

CITY OF BRISTOL, FLORIDA
AUDITED FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

**CITY OF BRISTOL, FLORIDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the City Members of
City of Bristol, Florida:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the City of Bristol, Florida (the "City"), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, and each major fund of the City as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT *(Concluded)*

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 20, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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* in considering the City's internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
June 20, 2022
Tallahassee, Florida

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

As management of the City of Bristol, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021.

FINANCIAL HIGHLIGHTS

The assets of the City, as reported in the government-wide financial statements, exceeded the liabilities as of September 30, 2021, by \$7,663,591 (net position). This amount represents an increase of \$633,095 from the prior year.

The half-cent voted Fire Services Sales Surtax ("Fire Surtax") was assessed in Liberty County beginning January 1, 2018. The City received \$34,885 in Fire Surtax revenue for the fiscal year ending September 30, 2020, and \$49,659 for the fiscal year ending September 30, 2021. The Fire Surtax is restricted for the use of expenses or capital related to providing emergency fire services. In the fiscal year ending September 30, 2020 the City spent \$36,253 of the Fire Surtax received. In the fiscal year ending September 30, 2021 the City spent \$35,045 of the Fire Surtax revenue it received. The restricted fund balance as of September 30, 2021 is \$14,614.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, physical environment, and culture and recreation. The business-type activities of the City include water, wastewater, and garbage operations.

The government-wide financial statements can be found on pages 11-12 of this report.

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike 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.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information present for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

The City maintains one individual governmental fund, the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund, which is considered to be a major fund.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds

The City maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its water, wastewater and garbage operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, wastewater, and garbage operations, which is considered to be a major fund.

The basic proprietary fund financial statements can be found on pages 17-19 of this report.

Notes to the Basic 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. The notes to the financial statements can be found on pages 20-38 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary information and pension liability. Required information can be found on pages 39-43 of this report.

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$7,663,591 at the close of the most recent fiscal year.

A large portion of the City's net position (95.17%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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.

CITY OF BRISTOL, FLORIDA'S NET POSITION

	2021		
	Governmental Activities	Business-type Activities	Total
Current and Other assets	\$ 690,034	\$ 553,282	\$ 1,243,316
Capital assets	2,177,851	7,836,727	10,014,578
Total assets	2,867,885	8,390,009	11,257,894
Deferred outflows	39,029	44,777	83,806
Long-term liabilities outstanding	181,846	2,539,000	2,720,846
Other liabilities	351,714	129,993	481,707
Net pension liabilities	67,932	78,341	146,273
Total liabilities	601,492	2,747,334	3,348,826
Deferred inflows	151,778	177,505	329,283
Net position:			
Net investment in capital assets	1,996,005	5,297,727	7,293,732
Restricted	79,186	286,212	365,398
Unrestricted	78,453	(73,992)	4,461
Total net position	\$ 2,153,644	\$ 5,509,947	\$ 7,663,591

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

CITY OF BRISTOL, FLORIDA'S NET POSITION

	2020		
	Governmental Activities	Business-type Activities	Total
Current and Other assets	\$ 607,401	\$ 657,812	\$ 1,265,213
Capital assets	2,024,666	7,662,002	9,686,668
Total assets	2,632,067	8,319,814	10,951,881
Deferred outflows	67,045	76,918	143,963
Long-term liabilities outstanding	349,286	2,539,000	2,888,286
Other liabilities	156,796	425,561	582,357
Net pension liabilities	228,111	263,063	491,174
Total liabilities	734,193	3,227,624	3,961,817
Deferred inflows	47,721	55,810	103,531
Net position:			
Net investment in capital assets	1,613,995	4,911,165	6,525,160
Restricted	117,058	281,447	398,505
Unrestricted	186,144	(79,313)	106,831
Total net position	\$ 1,917,197	\$ 5,113,299	\$ 7,030,496

An additional portion of the City's net position, \$380,012, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental Activities

Governmental activities increased the City's net position by \$236,447 in the most recent fiscal year.

Key elements of this change include additional investments in capital assets and an increase in capital grants.

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

CITY OF BRISTOL, FLORIDA'S CHANGES IN NET POSITION

	2021		
	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for Services	\$ 72,478	\$ 708,556	\$ 781,034
Operating grants and contributions	0	0	0
Capital grants and contributions	251,504	587,806	839,310
General Revenues:			
Taxes, licenses, and permits	287,003	0	287,003
Intergovernmental and other	188,632	370	189,002
Total revenues	799,617	1,296,732	2,096,349
Expenses:			
General Government	337,157	0	337,157
Transportation	114,521	0	114,521
Public Safety	87,558	0	87,558
Physical Environment	16,000	0	16,000
Culture and recreation	900	0	900
Interest on long-term debt	7,034	0	7,034
Business-type activities	0	900,084	900,084
Total expenses	563,170	900,084	1,463,254
Excess (deficiency) of revenues over (under) expenditures	236,447	396,648	633,094
Other financing sources (uses)			
Transfer in	0	0	0
Transfer out	0	0	0
Total other financing sources (uses)	0	0	0
Increase (decrease) in net position	236,447	396,648	633,094
Net position, beginning of year	1,917,197	5,113,299	7,030,496
Net position, end of year	\$ 2,153,644	\$ 5,509,947	\$ 7,633,590

