,424	\$ -
Inventory	43,492	-	724
Loan Guarantees	-	-	952,151
Prepaids	-	-	171,561
	<hr/>	<hr/>	<hr/>
TOTAL	<u>\$ 43,492</u>	<u>\$ 163,424</u>	<u>\$ 1,124,436</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 11 – FUND EQUITY RESERVATIONS AND DESIGNATIONS

Designated fund balances consist of \$16,595 to be used by the library system and \$8,175 designated for use by the Emergency Services Department.

NOTE 12 – DEFICIT BALANCES/BUDGET OVEREXPENDITURES – INDIVIDUAL FUNDS

At September 30, 2007, the Road Projects Fund, the Better Place Plan Fund and the East Putnam Grant Fund had deficit fund balances of \$166,235, \$1,881,764 and \$419,931, respectively. The deficit fund balances in the Road Projects Fund and the Better Place Plan Fund were the result of road projects undertaken during the year. The Road Projects Fund deficit will be eliminated by a transfer from the General Fund, while the deficit fund balance in the Better Place Fund will be eliminated by the issuance of debt and the receipt of additional one-cent infrastructure surtax revenues. The deficit in the East Putnam Grant Fund will be eliminated by a transfer from the General Fund.

For the year ended September 30, 2007, expenditures of the State Housing Initiatives Program Fund, the Communication Improvement Fund and the Law Enforcement Trust Fund were in excess of the approved annual budget. In addition, an annual budget was not prepared for the Supervisor of Elections Grant Special Revenue Fund.

In future years, the County will endeavor to more closely monitor expenditures in its funds. Additionally, the Supervisor of Elections will establish budgets for the Supervisor of Elections Grant Special Revenue Fund.

NOTE 13 – RISK MANAGEMENT

Public Entity Risk Pool

The County is exposed to various risks of loss related to general liability, personal injury, and errors and omissions. The County joined the Florida Association of Counties Trust (the "Trust"), a public entity risk pool currently operating as a common risk management and insurance program for several member counties. The County pays an annual premium to the Trust for its coverage. The premiums are designed to fund the liability risks assumed by the Trust and are based on certain actual exposures of each member. The premiums are paid from the Risk Management Fund, an Internal Service Fund.

Self Insurance Program – Worker's Compensation

As described below, the County administers a self insurance program for worker's compensation coverage. Liabilities are reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated, including an estimate for those incurred but not reported. This estimate is determined based on historical experience and current trends. The claims liabilities are shown at current dollar value.

**Putnam County, Florida
Notes to Financial Statements
September 30, 2007**

NOTE 13 – RISK MANAGEMENT

The County provides worker's compensation insurance for its employees via the Risk Management Fund to account for and finance its self-insured risks of loss. The Risk Management Fund provides coverage up to a maximum of \$500,000 for each occurrence. The County purchases commercial insurance for claims in excess of coverage provided by the fund. Settlements have not exceeded insurance coverage for the last three years.

All appropriate funds of the County participate in the program and make payments to the Risk Management Fund to pay prior and current year claims and to establish a reserve for losses.

Changes in the fund's claims liability were:

	Beginning of Fiscal Year Liability	Claims Incurred and Changes in Estimates	Claims Payments	End of Fiscal Year Liability
2005-2006	\$ 385,156	\$ 451,619	\$ 426,775	\$ 410,000
2006-2007	\$ 410,000	\$ 400,227	\$ 330,705	\$ 479,522

Group Insurance

The County purchases health, life and accidental death and dismemberment insurance for its employees via the Group Insurance Reserve Fund (an Internal Service Fund). The County is "fully insured" and has no liability for claims above the monthly premiums charged by the commercial insurer. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. All funds of the County participate in the program and make payments to the Group Insurance Reserve Fund to pay the premiums.

NOTE 14 – ACCRUED LANDFILL CLOSURE AND LONG-TERM CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for twenty or thirty years after closure. Although closure and long-term care costs will be paid only near or after the date the landfills stop accepting waste, the County reports a portion of these closure and long-term care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$10,470,298 reported as landfill closure and long-term care liability at September 30, 2007, represents the cumulative amounts reported to date based on the use of the following estimated capacity of the landfills:

Central Landfill Phase II, Cells 1 & 2	78.74%
Class III Landfill	100%
Huntington Landfill	100%
Interlachen Landfill	100%
Central Landfill Phase I	100%

**Putnam County, Florida
Notes to Financial Statements
September 30, 2007**

NOTE 14 – ACCRUED LANDFILL CLOSURE AND LONG-TERM CARE COSTS

The County will recognize the remaining estimated cost of closure and long-term care of \$1,490,349 as the remaining estimated capacity is used (estimated to be 2.5 years for Central Landfill Phase II, Cells 1 & 2). These amounts are based on what it would cost to perform all closure and long-term care in 2007. Actual costs may be higher or lower due to inflation, deflation, changes in technology, or changes in regulations.

Additionally, the Florida Department of Environmental Protection (D.E.P.) requires that landfill operators escrow landfill long-term maintenance costs in addition to closure costs, in an amount sufficient to cover the following year's long-term care costs. The County has escrowed \$4,077,889 to cover D.E.P.'s landfill post-closure maintenance cost requirements and closure costs of current operating landfills, as of September 30, 2007. This is shown as restricted investments of the business-type activities in the accompanying financial statements.

NOTE 15 – POST-EMPLOYMENT HEALTH CARE BENEFITS

Pursuant to a resolution of the Board of County Commissioners, the County provides certain health care benefits for retired employees. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County. The cost of retiree health care benefits is recognized as an expense as premiums are paid. During 2007, 67 participants received benefits.

The County is obligated to contribute \$4 per month for each year of employee service. The County paid \$60,672 in premiums on behalf of participants who contributed \$251,916.

NOTE 16 – OPERATING LEASES

The Transportation Fund (a Special Revenue Fund) leases seven road graders and two mowing tractors used to maintain roads within the County. The Waste Management Fund (an Enterprise Fund) leases a scraper to maintain the County landfill. Subsequent to year end, the Waste Management Fund leased a compactor for the landfill, future minimum lease payments are included below, because the amounts are known before issuance of the financial statements. These leases have five-year terms. Operating lease expenditures for the year ended September 30, 2007, totaled \$288,303. Additionally, the Office of Sheriff (a Special Revenue Fund) leases a portion of its patrol vehicles under operating leases having a three-year term. Operating lease expenditures for the year ended September 30, 2007, totaled \$85,310. Future minimum lease payments under these leases are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2008	\$ 387,280
2009	387,280
2010	387,280
2011	387,280
2012	98,977
Total minimum future lease payments	<u>\$ 1,648,097</u>

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 17 – COMMITMENTS AND CONTINGENCIES

At September 30, 2007, the County was committed under signed contracts for approximately \$733,000 of road construction, resurfacing and engineering work and \$5,069,000 for building and other construction projects.

The County is party to lawsuits and claims arising out of the normal conduct of its activities. While the results of the lawsuits and claims against the County cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the financial position of the County.

NOTE 18 – LINE OF CREDIT

During the year, the County obtained an \$8,500,000 line of credit, with a variable interest rate of 63.7% of LIBOR plus 85 basis points, from a financial institution in anticipation of the construction of the East Putnam Regional Water System. Subsequent to securing the line of credit, other less costly financing was obtained. Consequently, the County does not anticipate drawing on this line of credit.

NOTE 19 – NET ASSETS RESTRICTED BY ENABLING LEGISLATION

The government-wide statement of net assets reports \$11,718,054 of restricted net assets, of which \$3.0 million is restricted by enabling legislation.

NOTE 20 – SUBSEQUENT EVENTS

Subsequent to September 30, 2007, the following events occurred:

The Better Place Plan Fund borrowed \$3,500,000 from a financial institution to eliminate a deficit fund balance and finance additional road projects. Debt service is payable from the proceeds of the one cent local infrastructure surtax.

The Waste Management Fund entered into a 4.29% lease-purchase agreement in the amount of \$454,227 to finance a new compactor for the landfill. Five principal and interest payments of approximately \$99,000 are due annually until maturity on December 30, 2011.

The County awarded a contract in the amount of \$22,530,000 to Reynolds, Inc. to construct the East Putnam Regional Water System. Construction is expected to be completed in the Spring of 2009. In addition, the County was under contract in the amount of approximately \$1,560,000 with Jones Edmunds to provide future engineering and administrative services for the project.

A 3.75% Water Revenue Bond Anticipation Note in the amount of \$5,956,000 was issued to provide financing for the East Putnam Water System. The note is secured by federal bonds approved by USDA, Rural Utilities Service. The Bonds are expected to be issued prior to the maturity of the note on March 6, 2009.

Putnam County, Florida
Notes to Financial Statements
September 30, 2007

NOTE 20 – SUBSEQUENT EVENTS

A State Revolving Fund loan was secured to provide financing for the East Putnam Water System. The total amount owed on the first portion of this loan is \$3,123,460, including principal, capitalized interest and loan service fees. The loan will be repaid in 40 semiannual loan payments of \$101,010 beginning October 15, 2009.

REQUIRED SUPPLEMENTARY INFORMATION

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – General Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 35,162,792	\$ 35,162,792	\$ 36,743,038	\$ 1,580,246
Licenses and Permits	806,000	806,000	881,541	75,541
Intergovernmental	5,586,982	5,912,472	5,190,893	(721,579)
Charges for Services	3,176,865	3,176,865	2,994,264	(182,601)
Fines and Forfeitures	146,700	146,700	119,532	(27,168)
Miscellaneous	559,600	587,328	1,358,434	771,106
TOTAL REVENUES	45,438,939	45,792,157	47,287,702	1,495,545
EXPENDITURES				
Current:				
General Government	13,452,496	13,452,496	9,506,140	3,946,356
Public Safety	7,223,773	7,223,773	6,735,081	488,692
Physical Environment	518,497	518,497	610,826	(92,329)
Transportation	945,048	945,048	70,001	875,047
Economic Environment	356,056	356,056	417,256	(61,200)
Human Services	2,939,729	2,939,729	2,372,291	567,438
Culture and Recreation	2,147,463	2,147,463	1,920,793	226,670
Court Related	247,004	247,004	231,676	15,328
Reserve for Contingencies	1,388,820	1,312,700	-	1,312,700
Debt Service:				
Principal Retirement	435,992	435,992	753,641	(317,649)
Interest and Fiscal Charges	202,174	202,174	27,565	174,609
TOTAL EXPENDITURES	29,857,052	29,780,932	22,645,270	7,135,662
EXCESS OF REVENUES OVER EXPENDITURES	15,581,887	16,011,225	24,642,432	8,631,207
OTHER FINANCING SOURCES (USES)				
Debt Issued	5,000,000	5,000,000	-	(5,000,000)
Transfers In	664,408	664,408	2,349,180	1,684,772
Transfers Out	(21,246,295)	(21,675,633)	(21,816,024)	(140,391)
Sale of Capital Assets	-	-	37,040	37,040
TOTAL OTHER FINANCING SOURCES (USES)	(15,581,887)	(16,011,225)	(19,429,804)	(3,418,579)
NET CHANGE IN FUND BALANCES	-	-	5,212,628	5,212,628
FUND BALANCES – BEGINNING OF YEAR	-	-	6,961,471	6,961,471
FUND BALANCES – END OF YEAR	\$ -	\$ -	\$ 12,174,099	\$ 12,174,099

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Sheriff Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>				
Current:				
Public Safety	14,979,482	16,200,700	15,675,833	524,867
Court Related	558,319	558,319	511,055	47,264
Reserve for Contingencies	20,000	20,000	-	20,000
Debt Service:				
Principal Retirement	947,021	947,021	890,955	56,066
Interest and Fiscal Charges	79,890	79,890	75,952	3,938
TOTAL EXPENDITURES	16,584,712	17,805,930	17,153,795	652,135
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,584,712)	(17,805,930)	(17,153,795)	652,135
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	16,584,712	16,917,930	16,917,930	-
Transfers Out	-	-	(652,135)	(652,135)
Debt Issued	-	888,000	888,000	-
TOTAL OTHER FINANCING SOURCES (USES)	16,584,712	17,805,930	17,153,795	(652,135)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES – BEGINNING OF YEAR	-	-	-	-
FUND BALANCES – END OF YEAR	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – East Putnam Grant Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 6,083,200	\$ 6,083,200	\$ -	\$ (6,083,200)
Miscellaneous Revenue	-	-	163,424	163,424
TOTAL REVENUES	6,083,200	6,083,200	163,424	(5,919,776)
<u>EXPENDITURES</u>				
Current:				
Physical Environment	12,066,100	12,066,100	586,526	11,479,574
Debt Service				
Principal	280,000	280,000	-	280,000
Interest & Fiscal Changes	60,000	60,000	-	60,000
TOTAL EXPENDITURES	12,406,100	12,406,100	586,526	11,819,574
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,322,900)	(6,322,900)	(423,102)	5,899,798
<u>OTHER FINANCING SOURCES</u>				
Debt Issued	6,322,900	6,322,900	-	(6,322,900)
NET CHANGE IN FUND BALANCES	-	-	(423,102)	(423,102)
FUND BALANCES, October 1, 2006	-	-	3,171	3,171
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ (419,931)	\$ (419,931)

Putnam County, Florida
Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
For the Year Ended September 30, 2007

Basis of Budgetary Accounting

Annual budgets are legally adopted for governmental funds, hereafter described, on a basis consistent with generally accepted accounting principles.

The following procedures are used in establishing the budgetary data reflected in the financial statements:

Prior to June 1, constitutional officers, with the exception of the office of the Tax Collector, submit tentative budgets for the operations of their offices to the Board. Budgets for the operations of the office of the Tax Collector are submitted to the Department of Revenue for approval.

Prior to July 15, the County Administrator/Budget Officer submits to the Board a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Board to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of a resolution. All budget appropriations lapse at year-end.

As required by Florida Statutes, Sections 218.35 and 28.36, the Clerk of Circuit Court prepares his annual budget in two parts:

The budget relating to the state court system, which is filed with the Clerks of Court Operations Corporation and the budget relating to the requirements of the Clerk as Clerk of the Board of County Commissioners, County Auditor, County Recorder and Custodian or Treasurer of all County funds and other county-related duties.

County Departments of the Clerk's Office are budgeted with appropriations from the Board of County commissioners. The fees generated by the Clerk's Court Departments are used to pay operating expenditures of the departments. All excess fees (unspent revenues) along with Clerk investment earnings on Board funds are remitted to the Board of County Commissioners on or before October 31st of each year.

Florida Statutes provide that it is unlawful to make expenditures that exceed the total amount budgeted for each fund. Therefore, the fund level is the legal level of control for budget considerations. Chapter 129, Florida Statutes, governs the manner in which the budget may be legally amended once it has been approved. Pursuant to Chapter 129, only the Board of County Commissioners can approve budget amendments that change the total approved budget appropriation of an individual fund. The County Administrator/Budget Officer and Department managers can transfer appropriations within the budget, but cannot change the total appropriation of an individual fund without the approval of the Board of County Commissioners.

Putnam County, Florida
Notes to Schedules of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
For the Year Ended September 30, 2007

Basis of Budgetary Accounting

Pursuant to the provisions of Chapter 129, Florida Statutes, the amount that the County may appropriate is limited to ninety-five (95%) percent of estimated revenues. In order to present a conservative as well as balanced budget, the County presents only ninety-five (95%) percent of estimated revenues.

Appropriations from the reserve for contingencies may be made to increase the appropriation for any particular expenditures in the same fund, or to create an appropriation in the fund for any lawful purpose, but no expenditures shall be charged directly to the reserve for contingencies.

A receipt of a nature or from a source not anticipated in the budget and received for a particular purpose, including but not limited to grants, donations, gifts, or reimbursements for damages, may, by resolution of the Board be recorded in its minutes, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget of the proper fund.

Supplemental appropriations funded from sources not described above, require public hearings and action by the Board in the same manner as adopting the original budget.

SUPPLEMENTAL INFORMATION

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for revenues derived from specific sources to be used for specific types of activities. The Special Revenue Funds used by Putnam County are distinguished by a need for unique identifying and/or reporting techniques, which make it desirable to separate them from the General Fund.

The County maintains the following Special Revenue Funds:

County Transportation Trust Fund – to account for the operations of the road and bridge department. Financing is provided principally by the County's share of state gasoline taxes.

Fishing Improvement Fund – to account for maintenance of the County's lakes with financing provided by recreational vessels' license fees and state grants.

Fire Taxing Unit Fund – to account for interlocal agreements with municipal fire departments within the County. Financing is provided from ad valorem taxes.

Community Development Block Grant Fund – to account for grant revenues received and expended to assist low to moderate income individuals with housing rehabilitation.

Law Enforcement Trust Fund – to account for law enforcement related projects funded by the proceeds from confiscated property forfeitures.

E911 System Fund – to account for the improvements and operations of the 911 emergency telephone system in the County. Financing is provided from telephone user charges.

Court Improvement Fund – to account for physical improvements and security for the courthouse. Funding is provided by State of Florida grants and court related revenues.

Article V Fund – to account for certain revenues generated pursuant to Article V of the Constitution of the State of Florida.

Court Technology Fund – to account for certain revenues generated pursuant to Article V of the Constitution of the State of Florida that must be expended to enhance court technology.

Domestic Violence Trust Fund – to account for receipt and disbursements of fines imposed by the court for domestic violence offenses.

Law Enforcement Education Fund – to account for law enforcement training funded with proceeds from fines.

Information Technology – to account for charges made by the information technology department for providing support services to other County departments and constitutional officers.

Miscellaneous Grants Fund – to account for projects financed with federal and state funds that are nonrecurring and of short-term duration.

Interlachen Lakes Estates Fund – to account for the collection and use of special assessments paid by the residents of Interlachen Lakes Estates Municipal Services Benefit Unit.

Drivers Education Fund – to account for receipts and disbursements of designated traffic fines imposed by ordinance in accordance with Section 318.1215, Florida Statutes.

Local Housing Assistance (SHIP) Fund – to account for funds received from the State to be used to assist eligible low income individuals to buy or construct new housing or rehabilitate older homes.

Nonmajor Governmental Funds

Hurricane Housing Assistance Fund – to account for funds received from the State to assist with the repair of hurricane damage to the homes of eligible low income individuals.

Tourist Development Fund – to account for revenues and expenditures relating to tourist development in the County through the assessment of a tourist tax.

Communication Improvement Fund – to account for the collection of traffic infractions surcharge to be used to develop and improve a county wide public safety communications system.

West Putnam Municipal Services Benefit Unit Fund – to account for the collection and use of special assessments paid by the residents of unincorporated West Putnam for road improvements.

Sewage Utilities Fund – to account for the collection and use of fees established to provide one or more small sewage systems.

Water Utilities Fund – to account for the collection and use of fees established to provide one or more small water systems.

MSBU Fund – to account for the collection and use of special assessments levied to provide specific road improvements and maintenance within several Municipal Service Benefit Units.

Economic Development Fund – to account for revenues and expenditures made to promote economic development.

ILE Lake Access Trust Fund – to account for funds received from the dissolved Corporation, Interlachen Lakes Estates, Inc., intended to be used for providing access to the lakes, for the maintenance of roads or for other purposes that would benefit property owners in the Interlachen Lakes Estates subdivision.

Crime Prevention Fund – to account for neighborhood crime prevention projects funded by the collection of fines pursuant to Section 775.083, Florida Statutes.

Impact Fee Fund – to account for fees collected related to new development. Funds are used for capital improvement projects.

Commissary Fund – to account for the commissary operations of the County's Detention Facility. Revenues are provided by sales of products to inmates. The profits can only be spent for the benefit of inmates.

Federal Forfeiture Fund – to account for monies received from federal forfeitures. Expenditures can only be made in accordance with the Federal Equitable Sharing Program.

Records Modernization Fund – to account for fees charged pursuant to Section 28.24, Florida Statutes, and related expenditures to modernize the public records storage and retrieval system of the County.

Article V Records Modernization Fund – to account for fees charged pursuant to Article V of the Constitution of the State of Florida, and related expenditures to fund court-related technology as defined in Section 29.008, Florida Statutes.

Clerk of the Circuit Court Fund – to account for fees collected by the Clerk of the Circuit Court for the operations of the Office.

Court Fund – to account for certain revenues generated by and disbursements related to the Court System pursuant to Article V of the Constitution of the State of Florida.

Nonmajor Governmental Funds

Supervisor of Elections Fund – to account for funds transferred from the Board of County Commissioners to the Supervisor of Elections for the operations of the Office.

Supervisor of Elections Grants Fund – to account for proceeds and expenditures related to state and federal grants designed to improve the elections process.

Tax Collector Fund – to account for fees collected by the Tax Collector for the operations of the Office.

Property Appraiser Fund – to account for funds transferred from the Board of County Commissioners and other taxing authorities to the Property Appraiser for the operations of the Office.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of long-term debt principal and interest.

The County maintains the following Debt Service Funds:

Future Capital Improvement Debt Fund – to account for future debt service requirements for the future expansion of the County's jail facilities.

1989 Gas Tax Refunding Revenue Bonds Fund – to account for debt service requirements to retire the Gas Tax Refunding Revenue Bonds, Series 1989, dated October, 1989. These bonds are payable solely from and secured by, a lien upon and a pledge of the County's Local Option Gas Tax.

MSBU Loan Fund – to account for special assessments collected to repay special assessment debt used to fund road paving projects within certain municipal service benefits units.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The County maintains the following nonmajor Capital Projects Funds:

Capital Projects – to account for resources to be used to construct or renovate various County facilities.

Road Projects Fund – to account for resources to be used in developing and enhancing the County's Road System.

Major Governmental Capital Projects Fund

Better Place Plan Fund – to account for revenues received from a one-cent discretionary surtax imposed to finance certain capital projects.

Putnam County, Florida
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2007

Special Revenue Funds

	County Transpor- tation Trust	Fishing Improve- ment	Fire Taxing Unit	Community Development Block Grant	Law Enforce- ment Trust	E911 System
ASSETS						
Cash and Equivalents	\$ 1,769,617	\$ 347,738	\$ 3,221,224	\$ -	\$ 8,220	\$ 245,577
Investments	-	-	-	-	-	-
Receivables	-	-	-	-	-	4,660
Due From Other Funds	-	-	20,971	-	-	-
Due From Other Governments	323,059	3,544	349	-	-	30,802
Inventory	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 2,092,676</u>	<u>\$ 351,282</u>	<u>\$ 3,242,544</u>	<u>\$ -</u>	<u>\$ 8,220</u>	<u>\$ 281,039</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ 242,582	\$ 2,332	\$ 170,205	\$ -	\$ -	\$ 49,118
Due to Other Funds	20,724	-	1,461	-	-	226
Due to Other Governments	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	19,354
TOTAL LIABILITIES	<u>263,306</u>	<u>2,332</u>	<u>171,666</u>	<u>-</u>	<u>-</u>	<u>68,698</u>
FUND BALANCES						
Reserved for:						
Inventory	-	-	-	-	-	-
Loan Guarantees	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
Unreserved:						
Designated for:						
Public Safety	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Undesignated	1,829,370	348,950	3,070,878	-	8,220	212,341
TOTAL FUND BALANCES	<u>1,829,370</u>	<u>348,950</u>	<u>3,070,878</u>	<u>-</u>	<u>8,220</u>	<u>212,341</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,092,676</u>	<u>\$ 351,282</u>	<u>\$ 3,242,544</u>	<u>\$ -</u>	<u>\$ 8,220</u>	<u>\$ 281,039</u>

