

City of Bushnell, Florida



Annual Comprehensive Financial Report

Fiscal Year Ended: September 30, 2021

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

**CITY OF BUSHNELL, FLORIDA
Prepared by: Shelley Ragan
Office of the Finance Director**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021
CITY OF BUSHNELL, FLORIDA**

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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021
CITY OF BUSHNELL, FLORIDA**

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INTRODUCTORY SECTION



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Bushnell
Florida**

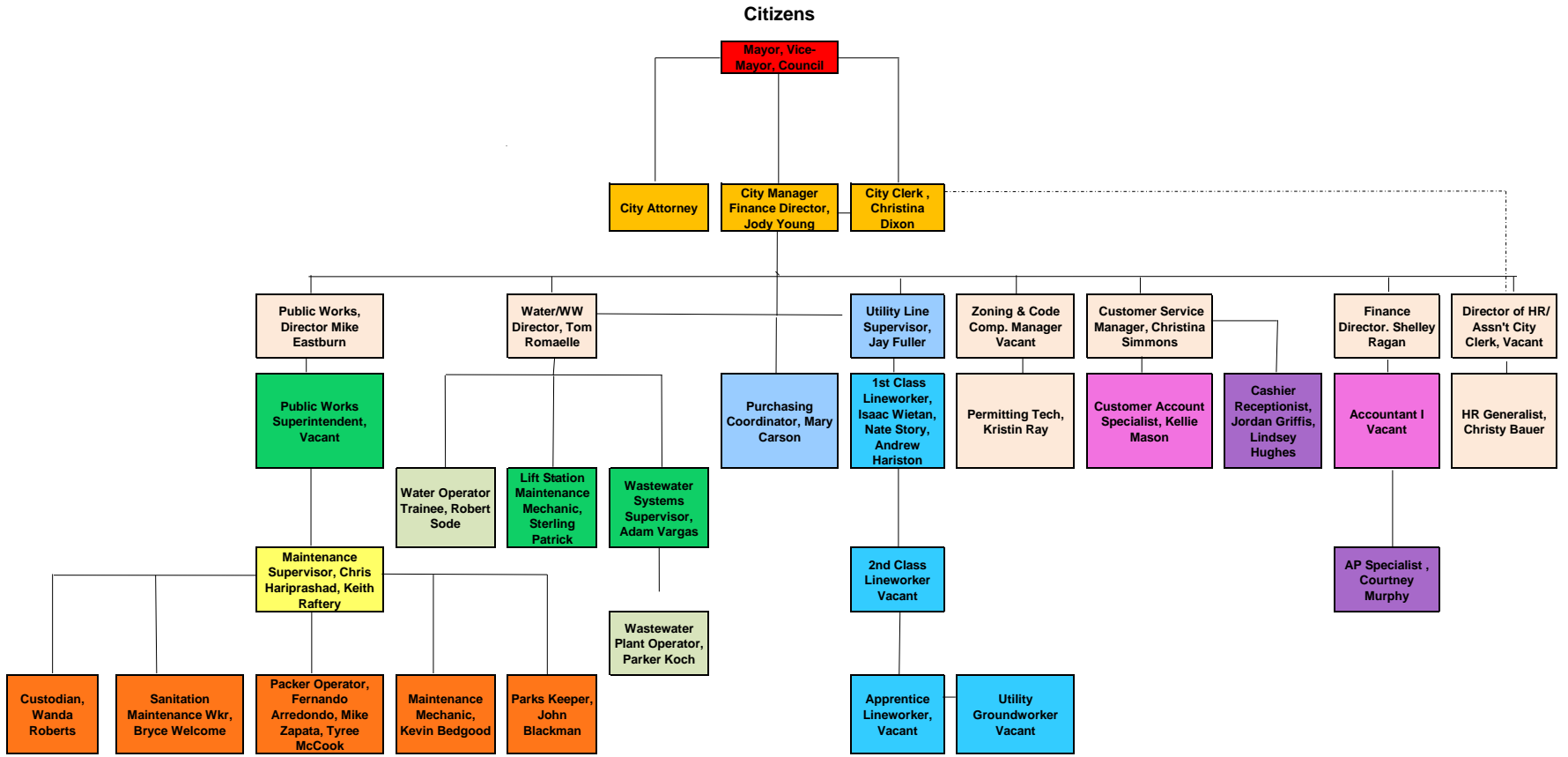
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

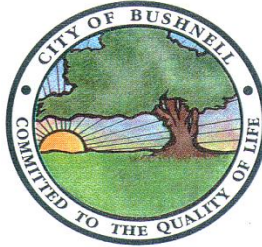
September 30, 2020

Christopher P. Morill

Executive Director/CEO

**CITY OF BUSHNELL, FLORIDA
ORGANIZATIONAL CHART**





CITY OF BUSHNELL, FL
117 E. Joe P Strickland, Jr. Ave., P.O. Box 115
Bushnell, FL 33513
Phone: 352-793-2591 Fax: 352-793-2711

May 27, 2022

TO THE CITIZENS OF THE CITY OF BUSHNELL:

The Annual Comprehensive Financial Report of the City of Bushnell for the fiscal year ended September 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. To provide a reasonable basis for making these representations, management of the City of Bushnell has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Bushnell's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Bushnell's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included. Additionally, the Management's Discussion and Analysis section that follows will provide highlights and review the financial performance during the reporting period.

BACKGROUND INFORMATION

The City is a political subdivision of the State of Florida located in Sumter County. The City was established under the legal authority of the Laws of Florida, Chapter 57-105. The City operates under a council-manager form of government. The legislative branch of the City is composed of a four-member elected City Council, and an elected Mayor.

REPORTING ENTITY AND ITS SERVICES

This report includes all funds of the City. The City of Bushnell provides a full range of general governmental services and activities. These services include code enforcement; administrative and financial services; planning, zoning and development review; maintenance of highways, streets, and drainage; recreation and special events. Police, fire and library services are provided by either agreement or contract with the Sumter County Board of County Commissioners. In addition to general government activities, the governing body also operates an Electric, Water, Wastewater, and Sanitation utility operation.

LOCAL ECONOMY

The City of Bushnell is the County Seat of Sumter County. It also contains, within its boundaries, Bushnell Elementary and South Sumter High School. The County Courthouse, as well as the schools, brings a diverse group of consumers into the Bushnell area. While Bushnell's municipal limits are 10.5 square miles, our consumer service area is much greater.

The City of Bushnell is one of the smallest Electric utility providers in the State of Florida. The City also provides Water; Wastewater and Sanitation services to consumers within the municipal limits as well as select areas outside our municipal boundaries. The Wastewater Utility continues to encourage commercial growth, which has created employment opportunities within the area.

Major industries located within the government's boundaries include manufacturers of air conditioning vents and metal components; go cart-racing motors; and storage buildings. The City also permits a Class 2 landfill within the city limits.

Due to its central location within the state, Bushnell has access to all major cities via Interstate 75, Highway 301, and the Florida Turnpike, thus, making it easy to commute to Tampa, Orlando, Ocala, and Gainesville.

BUDGET INFORMATION

During the month of May each year, City staff begins the process of reviewing current expenditures and revenues to begin the annual budget process. After all current revenues and expenses are reviewed, staff uses the current information to formulate the next budget year's projections. Once the projections are complete, the City Council holds a workshop to discuss matters relating to the upcoming Master Budget and Five-Year Capital Improvement Plan. After the completion of the workshop, City staff makes any necessary adjustments to the Master Budget and the Five-Year Capital Improvement Plan that is then presented for the First and Final Budget Hearings in September.

CURRENT YEAR PROJECTS

During the Fiscal Year 2021, the City of Bushnell completed several projects to help improve on the services provided to our citizens. The following highlights these projects:

Road Improvements

The following road improvements were completed in Fiscal Year 2021:

- Paving of Central Avenue from Main Street to West Street.
- Paving of Parkhill Avenue from Main Street to West Street.
- Paving of Hunt Avenue from Hopkins Street westward.
- Paving of York Street from Central Avenue to Seminole Avenue.
- Various intersection and sidewalk improvements.

Parks and Recreation

The following park improvement was completed in Fiscal Year 2021:

- New security cameras were installed at the Kenny Dixon Sports Complex.

Utility Projects

The following Water utility projects were completed in Fiscal Year 2021:

- Completion of the Sumterville Water Plant Improvement, Florida Job Growth Infrastructure Grant.
- Replacement of the SCADA utility monitoring system.

The following Electric utility project was completed in Fiscal Year 2021:

- Upgrade of the GIS mapping of the Electric utility infrastructure.

The following Wastewater utility projects were completed in Fiscal Year 2021:

- Upgrade of lift station instrumentation and electronics.
- Reroof of Wastewater Treatment Plant office and maintenance building.

Community Events

In past years, the City held the annual Bushnell Fall Festival, the Santa in the Park event, movies in the park, and the annual Summer Day Camp. However, due to the Covid-19 Pandemic that began in March of 2020, the City suspended all of its community events. The City is hopeful to resume its community events in the near future.

MAJOR INITIATIVES/FUTURE PROJECTS

Road Improvements

The City is scheduled to make the following road improvements in Fiscal Year 2022:

- Paving of West Street, North Rosewood Street, Bostic Avenue, Meadows Circle, Roland Street and Anderson Avenue.

Parks and Recreation

The following park improvements are scheduled for Fiscal Year 2022:

- Bushnell Downtown Park: Addition of trees, landscaping and additional sculptures.
- Completion of the FRDAP Grant Project for MLK Park: Renovate playground and soccer field, add new playground equipment, add new picnic equipment, renovate existing exercise trail, add new exercise trail, and add new tether ball court.

Utility Projects

The following Water utility projects are scheduled to be completed in Fiscal Year 2022:

- Completion of the Water Facility Master Plan.
- Sumterville Water Plant water quality improvements project.
- Install a new generator at Water Plant 2.

The following Wastewater utility projects are scheduled to be completed in Fiscal Year 2022:

- Wastewater Treatment Plant improvements: engineering costs for the design of the expansion of the Wastewater Treatment Plant.
- New generator replacement for the Master Lift Station in the Wastewater collection system.
- Major improvements to Lift Station 6 in the Wastewater collection system (to be paid with grant proceeds from a DEO-CDBG grant.)

The following Electric utility projects are scheduled to be completed in Fiscal Year 2022:

- Construct new equipment storage building at the Electric Warehouse for housing and covering new electric bucket vehicles.
- Reroof of the Electric Utility Warehouse.

OTHER INFORMATION

Independent Audit:

State statutes require an annual audit by independent certified public accountants. The accounting firm of Purvis, Gray, and Company, LLP was selected by the City of Bushnell to complete this year's audit. The auditors' report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of the report.

Awards:

Safety Award: The City has received numerous electric safety awards. The first safety award was presented to the City by the Florida Municipal Electric Agency to the Utility Department for recognition of a perfect safety record without reports of accidents. The City has received this award for 30 years.

Tree City USA: The Tree City USA award was first presented to the City in 1994. The City has continued to receive this award to the present. This award requires an annual Arbor Day Celebration, the planting of trees, and the implementation of a tree preservation policy as well as an annual application documenting levels of expenditure for maintenance of the program.

Certificate of Excellence in Financial Reporting: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bushnell for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the nineteenth consecutive year the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments:

The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated service of the entire staff of the Administrative Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We should also like to thank the Mayor and the Council Members for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Sincerely,

Shelley Ragan

Shelley Ragan,
Finance Director



CITY OF BUSHNELL, FL
117 E. Joe P. Strickland, Jr. Avenue, PO Box 115
Bushnell, FL 33513
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City of Bushnell

ELECTED OFFICIALS

Seat 1 Mayor	Bil Spaude	2019-2022
Seat 2 Councilwoman	Marge Thies	2021-2024
Seat 3 Councilman	Joe Strickland	2019-2022
Seat 4 Councilman	Dale Swain	2021-2024
Seat 5 Vice-Mayor	Karen Davis	2019-2022
City Clerk	Christina Dixon	2021-2024

APPOINTED OFFICIALS

City Manager	Mike Eastburn
Public Works Director	Vacant
City Attorney	Felix Adams

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Council Members
City of Bushnell
Bushnell, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bushnell, Florida (the City) as of and for the 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.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

Honorable Mayor and Council Members
City of Bushnell
Bushnell, Florida

INDEPENDENT AUDITOR'S REPORT

Opinion

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 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 grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial

Honorable Mayor and Council Members
City of Bushnell
Bushnell, Florida

INDEPENDENT AUDITOR'S REPORT

reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



May 27, 2022
Ocala, Florida

Management's Discussion and Analysis

As management of the City of Bushnell, we offer readers of the City of Bushnell's financial statements this narrative overview and analysis of September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii-vi of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

The assets and deferred outflows of the City of Bushnell exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$30,574,828. Of this amount, \$6,710,538 may be used to meet the government's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, the City of Bushnell's governmental funds reported combined ending fund balances of \$5,845,326, an increase of \$1,510,782 in comparison with the prior year.

Overview of the Financial Statements

This management discussion and analysis is intended to serve as an introduction to the City of Bushnell basic financial statements. The City of Bushnell's basic financial statements comprise three components: 1) governmental-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statement themselves.

1.) Government-Wide Financial Statements

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

The statement of net position presents information on all of the City of Bushnell's assets and deferred outflows; and deferred inflows 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 of Bushnell is improving or deteriorating.

The statement of activities presents information in 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 a future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 11-13.

2.) 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 of Bushnell, 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 of Bushnell can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Management's Discussion and Analysis

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 the government-wide financial statements, governmental fund financial statements focus on *near-term* inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's *near-term* financing requirements.

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 presented 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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Bushnell maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and special revenue funds.

The City of Bushnell adopts an annual appropriated budget for its general fund and special revenue funds. The budgetary comparison statements have been provided for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14-22.

Proprietary Funds: Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Bushnell uses proprietary funds to account for its electric distribution operation, water services, wastewater services, and sanitation services.

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 electric, water, wastewater, and sanitation services, of which all are considered to be major funds of the City of Bushnell.

The basic proprietary fund financial statements can be found on pages 23-27.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Bushnell's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found of pages 28-29 of this report.

Management's Discussion and Analysis

3.) Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-62 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 of Bushnell's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 63-68 of this report.

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 of Bushnell, assets exceeded liabilities by \$30,574,828 at the close of the most recent fiscal year.

By far the largest portion of the City of Bushnell's net position, 74% reflects its investment in capital assets (e.g., land, buildings, utility plant in service, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Bushnell uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Bushnell'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.