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

CITY OF BRISTOL, FLORIDA'S CHANGES IN NET POSITION

	2020		
	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for Services	\$ 92,969	\$ 699,047	\$ 792,016
Operating grants and contributions	0	0	0
Capital grants and contributions	517,767	327,808	845,575
General Revenues:			
Taxes, licenses, and permits	311,050	0	311,050
Intergovernmental and other	205,255	5,396	210,651
Total revenues	<u>1,127,041</u>	<u>1,032,251</u>	<u>2,159,292</u>
Expenses:			
General Government	331,533	0	331,533
Transportation	110,219	0	110,219
Public Safety	19,281	0	19,281
Physical Environment	16,000	0	16,000
Culture and recreation	700	0	700
Interest on long-term debt	5,288	0	5,288
Business-type activities	0	932,522	932,522
Total expenses	<u>483,021</u>	<u>932,522</u>	<u>1,415,543</u>
Excess (deficiency) of revenues over (under) expenditures	644,020	99,729	743,749
Other financing sources (uses)			
Transfer in	10,000	0	10,000
Transfer out	0	(10,000)	(10,000)
Total other financing sources (uses)	<u>10,000</u>	<u>(10,000)</u>	<u>0</u>
Increase (decrease) in net position	<u>654,020</u>	<u>89,729</u>	<u>743,749</u>
Net position, beginning of year	1,263,177	5,023,570	6,286,747
Net position, end of year	<u>\$ 1,917,197</u>	<u>\$ 5,113,299</u>	<u>\$ 7,030,496</u>

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Business-type Activities

Business-type activities increased the City's net position by \$396,648 in the most recent fiscal year.

They key element of this change is an increase in grant revenues.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental fund reported an ending fund balance of \$2,153,644, an increase of \$236,447 in comparison with the prior year. \$63,839 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The general fund is the chief operating fund of the City.

Proprietary Funds

The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Utility Fund at the end of the year amounted to (\$73,992). The total increase in net position for the fund was \$396,648. Other factors concerning the finances of the fund have already been addressed in the discussion of the City's business-type activities.

GENERAL BUDGETARY HIGHLIGHTS

The City did not amend its budget during the current year. The City underspent the annual budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$7,293,732 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, and roads. The City's investment in capital assets increased \$768,572 in the current year.

Additional information on the City's capital assets can be found in Note 4, on page 28 of this report.

**CITY OF BRISTOL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Long-term Debt

At the end of the current fiscal year, the City had long-term debt outstanding of \$2,748,065.

**City of Bristol, Florida Outstanding Debt,
Capital Improvement and Revenue Bonds**

	Governmental Activities	Business-type Activities	Total
Revenue bonds payable	\$ 0	\$ 2,539,000	\$ 2,539,000
Notes payable	13,200	0	13,200
Lines of credit	168,646	0	168,646
Accrued annual leave	7,484	19,735	27,219
	<u>\$ 189,330</u>	<u>\$ 2,558,735</u>	<u>\$ 2,748,065</u>

Additional information on the City's long-term debt can be found in Note 5 on pages 29-31 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

All of the following factors were considered in preparing the City's budget for the 2021-2022 fiscal year:

- Anticipated receipt of 100% of ad-valorem assessments
- Anticipated intergovernmental revenue based upon revenue accounting estimates calculated by the Florida Department of Revenue's Office of Tax Research
- Balances carried forward from prior year
- Estimated revenue for water, sewer, and solid waste services based upon historical data and the current rate schedule
- Payment of principal and interest on a 2004 Bond Series and a 2007 Bond Series obligating water and sewer revenue; and reserve balances required by the Bond Issuance Covenants
- Vehicle and equipment needs of the City
- Wastewater and water testing requirements
- Anticipated FRS Employer Contribution Rates
- Other anticipated operating expenses including repair and maintenance of the City's lift station and water/sewer plants
- Anticipated receipt of grant funds and costs of capital improvement projects, repairs, and grant deliverables
- Temporary contract labor needs of the City due to loss of inmate labor related to COVID-19 restrictions

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City of Bristol, Florida's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City Clerk, P.O. Box 207, Bristol, FL 32321.

CITY OF BRISTOL, FLORIDA
BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

CITY OF BRISTOL, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
Assets			
Cash and Cash Equivalents	\$ 473,190	\$ 131,683	\$ 604,872
Certificates of Deposit	83,839	0	83,839
Accounts Receivable, Net	0	84,844	84,844
Due from Other Governments	37,652	0	37,652
Due from Other Funds	0	40,461	40,461
Inventories	0	10,083	10,083
Prepays	16,167	0	16,167
Restricted Assets			
Cash and Cash Equivalents	79,186	286,212	365,398
Certificates of Deposit	0	0	0
Capital Assets, Not Being Depreciated	767,340	513,955	1,281,295
Capital Assets, Being Depreciated	1,410,511	7,322,772	8,733,283
Total Assets	<u>2,867,885</u>	<u>8,390,009</u>	<u>11,257,894</u>
Deferred Outflows Related to Pensions	39,029	44,777	83,806
Liabilities			
Accounts Payable and Other Current Liabilities	58,349	35,256	93,606
Due to Other Funds	40,461	0	40,461
Compensated Absences	7,484	19,734	27,218
Accrued Interest Payable	0	9,421	9,421
Utility Deposits	0	65,581	65,581
Net Pension Liability	67,932	78,341	146,273
Deferred Grant Revenue	245,419	0.00	245,419
Noncurrent Liabilities:			
Due Within One Year	18,400	65,000	83,400
Due in More than One Year	163,446	2,474,000	2,637,446
Total Liabilities	<u>601,492</u>	<u>2,747,334</u>	<u>3,348,825</u>
Deferred Inflows Related to Pensions	151,778	177,505	329,283
Net Positions			
Net Investment in Capital Assets	1,996,005	5,297,727	7,293,732
Restricted for:			
Debt Services	79,186	286,212	365,398
Fire	14,614	0	14,614
Unrestricted	63,839	(73,992)	(10,153)
Total Net Position	<u>\$ 2,153,644</u>	<u>\$ 5,509,947</u>	<u>\$ 7,663,591</u>

