

PUTNAM COUNTY BOARD OF COMMISSIONERS

2015 POPULAR ANNUAL FINANCIAL REPORT

Fiscal Year ended September 30, 2015



About This Report

On behalf of Putnam County Board of Commissioners, we are pleased to present our first Popular Annual Financial Report (PAFR) for the fiscal year ended September 30, 2015. Putnam County runs its budget on a “fiscal year,” rather than a calendar year. The purpose of this Popular Annual Financial Report is to summarize information about the County’s financial activities. It is intended to give readers an overview of the County and its finances. It does not include information on all of the County’s Funds or Components Units.

As part of the county’s commitment to be transparent to its citizens, the Popular Annual Financial Report (PAFR) will provide an overview of the county’s organizational structure, services offered to its citizens, and financial state. The information in this report is extracted from the County’s CAFR.

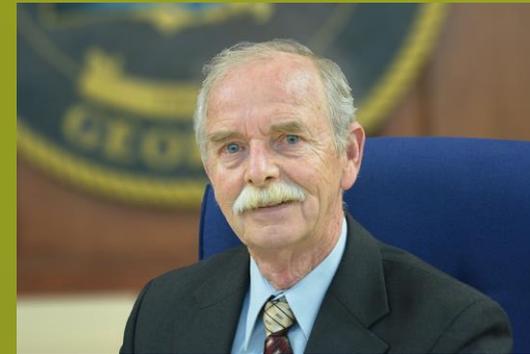
The CAFR and PAFR are both available online at:
<http://www.putnamcountygga.us/departments/financial-administrations/>

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Board of Commissioners



Stephen J. Hersey
Chairman



Frederick Ward
Commissioner, District 1



Janie B. Reid
Commissioner, District 2



Alan Foster
Commissioner, District 3



Billy Webster
Commissioner, District 4

Message from the County Manager



Paul Van Haute
County Manager

PUTNAM COUNTY BOARD OF COMMISSIONERS



DISTRICT ONE:
FRED WARD

DISTRICT TWO:
JANIE B. REID

CHAIRMAN:
DR. STEPHEN HERSEY

DISTRICT THREE:
ALAN FOSTER

DISTRICT FOUR:
BILLY WEBSTER

To the greatest citizens of the greatest county in Georgia,

On behalf of the Putnam County staff, I am pleased to present our very first Popular Annual Financial Report (PAFR) for the fiscal year ended Sept. 30, 2015. This report is designed to increase awareness throughout our county relative to the financial operations of Putnam County and provide you with the necessary information on how your tax dollars are managed.

The financial information within this report is derived in large part from Putnam County's 2015 independently audited set of financial statements that are prepared in accordance with the Generally Accepted Accounting Principles (GAAP). The aforementioned statements are part of the County's 2015 Comprehensive Annual Financial Report (CAFR). We are proud to say that our efforts regarding the County's CAFR has earned Putnam County's Finance Department the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the past two years.

I am very proud of all that has been accomplished in the past year. The Board of Commissioners and staff strive to provide the highest and best possible services at the least possible cost. There is a lot of positive news in Putnam County and the following are some of the highlights.

Legacy Homes recently acquired the old Horton property and has started production of their single-wide mobile homes. The plant has initially hired 70 employees and will increase to 200 employees at full production. Legacy Homes will be the anchor tenant in the South Industrial Park area and should attract other businesses to the area. The Putnam Development Authority is actively promoting the South Industrial Park to other perspective businesses.

The voters recently approved Special Purpose Local Option Sales Tax (SPLOST)#8. These funds will provide for new fire apparatus, ambulances and sheriff's vehicles. There will also be additional funding available for road improvements. This SPLOST program will only be in effect for three years while the T-SPLOST and regional SPLOST programs are voted on by the eleven county region.