Management's Discussion and Analysis

CITY OF BUSHNELL'S NET POSITION

	Business-Type					
	Governmental		Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 6,206,908	\$ 4,600,487	\$ 6,940,494	\$ 5,288,487	\$ 13,147,402	\$ 9,888,974
Capital Assets	9,121,142	9,077,116	26,256,001	26,804,830	35,377,143	35,881,946
Total Assets	15,328,050	13,677,603	33,196,495	32,093,317	48,524,545	45,770,920
Deferred Outflows	203,000	84,090	241,472	82,571	444,472	166,661
Long-Term Liabilities Outstanding	2,675,623	2,516,478	12,431,768	12,897,266	15,107,391	15,413,744
Other Liabilities	119,833	123,065	2,349,205	1,467,338	2,469,038	1,590,403
Total Liabilities	2,795,456	2,639,543	14,780,973	14,364,604	17,576,429	17,004,147
Deferred Inflows	451,282	313,670	366,478	180,151	817,760	493,821
Net Position:						
Net Investment in Capital Assets	7,794,197	7,612,432	14,872,837	14,695,872	22,667,034	22,308,304
Restricted	517,772	434,795	679,484	555,982	1,197,256	990,777
Unrestricted	3,972,343	2,761,253	2,738,195	2,379,279	6,710,538	5,140,532
Total Net Position	\$ 12,284,312	\$ 10,808,480	\$ 18,290,516	\$ 17,631,133	\$ 30,574,828	\$ 28,439,613

CITY OF BUSHNELL'S CHANGES IN NET POSITION

	Business-Type					
	Governmental		Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,165,769	\$ 1,970,053	\$ 8,501,311	\$ 8,076,202	\$ 10,667,080	\$ 10,046,255
Capital Grants and Contributions	178,015	9,971	225,751	1,107,611	403,766	1,117,582
Operating Grants and Contributions	8,714	31,650	-	2,772	8,714	34,422
General Revenues:						
Property Taxes	615,256	613,637	-	-	615,256	613,637
Other Taxes	1,010,813	966,086	-	-	1,010,813	966,086
Other Revenues	465,799	480,864	975	16,832	466,774	497,696
Total Revenues	4,444,366	4,072,261	8,728,037	9,203,417	13,172,403	13,275,678
Program Expenses:						
General Government	789,849	765,491	-	-	789,849	765,491
Public Safety	1,000,238	988,082	-	-	1,000,238	988,082
Physical Environment	47,149	39,620	-	-	47,149	39,620
Transportation	673,453	643,400	-	-	673,453	643,400
Culture and Recreation	375,188	367,305	-	-	375,188	367,305
Interest on Long-Term Debt	84,127	92,109	-	-	84,127	92,109
Electric Utility	-	-	5,516,915	4,623,824	5,516,915	4,623,824
Water Utility	-	-	723,610	654,814	723,610	654,814
Sanitation	-	-	674,571	582,218	674,571	582,218
Wastewater Utility	-	-	1,166,640	1,093,807	1,166,640	1,093,807
Total Expenses	2,970,004	2,896,007	8,081,736	6,954,663	11,051,740	9,850,670
Excess (Deficiency) Before Transfers and Capital Contributions	1,474,362	1,176,254	646,301	2,248,754	2,120,663	3,425,008
Transfers	-	50,000	-	(50,000)	-	-
Gain from Sale of Capital Assets	1,470	-	13,082	-	14,552	-
Total Transfers and Capital Contributions	1,470	50,000	13,082	(50,000)	14,552	-
Increase (Decrease) in Net Position	1,475,832	1,226,254	659,383	2,198,754	2,135,215	3,425,008
Net Position, Beginning	10,808,480	9,582,226	17,631,133	15,432,379	28,439,613	25,014,605
Net Position, Ending	\$ 12,284,312	\$ 10,808,480	\$ 18,290,516	\$ 17,631,133	\$ 30,574,828	\$ 28,439,613

Management's Discussion and Analysis

An additional portion of the City of Bushnell's net position, 4%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$6,710,538 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Bushnell is able to report positive balances in two categories of net position, both for the government as a whole, as well as for its governmental activities.

The government's net position increased by \$2,135,215 during the current fiscal year.

The increase in net position is partially attributed to the net improvement in revenues over expenses in the governmental funds and electric, water, and sanitation utility funds.

Governmental Activities: Both the general fund and the special revenue - cemetery fund are considered major governmental funds. Governmental activities increased the City of Bushnell's net position by \$1,475,832. This increase is attributed to the following:

- Increase in general government charges for services due to additional Heart of Florida landfill tipping fees.
- Decrease in park improvement projects not covered by grant funding.

Business-Type Activities: The City of Bushnell considered all four of the business-type activities - electric, water, wastewater, and sanitation major funds. Business-type activities increased the City of Bushnell's net position by \$659,383. One key element of this increase was the electric utility fund. The increase in net position this year is due to the increase of electric charges for services when the City of Bushnell acquired additional electric customers during an electric expansion project in the prior fiscal year.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of Bushnell's governmental funds reported combined ending fund balances of \$5,845,326, an increase of \$1,510,782 in comparison with the prior year. 7% of the fund balance is restricted for perpetual care for the cemetery. Approximately 21% is assigned for the Community Trust Fund related to the landfill revenues. The remaining 72% is considered unassigned and available to meet the City of Bushnell's obligations.

The general fund is the chief operating fund of the City of Bushnell. At the end of the current fiscal year, fund balance of the general fund reached \$5,422,671. As a measure of the general fund's liquidity, it may be useful to compare the total fund balance to total fund expenditures.

Management's Discussion and Analysis

The fund balance of the City of Bushnell's general fund increased by \$1,522,922 during the current fiscal year. The key factor in this increase is as follows:

- Revenues increased due to receiving additional tipping from the ACMS landfill due to an increase of waste collected by the landfill facility. The City's current agreement, which is adjusted on a yearly basis, states that the City will collect \$2.09 per ton of solid waste deposited at the landfill.

Proprietary Funds: The City of Bushnell's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the electric, water, wastewater, and sanitation funds at the end of the year amount to \$2,738,198. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Bushnell's business-type activities.

Governmental Funds Budgetary Information

Differences between the original budget and the final amended budget are briefly summarized as follows:

- The City of Bushnell received additional electric utility tax revenues due to an increase in customers.
- The City of Bushnell received less CDBG grant proceeds than anticipated.
- The City of Bushnell received additional revenues from the ACMS landfill surcharge.
- The City of Bushnell did not hold its annual Fall Festival or Summer Day Camp due to the COVID-19 pandemic.

Capital Asset and Debt Administration

Capital Assets: The City of Bushnell's investment in capital assets for its governmental and business type activities as of September 30, 2021, amount to \$33,053,418 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Capital asset events during the current fiscal year included the following:

- The paving of Central Avenue from Main Street to West Street as part of the CDBG grant.
- The paving of Hunt Avenue from Hopkins Street westward as part of the CDBG grant.
- The paving of York Street from Central Avenue to Seminole Avenue as part of the CDBG grant.
- The paving project for Parkhill Avenue from Main Street to West Street as part of the CDBG grant.
- The completion of the Sumterville Water Plant Improvement project, funded by the Florida Job Growth Infrastructure Grant.

Additional information on capital assets can be located on page 41, within the notes to the financial statements.

Long-Term Debt: The City of Bushnell's total debt decreased by a net of \$306,353 during the current fiscal year. The only new debt incurred during the year was a Capital Lease financing transaction to purchase a Sanitation truck. Additional information on long-term debt can be located on page 42, within the notes of the financial statements.

Management's Discussion and Analysis

Economic Factors and Next Year's Budgets and Rates

Economic Factors: The City of Bushnell is the County Seat of Sumter County, reported by the University of Florida, Bureau of Economic and Business research as "The second fastest growing County in 2009". Situated just 50 miles north of Tampa and 50 miles west of Orlando, the City of Bushnell is strategically located between Interstate 75 and the Florida Turnpike. Our location provides easy transportation access to both of these metropolitan areas.

Easily accessible from many areas and being the County Seat in transitioning Sumter County makes the City of Bushnell's market area much larger than its corporate limits. Independent market studies suggest that the population within the market area affected by the City of Bushnell could exceed 70,000 people. In addition to this significant number, traffic studies conducted by the Sumter County Road and Bridge Department indicate average daily traffic counts of 20,000 cars on West Belt Avenue. These statistics are mentioned only to illustrate the much larger market and social forces affecting this small community on a daily basis. Within the utility service area, which comprises mostly the incorporated city limits and some small areas in the unincorporated Sumter County, the City of Bushnell services a total 2,130 of metered customers, of which 786 are commercial customers. The City of Bushnell exhibits steady growth in its commercial sector. The SR 48 and I-75 interchange still has a number of commercial undeveloped parcels of varying size; these parcels have available utility services to them making them attractive for further commercial development.

Next Fiscal Year Budget and Rates: For fiscal year 2021-2022 the Council of the City of Bushnell adopted the roll back rate. Council is considering using revenues from the tipping fees provided by the Heart of Florida Landfill operations to defray the need for rate increases in the water and wastewater utilities. The City of Bushnell intends to continue to monitor all the revenue streams to ensure sufficiency in meeting expenditures and for establishment and funding of capital reserve accounts.

Requests for Information

This financial report is designed to provide a general overview of the City of Bushnell'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 the Office of the Finance Director, P. O. Box 115, Bushnell, Florida 33513.

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and Cash Equivalents - Unrestricted	\$ 5,289,680	\$ 3,822,477	\$ 9,112,157
Cash and Cash Equivalents - Restricted	-	868,302	868,302
Cash with Fiscal Agent	-	152,988	152,988
Accounts Receivables, Net	610,441	1,210,885	1,821,326
Due from Other Governments	93,141	74,080	167,221
Inventory	-	479,627	479,627
Unbilled Power Cost Adjustment	-	63,548	63,548
Net Pension Asset	213,646	268,587	482,233
Capital Assets Not Being Depreciated:			
Land	1,141,034	708,188	1,849,222
Construction in Process	335,216	139,287	474,503
Capital Assets - Depreciated, Net	7,644,892	25,408,526	33,053,418
Total Assets	15,328,050	33,196,495	48,524,545
Deferred Outflows of Resources			
Deferred Outflows - OPEB	30,015	24,204	54,219
Deferred Outflows - Pension	172,985	217,268	390,253
Total Deferred Outflows of Resources	203,000	241,472	444,472
Liabilities			
Accounts Payable	62,494	603,118	665,612
Accrued Liabilities	32,049	81,640	113,689
Accrued Interest Payable	-	77,330	77,330
Deposits	25,290	790,008	815,298
Unearned Revenues	-	797,109	797,109
Non-Current Liabilities:			
Due Within One Year	194,840	793,027	987,867
Due in More Than One Year	2,480,783	11,638,741	14,119,524
Total Liabilities	2,795,456	14,780,973	17,576,429
Deferred Inflows of Resources			
Deferred Inflows - Pension	423,179	366,478	789,657
Grant Revenues	28,103	-	28,103
Total Deferred Inflows of Resources	451,282	366,478	817,760
Net Position			
Net Investment in Capital Assets	7,794,197	14,872,837	22,667,034
Restricted for:			
Capital Improvements	-	481,812	481,812
Perpetual Care	422,655	-	422,655
Debt Service	-	78,294	78,294
Pension Benefits	95,117	119,378	214,495
Unrestricted	3,972,343	2,738,195	6,710,538
Total Net Position	\$ 12,284,312	\$ 18,290,516	\$ 30,574,828

See accompanying notes.

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 789,849	\$ 2,087,953	\$ -	\$ 178,015
Public Safety	1,000,238	60,156	-	-
Physical Environment	47,149	10,800	8,714	-
Transportation	673,453	-	-	-
Culture and Recreation	375,188	6,860	-	-
Interest on Long-Term Debt	84,127	-	-	-
Total Governmental Activities	<u>2,970,004</u>	<u>2,165,769</u>	<u>8,714</u>	<u>178,015</u>
Business-Type Activities				
Electric Utility	5,516,915	5,916,112	-	2,974
Water Utility	723,610	776,868	-	185,399
Sanitation	674,571	672,436	-	-
Wastewater Utility	1,166,640	1,135,895	-	37,378
Total Business-Type Activities	<u>8,081,736</u>	<u>8,501,311</u>	<u>-</u>	<u>225,751</u>
Total Business-Type and Governmental Activities	<u>\$ 11,051,740</u>	<u>\$ 10,667,080</u>	<u>\$ 8,714</u>	<u>\$ 403,766</u>

General Revenues

- Property Taxes
- Franchise Taxes
- Public Service Taxes
- Other Taxes
- State-Shared Revenues (Unrestricted)
- Investment Income
- Miscellaneous Revenues

Total General Revenues

Other Sources

- Gain from Sale of Capital Assets

Total Other Sources

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

See accompanying notes.

Net (Expense) Revenue and Change in Net Assets

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ 1,476,119	\$ -	\$ 1,476,119
(940,082)	-	(940,082)
(27,635)	-	(27,635)
(673,453)	-	(673,453)
(368,328)	-	(368,328)
(84,127)	-	(84,127)
<u>(617,506)</u>	<u>-</u>	<u>(617,506)</u>
-	402,171	402,171
-	238,657	238,657
-	(2,135)	(2,135)
-	6,633	6,633
-	<u>645,326</u>	<u>645,326</u>
<u>(617,506)</u>	<u>645,326</u>	<u>27,820</u>
615,256	-	615,256
454,614	-	454,614
165,470	-	165,470
390,729	-	390,729
425,864	-	425,864
572	975	1,547
39,363	-	39,363
<u>2,091,868</u>	<u>975</u>	<u>2,092,843</u>
<u>1,470</u>	<u>13,082</u>	<u>14,552</u>
<u>1,470</u>	<u>13,082</u>	<u>14,552</u>
1,475,832	659,383	2,135,215
<u>10,808,480</u>	<u>17,631,133</u>	<u>28,439,613</u>
<u>\$ 12,284,312</u>	<u>\$ 18,290,516</u>	<u>\$ 30,574,828</u>

See accompanying notes.

**CITY OF BUSHNELL, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Major Funds		
	General Fund	Cemetery Fund	Total Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 4,848,118	\$ 441,562	\$ 5,289,680
Accounts Receivable	610,441	-	610,441
Due from Other Governments	93,141	-	93,141
Total Assets	<u>5,551,700</u>	<u>441,562</u>	<u>5,993,262</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	59,687	2,807	62,494
Other Accrued Liabilities	32,049	-	32,049
Deposits	9,190	16,100	25,290
Total Liabilities	<u>100,926</u>	<u>18,907</u>	<u>119,833</u>
Deferred Inflow of Resources			
Grant Revenues	28,103	-	28,103
Total Deferred Inflow of Resources	<u>28,103</u>	<u>-</u>	<u>28,103</u>
Fund Balances			
Restricted	-	422,655	422,655
Assigned - Community Trust Fund	1,246,896	-	1,246,896
Unassigned	4,175,775	-	4,175,775
Total Fund Balances	<u>5,422,671</u>	<u>422,655</u>	<u>5,845,326</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 5,551,700</u>	<u>\$ 441,562</u>	<u>\$ 5,993,262</u>

See accompanying notes.

**CITY OF BUSHNELL, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2021**

Total Fund Balances of Governmental Funds	\$ 5,845,326
 Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Net Pension Asset - Regular Employee Pension Plan	213,646
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$13,886,965 and the accumulated depreciation is (\$4,765,823).	9,121,142
Deferred Inflow of Resources: Pension Related	(423,179)
Deferred Outflow of Resources: OPEB Related Pension Related	30,015 172,985
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:	
Notes Payable	(1,326,945)
Compensated Absences	(94,940)
OPEB Obligation	(1,253,738)
Total Net Position of Governmental Activities	<u>\$ 12,284,312</u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Major Funds		
	General Fund	Cemetery Fund	Total Governmental Funds
Revenues			
Taxes:			
Property	\$ 615,256	\$ -	\$ 615,256
Half-Cent Sales	372,695	-	372,695
Fuel	18,033	-	18,033
Franchise	620,083	-	620,083
Licenses and Permits	49,634	-	49,634
Intergovernmental Revenues	603,878	-	603,878
Charges for Service	6,860	10,800	17,660
Fines and Forfeitures	60,156	-	60,156
Landfill Surcharge	2,038,318	-	2,038,318
Miscellaneous Revenues	39,939	8,714	48,653
Total Revenues	<u>4,424,852</u>	<u>19,514</u>	<u>4,444,366</u>
Expenditures			
Current:			
General Government	697,396	-	697,396
Public Safety	869,855	-	869,855
Physical Environment	-	31,654	31,654
Transportation	416,352	-	416,352
Culture and Recreation	271,387	-	271,387
Capital Outlay	426,544	-	426,544
Debt Service:			
Principal	137,739	-	137,739
Interest	84,127	-	84,127
(Total Expenditures)	<u>(2,903,400)</u>	<u>(31,654)</u>	<u>(2,935,054)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,521,452</u>	<u>(12,140)</u>	<u>1,509,312</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	1,470	-	1,470
Total Other Financing Sources (Uses)	<u>1,470</u>	<u>-</u>	<u>1,470</u>
Net Change in Fund Balances	1,522,922	(12,140)	1,510,782
Fund Balance, Beginning	<u>3,899,749</u>	<u>434,795</u>	<u>4,334,544</u>
Fund Balance, Ending	<u>\$ 5,422,671</u>	<u>\$ 422,655</u>	<u>\$ 5,845,326</u>

See accompanying notes.