See accompanying notes to Financial Statements

**CITY OF BRISTOL, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Functions/ Programs	Program Revenues						Total
	Expenses	Charges for Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
General Government	\$ 337,157	\$ 6,153	\$ 0	\$ 144,144	\$ (186,860)	\$ 0	\$ (186,860)
Transportation	114,521	16,667	0	11,695	(86,159)	0	(86,159)
Public Safety	87,558	49,659	0	0	(37,899)	0	(37,899)
Physical Environment	16,000	0	0	95,664	79,664	0	79,664
Culture and Recreation	900	0	0	0	(900)	0	(900)
Interest on Long-term Debt	7,034	0	0	0	(7,034)	0	(7,034)
Total Governmental Activities	563,171	72,478	0	251,504	(239,189)	0	(239,189)
Business- Type Activities	900,084	708,556	0	587,806	0	396,278	396,278
Total Primary Government	1,463,255	781,034	0	839,309	(239,189)	396,278	157,089

General Revenues

Taxes

Property Taxes	153,612	0	153,612
Franchise and Utility Taxes	75,214	0	75,214
Discretionary Sales Surtax	58,177	0	58,177
Local Option Gas Tax	51,293	0	51,293
Sales tax and Other Shared Revenues	75,093	0	75,093
Unrestricted Investment Earnings and Other	62,249	370	62,619

Transfers

	0	0	0
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Total General Revenues and Transfers

	475,637	370	476,007
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Change in Net Position

	236,447	396,648	633,095
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Net Position, Beginning of Year

	1,917,197	5,113,299	7,030,496
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Net Position, End of Year

\$ 2,153,644	\$ 5,509,947	\$ 7,663,591
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See accompanying notes to Financial Statements

**CITY OF BRISTOL, FLORIDA
BALANCE SHEET-GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Assets	General Fund
Cash and Cash Equivalent	\$ 473,190
Certificates of Deposit	83,839
Receivables (Net)	0
Due from Other Governments	37,652
Prepaid Items	16,167
Restricted:	
Cash and Cash Equivalent	79,186
Certificates of Deposit	0
Total Assets	690,033
Liabilities and Fund Balance	
Liabilities	
Accounts Payable and Accrued Expenses	58,349
Due to Other Funds	40,461
Deferred Grant Revenue	245,419
Total Liabilities	344,229
Fund Balance	
Nonspendable	16,167
Restricted for Debt Service	79,186
Restricted for Fire Protection	14,614
Unassigned	235,837
Total Fund Balance	345,804
Total Liabilities and Fund Balance	\$ 690,033

See accompanying notes to Financial Statements

CITY OF BRISTOL, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Total Fund Balances of Governmental Funds	\$	345,804
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Amounts Reported for Governmental Activities in the Statement
of Net Position are different because:

Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		2,177,851
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Net Pension Liability and related deferred inflows/outflows are not due and payable in the current period and, therefore, are not reported in the funds.

Deferred Outflows	39,029		
Net Pension Liability	(67,932)		
Deferred Inflows	<u>(151,778)</u>		(180,681)

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued Annual Leave	(7,484)		
Notes Payable and Lines of Credit	(181,847)		
Termination Benefits	<u>0</u>		<u>(189,331)</u>

Total Net Position of Governmental Activities	\$	<u>2,153,644</u>
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CITY OF BRISTOL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General Fund
Revenues	
Taxes	\$ 291,410
Licenses and Permits	53,038
Intergovernmental Revenues	376,256
Charges for Services	16,667
Miscellaneous Revenues	62,249
Total Revenues	<u>799,619</u>
Expenditures	
Current:	
General Government	348,764
Transportation	39,173
Public Safety	23,644
Physical Environment	16,000
Culture and Recreation	900
Debt Service:	
Principal	228,826
Interest	7,034
Capital Outlay	308,182
Total Expenditures	<u>972,524</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(172,905)</u>
Other Financing Sources (Uses)	
Proceeds from Long-term Debt	0
Transfer In	0
Transfer Out	0
Total Other Financing Sources (Uses)	<u>0</u>
Net Change in Fund Balances	(172,905)
Fund Balances, Beginning of Year	518,709
Fund Balances, End of Year	<u><u>\$ 345,804</u></u>

See accompanying notes to Financial Statements

CITY OF BRISTOL, 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, 2021

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

Net Changes in Fund Balances- Total Governmental Funds	\$	(172,905)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period:

Capital Outlay	308,182	
Depreciation Expense	<u>(154,997)</u>	153,185

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.