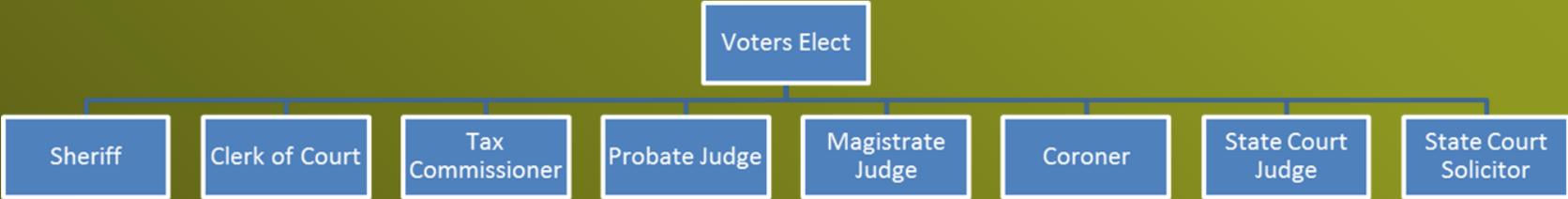
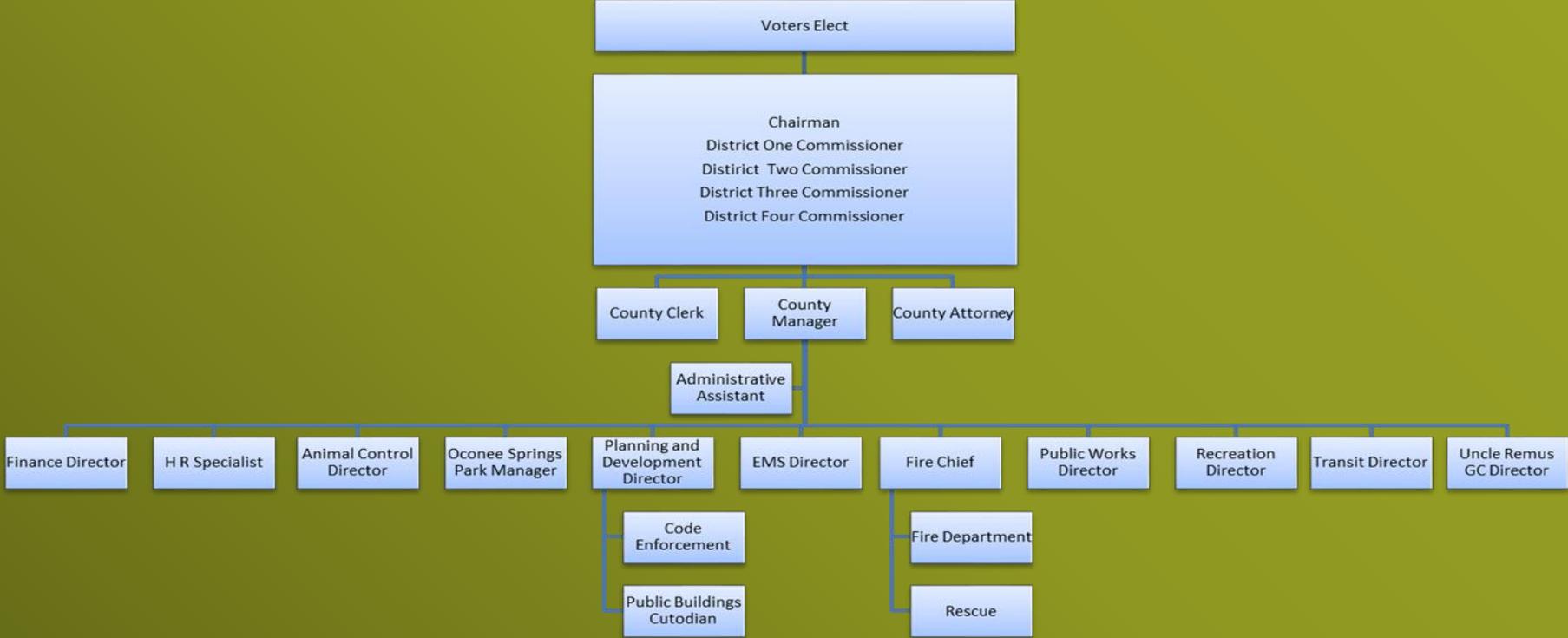
There has also been a concerted effort to improve the infrastructure in the county. The Board of Commissioners recently completed a five-mile-long water main project that will open up development on Highway 441. This improvement will also benefit the high school and Technology Park areas too.

There is much more happening in Putnam County and we are looking forward to sharing those successes with you in the months and years to come. Your Commissioners, and staff and I thank you for your continued trust and faith in us. We are proud to report to you that as the economy continues to improve, so will Putnam County.

Sincerely,


Paul Van Haute
County Manager

COUNTY ORGANIZATION STRUCTURE



Putnam County Mission and History

- “The mission of Putnam County government is to provide courteous, responsive, innovative and cost effective services.”
- P – Properly administer the affairs of Putnam County;
- U – Understand we must maintain a high level of professionalism;
- T – Transparency will be paramount without exception;
- N – Nonpartisanship with the understanding that all voices must be heard;
- A – Actively promote public confidence in county government;
- M – Maintain a positive image.

A BRIEF HISTORY OF PUTNAM COUNTY

- Eatonton was founded as the seat of Putnam County in 1808 and was incorporated the following year.
- Putnam County is the birthplace of Joel Chandler Harris (1848). Joel Chandler Harris created the world famous “Uncle Remus” folklore tales. These folklore tales were his most famous masterpieces. Who can forget those wonderful characters like Br’er Rabbit and Br’er Fox.
- 1983 Pulitzer Prize winning author Alice Walker, was also born in Putnam County. Her novel “The Color Purple” was later made into a hit movie starring Whoopi Goldberg and Oprah Winfrey.
- Another famous person who originated from Putnam County is S. Truett Cathy. Truett Cathy was the Founder, Chairman and CEO of Chick-fil-a, Inc. Truett Cathy opened his first Chick-fil-a restaurant in 1967 and now there are approximately 975 restaurants.
- World famous athlete and Eatonton native, Vincent Hancock is an American shooter and Olympic athlete who won the gold medal in the men’s skeet at the 2008 Summer Olympics in Beijing and 2012 Summer Olympics in London. He is the first skeet shooter to repeat as the Olympic champion. In 2005, at age of 16, Hancock won his first World Championship title in men’s skeet and went on to win the prestigious International Shooting Sport Federation’s Shooter of the Year award. Hancock also won World Championships in 2009.
- Putnam County is home to Rock Eagle 4-H Center. The Rock Eagle Mound is 102 feet long and 120 feet wide. The mound is believed to have been built by Native Americans over 2,000 years ago. The mound was listed on the National Register of Historic Places in 1978.