**CITY OF BUSHNELL, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ 1,510,782

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This reconciling item is the amount of depreciation expense of (\$382,518) and capital additions of \$426,544. 44,026

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

The following principal repayments of long-term debt occurred during the year:

Principal Repayments:
Note Payable 137,739

Change in deferred inflows and outflows of resources:
Pension Related (3,113)
OPEB Related 12,514

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds:

Compensated Absences 11,842
OPEB Obligation (337,326)
Net Pension Asset 70,768
Net Pension Liability 28,600

Change in Net Position of Governmental Activities \$ 1,475,832

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Taxes				
Ad Valorem	\$ 616,372	\$ 616,372	\$ 615,256	\$ (1,116)
Local Government Infrastructure Surtax	271,243	349,713	372,695	22,982
Local Option Gas Tax	19,802	19,802	18,033	(1,769)
Franchise Tax:				
Electric	3,549	3,549	5,332	1,783
Utility Tax:				
Communication	96,922	115,503	115,503	-
Gas	32,357	32,357	43,845	11,488
Electric	3,931	3,931	6,121	2,190
City Utility Tax	376,413	437,401	449,282	11,881
Total Taxes	<u>1,420,589</u>	<u>1,578,628</u>	<u>1,626,067</u>	<u>47,439</u>
Licenses and Permits				
City Building Permits	42,102	42,102	49,634	7,532
Total Licenses and Permits	<u>42,102</u>	<u>42,102</u>	<u>49,634</u>	<u>7,532</u>
Intergovernmental Revenue				
CDBG Grant Proceeds	250,000	164,533	175,015	10,482
FRDAP Grant Proceeds	50,000	-	-	-
DOT Highway Lighting and Maintenance	18,110	18,110	18,108	(2)
Safety Grant Proceeds	1,500	3,000	3,000	-
State Revenue Sharing	90,055	90,055	91,221	1,166
Alcohol Beverage License Distribution	3,527	3,527	3,790	263
Mobile Home Licenses	6,795	6,795	6,996	201
Sumter County Gas Tax	112,465	112,465	116,210	3,745
Half-Cent Sales Tax	149,771	190,939	189,538	(1,401)
Total Intergovernmental Revenue	<u>682,223</u>	<u>589,424</u>	<u>603,878</u>	<u>14,454</u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(Continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues (Concluded)				
Charges for Services				
League Fees	\$ 5,320	\$ 5,320	\$ 6,660	\$ 1,340
Fall Festival	24,287	200	200	-
Summer Youth Program	15,000	-	-	-
Total Charges for Services	<u>44,607</u>	<u>5,520</u>	<u>6,860</u>	<u>1,340</u>
Fines and Forfeitures				
Fines and Forfeitures	44,196	57,091	57,091	-
Police Education	2,609	2,609	3,065	456
Total Fines and Forfeitures	<u>46,805</u>	<u>59,700</u>	<u>60,156</u>	<u>456</u>
Miscellaneous Revenue				
Rent - Community Building	7,200	7,200	5,800	(1,400)
Rent - Tower Space	32,117	32,117	33,079	962
Investment Income	6,253	511	572	61
Landfill Surcharge	2,005,383	2,038,318	2,038,318	-
Miscellaneous	2,250	488	488	-
Total Miscellaneous Revenue	<u>2,053,203</u>	<u>2,078,634</u>	<u>2,078,257</u>	<u>(377)</u>
Total Revenues	<u>4,289,529</u>	<u>4,354,008</u>	<u>4,424,852</u>	<u>70,844</u>
Expenditures				
General Government				
Legislative:				
Personal Services	17,810	15,155	15,117	38
Operating Expenses	6,265	5,577	5,577	-
Aid to Private Organization	11,200	14,400	14,400	-
Total Legislative	<u>35,275</u>	<u>35,132</u>	<u>35,094</u>	<u>38</u>
Finance and Administrative:				
Personal Services	509,052	474,449	469,249	5,200
Operating Expenses	152,286	163,694	168,923	(5,229)
Capital Outlay	-	5,365	5,365	-
Total Finance and Administrative	<u>661,338</u>	<u>643,508</u>	<u>643,537</u>	<u>(29)</u>
Legal Counsel:				
Operating Expenses	24,129	24,129	24,129	-
Total General Government	<u>720,742</u>	<u>702,769</u>	<u>702,760</u>	<u>9</u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(Continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Expenditures (Continued)				
Public Safety				
Law Enforcement:				
Personal Services	\$ 1,350	\$ 1,642	\$ 1,612	\$ 30
Operating Expenses	755,968	755,968	755,968	-
Total Law Enforcement	<u>757,318</u>	<u>757,610</u>	<u>757,580</u>	<u>30</u>
Code Compliance Department:				
Personal Services	66,466	60,654	60,541	113
Operating Expenses	73,388	50,175	51,734	(1,559)
Total Code Compliance Department	<u>139,854</u>	<u>110,829</u>	<u>112,275</u>	<u>(1,446)</u>
Total Public Safety	<u>897,172</u>	<u>868,439</u>	<u>869,855</u>	<u>(1,416)</u>
Transportation				
Roads and Streets:				
Personal Services	281,242	276,122	276,210	(88)
Operating Expenses	1,004,623	430,376	140,143	290,233
Capital Outlay	46,000	86,188	374,953	(288,765)
Total Transportation	<u>1,331,865</u>	<u>792,686</u>	<u>791,306</u>	<u>1,380</u>
Culture and Recreation				
Libraries:				
Operating Expenses	1,575	1,575	1,666	(91)
Total Libraries	<u>1,575</u>	<u>1,575</u>	<u>1,666</u>	<u>(91)</u>
Parks and Recreation:				
Personal Services	193,910	172,936	171,181	1,755
Operating Expenses	98,590	96,178	94,044	2,134
Capital Outlay	87,000	46,319	46,226	93
Total Parks and Recreation	<u>379,500</u>	<u>315,433</u>	<u>311,451</u>	<u>3,982</u>
Special Events:				
Operating Expenses	42,779	7,496	4,496	3,000
Summer Youth Program:				
Personal Services	4,306	-	-	-
Operating Expenses	11,200	-	-	-
Total Summer Youth Program	<u>15,506</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Culture and Recreation	<u>439,360</u>	<u>324,504</u>	<u>317,613</u>	<u>6,891</u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(Concluded)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Expenditures (Concluded)				
Debt Service				
Principal Retirement	\$ 137,736	\$ 137,739	\$ 137,739	\$ -
Interest and Fiscal Charges	84,103	84,127	84,127	-
Total Debt Service	<u>221,839</u>	<u>221,866</u>	<u>221,866</u>	<u>-</u>
(Total Expenditures)	<u>(3,610,978)</u>	<u>(2,910,264)</u>	<u>(2,903,400)</u>	<u>6,864</u>
Excess of Revenue Over Expenditures	<u>678,551</u>	<u>1,443,744</u>	<u>1,521,452</u>	<u>77,708</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Fixed Assets	600	600	1,470	870
Total Other Financing Sources (Uses)	<u>600</u>	<u>600</u>	<u>1,470</u>	<u>870</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	679,151	1,444,344	1,522,922	78,578
Fund Balance, Beginning of Year	<u>3,899,749</u>	<u>3,899,749</u>	<u>3,899,749</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4,578,900</u>	<u>\$ 5,344,093</u>	<u>\$ 5,422,671</u>	<u>\$ 78,578</u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - CEMETERY
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Contributions	\$ 5,500	\$ 7,230	\$ 7,230	\$ -
Sale of Cemetery Lots	6,000	11,050	10,800	(250)
Interest	6,000	7,310	1,484	(5,826)
Total Revenues	<u>17,500</u>	<u>25,590</u>	<u>19,514</u>	<u>(6,076)</u>
(Expenditures - Physical Environment)	<u>(33,880)</u>	<u>(31,818)</u>	<u>(31,654)</u>	<u>164</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,380)	(6,228)	(12,140)	(5,912)
Fund Balance, Beginning of Year	<u>434,795</u>	<u>434,795</u>	<u>434,795</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 418,415</u>	<u>\$ 428,567</u>	<u>\$ 422,655</u>	<u>\$ (5,912)</u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2021

	Business-Type Activities				Total
	Electric Utility Fund	Water Utility Fund	Sanitation Fund	Wastewater Utility Fund	
Assets					
Current Assets					
Cash and Cash Equivalents	\$ 1,419,615	\$ 1,171,354	\$ 547,421	\$ 684,087	\$ 3,822,477
Cash with Fiscal Agent	152,988	-	-	-	152,988
Restricted Cash	790,008	-	-	-	790,008
Receivables:					
Customers (Net of Allowance for Uncollectible Accounts)	924,037	85,421	66,592	134,835	1,210,885
Unbilled Power Cost Adjustment	63,548	-	-	-	63,548
Inventories, at Cost	416,253	41,181	-	22,193	479,627
Due from Other Governments	5,708	68,372	-	-	74,080
Total Current Assets	3,772,157	1,366,328	614,013	841,115	6,593,613
Non-Current Assets					
Restricted Cash					
Debt Service - Sinking Fund	-	29,571	-	46,087	75,658
Debt Service - Reserves	-	2,636	-	-	2,636
Total Restricted Cash	-	32,207	-	46,087	78,294
Capital Assets					
Land	2,300	43,340	-	662,548	708,188
Construction in Process	13,751	24,944	-	100,592	139,287
Utility Plant-In-Service and Buildings	12,430,336	8,198,489	-	12,597,716	33,226,541
Machinery and Equipment (Accumulated Depreciation and Amortization)	1,629,319 (3,743,973)	1,445,769 (3,158,201)	1,486,101 (917,146)	403,675 (4,963,559)	4,964,864 (12,782,879)
Total Capital Assets - Cost Less Depreciation	10,331,733	6,554,341	568,955	8,800,972	26,256,001
Other Assets					
Net Pension Asset	161,294	36,436	29,771	41,086	268,587
Advances to Other Funds	885,100	377,948	-	-	1,263,048
Total Other Assets	1,046,394	414,384	29,771	41,086	1,531,635
Total Non-Current Assets	11,378,127	7,000,932	598,726	8,888,145	27,865,930
Total Assets	15,150,284	8,367,260	1,212,739	9,729,260	34,459,543
Deferred Outflow of Resources					
OPEB Related	10,550	4,030	4,960	4,664	24,204
Pension Related	130,596	29,471	23,935	33,266	217,268
Total Deferred Outflow of Resources	141,146	33,501	28,895	37,930	241,472
Total Assets and Deferred Outflow of Resources	15,291,430	8,400,761	1,241,634	9,767,190	34,701,015

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2021
(Concluded)

	Business-Type Activities				Total
	Electric Utility Fund	Water Utility Fund	Sanitation Fund	Wastewater Utility Fund	
Liabilities and Net Assets					
Current Liabilities					
Accounts Payable	\$ 471,358	\$ 38,923	\$ 22,578	\$ 70,259	\$ 603,118
Accrued Expenses	61,050	4,868	6,045	9,677	81,640
Compensated Absences	8,184	8,438	5,758	4,508	26,888
Current Portion of Capital Leases, Revenues Bonds, and Notes Payable	438,477	81,485	65,659	156,314	741,935
Interest Payable	33,166	13,341	-	30,823	77,330
OPEB	10,075	4,263	4,746	5,120	24,204
Customer Deposits	790,008	-	-	-	790,008
Total Current Liabilities	1,812,318	151,318	104,786	276,701	2,345,123
Non-Current Liabilities					
Revenue Bonds Payable	6,945,841	1,187,238	-	1,947,600	10,080,679
Notes Payable	-	-	-	358,168	358,168
Capital Lease Payable	34,786	-	172,000	-	206,786
Compensated Absences	32,735	32,853	23,030	18,935	107,553
OPEB Liability	368,615	155,983	173,645	187,312	885,555
Advances from Other Funds	-	20,100	-	1,242,948	1,263,048
Unearned Revenues	-	151,450	-	645,659	797,109
Total Non-Current Liabilities	7,381,977	1,547,624	368,675	4,400,622	13,698,898
Total Liabilities	9,194,295	1,698,942	473,461	4,677,323	16,044,021
Deferred Inflow of Resources					
Pension Related	220,080	49,716	40,622	56,060	366,478
Total Deferred Inflow of Resources	220,080	49,716	40,622	56,060	366,478
Total Liabilities and Deferred Inflow of Resources	9,414,375	1,748,658	514,083	4,733,383	16,410,499
Net Position					
Net Investment in Capital Assets	2,912,629	5,287,115	334,296	6,338,797	14,872,837
Restricted for Debt Service	-	32,207	-	46,087	78,294
Restricted for Capital Improvements	-	113,625	-	368,187	481,812
Restricted for Pension Benefits	71,810	16,192	13,084	18,292	119,378
Unrestricted	2,892,616	1,202,964	380,171	(1,737,556)	2,738,195
Total Net Position	\$ 5,877,055	\$ 6,652,103	\$ 727,551	\$ 5,033,807	\$ 18,290,516

See accompanying notes.

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

	Business-Type Activities				Total
	Electric Utility Fund	Water Utility Fund	Sanitation Fund	Wastewater Utility Fund	
Operating Revenues					
Charges for Services	\$ 5,916,112	\$ 776,868	\$ 672,436	\$ 1,135,895	\$ 8,501,311
Operating Expenses					
Purchased Power	3,757,813	-	-	-	3,757,813
Salaries and Benefits	726,370	314,913	272,803	359,569	1,673,655
Other Costs of Sales and Services	303,852	196,982	303,341	404,240	1,208,415
Depreciation	518,588	181,294	90,770	332,573	1,123,225
(Total Operating Expenses)	(5,306,623)	(693,189)	(666,914)	(1,096,382)	(7,763,108)
Operating Income (Loss)	609,489	83,679	5,522	39,513	738,203
Non-Operating Revenues (Expenses)					
Proceed from Sale of Capital Assets	5,745	5,703	-	1,634	13,082
Investment Income	782	121	72	-	975
Debt Service Costs	(11,529)	-	-	-	(11,529)
Interest Expense	(198,763)	(30,421)	(7,657)	(70,258)	(307,099)
Total Non-Operating Revenues (Expenses)	(203,765)	(24,597)	(7,585)	(68,624)	(304,571)
Income (Loss) Before Capital Contributions and Transfers	405,724	59,082	(2,063)	(29,111)	433,632
Capital Contributions and Transfers					
Capital Contributions (Cost Assistance)	2,974	39,061	-	17,952	59,987
Capital Contribution - Grant Proceeds	-	145,213	-	16,426	161,639
Capacity Reservation Charge	-	1,125	-	3,000	4,125
Total Capital Contributions and Transfers	2,974	185,399	-	37,378	225,751
Change in Net Position	408,698	244,481	(2,063)	8,267	659,383
Net Position, Beginning of Year	5,468,357	6,407,622	729,614	5,025,540	17,631,133
Net Position, End of Year	\$ 5,877,055	\$ 6,652,103	\$ 727,551	\$ 5,033,807	\$ 18,290,516

See accompanying notes.