Changes in:

Deferred Outflows related to net pension liability	(28,016)	
Net Pension Liability	160,179	
Deferred Inflows related to net pension liability	<u>(104,057)</u>	28,106

The issuance of long-term debt provides current financial resources to the governmental funds, while it has no effect on the statement of activities.		0
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The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. This amount is the net effect of the differences in the treatment of long-term debt in the current period:

Principal Repayments:		
Line of Credit and Notes Payable	228,825	
Accrued Annual Leave	<u>(765)</u>	228,060

Changes in Net Position of Governmental Activities	\$	<u><u>236,447</u></u>
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CITY OF BRISTOL, FLORIDA
STATEMENT OF NET POSITION
PROPREITARY FUND
SEPTEMBER 30, 2021

	<u>Utility Fund</u>
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 131,683
Receivables (Net)	84,844
Due from Other Funds	40,461
Inventories	10,083
Total Current Assets	<u>267,070</u>
Noncurrent Assets	
Restricted Assets:	
Cash and Cash Equivalents	286,212
Capital Assets, Net	7,836,727
Total Noncurrent Assets	<u>8,122,939</u>
Total Assets	<u><u>8,390,009</u></u>
 Deferred Outflows	
Deferred Outflows related to pensions	<u>44,777</u>
 Liabilities	
Current Liabilities	
Accounts Payable and Accrued Expenses	35,256
Compensated Absences	19,734
Payable from Restricted Assets:	
Current Portion of Long-Term Debt	65,000
Accrued Interest	9,421
Utility Deposit	65,581
Total Current Liabilities	<u>194,993</u>
Noncurrent Liabilities	
Revenue Bonds Payable, Long-term Portion	2,474,000
Net Pension Liability	78,341
Total Noncurrent Liabilities	<u>2,552,341</u>
Total Liabilities	<u><u>2,747,334</u></u>
 Deferred Inflows	
Deferred Inflows related to pensions	<u>177,505</u>
 Net Position	
Net Investment in Capital Assets	5,297,727
Restricted for Debt Service	286,212
Unrestricted	(73,992)
Total Net Position	<u><u>\$ 5,509,947</u></u>

See accompanying notes to Financial Statements

CITY OF BRISTOL, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPREITARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Utility Fund</u>
Operating Revenues	
Water Revenue	\$ 273,660
Wastewater Revenue	279,889
Garbage Revenue	155,007
Total Operating Revenue	<u>708,556</u>
Operating Expenses	
Garbage Contract	144,456
Depreciation	216,309
Salaries	142,677
Utilities	52,117
Auto and Truck	5,614
Repairs and Maintenance	114,591
Insurance	25,000
Supplies	21,300
Professional Fees	25,850
Water Testing and Permits	21,000
Office Expense	10,530
Telephone	5,364
Travel	0
Total Operating Expenses	<u>784,808</u>
Operating Income (Loss)	<u>(76,252)</u>
Non-Operating Revenues (Expenses)	
Capital Grant Contributions	587,806
Investment Earnings	370
Interest Expense	(115,276)
Total Non-Operating Revenues (Expenses)	<u>472,900</u>
Income Before Transfers and Capital Contribution	<u>396,648</u>
Operating Transfers	
Transfers In	0
Transfers Out	0
Total Operating Transfers	<u>0</u>
Change in Net Position	<u>396,648</u>
Net Position, Beginning of Year	5,113,299
Net Position, End of Year	<u><u>\$ 5,509,947</u></u>

See accompanying notes to Financial Statements

**CITY OF BRISTOL, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Utility Fund</u>
Cash Flows from Operating Activities	
Cash received from customers	\$ 632,907
Cash paid to employees	(188,503)
Cash paid to suppliers	(168,469)
Net Cash Provided by (Used in) Operating Activities	<u>275,935</u>
Cash Flows from Noncapital Financing Activities	
Operating transfers out	(10,000)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(10,000)</u>
Cash Flows from Capital and Related Financing Activities	
Capital grant contributions	327,808
Principal paid on long-term debt	(60,000)
Interest paid on long-term debt	(114,050)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>153,758</u>
Cash Flows from Investing Activities	
Purchase of property and equipment	(268,576)
Interest on investments	5,396
Net Cash Provided from Investing	<u>(263,180)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	156,513
Cash and Cash Equivalents, Beginning of Year	386,466
Cash and Cash Equivalents, End of Year	<u><u>\$ 542,979</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>	
Cash Flows from Operating Activities	
Operating Income (Loss)	(119,426)
Adjustments to Reconcile Operating Income (Loss) to	
Net Cash Provided by (Used in) Operating Activities:	
Depreciation	216,309
Increase in accounts receivable	(16,183)
Increase in net pension liability	7,325
Increase in deferred inflows	5,627
Decrease in deferred outflows	10,339
Increase in accounts payable and accrued expenses	167,043
Increase in utility deposits	4,901
Total adjustments	<u>395,361</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 275,935</u></u>

See accompanying notes to Financial Statements

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The City of Bristol, Florida (the “City”) was originally established by Chapter 165, Laws of Florida, and is a political subdivision of the State of Florida located in Liberty County. The legislative branch of the City is composed of a five-member elected City Council and an elected Mayor. The City Council is governed by the City Charter and by state and local laws and regulations. The City Council is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Clerk.

The City’s major operations include water, wastewater and garbage utility service, as well as public safety, transportation, culture and recreation, physical environment and general government services. As required by accounting principles generally accepted in the United States of America, these financial statements present the City only, since there are no entities for which the City is considered to be financially accountable.

Government-wide and Fund Financial Statements

The government-wide statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Basis of Presentation

Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes, where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City’s water, sewer, and garbage functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

The fund financial statements provide information about the City’s funds. Separate statements for each fund category, governmental and proprietary, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

The City reports the following major governmental fund:

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

The City reports the following major proprietary fund:

- Utility Fund – The fund accounts for the activities of the government’s water distribution operations, sewer collection operations, and garbage pick-up services.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities’ column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions under capital leases are reported as other financing sources.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Budgetary Information

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. The appropriated budget is prepared by fund, function, and department. The City's management may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in direct obligations of the U.S. Treasury, Local Government Surplus Funds Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, SEC registered money market funds with the highest credit quality rating and savings and certificate of deposit accounts in state-certified public depositories.