Outstanding Achievement Obtained by The Department of Finance



Putnam County has won the Award for Outstanding Achievement in Financial Reporting for two consecutive years



The Department of Finance mission is to provide leading practice financial management services and leadership to achieve the Putnam County goals and objectives. The Department of Finance serves as a strategic business partner to provide excellent service to internal and external customers, deliver a clear and concise picture of the County's current and future financial position and promote actions to achieve County's priorities.

The Comprehensive Annual Financial Report (CAFR), one of the supporting documents for this report, is also award winning, Putnam County has earned the GFOA's Certificate of Achievement for Excellence in Financial Reporting for two consecutive years.

Department Overviews

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Putnam County Fire Rescue

“Always Ready, Proud to Serve”

The mission of Putnam County Fire Rescue is to protect all citizens from injury and loss by any direct or indirect threats to life and property by providing fire suppression, rescue operations, fire prevention education and emergency medical first-responder services. Putnam County Fire Rescue is committed to partnering with the community, serving as role-models, and utilizing its resources effectively and efficiently to provide exemplary service to the residents, businesses and visitors of Putnam County.

- ❖ The department responded to a total of 22,364 emergency calls. The breakdown is as follows:
- ❖ 893 response requests, 68 motor vehicle accidents, 474 medical assists, 23 working structure fires, 60 false alarms, 27 brush fires, and 241 other hazards.



At Putnam County Fire Rescue, we strive to deliver comprehensive emergency services to the residents and visitors of Putnam County.

Putnam County Transit

The Putnam County Public Transit System promotes and assists in providing for the improved mobility of its citizens. We are dedicated to the efficient and economical operation of transportation resources serving the citizens of Putnam County. We strive to dedicate our service to the special needs of elderly and disabled citizens.

Putnam County Transit provides curb-to-curb service based on a first-come first-served reservation system Monday – Friday, 8 a.m. to 4 p.m. The fare is \$2.00 per passenger per one-way trip. In FY 2015 the Transit Department provided 24,238 trips for citizens attending education, employment, social, medical or shopping activities. Approximately 9,000 of those trips were provided for shopping/personal and more than 7,600 for elderly citizens.



Putnam County Public Works

The Public Works Department is responsible for the repair & upkeep of the county's approximately 436 miles of paved and 62 miles of unpaved roadways. Other responsibilities include mowing the right-of-ways, upkeep of road signs, pot hole patching, pipe replacement (not driveway pipe) grading, adding gravel and cleaning ditch lines of dirt roads. The Public Works Department also clears fallen trees or debris from the roadways and cleans ice & snow from roads if necessary during the winter and employs mechanics that maintain all county machinery equipment and fleet vehicles.

The county has 11 Recycling Locations!!



Putnam County Planning & Development

Putnam County Planning & Development provides a wide range of services to the public from issuing residential and commercial building permits, reviewing residential subdivision requests, processing zoning applications to enforcing the solid waste and scrap tire ordinance (chapter 50) and the environmental ordinance (chapter 30).

Zoning Administration

The Zoning division is responsible for the processing of rezoning, variance, conditional use, preliminary and final plat applications and development site plans.