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

	Business-Type Activities				Total
	Electric Utility Fund	Water Utility Fund	Sanitation Fund	Wastewater Utility Fund	
Cash Flows from Operating Activities					
Receipts from Customers	\$ 5,811,885	\$ 1,050,183	\$ 671,532	\$ 1,128,133	\$ 8,661,733
Payments to Employees for Services	(668,929)	(288,674)	(224,107)	(317,957)	(1,499,667)
Payments to Suppliers	(4,034,662)	(198,971)	(301,602)	(342,625)	(4,877,860)
Net Cash Provided by (Used in) Operating Activities	<u>1,108,294</u>	<u>562,538</u>	<u>145,823</u>	<u>467,551</u>	<u>2,284,206</u>
Cash Flows from Non-Capital Financing Activities					
Due to Other Funds	93,456	-	-	(93,456)	-
ARPA Proceeds	-	151,450	-	645,659	797,109
Net Cash Provided by (Used in) Non-Capital and Related Financing Activities	<u>93,456</u>	<u>151,450</u>	<u>-</u>	<u>552,203</u>	<u>797,109</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition and Construction of Capital Assets	(159,103)	(234,529)	(22,542)	(158,222)	(574,396)
Capital Contributions (Costs Assistance)	2,974	39,061	-	17,952	59,987
Capacity Reservation Charge	-	1,125	-	3,000	4,125
Capital Contributions - Grant Proceeds	-	145,213	-	16,426	161,639
Proceeds from Sale of Capital Assets	5,745	5,703	-	1,634	13,082
Debt Service Costs	(11,529)	-	-	-	(11,529)
Principal Paid on Capital Debt	(427,210)	(78,788)	(63,934)	(151,456)	(721,388)
Interest Paid on Capital Debt	(198,763)	(30,421)	(7,843)	(70,258)	(307,285)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(787,886)</u>	<u>(152,636)</u>	<u>(94,319)</u>	<u>(340,924)</u>	<u>(1,375,765)</u>
Cash Flows from Investing Activities					
Investment Income	782	121	72	-	975
Net Increase (Decrease) in Cash and Cash Equivalents	414,646	561,473	51,576	678,830	1,706,525
Cash and Cash Equivalents, Beginning of Year	<u>1,947,965</u>	<u>642,088</u>	<u>495,845</u>	<u>51,344</u>	<u>3,137,242</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,362,611</u>	<u>\$ 1,203,561</u>	<u>\$ 547,421</u>	<u>\$ 730,174</u>	<u>\$ 4,843,767</u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021
(Concluded)

	Business-Type Activities				Total
	Electric Utility Fund	Water Utility Fund	Sanitation Fund	Wastewater Utility Fund	
<u>Shown in the Financial Statements as</u>					
Cash and Cash Equivalents	\$ 1,419,615	\$ 1,171,354	\$ 547,421	\$ 684,087	\$ 3,822,477
Cash with Fiscal Agent	152,988	-	-	-	152,988
Restricted Cash - Debt Reserves	-	32,207	-	46,087	78,294
Restricted Cash	790,008	-	-	-	790,008
Total	\$ 2,362,611	\$ 1,203,561	\$ 547,421	\$ 730,174	\$ 4,843,767
<u>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities</u>					
Operating Income (Loss)	\$ 609,489	\$ 83,679	\$ 5,522	\$ 39,513	\$ 738,203
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	518,588	181,294	90,770	332,573	1,123,225
Changes in Assets Decrease (Increase) and Liabilities Increase (Decrease):					
Accounts Receivable, Net Due from Other Governments	(189,077)	(7,325)	(904)	(7,762)	(205,068)
Inventory	232	936	-	14,001	15,169
Customer Deposits	28,547	-	-	-	28,547
Accounts Payable	17,698	(2,925)	4,639	47,614	67,026
Accrued Expenses	5,045	(7,274)	(2,900)	(5,500)	(10,629)
Prepays	9,073	-	-	-	9,073
Power Cost Adjustment	56,303	-	-	-	56,303
Compensated Absences	(11,922)	(8,390)	4,639	5,253	(10,420)
OPEB Liability	106,524	53,262	53,262	53,262	266,310
Net Pension Items and Related Deferred Inflows and Outflows	(42,206)	(11,359)	(9,205)	(11,403)	(74,173)
Total Adjustments	498,805	478,859	140,301	428,038	1,546,003
Net Cash Provided by (Used in) Operating Activities	\$ 1,108,294	\$ 562,538	\$ 145,823	\$ 467,551	\$ 2,284,206

See accompanying notes.

**CITY OF BUSHNELL, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND
SEPTEMBER 30, 2021**

Assets

Cash and Cash Equivalents	\$ 105,155
Investments:	
Corporate and Foreign Bonds	492,988
U.S. Government Securities	678,282
Common Stock	3,776,982
Foreign Stock	5,610
Total Cash, Cash Equivalents, and Investments	<u>5,059,017</u>
Accounts Receivable	10,745
Total Assets	<u><u>5,069,762</u></u>
Fiduciary Net Position	
Fiduciary Net Position Restricted for Pensions	<u><u>\$ 5,069,762</u></u>

See accompanying notes.

CITY OF BUSHNELL, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Additions	
Contributions:	
Employer	\$ 111,528
Net Investment Income	907,968
Total Additions	<u>1,019,496</u>
Reductions	
Benefits Paid to Plan Members	76,039
Administrative Expenses	52,188
Total Reductions	<u>(128,227)</u>
Net Increase (Decrease)	891,269
Fiduciary Net Position Restricted for Pensions, Beginning of Year	<u>4,178,493</u>
Fiduciary Net Position Restricted for Pensions, End of Year	<u>\$ 5,069,762</u>

See accompanying notes.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Note 1 - Description of Funds and Summary of Significant Accounting Policies

The financial statements of the City of Bushnell, Florida (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Significant City accounting policies are described below:

Reporting Entity

The City is a political subdivision of the State of Florida located in Sumter County (the County). The City was established under the legal authority of the Laws of Florida, Chapter 57-105. The City operates under a council-manager form of government. The legislative branch of the City is composed of a four-member elected City Council, and an elected mayor. The Mayor and City Council are governed by the City Charter by state and local laws and regulations. The Mayor and City Council are responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Manager. The City provides services to its residents in many areas, including contracting with the County for public safety (police), highways and streets, utilities, sanitation, culture and recreation, public improvements, and general administrative services.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's Governing Board and: (1) it is able to impose its will on the organization, or (2) there is a potential for the organization to provide specific financial benefit to, or impose specific financial burden on, the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Management has determined that there are no component units that the City is required to report on.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. 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 services. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Indirect expenses are allocated automatically and certain indirect costs are included in program expenses reported for individual function and activities. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide activities.

Fund Financial Statements

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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City operates the following major governmental funds:

■ **Governmental Funds**

Governmental funds are used to account for all or most of a government's general activities. The City operates the following major governmental funds:

- The **General Fund**—is the City's primary operating fund. It accounts for all financial resources of the primary government, except those required to be accounted for in another fund.
- The **Evergreen Cemetery Fund**—accounts for the proceeds from sales of cemetery lots and contributions to the City's cemetery fund, which is used to maintain the cemetery. This fund is reported as a special revenue fund. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

■ **Proprietary Funds**

Proprietary funds are used to account for the City's ongoing activities, which are similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

The City reports the following major proprietary funds:

- The **Electric Utility Fund**—accounts for the fiscal activity of providing electric services to residential and commercial customers.
 - The **Water Utility Fund**—accounts for the fiscal activity of providing water services to residential and commercial customers.
 - The **Wastewater Fund**—accounts for the fiscal activity of providing wastewater services to residential and commercial customers.
 - The **Sanitation Fund**—accounts for the operations and maintenance of the City’s refuse collection system.
- **Fiduciary Fund**
- The **Pension Trust Fund**—accounts for the activities of the City’s General Employees’ Retirement fund, which accumulates resources for pension benefit payments for qualified retiring employees. It is excluded from the government-wide financial statements because it is fiduciary in nature and does not represent resources available to the City for operations. The financial statements are prepared on the accrual basis of accounting. Benefits and refunds of the postemployment defined-benefit plan are recognized when due and payable in accordance with the terms of the plan. In addition, administrative costs are financed through plan earnings.

Summary of Significant Accounting Policies

The City conforms to all significant accounting policies to GAAP applicable to governmental units. The following is a summary of the more significant principles and practices used in the preparation of these financial statements:

Proprietary Funds

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 proprietary funds are charges to customers for sales and services. Operating expenses for proprietary 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.

When both restricted and unrestricted resources are available for use, it is the City’s policy to generally use restricted resources first, and then unrestricted resources, as they are needed for their intended purposes; however, this decision is frequently made on a case-by-case basis based upon facts and circumstances. Revenues of the proprietary funds are recognized on the basis of services rendered. Billing cycles of the proprietary funds that overlap September 30 are prorated based upon meter reading dates.

Budgets and Budgetary Accounting

The City’s procedures in preparing and adopting the annual budget, which is adopted on a basis consistent with GAAP, are as follows:

- The City Manager is responsible for preparing a proposed operating budget for all governmental funds and proprietary funds for the upcoming year prior to September 30 that includes estimated revenues, proposed expenditures, and other financing sources and uses.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

- Public hearings are held to obtain taxpayer comments and suggestions. The budget is enacted through passage of a resolution.
- The City Manager is authorized to transfer budgeted amounts within any fund, but may not revise total fund expenditures without the approval of the City Council. The budget data presented is in agreement with the originally adopted budget as amended by the City Council.
- Formal budgetary integration is employed as a management control device during the year for substantially all funds. Budgets are adopted on a basis consistent with GAAP, except that the provision for depreciation expense is not included in the budget of the proprietary funds. Total budgetary appropriations within a governmental fund type may not be exceeded legally. Appropriations lapse at the end of the year. Budget data, when presented in the basic financial statements, is prepared on the same basis of accounting as that prescribed for the fund. An annual operating budget was prepared for all funds.

Annual budgets are adopted on a basis consistent with GAAP for all governmental funds.

During the year, the City made supplemental budget appropriations, which increased or decreased the budgets, as necessary.

Cash and Cash Equivalents

Cash includes cash on hand, demand deposits with banks, money market funds, and certificates of deposits, as well as short-term investments with a maturity date within three months of the date acquired.

The City utilizes pooled cash and investment accounts in which each fund participates on a dollar equivalent basis (except the pension trust funds). Interest is distributed monthly based on average balances. The nature of the pooled accounts permits temporary negative cash balances upon overdrawing of cash available in individual funds, which is presented as interfund receivables and payables. The cash and investments of the pension trust funds are held separately from those of other City funds.

Transfers

Transfers are recognized in the accounting period in which the interfund receivable and payable arise. Transfers are made between funds to finance operations, per the budget.

Capital Grants

Accounts receivable from other governments include amounts due from grantors. Program and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable costs are incurred. Revenues received in advance of costs being incurred are deferred. Capital grants for capital asset additions to the proprietary funds are recorded as non-operating revenues.

Investments

Investments, including pension funds, are stated at fair value. State Board of Administration (SBA) funds are stated at amortized cost.

Receivables

Utility operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered after the last billing date and up to September 30 is estimated and accrued at year-end. The allowance for doubtful accounts is detailed in Note 12.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

General fund receivables represent amounts due from the federal, state, or local governments, State of Florida or the County for shared revenues or costs. The amount is considered collectible in full within sixty days of fiscal year-end (therefore, an allowance for doubtful accounts is not recorded).

Inventories and Prepaid Items

Inventories held by the utility funds are priced by the weighted-average costs method at the lower of cost or market. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Cost Reimbursements

Certain personal services and operating expenses/expenditures recorded in various funds and departments are a result of services performed and expenses/expenditures incurred for the benefit of other funds and departments. In order to better reflect various funds and departments' actual costs, a cost reimbursement is recorded as a reduction in expenditures or expenses. The funds and departments that benefit from the services and expenses/expenditures record a cost reimbursement as an increase in expenditures or expenses.

Capital Assets

Capital assets, which include land, utility plant-in-service, buildings, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Utility plant-in-service and equipment with initial individual costs that equal or exceed \$300 and estimated useful lives of over one year are recorded as capital assets. Capital assets are recorded at historical cost if purchased or constructed. Infrastructure assets acquired prior to the implementation of GASB Statement No. 34 have not been recorded.

Capital asset purchases are recorded as capital outlay expenditures in the fund level governmental funds in the year of acquisition.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	32-50 Years
Improvements Other Than Buildings	10-50 Years
Machinery, Equipment, and Furniture	3-15 Years

Bond Discounts

Bond discounts for proprietary fund types are deferred and amortized over the term of the bonds using the straight-line amortization method, which produces a result not significantly different from the interest method. Bond discounts are presented as a reduction of the face amount of bonds payable.

Compensated Absences

In the governmental fund financial statements there are no amounts of compensated absences associated with employee vacations and sick leave recorded. In the government-wide financial statements, all governmental fund compensated absences are recorded and split between the current and non-current portions. The general fund is used to liquidate the liability for compensated absences.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

In proprietary funds, the amount of compensated absences associated with employee vacation days and sick leave that are recorded as expenses represent the amounts paid during the year and accrued at year-end. The entire liability for compensated absences of these funds is reflected in the respective financial statements split between the current and non-current portions and also recorded in the entity-wide statements.

The policy for payment of sick leave is upon voluntary termination of the employee, 50% of the accumulated hours would be paid (75% for long-term employees with twenty or more years of full-time service) not to exceed 1,040 hours. The City accrues and records 100% of unpaid vacation pay and 50% or 75%, as applicable, of unpaid sick pay at the employee's current pay rate.

Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments are recorded as expenditures in order to reserve that portion of the applicable appropriation, is not employed by the City for budgetary purposes.

Unearned Revenues

Unearned revenues include amounts collected before the revenue recognition criteria are met and receivables which, under the modified accrual basis of accounting, are measurable but not yet available.

Water Line Extension Charges

Water line extension charges are made to customers to cover the full cost of the addition. Costs of the extension are reported as utility plant-in-service, and depreciated over the estimated useful life of the assets.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and the County Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2021, was 3.8691%.

The tax levy of the City is established by the City Council prior to October 1 of each year and the County Property Appraiser incorporates the City millages into the total tax levy, which includes the County and the County School Board tax requirements.

All property is assessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the Florida Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

Taxes are assessed on November 1 of each year, or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector. Unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest at 18% per year or any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

The City does not accrue its portion of the County held tax sales certificates or personal property tax warrants because such amounts are not measurable and available as of the balance sheet date.

Fund Balance Reporting

GASB has promulgated Statement No. 54, entitled *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement is designed to do two things. First, it clarifies the definition of what activities are to be reported within different types of governmental funds (general fund, special revenue fund type, capital project fund type, debt service fund type, and permanent fund type). No changes were required by the City based on this standard clarification.

Second, it provides clearer fund balance definitions that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds as follows:

- *Non-Spendable*—Resources that cannot be spent, such as for inventories and prepaid items.
- *Restricted*—Balances that only can be spent for specific purposes imposed by external sources.
- *Committed*—Resources that can only be spent for purposes established by the highest decision making authority in the City—the City Council.
- *Assigned*—Amounts designated for specific purposes, but does not meet the criteria to be designated restricted or committed.
- *Unassigned*—The residual classification for all remaining funds not contained in other classifications for the general fund.

All *Restricted* fund balances relate to external debt service restrictions and perpetual care for the cemetery. The City Council is the highest decision making authority of the City, approves the establishment, increase, and reduction in *Committed* and *Assigned* fund balances by resolution. All other fund balances are *Unassigned*. *Restricted* and *Committed* fund balances are always used first for the purposes for which they are designated. Changes to this practice require prior City Council approval. The City Council, the governing body, has not provided authorization or a policy designating authority to changes of the above classifications to any other individual. A minimum fund balance amount has not been formally adopted.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify as deferred outflows of resources on its government-wide and proprietary statement of net position, the deferred outflows for Other Postemployment Benefits (OPEB) and deferred outflows for pension. The deferred outflows for OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Statements No. 68, *Accounting and Financial Reporting for Pensions*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The deferred outflows for OPEB and pensions will be recognized as pension expense, or a reduction of the net OPEB, or pension liabilities in future reporting periods.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has one type of deferred inflows on its government-wide statement, the deferred inflows related for pensions. The deferred inflows for pensions are an aggregate of items related to pensions as calculated under the sample principles as the deferred outflows for pensions. Both will be recognized as a reduction to pension expense in future reporting periods.