Investments for the City are reported at fair value.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Inventories

All inventories are valued at cost using the first-in/first out (FIFO) method. Inventories of the governmental fund are recorded as expenditures when consumed rather than when purchased.

Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank account and their use is limited by applicable bond covenants.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. For financial reporting purposes, capital assets are defined by the City as assets with an initial, individual cost of more than \$500 (amount not rounded) and an estimated useful life in excess of two years. For financial reporting purposes, infrastructure assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) acquired after September 30, 2003, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Public Domain Infrastructure	20-40
System Infrastructure	10-50
Vehicles, Furniture, Equipment, and Software	5-7

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Compensated Absences

All full-time, permanent employees are granted vacation benefits in varying amounts depending on tenure with the City. Sick leave accrues to full-time, permanent employees. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and a maximum of 160 hours accrued vacation leave upon termination.

Vacation and sick leave are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term Obligations

In the government-wide financial statements, and for the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Net Pension Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making. The City Council is the highest level of decision-making for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Deferred Outflows/Inflows of Resources and Pensions

In addition to assets and liabilities, the statement of financial position will, if required, report a separate section for deferred outflows of resources and deferred inflows of resources, respectfully. These separate financial statement elements, deferred outflows/inflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue) until then. Also included in deferred outflows are amounts contributed to the pension plans subsequent to the measurement date. See Note 8 for more information on Pension Related Deferred Inflows and Outflows.

For purposes of measuring the new pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and additions to/deductions from FRS's fiduciary net position have been determine on the same basis as they are reported by FRS. For this purpose, benefit payments (including refunds or employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 1 – Summary of Significant Accounting Policies (Concluded)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as program revenues include:

- Charges to customers or applicants for goods, services, or privileges provided
- Operating grants and contributions
- Capital grants and contributions, including special assessments

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Property Taxes

Property taxes are billed and collected for the City, by the Liberty County Tax Collector, according to Florida Statute under the following calendar:

Lien Date:	January 1
Levy Date:	October 1
Due Date:	November 1
Delinquency Date:	April 1 of the following year

Proprietary Funds Operating and Non-Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 2 – Deposits

At year end, the carrying amount of the City's deposits was \$1,054,110. The bank balance was covered by Federal depository insurance or by collateral held by the City's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

	General Fund	Utility Fund	Total
Cash and Cash Equivalents:			
Cash	\$ 473,190	\$ 131,683	\$ 604,873
Certificates of Deposit	83,839	0	83,839
Restricted Cash:			
Debt Services	79,186	286,212	365,398
Total Cash and Cash Equivalents	<u>\$ 636,215</u>	<u>\$ 417,895</u>	<u>\$1,054,110</u>

Note 3 – Receivables

Receivables as of September 30, 2021, including the applicable allowances for uncollectible accounts, are as follows: General Fund due from State consists of monthly reoccurring state shared revenues, and grant receivables for grant revenue reimbursements received after year end, for expenses incurred during the year. All amounts were received.

	General Fund	Utility Fund	Total
Accounts Receivable, Net	\$ 0	\$ 84,844	\$ 84,844
Due from Other Governments, Net	37,652	0	37,652
Net Total Receivables	<u>\$ 37,652</u>	<u>\$ 84,844</u>	<u>\$ 122,496</u>

CITY OF BRISTOL, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Note 4 - Capital Assets

	Balance September 30, 2020	Increase	Decrease	Balance September 30, 2021
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 75,097	\$ 0	\$ 0	\$ 75,097
Construction in progress	384,061	308,182	0	692,243
Total Capital Assets, Not Being Depreciated	459,158	308,182	0	767,340
Capital Assets, Being Depreciated:				
Building and Improvements	341,063	0	0	341,063
Improvements other than Buildings	1,720,124	0	0	1,720,124
Infrastructure	0	0	0	0
Equipment and Other	690,867	0	0	690,867
Total Capital Assets, Being Depreciated	2,752,054	0	0	2,752,054
Less Accumulated Depreciation for:				
Buildings and Improvements	(308,788)	(89,799)	0	(398,587)
Improvements other than Buildings	(582,688)	0	0	(582,688)
Infrastructure	0	0	0	0
Equipment and Other	(295,070)	(65,198)	0	(360,268)
Total Accumulated Depreciation	(1,186,546)	(154,997)	0	(1,341,543)
Total Capital Assets, Being Depreciated, Net	1,565,508	(154,997)	0	1,410,511
Total Governmental Capital Assets, Net	\$ 2,024,666	\$ 153,185	\$ 0	\$ 2,177,851
<u>Business-Type Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 122,921	\$ 0	\$ 0	\$ 122,921
Construction in progress	0	391,034	0	391,034
Total Capital Assets, Not Being Depreciated	122,921	391,034	0	513,955
Capital Assets, Being Depreciated				
Buildings	73,000	0	0	73,000
Utility, Plant Equipment and Improvements	10,626,802	0	0	10,626,802
Total Capital Assets, Being Depreciated	10,699,802	0	0	10,699,802
Less Accumulated Depreciation for:				
Buildings	(1,750)	(150)	0	(1,900)
Utility, Plant Equipment and Improvements	(3,158,971)	(216,159)	0	(3,375,130)
Total Accumulated Depreciation	(3,160,721)	(216,309)	0	(3,377,030)
Total Capital Assets, Being Depreciated, Net	7,539,081	(216,309)	0	7,322,772
Total Business-Type Capital Assets, Net	\$ 7,662,002	\$ 174,725	\$ 0	\$ 7,836,727