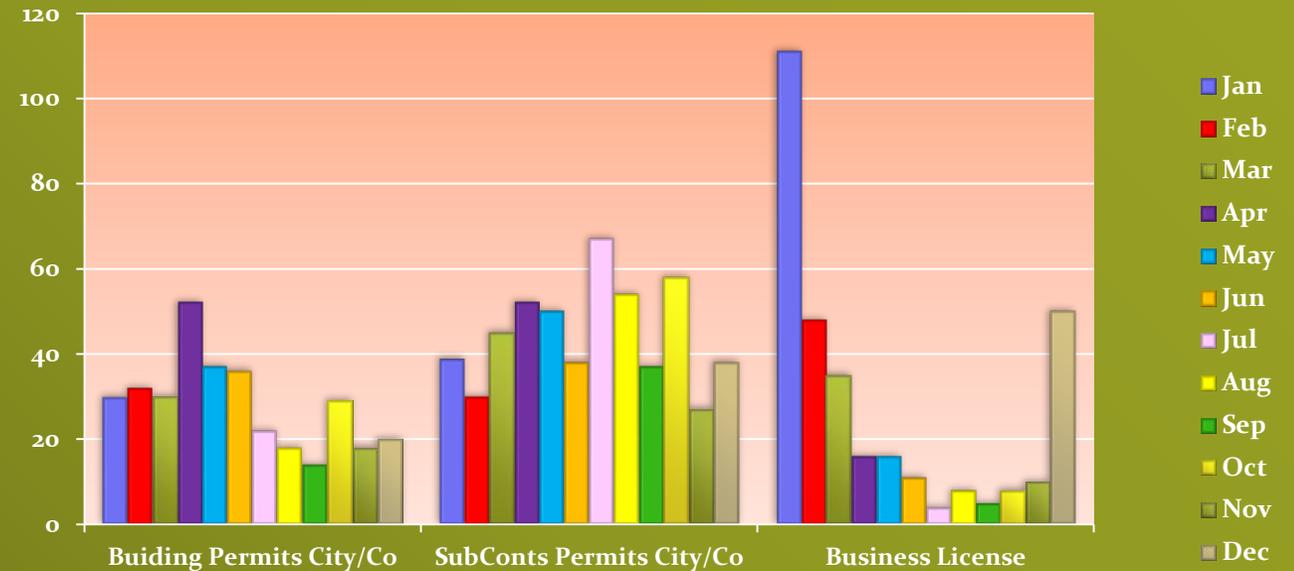
Code Enforcement

The Code Enforcement division is responsible for the enforcement of the Putnam County Code of Ordinances, Chapter 66 (Zoning), Chapter 50 (Solid Waste and Scrap Tire).

Permitting

The Permitting division issues permits for residential and commercial construction, signage, pools, logging/timber, special events and other uses.

Snapshot of 2015 Services



Putnam County Animal Services

The purpose of Animal Services is to answer the needs of the citizens of Putnam County and its animal population. Our daily goals are to protect the health and safety of the public, enforce state and local laws concerning animal protection, and to promote responsible pet ownership. We accommodate the needs of both people and animals by controlling, housing, and caring for the stray, lost, healthy, and injured animals, and by isolating biting, diseased, and potentially dangerous animals. We achieve our goals by collaborating with federal, state, and local law enforcement agencies, public health and human resource departments, emergency management personnel, veterinary clinics, and various non-profit organizations. Through educating, enforcing, and encouraging proper animal care, humane treatment, and an overall respect of living things, our goals are accomplished.

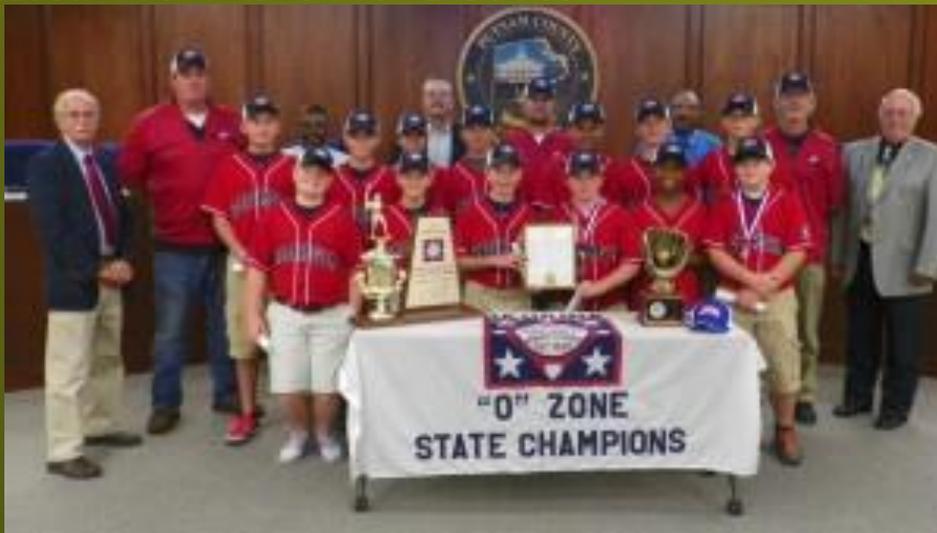


In fiscal year 2015, Putnam County Animal Services was awarded two Certificate of Appreciation plaques from the United States Department of Agriculture. The certificates were for “outstanding support” to the National Detector Dog Training Center for the allocation of two dogs, “Fresco” and “Festus.”

Putnam County Recreation Department

In partnership with our citizens, Putnam County Recreation Department provides high-quality, broad-based facilities, programs and services; creating a sense of community, enabling a safe and secure environment, and enhancing Putnam's quality of life.

At the August 18, 2015 Board of Commissioners meeting, the Commissioners presented a proclamation commending and congratulating the 2015 Putnam County/Georgia 11-12 Baseball All-Star Team for their outstanding achievement. The team finished first place in the District Championship, first place in the State Championship, and third place in the 2015 Dixie Youth Baseball "O" Zone World Series.