Adoption of New Accounting Standard

GASB No. 84, *Fiduciary Activities*: The City implemented the reporting requirements of this standard as it relates to its fiduciary fund for the defined benefit pension fund for the year ended September 30, 2021. There were no material changes to the financial reports and notes affected by the implementation.

Note 2 - Cash and Cash Equivalents and Investments

All cash deposits were held in qualified public depositories and were covered by federal depository insurance or by the *Florida Security for Public Deposits Act*, Chapter 280 of the Florida Statutes.

The amounts placed with the SBA Florida Prime™, for participation in the Local Government Surplus Funds Trust Fund investment pool was created by Section 218.415, Florida Statutes. This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. The City's investments in the Florida Prime™, a Securities and Exchange Commission investment pool, are reported at fair value, which is amortized at cost. The fund issues separate financial reports and can be found at their website at www.sbafla.com/PRIME.

The City's cash and cash equivalents, investments, and required disclosures for the year ended September 30, 2021, are as follows:

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

<u>Type</u>	<u>Fair Value</u>	<u>WAM</u>	<u>Level</u>	<u>Credit Ratings</u>
Cash and Cash Equivalents				
Cash Deposits	\$ 9,280,087	N/A	N/A	N/A
Petty Cash	1,050	N/A	N/A	N/A
Certificates of Deposit	420,392	2 Yrs	1	N/A
SBA*	431,918	49 days	N/A	AAAm
Money Market Funds - Pension	<u>105,155</u>	N/A	2	N/A
Total Cash and Cash Equivalents	<u>\$ 10,238,602</u>			
Investments				
Regular Employee Pension:				
Corporate/Foreign Bonds	\$ 492,988	5.54 Yrs	2	AAAAA/A+/AA- A-/BBB+/BBB/
U.S. Treasury Notes/Bonds	642,293	3.84 Yrs	2	AAA
U.S. Government Agency Bonds	35,989	1.30 Yrs	2	AA+
Common Stock	3,776,982	N/A	1	N/A
Foreign Stock	<u>5,610</u>	N/A	1	N/A
Total Investments	4,953,862			
Total Cash and Cash Equivalents	<u>10,238,602</u>			
	<u>\$ 15,192,464</u>			
Reconciliation with the Statement of Net Position				
Cash and Cash Equivalents - Unrestricted	\$ 9,112,157			
Cash and Cash Equivalents - Restricted	868,302			
Cash with Fiscal Agent	152,988			
Pension Cash and Investments	<u>5,059,017</u>			
Total	<u>\$ 15,192,464</u>			

*SBA is only the Florida Prime™ pool and is valued at amortized cost.

Fair Value Hierarchy

The City holds assets that are defined as short-term investments. The City's investments are recorded at fair value unless the investment qualifies as an external investment pool under the guidance in GASB Statement No. 79. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1—Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2—Inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, prices for identical or similar assets or liabilities in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability, such as: (1) interest rates and yield curves observable at commonly quoted intervals, (2) implied volatilities, and/or (3) credit spreads and market corroborated inputs. This includes other significant observable inputs (including quoted prices of similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Inputs are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Other Investment Disclosures

The City holds investments in qualified external investments pools that measure all of its investments at amortized cost for financial reporting purposes. These investments are recorded at amortized cost. The following investment is recorded at amortized costs and is not subject to the fair value hierarchy:

- Florida Local Government Investment Pool (Florida Prime™)

The pool has no limitations or restrictions on participant withdrawals including items, such as redemption notices, maximum transaction amounts, and the pool's authority to impose liquidity fees or redemption gates.

GASB Statement No. 79 says that if a participant has an investment in a qualifying external investment pool that measures, for financial reporting purposes, all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states the principal and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2021, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Investments

The City established an investment policy on September 7, 2017, that follows the Florida Statute 218.415.

The investment policy for the General Employees' Pension Fund was established in 2002, pursuant to the Florida Statutes requirements and has been amended.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Interest Rate Risk

The City's pension plan investment policy does not address the risk that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The pension plan's interest rate risks are measured using the weighted average maturity method (WAM). The WAM method expresses investment time horizons, the time when investments become due and payable-in years or months, weighted to reflect the dollar size of individual investments.

Custodial Credit Risk

The City's pension plan policy requires securities be held with a third-party custodian; and all securities purchased by, and all collateral obtained by, the City shall be properly designated as an asset of the City.

Concentration of Credit Risk

The City's pension plan policy states that, except for Treasury and Agency Obligations, the debt portion of the investments shall contain no more than ten percent (10%) of a given issuer irrespective of the number of differing issues.

Credit Risk

The City's pension plan policy states that all securities must hold a rating in one of the three highest classifications by a major rating service. All of the fixed income investments in the pensions' funds hold a rating of AAA by Standard & Poor's and Moody's. As of September 30, 2021, there were no investments that had greater than 5% concentration by any one issuer other than those explicitly guaranteed by the U.S. Government.

Foreign Currency Risk

The City's pension plan policy does not address applicability in investments in foreign currency. The pension plan does not have exposure to foreign currency risk.

Rate Stabilization

The rate stabilization fund was created pursuant to an agreement with the City's wholesale power provider, Florida Municipal Power Agency (FMPA). These funds are held in trust by FMPA in a money market fund and can be utilized by the City to stabilize the City's bulk electric rates. As of September 30, 2021, the balance in this account was \$152,988 shown as cash with fiscal agent in the statement of net position.

Note 3 - Restricted Assets

Customer Deposits

Customer deposits have been restricted to indicate that the amount is not available for the financing of current utility operations.

NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA

Note 4 - Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases/ Transfers</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 1,141,034	\$ -	\$ -	\$ 1,141,034
Construction in Progress	18,348	316,868	-	335,216
Total Capital Assets Not Being Depreciated	<u>1,159,382</u>	<u>316,868</u>	<u>-</u>	<u>1,476,250</u>
Capital Assets Being Depreciated:				
Buildings	4,021,573	-	-	4,021,573
Improvements Other Than Buildings	7,251,238	-	-	7,251,238
Equipment and Furniture	1,029,823	109,676	(1,595)	1,137,904
Total Capital Assets Being Depreciated	<u>12,302,634</u>	<u>109,676</u>	<u>(1,595)</u>	<u>12,410,715</u>
Less Accumulated Depreciation:				
Buildings	(1,369,815)	(79,171)	-	(1,448,986)
Improvements Other Than Buildings	(2,226,639)	(259,013)	-	(2,485,652)
Equipment and Furniture	(788,446)	(44,334)	1,595	(831,185)
Total Accumulated Depreciation	<u>(4,384,900)</u>	<u>(382,518)</u>	<u>1,595</u>	<u>(4,765,823)</u>
Total Capital Assets Being Depreciated, Net	<u>7,917,734</u>	<u>(272,842)</u>	<u>-</u>	<u>7,644,892</u>
Governmental Activities Capital Depreciated, Net	<u>\$ 9,077,116</u>	<u>\$ 44,026</u>	<u>\$ -</u>	<u>\$ 9,121,142</u>
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 708,188	\$ -	\$ -	\$ 708,188
Construction in Progress	708,051	292,691	(861,455)	139,287
Total Capital Assets Not Being Depreciated	<u>1,416,239</u>	<u>292,691</u>	<u>(861,455)</u>	<u>847,475</u>
Capital Assets Being Depreciated:				
Utility Plant in Service	31,865,069	919,082	(17,238)	32,766,913
Buildings	419,930	39,698	-	459,628
Machinery and Equipment	4,809,191	201,618	(45,945)	4,964,864
Total Capital Assets Being Depreciated	<u>37,094,190</u>	<u>1,160,398</u>	<u>(63,183)</u>	<u>38,191,405</u>
Less Accumulated Depreciation:				
Utility Plant-In-Service	(8,416,035)	(807,918)	-	(9,223,953)
Buildings	(312,079)	(29,885)	49,795	(292,169)
Machinery and Equipment	(2,977,485)	(285,422)	(3,850)	(3,266,757)
Total Accumulated Depreciation	<u>(11,705,599)</u>	<u>(1,123,225)</u>	<u>45,945</u>	<u>(12,782,879)</u>
Total Capital Assets Being Depreciated, Net	<u>25,388,591</u>	<u>37,173</u>	<u>(17,238)</u>	<u>25,408,526</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 26,804,830</u>	<u>\$ 329,864</u>	<u>\$ (878,693)</u>	<u>\$ 26,256,001</u>
Depreciation Expense -				
Governmental Activities				
General Government				\$ 56,792
Public Safety				200
Physical Environment				2,474
Transportation				218,152
Culture and Recreation				104,900
Total Depreciation Expense - Governmental Activities				<u>\$ 382,518</u>
Depreciation Expense -				
Business-Type Activities				
Electric Utility				\$ 518,588
Water Utility				181,294
Wastewater Utility				332,573
Sanitation Utility				90,770
Total Depreciation Expense - Business-Type Activities				<u>\$ 1,123,225</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA

Note 5 - Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2021, was as follows:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Notes Payable:					
Note Payable - SunTrust Bank - Direct Borrowings	\$ 1,464,684	\$ -	\$ (137,739)	\$ 1,326,945	\$ 145,837
Other Liabilities:					
Net Pension Liability - FRS	20,436	-	(20,436)	-	-
Net Pension Liability - HIS	8,164	-	(8,164)	-	-
Other Postemployment Benefits	916,412	337,326	-	1,253,738	30,015
Compensated Absences	106,782	9,514	(21,356)	94,940	18,988
Total Other Liabilities	1,051,794	346,840	(49,956)	1,348,678	49,003
Total Government Activities	\$ 2,516,478	\$ 346,840	\$ (187,695)	\$ 2,675,623	\$ 194,840
Business-Type Activities					
Revenue Bond and Notes Payable:					
Electric Fund:					
FMPA - Direct Borrowings	\$ 7,592,568	\$ -	\$ (319,251)	\$ 7,273,317	\$ 327,476
Water and Sewer Funds:					
Wastewater - Hanson Plant SRF -					
Direct Borrowings	477,916	-	(59,272)	418,644	60,476
State Revolving Loan, Drinking Water -					
Direct Borrowings	105,034	-	(17,959)	87,075	18,960
State Revolving Loan, SR48 Widening -					
Direct Borrowings	409,255	-	(23,645)	385,610	23,887
Revenue Refunding Bond, Series 2017 -					
Direct Placement	2,960,000	-	(125,000)	2,835,000	130,000
Total Revenue Bond and Notes Payable	11,544,773	-	(545,127)	10,999,646	560,799
Other Liabilities:					
Capital Lease Obligation - Direct Borrowings	84,914	-	(41,940)	42,974	42,974
Capital Lease Obligation - Direct Borrowings	8,844	-	(4,368)	4,476	4,476
Capital Lease Obligation - Direct Borrowings	168,832	-	(66,019)	102,813	68,027
Capital Lease Obligation - Direct Borrowings	301,593	-	(63,934)	237,659	65,659
Other Postemployment Benefits	643,449	266,310	-	909,759	24,204
Compensated Absences	144,861	18,552	(28,972)	134,441	26,888
Total Other Liabilities	1,352,493	284,862	(205,233)	1,432,122	232,228
Total Business-Type Activities	\$ 12,897,266	\$ 284,862	\$ (750,360)	\$ 12,431,768	\$ 793,027

The total amount of interest charged to expense in the business-type activities was \$307,099, and the governmental activities was \$84,127**.

**Noted that governmental interest is not accrued due to payments made at month end.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

The following is a schedule of long-term liabilities at September 30, 2021:

Governmental Activities

Type	Purpose of Loan	Amount Issued	Amount Outstanding	Interest Rate
Note Payable - Direct Borrowings	City Hall Construction	\$ 2,650,000	\$ 1,326,945	5.797%

Business-Type Activities

Type	Purpose of Loan	Amount Issued	Amount Outstanding	Interest Rate
Revenue Bond - Direct Placement	Refunding Bond, Series 2017	\$ 3,315,000	\$ 2,835,000	2.85%
State Revolving Loan - Direct Borrowings	Wastewater Plant (State Revolving Loan Fund)	1,100,779	418,644	2.17%
State Revolving Loan - Direct Borrowings	Elevated Water Tank (State Revolving Loan Fund)	254,708	87,075	2.71%
State Revolving Loan - Direct Borrowings	SR48 Widening (State Revolving Loan Fund)	489,496	385,610	3.10%
FMPA - Direct Borrowings	Electric System Expansion	7,935,000	7,273,317	2.56%
Capital Lease - Direct Borrowings	Peterbilt	332,927	237,659	2.68%
Capital Lease - Direct Borrowings	Aerial and Digger Trucks	325,475	102,813	3.02%
Capital Lease - Direct Borrowings	Bucket Truck	204,774	42,974	2.45%
Capital Lease - Direct Borrowings	Truck	21,332	4,476	2.45%

Revenue Bond and Notes Payable

Debt service to maturity on the City's bonded indebtedness and notes payable are as follows:

Year Ending	Direct Borrowings		Direct Placement and Direct Borrowings		Total Primary Government Debt	
	Governmental Activities		Business-Type Activities		Principal	Interest
	Principal	Interest	Principal	Interest		
2022	145,837	75,890	560,799	278,999	706,636	354,889
2023	154,414	67,194	576,324	264,627	730,738	331,821
2024	163,496	58,138	587,112	250,062	750,608	308,200
2025	173,112	48,237	603,171	235,084	776,283	283,321
2026	183,293	37,915	7,070,308	833,381	7,253,601	871,296
2027-2031	506,793	45,341	1,133,887	147,931	1,640,680	193,272
2032-2036	-	-	468,045	16,040	468,045	16,040
Total	\$ 1,326,945	\$ 332,715	\$ 10,999,646	\$ 2,026,124	\$ 12,326,591	\$ 2,358,839

Defeased Debt

There are no outstanding defeased bonds.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Note 6 - Pledged Revenues

The City has pledged certain revenues, to repay certain bonds and notes outstanding as of September 30, 2021. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amounts of such revenues received in current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue, which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and noted at September 30, 2021:

Type	Revenue Pledged	Revenues (Net) (1)	Principal and Interest Paid	Estimated Revenue Percentage Pledged	Outstanding Principal and Interest	Pledged Through
Governmental Activities						
Note Payable - SunTrust (City Hall)	General Fund Non-Ad Valorem Revenues	\$ 3,660,955	\$ 221,838	6%	\$ 1,659,660	2030
Business-Type Activities						
Revenue Bonds - CenterState - Water/Wastewater System	Waste Water System Revenues and Available Non-Ad Valorem	644,517	208,505	32%	3,564,886	2037
Loan Payable (State Revolving Loan Program) - Elevated Water Tank	Net Water System Revenue	212,416	27,863	13%	94,837	2026
Loan Payable (State Revolving Loan Program) - SR48	Net Water System Revenue	184,553	21,182	11%	417,955	2036
Loan Payable (State Revolving Loan Program) - Hanson Plant	Waste Water System Revenues and Available Non-Ad Valorem	223,596	69,311	31%	450,266	2028
Florida Municipal Power Agency Utility Expansion	Electric Revenues	1,137,578	511,590	45%	8,497,422	2029

(1) Net System Revenues are defined as gross revenues less operating expenses, not including depreciation.

Note 7 - Lease Obligations

Capital Lease

The City has entered into a lease agreement for financing the acquisition of vehicles and related equipment.

Assets	Business-Type Activities
F-150 Truck	\$ 21,332
Bucket Truck	204,774
Aerial Service and Digger Trucks	325,475
Peterbilt	332,927
(Accumulated Depreciation)	<u>(341,687)</u>
Total	<u>\$ 542,821</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Future minimum lease payments under terms of the lease are as follows:

<u>Year Ending</u>	<u>Direct Borrowings Business-Type Activities</u>
2022	\$ 190,537
2023	106,902
2024	71,591
2025	<u>35,795</u>
Total Minimum Lease Payments	404,825
(Less Amount Representing Interest)	<u>(16,903)</u>
Present Value of Minimum Lease Payments	<u>\$ 387,922</u>

Note 8 - Electric Power Agreements

FMPA

The City is a member of the FMPA, which is a joint action agency formed by a number of Florida municipalities for the purpose of providing electric power alternatives for its members.