Putnam County, Florida
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2007

Special Revenue Funds

	Court Improve- ment	Article V	Court Technology	Domestic Violence Trust	Law enforce- ment Education	Infor- mation Tech- nology	Miscell- aneous Grants
ASSETS							
Cash and Equivalents	\$ 2,342,588	\$ 161,113	\$ 483,800	\$ -	\$ 59,841	\$ -	\$ 3,840
Investments	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-
Due From Other Governments	11,057	9,510	10,786	-	3,120	-	50,337
Inventory	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 2,353,645	\$ 170,623	\$ 494,586	\$ -	\$ 62,961	\$ -	\$ 54,177
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 750	\$ 18,822	\$ 955	\$ -	\$ -	\$ -	\$ 13,137
Due to Other Funds	-	-	-	-	-	-	106
Due to Other Governments	-	-	-	-	-	-	7
Deferred Revenue	-	-	-	-	-	-	-
TOTAL LIABILITIES	750	18,822	955	-	-	-	13,250
FUND BALANCES							
Reserved for:							
Inventory	-	-	-	-	-	-	-
Loan Guarantees	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-
Unreserved:							
Designated for:							
Public Safety	-	-	-	-	-	-	8,175
Culture and Recreation	-	-	-	-	-	-	16,595
Undesignated	2,352,895	151,801	493,631	-	62,961	-	16,157
TOTAL FUND BALANCES	2,352,895	151,801	493,631	-	62,961	-	40,927
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,353,645	\$ 170,623	\$ 494,586	\$ -	\$ 62,961	\$ -	\$ 54,177

continued

Putnam County, Florida
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2007

Special Revenue Funds

	<u>Interlachen Lakes Estates</u>	<u>Drivers Education</u>	<u>SHIP</u>	<u>Hurricane Housing Assistance</u>	<u>Tourist Develop- ment</u>	<u>Communi- cation Improvement</u>
ASSETS						
Cash and Equivalents	\$300,285	\$182,625	\$ 821,017	\$248,762	\$ 184,025	\$ 158,032
Investments	-	-	951,742	-	-	-
Receivables	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-
Due From Other Governments	207	3,478	-	-	13,118	6,575
Inventory	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
TOTAL ASSETS	<u>\$300,492</u>	<u>\$186,103</u>	<u>\$1,772,759</u>	<u>\$248,762</u>	<u>\$ 197,143</u>	<u>\$ 164,607</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ 5,073	\$ -	\$ 74,816	\$ -	\$ 4,262	\$ 151,931
Due to Other Funds	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
TOTAL LIABILITIES	<u>5,073</u>	<u>-</u>	<u>74,816</u>	<u>-</u>	<u>4,262</u>	<u>151,931</u>
FUND BALANCES						
Reserved for:						
Inventory	-	-	-	-	-	-
Loan Guarantees	-	-	952,151	-	-	-
Prepays	-	-	-	-	-	-
Unreserved:						
Designated for:						
Public Safety	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Undesignated	295,419	186,103	745,792	248,762	192,881	12,676
TOTAL FUND BALANCES	<u>295,419</u>	<u>186,103</u>	<u>1,697,943</u>	<u>248,762</u>	<u>192,881</u>	<u>12,676</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$300,492</u>	<u>\$186,103</u>	<u>\$1,772,759</u>	<u>\$248,762</u>	<u>\$ 197,143</u>	<u>\$ 164,607</u>

continued

Putnam County, Florida
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2007

	<u>Special Revenue Funds</u>				
	West Putnam Municipal Services <u>Benefit Unit</u>	Sewage <u>Utilities</u>	Water <u>Utilities</u>	<u>MSBU</u>	Economic Develop- ment
<u>ASSETS</u>					
Cash and Equivalents	\$ 361,231	\$ 61,970	\$172,402	\$ 351,591	\$ 142,809
Investments	-	-	-	-	-
Receivables	-	5,050	4,648	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	210	-	-	149	-
Inventory	-	-	-	-	-
Prepays	-	-	-	-	-
Other Assets	-	-	-	-	-
TOTAL ASSETS	<u>\$ 361,441</u>	<u>\$ 67,020</u>	<u>\$177,050</u>	<u>\$ 351,740</u>	<u>\$ 142,809</u>
<u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable and Accrued Liabilities	\$ 3,985	\$ 1,587	\$ 4,720	\$ 88,825	\$ 16,524
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>3,985</u>	<u>1,587</u>	<u>4,720</u>	<u>88,825</u>	<u>16,524</u>
<u>FUND BALANCES</u>					
Reserved for:					
Inventory	-	-	-	-	-
Loan Guarantees	-	-	-	-	-
Prepays	-	-	-	-	-
Unreserved:					
Designated for:					
Public Safety	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Undesignated	357,456	65,433	172,330	262,915	126,285
TOTAL FUND BALANCES	<u>357,456</u>	<u>65,433</u>	<u>172,330</u>	<u>262,915</u>	<u>126,285</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 361,441</u>	<u>\$ 67,020</u>	<u>\$177,050</u>	<u>\$ 351,740</u>	<u>\$ 142,809</u>

continued

Putnam County, Florida
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2007

Special Revenue Funds

	ILE Lake Access Trust	Crime Prevention	Impact Fee	Commis- sary	Federal Forfeiture	Records Moderni- zation	Article V Records Moderni- zation
ASSETS							
Cash and Equivalents	\$72,075	\$ 54,365	\$368,172	\$222,247	\$ 13,853	\$136,743	\$326,199
Investments	-	-	-	-	-	-	-
Receivables	-	-	-	12,724	-	-	-
Due From Other Funds	-	-	-	-	-	-	-
Due From Other Governments	-	-	-	-	-	-	-
Inventory	-	-	-	724	-	-	-
Prepays	-	-	-	-	-	40,809	122,427
Other Assets	-	-	-	-	-	-	-
TOTAL ASSETS	\$72,075	\$ 54,365	\$368,172	\$235,695	\$ 13,853	\$177,552	\$448,626
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 10,807	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-
Due to Other Governments	-	-	191,475	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	191,475	10,807	-	-	-
FUND BALANCES							
Reserved for:							
Inventory	-	-	-	724	-	-	-
Loan Guarantees	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	40,809	122,427
Unreserved:							
Designated for:							
Public Safety	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Undesignated	72,075	54,365	176,697	224,164	13,853	136,743	326,199
TOTAL FUND BALANCES	72,075	54,365	176,697	224,888	13,853	177,552	448,626
TOTAL LIABILITIES AND FUND BALANCES	\$72,075	\$ 54,365	\$368,172	\$235,695	\$ 13,853	\$177,552	\$448,626

continued

Putnam County, Florida
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2007

Special Revenue Funds

	Clerk of the Circuit <u>Court</u>	Court <u>Fund</u>	Supervisor of <u>Elections</u>	Supervisor of Elections <u>Grants</u>	Tax <u>Collector</u>	Property <u>Appraiser</u>
ASSETS						
Cash and Equivalents	\$455,212	\$315,698	\$ 171,355	\$ 174,694	\$ 1,047,401	\$ 74,648
Investments	-	-	-	-	-	-
Receivables	3,023	39,024	-	-	-	-
Due From Other Funds	-	-	69,126	-	-	-
Due From Other Governments	21,072	570	-	-	-	-
Inventory	-	-	-	-	-	-
Prepays	-	-	-	8,325	-	-
Other Assets	3,017	-	-	-	1,300	-
TOTAL ASSETS	<u>\$482,324</u>	<u>\$355,292</u>	<u>\$ 240,481</u>	<u>\$ 183,019</u>	<u>\$ 1,048,701</u>	<u>\$ 74,648</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$160,930	\$316,268	\$ 3,865	\$ -	\$ 100,193	\$ 14,677
Due to Other Funds	321,394	-	236,616	69,126	948,508	59,971
Due to Other Governments	-	-	-	-	-	-
Deferred Revenue	-	39,024	-	-	-	-
TOTAL LIABILITIES	<u>482,324</u>	<u>355,292</u>	<u>240,481</u>	<u>69,126</u>	<u>1,048,701</u>	<u>74,648</u>
FUND BALANCES						
Reserved for:						
Inventory	-	-	-	-	-	-
Loan Guarantees	-	-	-	-	-	-
Prepays	-	-	-	8,325	-	-
Unreserved:						
Designated for:						
Public Safety	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Undesignated	-	-	-	105,568	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,893</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$482,324</u>	<u>\$355,292</u>	<u>\$ 240,481</u>	<u>\$ 183,019</u>	<u>\$ 1,048,701</u>	<u>\$ 74,648</u>

continued

Putnam County, Florida
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2007

	Debt Service Funds			Capital Project Funds		Total Nonmajor Governmental Funds
	Future Capital Improvement Debt	1989 Gas Tax Refunding Revenue Bonds	MSBU Loan	Capital Projects	Road Projects	
ASSETS						
Cash and Equivalents	\$ 35,790	\$ -	\$ 541,533	\$ 140,817	\$ 225,091	\$ 16,004,200
Investments	-	-	-	-	-	951,742
Receivables	-	-	-	-	-	69,129
Due From Other Funds	-	-	-	-	-	90,097
Due From Other Governments	136,583	-	86	872,176	210,249	1,707,037
Inventory	-	-	-	-	-	724
Prepays	-	-	-	-	-	171,561
Other Assets	-	-	-	-	-	4,317
TOTAL ASSETS	<u>\$ 172,373</u>	<u>\$ -</u>	<u>\$ 541,619</u>	<u>\$1,012,993</u>	<u>\$ 435,340</u>	<u>\$ 18,998,807</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 369,969	\$ 241,575	\$ 2,067,908
Due to Other Funds	-	-	-	560,000	360,000	2,578,132
Due to Other Governments	-	-	-	-	-	191,482
Deferred Revenue	132,180	-	-	-	-	190,558
TOTAL LIABILITIES	<u>132,180</u>	<u>-</u>	<u>-</u>	<u>929,969</u>	<u>601,575</u>	<u>5,028,080</u>
FUND BALANCES						
Reserved for:						
Inventory	-	-	-	-	-	724
Loan Guarantees	-	-	-	-	-	952,151
Prepays	-	-	-	-	-	171,561
Unreserved:						
Designated for:						
Public Safety	-	-	-	-	-	8,175
Culture and Recreation	-	-	-	-	-	16,595
Undesignated	40,193	-	541,619	83,024	(166,235)	12,821,521
TOTAL FUND BALANCES	<u>40,193</u>	<u>-</u>	<u>541,619</u>	<u>83,024</u>	<u>(166,235)</u>	<u>13,970,727</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 172,373</u>	<u>\$ -</u>	<u>\$ 541,619</u>	<u>\$1,012,993</u>	<u>\$ 435,340</u>	<u>\$ 18,998,807</u>

concluded

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

Special Revenue Funds

	County Transpor- tation Trust	Fishing Improve- ment	Fire Taxing Unit	Community Development Block Grant	Law Enforce- ment Trust
REVENUES					
Taxes	\$ 1,815,286	\$ -	\$ 2,818,940	\$ -	\$ -
Licenses and Permits	580	54,365	-	-	-
Intergovernmental Revenue	3,838,663	10,500	-	552,380	-
Charges For Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	19,145
Miscellaneous Revenue	70,672	13,349	185,700	3	4,027
TOTAL REVENUES	<u>5,725,201</u>	<u>78,214</u>	<u>3,004,640</u>	<u>552,383</u>	<u>23,172</u>
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	-
Public Safety	-	-	1,928,487	-	241,047
Physical Environment	-	81,782	-	-	-
Transportation	5,466,515	-	-	-	-
Economic Environment	-	-	-	553,973	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	32,730	-	-	-	-
Interest and Fiscal Charges	8,760	-	-	-	-
TOTAL EXPENDITURES	<u>5,508,005</u>	<u>81,782</u>	<u>1,928,487</u>	<u>553,973</u>	<u>241,047</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>217,196</u>	<u>(3,568)</u>	<u>1,076,153</u>	<u>(1,590)</u>	<u>(217,875)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	378,258	-	20,971	-	-
Transfers Out	(39,130)	-	(16,834)	-	-
Sale of Capital Assets	35,124	-	4,443	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>374,252</u>	<u>-</u>	<u>8,580</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	591,448	(3,568)	1,084,733	(1,590)	(217,875)
FUND BALANCES, October 1, 2006	<u>1,237,922</u>	<u>352,518</u>	<u>1,986,145</u>	<u>1,590</u>	<u>226,095</u>
FUND BALANCES, September 30, 2007	<u>\$ 1,829,370</u>	<u>\$ 348,950</u>	<u>\$ 3,070,878</u>	<u>\$ -</u>	<u>\$ 8,220</u>

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

Special Revenue Funds

	<u>E911 System</u>	<u>Court Improve- ment</u>	<u>Article V</u>	<u>Court Technology</u>	<u>Domestic Violence Trust</u>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	600,000	-	-	-
Charges For Services	390,672	160,963	123,806	166,992	-
Fines and Forfeitures	-	-	-	-	-
Miscellaneous Revenue	3,344	109,865	2,570	19,848	-
TOTAL REVENUES	<u>394,016</u>	<u>870,828</u>	<u>126,376</u>	<u>186,840</u>	<u>-</u>
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	-
Public Safety	449,146	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	34,331	46,645	65,971	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>449,146</u>	<u>34,331</u>	<u>46,645</u>	<u>65,971</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(55,130)</u>	<u>836,497</u>	<u>79,731</u>	<u>120,869</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(2,218)
Sale of Capital Assets	-	-	-	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,218)</u>
NET CHANGE IN FUND BALANCES	<u>(55,130)</u>	<u>836,497</u>	<u>79,731</u>	<u>120,869</u>	<u>(2,218)</u>
FUND BALANCES, October 1, 2006	<u>267,471</u>	<u>1,516,398</u>	<u>72,070</u>	<u>372,762</u>	<u>2,218</u>
FUND BALANCES, September 30, 2007	<u>\$ 212,341</u>	<u>\$ 2,352,895</u>	<u>\$ 151,801</u>	<u>\$ 493,631</u>	<u>\$ -</u>

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

Special Revenue Funds

	Law enforce- ment <u>Education</u>	Infor- mation Tech- nology	Miscell- aneous Grants	Interlachen Lakes Estates	Drivers Education
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	553,593	-	-
Charges For Services	-	-	-	-	-
Fines and Forfeitures	46,243	-	-	-	48,707
Miscellaneous Revenue	1,657	-	-	300,216	8,155
TOTAL REVENUES	<u>47,900</u>	<u>-</u>	<u>553,593</u>	<u>300,216</u>	<u>56,862</u>
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	-
Public Safety	33,574	-	317,530	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	402,977	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	280,846	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>33,574</u>	<u>-</u>	<u>598,376</u>	<u>402,977</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>14,326</u>	<u>-</u>	<u>(44,783)</u>	<u>(102,761)</u>	<u>56,862</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	18,000	-	-
Transfers Out	-	(51,715)	-	-	-
Sale of Capital Assets	-	-	-	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(51,715)</u>	<u>18,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>14,326</u>	<u>(51,715)</u>	<u>(26,783)</u>	<u>(102,761)</u>	<u>56,862</u>
FUND BALANCES, October 1, 2006	<u>48,635</u>	<u>51,715</u>	<u>67,710</u>	<u>398,180</u>	<u>129,241</u>
FUND BALANCES, September 30, 2007	<u>\$ 62,961</u>	<u>\$ -</u>	<u>\$ 40,927</u>	<u>\$ 295,419</u>	<u>\$ 186,103</u>

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

	Special Revenue Funds					
	SHIP	Hurricane Housing Assistance	Tourist Develop- ment	Communi- cation Improvement	West Putnam Municipal Services Benefit Unit	Sewage Utilities
REVENUES						
Taxes	\$ -	\$ -	\$ 122,162	\$ -	\$ 913	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	684,949	-	-	-	-	-
Charges For Services	-	-	-	26,132	-	43,613
Fines and Forfeitures	-	-	-	93,748	-	-
Miscellaneous Revenue	164,944	23,499	7,816	9,168	217,388	2,601
TOTAL REVENUES	849,893	23,499	129,978	129,048	218,301	46,214
EXPENDITURES						
Current:						
General Government Services	-	-	-	-	-	-
Public Safety	-	-	-	372,187	-	-
Physical Environment	-	-	-	-	-	39,525
Transportation	-	-	-	-	187,515	-
Economic Environment	1,346,773	285,740	102,034	-	-	-
Culture/Recreation	-	-	-	-	-	-
Court Related	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	70,855	-	-
Interest and Fiscal Charges	-	-	-	48,832	-	-
TOTAL EXPENDITURES	1,346,773	285,740	102,034	491,874	187,515	39,525
EXCESS (DEFICIENCY) OF						
REVENUES OVER EXPENDITURES	(496,880)	(262,241)	27,944	(362,826)	30,786	6,689
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING						
SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(496,880)	(262,241)	27,944	(362,826)	30,786	6,689
FUND BALANCES, October 1, 2006	2,194,823	511,003	164,937	375,502	326,670	58,744
FUND BALANCES, September 30, 2007	\$1,697,943	\$ 248,762	\$ 192,881	\$ 12,676	\$ 357,456	\$ 65,433

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

Special Revenue Funds

	Water Utilities	MSBU	Economic Develop- ment	ILE Lake Access Trust	Crime Prevention	Impact Fee
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-
Charges For Services	32,153	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	44,822	-
Miscellaneous Revenue	8,161	341,854	45,673	3,933	167	176,697
TOTAL REVENUES	40,314	341,854	45,673	3,933	44,989	176,697
EXPENDITURES						
Current:						
General Government Services	-	-	-	-	-	-
Public Safety	-	-	-	-	32,069	-
Physical Environment	23,311	-	-	-	-	-
Transportation	-	841,718	-	-	-	-
Economic Environment	-	-	166,509	-	-	-
Culture/Recreation	-	-	-	-	-	-
Court Related	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	37,218	-	-	-
Interest and Fiscal Charges	-	-	6,560	-	-	-
TOTAL EXPENDITURES	23,311	841,718	210,287	-	32,069	-
EXCESS (DEFICIENCY) OF						
REVENUES OVER EXPENDITURES	17,003	(499,864)	(164,614)	3,933	12,920	176,697
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	125,000	-	-	-
Transfers Out	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Debt Issued	-	-	-	-	-	-
TOTAL OTHER FINANCING						
SOURCES (USES)	-	-	125,000	-	-	-
NET CHANGE IN FUND BALANCES	17,003	(499,864)	(39,614)	3,933	12,920	176,697
FUND BALANCES, October 1, 2006	155,327	762,779	165,899	68,142	41,445	-
FUND BALANCES, September 30, 2007	\$ 172,330	\$ 262,915	\$ 126,285	\$ 72,075	\$ 54,365	\$ 176,697

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

Special Revenue Funds

	Commis- sary	Federal Forfeiture	Records Moderni- zation	Article V Records Moderni- zation	Clerk of the Circuit Court	Court Fund
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	238,929	107,616
Charges For Services	-	-	54,620	158,642	561,309	1,270,439
Fines and Forfeitures	-	-	-	-	-	458,078
Miscellaneous Revenue	164,959	84	15,142	24,645	103,185	13,311
TOTAL REVENUES	164,959	84	69,762	183,287	903,423	1,849,444
EXPENDITURES						
Current:						
General Government Services	-	-	240,816	-	1,736,842	-
Public Safety	159,377	50,725	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Culture/Recreation	-	-	-	-	-	-
Court Related	-	-	-	170,906	244,899	1,842,606
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	4,287	6,446
Interest and Fiscal Charges	-	-	-	-	261	392
TOTAL EXPENDITURES	159,377	50,725	240,816	170,906	1,986,289	1,849,444
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,582	(50,641)	(171,054)	12,381	(1,082,866)	-
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	1,377,811	-
Transfers Out	(42,120)	-	-	-	(321,394)	-
Sale of Capital Assets	-	-	-	-	-	-
Debt Issued	-	-	-	-	26,449	-
TOTAL OTHER FINANCING SOURCES (USES)	(42,120)	-	-	-	1,082,866	-
NET CHANGE IN FUND BALANCES	(36,538)	(50,641)	(171,054)	12,381	-	-
FUND BALANCES, October 1, 2006	261,426	64,494	348,606	436,245	-	-
FUND BALANCES, September 30, 2007	\$224,888	\$ 13,853	\$177,552	\$448,626	\$ -	\$ -

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

	<u>Special Revenue Funds</u>				Debt Service Funds
	Supervisor of Elections	Supervisor of Elections Grants	Tax Collector	Property Appraiser	Future Capital Improvement Debt
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenue	-	13,205	-	47,000	-
Charges For Services	-	-	2,504,113	48,297	-
Fines and Forfeitures	-	-	-	-	-
Miscellaneous Revenue	5,283	211	105,490	649	5,658
TOTAL REVENUES	<u>5,283</u>	<u>13,416</u>	<u>2,609,603</u>	<u>95,946</u>	<u>5,658</u>
EXPENDITURES					
Current:					
General Government Services	663,890	149,972	1,661,095	1,562,097	-
Public Safety	-	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Court Related	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	<u>663,890</u>	<u>149,972</u>	<u>1,661,095</u>	<u>1,562,097</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(658,607)</u>	<u>(136,556)</u>	<u>948,508</u>	<u>(1,466,151)</u>	<u>5,658</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	906,555	87,452	-	1,526,122	-
Transfers Out	(247,948)	-	(948,508)	(59,971)	-
Sale of Capital Assets	-	-	-	-	-
Debt Issued	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>658,607</u>	<u>87,452</u>	<u>(948,508)</u>	<u>1,466,151</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(49,104)	-	-	5,658
FUND BALANCES, October 1, 2006	-	162,997	-	-	34,535
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ 113,893</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,193</u>

continued

Putnam County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund
Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2007

	Debt Service Funds		Capital Project Funds		Total Nonmajor Governmental Funds
	1989 Gas		Capital Projects	Road Projects	
	Tax				
	Refunding Revenue	MSBU Loan			
Bonds	Loan	Projects	Projects	Funds	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 4,757,301
Licenses and Permits	-	-	-	-	54,945
Intergovernmental Revenue	-	-	1,329,540	4,307,662	12,284,037
Charges For Services	-	-	-	-	5,541,751
Fines and Forfeitures	-	-	-	-	710,743
Miscellaneous Revenue	-	234,956	7,141	-	2,402,021
TOTAL REVENUES	-	234,956	1,336,681	4,307,662	25,750,798
EXPENDITURES					
Current:					
General Government Services	-	-	-	-	6,014,712
Public Safety	-	-	-	-	3,584,142
Physical Environment	-	-	-	-	144,618
Transportation	-	-	-	-	6,898,725
Economic Environment	-	-	-	-	2,455,029
Culture/Recreation	-	-	-	-	280,846
Court Related	-	-	-	-	2,405,358
Capital Outlay	-	-	1,500,840	4,495,043	5,995,883
Debt Service:					
Principal Retirement	-	245,267	-	-	396,803
Interest and Fiscal Charges	-	113,019	-	-	177,824
TOTAL EXPENDITURES	-	358,286	1,500,840	4,495,043	28,353,940
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(123,330)	(164,159)	(187,381)	(2,603,142)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	210,000	182,024	4,832,193
Transfers Out	(5,474)	-	(26,197)	-	(1,761,509)
Sale of Capital Assets	-	-	-	-	39,567
Debt Issued	-	-	-	-	26,449
TOTAL OTHER FINANCING SOURCES (USES)	(5,474)	-	183,803	182,024	3,136,700
NET CHANGE IN FUND BALANCES	(5,474)	(123,330)	19,644	(5,357)	533,558
FUND BALANCES, October 1, 2006	5,474	664,949	63,380	(160,878)	13,437,169
FUND BALANCES, September 30, 2007	\$ -	\$ 541,619	\$ 83,024	\$ (166,235)	\$ 13,970,727

concluded

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – County Transportation Trust Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 1,908,032	\$ 1,908,032	\$ 1,815,286	\$ (92,746)
Licenses and Permits	500	500	580	80
Intergovernmental Revenue	3,808,265	3,808,265	3,838,663	30,398
Miscellaneous Revenue	31,000	31,000	70,672	39,672
TOTAL REVENUES	<u>5,747,797</u>	<u>5,747,797</u>	<u>5,725,201</u>	<u>(22,596)</u>
<u>EXPENDITURES</u>				
Current:				
Transportation	6,837,541	6,837,541	5,466,515	1,371,026
Debt Service:				
Principal Retirement	-	-	32,730	(32,730)
Interest and Fiscal Charges	-	-	8,760	(8,760)
TOTAL EXPENDITURES	<u>6,837,541</u>	<u>6,837,541</u>	<u>5,508,005</u>	<u>1,329,536</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,089,744)</u>	<u>(1,089,744)</u>	<u>217,196</u>	<u>1,306,940</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	352,061	352,061	378,258	26,197
Transfers Out	(39,130)	(39,130)	(39,130)	-
Sale of Capital Assets	-	-	35,124	35,124
TOTAL OTHER FINANCING SOURCES (USES)	<u>312,931</u>	<u>312,931</u>	<u>374,252</u>	<u>61,321</u>
NET CHANGE IN FUND BALANCES	<u>(776,813)</u>	<u>(776,813)</u>	<u>591,448</u>	<u>1,368,261</u>
FUND BALANCES, October 1, 2006	<u>776,813</u>	<u>776,813</u>	<u>1,237,922</u>	<u>461,109</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,829,370</u>	<u>\$ 1,829,370</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Fishing Improvement Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Licenses and Permits	\$ 56,500	\$ 56,500	\$ 54,365	\$ (2,135)
Intergovernmental Revenue	153,000	153,000	10,500	(142,500)
Miscellaneous Revenue	11,500	11,500	13,349	1,849
TOTAL REVENUES	221,000	221,000	78,214	(142,786)
<u>EXPENDITURES</u>				
Current:				
Physical Environment	213,100	213,100	81,782	131,318
Reserve For Contingencies	85,000	85,000	-	85,000
TOTAL EXPENDITURES	298,100	298,100	81,782	216,318
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(77,100)	(77,100)	(3,568)	73,532
FUND BALANCES, October 1, 2006	77,100	77,100	352,518	275,418
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 348,950	\$ 348,950

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Fire Taxing Unit Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,696,491	\$ 2,696,491	\$ 2,818,940	\$ 122,449
Miscellaneous Revenue	59,000	59,000	185,700	126,700
TOTAL REVENUES	<u>2,755,491</u>	<u>2,755,491</u>	<u>3,004,640</u>	<u>249,149</u>
EXPENDITURES				
Current:				
Public Safety	3,582,033	3,943,982	1,928,487	2,015,495
Reserve For Contingencies	610,000	248,051	-	248,051
TOTAL EXPENDITURES	<u>4,192,033</u>	<u>4,192,033</u>	<u>1,928,487</u>	<u>2,263,546</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,436,542)</u>	<u>(1,436,542)</u>	<u>1,076,153</u>	<u>2,512,695</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,500	2,500	20,971	18,471
Transfers Out	(16,834)	(16,834)	(16,834)	-
Sale of Capital Assets	-	-	4,443	4,443
TOTAL OTHER FINANCING SOURCES (USES)	<u>(14,334)</u>	<u>(14,334)</u>	<u>8,580</u>	<u>22,914</u>
NET CHANGE IN FUND BALANCES	(1,450,876)	(1,450,876)	1,084,733	2,535,609
FUND BALANCES, October 1, 2006	<u>1,450,876</u>	<u>1,450,876</u>	<u>1,986,145</u>	<u>535,269</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,070,878</u>	<u>\$ 3,070,878</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Community Development Block Grant Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 675,000	\$ 675,000	\$ 552,380	\$ (122,620)
Miscellaneous Revenue	785	785	3	(782)
TOTAL REVENUES	675,785	675,785	552,383	(123,402)
<u>EXPENDITURES</u>				
Current:				
Economic Environment	675,785	675,785	553,973	121,812
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(1,590)	(1,590)
FUND BALANCES, October 1, 2006	-	-	1,590	1,590
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Law Enforcement Trust Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ -	\$ -	\$ 19,145	\$ 19,145
Miscellaneous Revenue	7,500	7,500	4,027	(3,473)
TOTAL REVENUES	7,500	7,500	23,172	15,672
<u>EXPENDITURES</u>				
Current:				
Public Safety	200,000	200,000	241,047	(41,047)
Reserve for Contingencies	20,000	20,000	-	20,000
TOTAL EXPENDITURES	220,000	220,000	241,047	(21,047)
EXCESS OF REVENUES UNDER EXPENDITURES	(212,500)	(212,500)	(217,875)	(5,375)
FUND BALANCES, October 1, 2006	212,500	212,500	226,095	13,595
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 8,220	\$ 8,220