Emergency Medical Services

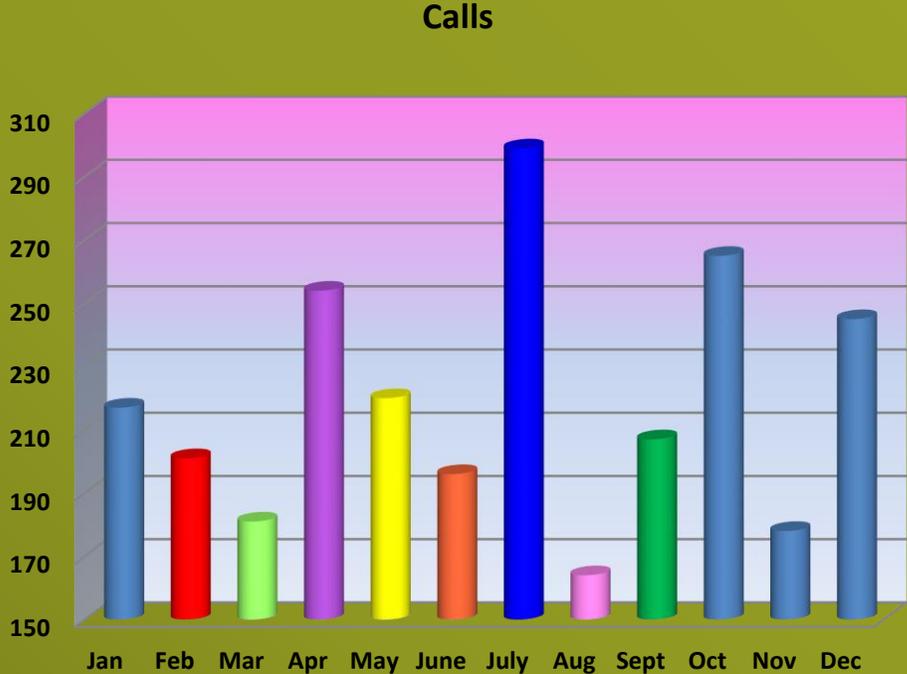
We're Here...Because We Care



The Putnam County Ambulance Service is a 24 hour staffed team of skilled healthcare workers with a mission to save lives, provide medical service and transportation in a prompt, safe and professional manner.



Putnam County Emergency Services responded to over 2600 call during 2015.



Economic Outlook



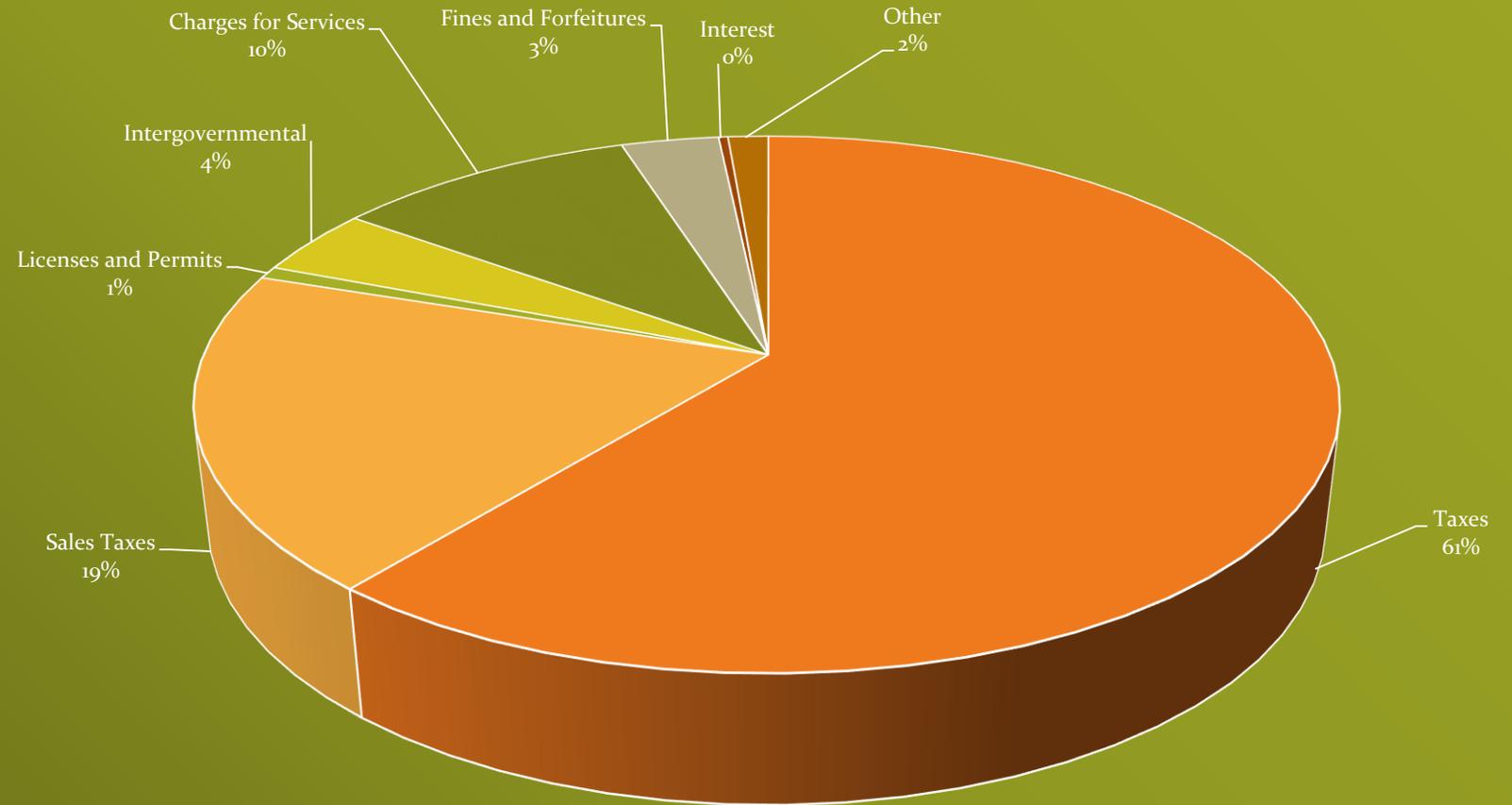
There were dramatic changes taking place this year regarding the fiscal year 2015 budget. The downturn in the economy necessitated these changes. During 2016, the Board of Commissioners committed to improve and expand the water and sewer systems in the county. Another major project affecting the local economy is the construction expansion of Cuscowilla Resort and Golf Course Community on Lake Oconee. Legacy Homes, LLC headquartered in Texas recently acquired the old Horton property in order to begin the manufacturing of mobile homes. Legacy Homes will employ upwards of 200 people in their first year of operation. Putnam County is in a sound position moving forward, in large part due to the visionary leadership of the Putnam County Board of Commissioners.