FMPA is a governmental, joint action agency formed pursuant to Florida Statutes. FMPA has the authority to undertake joint power supply projects and to issue tax-exempt bonds or other obligations to finance or refinance the costs of such projects.

Due to the diverse needs of Florida’s municipal electric systems, FMPA was established as a project-oriented agency. Under this structure, each member has the option whether or not to participate in a project. Members may choose to participate in more than one project; however, each of the FMPA’s five projects is independent from the other and no revenues or funds available from one project can be used to pay the costs of any other project.

The City has elected to participate in the “All Requirements Project”, which supplies all of the City’s power requirements. The agreement will remain in effect until October 1, 2035, with optional successive five-year renewal periods. The contract provides for optional withdrawal by the City, but would require the City to make all remaining project members whole, which is generally understood as a paying off of its share of the project’s debt. The cost to the City withdrawing from the contract has not been calculated, but is generally understood to require payoff of the City’s portion of project debt.

Power rates charged to the City by FMPA are subject to a majority vote of the Board of Directors of FMPA.

Note 9 - Employee Retirement Systems

Florida State Retirement System—Pension Plan

All full-time employees of the City hired prior to January 1, 1996, participate in the Florida State Retirement System (the System). This System was created by the Florida Legislature and is a cost-sharing, multiple-employer defined-benefit, public retirement plan available to governmental units within the State of Florida. The System issued a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315, or by calling (850) 488-5706.

**NOTES TO FINANCIAL STATEMENTS
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All full-time employees of the City hired prior to January 1, 1996, are eligible to participate in the System. Special risk employees who retire at or after age 55, with six years of creditable service; and all other employees who retire at or after age 55, with six years of creditable service; are entitled to a retirement benefit, payable monthly for life, equal to the product of: (1) average monthly compensation in the highest five years of creditable service, (2) creditable service during the appropriate period, and (3) the appropriate benefit percentage. Benefits fully vest on reaching six years of service. Vested employees may retire after six years of creditable service and receive reduced retirement benefits. The System also provides death benefits, disability benefits, and annual cost-of-living adjustments. Benefits are established by Florida Statute. Beginning in 2011, the state mandated a 3% contribution to the System by the employees. The City currently no longer has employees that participate in the System.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. The City’s general fund is typically used to liquidate the pension liability. These acts provide that employers, such as the City, are required to contribute 10.82% of the compensation for regular members, 18.34% for Deferred Retirement Option Program (DROP), 29.01% for senior management, and 51.42% for elected officials as of September 30, 2021. In addition, employees that are not participating in DROP are required to contribute 3% of their gross salary.

The City contributed 100% of the required contributions to the System [cumulative total for both state plans – Florida Retirement System (FRS) and Health Insurance Subsidy (HIS)] for the years ended September 30, 2021, 2020, 2019, and 2018, as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ -
2020	1,009
2019	9,930

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At September 30, 2021, the City reported a net pension liability of \$0 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City’s proportionate share of the net pension liability was based on projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the City’s proportionate share was 0.000000000000%, which was a decrease of 0.00004715213 from its proportionate share measured as of June 30, 2020.

Pension Expense and Deferred Outflow of Resources and Deferred Inflow of Resources—For the year ended September 30, 2021, the Sponsor will recognize a pension expense of \$0. On September 30, 2021, the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

	Deferred Inflow Funds	Deferred Outflow Funds
Differences Between Expected and Actual Experience	\$ -	\$ -
Change in Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-
Changes in Proportion and Differences Between the City Contributions and Proportionate Share of Contributions	82,065	-
Total	\$ 82,065	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	Total Inflows/Outflows
2022	\$ (25,353)
2023	(24,191)
2024	(18,240)
2025	(12,471)
2026	(1,810)

Actuarial Assumptions

The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, Including Inflation
Investment Rate of Return	6.80%, Net Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The actuarial assumptions used in the July 1, 2019. As a result of the 2018 actuarial experience study, the real payroll growth assumption was 3.25% and the long-term expected rate of return was 6.80%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
Total	<u>100%</u>			

Discount Rate—The discount rate used to measure the total pension liability was 6.80%. In general, the discount rate for calculating the total pension liability under GASB Statement No. 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. The rate of return assumption is a prescribed assumption as defined by ASOPs.

Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate—There is no net pension liability owed by the City.

FRS Pension Plan Fiduciary Net Position—Detailed information about pension plan’s fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

Florida State Retirement System—HIS

Plan Description—The HIS Pension Plan (HIS Plan) is a cost-sharing, multiple-employer defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system in order to assist such retired members in paying the costs of health insurance. Persons are eligible for HIS payments who are retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system, except those individuals who are pension recipients under Sections 121.40, 237.08(18)(a), and 250.22, Florida Statutes, or recipients of health insurance coverage under Section 110.1232, Florida Statutes, or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when he or she terminates employment with all employers participating in the FRS and:

- For a member of the FRS investment plan, the participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes and meets the definition of retiree in Section 121.4501(2), Florida Statutes.
- For a member of the FRS defined-benefit pension plan, or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Any person retiring on or after July 1, 2001, as a member of the FRS, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statutes. Additionally, participants in the Senior Management Service Optional Annuity Program and the State City System Optional Retirement Program are not eligible to receive benefits from the HIS Plan.

Benefits Provided—The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement.

For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions—The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2021, the contribution rate was 1.66% of payroll. The state contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS defined-benefit pension plan are reported as a total with the pension plan contributions listed above.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIS—At September 30, 2021, the City reported a net pension liability of \$0 for its proportionate share of the net pension liability for HIS. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportionate share of the net pension liability was based on projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the City's proportionate share was 0.000000000000%, which was a decrease of 0.00006686583 from its proportionate share measured as of June 30, 2020.

For the year ended September 30, 2021, the City recognized pension expense as listed above. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

	Deferred Inflow Funds	Deferred Outflow Funds
Differences Between Expected and Actual Experience	\$ -	\$ -
Change in Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-
Changes in Proportion and Differences Between the City Contributions and Proportionate Share of Contributions	49,602	-
Total	\$ 49,602	\$ -

The deferred outflows of resources related to pensions totaling \$0 resulting from City contributions subsequent to the measurement date, but before the end of the employer’s reporting period, will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>September 30,</u>	<u>Inflows/Outflows</u>
2022	\$ (11,369)
2023	(11,123)
2024	(10,786)
2025	(7,842)
2026	(8,482)

Actuarial Assumptions—The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increase	3.25% Average, Including Inflation
Bond Buyer General Obligation 20-Bond Municipal Bond	2.16%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

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

Discount Rate—The discount rate used to measure the total pension liability was 2.16 percent. In general, the discount rate for calculating the total pension liability under GASB Statement No. 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan Sponsor. The discount rate used in the 2021 valuation was updated from 2.21 percent to 2.16 percent, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2021.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate—
There is no net pension liability owed by the City.

*Pension Plan Fiduciary Net Position—*Detailed information about pension plan’s fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

Florida State Retirement System Opt-Out

In December 1995, the City Council approved opting out of the System effective with all new employees hired after January 1, 1996. City employees covered under the System at December 31, 1995, will continue to participate in the state System and the City will continue to make contributions on their behalf. As of fiscal year-end September 30, 2021, the City has no remaining employees participating in FRS.

Deferred Compensation Plan

The City also participates in a qualified deferred compensation plan (457 Plan) in which employees can voluntarily participate. The City matches 10% of the employee’s biweekly individual contribution. Amendments to the 457 Plan can only be made via the approval of the City Council. This 457 Plan is administered by the U.S. Conference of Mayors. The employee chooses one or a combination of several available investments. Employees are 100% vested in this program and accounts are maintained individually by employees. Following are the City’s contributions to the 457 Plan:

<u>Year</u>	<u>Amount</u>
2021	\$ 4,934
2020	3,461
2019	4,512

General Employees’ Defined Contribution Plan

After freezing entrance to its previous defined-benefit plan effective October 1, 2013, the City created a new defined contribution plan covering all eligible general employees of the City. Contributions continue for hired employees prior to October 1, 2013, and FRS opt out October 1, 1995.

Prior to October 1, 2013, the City contributed 17.8% of the employees’ salary, with a six-year step-vesting period. Employees had to be full-time.

The plan was amended and restated October 1, 2013. The City now makes non-elective contributions of 10% of the full-time employee’s payroll expense. Additionally, starting in October, for every 1% that an employee sets aside in their (457) deferred compensation plan (listed above), the City also matches an additional 1% up to a maximum of an additional 4%. The match amounts are deposited into the employees 401(a) defined contribution account. The employees’ retirement savings now have the potential of totaling 18% of their salary. Amendments to the plan can only be made via the approval of the City Council.

Forfeitures are used to offset current contribution by the City. The normal retirement date is the first day of the month coinciding with the participants sixtieth birthday.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

The vesting schedule, based on the number of years of service, is as follows:

Greater Than 6 Months but Less Than 2 Years	0%
2 Years	20%
3 Years	40%
4 Years	60%
5 Years	80%
6 or More Years	100%

Upon severance from employment, the participant is entitled to apply to receive his or her benefit payable under any payout option that satisfies the provisions of the plan.

At September 30, 2021, there were twenty-four active members of the plan. For the years ended September 30, 2021, 2020, and 2019, the City contributed \$95,139, \$77,633, and \$57,843, respectively, to the plan. There were no forfeitures during the fiscal year.

Defined-Benefit Plan

Pension Trust Fund

■ **Plan Description**

In January 1996, the City adopted a separate single-employer pension plan, general employees' retirement plan, that covers substantially all full-time City employees employed after January 1, 1996, pursuant to the City's opt-out of the FRS. This plan is maintained as a pension trust fund and included as part of the City reporting entity. City ordinance and state law requires contributions to be determined by actuarial studies every three years. A stand-alone financial report is not issued.

The general employees' retirement plan (the Plan) covers all full-time employees. The Plan is non-contributory, and the City provides the full contribution to fund the Plan. The annual pension cost related to the Plan includes amortization, over a thirty-year period, of a prior service cost established October 13, 1995. The City Council has the authority to amend the Plan.

Plan Administration

The City's General Employees' Pension Plan is a defined-benefit pension plan administered by a Board of Trustees, which acts as the Administrator of the plan. The Board consists of five Trustees, two who are legal residents of the City appointed by the City Council, two who are employee members elected by a majority of the members of the plan, and a fifth Trustee, who is chosen by a majority of the first four Trustees.

Benefits Provided

The plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Date: Earlier of age 62, or 30 years of Credited Service, regardless of age.

Benefit: 1.6% of Average Final Compensation times Credited Service. Benefit rate increases to 1.63% at age 63, or 31 years, to 1.65% at age 64, or 32 years, and 1.68% at age 65, or 33 years. Benefit Rate for Senior Management is 2.0%.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Early Retirement:

Eligibility: 6 Years of Credited Service, regardless of age.

Benefit: Accrued benefit, reduced 5% for each year prior to Normal Retirement.

Vesting:

Schedule: 100% after 6 Years of Credited Service.

Benefit Amount: Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability:

Eligibility: Service Incurred: Covered from Date of Employment. Non-Service Incurred: 6 Years of Credited Service.

Benefit:

Benefit accrued to date of disability, but not less than 42% of Average Final Compensation (Service Incurred), or 25% of Average Final Compensation (Non-Service Incurred).

Pre-Retirement Death Benefits:

Vested: Joint Annuitant receives an immediate or deferred monthly benefit computed based on the assumption that the Member retired on the date of death and elected the 100% joint and survivor annuity. Joint Annuitant is a spouse, dependent child, or any person receiving 50% or more of their support from the Member.

Non-Vested:

Refund of any Member contributions.

Cost-of-Living Adjustments:

Each July 1 following the retirement, the monthly benefit amount is increased 3%. The increase is based on the June benefit, excluding any HIS.

Contributions:

Member contributions - none. City contributions - amount required in order to pay current costs and amortize unfunded past service cost, if any, over no more than 40 years.

■ **Investments**

Investment Policy

The following was the Board's adopted asset allocation policy as of September 30, 2021:

Asset Class	Target Allocation
Domestic Equity	55%
International Equity	15%
Fixed Income	30%
Total	100.0%

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Concentrations

The plan did not hold investments in any one organization that represents 5 percent or more of the pension plan's fiduciary net position.

Rate of Return

For the year ended September 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 20.65%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

■ **Membership**

Membership of the plan consisted of the following as of October 1, 2021:

	General Employees
Active Plan Members	12
Inactive Members Currently Receiving Benefits	3
Inactive Members or Beneficiaries Entitled But Not Yet Receiving Benefits	12
Total	27

■ **Net Pension Liability (Asset)**

The components of the net pension liability (asset) of the Sponsor on September 30, 2021, were as follows:

Total Pension Liability	\$ 4,604,907
Plan Fiduciary Net Position	(5,087,140)
Sponsor's Net Pension Liability (Asset)	\$ (482,233)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	110.47%

■ **Actuarial Assumptions**

The total pension liability (asset) was determined by an actuarial valuation as of October 1, 2020 updated to September 30, 2021, using the following actuarial assumptions applied to all measurement periods:

Inflation	2.3%
Salary Increases	6.0%
Investment Rate of Return	7.50%
Discount Rate	7.50%

Mortality Rate Healthy Active Lives:

Female: PubG.H-2010 (Below Median) for Employees.

Male: PubG.H-2010 (Below Median) for Employees, set back one year.

Mortality Rate Healthy Retiree Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Mortality Rate Disabled Lives:

PubG.H-2010 for Disabled Retirees, set forward three years

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the FRS. The above rates are those outlined in Milliman’s July 1, 2019 FRS valuation report for non-special-risk employees.

The date of the most recent experience study for which significant assumptions are based upon is not available.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. For 2021, the inflation rate assumption of the investment advisor was 1.75%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans target asset allocation as of September 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	5.87%
International Equity	4.75%
Fixed Income	1.42%

Discount Rate

The discount rate used to measure the total pension liability (asset) was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Sensitivity of the net pension liability (asset) to changes in the discount rate:

	1% Decrease 6.50%	Current Discount Rate - 7.50%	1% Increase 8.50%
Sponsor's Net Pension Liability (Asset)	\$ 323,413	\$ (482,233)	\$ (1,129,690)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2021, the Sponsor will recognize a pension expense of \$(2,029). On September 30, 2021, the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflow Funds	Deferred Outflow Funds
Differences Between Expected and Actual Experience	\$ 162,017	\$ 199,618
Changes in Assumptions	(26,692)	120,518
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	522,665	70,117
Total	\$ 657,990	\$ 390,253

Other amounts reported as net deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2022	\$ (74,939)
2023	(38,580)
2024	(45,885)
2025	(108,333)
Total	\$ (267,737)

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY (ASSET)

General Employees Pension Plan:	<u>2021</u>
Total Pension Liability	
Service Cost	\$ 91,085
Interest on the Total Pension Liability	305,131
Change in Benefit Terms	1,068
Differences Between Expected and Actual Returns	223,246
Change in Assumptions	174,992
Benefit Payments, Including Refunds of Employee Contributions	<u>(71,284)</u>
Net Change in Total Pension Liability	724,238
Total Pension Liability, Beginning of Year	<u>3,880,669</u>
Total Pension Liability, End of Year (a)	<u>4,604,907</u>
Plan Fiduciary Net Position	
Contributions - Employer	110,452
Net Investment Income	866,594
Benefit Payments	(71,284)
Administrative Expense	<u>(9,157)</u>
Net Change in Plan Fiduciary Net Position	896,605
Plan Fiduciary Net Position, Beginning of Year	<u>4,190,535</u>
Plan Fiduciary Net Position, End of Year (b)	<u>5,087,140</u>
Net Pension (Asset) - Ending (a) - (b)	<u>\$ (482,233)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Asset	110.47%
Covered Payroll	<u>\$ 814,612</u>
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-59.20%

Aggregate Totals for Pension Related Items:

<u>Pension Plan</u>	<u>Net Pension Liability</u>	<u>Net Pension Asset</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Pension Expense</u>
FRS	\$ -	\$ -	\$ 82,065	\$ -	\$ 34,028
HIS	-	-	49,602	-	14,240
General	-	482,233	657,990	390,253	112,482
	<u>\$ -</u>	<u>\$ 482,233</u>	<u>\$ 789,657</u>	<u>\$ 390,253</u>	<u>\$ 160,750</u>

Note 10 - Other Postemployment Benefits (OPEB)

The OPEB Plan is a single-employer benefit plan administered by the City. Pursuant to the provision of Section 112.0801, Florida Statutes, former employees who retire from the City are eligible to participate in the City's health plan for health and life insurance. The City subsidizes the premium rate paid by retirees by allowing them to participate in the OPEB Plan at a blended group (implicit subsidized) premium rate for both active and retired employees. In addition, the City provides 50% of their health and life premiums (explicit subsidy). The remaining 50% of the premiums are paid for by the employee, less their FRS subsidy (as applicable). The OPEB Plan does not issue a stand-alone report and is not included in the report of another entity.