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – E911 System Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ 49,475	\$ -	\$ (49,475)
Charges for Services	310,000	359,475	390,672	31,197
Miscellaneous Revenue	12,500	12,500	3,344	(9,156)
TOTAL REVENUES	322,500	421,450	394,016	(27,434)
<u>EXPENDITURES</u>				
Current:				
Public Safety	479,738	529,213	449,146	80,067
Reserve For Contingencies	42,762	42,762	-	42,762
TOTAL EXPENDITURES	522,500	571,975	449,146	122,829
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(200,000)	(150,525)	(55,130)	95,395
FUND BALANCES, October 1, 2006	200,000	200,000	267,471	67,471
FUND BALANCES, September 30, 2007	\$ -	\$ 49,475	\$ 212,341	\$ 162,866

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Court Improvement Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ -	\$ 600,000	\$ 600,000
Charges for Services	160,000	160,000	160,963	963
Miscellaneous Revenue	45,000	45,000	109,865	64,865
TOTAL REVENUES	205,000	205,000	870,828	665,828
<u>EXPENDITURES</u>				
Current:				
Court Related	1,055,000	1,055,000	34,331	1,020,669
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(850,000)	(850,000)	836,497	1,686,497
FUND BALANCES, October 1, 2006	850,000	850,000	1,516,398	666,398
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 2,352,895	\$ 2,352,895

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Article V Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 107,500	\$ 107,500	\$ 123,806	\$ 16,306
Miscellaneous Revenue	650	650	2,570	1,920
TOTAL REVENUES	108,150	108,150	126,376	18,226
<u>EXPENDITURES</u>				
Current:				
Court Related	132,400	132,400	46,645	85,755
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(24,250)	(24,250)	79,731	103,981
FUND BALANCES, October 1, 2006	24,250	24,250	72,070	47,820
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 151,801	\$ 151,801

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Court Technology Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 210,250	\$ 210,250	\$ 166,992	\$ (43,258)
Miscellaneous Revenue	<u>8,000</u>	<u>8,000</u>	<u>19,848</u>	<u>11,848</u>
TOTAL REVENUES	218,250	218,250	186,840	(31,410)
<u>EXPENDITURES</u>				
Current:				
Court Related	<u>339,500</u>	<u>339,500</u>	<u>65,971</u>	<u>273,529</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(121,250)	(121,250)	120,869	242,119
FUND BALANCES, October 1, 2006	<u>121,250</u>	<u>121,250</u>	<u>372,762</u>	<u>251,512</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 493,631</u>	<u>493,631</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Domestic Violence Trust Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
<u>OTHER FINANCING USES</u>				
Transfers Out	(2,218)	(2,218)	(2,218)	-
FUND BALANCES, October 1, 2006	<u>2,218</u>	<u>2,218</u>	<u>2,218</u>	-
FUND BALANCES, September 30, 2007	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Law Enforcement Education Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 41,000	\$ 41,000	\$ 46,243	\$ 5,243
Miscellaneous Revenue	825	825	1,657	832
TOTAL REVENUES	<u>41,825</u>	<u>41,825</u>	<u>47,900</u>	<u>6,075</u>
<u>EXPENDITURES</u>				
Current:				
Public Safety	62,000	62,000	33,574	28,426
Reserve for Contingencies	3,500	3,500	-	3,500
TOTAL EXPENDITURES	<u>65,500</u>	<u>65,500</u>	<u>33,574</u>	<u>31,926</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(23,675)	(23,675)	14,326	38,001
FUND BALANCES, October 1, 2006	<u>23,675</u>	<u>23,675</u>	<u>48,635</u>	<u>24,960</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,961</u>	<u>\$ 62,961</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Information Technology Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
<u>OTHER FINANCING USES</u>				
Transfers Out	(51,715)	(51,715)	(51,715)	-
NET CHANGE IN FUND BALANCES	(51,715)	(51,715)	(51,715)	-
FUND BALANCES, October 1, 2006	51,715	51,715	51,715	-
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Miscellaneous Grants Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 503,597	\$ 523,097	\$ 553,593	\$ 30,496
Miscellaneous Revenue	3,850	3,850	-	(3,850)
TOTAL REVENUES	507,447	526,947	553,593	26,646
<u>EXPENDITURES</u>				
Current:				
Public Safety	396,924	396,924	317,530	79,394
Culture/Recreation	291,650	311,150	280,846	30,304
Reserve for Contingencies	2,034	2,034	-	2,034
TOTAL EXPENDITURES	690,608	710,108	598,376	111,732
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(183,161)	(183,161)	(44,783)	138,378
<u>OTHER FINANCING SOURCES</u>				
Transfers In	18,000	18,000	18,000	-
NET CHANGE IN FUND BALANCES	(165,161)	(165,161)	(26,783)	138,378
FUND BALANCES, October 1, 2006	165,161	165,161	67,710	(97,451)
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 40,927	40,927

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Interlachen Lakes Estates Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous Revenue	\$ 314,500	\$ 314,500	\$ 300,216	\$ (14,284)
EXPENDITURES				
Current:				
Transportation	427,308	427,308	402,977	24,331
Reserve for Contingencies	39,192	39,192	-	39,192
TOTAL EXPENDITURES	<u>466,500</u>	<u>466,500</u>	<u>402,977</u>	<u>63,523</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(152,000)	(152,000)	(102,761)	49,239
FUND BALANCES, October 1, 2006	<u>152,000</u>	<u>152,000</u>	<u>398,180</u>	<u>246,180</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 295,419</u>	<u>\$ 295,419</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Drivers Education Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 27,500	\$ 27,500	\$ 48,707	\$ 21,207
Miscellaneous Revenue	2,500	2,500	8,155	5,655
TOTAL REVENUES	30,000	30,000	56,862	26,862
<u>EXPENDITURES</u>				
Current:				
Public Safety	150,000	150,000	-	150,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(120,000)	(120,000)	56,862	176,862
FUND BALANCES, October 1, 2006	120,000	120,000	129,241	9,241
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 186,103	\$ 186,103

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – SHIP Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 550,000	\$ 550,000	\$ 684,949	\$ 134,949
Miscellaneous Revenue	68,500	68,500	164,944	96,444
TOTAL REVENUES	618,500	618,500	849,893	231,393
<u>EXPENDITURES</u>				
Current:				
Economic Environment	1,100,000	1,100,000	1,346,773	(246,773)
Reserve for Contingencies	75,000	75,000	-	75,000
TOTAL EXPENDITURES	1,175,000	1,175,000	1,346,773	(171,773)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(556,500)	(556,500)	(496,880)	59,620
FUND BALANCES, October 1, 2006	556,500	556,500	2,194,823	1,638,323
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 1,697,943	\$ 1,697,943

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Hurricane Housing Assistance Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 5,000	\$ 5,000	\$ 23,499	\$ 18,499
<u>EXPENDITURES</u>				
Current:				
Economic Environment	<u>717,000</u>	<u>717,000</u>	<u>285,740</u>	<u>431,260</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(712,000)	(712,000)	(262,241)	449,759
FUND BALANCES, October 1, 2006	<u>712,000</u>	<u>712,000</u>	<u>511,003</u>	<u>(200,997)</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 248,762</u>	<u>\$ 248,762</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Tourist Development Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 125,000	\$ 125,000	\$ 122,162	\$ (2,838)
Miscellaneous Revenue	3,500	3,500	7,816	4,316
TOTAL REVENUES	128,500	128,500	129,978	1,478
<u>EXPENDITURES</u>				
Current:				
Economic Environment	148,500	148,500	102,034	46,466
Reserve for Contingencies	50,000	50,000	-	50,000
TOTAL EXPENDITURES	198,500	198,500	102,034	96,466
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(70,000)	(70,000)	27,944	97,944
FUND BALANCES, October 1, 2006	70,000	70,000	164,937	94,937
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 192,881	\$ 192,881

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Communication Improvement Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 22,000	\$ 22,000	\$ 26,132	\$ 4,132
Fines and Forfeitures	100,000	100,000	93,748	(6,252)
Miscellaneous Revenue	22,000	22,000	9,168	(12,832)
TOTAL REVENUES	144,000	144,000	129,048	(14,952)
<u>EXPENDITURES</u>				
Current:				
Public Safety	106,000	106,000	372,187	(266,187)
Reserve for Contingencies	200,000	200,000	-	200,000
Debt Service				
Principal	70,855	70,855	70,855	-
Interest and Fiscal Changes	49,128	49,128	48,832	296
TOTAL EXPENDITURES	425,983	425,983	491,874	(65,891)
EXCESS OF REVENUES UNDER EXPENDITURES	(281,983)	(281,983)	(362,826)	(80,843)
FUND BALANCES, October 1, 2006	281,983	281,983	375,502	93,519
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 12,676	\$ 12,676

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – West Putnam Municipal Services Benefit Unit Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 7,500	\$ 7,500	\$ 913	\$ (6,587)
Miscellaneous Revenue	175,500	175,500	217,388	41,888
TOTAL REVENUES	183,000	183,000	218,301	35,301
<u>EXPENDITURES</u>				
Current:				
Transportation	330,658	330,658	187,515	143,143
Reserve for Contingencies	22,342	22,342	-	22,342
TOTAL EXPENDITURES	353,000	353,000	187,515	165,485
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(170,000)	(170,000)	30,786	200,786
FUND BALANCES, October 1, 2006	170,000	170,000	326,670	156,670
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 357,456	357,456

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Sewage Utilities Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 44,000	\$ 44,000	\$ 43,613	\$ (387)
Miscellaneous Revenue	1,200	1,200	2,601	1,401
TOTAL REVENUES	45,200	45,200	46,214	1,014
<u>EXPENDITURES</u>				
Current:				
Physical Environment	52,640	52,640	39,525	13,115
Reserve for Contingencies	1,180	1,180	-	1,180
TOTAL EXPENDITURES	53,820	53,820	39,525	14,295
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,620)	(8,620)	6,689	15,309
FUND BALANCES, October 1, 2006	8,620	8,620	58,744	50,124
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 65,433	\$ 65,433

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Water Utilities Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 31,500	\$ 31,500	\$ 32,153	\$ 653
Miscellaneous Revenue	4,500	4,500	8,161	3,661
TOTAL REVENUES	36,000	36,000	40,314	4,314
<u>EXPENDITURES</u>				
Current:				
Physical Environment	33,000	33,000	23,311	9,689
Reserve for Contingencies	3,000	3,000	-	3,000
TOTAL EXPENDITURES	36,000	36,000	23,311	12,689
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	17,003	17,003
FUND BALANCES, October 1, 2006	-	-	155,327	155,327
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 172,330	\$ 172,330

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – MSBU Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 348,500	\$ 348,500	\$ 341,854	\$ (6,646)
<u>EXPENDITURES</u>				
Current:				
Transportation	1,404,060	1,404,060	841,718	562,342
Reserve for Contingencies	30,000	30,000	-	30,000
TOTAL EXPENDITURES	<u>1,434,060</u>	<u>1,434,060</u>	<u>841,718</u>	<u>592,342</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,085,560)	(1,085,560)	(499,864)	585,696
FUND BALANCES, October 1, 2006	<u>1,085,560</u>	<u>1,085,560</u>	<u>762,779</u>	<u>(322,781)</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 262,915</u>	<u>\$ 262,915</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Economic Development Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 3,500	\$ 3,500	\$ 45,673	\$ 42,173
<u>EXPENDITURES</u>				
Current:				
Transportation	25,000	25,000	-	25,000
Economic Environment	120,000	120,000	166,509	(46,509)
Reserve For Contingencies	39,722	39,722	-	39,722
Debt Service:				
Principal	37,218	37,218	37,218	-
Interest and Fiscal Charges	6,560	6,560	6,560	-
TOTAL EXPENDITURES	228,500	228,500	210,287	18,213
EXCESS OF REVENUES UNDER EXPENDITURES	(225,000)	(225,000)	(164,614)	60,386
<u>OTHER FINANCING SOURCES</u>				
Transfers In	125,000	125,000	125,000	-
NET CHANGE IN FUND BALANCES	(100,000)	(100,000)	(39,614)	60,386
FUND BALANCES, October 1, 2006	100,000	100,000	165,899	65,899
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,285</u>	<u>\$ 126,285</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – ILE Lake Access Trust Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 2,000	\$ 2,000	\$ 3,933	\$ 1,933
<u>EXPENDITURES</u>				
Current:				
Culture/Recreation	60,000	60,000	-	60,000
Reserve for Contingencies	6,000	6,000	-	6,000
TOTAL EXPENDITURES	66,000	66,000	-	66,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(64,000)	(64,000)	3,933	67,933
FUND BALANCES, October 1, 2006	64,000	64,000	68,142	4,142
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 72,075	\$ 72,075

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Crime Prevention Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and Forfeitures	\$ 35,000	\$ 35,000	\$ 44,822	\$ 9,822
Miscellaneous Revenue	250	250	167	(83)
TOTAL REVENUES	35,250	35,250	44,989	9,739
<u>EXPENDITURES</u>				
Current:				
Public Safety	35,250	35,250	32,069	3,181
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	12,920	12,920
FUND BALANCES, October 1, 2006	-	-	41,445	\$ 41,445
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 54,365	\$ 54,365

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Impact Fee Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ -	\$ -	\$ 176,697	\$ 176,697
<u>EXPENDITURES</u>	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	176,697	176,697
FUND BALANCES, October 1, 2006	-	-	-	-
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,697</u>	<u>\$ 176,697</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Commissary Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 150,000	\$ 150,000	\$ 164,959	\$ 14,959
<u>EXPENDITURES</u>				
Current:				
Public Safety	<u>198,270</u>	<u>205,420</u>	<u>159,377</u>	<u>46,043</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(48,270)	(55,420)	5,582	61,002
<u>OTHER FINANCING USES</u>				
Transfers Out	<u>-</u>	<u>-</u>	<u>(42,120)</u>	<u>(42,120)</u>
NET CHANGE IN FUND BALANCES	(48,270)	(55,420)	(36,538)	18,882
FUND BALANCES, October 1, 2006	<u>48,270</u>	<u>55,420</u>	<u>261,426</u>	<u>206,006</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 224,888</u>	<u>\$ 224,888</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Federal Forfeiture Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Miscellaneous Revenue	-	-	84	84
TOTAL REVENUES	20,000	20,000	84	(19,916)
EXPENDITURES				
Current:				
Public Safety	54,000	54,000	50,725	3,275
EXCESS OF REVENUES UNDER EXPENDITURES	(34,000)	(34,000)	(50,641)	(16,641)
FUND BALANCES, October 1, 2006	34,000	34,000	64,494	30,494
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,853</u>	<u>\$ 13,853</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Records Modernization Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 70,000	\$ 70,000	\$ 54,620	\$ (15,380)
Miscellaneous Revenue	-	15,000	15,142	142
TOTAL REVENUES	70,000	85,000	69,762	(15,238)
<u>EXPENDITURES</u>				
Current:				
General Government Services	145,000	250,000	240,816	9,184
EXCESS OF REVENUES UNDER EXPENDITURES	(75,000)	(165,000)	(171,054)	(6,054)
FUND BALANCES, October 1, 2006	75,000	165,000	348,606	183,606
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 177,552	\$ 177,552

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Article V Records Modernization Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 182,000	\$ 182,000	\$ 158,642	\$ (23,358)
Miscellaneous Revenue	-	-	24,645	24,645
TOTAL REVENUES	182,000	182,000	183,287	1,287
<u>EXPENDITURES</u>				
Current:				
Court Related	231,291	231,291	170,906	60,385
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(49,291)	(49,291)	12,381	61,672
FUND BALANCES, October 1, 2006	49,291	49,291	436,245	386,954
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 448,626	448,626

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Clerk of the Circuit Court Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental Revenue	\$ 184,019	\$ 240,000	\$ 238,929	\$ (1,071)
Charges for Services	560,500	597,310	561,309	(36,001)
Miscellaneous Revenue	80,000	130,000	103,185	(26,815)
TOTAL REVENUES	<u>824,519</u>	<u>967,310</u>	<u>903,423</u>	<u>(63,887)</u>
EXPENDITURES				
Current:				
General Government Services	1,876,641	1,876,641	1,736,842	139,799
Court Related	276,252	276,252	244,899	31,353
Debt Service:				
Principal Retirement	3,960	3,960	4,287	(327)
Interest and Fiscal Charges	356	356	261	95
TOTAL EXPENDITURES	<u>2,157,209</u>	<u>2,157,209</u>	<u>1,986,289</u>	<u>170,920</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,332,690)</u>	<u>(1,189,899)</u>	<u>(1,082,866)</u>	<u>107,033</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,332,690	1,332,690	1,377,811	45,121
Transfers Out	-	(172,791)	(321,394)	(148,603)
Debt Issued	-	30,000	26,449	(3,551)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,332,690</u>	<u>1,189,899</u>	<u>1,082,866</u>	<u>(107,033)</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, October 1, 2006	-	-	-	-
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Court Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 262,378	\$ 262,378	\$ 107,616	\$ (154,762)
Charges for Services	1,546,500	1,546,500	1,270,439	(276,061)
Fines and Forfeitures	249,500	249,500	458,078	208,578
Miscellaneous Revenue	14,000	14,000	13,311	(689)
TOTAL REVENUES	<u>2,072,378</u>	<u>2,072,378</u>	<u>1,849,444</u>	<u>(222,934)</u>
<u>EXPENDITURES</u>				
Current:				
Court Related	2,065,794	2,065,794	1,842,606	223,188
Debt Service:				
Principal Retirement	6,040	6,040	6,446	(406)
Interest and Fiscal Charges	544	544	392	152
TOTAL EXPENDITURES	<u>2,072,378</u>	<u>2,072,378</u>	<u>1,849,444</u>	<u>222,934</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCES, October 1, 2006	-	-	-	-
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Supervisor of Elections Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous Revenue	\$ -	\$ -	\$ 5,283	\$ 5,283
EXPENDITURES				
Current:				
General Government Services	904,555	904,555	663,890	240,665
Reserve for Contingencies	2,000	2,000	-	2,000
TOTAL EXPENDITURES	<u>906,555</u>	<u>906,555</u>	<u>663,890</u>	<u>242,665</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(906,555)</u>	<u>(906,555)</u>	<u>(658,607)</u>	<u>247,948</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	906,555	906,555	906,555	-
Transfers Out	-	-	(247,948)	(247,948)
TOTAL OTHER FINANCING SOURCES (USES)	<u>906,555</u>	<u>906,555</u>	<u>658,607</u>	<u>(247,948)</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, October 1, 2006	-	-	-	-
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnum County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Supervisor of Elections Grants Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ -	\$ -	\$ 13,205	\$ 13,205
Miscellaneous Revenue	-	-	211	211
TOTAL REVENUES	-	-	13,416	13,416
<u>EXPENDITURES</u>				
Current:				
General Government Services	-	-	149,972	(149,972)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(136,556)	(136,556)
<u>OTHER FINANCING SOURCES</u>				
Transfers In	-	-	87,452	87,452
NET CHANGE IN FUND BALANCES	-	-	(49,104)	(49,104)
FUND BALANCES, October 1, 2006	-	-	162,997	162,997
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 113,893	\$ 113,893

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Tax Collector Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for Services	\$ 2,202,622	\$ 2,202,622	\$ 2,504,113	\$301,491
Miscellaneous Revenue	88,300	88,300	105,490	17,190
TOTAL REVENUES	2,290,922	2,290,922	2,609,603	318,681
<u>EXPENDITURES</u>				
Current:				
General Government Services	1,814,936	1,814,936	1,661,095	153,841
EXCESS OF REVENUES OVER EXPENDITURES	475,986	475,986	948,508	472,522
<u>OTHER FINANCING USES</u>				
Transfers Out	(475,986)	(475,986)	(948,508)	(472,522)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, October 1, 2006	-	-	-	-
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Property Appraiser Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental Revenue	\$ -	\$ -	\$ 47,000	\$ 47,000
Charges for Services	35,550	50,550	48,297	(2,253)
Miscellaneous Revenue	-	-	649	649
TOTAL REVENUES	35,550	50,550	95,946	45,396
EXPENDITURES				
Current:				
General Government Services	1,561,672	1,576,672	1,562,097	14,575
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,526,122)	(1,526,122)	(1,466,151)	59,971
OTHER FINANCING SOURCES (USES)				
Transfers In	1,526,122	1,526,122	1,526,122	-
Transfers Out	-	-	(59,971)	(59,971)
TOTAL OTHER FINANCING SOURCES (USES)	1,526,122	1,526,122	1,466,151	(59,971)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, October 1, 2006	-	-	-	-
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ -	\$ -

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Future Capital Improvement Debt Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ -	\$ -	\$ 5,658	\$ 5,658
<u>EXPENDITURES</u>	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	5,658	5,658
FUND BALANCES, October 1, 2006	-	-	34,535	34,535
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,193</u>	<u>\$ 40,193</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – 1989 Gas Tax Refunding Revenue Bonds Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
<u>OTHER FINANCING USES</u>				
Transfers Out	(5,474)	(5,474)	(5,474)	-
NET CHANGE IN FUND BALANCES	(5,474)	(5,474)	(5,474)	-
FUND BALANCES, October 1, 2006	5,474	5,474	5,474	-
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – MSBU Loan Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Miscellaneous Revenue	\$ 247,650	\$ 247,650	\$ 234,956	\$ (12,694)
<u>EXPENDITURES</u>				
Current:				
Reserve For Contingencies	40,000	40,000	-	40,000
Debt Service:				
Principal Retirement	245,175	245,175	245,267	(92)
Interest and Fiscal Charges	113,915	113,915	113,019	896
TOTAL EXPENDITURES	399,090	399,090	358,286	40,804
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(151,440)	(151,440)	(123,330)	28,110
FUND BALANCES, October 1, 2006	151,440	151,440	664,949	513,509
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ 541,619	\$ 541,619

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Capital Projects Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 1,902,536	\$ 2,378,010	\$ 1,329,540	\$(1,048,470)
Miscellaneous Revenue	<u>1,700</u>	<u>1,700</u>	<u>7,141</u>	<u>5,441</u>
TOTAL REVENUES	<u>1,904,236</u>	<u>2,379,710</u>	<u>1,336,681</u>	<u>(1,043,029)</u>
<u>EXPENDITURES</u>				
Current:				
Reserve For Contingencies	61,700	61,700	-	61,700
Capital Outlay	<u>2,052,536</u>	<u>2,528,010</u>	<u>1,500,840</u>	<u>1,027,170</u>
TOTAL EXPENDITURES	<u>2,114,236</u>	<u>2,589,710</u>	<u>1,500,840</u>	<u>1,088,870</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(210,000)</u>	<u>(210,000)</u>	<u>(164,159)</u>	<u>45,841</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In	210,000	210,000	210,000	-
Transfers Out	<u>-</u>	<u>-</u>	<u>(26,197)</u>	<u>(26,197)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>210,000</u>	<u>210,000</u>	<u>183,803</u>	<u>(26,197)</u>
NET CHANGE IN FUND BALANCES	-	-	19,644	19,644
FUND BALANCES, October 1, 2006	<u>-</u>	<u>-</u>	<u>63,380</u>	<u>63,380</u>
FUND BALANCES, September 30, 2007	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,024</u>	<u>\$ 83,024</u>

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Road Projects Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 5,986,742	\$ 5,986,742	\$ 4,307,662	\$(1,679,080)
<u>EXPENDITURES</u>				
Current:				
Reserve For Contingencies	50,000	50,000	-	50,000
Capital Outlay	5,986,742	5,986,742	4,495,043	1,491,699
TOTAL EXPENDITURES	6,036,742	6,036,742	4,495,043	1,541,699
EXCESS OF REVENUES UNDER EXPENDITURES	(50,000)	(50,000)	(187,381)	(137,381)
<u>OTHER FINANCING SOURCES</u>				
Transfers In	-	-	182,024	182,024
NET CHANGE IN FUND BALANCES	(50,000)	(50,000)	(5,357)	44,643
FUND BALANCES, October 1, 2006	50,000	50,000	(160,878)	(210,878)
FUND BALANCES, September 30, 2007	\$ -	\$ -	\$ (166,235)	\$ (166,235)

Putnam County, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Better Place Plan Fund
For the Year Ended September 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 4,860,910	\$ 4,860,910	\$ 5,279,105	\$ 418,195
Miscellaneous Revenue	20,000	20,000	39,300	19,300
TOTAL REVENUES	<u>4,880,910</u>	<u>4,880,910</u>	<u>5,318,405</u>	<u>437,495</u>
EXPENDITURES				
Current:				
Reserve For Contingencies	409,752	409,752	-	409,752
Capital Outlay	10,760,000	14,760,000	13,538,548	1,221,452
Debt Service:				
Principal Retirement	385,786	385,786	185,000	200,786
Interest and Fiscal Charges	265,372	265,372	240,355	25,017
TOTAL EXPENDITURES	<u>11,820,910</u>	<u>15,820,910</u>	<u>13,963,903</u>	<u>1,857,007</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,940,000)	(10,940,000)	(8,645,498)	2,294,502
OTHER FINANCING SOURCES				
Debt Issued	6,000,000	10,000,000	10,000,000	-
NET CHANGE IN FUND BALANCES	(940,000)	(940,000)	1,354,502	2,294,502
FUND BALANCES - Beginning of Year	940,000	940,000	(3,236,266)	(4,176,266)
FUND BALANCES - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$(1,881,764)</u>	<u>\$(1,881,764)</u>

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

The County administers the following Internal Service Funds:

Fleet Maintenance Fund - to account for the costs of providing a maintenance facility for automotive equipment used by other departments.