Putnam County's capital improvement program continues strong due to the seventh Special Purpose Local Option sales Tax (SPLOST) effective October 2011 with a budget of \$16.5 million allocated to the County and \$6 million to the City. The voters recently approved SPLOST #8 that will start in October 2016 and continue to fund the capital improvement program. This new SPLOST will purchase sheriff's vehicles, ambulances, fire apparatus, ground improvements and reduce debt on the recently completed infrastructure project.

Composition of Revenues

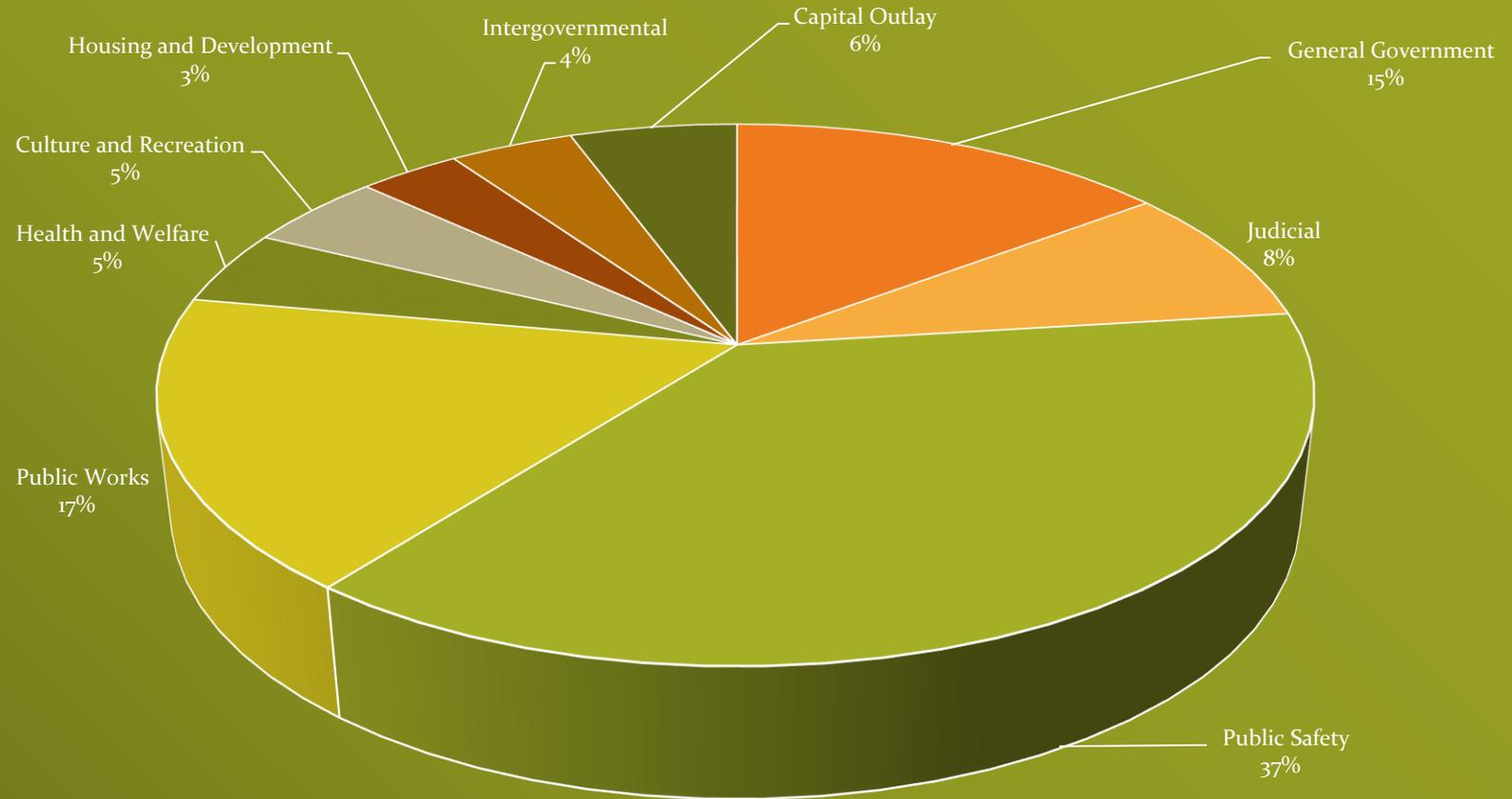
Total General Fund revenues for the fiscal year, which ended September 30th, 2015 were \$16,567,331. Revenues for the prior year were \$16,921,997.