**NOTES TO FINANCIAL STATEMENTS
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For the OPEB Plan, contributions requirements of the City are established and may be amended through action from the City Council. Currently, the City’s OPEB benefits are unfunded. The actual contributions are based on a pay-as-you-go financing requirement. There is no separate trust fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation, as it does for its pension fund. The City funds the liquidation of the obligation through operating revenues for each of the respective funds.

The actuarial valuation, dated September 30, 2020, involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend.

Funding Policy—The numbers reflect a decision not to fund the program. Therefore, the contributions made to the program are assumed to be the benefits paid to retirees and administrative expenses. The City’s general fund is typically used to liquidate the OPEB liability.

Calculations are based upon the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of sharing of costs between the employer and plan members to that point. Calculations reflect a long-term prospective, so methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Plan Membership as of September 30, 2021

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	9
Covered Spouses	1
Active Plan Members	<u>32</u>
Total	<u><u>42</u></u>

For the actuarial valuation, dated September 30, 2020, the Entry Age (level % of pay) actuarial cost method was used. Select Actuarial Assumptions are listed in the table below:

Inflation:	2.50%
Salary Increases:	2.50%
Discount Rate:	2.14%
Initial Trend Rate:	8.00%
Ultimate Trend Rate:	4.00%
Years to Ultimate:	54

For all lives, mortality rates were RP-2000 Combined Healthy Mortality Tables projects to the valuation date using Projection Scale AA.

Discount Rate:

Given the City’s decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 3.58%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor’s Ratings Services, Aa2 by Moody’s or AA by Fitch. If there are multiple ratings, the lowest rating is used.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

OPEB Expense:

For the year ended September 30, 2021, the Sponsor will recognize OPEB expense of \$635,462.

Deferred Outflows

For the year ended September 30, 2021, deferred outflows related to OPEB consist of \$54,219 for benefits paid subsequent to the measurement date.

Changes in Total OPEB Liability

	Increases and Decreases in Total OPEB Liability
Reporting Period Ended September 30, 2020	\$ 1,559,861
Changes for a Year:	
Service Cost	59,226
Interest	57,430
Difference Between Expected and Actual Experience	328,661
Changes in Assumptions	188,370
Changes of Benefit Terms	-
Benefit Payments	(30,051)
Net Changes	603,636
Reporting Period Ended September 30, 2021	\$ 2,163,497

Changes of assumptions reflect a change in the discount rate from 3.58% for the reporting period ended September 30, 2020, to 2.14% for the reporting period ended September 30, 2021.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Sponsor, as well as what the Sponsor's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 1.14%	Current Discount Rate – 2.14%	1% Increase 3.14%
Net OPEB Liability	\$ 2,697,935	\$ 2,163,497	\$ 1,763,456

Sensitivity of the Net Pension Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Sponsor, as well as what the Sponsor's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 3.00% - 6.00%	Healthcare Cost Trend Rates 4.00% - 7.00%	1% Increase 5.00% - 8.00%
Total OPEB Liability	\$ 1,808,367	\$ 2,163,497	\$ 2,634,615

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Note 11 - Interfund Transfers, Advances, and Due To/Due From

Interfund Transfers

There were no interfund transfers during the fiscal year ended September 30, 2021.

Advances

Advances to and from other funds at September 30, 2021, are as follows:

	Advances To Other Funds	Advances From Other Funds
Major Funds		
Water Utility Fund	\$ 377,948	\$ 20,100
Wastewater Utility Fund	-	1,242,948
Electric Utility Fund	885,100	-
Total Advances	\$ 1,263,048	\$ 1,263,048

Advances to other funds were made to supplement capital costs for their respective utility distribution systems. These amounts are not expected to be repaid in full within one year.

Due From/Due To Other Funds

There were due from/due to other funds at fiscal year-end.

Note 12 - Other Disclosures

Allowances for Doubtful Accounts

Allowances for doubtful accounts at September 30, 2021, are as follows:

Electric Utility Fund	\$ 5,000
Water Utility Fund	2,500
Wastewater Fund	2,500
Sanitation Fund	1,500
Total Allowances for Doubtful Accounts	\$ 11,500

Note 13 - 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. The City transfers risk of loss through the purchase of commercial insurance from the Florida League of Cities, Inc., and independent agencies. Insurance against losses are provided for the following types of risk:

- Workers' Compensation and Employer's Liability
- General and Automobile Liability
- Real and Personal Property Damage
- Public Officials' Liability
- Accidental Death and Disability

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

The City's coverage for workers' compensation is under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to-date of the City's experience for this type of risk. There have been no significant reductions in insurance coverage during fiscal year 2021. Settled claims have not exceeded the commercial excess coverage in any of the past three years.

Note 14 - Contingencies and Commitments

Wastewater Treatment Facility

In connection with the USDA loan issued in 1999 for the construction of the Wastewater Treatment Plant that was later refunded with the Refunding Bond, Series 2017 debt, the City and the County entered into an inter-local agreement whereby the County will contribute approximately \$1,000,000 for the capital costs of the system at an annual rate of \$48,000 per year. Fiscal year 2021 was the last year of payments from the County.

Commitments and Contingencies

The City has a construction commitment for the CDBG paving project for a total commitment of \$854,113 with an accompanying grant award of \$700,000. As of September 30, 2021, the amount paid is \$204,528 with a remaining balance of approximately \$649,585 to be paid on the project.

The City has a MLK FRDAP grant project commitment for \$50,000. As of September 30, 2021, the amount paid is \$28,103 with a remaining balance of approximately \$21,897 to be paid on the project.

During the fiscal year, the City received two consent letters from the Florida Department of Environmental Protection (FDEP) for issues associated with the Water and Wastewater Utilities. These letters require extensive planning and data compilation by the City to meet the requirements outlined by the FDEP. The City is in the process of completing these requirements to meet the June 2022 deadline provided by the FDEP. The financial impact is not known at issuance date.

The City also experienced a tank rupture at the Wastewater Treatment Plant. The City is in the process of completing the required studies and diligence in order to repair the damage. The financial impact is not known at issuance date.

Operating Leases

The City entered into two operating leases for copiers with Xerox. The total monthly expenses are \$555 per month for a 36-month time frame. The leases include maintenance (the City does pay a per copy fee in addition to the monthly payment). The following is lease payment schedule for the years ending September 30:

<u>Year</u>	<u>Amount</u>
2022	\$ 4,670
2023	4,670
2024	3,113

City of Webster Wastewater Billing Dispute

The City of Webster utilizes the City's Wastewater System, and the City bills them for their pumpage. There was a prior year billing dispute between the two cities that was settled through mediation during the current year. At the end of fiscal year 2021, the City repaid the City of Webster approximately \$78,000 through monthly billing credits.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BUSHNELL, FLORIDA**

Note 15 - Federal Awards and State Financial Assistance

During the fiscal year, the City did not expend greater than \$750,000 in federal awards or state financial assistance; therefore, an audit in accordance with Title 2 (Uniform Guidance) U.S. *Code of Federal Regulations* Part 200 and the *Florida Single Audit Act* was not required.

Note 16 - American Rescue Plan Act (ARPA) Funds

The ARPA was signed into law on March 11, 2021, to provide \$350 billion in additional funding for state and local governments. There are certain restrictions on how the City can utilize the funds. On September 15, 2021, the City received funding from the ARPA in the amount of \$797,109 and is shown in the Water and Wastewater Fund as unearned revenue for \$151,450, and \$645,659, respectively. The total award for the City was \$1,594,217.

REQUIRED SUPPLEMENTARY INFORMATION

The following supplementary schedules present trend information regarding the retirement plans for the City's General Employees and participants in the Florida Retirement System and other postemployment benefits. This information is necessary for a fair presentation in conformity with generally accepted accounting principles.

CITY OF BUSHNELL, FLORIDA
SCHEDULE OF NET CHANGES IN OTHER POSTEMPLOYMENT
BENEFITS (OPEB) PLAN LIABILITY
LAST 10 FISCAL YEARS*
(UNAUDITED)

Reporting Period Ending	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018
Measurement Date	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017
Total OPEB Liability				
Service Costs	\$ 59,226	\$ 50,203	\$ 94,194	\$ 91,897
Interest	57,430	56,629	46,721	39,404
Changes in Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	328,661	-	(140,193)	-
Changes in Assumptions	188,370	162,507	138,802	(117,758)
Benefit Payments	(30,051)	(27,825)	(20,880)	(19,200)
Net Change in Total OPEB Liability	<u>603,636</u>	<u>241,514</u>	<u>118,644</u>	<u>(5,657)</u>
Total OPEB Liability - Beginning	<u>1,559,861</u>	<u>1,318,347</u>	<u>1,199,703</u>	<u>1,205,360</u>
Total OPEB Liability - Ending	<u>\$ 2,163,497</u>	<u>\$ 1,559,861</u>	<u>\$ 1,318,347</u>	<u>\$ 1,199,703</u>
Covered Payroll (Projected)	<u>\$ 1,713,375</u>	<u>\$ 1,225,842</u>	<u>\$ 1,195,944</u>	<u>\$ 1,430,899</u>
Total OPEB Liability as a Percentage of Covered Payroll	126.27%	127.25%	110.23%	83.84%

Notes to Schedule:

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

Fiscal Year Ended September 30, 2021:	2.14%
Fiscal Year Ended September 30, 2020:	3.58%
Fiscal Year Ended September 30, 2019:	4.18%
Fiscal Year Ended September 30, 2018:	3.64%

* GASB Statement No. 75 was adopted for the 2018 Fiscal Year and the 10-year trend information will be developed from that date forward.

CITY OF BUSHNELL, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS*
(UNAUDITED)

GENERAL EMPLOYEES' PENSION PLAN

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 91,085	\$ 84,305	\$ 86,902	\$ 108,021	\$ 117,318	\$ 113,579	\$ 117,691	\$ 123,708
Interest on the Total Pension Liability	305,131	286,802	265,901	252,003	224,678	192,514	173,476	152,883
Change in Benefit Terms	1,068	-	-	-	-	-	-	-
Differences Between Expected and Actual Returns	223,246	18,698	(44,314)	(130,843)	36,318	(3,405)	(35,779)	-
Change in Assumptions	174,992	(106,766)	-	-	-	117,742	-	-
Benefit Payments, Including Refunds of Employee Contributions	(71,284)	(37,465)	(34,939)	(22,540)	(10,312)	(7,992)	(3,261)	(6,460)
Net Change in Total Pension Liability	724,238	245,574	273,550	206,641	368,002	412,438	252,127	270,131
Total Pension Liability, Beginning of Year	3,880,669	3,635,095	3,361,545	3,154,904	2,786,902	2,374,464	2,122,337	1,852,206
Total Pension Liability, End of Year (a)	\$ 4,604,907	\$ 3,880,669	\$ 3,635,095	\$ 3,361,545	\$ 3,154,904	\$ 2,786,902	\$ 2,374,464	\$ 2,122,337
Plan Fiduciary Net Position								
Contributions - Employer	\$ 110,452	\$ 127,464	\$ 150,737	\$ 163,419	\$ 164,850	\$ 172,625	\$ 171,231	\$ 176,075
Net Investment Income	866,594	471,704	80,816	319,154	311,038	175,725	(39,743)	173,326
Benefit Payments	(71,284)	(37,465)	(34,939)	(22,540)	(10,312)	(7,992)	(3,260)	(6,460)
Administrative Expense	(9,157)	(10,898)	(10,662)	(11,815)	(12,332)	(9,442)	(13,316)	(5,524)
Net Change in Plan Fiduciary Net Position	896,605	550,805	185,952	448,218	453,244	330,916	114,912	337,417
Plan Fiduciary Net Position, Beginning of Year	4,190,535	3,639,730	3,453,778	3,005,560	2,552,316	2,221,400	2,106,488	1,769,071
Plan Fiduciary Net Position, End of Year (b)	\$ 5,087,140	\$ 4,190,535	\$ 3,639,730	\$ 3,453,778	\$ 3,005,560	\$ 2,552,316	\$ 2,221,400	\$ 2,106,488
Net Pension Liability (Asset) - Ending (a) - (b)	\$ (482,233)	\$ (309,866)	\$ (4,635)	\$ (92,233)	\$ 149,344	\$ 234,586	\$ 153,064	\$ 15,849
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	110.47%	107.98%	100.13%	95.27%	95.27%	91.58%	93.55%	99.25%
Covered Payroll**	\$ 814,612	\$ 855,462	\$ 837,429	\$ 878,597	\$ 1,012,672	\$ 984,220	\$ 968,164	\$ 989,185
Net Pension Liability as a Percentage of Covered Payroll	-59.20%	-36.22%	0.55%	-10.50%	14.75%	23.83%	15.81%	1.60%

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and the 10-year trend information will be developed from that date forward.

** The Covered Payroll numbers shown are in compliance with GASB Statement No. 82.

Changes of Assumptions:

For measurement date September 30, 2018, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System.

The inflation assumption rate was lowered from 3.00% to 2.30%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019, FRS valuation report for non-special-risk employees.

For measurement date September 30, 2021, the investment rate of return was lowered from 7.75% to 7.50% per year, net of investment related expenses

Changes of Benefit Terms:

For measurement date September 30, 2021, amounts reported as changes of benefit terms resulted from Ordinance No. 2020-13 and updated the definition of Joint Annuitant but was not valued in the October 1, 2020 actuarial valuation.

**CITY OF BUSHNELL, FLORIDA
GENERAL EMPLOYEES' PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS***

	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Actuarially Determined Contribution	\$ 109,973	\$ 127,464	\$ 150,737	\$ 163,419	\$ 171,142	\$ 166,333	\$ 171,231	\$ 176,075
Contributions in Relation to the								
Actuarially Determined Contribution	110,452	127,464	150,737	163,419	164,850	172,625	171,231	176,075
Contribution Deficiency (Excess)	\$ (479)	\$ -	\$ -	\$ -	\$ 6,292	\$ (6,292)	\$ -	\$ -
Covered Payroll ¹	\$ 814,612	\$ 855,462	\$ 837,429	\$ 878,597	\$ 1,012,672	\$ 984,220	\$ 968,164	\$ 989,185
Contributions as a Percentage of Covered Payroll	13.56%	14.90%	18.00%	18.60%	16.28%	17.54%	17.69%	17.80%

¹ - The Covered Payroll numbers shown are in compliance with GASB Statement No. 82.

Notes to Schedule

Valuation Date:

October 1, 2019

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Funding Method:

Entry Age Normal Actuarial Cost Method

Asset Valuation Method:

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

Salary Increases:

6.0% per year until the assumed retirement age.

Interest Rate:

7.75% per year compounded annually, net of investment related expenses.

Payroll Growth:

None for amortizing UAAL.