Group Insurance Reserve Fund - to accumulate funds for the payment of premiums for employees' health and accident insurance.

Risk Management Fund - to account for the costs and the allocation of costs relating to various insurance carried by the County except health and life insurance benefits for County employees.

Putnam County, Florida
Combining Statement of Net Assets - Internal Service Funds
September 30, 2007

	<u>Fleet</u> <u>Maintenance</u>	<u>Group</u> <u>Insurance</u>	<u>Risk</u> <u>Management</u> <u>Fund</u>	<u>Totals</u>
<u>CURRENT ASSETS</u>				
Cash and Equivalents	\$ 239,030	\$ 511,256	\$ 1,141,448	\$ 1,891,734
Receivables	959	-	-	959
Due From Other Funds	-	139,812	-	139,812
Due From Other Governments	4,988	143,017	-	148,005
Inventory	81,579	-	-	81,579
Other Assets	-	10,270	987	11,257
TOTAL CURRENT ASSETS	326,556	804,355	1,142,435	2,273,346
<u>NONCURRENT ASSETS</u>				
Capital Assets, Net	48,732	-	-	48,732
TOTAL ASSETS	375,288	804,355	1,142,435	2,322,078
<u>CURRENT LIABILITIES</u>				
Accounts Payable and Accrued Liabilities	37,609	25,557	826	63,992
Due to Other Funds	858	-	-	858
Estimated Liability for Self-Insured Losses	-	-	479,522	479,522
Compensated Absences	12,700	-	1,900	14,600
TOTAL CURRENT LIABILITIES	51,167	25,557	482,248	558,972
<u>NONCURRENT LIABILITIES</u>				
Compensated Absences	11,800	-	2,100	13,900
TOTAL LIABILITIES	62,967	25,557	484,348	572,872
<u>NET ASSETS</u>				
Invested in Capital Assets	48,732	-	-	48,732
Unrestricted	263,589	778,798	658,087	1,700,474
TOTAL NET ASSETS	\$ 312,321	\$ 778,798	\$ 658,087	\$ 1,749,206

Putnam County, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended September 30, 2007

	<u>Fleet Maintenance</u>	<u>Group Insurance Reserve</u>	<u>Risk Management Fund</u>	<u>Totals</u>
<u>OPERATING REVENUES</u>				
User Charges	\$ 1,016,721	\$ 4,859,578	\$ 1,401,817	\$ 7,278,116
Miscellaneous	23,918	13,582	29,858	67,358
TOTAL OPERATING REVENUES	<u>1,040,639</u>	<u>4,873,160</u>	<u>1,431,675</u>	<u>7,345,474</u>
<u>OPERATING EXPENSES</u>				
Personal Services	331,495	-	48,256	379,751
Insurance	18,612	4,986,003	1,020,365	6,024,980
Claims Expense	-	-	400,227	400,227
Contractual Services	301,084	15,872	350	317,306
Repairs and Maintenance	26,045	-	26,637	52,682
Other Operating Expenses	289,106	47	568	289,721
Depreciation Expense	15,128	-	-	15,128
TOTAL OPERATING EXPENSES	<u>981,470</u>	<u>5,001,922</u>	<u>1,496,403</u>	<u>7,479,795</u>
OPERATING INCOME (LOSS)	<u>59,169</u>	<u>(128,762)</u>	<u>(64,728)</u>	<u>(134,321)</u>
<u>TRANSFERS</u>				
Transfers In	-	62,544	179,644	242,188
Transfers Out	(2,538)	-	-	(2,538)
TOTAL TRANSFERS	<u>(2,538)</u>	<u>62,544</u>	<u>179,644</u>	<u>239,650</u>
CHANGE IN NET ASSETS	56,631	(66,218)	114,916	105,329
NET ASSETS, October 1, 2006	<u>255,690</u>	<u>845,016</u>	<u>543,171</u>	<u>1,643,877</u>
NET ASSETS, September 30, 2007	<u>\$ 312,321</u>	<u>\$ 778,798</u>	<u>\$ 658,087</u>	<u>\$ 1,749,206</u>

Putnam County, Florida
Combining Statement of Cash Flows – Internal Service Funds
For the Year Ended September 30, 2007

	<u>Fleet</u> <u>Maintenance</u>	<u>Group</u> <u>Insurance</u> <u>Reserve</u>	<u>Risk</u> <u>Management</u> <u>Fund</u>	<u>Totals</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from Customers	\$ 1,036,601	\$ 5,275,440	\$ 1,431,387	\$ 7,743,428
Payments to Suppliers	(649,041)	(4,996,003)	(1,431,025)	(7,076,069)
Payments to Employees	(327,595)	-	(47,656)	(375,251)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>59,965</u>	<u>279,437</u>	<u>(47,294)</u>	<u>292,108</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>				
Transfers In	-	62,544	179,644	242,188
Transfers Out	(2,538)	-	-	(2,538)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(2,538)</u>	<u>62,544</u>	<u>179,644</u>	<u>239,650</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>				
Purchase of Capital Assets	(41,516)	-	-	(41,516)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	15,911	341,981	132,350	490,242
CASH AND EQUIVALENTS, October 1, 2006	<u>223,119</u>	<u>169,275</u>	<u>1,009,098</u>	<u>1,401,492</u>
CASH AND EQUIVALENTS, September 30, 2007	<u>\$ 239,030</u>	<u>\$ 511,256</u>	<u>\$ 1,141,448</u>	<u>\$ 1,891,734</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 59,169	\$ (128,762)	\$ (64,728)	\$ (134,321)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	15,128	-	-	15,128
Changes in:				
Receivables	(959)	-	-	(959)
Due From Other Funds	-	144,160	-	144,160
Due From Other Governments	(3,079)	(135,268)	-	(138,347)
Inventory	(7,386)	-	-	(7,386)
Other Assets	-	393,386	(288)	393,098
Accounts Payable and Accrued Liabilities	(7,666)	5,921	(52,400)	(54,145)
Due to Other Funds	858	-	-	858
Estimated Liability For Self-Insured Losses	-	-	69,522	69,522
Compensated Absences	3,900	-	600	4,500
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 59,965</u>	<u>\$ 279,437</u>	<u>\$ (47,294)</u>	<u>\$ 292,108</u>

Fiduciary Funds

Agency Funds

Agency funds are used to report resources held in a purely custodial capacity.

The County maintains the following Agency Funds:

Clerk of the Circuit Court Agency Fund – to account for assets held by the Office as an agent for individuals, private organizations, and/or other governments.

Sheriff Agency Fund – to account for assets held by the Office as an agent for individuals, private organizations, and/or other governments.

Tax Collector Agency Fund – to account for assets held by the Office as an agent for individuals, private organizations, and/or other governments.

Putnam County, Florida
Combining Statement of Fiduciary Net Assets – Agency Funds
September 30, 2007

	<u>Clerk of the Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Totals</u>
<u>ASSETS</u>				
Cash and Equivalents	\$ 1,767,035	\$ 58,951	\$ 1,980,428	\$ 3,806,414
Receivables	4,073	-	4,132	8,205
	<u>1,771,108</u>	<u>58,951</u>	<u>1,984,560</u>	<u>3,814,619</u>
TOTAL ASSETS				
<u>LIABILITIES</u>				
Due to Other Governments	14,705	-	120,448	135,153
Assets Held for Others	1,756,403	58,951	1,864,112	3,679,466
	<u>1,771,108</u>	<u>58,951</u>	<u>1,984,560</u>	<u>3,814,619</u>
TOTAL LIABILITIES				
NET ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Putnam County, Florida
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2007

	Balance October 1, <u>2006</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>2007</u>
<u>CLERK OF THE CIRCUIT COURT</u>				
Assets:				
Cash and Equivalents	\$ 2,289,107	\$ 17,427,874	\$ 17,949,946	\$ 1,767,035
Receivables	293	19,485	15,705	4,073
Due From Other Governments	1,859	409	2,268	-
Total Assets	<u>\$ 2,291,259</u>	<u>\$ 17,447,768</u>	<u>\$ 17,967,919</u>	<u>\$ 1,771,108</u>
Liabilities:				
Due to Other Funds	\$ -	\$ 52	\$ 52	\$ -
Due to Other Governments	7,402	48,731	41,428	14,705
Assets Held for Others	2,283,857	17,410,925	17,938,379	1,756,403
Total Liabilities	<u>\$ 2,291,259</u>	<u>\$ 17,459,708</u>	<u>\$ 17,979,859</u>	<u>\$ 1,771,108</u>
<u>SHERIFF</u>				
Assets:				
Cash and Equivalents	\$ 42,977	\$ 3,126,046	\$ 3,110,072	\$ 58,951
Liabilities:				
Assets Held for Others	\$ 42,977	\$ 3,126,046	\$ 3,110,072	\$ 58,951
<u>TAX COLLECTOR</u>				
Assets:				
Cash and Equivalents	\$ 8,085,550	\$ 105,784,481	\$ 111,889,603	\$ 1,980,428
Receivables	3,070	1,321,494	1,320,432	4,132
Due From Other Funds	-	10,607	10,607	-
Total Assets	<u>\$ 8,088,620</u>	<u>\$ 107,116,582</u>	<u>\$ 113,220,642</u>	<u>\$ 1,984,560</u>
Liabilities:				
Due to Other Governments	\$ 359,815	\$ 2,117,947	\$ 2,357,314	\$ 120,448
Assets Held for Others	7,728,805	105,070,460	110,935,153	1,864,112
Due to Other Funds	-	3,853	3,853	-
Total Liabilities	<u>\$ 8,088,620</u>	<u>\$ 107,192,260</u>	<u>\$ 113,296,320</u>	<u>\$ 1,984,560</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and Equivalents	\$10,417,634	\$ 126,338,401	\$ 132,949,621	\$ 3,806,414
Receivables	3,363	1,340,979	1,336,137	8,205
Due From Other Funds	-	10,607	10,607	-
Due From Other Governments	1,859	409	2,268	-
Total Assets	<u>\$10,422,856</u>	<u>\$ 127,690,396</u>	<u>\$ 134,298,633</u>	<u>\$ 3,814,619</u>
Liabilities:				
Due to Other Funds	\$ -	\$ 3,905	\$ 3,905	\$ -
Due to Other Governments	367,217	2,166,678	2,398,742	135,153
Assets Held for Others	10,055,639	125,607,431	131,983,604	3,679,466
Total Liabilities	<u>\$10,422,856</u>	<u>\$ 127,778,014</u>	<u>\$ 134,386,251</u>	<u>\$ 3,814,619</u>

Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2007

<u>Federal Agency</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Expend- itures</u>	<u>Program Total</u>
<u>DEPARTMENT OF EDUCATION</u>				
Passed Through Florida Department of Law Enforcement: Safe and Drug-Free Schools and Communities	84.186	2006-DFC-PUTN-1-Q3-015	\$ 55,000	
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>				
Office of National Drug Control and Policy Passed Through St Johns County, Florida High Intensity Drug Trafficking	XX.XXX	--	4,876	
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
Passed Through State Department of Community Affairs: Emergency Management Performance Grants	97.042	07-BG-04-04-64-01-385	20,127	
State Homeland Security Grant Program	97.067	06-DS-3W-04-64-01-291	17,824	
Passed Through State Division of Emergency Management: Target Hardening - EOC	97.067	07-DS-5N-04-64-02-187	18,769	36,593
Hazard Mitigation	97.039	07HM-4@-04-64-01-076	307,800	
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Passed Through State Department of Community Affairs: Community Development Block Grant	14.228	06-DB-3K-04-64-01-H09	553,973	
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed Through State Department of Revenue: Child Support Enforcement-Title IV-D Reimbursements	93.563	CC354	238,929	
<u>GENERAL SERVICES ADMINISTRATION</u>				
Passed Through Department of State: Voter Education	39.011	--	7,490	
<u>ELECTION ASSISTANCE COMMISSION</u>				
Passed Through Department of State: Voting Systems Assistance (HAVA)	90.401	--	150,806	
<u>DEPARTMENT OF JUSTICE</u>				
Direct Assistance:				
Bullet Proof Vest Partnership Program	16.607	2001-DC-BX-0038	5,866	
Public Safety Partnership and Community Policing	16.710	2005-CK-WX-0159	171,695	
Public Safety Partnership and Community Policing	16.710	2006-CK-WX-0378	17,726	189,421
Byrne Justice Assistance Grant Program	16.738	2006-DJ-BX-0993	36,157	
Passed Through Florida Department of Law Enforcement: Byrne Justice Assistance Grant Program	16.738	2007-JAGC-PUTN-1-P3-188	17,665	53,822
Passed Through Department of Juvenile Justice: Title V Delinquency Prevention Program - Creating Lasting Family Connections	16.548	Q4503	27,375	
Passed Through Office of Attorney General: Crime Victim Assistance	16.575	V6203	64,644	
Passed Through Department of Children and Families: Violence Against Women Formula Grant	16.588	LN025	72,322	
<u>DEPARTMENT OF TRANSPORTATION</u>				
Passed Through Florida Department of Transportation: State and Community Highway Safety - Teen Outreach	20.600	CP-07-04-17	17,559	
Alcohol Traffic Safety and Drunk Driving Incentive Grant	20.601	K8-07-06-24	72,456	
Total Highway Safety Cluster				90,015
Highway Planning and Construction	20.205	410709-2-58-01	418,135	
Direct Assistance:				
Federal Transit Capital Investment Grants	20.500	FL-03-0281-00	6,502	
Federal Transit Facilities Improvement	20.500	FL-03-0320-000	15,224	21,726
<u>DEPARTMENT OF AGRICULTURE</u>				
<u>NATURAL RESOURCES CONSERVATION SERVICE</u>				
Passed Through Marion County Watershed Protection and Flood Prevention	10.904	69-4209-7-1672	114,824	
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,433,744	

The accompanying notes are an integral part of this schedule.

Putnam County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2007

<u>State Agency</u>	<u>CSFA Number</u>	<u>Contract Number</u>	<u>Expend- itures</u>	<u>Project Total</u>
<u>DEPARTMENT OF HEALTH</u>				
County Grant Awards – Emergency Medical Services	64.005	C6054	\$ 17,449	
Emergency Medical Services - Matching Awards	64.003	M6084	34,733	
Emergency Medical Services - Matching Awards	64.003	M5037	78,974	113,707
<u>DEPARTMENT OF REVENUE</u>				
Digital Map Conversion Grant Program	73.023	--	47,000	
<u>DEPARTMENT OF MANAGEMENT SERVICES</u>				
Wireless 911 Emergency Telephone System	72.001	--	198,247	
Wireless 911 Emergency Telephone System	72.001	W911RS	17,723	
Wireless 911 Emergency Telephone System	72.001	W91107	12,398	228,368
<u>DEPARTMENT OF JUVENILE JUSTICE</u>				
Creating Lasting Families	80.029	X1402-2007	41,177	
Creating Lasting Families	80.029	X1402-2008	46,200	87,377
<u>FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION</u>				
Florida Boating Improvement Program	77.006	05104	10,500	
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>				
FRDAP - Francis Youth Sports Complex	37.017	F50199	119,105	
FRDAP - South Putnam Recreation Complex	37.017	F06075	15,189	134,294
Small County Consolidated Grants	37.012	SC07-27	191,176	
<u>DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES</u>				
Mosquito Control – State Aid	42.003	11703	37,000	
<u>DEPARTMENT OF COMMUNITY AFFAIRS</u>				
Emergency Management Programs	52.008	07BG-04-04-64-01-385	102,959	
Emergency Management Preparedness - Local Projects	52.009	07CG-3A-04-64-01-030	131,327	131,327
Growth Initiatives School Facilities	52.033	06DR-73-04-64-01-037	18,434	
Growth Management Implementation	52.033	06DR-73-04-64-01-041	7,500	25,934
<u>FLORIDA HOUSING FINANCE CORPORATION</u>				
State Housing Initiatives Program	52.901	2005-2006	475,112	
State Housing Initiatives Program	52.901	2006-2007	768,658	
State Housing Initiatives Program	52.901	2007-2008	103,003	1,346,773
Hurricane Housing Recovery Program	52.902	--	285,740	
<u>DEPARTMENT OF STATE AND SECRETARY OF STATE</u>				
Gates Foundation Public Access Computing Hardware	45.xxx	06-Gates-40	18,819	
Public Library Construction Program	45.020	06-PLC-20	331,961	
State Aid to Libraries	45.030	07-ST-70	253,094	
Community Libraries in Caring Program	45.042	07-CLIC-13	8,933	
Historic Preservation Grants - Old Bostwick Schoolhouse	45.031	S-0724	50,000	
<u>STATE COURT SYSTEM</u>				
Small County Courthouse Facilities	22.004	--	31,025	
<u>DEPARTMENT OF TRANSPORTATION</u>				
Small County Outreach Program - Yelvington Road	55.009	417307-1-58-01	1,057,017	
Small County Outreach Program - East River Road	55.009	212241-2-58-01	1,321,740	2,378,757
Small County Road Assistance Program – Federal Point	55.016	406819-7-58-01	99,964	
Small County Road Assistance Program - Cisco Road	55.016	417322-1-58-01	1,353,807	1,453,771
Public Transit Service Development - Bus Stop Shelters	55.012	21707818401	51,181	
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 7,337,145</u>	

The accompanying notes are an integral part of this schedule.

Putnam County, Florida
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2007

NOTE 1 – BASIS OF PRESENTATION

Expenditures generally represent allowable costs, determined in accordance with generally accepted accounting principles.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 2 – SUBRECIPIENTS

The County did not provide federal or state awards to subrecipients.

STATISTICAL SECTION



Sailing on the St. Johns River

Putnam County, Florida

Statistical Section

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**STATISTICAL SECTION
TABLE OF CONTENTS**

	Illustrations	Page
Financial Trends		
The data in the following schedules are presented to assist the reader in understanding and assessing the changes in Putnam County's (the County) financial position over a period of time.		
Net Assets by Component		S-3
Primary Government Net Assets	Figure A.1	S-3
Changes in Net Assets		S-4
Changes in Net Assets – Primary Government	Figure A.2	S-5
Fund Balances, Governmental Funds		S-6
Total Unreserved Fund Balance to Total Fund Balance	Figure A.3	S-7
Unreserved General Fund Balance to General Fund Operating Revenue	Figure A.4	S-8
Changes in Fund Balances, Governmental Funds		S-9
Net Changes in Fund Balances	Figure A.5	S-10
Relationship of Debt Service to Non-Capital Expenditures	Figure A.6	S-11
Revenue Capacity		
Revenue capacity information is provided to enable the reader to assess the County's capacity for generating its own revenues.		
Taxable and Estimated Actual Value of Taxable Property		S-12
Taxable Assessed Value to Estimated Actual Value	Figure B.1	S-13
Property Tax Rates – Direct and Overlapping Governments		S-14
Principal Taxpayers		S-15
Principal Taxpayers Taxable Values to Total Taxable Values – 1998	Figure B.2	S-16
Principal Taxpayers Taxable Values to Total Taxable Values – 2007	Figure B.3	S-16
Property Tax Levies and Collections		S-17
Tax Collections to Total Tax Levies	Figure B.4	S-17
Debt Capacity		
The information in the following tables is intended to assist the reader in making an analysis of the County's outstanding debt position and its ability to issue additional debt.		
Ratios of Outstanding Debt by Type		S-18
Ratios of Net General Bonded Debt Outstanding		S-19
Net General Bonded Debt per Capita to Total Debt Outstanding per Capita	Figure C.1	S-20
Direct and Overlapping Governmental Activities Debt		S-21
Legal Debt Margin		S-22
Pledged - Revenue Coverage		S-23
Demographic and Economic Information		
Demographic and economic indicators are expected to help the reader understand the socio-economic environment within which the county operates and assist financial statement comparison.		
Demographic Statistics		S-24
Employment, Unemployment, and Total Population – County Wide	Figure D.1	S-25
Taxable Sales to Annual Personal Income – Putnam County	Figure D.2	S-26
Principal Employers		S-27
Principal Employers – 1998	Figure D.3	S-28
Principal Employers - 2007	Figure D.4	S-28

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**STATISTICAL SECTION
TABLE OF CONTENTS (Cont'd...)**

				Illustrations			Page
Operating Information							
The following tables contain information regarding functional or programmatic resources and services that when coupled with financial information may assist the reader in assessing the County's economic condition.							
Full-Time Equivalent County Government Employees by Function							S-29
Operating Indicators by Function/Program							S-30
County Registered Voters to Population							Figure E.1 S-31
Library – Volumes Borrowed to Borrowers							Figure E.2 S-31
Transportation – Road Gradings							Figure E.3 S-32
Road Pavings/Resurfacings							Figure E.4 S-32
Public Works – Public Water Consumption							Figure E.5 S-33
Sheriff's Office – Arrests to Violations							Figure E.6 S-33
Capital Asset Statistics by Function/Program							S-34

Sources and notes:

Unless otherwise indicated, the data that comprises the contents of this statistical section has been taken from the Comprehensive Annual Financial Reports of Putnam County, Florida.

The Governmental Accounting Standards Board (GASB) Statement Number 34 was implemented by the County in fiscal year ending 2003, therefore some tables will contain data for only the last five fiscal years.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

NET ASSETS BY COMPONENT – LAST FIVE FISCAL YEARS
(Accrual Basis of Accounting)

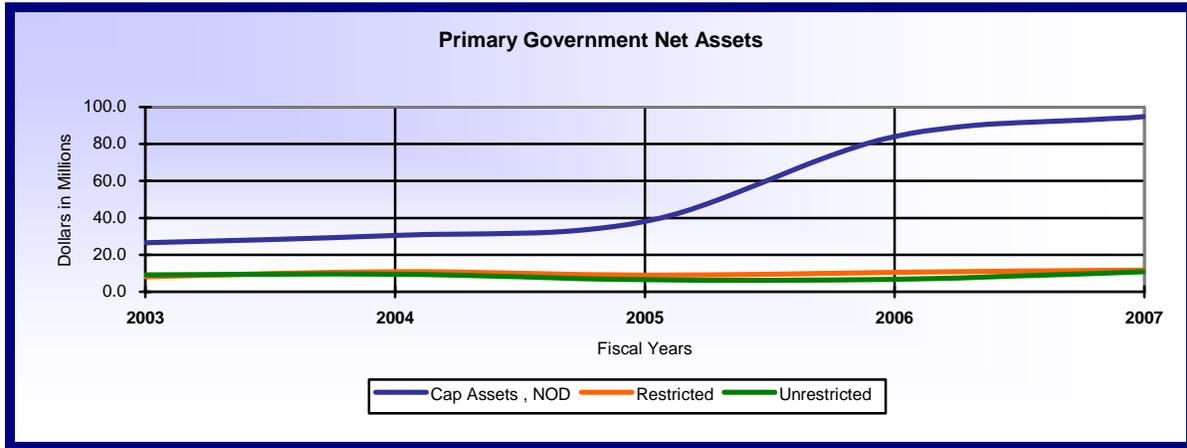


Figure A.1

	Fiscal Years Ending September 30				
	2003	2004	2005	2006	2007
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$ 17,781,476	\$ 18,934,049	\$ 26,329,967	\$ 72,517,445	\$ 81,622,681
Restricted	8,132,877	10,777,129	9,044,555	10,503,980	11,718,054
Unrestricted	8,055,272	8,599,627	8,408,925	7,593,183	13,670,882
Total Governmental Activities Net Assets	\$ 33,969,625	\$ 38,310,805	\$ 43,783,447	\$ 90,614,608	\$ 107,011,617
Business-Type Activities					
Invested in Capital Assets, Net of Related Debt	\$ 8,744,616	\$ 11,545,145	\$ 11,777,388	\$ 11,465,124	\$ 13,168,496
Unrestricted	1,017,895	824,196	(1,935,930)(1)	(909,152)(1)	(2,905,578)(1)
Total Business-Type Activities Net Assets	\$ 9,762,511	\$ 12,369,341	\$ 9,841,458	\$ 10,555,972	\$ 10,262,918
Primary Government					
Invested in Capital Assets, Net of Related Debt	\$ 26,526,092	\$ 30,479,194	\$ 38,107,355	\$ 83,982,569(2)	\$ 94,791,177
Restricted	8,132,877	10,777,129	9,044,555	10,503,980	11,718,054
Unrestricted	9,073,167	9,423,823	6,472,995	6,684,031	10,765,304
Total Primary Government Net Assets	\$ 43,732,136	\$ 50,680,146	\$ 53,624,905	\$101,170,580	\$117,274,535

Notes:

The highlighted area, immediately above, is depicted in the graph at the top of this page. The unrestricted net assets represent that portion of the total that may be used to maintain services to the citizenry and obligations to creditors.