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 4 – Capital Assets (Concluded)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:

General Government	\$ 15,735
Public Safety	63,914
Transportation	75,348
Total	<u>\$ 154,997</u>

Business-type Activities:

Water	\$ 49,179
Wastewater	167,130
Total	<u>\$ 216,309</u>

Note 5 – Long-term Debt

Changes in Long-term Liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Line of Credit - Roads 2441 Harvel St	\$ 167,400	\$ 0	\$ 167,400	\$ 0	\$ 0
USDA Loan - Fire Truck	178,800	0	10,154	168,646	10,750
Note Payable (Tractor/Sweeper)	20,704	0	7,504	13,200	7,650
Line of Credit	43,727	0 0	43,727	0	0
Accrued Annual Leave	6,719	765	0	7,484	1,871
Governmental Activity Long-term Liabilities:	<u>417,390</u>	<u>765</u>	<u>228,825</u>	<u>189,330</u>	<u>20,271</u>
Business-type Activities:					
Revenue Bond Series 2003	1,164,000	0	31,000	1,133,000	32,000
Revenue Bond Series 2007	1,438,000	0	32,000	1,406,000	33,000
SRF Loan Hurricane Michael	32,362	0	32,362	0	0
Accrued Annual Leave	18,695	1,040	0	19,735	4,934
Business-type Activity Long-term Liabilities:	<u>\$ 2,653,057</u>	<u>\$ 1,040</u>	<u>\$ 95,362</u>	<u>\$2,558,735</u>	<u>\$ 69,934</u>

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 5 – Long-term Debt (Continued)

Line of Credit – Roads

The City has a secured line of credit that was tied to a paving grant. The line of credit was for \$167,440 and paid in full as of September 30, 2021. The City paid \$ 4,219 in loan closing costs and it was at a 4% interest rate.

City of Bristol Capital Improvement Revenue Bond – Series 2020 Bond

On September 21, 2020, the City issued Series 2020 bond for \$178,800. The series 2020 Bond is payable from pledged revenues consisting primarily of the Fire Services Taxes. The interest rate has been determined to be 2.25% The Bonds were purchased through the United States Department of Agriculture, Rural Housing Service. The Bonds mature on September 24th of each year in amounts outlined in a schedule with the first payment in 2021, and the final payment in 2035. The purpose of the loan was for the purchase of a fire truck.

Line of Credit – Road Paving

\$214,000 line of credit, is due on demand, if no demand is made, then payable in monthly installment of 4.05% interest only beginning January 2019 through December 2020. The note is secured by City's CD Accounts. The City borrowed \$61,804 on the note payable as of September 30, 2019 and paid down the remaining balance of \$43,727 at year end.

Notes Payable – Tractor/Sweeper

The City borrowed \$37,198 to purchase a new John Deere Tractor and road sweeper attachment. The Loan was taken out on June 18, 2018 (Loan number 02757569072) and the interest rate is 4%. Payments are \$686 each month. The outstanding balance on September 30, 2021 was \$13,200.

Business-type Activities

State Revolving Loan

The City entered into a Loan/Grant – Funding number 390200 Hurricane Michael Damage Assistance. The total amount awarded was \$33,800 loan amount and \$135,200 grant amount. As of September 30, 2021, the amount the City had borrowed was forgiven.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 5 – Long-term Debt (Concluded)

Revenue Bonds

The City also issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the current fiscal year related to these issues in prior years totaled \$2,539,000.

Water and sewer revenue bonds outstanding at September 30, 2021 are comprised of the following:

\$1,500,000 Water and Sewer System Revenue Bonds, Series 2004 payable in annual installments ranging from \$17,000 to \$76,000 through September 1, 2043, plus interest at 4.375%, collateralized by a first lien on net revenues of the water and sewer system. Amount outstanding at September 30, 2021 was \$1,133,000.

\$1,732,000 Water and Sewer System Revenue Bonds, Series 2007 payable in annual installments ranging from \$19,000 to \$86,000, through September 1, 2046, plus interest at 4.25%, collateralized by a first parity lien on net revenues of the water and sewer system. Amount outstanding at September 30, 2021 was \$1,406,000.

Revenue bonds debt service requirements to maturity are as follows:

Year Ending September 30,	Governmental Principal	Utility Fund Principal
2022	\$ 18,400	\$ 65,000
2023	16,003	67,000
2024	10,855	71,000
2025	11,100	73,000
2026	11,300	78,000
2027-2031	61,738	454,000
2032-2036	52,450	539,000
2037-2041	0	654,000
2042-2046	0	538,000
	\$ 181,846	\$ 2,539,000

Note 6 – Commitments

The City has minor office equipment lease commitments.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 7 – Contingent Liabilities

Amounts received or receivables from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects amounts, if any, to be immaterial.

Note 8 – Employee Retirement Plan

Defined Benefit Plans

Plan Description

The City participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability and 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 Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (844) 377-1888.