Taxes comprise the vast majority of the general fund revenues at 80% of the total. Property taxes are the largest funding source at about 61% of total revenue. Licenses, permits and other charges for services make up about 11% and fines and forfeitures represent about 3% of total general fund revenue.

Composition of Expenditures

Total Expenditures for the fiscal year, which ended September 30th, 2015 were \$17,908,900. Expenditures for the prior year were \$ 20,563,990.



37% of the general fund expenditures are for public safety functions including fire, and EMS. Public Works at 20% and Culture and Recreation have remained consistent at about 5% of the general fund expenditures. However, by year-end General Fund expenditures were \$17.9 million, \$78,235 below the final amended budget.

The County's financial activities in total are made up of three broad classifications: governmental, business-type activities and component units. Governmental activities include all primary governmental functions like public works, recreation and general government. Blended component units are combined into the governmental activities.

Net position may serve over time as a useful indicator of a government's financial position. For the County, assets exceeded liabilities by \$37.9 million, which is a decrease of \$3.0 million or 7.4 percent from fiscal year 2014.

Statement of Net Position as of September 30, 2015

Putnam County's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	\$ 12,142,908	\$ 12,582,957	\$ 970,005	\$ 980,156	\$13,112,913	\$13,563,113
Capital Assets	29,473,250	29,369,657	206,964	276,714	29,680,214	29,646,371
Total Assets	41,616,158	41,952,614	1,176,969	1,256,870	42,793,127	43,209,484
Deferred Outflows of Resources	69,491	-	-	-	69,491	-
Other Liabilities	4,021,117	1,328,732	40,965	43,784	4,062,082	1,372,516
Long-Term Liabilities Outstanding	180,302	158,679	730,157	757,072	910,459	915,751
Total Liabilities	4,201,419	1,487,411	771,122	800,856	4,972,541	2,288,267
Net Position						
Investment in Capital Assets	29,366,804	29,369,657	296,060	276,714	29,662,864	29,646,371
Restricted	6,294,792	7,336,913	-	-	6,294,792	7,336,913
Unrestricted	1,822,634	3,758,633	109,787	179,300	1,932,421	3,937,933
Total Net Position	\$ 37,484,230	\$ 40,465,203	\$ 405,847	\$ 456,014	\$37,890,077	\$40,921,217

There are two main sources of revenue for the County, Program Revenues and General Revenues. Program Revenue is the County's main source of funding (inflow of assets) and is made up mostly of charges for services (both governmental and business-type activities), but also includes operating and capital grants (state or federal). General Revenue which includes property and sales taxes is the primary form of funding for governmental funds. Governmental and business-type activities decreased the County's net position before transfer by \$360,719 for the year ended September 30, 2015.

The following table provided a comparison for the changes in net position in governmental and business type activities for the fiscal years ended September 30, 2015 and 2014.