(1) The significant decreases in unrestricted net assets for Business-Type activities reported for fiscal years ended (FYE) 2005 through 2007 are largely attributable to revised engineering estimates of landfill long term care costs. Refer to page vii and ix of the Management's Discussion and Analysis and page S-5 of this Statistical Section for further discussion.

(2) Capital Assets Net of Related Debt increased significantly in fiscal year ended September 30, 2006 due primarily to the retroactive capitalization of infrastructure assets pursuant to Governmental Accounting Standards Board (GASB) Statement 34.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

CHANGES IN NET ASSETS – LAST FIVE FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year Ended September 30 -----				
	2003	2004	2005	2006	2007
Expenses					
Governmental Activities:					
General Government	\$ 11,763,375	\$ 12,062,121	\$ 12,779,328	\$ 13,296,405	\$ 12,956,339
Public Safety	18,316,022	20,776,621	21,460,892	22,232,302	26,526,912
Physical Environment	279,649	427,324	388,229	579,000	723,732
Transportation	8,229,849	8,059,497	11,749,444	11,402,600	8,298,519
Economic Environment	1,817,081	2,234,127	1,864,763	1,785,538	5,340,613
Human Services	1,892,737	1,854,142	2,481,153	2,416,565	2,682,154
Culture and Recreation	1,212,045	1,874,680	1,559,073	1,862,991	2,329,061
Court Related	3,189,632	3,361,705	2,798,284	3,033,562	3,199,629
Interest on Long-Term Debt	310,798	222,606	218,423	317,374	653,098
Total Governmental Activities Expenses	47,011,188	50,872,823	55,299,589	56,926,337	62,710,057
Business-type Activities:					
Water and Wastewater System	123,657	132,328	142,722	122,487	117,273
Solid Waste	4,842,934	4,386,367	10,414,791	7,971,254	7,941,522
Port Authority	97,683	96,318	124,643	173,767	100,406
Total Business-type Activities Expenses	5,064,274	4,615,013	10,682,156	8,267,508	8,159,201
Total Primary Government Expenses	\$ 52,075,462	\$ 55,487,836	\$ 65,981,745	\$ 65,193,845	\$ 70,869,258
Program Revenues					
Governmental Activities:					
Charges for Services					
General Government	\$ 4,146,302	\$ 4,495,132	\$ 4,369,449	\$ 4,326,151	\$ 4,433,688
Public Safety	3,449,934	3,728,377	4,014,064	4,409,005	4,258,725
Court Related	1,302,243	1,495,553	2,003,996	2,493,652	2,408,036
Other	1,351,782	1,518,447	1,739,997	1,684,541	1,334,097
Operating Grants and Contributions	4,755,970	5,335,505	5,526,125	6,106,925	5,506,260
Capital Grants and Contributions	4,059,742	1,405,152	2,777,371	5,826,144	6,739,571
Total Governmental Activities Program Revenues	19,065,973	17,978,166	20,431,002	24,846,418	24,680,377
Business-type Activities:					
Charges for Services:					
Water and Wastewater System	53,480	49,506	56,665	52,475	57,967
Solid Waste	5,692,802	6,094,628	5,889,582	6,031,090	6,397,827
Port Authority	52,776	48,806	97,329	104,030	134,991
Operating Grants and Contributions	254,680	304,072	1,353,155	1,685,684	191,176
Total Business-type Activities Program Revenues	6,053,738	6,497,012	7,396,731	7,873,279	6,781,961
Total Primary Government Program Revenues	\$ 25,119,711	\$ 24,475,178	\$ 27,827,733	\$ 32,719,697	\$ 31,462,338
Net (Expense)/Revenue					
Governmental Activities	(\$ 27,945,215)	(\$ 32,894,657)	(\$ 34,868,587)	(\$ 32,079,919)	(\$38,029,680)
Business-type Activities	989,464	1,881,999	(3,285,425)	(394,229)	(1,377,240)
Total Primary Government Net Expense	(\$ 26,955,751)	(\$31,012,658)	(\$ 38,154,012)	(\$ 32,474,148)	(\$39,406,920)
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Taxes:					
Property Taxes	\$ 21,656,001	\$ 25,129,686	\$ 27,273,945	\$ 29,935,184	\$ 38,956,651
Sales Taxes and Other State Shared Revenue	4,336,799	4,531,451	4,824,434	5,261,062	5,438,927
Local Infrastructure Surtax	3,003,379	4,417,277	4,834,232	5,584,987	5,279,106
Other Taxes	2,386,291	2,454,833	2,628,964	2,648,666	2,633,438
Investment Earnings	462,325	352,215	774,652	1,429,292	2,066,319
Gain (Loss) on Sale of Capital Assets	63,262	409,750	43,027	48,938	-
Miscellaneous	1,809,961	495,442	611,999	537,264	529,489
Transfers	(3,228,038)	(554,817)	(650,024)	(325,510)	(477,241)
Total Governmental Activities	30,489,980	37,235,837	40,341,229	45,119,883	54,426,689
Business-type Activities:					
Investment Earnings	76,352	39,914	73,594	393,740	439,241
Gain (Loss) on Sale of Capital Assets	(28,292)	128,628	21,655	386,746	158,580
Miscellaneous	6,949	1,472	12,269	2,747	9,124
Transfers	3,228,038	554,817	650,024	325,510	477,241
Total Business-type Activities	3,283,047	724,831	757,542	1,108,743	1,084,186
Total Primary Government	\$33,773,027	\$ 37,960,668	\$ 41,098,771	\$ 46,228,626	\$ 55,510,875
Changes in Net Assets					
Governmental Activities	\$ 2,554,765	\$ 4,341,180	\$ 5,472,642	\$ 13,039,964	\$ 16,397,009
Business-type Activities	4,272,511	2,606,830	(2,527,883)	714,514	(293,054)
Total Primary Government	\$ 6,817,276	\$ 6,948,010	\$ 2,944,759	\$ 13,754,478	\$ 16,103,955

Note: See pages vi and vii of Management's Discussion and Analysis for further information.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

CHANGES IN NET ASSETS – LAST FIVE FISCAL YEARS
(Accrual Basis of Accounting)

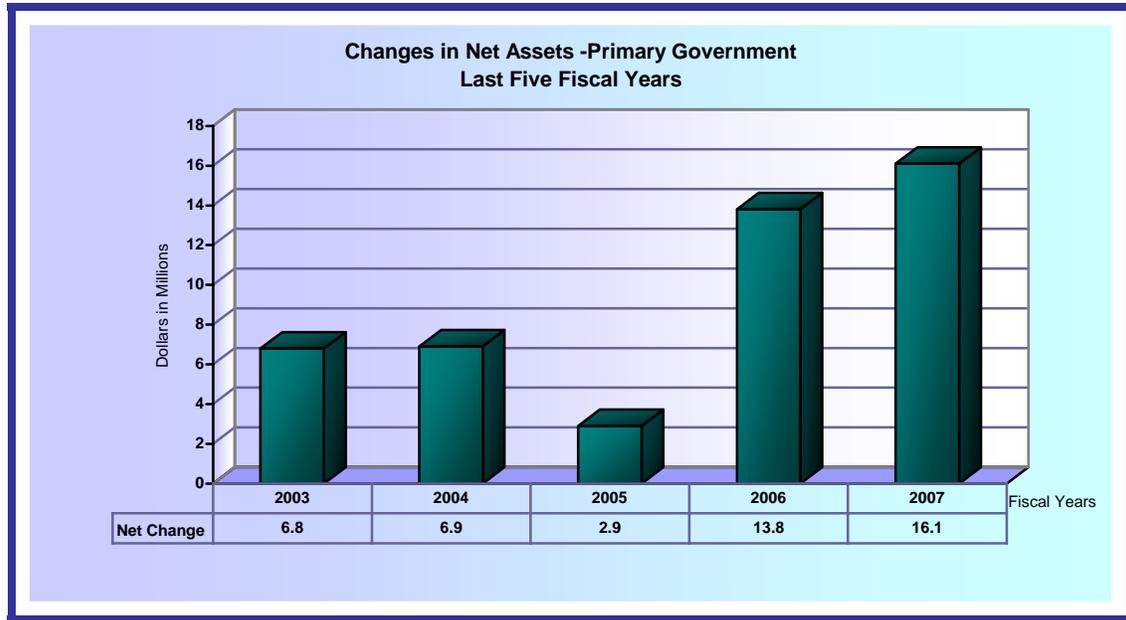


Figure A.2

Notes:

Information, which is the basis for this graph, has been taken from page S-4.

FYE 2005 – Changes in Net Assets decreased from the prior fiscal year to \$2.9 million. This result is primarily due to revised engineering estimates of long term care costs and remaining capacity of the landfill totaling, approximately, \$2.5 million. Additionally, expenses of debris removal associated with hurricanes Francis and Jeanne exceeded reimbursements received from the Federal Emergency Management Agency (FEMA) by, approximately, \$1.2 million.

The changes in net assets averaged 9.3 for the five fiscal years shown above.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

Fiscal Years Ended September 30 -----

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	\$ 112,522	\$ 46,922	\$ 51,022	\$ 52,655	\$ 52,655	\$ 72,188	\$ 78,276	\$ 63,453	\$ 54,507	\$ 43,492
Unreserved	5,855,245	6,478,534	3,902,652	3,130,249	4,200,294	4,630,917	5,295,496	6,805,123	6,906,964	12,130,607
Total General Fund	\$ 5,967,767	\$ 6,525,456	\$ 3,953,674	\$ 3,182,904	\$ 4,252,566	\$ 4,703,105	\$ 5,373,772	\$ 6,868,576	\$ 6,961,471	\$ 12,174,099
All Other Governmental Funds										
Reserved	\$ 1,287,451	\$ 1,512,394	\$ 1,729,535	\$ 2,051,178	\$ 2,196,857	\$ 2,369,334	\$ 1,730,489	\$ 1,170,482	\$ 1,048,960	\$ 1,287,860
Unreserved, reported in:										
Special Revenue Funds	5,272,589	6,979,174	6,428,393	6,720,130	6,667,150	8,168,224	7,591,389	9,285,550	11,783,920	11,764,335
Debt Service Funds	1,188,625	1,073,637	1,005,765	878,778	657,672	404,511	273,015	607,673	704,958	581,812
Capital Projects Funds	2,125,196	2,024,741	1,780,673	1,991,195	896,907	544,281	4,529,231	1,506,495	(3,333,764) (1)	(1,964,975) (1)
Total All Other Governmental Funds	\$ 9,873,861	\$11,589,946	\$10,944,366	\$11,641,281	\$10,418,586	\$11,486,350	\$14,124,124	\$12,570,200	\$ 10,204,074	\$ 11,669,032

Notes:

(1)The Capital Projects Funds totals represent activities of the Capital Projects Fund, the Road Projects Fund and the Better Place Plan Fund. Deficit balances in the Capital Projects and Road Projects funds are subject to elimination by transfers from the General Fund, while Better Place Plan fund deficits are subject to elimination by revenues received from the one cent surtax or debt issuance. Refer to Note 12 of the Notes to Financial Statements for further information.

Unreserved General Fund balance averaged \$5,933,608 for the past ten fiscal years, while Total Unreserved Fund Balance averaged \$15,747,336. See page S-7, Figure A.3, for a comparison of Total Unreserved Fund Balance to Total Fund Balance for the above years.

Additional fund statement information may be located on page iii, ix, and x of Management's Discussion and Analysis.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**TOTAL UNRESERVED FUND BALANCE TO TOTAL FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

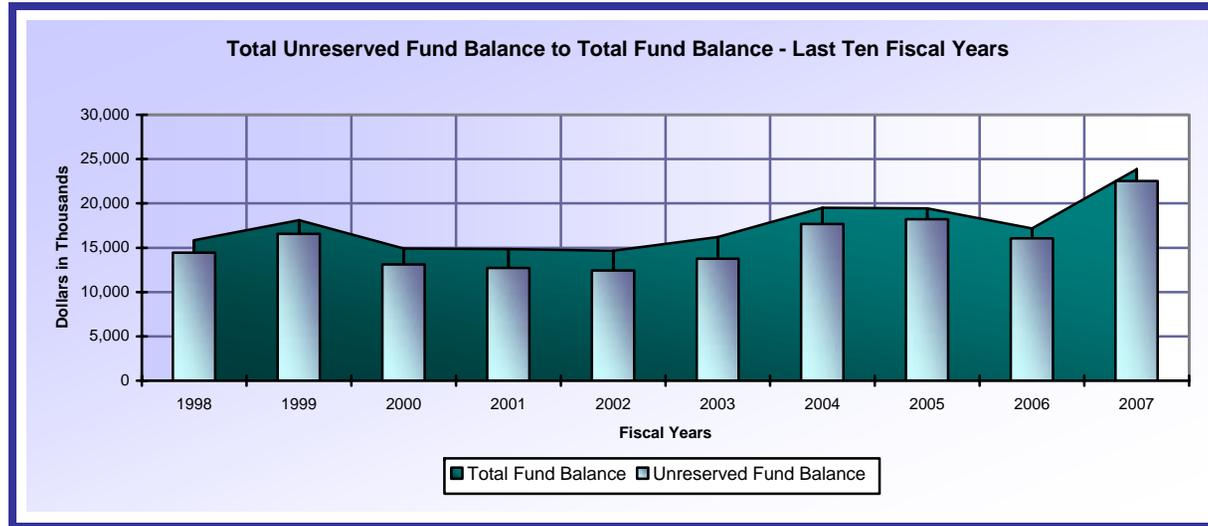


Figure A.3

Fiscal Years Ended September 30 -----

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Unreserved Fund Balance	\$14,441,655	\$16,556,086	\$13,117,483	\$12,720,352	\$12,422,023	\$13,747,933	\$17,689,131	\$18,204,841	\$16,062,078	\$22,511,779
Total Fund Balance	\$15,841,628	\$18,115,402	\$14,898,040	\$14,824,185	\$14,671,152	\$16,189,455	\$19,497,896	\$19,438,776	\$17,165,545	\$23,843,131

Note: Data for Figure A.3 has been derived from information given on page S-6.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**UNRESERVED GENERAL FUND BALANCE TO GENERAL FUND OPERATING REVENUE
LAST TEN FISCAL YEARS**

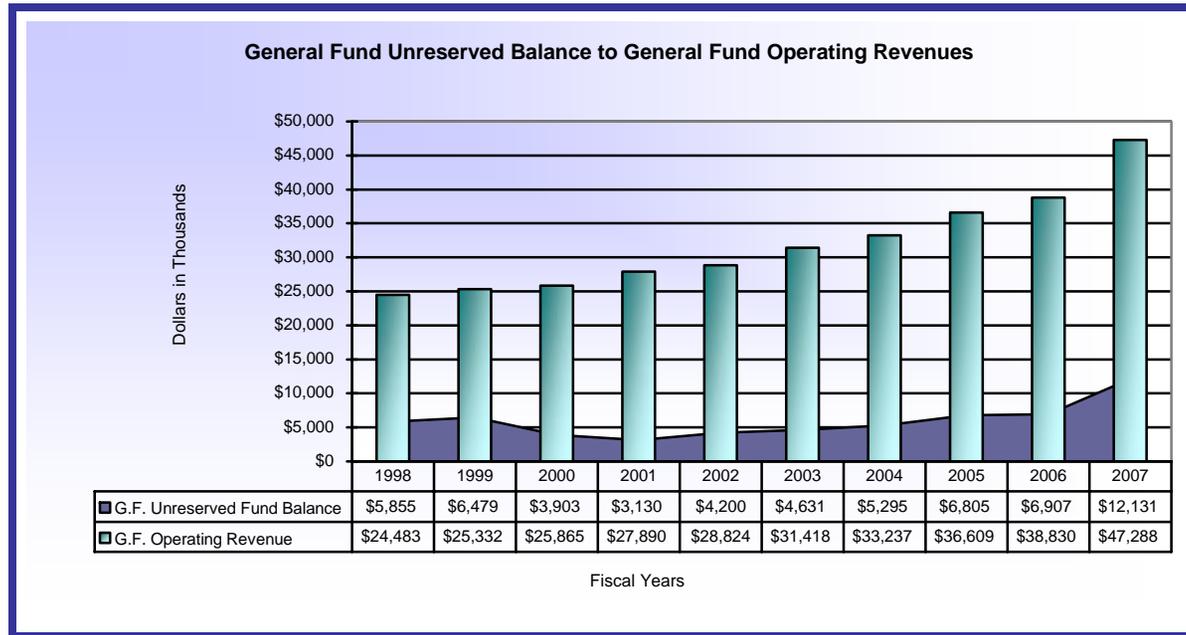


Figure A.4

Notes:

Amounts reported above for General Fund Unreserved Fund Balance and General Fund Operating Revenue are in thousands of dollars and may be located on page S-6 of this Statistical Section and page 5 of the current and prior years Financial Statements.

Fund balance generally denotes financial resources available in the governmental fund. Unreserved fund balance may serve as a measure of those funds that are available for spending. It is necessary that governments maintain adequate levels of fund balance to anticipate revenue shortfalls or contingencies that may significantly impact a government's financial condition (i.e. natural disasters, etc.). Consequently, the Governmental Finance Officers Association (GFOA) has set forth a recommendation that local governments maintain a minimum unreserved general fund balance equal to 5% to 15% of their normal general fund operating revenues, or no less than 1 to 2 months of their normal general fund operating expenditures. Additionally, as recommended by the GFOA, the Putnam County Board of County Commissioners (PCBOCC) has established a formal written policy requiring that an unreserved fund balance in the general fund be maintained at a level not less than 10% of total general fund revenues, excluding transfers and other financing sources.

The percentage of General Fund Unreserved Balance to General Fund Operating Revenues for the past ten fiscal years ranged from a low of 11.2% in fiscal year 2001 to a high of 25.7% reported in fiscal year 2007. These percentages meet the specified parameters for all ten years.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

Fiscal Years Ended September 30 -----

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Taxes	\$ 20,034,506	\$ 20,783,389	\$ 21,090,038	\$ 22,461,673	\$ 22,999,680	\$ 26,965,513	\$ 31,924,959	\$34,641,141	\$ 38,070,859	\$ 46,779,444
Licenses and Permits	447,645	419,227	470,630	447,223	482,749	521,791	728,538	905,617	944,784	936,486
Charges for Services	5,279,240	5,490,197	5,519,559	6,022,809	6,125,416	6,862,602	7,458,566	8,063,824	8,633,406	8,536,015
Fines and Forfeitures	631,557	636,613	613,171	570,140	640,887	721,856	835,834	1,044,400	713,015	830,275
Intergovernmental	8,755,829	9,268,566	10,066,037	11,809,126	12,059,050	12,030,862	10,725,004	12,871,620	17,088,304	17,474,930
Other	2,582,686	3,442,831	3,267,341	3,050,905	2,486,306	4,247,164	2,518,403	3,545,798	3,745,735	3,963,179
Total Revenues	\$ 37,731,463	\$ 40,040,823	\$ 41,026,776	\$ 44,361,876	\$ 44,794,088	\$ 51,349,788	\$54,191,304	\$61,072,400	\$ 69,196,103	78,520,329
Expenditures										
General Government	\$ 8,839,909	\$ 9,222,605	\$ 9,269,769	\$ 11,445,328	\$ 11,440,430	\$ 11,800,838	\$11,601,616	\$12,844,452	\$ 15,008,190	15,520,852
Public Safety	14,097,699	14,233,954	16,238,895	16,043,451	17,895,838	19,366,157	20,178,588	23,540,794	24,415,173	25,995,056
Physical Environment	574,285	581,153	936,626	2,080,158	749,172	632,378	960,313	1,009,370	995,783	1,341,970
Transportation	3,422,240	3,997,887	4,786,535	5,235,386	4,583,302	4,678,662	5,678,591	9,072,104	7,702,343	6,968,726
Economic Environment	499,623	785,148	3,955,893	662,243	1,110,206	1,797,381	2,231,927	1,933,303	1,785,454	2,872,285
Human Services	2,025,020	1,958,818	2,331,051	2,226,894	1,945,035	1,891,999	1,927,356	2,332,729	1,928,952	2,372,291
Culture and Recreation	1,085,787	1,055,584	1,180,585	1,118,284	1,143,012	1,101,139	1,372,922	1,423,626	1,758,738	2,201,639
Court Related	2,036,996	2,579,212	2,540,798	3,096,734	3,011,021	3,171,771	3,302,128	2,805,914	3,009,710	3,148,089
Capital Outlay	2,940,667	1,622,407	1,041,645	826,467	3,255,228	4,006,734	3,797,483	9,057,166	14,198,442	19,534,431
Debt Service										
Principal Retirement	1,520,605	1,600,970	1,621,820	1,654,311	1,819,694	1,883,533	1,868,887	1,397,435	1,222,416	2,226,399
Interest and Fiscal Charges	556,234	500,723	444,145	388,813	359,630	310,798	222,606	218,423	317,374	521,696
Total Expenditures	\$ 37,599,065	\$38,138,011	\$ 44,347,762	\$ 44,778,069	\$47,312,568	\$ 50,641,390	\$53,142,417	\$65,635,316	\$72,342,575	82,703,434
Excess of Revenues Over (Under) Expenditures	\$ 132,398	\$ 1,902,812	(\$ 3,320,986)	(\$ 416,193)	(\$ 2,518,480)	\$ 708,398	\$ 1,048,887	(\$ 4,562,916)	(\$ 3,146,472)	(\$ 4,183,105)
Other Financing Sources (Uses)										
Proceeds from Borrowing	\$ 318,460	\$ 874,155	\$ 594,741	\$ 373,616	\$ 2,520,341	\$ 290,527	\$ 1,743,204	\$ 3,256,000	-	\$ 10,026,449
Proceeds from Refunding	-	-	-	-	-	-	-	-	-	-
Payments to Escrow Agent	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	522,370	211,500	58,623	76,607
Capital Leases	-	-	-	-	-	242,140	114,000	1,217,611	1,052,263	888,000
Transfers In	16,913,491	17,846,610	19,947,863	17,704,293	18,751,658	17,980,327	18,981,945	19,534,446	21,371,970	24,099,303
Transfers Out	(17,481,619)	(18,349,803)	(20,438,980)	(18,188,511)	(18,906,452)	(18,147,597)	(19,101,965)	(19,715,761)	(21,609,615)	(24,229,668)
Total Other Financing Sources (Uses)	(249,668)	370,962	103,624	(110,602)	2,365,547	365,397	2,259,554	4,503,796	873,241	10,860,691
Net Change in Fund Balances	(117,270)	\$ 2,273,774	(\$ 3,217,362)	(\$ 526,795)	(\$ 152,933)	\$ 1,073,795	\$ 3,308,441	(\$ 59,120)	(\$ 2,273,231)	\$ 6,677,586
Debt Service as a Percentage of Non-capital Expenditures	5.79%	5.95%	5.12%	5.06%	4.91%	4.68%	4.26%	3.06%	2.92%	4.79%

See pages S-10 and S-11 for additional information and graphical depiction.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**
(Modified Accrual Basis of Accounting)

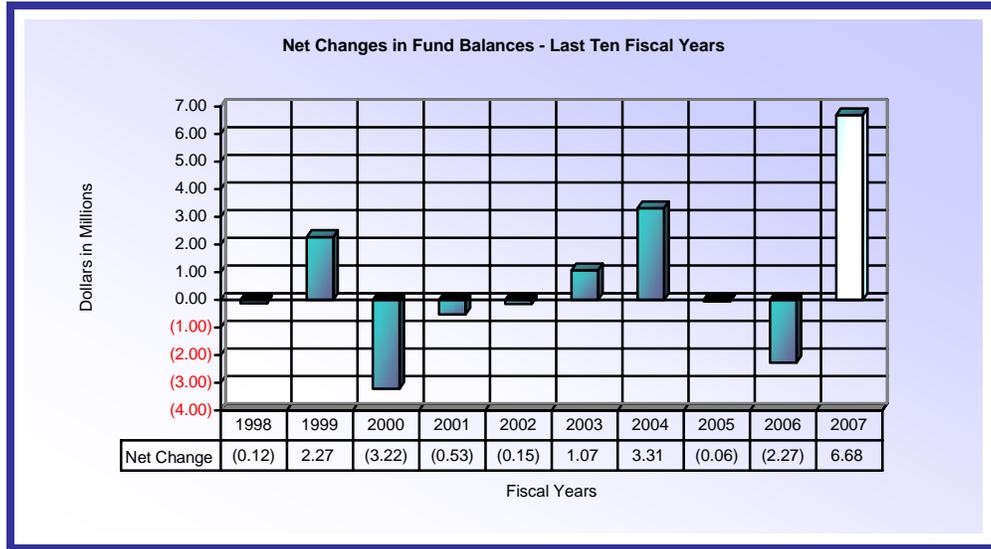


Figure A.5

Notes:

The chart above depicts Net Changes in Fund Balance as seen on page S-9.

Fiscal year ending (FYE) September 30, 2000 - Changes in fund balances reflect an overall decrease of \$5.5 million primarily attributable to approximately \$3.2 million in Economic Environment expenditures to facilitate commercial development in Putnam County, as well as approximately \$2 million in Public Safety expenditures to fund additional Deputy Sheriffs, an expanded Emergency Medical Services Department and an enhanced 911 Dispatch Center.

FYE 2001 - The overall increase in fund balance from (\$3,217,362) to (\$526,795) is due substantially to increased tax revenues, as well as, receipts of federal and state funding for the East Palatka Water/ Wastewater and the Business Park Development projects.

FYE 2006 – Increases in property tax revenues, the receipt of a capital grant from the State of Florida, changes in State Court System fee structures, as well as other increases in various minor governmental funds were offset by planned and budgeted spending for road projects.