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multi-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retirees' Health Insurance Subsidy (HIS) Program is a cost-sharing, multi-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under FRS are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 8 – Employee Retirement Plan (Continued)

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the City are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The City's contribution rates for the year ended September 30, 2021 were as follows:

	Year Ended June 30, 2021		Year Ended June 30, 2022	
	FRS(2)	HIS	FRS(2)	HIS
Regular Class	8.28%	1.66%	9.10%	1.66%
Elected City Officers	47.46%	1.66%	49.70%	1.66%
Senior Management	25.57%	1.66%	27.29%	1.66%
DROP Plan Participants	15.32%	1.66%	16.62%	1.66%
Reemployment Retiree	(1)	(0)	(1)	(0)

(1) Contribution rates are dependent upon retirement class in which reemployed.

(2) The rates include the normal cost and unfunded actuarial liability contributions, but to not include the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools.

The City's contributions for the year ended September 30, 2021, were \$35,255 to FRS and \$3,659 to HIS.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2021, the City reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2020, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuation date July 1, 2021. The City's proportions of the net pension liabilities were based on the City's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net Pension Liability	\$ 69,906	\$ 76,367
Proportion at:		
Current Measurement Date	0.000925431%	0.000622563%
Prior Measurement Date	0.000957264%	0.000624756%
Pension Expense (Benefit)	\$ (23,347)	\$ 4,274

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 8 – Employee Retirement Plan (Continued)

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,982	\$ 0
Changes of assumptions	47,833	0
Net difference between projected and actual earnings on Pension Plan Investments	0	243,884
Changes in proportion and differences between employer contributions and proportionate share of contributions	670	73,438
Employer contributions subsequent to the measurement date	9,683	0
Total	<u>\$ 70,168</u>	<u>\$ 317,322</u>

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,555	\$ 32
Changes of assumptions	6,001	3,147
Net difference between projected and actual earnings on Pension Plan Investments	80	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,035	8,783
Employer contributions subsequent to the measurement date	967	0
Total	<u>\$ 13,638</u>	<u>\$ 11,962</u>

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 8 – Employee Retirement Plan (Continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2022. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Measurement period ending June 30,	FRS	HIS
2022	\$ (56,708)	\$ 564
2023	(60,890)	(435)
2024	(65,026)	268
2025	(73,389)	955
2026	(824)	(822)
Thereafter	0	180
Total	<u>\$ (256,837)</u>	<u>\$ 710</u>

Actuarial Assumptions

The total pension liability for each of the defined benefit plans, measured as of June 30, 2021, was determined by an actuarial valuation dated July 1, 2018, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increase	3.25% Average, Including Inflation	3.25%
Discount Rate	6.80%	2.16%
Long-term Expected Rate of Return, Net of Investment Income	6.80%	N/A
Municipal Bond	N/A	2.16%

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions used in the valuation date June 30, 2021 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 8 – Employee Retirement Plan (Continued)

The following changes in key actuarial assumptions occurred in 2021:

- FRS: The long-term expected rate of return remained at 6.80% and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was decreased from 2.21% to 2.16%.
-
- The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

Asset Class	Target Allocation	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1%	2.1%	2.1%	1.1%
Fixed income	20%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate (property)	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.47%	5.7%	5.4%	8.4%
	<u>100%</u>			
Assumed Inflation- Mean			2.4%	1.2%

Discount Rate

The discount rate used to measure the total pension liability for FRS was 6.80%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 2.16% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 8 – Employee Retirement Plan (Concluded)

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the City's proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

	FRS		
	1% Decrease	Current Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	\$ 312,623	\$ 69,906	\$ (132,979)

	HIS		
	1% Decrease	Current Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	\$ 88,287	\$ 76,367	\$ 66,600

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (FRS Investment Plan), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class.

CITY OF BRISTOL, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

Note 9 – Other Postemployment Benefits

The City provides other postemployment benefits (OPEB) to its employees by providing retirement healthcare benefits through an implicit rate subsidy. The City has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions*. GASB Statement No. 45 establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities, note disclosures, and required supplementary information.

Note 10 – Fire Services Sales Surtax

The City received a portion of a local option surtax that was adopted by Liberty County to fund local fire protection. The Fire Services Sales Surtax is restricted for use of expenses or capital related to providing emergency fire protection.

Beginning Restricted Fund Balance	\$ 0
Amount Received as of September 30, 2021	49,659
Amount Spent as of September 30, 2021:	
Debt Service Payments	(10,154)
Operating Expenses	(24,891)
Ending Restricted Fund Balance	<u>\$ 14,614</u>

Note 11 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Insurance against losses is provided for the following types of risks: workers' compensation and employer's liability; general liability; automobile liability; public officials' liability; and property coverage.

Note 12 – Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure in the financial statements through June 20, 2022, the date in which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

CITY OF BRISTOL, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2021

CITY OF BRISTOL, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance With
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues				
Taxes	\$ 291,058	\$ 291,058	\$ 291,410	\$ 352
Licenses and Permits	450	450	53,038	52,588
Intergovernmental Revenues	145,971	145,971	376,256	230,285
Charges for Services	44,117	44,117	16,667	(27,450)
Miscellaneous Revenues	760	760	62,249	61,489
Total Revenues	<u>482,356</u>	<u>482,356</u>	<u>799,619</u>	<u>317,263</u>
Expenditures				
Current:				
General Government	480,674	480,674	348,764	(131,910)
Transportation	18,000	18,000	39,173	21,173
Public Safety	47,190	47,190	23,644	(23,546)
Physical Environment	266,000	266,000	16,000	(250,000)
Culture and Recreation	0	0	900	900
Debt Service:				
Principal	407,049	407,049	228,826	(178,223)
Interest	0	0	7,034	7,034
Capital Outlay	306,811	306,811	308,182	1,371
Total Expenditures	<u>1,525,724</u>	<u>1,525,724</u>	<u>972,524</u>	<u>(553,200)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(1,043,368)</u>	<u>(1,043,368)</u>	<u>(172,905)</u>	<u>870,463</u>
Other Financing Sources (Uses)				
Proceeds from Long-Term Debt	1,009,622	1,009,622	0	(1,009,622)
Transfer In	21,000	21,000	0	(21,000)
Transfer Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>1,030,622</u>	<u>1,030,622</u>	<u>0</u>	<u>(1,030,622)</u>
Net Change in Fund Balances	<u>(12,746)</u>	<u>(12,746)</u>	<u>(172,905)</u>	<u>(160,159)</u>
Fund Balances, Beginning of Year	<u>12,746</u>	<u>12,746</u>	<u>518,709</u>	<u>505,963</u>
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 345,804</u>	<u>\$ 345,804</u>