Statement of Changes in Net Position as of September 30, 2015

Putnam County's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$ 2,970,518	\$ 3,096,195	\$ 358,511	\$ 515,898	\$ 3,329,029	\$ 3,612,093
Operating Grants and Contributions	259,454	639,673	-	-	259,454	639,673
Capital Grants and Contributions	419,467	682,020	-	36,199	419,467	718,219
General Revenues						
Taxes	16,258,442	16,972,342	-	-	16,258,442	16,972,342
Other	355,092	176,185	5,663	5,801	360,755	181,986
Total Revenues	20,262,973	21,566,415	364,174	557,898	20,627,147	22,124,313
Expenses						
General Government	3,973,508	4,163,258	-	-	3,973,508	4,163,258
Judicial	1,755,380	1,719,509	-	-	1,755,380	1,719,509
Public Safety	8,097,355	8,244,500	-	-	8,097,355	8,244,500
Public Works	3,926,292	4,351,024	-	-	3,926,292	4,351,024
Health and Welfare	1,172,432	965,594	-	-	1,172,432	965,594
Culture and Recreation	1,022,665	686,915	-	-	1,022,665	686,915
Housing and Development	645,295	545,862	-	-	645,295	545,862
Interest on Long-Term Debt	-	50,381	-	-	-	50,381
Uncle Remus Golf Course	-	-	-	189,497	-	189,497
Oconee Springs Park	-	-	371,807	363,205	371,807	363,205
Solid Waste	-	-	23,132	5,326	23,132	5,326
Total Expenses	20,592,927	20,727,043	394,939	558,028	20,987,866	21,285,071
Change in Net Position Before Transfers	(329,954)	839,372	(30,765)	(130)	(360,719)	839,242
Transfers	19,402	(23,740)	(19,402)	23,740	-	-
Increase (Decrease) in Net Position	(310,552)	815,632	(50,167)	23,610	(360,719)	839,242
Net Position, Beginning	40,465,203	39,649,572	456,014	432,403	40,921,217	40,081,975
Cumulative Effect of Change in Accounting Principle	(2,670,421)	-	-	-	(2,670,421)	-
Net Position, Ending	\$ 37,484,230	\$ 40,465,204	\$ 405,847	\$ 456,013	\$ 37,890,077	\$ 40,921,217

Financial Review of Fiscal Year 2015

Where the money came from...	FY 2015
<i>Revenues:</i>	
Property Taxes	\$ 12,177,259
Sales Taxes	1,434,542
Charges for Services	1,760,021
Licenses and Permits	151,113
Intergovernmental	249,859
Fines and Forfeitures	463,800
Interest	56,526
Other General Revenue	274,211
Total Revenue	<u>16,567,331</u>
<i>Expenditures:</i>	
Where the money went ...	FY 2015
General Government	\$ 3,051,741
Judicial	1,542,162
Public Safety	7,251,523
Public Works	3,604,689
Housing and Development	582,379
Health and Welfare	922,260
Culture and Recreation	954,146
Total Expenditures:	<u>17,908,900</u>
Excess (Deficiency) of Revenue over (under Expenditures)	<u>(1,341,569)</u>
Other Financing Sources (Uses):	90,000
Transfer In	
Transfer Out	<u>(37,132)</u>
Total Other Financing Sources (Uses)	<u>52,868</u>
Net Change in Fund Balances	(1,288,701)
Fund Balances, Beginning	9,299,440
Fund Balances, Ending	8,010,739

The Financial Review section is designed to provide information on the financial health and stability of Putnam County. This information should provide the reader with an increased level of understanding of how available resources are utilized to provide services.

The financial information presented here represents the Governmental Funds. The General Fund is the County's primary operating fund.

The following chart summarizes the County's largest sources of revenues ("Where the Money Came From") and expenses ("Where the Money Went") for the government as a whole.

Sources: Putnam County, Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2015

Glossary of Terms

Assets: Items of ownership. Assets can include cash, stock, land, buildings, machinery, furniture, and other equipment. There are several categories of Assets:

- **Capital Assets:** Assets of a long-term character (beyond the current year) that are intended to continue to be held or used, such as land, buildings, vehicles, machinery, furniture, and other equipment.
- **Net Position:** The difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.
- **Restricted Assets:** Assets that may not be used for normal operating purposes because of the requirements of regulatory authorities, provisions in bond contracts, or other legal agreements, but do not have to be accounted for in a separate fund.
- **Unrestricted Assets:** Funds established to account for assets or resources that may be utilized at the discretion of the Board of Commissioners.

Expenditures: Government purchases which can be financed by revenue and/or government borrowing, ie. bonds, tax anticipation notes, etc.

Fund Balance: The portion of fund revenue over expenditures available for use.

General Fund: A fund used to account for the ordinary operations of the County government that are financed from taxes and other general revenue.

Liabilities: Future spending of revenue as a result of past transactions and other past events. Liabilities are reported on a balance sheet and are divided into two categories:

- **Current Liabilities:** These liabilities are reasonably expected to be liquidated within a year. They usually include payables such as wages, accounts, taxes, and accounts payable, unearned revenue when adjusting entries, portions of long-term bonds to be paid this year, short-term obligations, and others.
- **Long-term Liabilities:** These liabilities are reasonably expected not to be liquidated within a year. They usually include long-term bonds, notes payable, long-term leases, pension obligations, and long-term product warranties. In these liabilities, the County has to pay after a fixed period of time, usually longer than a year.

Revenue: Financial resources other than from interfund transfers and debt issue proceeds. Putnam County receives Revenue through property taxes, sales and other taxes, licenses and permits, grants, fines and forfeitures, charges for service, administration fees, investment income, and miscellaneous sources.