FYE 2007 – A net increase in fund balance was reported of \$6,677,586. Please refer to page x of Management's Discussion and Analysis for an explanation of changes in fund balances.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA.**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

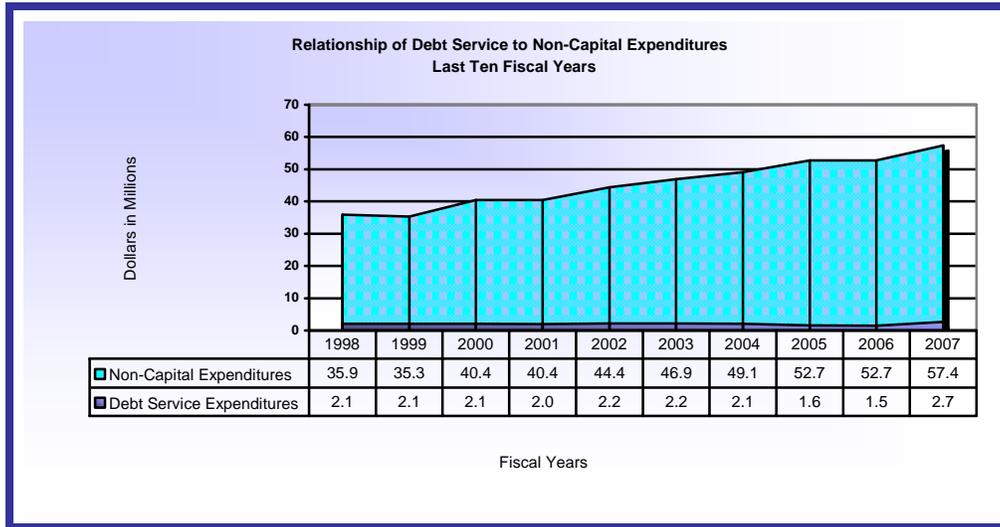


Figure A.6

Notes:

The above chart depicts in more detail the relationship of debt service to non-capital expenditures shown at the bottom of page S-9.

For the sake of expressing this relationship, total debt service expenditures are equal to the total of principal and interest payments and non-capital expenditures are determined by reducing total expenditures by capital outlays, to the extent capitalized, and expenditures for capitalized assets contained within the functional expenditure categories (GASB Codification of Governmental Accounting and Financial Reporting Standards, June 30, 2006, page 424).

Debt service as a percentage of non-capital expenditures has averaged 4.65% over the past ten years, with the high of 5.95% reported in FYE 1999 and a low of 2.92% in FYE 2006.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**TAXABLE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(In Thousands of Dollars)**

Fiscal Years	Real Property----- Residential	----- Commercial	----- Industrial	----- Other	----- Adjustments (1)	Personal Property	Less Tax – Exempt Property	Total Taxable Assessed Value (2)	Total Direct Tax Rate	Estimated Actual Taxable Value	Total Taxable Assessed Value as a Percentage of Estimated Actual Value
1998	1,351,646	156,917	79,218	643,285	(183,969)	834,131	(743,742)	2,137,486	8.4	3,420,286	62.494%
1999	1,399,855	169,674	81,170	653,324	(192,430)	830,273	(762,407)	2,179,459	8.4	3,494,429	62.370%
2000	1,467,200	183,674	86,816	674,267	(206,407)	825,354	(787,261)	2,243,643	8.4	3,596,070	62.392%
2001	1,547,124	190,392	87,797	693,859	(223,575)	822,948	(811,039)	2,307,506	8.8	3,726,271	61.925%
2002	1,639,605	201,390	136,335	740,982	(256,472)	830,006	(861,308)	2,430,538	8.8	4,000,103	60.762%
2003	1,777,311	227,394	139,820	790,056	(299,231)	824,128	(920,304)	2,539,174	8.8	4,280,371	59.321%
2004	1,920,374	246,776	141,977	857,083	(357,964)	797,350	(967,744)	2,637,852	9.2	4,480,224	58.878%
2005	2,147,954	267,389	166,748	927,233	(462,985)	787,349	(1,021,574)	2,812,114	9.2	4,821,291	58.327%
2006	2,590,133	306,864	179,493	1,014,378	(652,769)	794,649	(1,078,737)	3,154,012	9.2	5,401,459	58.392%
2007	3,570,960	337,431	193,584	1,324,706	(1,116,293)	810,059	(1,209,315)	3,911,132	9.2	6,824,314	57.312%

Real and tangible personal property are assessed on January 1 of each year.

Florida Statutes (F.S.) governs the procedures for establishing and increasing millage rates. The Board of County Commissioners sets the millage rates (F.S. 200.011 & 200.065). Millage rates levied by counties may not exceed 10.0 mils except by vote of the county's qualified electors (F.S. 200.071). Such voted levies are limited for periods not to exceed two (2) years (F.S. 200.091).

(1) Adjustments are various due to classifications, caps, etc., pursuant to Florida Statutes 193.114(2)(d), 193.155, 193.461, 193.501 and 193.502(7).

(2) Total Taxable Assessed Value is net of stipulated adjustments and tax exemptions.

Sources:

Putnam County Property Appraiser – Forms DR-403PC and DR-403AC.

Tax rates are per \$1,000 of assessed value and are taken from Forms DR-422.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

TAXABLE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

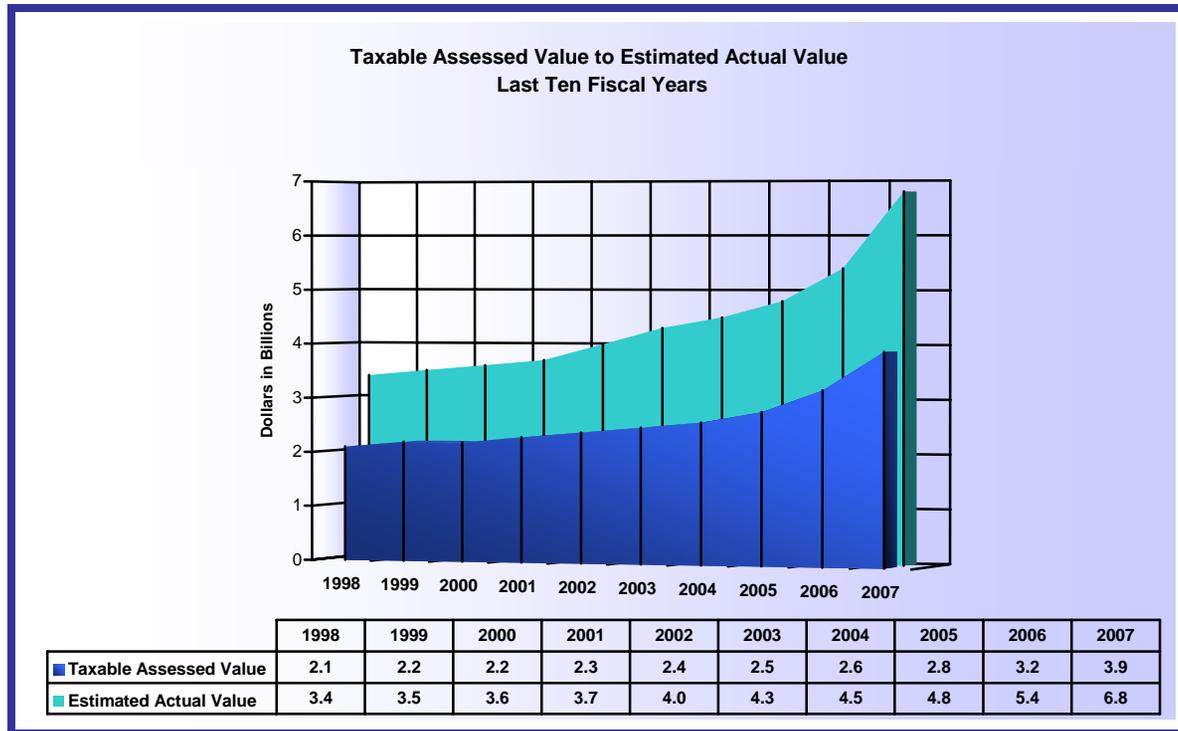


Figure B.1

Notes:

Data for the above has been taken from values reported on page S-12 and has been shown here rounded to billions of dollars.

The Total Taxable Assessed Value (TTAV) differs from, or is less than, the Estimated Actual Taxable Value (EATV) due to certain adjustments for classifications, caps, etc. as well as tax exemptions as provided by the Florida Statutes. From FYE 1998 through FYE 2007, TTAV's relationship to EATV has decreased from 62.494% to 57.312%, a change of -5.182%. Though the estimated taxable value of taxable property has increased; there has been an increase in the adjustment factors for classifications, caps, etc. and an increase in the value of tax exemptions.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Per \$1,000 of Taxable Value)**

	Fiscal Years -----									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Governmental Entity										
Board of County Commissioners										
General Fund	8.400	8.400	8.400	8.800	8.800	8.800	9.200	9.200	9.200	9.200
Total General County	8.400	8.400	8.400	8.800	8.800	8.800	9.200	9.200	9.200	9.200
School Board Operations										
General Fund	7.099	7.128	6.967	6.827	6.684	6.644	6.466	6.310	5.934	5.774
Bond/Debt/Capital Outlay	2.995	2.970	2.924	2.911	2.870	2.760	2.800	2.800	2.600	2.500
Total School Board	10.094	10.098	9.891	9.738	9.554	9.404	9.266	9.110	8.534	8.274
Total County-wide	18.494	18.498	18.291	18.538	18.354	18.204	18.466	18.310	17.734	17.474
Special Districts										
Fire Taxing Unit	0.500	0.500	0.500	0.500	0.500	0.500	0.800	0.800	0.800	0.800
West Putnam MSTU	3.000	3.000	3.000	3.000	0.000	0.000	0.000	0.000	0.000	0.000
St. Johns River Water Management District	0.482	0.482	0.482	0.472	0.462	0.462	0.462	0.462	0.462	0.462
Suwanee River Water Management District	0.491	0.491	0.491	0.491	0.491	0.491	0.491	0.491	0.491	0.491
Municipalities										
Crescent City	8.250	8.250	8.250	8.250	8.250	8.250	9.000	9.000	8.900	8.800
Interlachen	7.380	7.500	7.500	7.500	8.000	8.000	8.000	7.950	8.500	8.500
Palatka	7.555	7.213	7.042	6.907	7.300	7.800	8.000	8.000	8.650	8.650
Pomona Park	5.729	5.688	5.431	5.289	6.289	7.289	7.305	7.471	6.404	5.654
Welaka	5.000	5.000	5.000	5.000	7.000	6.700	6.700	6.700	6.700	6.300

Source: County Budget Office Fiscal Year Reports.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>Fiscal Year 2007 -----</u>			<u>Fiscal Year 1998 -----</u>		
	<u>Taxable</u>		<u>Percentage of</u>	<u>Taxable</u>		<u>Percentage of</u>
	<u>Assessed</u>	<u>Rank</u>	<u>Total County</u>	<u>Assessed</u>	<u>Rank</u>	<u>Total County</u>
	<u>Value (1)</u>		<u>Assessed</u>	<u>Value (2)</u>		<u>Assessed</u>
	<u>Value (1)</u>	<u>Rank</u>	<u>Value</u>	<u>Value (2)</u>	<u>Rank</u>	<u>Value</u>
<u>Seminole Electric</u>	<u>\$264,024,194</u>	<u>1</u>	<u>6.75%</u>	<u>\$425,209,101</u>	<u>1</u>	<u>19.89%</u>
<u>Georgia Pacific Corp.</u>	<u>245,913,520</u>	<u>2</u>	<u>6.29%</u>	<u>199,230,184</u>	<u>2</u>	<u>9.32%</u>
<u>Florida Power & Light</u>	<u>150,108,279</u>	<u>3</u>	<u>3.84%</u>	<u>159,375,493</u>	<u>3</u>	<u>7.46%</u>
<u>Lafarge Corp.</u>	<u>125,622,898</u>	<u>4</u>	<u>3.21%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Clay Electric Coop, Inc.</u>	<u>39,111,682</u>	<u>5</u>	<u>1.00%</u>	<u>30,383,398</u>	<u>4</u>	<u>1.42%</u>
<u>BellSouth Telecommunications</u>	<u>22,074,006</u>	<u>6</u>	<u>0.56%</u>	<u>27,951,432</u>	<u>5</u>	<u>1.31%</u>
<u>Lifepoint Hospitals, Inc.</u>	<u>17,811,026</u>	<u>7</u>	<u>0.46%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Wal-Mart Stores East, Inc.</u>	<u>13,549,503</u>	<u>8</u>	<u>0.35%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Steel Bridges</u>	<u>13,535,805</u>	<u>9</u>	<u>0.35%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Grandin Land</u>	<u>8,827,666</u>	<u>10</u>	<u>0.23%</u>			
<u>Florida Furniture Industries</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,037,048</u>	<u>6</u>	<u>0.70%</u>
<u>CSX Transportation</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,603,488</u>	<u>7</u>	<u>0.59%</u>
<u>Columbia/HCA Healthcare</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,690,651</u>	<u>8</u>	<u>0.41%</u>
<u>Alltel Florida, Inc.</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,875,395</u>	<u>9</u>	<u>0.37%</u>
<u>RGC (USA) Mineral Sands</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,215,107</u>	<u>10</u>	<u>0.29%</u>
<u>Totals</u>	<u>\$900,578,579</u>		<u>23.04%</u>	<u>\$892,571,297</u>		<u>41.76%</u>

Taxable Assessed Value includes real, tangible, personal, and centrally assessed properties.

Percentages are a function of Taxable Assessed Value / Total Taxable Assessed Value for the given fiscal year. Values for Total Taxable Assessed Value may be located on page S-12.

Graphs that illustrate the information shown in the above table may be found on page S-16.

Sources:

- (1) Putnam County Property Appraiser – 2006 Final Taxroll.
- (2) Putnam County Property Appraiser – 1997 Final Taxroll.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS AGO**

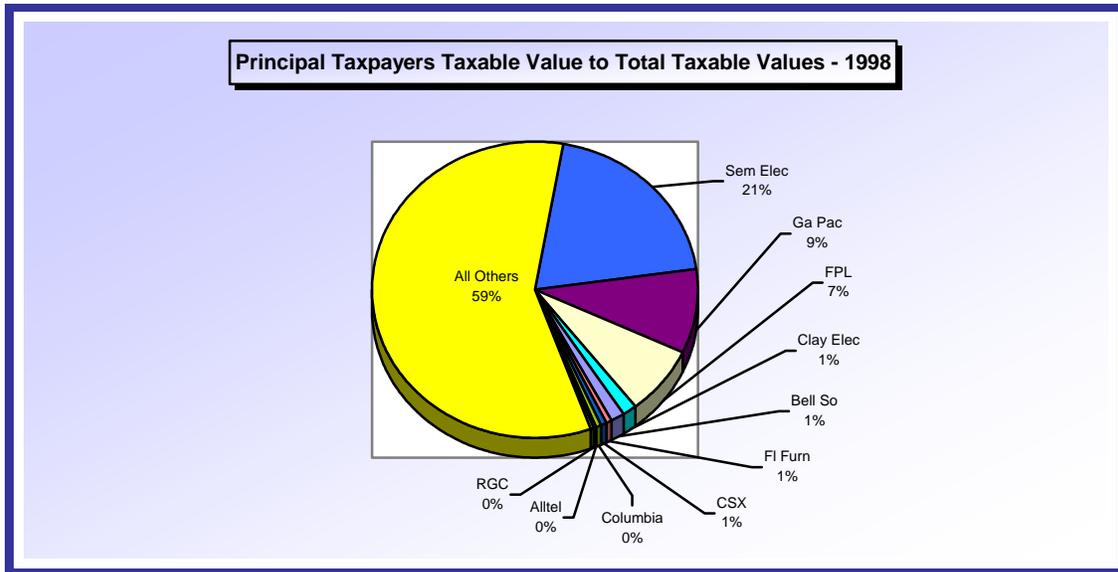


Figure B.2

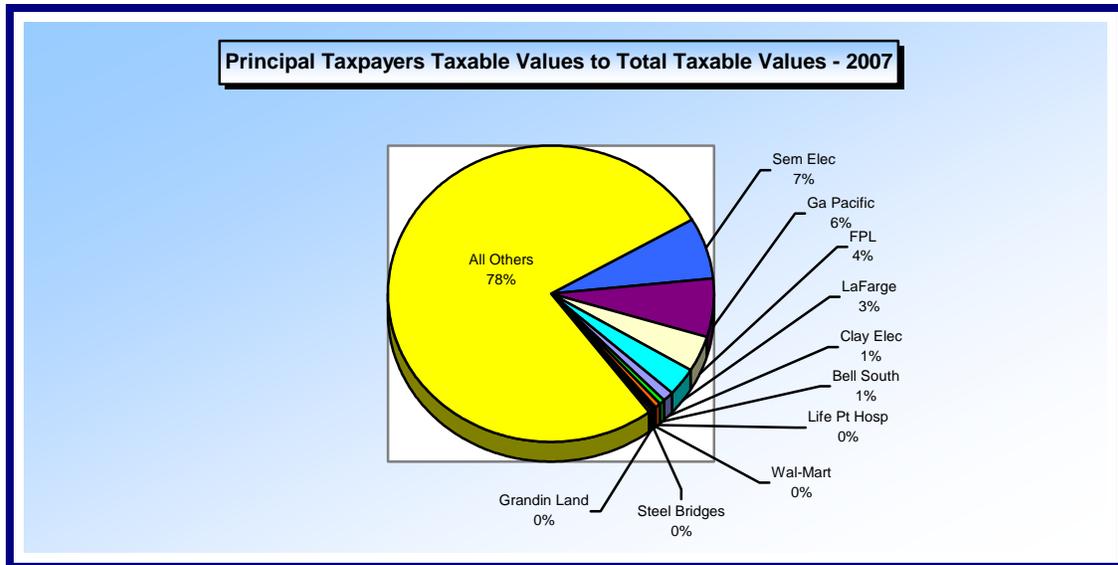


Figure B.3

Notes:

Data for the above illustrations has been taken from pages S-12 and S-15.

Entities shown as having 0% may be understood to mean having less than 0.50%.

Decreases in percentages of taxable values may be the result of business cycles, depreciation of property, etc.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

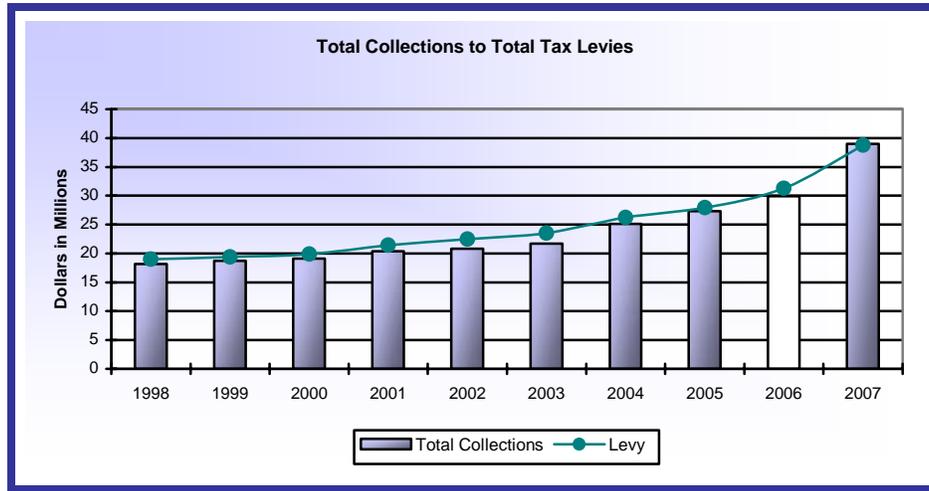


Figure B.4

Fiscal Year	Total Tax Levy	Current Fiscal Year Collections	Percentage of Levy	Delinquent Collections	Total Collections	Percentage of Levy
1998	18,988,581	18,081,889	95.23%	97,386	18,179,275	95.74%
1999	19,355,324	18,600,876	96.10%	125,079	18,725,955	96.75%
2000	19,923,701	18,930,256	95.01%	164,136	19,094,392	95.84%
2001	21,409,254	20,172,205	94.22%	254,299	20,426,504	95.41%
2002	22,481,475	20,588,216	91.58%	235,393	20,823,609	92.63%
2003	23,485,081	21,383,765	91.05%	272,236	21,656,001	92.21%
2004	26,151,575	24,768,865	94.71%	360,821	25,129,686	96.09%
2005	27,877,586	26,163,323	93.85%	1,110,621 (1)	27,273,944	97.83%
2006	31,250,659	29,278,397	93.69%	656,787	29,935,184	95.79%
2007	38,801,345	38,848,336 (2)	100.00%	108,315	38,956,651	100.00%

Notes:

(1) The significant increase in these collections seems largely attributable to an increase in the closings of real property sales, necessitating the payment of delinquent taxes.

(2) Tax collections approximating \$2.3 million which were subject to litigation and held in escrow for tax roll years 2001 through 2006 were released and recorded as revenues.

The percentage of collections to tax levied for the ten year period ending as of 9/30/2007 averaged 95.83%.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Governmental Activities-----					Business -Type Activities-----					
Fiscal Year	Loans/Notes Payable	Revenue Bonds Gas Tax 1989 (1)	Sales Tax 1995 (2)	Capital Leases (3)	Loans/Notes Payable	Revenue Bonds 1993 (4)	Capital Leases	Total Primary Government	Percentage of Personal Income (5)	Debt per Capita (5)
	1998	\$ 2,249,258	\$ 2,230,000	\$ 3,745,000	\$ 318,345	\$ 3,580,000	\$ 3,500,000	\$ 20,901	\$ 15,643,504	1.32%
1999	1,803,056	1,915,000	3,275,000	822,732	3,259,572	2,380,000	-	13,455,360	1.07%	185
2000	1,435,356	1,580,000	2,790,000	983,353	3,080,000	1,215,000	280,574	11,364,283	0.89%	161
2001	1,048,133	1,225,000	2,280,000	954,881	3,080,000	-	199,111	8,787,125	0.66%	124
2002	3,091,467	845,000	1,750,000	522,194	2,280,000	-	113,414	8,602,075	0.62%(6)	121
2003	2,803,046	435,000	1,190,000	429,749	1,140,000	-	23,262	6,021,057	0.41%	84
2004	3,938,263	-	605,000	302,850	380,002	-	-	5,226,115	0.34%	71
2005	6,640,738	-	-	1,281,551	283,606	-	-	8,205,895	0.51%	111
2006	5,942,847	-	-	1,809,289	183,695	-	-	7,935,831(7)	0.47%(7)	107(7)
2007	14,600,160(8)	-	-	1,840,026(8)	80,138	-	-	16,520,324	0.95%	220

Notes:

- (1) Final payment was made September 30, 2004. See note (1), page S-19 for additional information.
- (2) Final payment was made September 30, 2005. See note (2), page S-19 for additional information.
- (3) In fiscal year 2005 the County acquired two road graders for the Public Works Department through capital lease arrangements. Additionally, during both fiscal years 2005 and 2006, the Sheriff's Office, in an ongoing effort to better facilitate public safety, financed additional patrol vehicles and related equipment through capital leases.
- (4) Final payment was made during fiscal year 2001.
- (5) See the Demographics Statistics schedule, page S-24, for population and annual personal income data. The figures provided represent ratios of Total Primary Government Outstanding Debt to Annual Personal Income and Population.
- (6) FYE 2002 was adjusted down 0.01% due to revised figures in Per Capita Personal Income, see page S-24, notes (2) and (3).
- (7) FYE 2006 figures have been corrected for an arithmetical error resulting in changes only to the Total Primary Government, Percentage of Personal Income, and Outstanding Debt per Capita.
- (8) FYE 2007: The Board of County Commissioners approved the issuance of a note payable in the amount of \$10,000,000 for the Better Place Plan and the Sheriff's Office reported a net increase in capital leases of \$63,468. For further information on the note payable see page S-23, note (3).