**CITY OF BRISTOL, FLORIDA
NOTE TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Note 1 – Budgetary Information

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

The City follows their procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the City Council receives a proposed operating budget for the next fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council.
5. The legal level of budgetary control is the fund level.
6. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

CITY OF BRISTOL, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Florida Retirement System (FRS)							
Proportion of the net pension liability (asset)	0.00092543%	0.0009573%	0.0011516%	0.0011454%	0.0015950%	0.0016902%	0.0016902%
Proportionate share of the net pension liability (asset)	\$ 69,906	\$ 414,892	\$ 396,610	\$ 344,997	\$ 471,800	\$ 418,807	\$ 218,312
Covered-employee payroll	\$ 246,685	\$ 279,533	\$ 243,598	\$ 213,418	\$ 219,203	\$ 210,250	\$ 597,639
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	28.34%	148.42%	162.81%	161.65%	215.23%	199.19%	36.53%
Plan fiduciary net position as a percentage of the total pension liability	0.00%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program (HIS)							
Proportion of the net pension liability (asset)	0.000622563%	0.000624750%	0.072391900%	0.065725500%	0.000006673%	0.000680986%	0.000682010%
Proportionate share of the net pension liability (asset)	\$ 76,367	\$ 76,282	\$ 80,999	\$ 69,565	\$ 71,355	\$ 79,366	\$ 69,555
Covered-Employee Payroll	\$ 246,685	\$ 279,533	\$ 243,598	\$ 213,418	\$ 219,203	\$ 210,250	\$ 597,639
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	30.96%	27.29%	33.25%	32.60%	32.55%	37.75%	11.64%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Note 1 : GASB 61 requires information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

CITY OF BRISTOL, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Florida Retirement System (FRS)							
Contractually required contribution	\$ 35,255	\$ 31,806	\$ 35,709	\$ 32,643	\$ 42,303	\$ 40,591	\$ 36,516
Contributions in relation to the contractually required contribution	(35,255)	(31,806)	(35,709)	(32,643)	(42,303)	(40,591)	(36,516)
Contribution deficiency (excess)	0	0	0	0	0	0	0
Covered-employee payroll	246,685	279,533	243,598	213,418	219,203	210,250	597,639
Contributions as a percentage of covered-employee payroll	14.29%	11.38%	14.66%	15.30%	19.30%	19.31%	6.11%
Health Insurance Subsidy Program (HIS)							
Contractually required contribution	3,659	3,600	4,020	3,564	3,545	3,570	7,530
Contributions in relation to the contractually required contribution	(3,659)	(3,600)	(4,020)	(3,564)	(3,545)	(3,570)	(7,530)
Contribution deficiency (excess)	0	0	0	0	0	0	0
Covered-employee payroll	\$ 246,685	\$ 279,533	\$ 243,598	\$ 213,418	\$ 219,203	\$ 210,250	\$ 597,639
Contributions as a percentage of covered-employee payroll	1.48%	1.29%	1.65%	1.67%	1.62%	1.70%	1.26%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

**CITY OF BRISTOL, FLORIDA
OFFICIALS
SEPTEMBER 30, 2021**

Frances Cutshaw
Mayor

Margaret Rankin
Chairman

Thomas G. Clemons
Vice Chairman

Christian Vowell
Councilmember

Mary Bracewell
Councilmember

Robin M. Hatcher
City Clerk

CITY OF BRISTOL, FLORIDA

COMPLIANCE SECTION

SEPTEMBER 30, 2021

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable City Council,
City of Bristol, Florida:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of City of Bristol, Florida (the "City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated June 20, 2022.

Internal Control over Financial Reporting

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

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

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

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

(Concluded)

Compliance and Other Matters

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

Purpose of This Report

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

Moran & Smith LLP

Moran & Smith LLP

June 20, 2022

Tallahassee, Florida

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415 FLORIDA STATUTES**

To the Honorable City Council,
City of Bristol, Florida:

We have examined the City of Bristol, Florida (the "City"), compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2021, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with those requirements. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

Moran & Smith LLP

Moran & Smith LLP
June 20, 2022
Tallahassee, Florida

**MANAGEMENT LETTER IN ACCORDANCE WITH
RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Honorable City Council,
City of Bristol, Florida:

Report on the Financial Statements

We have audited the financial statements of the City of Bristol, Florida (the “City”) as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated June 20, 2022.

Auditor’s Responsibility

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.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. There were no audit findings or recommendations identified in the preceding annual financial report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority is disclosed in the notes to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a., and 10.556(7) *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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(Concluded)**

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Members of the City and management, and is not intended to be and should not be used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
June 20, 2022
Tallahassee, Florida