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	Tax-Backed Bonds -----			Restricted Reserves -----			Additional Comparisons Net Tax-Backed Bond Debt Ratios-----					
	General Obligation Bonds	Gas Tax 1989 (1)	Sales Tax 1995 (2)	Total	Gas Tax 1989	Sales Tax 1995	Net General Bonded Debt (GBD)	Net GBD to Personal Income (3)	Net GBD Per Capita (3)	County Gas Consumption (in gallons) (4)	Gas Consumption To Net Gas Tax- Backed Bonded Debt (5)	Net Sales Tax- Backed Bonded Debt to County Taxable Sales (3)
1998	\$ -	\$ 2,230,000	\$ 3,745,000	\$ 5,975,000	\$ 216,250	\$ 501,000	\$ 5,257,750	0.44%	\$ 74	33,318,000	17	0.78%
1999	-	1,915,000	3,275,000	5,190,000	216,250	501,000	4,472,750	0.35%	62	34,564,000	31	0.63%
2000	-	1,580,000	2,790,000	4,370,000	216,250	501,000	3,652,750	0.29%	52	32,274,000	24	0.50%
2001	-	1,225,000	2,280,000	3,505,000	216,250	501,000	2,787,750	0.21%	40	30,612,000	30	0.38%
2002	-	845,000	1,750,000	2,595,000	216,250	501,000	1,877,750	0.14%	26	31,694,000	50	0.27%
2003	-	435,000	1,190,000	1,625,000	216,250	501,000	907,750	0.06%	13	32,516,000	149	0.13%
2004	-	-	605,000	605,000	-	501,000	104,000	0.01%	1	-	-	0.02%
2005	-	-	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

- (1) The Gas Tax Refunding Revenue Bonds of 1989 were payable from the first, second and third cent of Putnam County's portion of the six cent local option gas tax. A bond resolution required that a reserve account be established. Bond reserve requirements were met in all fiscal years. Deficiencies in the revenue stream would have been paid from the General Fund without regard to advalorem revenues.
- (2) The Capital Improvement Refunding Revenue Bonds of 1995 were paid from the proceeds of the Local Government Half-Cent Sales Tax Clearing Trust Fund. A bond resolution required that a reserve account be established. Bond reserve requirements were met in all fiscal years. Deficiencies in the revenue stream would have been paid from the General Fund without regard to advalorem revenues.
- (3) See the Demographics Statistics schedule, page S-24, for annual personal income, population, and taxable sales data.
- (4) Gasoline consumption data includes gasohol and has been taken from the State of Florida Department of Revenue report on *Motor Gasoline Consumption by County*. The data is presumed to include non-taxable sales, as well as taxable sales. A report of motor fuel usage by state, provided by the Federal Highway Administration, for data as of 1999, indicated that governmental usage of motor fuel in the State of Florida was under two percent (2%). It is expected that governmental usage of gasoline in Putnam County is less than the State average, as there are no military installations within the County. Therefore the effect of non-taxable sales of gasoline products within the amounts reported is deemed to be de minimis.
- (5) This ratio reflects the number of gallons of gasoline consumed throughout the County per dollar of net outstanding gas tax-backed bonded debt.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**NET GENERAL BONDED DEBT AND TOTAL DEBT OUTSTANDING
PER CAPITA – LAST TEN FISCAL YEARS**

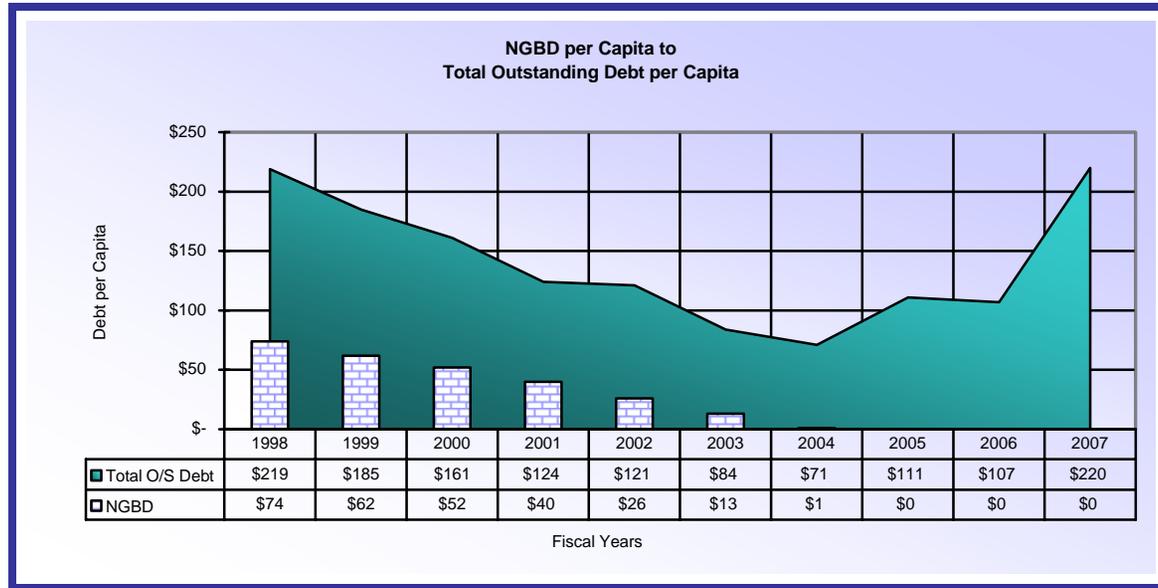
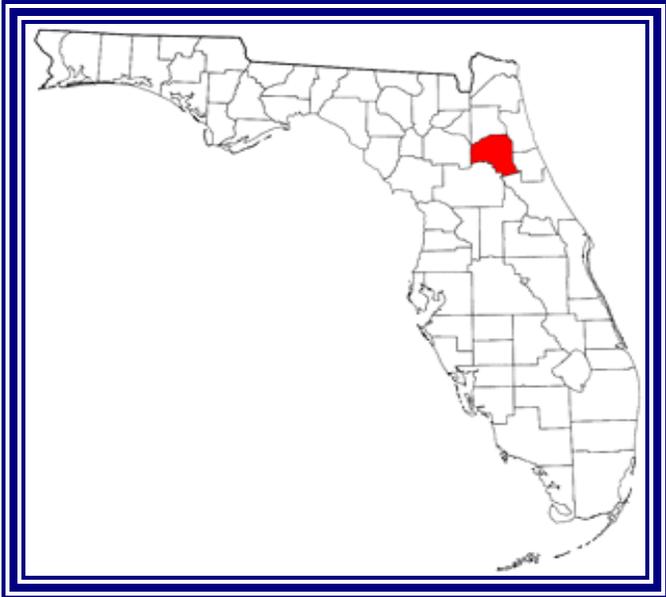


Figure C.1

The above graph, comparing Net General Bonded Debt (NGBD) Outstanding per Capita to the Total Debt Outstanding per Capita illustrates the relative debt burden of each to the County's population. By fiscal year ended September 30, 2005 all NGBD had been retired. Refer to pages S-18 and S-19 for additional information.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

LEGAL DEBT MARGIN



Legal debt limitations have not been established by either the Constitution of the State of Florida, the Florida Statutes, section 200.181, or the Board of County Commissioners, Putnam County, Florida, as a local government.



**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Gas Tax Refunding Bonds – Series 1989 (1)										
Gross Revenue	\$ 1,664,654	\$ 1,767,563	\$ 1,532,466	\$ 1,609,500	\$ 1,625,070	\$ 1,759,699	\$ 1,819,967	-	-	-
Less Operating Expenses	997	17	872	1,854	1,839	1,083	1,050	-	-	-
Net Available Revenue	1,643,657	1,767,546	1,531,594	1,607,646	1,623,231	1,758,616	1,818,917	-	-	-
Debt Service										
Principal Payments	295,000	315,000	335,000	355,000	380,000	410,000	435,000	-	-	-
Interest/Fiscal Charges	172,469	152,003	130,898	108,525	84,145	58,305	30,015	-	-	-
Coverage Ratio	3.52	3.78	3.29	3.47	3.50	3.76	3.91	-	-	-
Capital Improvement Refunding Revenue Bonds – Series 1995 (2)										
Gross Revenue	\$ 2,230,384	\$ 2,277,831	\$ 2,325,424	\$ 2,157,921	\$ 2,370,354	\$ 2,490,138	\$ 2,576,652	\$ 2,810,715	-	-
Less Operating Expenses	2,912	1,514	1,616	1,653	1,639	1,645	2,134	2,113	-	-
Net Available Revenue	2,227,472	2,276,317	2,323,808	2,156,269	2,368,715	2,488,493	2,574,518	2,808,602	-	-
Debt Service										
Principal Payments	450,000	470,000	485,000	510,000	530,000	560,000	585,000	605,000	-	-
Interest/Fiscal Charges	188,283	167,146	147,641	127,029	104,844	80,993	55,794	28,738	-	-
Coverage Ratio	3.49	3.57	3.67	3.38	3.73	3.88	4.02	4.43	-	-
Florida Capital Improvement Revenue Note – Series 2006 (3)										
Gross Revenue	-	-	-	-	-	-	-	-	-	\$ 5,318,405
Less Operating Expenses	-	-	-	-	-	-	-	-	-	-
Net Available Revenue	-	-	-	-	-	-	-	-	-	5,318,405
Debt Service										
Principal Payments	-	-	-	-	-	-	-	-	-	185,000
Interest/Fiscal Charges	-	-	-	-	-	-	-	-	-	240,355
Coverage Ratio	-	-	-	-	-	-	-	-	-	12.50

Notes:

(1) See page S-18, Note (2) and page S-19, Note (1).

(2) See page S-18, Note (3) and page S-19, Note (2).

(3) Funds of \$10,000,000 were received in fiscal year ended 9/30/2007 to fund Better Place Plan (BPP) capital projects. This limited obligation revolves until 12/31/2007 and becomes a term loan as of January 1, 2008. Payment of principal and interest are secured only with revenues received in connection with the BPP, which main revenue source is the one cent sales surtax that became effective January 1, 2003 and will sunset on January 1, 2018. The note, also, will mature at this time. The coverage ratio(s) are consistent with applications made within this schedule and may or may not coincide with a coverage ratio calculated according to provisions in the Board of County Commissioners Resolution.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

		Annual Personal					
		Income (API)	Per Capita	Taxable Sales	Number of	County	Public
Fiscal		<i>(Expressed in</i>	Personal	<i>(Expressed in</i>	Persons Employed	Unemployment	School
Year	Population (1)	<i>Millions) (2)</i>	Income (3)	<i>Millions) (1)</i>	in County (4)	Rate (4)	Enrollment (5)
1998	71,454	1,184	16,565	414	27,618	5.4 %	12,935
1999	72,883	1,261	17,300	441	27,563	5.2 %	12,430
2000	70,423	1,281	18,195	460	28,054	4.3 %	12,247
2001	70,820	1,340	18,927**	465	27,415	5.4 %	12,181
2002	71,329	1,381	19,365**	455	27,505	6.6 %	12,203
2003	71,971	1,477**	20,518**	519	28,803	5.7 %	12,043
2004	73,226	1,519**	20,744**	525	28,900	5.5 %	11,857
2005	73,764	1,609**	21,814**	588	29,090	4.5 %	12,457
2006	74,416	1,676	22,523	603	30,340	3.7 %	12,114
2007	75,149*	1,746*	23,232*	626*	30,894	4.8%	11,906

Sources and Notes:

(1) Florida Statistical Abstract(s), Bureau of Economic and Business Research, University of Florida (1998 through 2006).

(2) Annual Personal Income (API) figures are the results of multiplying Per Capita Personal Income by the Population figures for the given fiscal year. Consequently, the revisions noted in (3) below may have, correspondingly, affected the API results.

(3) U.S. Department of Commerce, Bureau of Economic Analysis (B.E.A.), Regional Economic Accounts. **Revisions have been made based on current B.E.A. tables.

(4) State of Florida, Agency for Workforce Innovation – Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS). Figures for periods 1998 through 2006 are annual averages. The 2007 figure is subject to revision when the LAUS annual average is established.

(5) District School Board of Putnam County.

* These figures are projected estimates based on trend analysis calculations.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

DEMOGRAPHIC STATISTICS – LAST TEN FISCAL YEARS

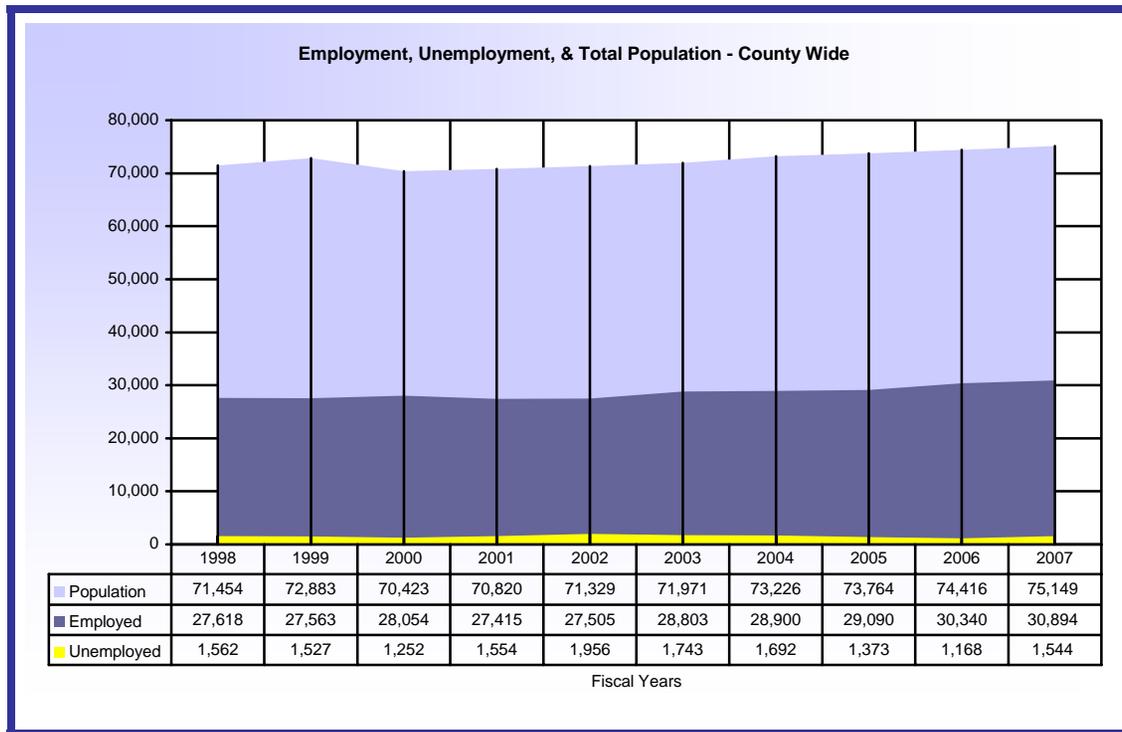


Figure D.1

Sources & notes:

See page S-24, notes (1) and (4).

County unemployment rates have decreased overall from 5.4% in 1998 to 4.8% in 2007, for a ten year average of 5.1%.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

DEMOGRAPHIC STATISTICS – LAST TEN FISCAL YEARS

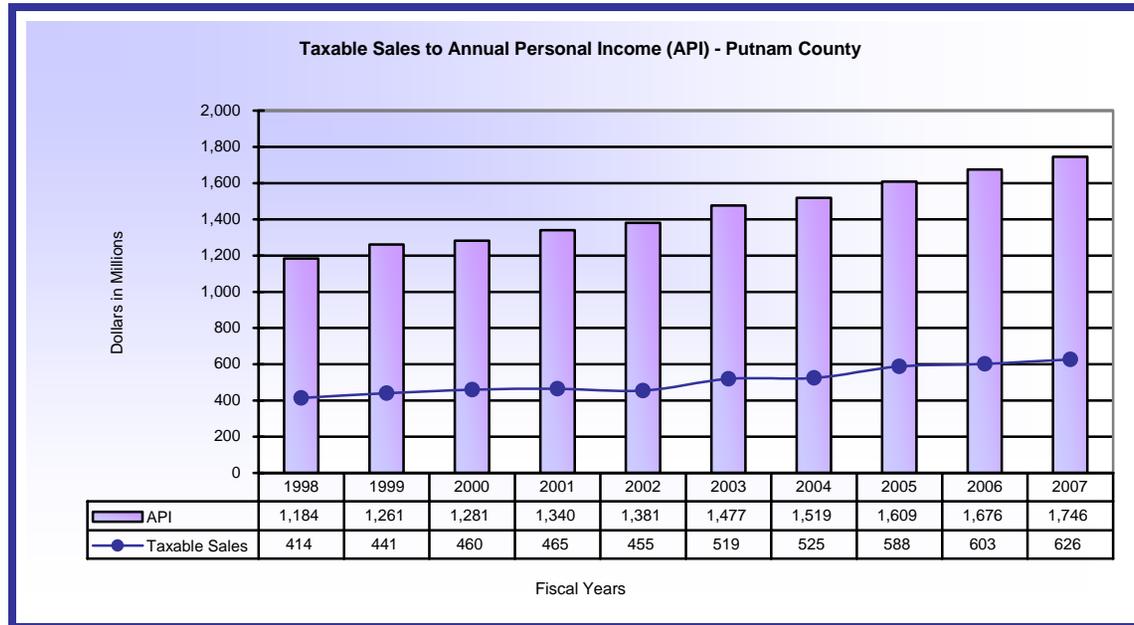


Figure D.2

Sources & Notes:

Sales tax and sales surtax revenues comprise approximately 10.2% of the County’s governmental revenues. The Local Infrastructure Surtax, representing one cent of each taxable dollar expended in Putnam County, makes up about 64.7% of that 10.2%.

Taxable Sales as a percentage of Annual Personal Income (API) reflects, to some degree, the nature of consumer personal spending. The data indicates that Putnam County’s consumers averaged spending over a ten year period 35.2% of their API on taxable sales, ranging from a reported low of 32.9% in 2002 to a high of 36.5% in 2005. The relationship indicates a relatively stable trend even though API increased from 1998 to 2007 by approximately 47.5%.

API and Taxable Sales data have been taken from the schedule shown on page S-24 and the sources addressed in notes (1) and (2). Revenue data may be located on page 2 of the Financial Statements section.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

PRINCIPAL EMPLOYERS – CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>Fiscal Year 2007-----</u>			<u>Fiscal Year 1998 -----</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
<u>Putnam County School Board</u>	<u>1,450</u>	<u>1</u>	<u>4.69%</u>	<u>1,748</u>	<u>1</u>	<u>6.33%</u>
<u>Georgia-Pacific Corp., Palatka</u>	<u>1,150</u>	<u>2</u>	<u>3.72%</u>	<u>1,700</u>	<u>2</u>	<u>6.16%</u>
<u>Putnam County Government</u>	<u>693</u>	<u>3</u>	<u>2.24%</u>	<u>563</u>	<u>5</u>	<u>2.04%</u>
<u>St. Johns River Water Management District</u>	<u>686</u>	<u>4</u>	<u>2.22%</u>	<u>544</u>	<u>6</u>	<u>1.97%</u>
<u>Putnam Community Medical Center</u>	<u>525</u>	<u>5</u>	<u>1.70%</u>	<u>475</u>	<u>7</u>	<u>1.72%</u>
<u>Wal-Mart</u>	<u>523</u>	<u>6</u>	<u>1.69%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>PRC (Precision Research Corp.)</u>	<u>523</u>	<u>7</u>	<u>1.69%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>St. Johns River Community College</u>	<u>475</u>	<u>8</u>	<u>1.54%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Seminole Electric Cooperative</u>	<u>280</u>	<u>9</u>	<u>0.91%</u>	<u>300</u>	<u>8</u>	<u>1.09%</u>
<u>PDM Bridge</u>	<u>150</u>	<u>10</u>	<u>0.49%</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Miller Enterprises</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>750</u>	<u>3</u>	<u>2.72%</u>
<u>Florida Furniture Industries</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>620</u>	<u>4</u>	<u>2.24%</u>
<u>Central States Diversified</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>167</u>	<u>9</u>	<u>0.60%</u>
<u>FPL (Florida Power & Light)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126</u>	<u>10</u>	<u>0.46%</u>
	<u>-</u>		<u>-</u>	<u>-</u>		<u>-</u>
<u>Totals</u>	<u>6,453</u>		<u>20.89%</u>	<u>6,993</u>		<u>25.33%</u>

Sources and Notes:

The names of the top ten principal employers and the numbers of their employees were provided by Cornerstone Regional Development.

See page S-24 for total County employment figures used to determine the Percentages of Total County Employment that the above entities employed during the given fiscal years. Graphic presentation of the above information may be found on page S-28.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

PRINCIPAL EMPLOYERS – CURRENT YEAR AND NINE YEARS AGO

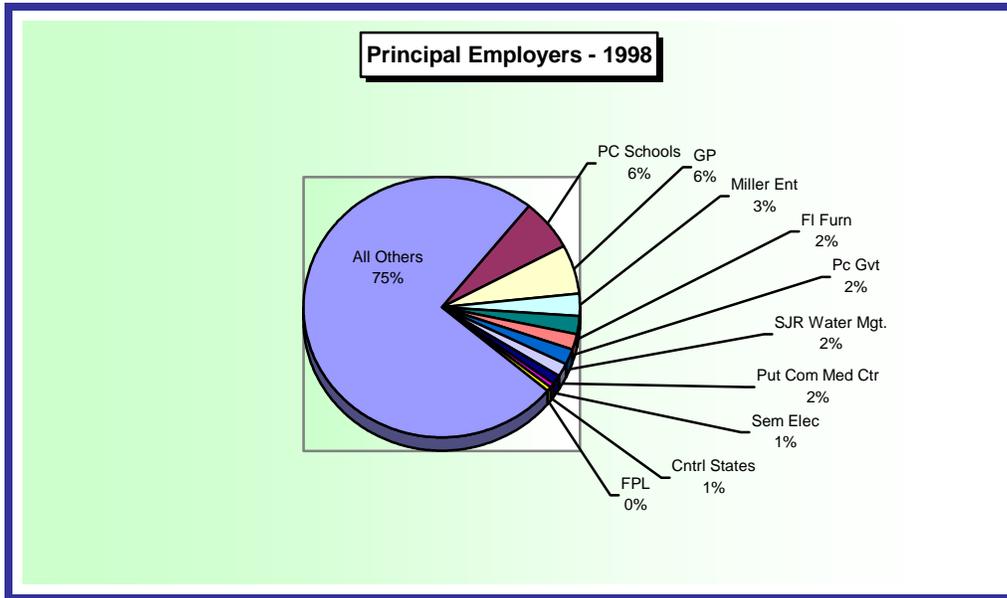


Figure D.3

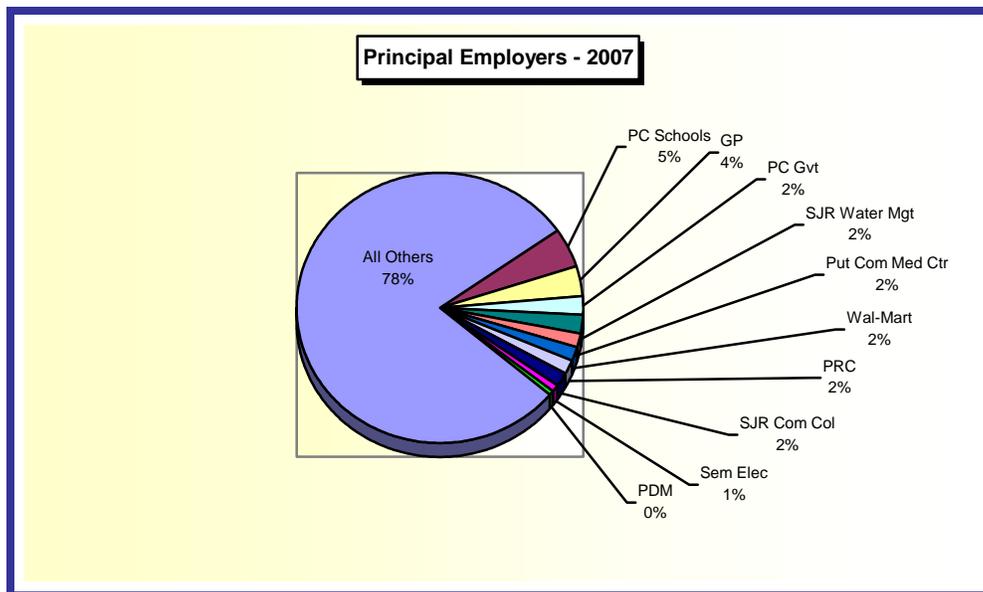


Figure D.4

Notes:

The above pie graphs depict the data shown on page S-27. Entities shown as having 0% may be understood to have less than 0.50%.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Full-Time Equivalent (FTE) Employees as of September 30 -----

Function	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
Clerk of the Courts	36	36	41	39	37	38	36	35	35	37
Property Appraiser	21	22	22	22	22	22	23	23	23	25
Supervisor of Elections	4	4	5	5	5	5	5	5	6	6
Tax Collector	25	25	25	27	27	27	27	27	27	30
Other General Government	55	43	58	52	55	59	59	61	63	66
Court Related										
Clerk of the Courts	26	26	30	32	29	30	33	37	38	40
Culture and Recreation										
Library	16	17	18	18	18	18	18	18	20	20
Parks and Recreation	7	7	6	6	7	6	7	8	11	13
Economic Environment										
Veteran Services	2	2	2	2	2	2	2	2	2	2
Human Services										
Animal Control (1)	4	3	3	6	0	0	0	0	0	0
Mosquito Control (2)	2	2	2	0	0	0	0	0	0	0
Welfare Administration (3)	1	1	1	1	0	0	0	0	0	0
Physical Environment										
Agriculture Extension	7	7	7	7	7	7	7	7	7	8
Public Safety										
Buildings and Inspection	11	11	13	11	11	11	11	13	14	17
Codes Enforcement	2	2	3	3	3	3	3	4	5	6
Emergency Medical Services	52	53	54	57	60	60	64	64	72	76
Fire and Rescue Services (4)	1	1	1	1	1	1	2	2	2	10
Sheriff's Office	199	199	199	202	216	217	220	224	231	236
Transportation										
Administration and Engineering	16	17	18	18	19	19	19	20	21	21
Roads and Bridges	54	58	57	50	50	50	50	51	59	59
Business-type Activities										
Sanitation	22	21	21	20	20	20	20	20	19	21
Total FTE'S	563	557	586	579	589	595	606	621	655	693
County Population	71,454	72,883	70,423	70,820	71,329	71,971	73,226	73,764	74,416	75,149
Residents per FTE (5)	127	131	121	123	121	121	121	119	114	109

Source: County Budget Office

Notes:

- (1) Expansion of the Animal Control Facilities commenced in FYE 2001. Therefore, its activities have been temporarily assigned to the Sheriff's Department.
- (2) Mosquito Control services have been outsourced to an independent party as of FYE 2001.
- (3) Welfare Administration activities have been incorporated into the Human Resources function, classified herein as part of Other General Government category as of FYE 2002.
- (4) Fire Department personnel are supported by several hundred volunteers.
- (5) The number of Residents per FTE has been rounded up to the next whole number for any fractional amount. Residents per FTE averaged 121 for the last ten fiscal years.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS**

Function/Program	Fiscal Year				
	2003	2004	2005	2006	2007
Supervisor of Elections					
Registered Voters	41,355	45,989	45,293	44,206	43,019
Court Related					
New Cases Opened	30,346	24,919	27,912	30,035	26,928
Cases Closed	28,809	25,283	26,433	28,212	25,478
Culture & Recreation – Library					
Registered Borrowers	29,407	28,315	30,319	32,454	34,472
Volumes in Collection	129,819	131,401	131,007	138,329	96,641
Volumes Borrowed	116,034	110,532	122,150	117,386	97,600
Culture & Recreation – Parks & Recreation					
Program Participants	2,698	3,382	6610	14,328 (2)	16,448
Program/Events Offered	53	59	45	57	45
Economic Environment – Veterans Services					
Claims Processed	1,286	975	1,081	2,566 (3)	1,658
Human Services – Animal Control					
Complaints Answered	7,384	8,395	8,279	7,139 (4)	6,913
Citations Issued	187	281	317	329 (4)	204
Human Services – Mosquito Control					
Complaints Answered	698	1,095	592	304	274
Miles Sprayed	2,191	2,279	2,245	1,745	2,165
Human Services – Welfare Administration					
Nursing Home Verifications	255	118	118	0 (5)	0
HCRA Cases (6)	115	136	174	171	182
Public Safety – Buildings & Inspection					
Permits Issued: (a) Commercial – New (7)	N/A	N/A	N/A	N/A	20
(b) Commercial – Existing (7)	90	119	145	109	91
(c) Residential – New (7)	489	644	700	738	512
(d) Residential – Existing (7)	3,752	7,649	4,294	6,885	7,867
Inspections	15,861	17,979	26,072	36,913	25,151
Public Safety – Codes Enforcement					
New Cases Opened	1,076	1,094	1,350	1,523	1,646
New Case Inspections	4,104	4,371	5,265	4,971	5,574
Public Safety – Emergency Medical Services					
Emergency Responses	10,419	11,315	10,885	10,761	8,234
Transports	8,029	8,675	8,339	8,463	6,693
Public Safety – Fire Department					
Emergency Responses	6,988	8,210	7,548	6,136 (1)	5,852 (8)
Fires Attended	345	370	375	1,037 (1)	1,268 (8)
Sheriff's Office					
Violations	11,622	11,370	10,908	11,802	11,124
Arrests	6,273	6,124	5,793	5,410	5,840
Transportation/Public Works					
Road Gradings (miles)	3,495	3,136	3,140	3,261	2,722
Roads Paved/Resurfaced (miles)	15	19	25	64	56
Water Service Connections	179	235	235	235	235
Average Daily Water Consumption	53,406	70,982	38,247	36,705	42,037
Peak Daily Water Consumption	83,051	120,605	52,550	57,895	66,372
Average Daily Wastewater Treatment (gallons)	13,800	12,400	13,000	10,666	9,333
Business Type Activities – Sanitation					
Solid Waste Collections (tons)	81,644	103,758	113,113	100,718	96,357
Recycling Rate (9)	27%	22%	25%	30%	30%
Business Type Activities – Port Authority					
Dockage Days (10)	147	193	439	249	282

Sources: Various County Departments

Notes:

- (1) Revised figures received from the specific departments.
- (2) Participation increase is largely attributable to the opening of a second Senior Citizen Center in fiscal year 2006.
- (3) The increase in claims filed appears to be the result of an aging populous filing disability claims.
- (4) Annualized estimate – data loss due to system problems.
- (5) Nursing home verifications are no longer performed by the County's Human Resources Department.
- (6) HCRA (Health Care and Responsibility Act) obligates counties to pay out-of-county health care for county residents that meet eligibility criteria.
- (7) Categories were modified effective with FYE 2007 to reflect new and existing commercial and residential permits issued.
- (8) Projected estimates – finalized reports were not available.
- (9) Recycling rates represent ratios of Recycled Tons to Collected Tons.
- (10) The fluctuations in dockage days reported are largely attributable to one entity's usage.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**OPERATING INDICATORS
LAST FIVE FISCAL YEARS**

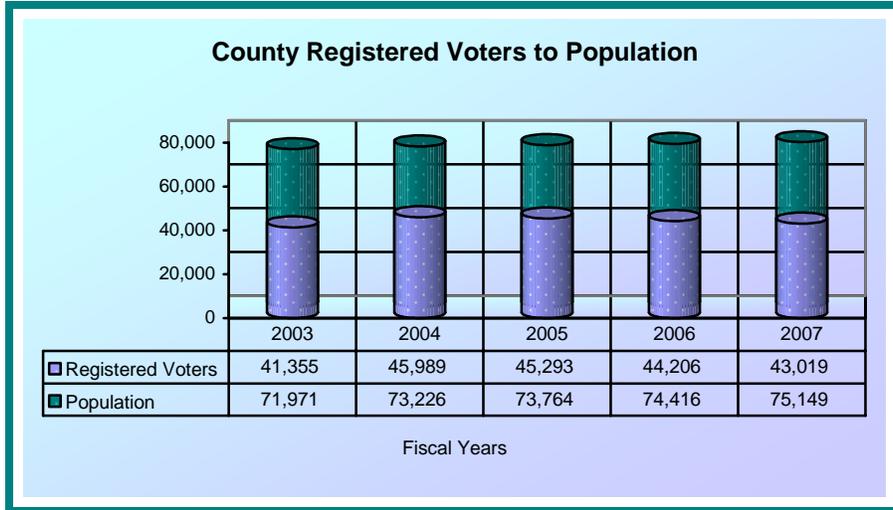


Figure E.1

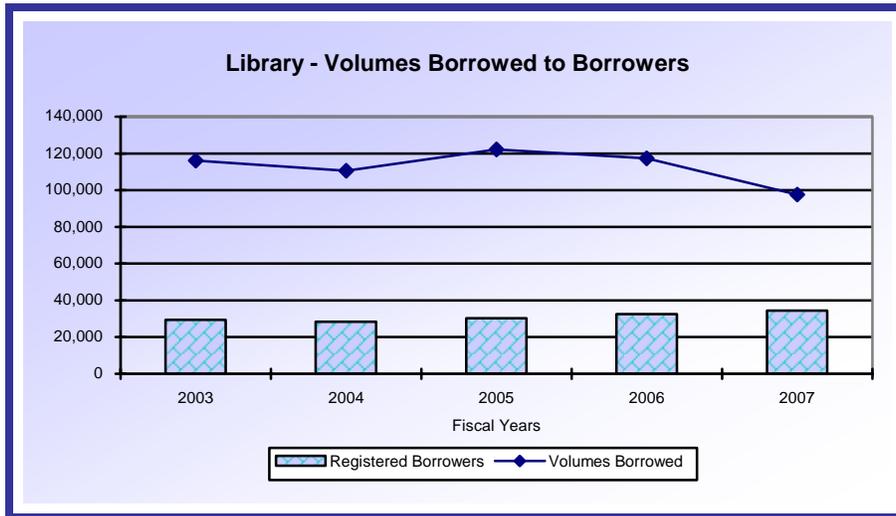


Figure E.2

Notes:

See page S-30, Supervisor of Elections and Culture and Recreation – Library, for details.

Registered voters for the five fiscal years 2003 through 2007 averaged 59.7% of the population.

Books borrowed by registered borrowers decreased from 4 books per person per year to 3 books per person per year over the five year span of fiscal years 2003 through 2007.

BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA

OPERATING INDICATORS
LAST FIVE FISCAL YEARS

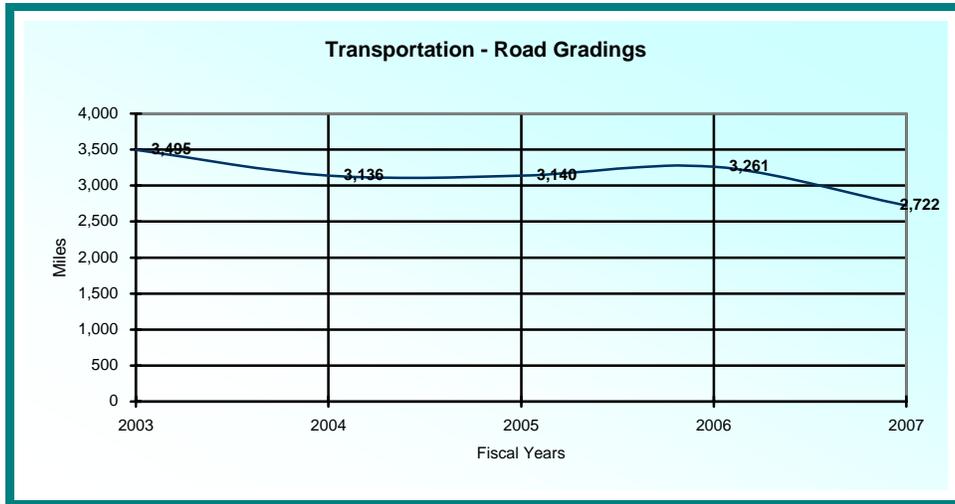


Figure E.3

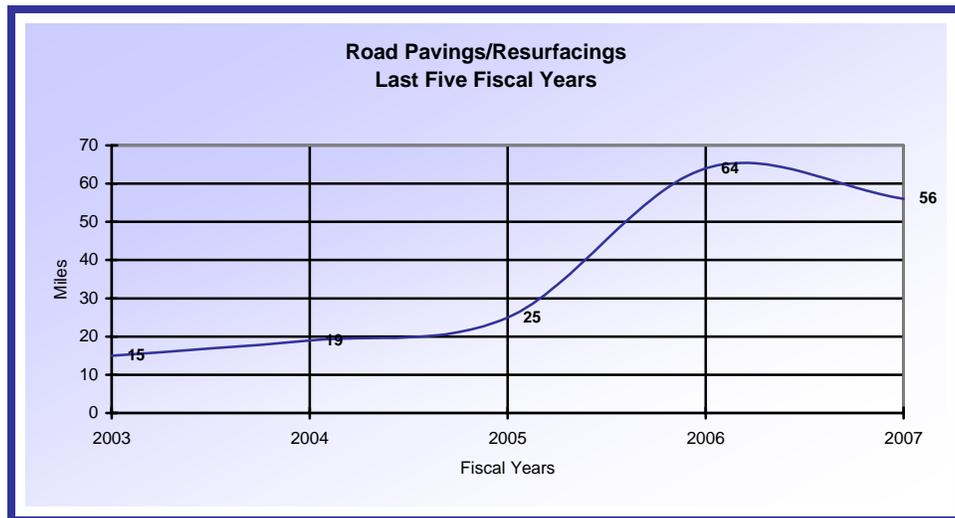


Figure E.4

Notes:

Refer to page S-30; See Transportation/Public Works for details.

The additional \$.01 surtax, approved by voters September 10, 2002 and that commenced January 1, 2003, has contributed to a number of improvements within the county, among which are road paving and resurfacing projects.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY, FLORIDA**

**OPERATING INDICATORS
LAST FIVE FISCAL YEARS**

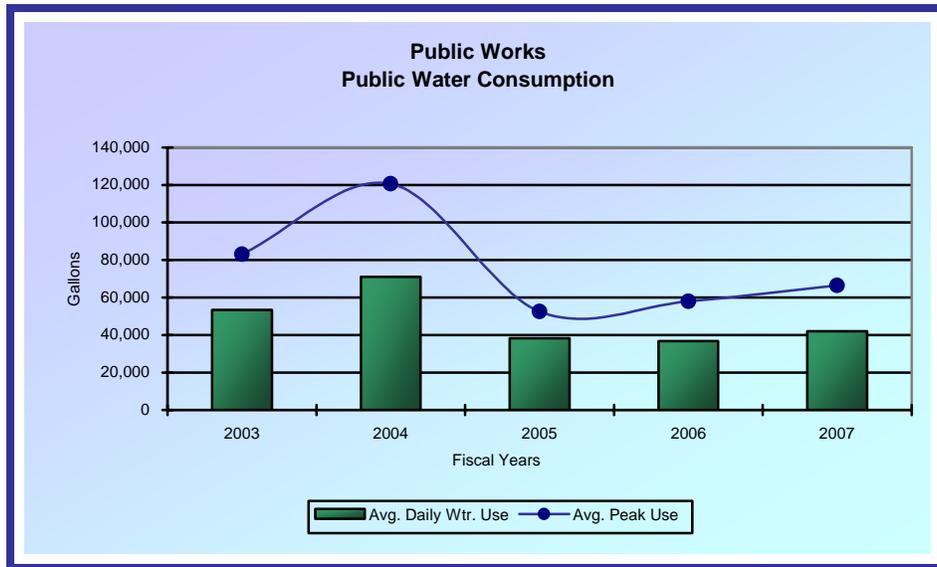


Figure E.5

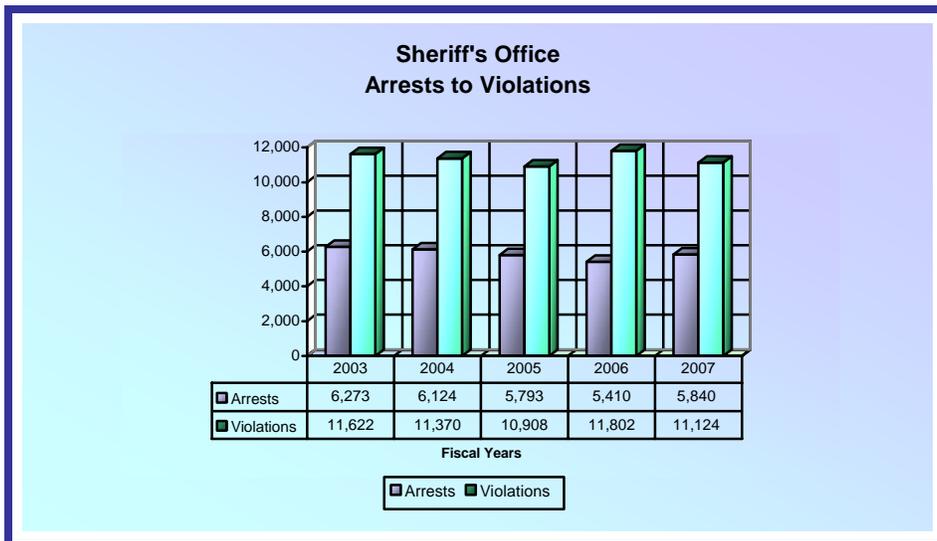


Figure E.6

Notes:

Details for the above graphs may be found on page S-30 under the categories of Public Safety – Sheriff’s Office and Transportation/Public Works.

During the past five fiscal years, peak water usage has ranged from a low of 37.4% to a high of 69.9% increase over the average daily water consumption, with an overall average increase of 57.6%. Exceptional increases appear to be attributable to occasional mechanical failures in the system.

Sheriff’s Office – Over the past five fiscal years an average of 51.8% of all violations resulted in arrests.

**BOARD OF COUNTY COMMISSIONERS
PUTNAM COUNTY**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS**

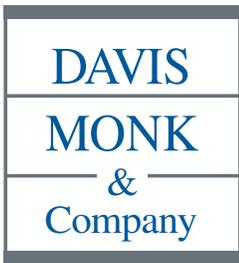
Fiscal Year Ending September 30 -----					
Function/Program	2003	2004	2005	2006	2007
Supervisor of Elections					
Voting Machines	57	79	99	140	140
Court-Related					
Courtrooms	3	3	3	3	3
Library					
Library Branches	5	5	5	5	5
Parks & Recreation					
Acreage	176	209	212	218	218
Parks	7	7	7	7	7
Baseball/Softball Diamonds	22	23	23	23	23
Football/Soccer Fields	3	4	5	5	5
Community Centers	0	0	1	2	2
Emergency Medical Services					
Ambulances	9	11	14	16	12
Fire Department					
Fire Stations	18	18	18	18	18
Fire Trucks	51	53	56	58	56
Sheriff's Office					
Patrol Units	72	72	70	70	70
Public Works/Transportation					
Paved Roads (miles)	465	469 (1)	482 (1)	464 (1)	484
Unpaved Roads (miles)	1,210	1,198 (1)	1,168 (1)	1,180 (1)	1,160
Sanitation					
Landfill Capacity Available (tons)	579,727	650,883 (2)	479,233 (3)	277,208 (3)	179,757
Collection Centers	3	3	3	3	3

Notes:

- (1) Unusual fluctuations in road mileage are deemed to have resulted from ongoing verifications of mileage and ownership.
- (2) Engineering reports for fiscal year ending 2004 reflected an increase in available landfill capacity. This is due to the acquisition of a new compactor.
- (3) Around July 2005, total available landfill capacity started to decrease by the closure of a County owned Class III construction and demolition (C & D), landfill. Additionally, in late December 2005, it became necessary for the County to receive new accounts for C & D wastes, as an independent C & D landfill closed.

COMPLIANCE SECTION

**ADDITIONAL ELEMENTS REQUIRED
BY THE RULES OF THE AUDITOR GENERAL**



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Management Letter

The Honorable County Commissioners
Putnam County, Florida

We have audited the financial statements of Putnam County, Florida (the "County"), as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated March 15, 2008. We have also issued our report on internal control over financial reporting and on compliance and other matters. That report should be considered in conjunction with this management letter.

We conducted our audit 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 U.S. Office of Management and Budget Circular A-133. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding audit. In that regard, there were no prior audit findings.

Financial Condition

As required by the Rules of the Auditor General, the scope of our audit included a review of the provisions of Section 218.503, Florida Statutes, "Determination of Financial Emergency." In connection with our audit, we determined that the County has not met one or more of the conditions described in Section 218.503(1), Florida Statutes.

Also, as required by the Rules of the Auditor General, we applied financial condition assessment procedures, as of the end of the fiscal year, pursuant to Rule 10.556(8). It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by management. The application of such procedures did not reveal evidence of "deteriorating financial condition" as that term is defined in Rule 10.554.

Members:

CPAmerica International

Florida Institute of
Certified Public Accountants

American Institute of
Certified Public Accountants

Horwath International

Annual Financial Report

As required by the Rules of the Auditor General, we determined that the annual financial report for the fiscal year ended September 30, 2007, filed with the Department of Financial Services pursuant to Section 218.32, Florida Statutes, is in substantial agreement with the audit report for the fiscal year ended September 30, 2007.

Investment of Public Funds

As required by the Rules of the Auditor General, the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. Our audit did not reveal any noncompliance with the provisions of Section 218.415, Florida Statutes.

Other Matters

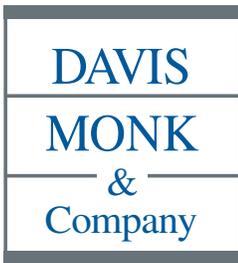
As required by the Rules of the Auditor General, we performed separate audits of each of the County's constitutional officers. The comments included in those separately-issued reports should be considered in conjunction with this management letter.

This management letter is intended solely for the information and use of the Board of County Commissioners and management, and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Davis, Hunk, & Company

March 15, 2008
Palatka, Florida



Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

The Honorable County Commissioners
Putnam County, Florida

Certified Public Accountants
& Business Consultants

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We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Putnam County, Florida (the "County"), as of and for the year ended September 30, 2007, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 15, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance and Other Matters

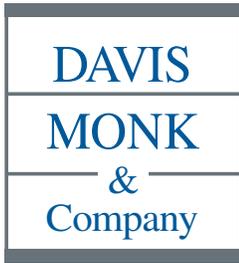
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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*. However, we did note an immaterial instance of noncompliance which is described in the accompanying schedule of findings as item 07-1.

The County's response to the finding identified in our audit is described in the accompanying letter. We did not audit the County's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of County Commissioners and management, and appropriate oversight agencies and is not intended to be and should not be used by anyone other than these specified parties.

Davis, Wolk, & Company

March 15, 2008
Palatka, Florida



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**Report on Compliance and on Internal Control Over Compliance
Applicable to Each Major Federal Awards Program and State
Financial Assistance Project**

The Honorable County Commissioners
Putnam County, Florida

Compliance

We have audited the compliance of Putnam County, Florida (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, and the requirements described in the State Projects Compliance Supplement, that are applicable to each of its major federal programs and state projects for the year ended September 30, 2007. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and state projects is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General, 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 or state project occurred. An audit includes examining, on a test basis, evidence about the 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. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state projects for the year ended September 30, 2007.

Members:

CPAmerica International

Florida Institute of
Certified Public Accountants

American Institute of
Certified Public Accountants

Horwath International

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 the County's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program or state project such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program or state project that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of County Commissioners and management, and appropriate oversight agencies and is not intended to be and should not be used by anyone other than these specified parties.

Davis, Blank, & Company

March 15, 2008
Palatka, Florida

Putnam County, Florida
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2007

SECTION I – SUMMARY OF AUDITORS' RESULTS

- (i) The independent auditors' report on the financial statements expressed an unqualified opinion.
- (ii) The audit did not disclose significant deficiencies in internal control over financial reporting.
- (iii) The audit did not disclose noncompliance considered material to the financial statements.
- (iv) The audit did not disclose significant deficiencies in internal control over major federal programs and state projects.
- (v) The auditors' report on compliance for the major federal award programs and state projects expressed an unqualified opinion.
- (vi) The audit did not disclose findings relative to the major federal programs and state projects.
- (vii) The County's major federal program and state projects were:

<u>Federal Programs</u>	<u>Federal CFDA Number</u>
Community Development Block Grant	14.228
Highway Planning and Construction	20.205
Hazard Mitigation	97.039
<u>State Projects</u>	<u>State CSFA Number</u>
Public Library Construction Program	45.020
State Housing Initiatives Program	52.901
Small County Outreach Program	55.009

- (viii) A threshold of \$300,000 was used to distinguish between Type A and Type B programs for federal programs and for state projects.
- (ix) The County qualifies as a low-risk auditee as that term is defined in OMB Circular A-133.

Putnam County, Florida
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2007

SECTION II – FINANCIAL STATEMENT FINDINGS

07-1 Condition – Pursuant to Section 129.01(2)(c)1, Florida Statutes, “a reserve for contingencies may be provided in a sum not to exceed 10% of the total of the budget.” Reserves for contingencies for four funds were in excess of this amount.

Recommendation – We encourage management to incorporate this statutory provision in its oversight and monitoring of the budget.

SECTION III – FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS

There were no findings relating to the major federal programs.

SECTION IV – FINDINGS AND QUESTIONED COSTS – STATE PROJECTS

There were no findings relating to the major state projects.

**Putnam County, Florida
Summary Schedule of Prior Audit Findings
(Relative to Federal Programs and State Projects)
For the Year Ended September 30, 2007**

There were no findings relative to Federal or State awards included in the Schedule of Findings and Questioned Costs for the year ended September 30, 2006.



PUTNAM COUNTY

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BOARD OF COUNTY COMMISSIONERS

NANCY S. HARRIS
DISTRICT 1

CHIP LAIBL
DISTRICT 2

HERMON L. SOMERS, JR.
DISTRICT 3

ED TAYLOR
DISTRICT 4

BRAD PURCELL
DISTRICT 5

March 15, 2007

The Honorable David W. Martin
Florida Auditor General
P. O. Box 1735
Tallahassee, FL 32302

**SUBJECT: CORRECTIVE ACTION PLAN FOR CURRENT AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007
PUTNAM COUNTY BOARD OF COUNTY COMMISSIONERS**

Dear Mr. Martin:

In accordance with Section 218.39 (8), Florida Statutes, the following statement is submitted in response to the Putnam County Board of County Commissioners Audit Report for the fiscal year ending September 30, 2007. The response is keyed to the numbering of the Schedule of Findings:

07-1 Management has implemented procedures to ensure that budgets subsequent to the 2008 fiscal year will be in compliance with Florida budget laws.

Sincerely,

A handwritten signature in cursive script that reads "Hermon L. Somers, Jr.".

Hermon L. Somers, Jr.
Chairman, Board of County Commissioners

PUTNAM COUNTY

GENERAL INFORMATION

PUTNAM COUNTY, encompassing some 827 square miles, is located in Northeast Florida between Gainesville to the west and Jacksonville to the northeast. The County was founded in January 1849 and the County Seat established at Palatka in January 1853. Palatka, on the St. Johns River, was a major water transportation and commerce center until a fire in 1884 destroyed a majority of the downtown/river front area. Today, the river is primarily used for recreational boating and fishing, as are the numerous large and small lakes located throughout the County.

Putnam County is a rural county, with a 2000 census population of 70,423. Current estimates put this number at 75,149. The County is growing relatively slowly, and that trend is expected to continue for the foreseeable future.

As testimony to its rural nature, approximately 80% of the population continues to live outside of the five incorporated areas. Fire protection (except for the City of Palatka) is provided by Volunteer Fire Departments. Of the 1,644 miles of roads in the County, nearly 71% remain unpaved.

The County is governed by an elected board of five (5) Commissioners, with other elected officials – Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections – 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.

The largest taxpayer in the County is Seminole Electric Cooperative Inc., an electric power generation plant, contributing approximately 6.8% of total ad valorem taxes, down from 8.7% in the prior year. The top ten taxpayers, including Seminole, contribute 23% of County ad valorem taxes. Ten years ago, this number was closer to 42%.

The Putnam County School District, with approximately 1,450 employees, is the single largest employer in the County. Georgia-Pacific Corporation, a wood pulp/paper products producer, is second with approximately 1,150 employees. The top ten employers, six commercial/industrial and four government, employ a total of approximately 6,453 employees, or about 9% of the total population and almost 21% of total county employment.