Retirement Age:

Earlier of age 62 or 30 years of service, regardless of age. Also, any Member who has reached Normal Retirement is assumed to continue employment for one additional year.

Early Retirement:

Beginning at 10 years of service, Members are assumed to retire with an immediate subsidized benefit at the rate of 3.0% per year.

Termination Rates:

See table below.

Disability Rates:

Female: 100% RP2000 Disables Female set forward two years.
Male: 100% RP2000 Disabled Male set back four years.

The above assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2015 FRS valuation report for other than special-risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

This assumption was developed from those used by other plans containing Florida Municipal General Employees. It is assumed that 25% of disablements that occur are service related.

Termination and Disability Rate Table:

Age	% Terminating During the Year	% Terminating During the Year	% Becoming Disabled the Year
	20	17.2%	17.2%
30	15.0%	15.0%	0.06%
40	8.2%	8.2%	0.12%
50	1.7%	1.7%	0.43%
60	0.5%	0.5%	1.61%

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and the 10-year trend information will develop from that date forward.

**CITY OF BUSHNELL, FLORIDA
GENERAL EMPLOYEES' PENSION PLAN
SCHEDULE OF INVESTMENT RETURNS
LAST 10 FISCAL YEARS***

	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Annual Money - Weighted Rate of Return Net of Investment Expense	20.65%	12.87%	2.32%	10.44%	11.96%	7.71%	-1.84%	9.50%

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and the 10-year trend information will be developed from that date forward.

CITY OF BUSHNELL, FLORIDA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)

	<u>2021*</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's Proportion of the Net Pension Liability	0.0000000000%	0.0000471521%	0.0002833332%	0.0003394895%	0.0006704237%	0.0007137119%	0.0007742490%
City's Proportionate Share of the Net Pension Liability	\$ -	\$ 20,436	\$ 97,575	\$ 102,256	\$ 198,307	\$ 180,213	\$ 100,005
City's Covered Payroll	-	23,207	134,313	154,061	240,063	230,984	215,271
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	88.06%	72.65%	66.37%	82.61%	78.02%	46.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.00%	78.85%	82.61%	86.87%	83.89%	84.88%	92.00%

SCHEDULE OF CITY CONTRIBUTIONS - FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ -	\$ 1,009	\$ 9,930	\$ 12,062	\$ 20,179	\$ 19,159	\$ 16,959
Contributions in Relation to the Contractually Required Contribution	-	1,009	9,930	12,062	20,179	19,159	16,959
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ -	\$ 6,260	\$ 115,305	\$ 151,661	\$ 224,822	\$ 230,984	\$ 215,271
Contributions as a Percentage of Covered Payroll	0.00%	16.12%	8.61%	7.95%	8.98%	8.29%	7.88%

Notes:

1) The City implemented GASB Statement No. 68 for the fiscal year ended September 30, 2014. Information for prior years is not available.

* The City has no employees in the system as of fiscal year-end and, therefore, no net pension liability.

CITY OF BUSHNELL, FLORIDA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA HEALTH INSURANCE SUBSIDY PENSION PLAN (1)

	<u>2021*</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's Proportion of the Net Pension Liability	0.0000000000%	0.0000668658%	0.0004016087%	0.0004716881%	0.0007231044%	0.0007645644%	0.0007200370%
City's Proportionate Share of the Net Pension Liability	\$ -	\$ 8,164	\$ 44,935	\$ 49,924	\$ 77,318	\$ 89,107	\$ 73,432
City's Covered Payroll	-	23,207	134,313	154,061	240,063	230,984	215,271
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	35.18%	33.46%	32.41%	32.21%	38.58%	34.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.00%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

SCHEDULE OF CITY CONTRIBUTIONS - FLORIDA HEALTH INSURANCE SUBSIDY PENSION PLAN (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ -	\$ 1,009	\$ 9,930	\$ 12,062	\$ 20,179	\$ 19,159	\$ 20,854
Contributions in Relation to the Contractually Required Contribution	-	1,009	9,930	12,062	20,179	19,159	20,854
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ -	\$ 6,260	\$ 115,305	\$ 151,661	\$ 224,822	\$ 230,984	\$ 215,271
Contributions as a Percentage of Covered Payroll	0.00%	16.12%	8.61%	7.95%	8.98%	8.29%	9.69%

Notes:

1) The City implemented GASB Statement No. 68 for the fiscal year ended September 30, 2014, information for prior years is not available.

* The City has no employees in the system as of fiscal year-end and, therefore, no net pension liability.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Bushnell’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

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CITY OF BUSHNELL, FLORIDA
NET POSITION BY COMPONENT
(ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 6,810,893	\$ 7,256,656	\$ 7,278,421	\$ 7,019,909
Restricted	475,273	455,912	437,513	434,307
Unrestricted	<u>115,394</u>	<u>152,700</u>	<u>612,756</u>	<u>961,245</u>
Total Governmental Activities, Net Assets	<u><u>\$ 7,401,560</u></u>	<u><u>\$ 7,865,268</u></u>	<u><u>\$ 8,328,690</u></u>	<u><u>\$ 8,415,461</u></u>
Business-Type Activities				
Net Investment in Capital Assets	\$ 12,136,614	\$ 11,730,474	\$ 11,937,502	\$ 12,029,468
Restricted	200,550	211,556	202,764	174,313
Unrestricted	<u>1,297,541</u>	<u>1,441,948</u>	<u>1,976,872</u>	<u>1,611,442</u>
Total Business-Type Activities, Net Assets	<u><u>\$ 13,634,705</u></u>	<u><u>\$ 13,383,978</u></u>	<u><u>\$ 14,117,138</u></u>	<u><u>\$ 13,815,223</u></u>
Primary Government				
Net Investment in Capital Assets	\$ 18,947,507	\$ 18,987,130	\$ 19,215,923	\$ 19,049,377
Restricted	675,823	667,468	640,277	608,620
Unrestricted	<u>1,412,935</u>	<u>1,594,648</u>	<u>2,589,628</u>	<u>2,572,687</u>
Total Primary Government, Net Assets	<u><u>\$ 21,036,265</u></u>	<u><u>\$ 21,249,246</u></u>	<u><u>\$ 22,445,828</u></u>	<u><u>\$ 22,230,684</u></u>

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 7,291,967	\$ 7,414,870	\$ 7,457,263	\$ 7,541,557	\$ 7,612,432	\$ 7,794,197
433,160	430,564	422,366	437,917	434,795	517,772
<u>572,523</u>	<u>769,903</u>	<u>1,160,544</u>	<u>1,977,752</u>	<u>2,761,253</u>	<u>3,972,343</u>
<u>\$ 8,297,650</u>	<u>\$ 8,615,337</u>	<u>\$ 9,040,173</u>	<u>\$ 9,957,226</u>	<u>\$ 10,808,480</u>	<u>\$ 12,284,312</u>
\$ 12,560,955	\$ 12,791,519	\$ 11,535,696	\$ 12,674,912	\$ 14,695,872	\$ 14,872,837
175,567	78,797	250,322	78,295	555,982	197,672
<u>1,577,201</u>	<u>1,874,111</u>	<u>3,487,075</u>	<u>2,304,172</u>	<u>2,379,279</u>	<u>3,220,007</u>
<u>\$ 14,313,723</u>	<u>\$ 14,744,427</u>	<u>\$ 15,273,093</u>	<u>\$ 15,057,379</u>	<u>\$ 17,631,133</u>	<u>\$ 18,290,516</u>
\$ 19,852,922	\$ 20,206,389	\$ 18,992,959	\$ 20,216,469	\$ 22,308,304	\$ 22,667,034
608,727	509,361	748,368	516,212	990,777	715,444
<u>2,149,724</u>	<u>2,644,014</u>	<u>4,571,939</u>	<u>4,281,924</u>	<u>5,140,532</u>	<u>7,192,350</u>
<u>\$ 22,611,373</u>	<u>\$ 23,359,764</u>	<u>\$ 24,313,266</u>	<u>\$ 25,014,605</u>	<u>\$ 28,439,613</u>	<u>\$ 30,574,828</u>

**CITY OF BUSHNELL, FLORIDA
CHANGES IN NET POSITION
(ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses				
Governmental Activities:				
General Government	\$ 626,833	\$ 625,775	\$ 596,643	\$ 560,069
Public Safety	842,064	886,165	739,120	771,866
Physical Environment	24,997	37,283	30,421	22,125
Transportation	368,019	482,516	522,138	553,182
Culture and Recreation	333,731	408,835	377,783	402,812
Interest on Long-Term Debt	123,016	114,496	108,808	103,113
Total Governmental Activities Expenses	<u>2,318,660</u>	<u>2,555,070</u>	<u>2,374,913</u>	<u>2,413,167</u>
Business-Type Activities:				
Electric Utility	2,724,475	2,946,587	2,899,397	2,839,723
Water Utility	685,636	688,819	659,828	723,042
Sanitation	457,176	472,388	449,371	451,514
Wastewater Utility	993,806	1,005,812	1,083,920	1,056,120
Total Business-Type Activities Expenses	<u>4,861,093</u>	<u>5,113,606</u>	<u>5,092,516</u>	<u>5,070,399</u>
Total Primary Government Expenses	<u>\$ 7,179,753</u>	<u>\$ 7,668,676</u>	<u>\$ 7,467,429</u>	<u>\$ 7,483,566</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 39,401	\$ 38,536	\$ 58,593	\$ 63,388
Culture and Recreation	55,653	49,882	54,245	55,265
Other Activities	22,570	14,876	15,389	35,555
Operating Grants and Contributions	61,192	-	2,610	-
Capital Grants and Contributions	2,801,653	459,765	118,640	-
Total Governmental Activities	<u>2,980,469</u>	<u>563,059</u>	<u>249,477</u>	<u>154,208</u>
Program Revenues	<u>2,980,469</u>	<u>563,059</u>	<u>249,477</u>	<u>154,208</u>
Business-Type Activities:				
Electric Utility	3,038,143	3,127,344	3,255,251	3,066,573
Water Utility	642,095	677,901	635,787	676,249
Sanitation	563,169	550,704	546,704	546,656
Wastewater Utility	735,343	737,985	721,295	789,946
Operating Grants and Contributions	-	56,000	3,390	1,942
Capital Grants and Contributions	256,032	-	912,789	84,743
Total Business-Type Activities	<u>5,234,782</u>	<u>5,149,934</u>	<u>6,075,216</u>	<u>5,166,109</u>
Program Revenues	<u>5,234,782</u>	<u>5,149,934</u>	<u>6,075,216</u>	<u>5,166,109</u>
Total Primary Government Program Revenues	<u>\$ 8,215,251</u>	<u>\$ 5,712,993</u>	<u>\$ 6,324,693</u>	<u>\$ 5,320,317</u>
Net (Expense)/Revenue				
Governmental Activities	\$ 661,809	\$ (1,992,011)	\$ (2,125,436)	\$ (2,258,959)
Business-Type Activities	373,689	36,328	982,700	95,710
Total Primary Government	<u>\$ 1,035,498</u>	<u>\$ (1,955,683)</u>	<u>\$ (1,142,736)</u>	<u>\$ (2,163,249)</u>
Net Expense/Revenues	<u>\$ 1,035,498</u>	<u>\$ (1,955,683)</u>	<u>\$ (1,142,736)</u>	<u>\$ (2,163,249)</u>

	2016	2017	2018	2019	2020	2021
\$	859,520	\$ 617,735	\$ 630,896	\$ 801,554	\$ 765,491	\$ 789,849
	812,193	866,108	787,138	880,557	988,082	1,000,238
	21,948	22,404	21,783	21,503	39,620	47,149
	579,179	479,653	514,543	677,913	643,400	673,453
	431,025	425,202	387,853	427,464	367,305	375,188
	98,012	90,515	91,186	98,612	92,109	84,127
	<u>2,801,877</u>	<u>2,501,617</u>	<u>2,433,399</u>	<u>2,907,603</u>	<u>2,896,007</u>	<u>2,970,004</u>
	3,004,092	2,923,862	2,843,389	3,140,714	4,623,824	5,516,915
	876,480	700,485	607,011	749,251	654,814	723,610
	449,422	462,545	528,276	605,606	582,218	674,571
	<u>1,086,919</u>	<u>1,081,733</u>	<u>1,201,125</u>	<u>1,170,205</u>	<u>1,093,807</u>	<u>1,166,640</u>
	<u>5,416,913</u>	<u>5,168,625</u>	<u>5,179,801</u>	<u>5,665,776</u>	<u>6,954,663</u>	<u>8,081,736</u>
\$	<u>8,218,790</u>	<u>7,670,242</u>	<u>7,613,200</u>	<u>8,573,379</u>	<u>9,850,670</u>	<u>11,051,740</u>
\$	441,334	\$ 639,199	\$ 813,480	\$ 1,547,087	\$ 1,909,055	\$ 2,087,953
	55,055	45,797	41,710	41,161	8,673	6,860
	28,664	45,170	54,489	43,906	52,325	70,956
	-	140,488	67,624	38,941	31,650	8,714
	164,518	-	-	563	9,971	178,015
	<u>689,571</u>	<u>870,654</u>	<u>977,303</u>	<u>1,671,658</u>	<u>2,011,674</u>	<u>2,352,498</u>
	3,088,518	3,166,300	3,128,696	3,089,209	5,664,385	5,916,112
	778,311	816,780	1,201,662	788,701	759,554	776,868
	555,800	587,253	601,529	628,489	655,497	672,436
	896,701	893,205	899,314	900,568	996,766	1,135,895
	4,510	2,042	2,683	1,716	2,772	-
	-	79,374	25,680	68,603	1,107,611	225,751
	<u>5,323,840</u>	<u>5,544,954</u>	<u>5,859,564</u>	<u>5,477,286</u>	<u>9,186,585</u>	<u>8,727,062</u>
\$	<u>6,013,411</u>	<u>6,415,608</u>	<u>6,836,867</u>	<u>7,148,944</u>	<u>11,198,259</u>	<u>11,079,560</u>
\$	(2,112,306)	\$ (1,630,963)	\$ (1,456,096)	\$ (1,235,945)	\$ (884,333)	\$ (617,506)
	(93,073)	376,329	679,763	(188,490)	2,231,922	645,326
\$	<u>(2,205,379)</u>	<u>(1,254,634)</u>	<u>(776,333)</u>	<u>(1,424,435)</u>	<u>1,347,589</u>	<u>27,820</u>

CITY OF BUSHNELL, FLORIDA
CHANGES IN NET POSITION
(ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(Concluded)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Revenues and Other Changes				
in Net Position				
Governmental Activities:				
Taxes				
Property Taxes	\$ 569,537	\$ 559,409	\$ 559,415	\$ 561,900
Franchise Taxes	329,485	345,211	352,356	348,432
Public Service Taxes	317,432	324,799	297,504	286,865
Other Taxes	283,619	300,338	310,889	319,106
State-Shared Revenues (Unrestricted)	357,616	363,100	371,816	379,010
Investment Earnings	84	296	449	51
Landfill Surcharge	-	289,673	406,726	-
Gain (Loss) on Disposition of Capital Assets	-	-	89,715	1,020
Miscellaneous	214,187	48,836	40,114	106,186
Transfers	383,759	357,196	181,499	(8,075)
Total Governmental Activities	<u>2,455,719</u>	<u>2,588,858</u>	<u>2,610,483</u>	<u>1,994,495</u>
Business-Type Activities:				
Investment Earnings	2,391	873	3,326	2,197
CR3 Settlement Proceeds	-	380,312	2,556	-
Gain (Loss) on Disposition of Capital Assets	-	(260,355)	1,580	2,105
Miscellaneous	94,313	8,773	-	843
Contribution from Other Government	-	-	-	578,353
Transfers	(383,759)	(357,196)	(181,499)	8,075
Total Business-Type Activities	<u>(287,055)</u>	<u>(227,593)</u>	<u>(174,037)</u>	<u>591,573</u>
Total Primary Government	<u>\$ 2,168,664</u>	<u>\$ 2,361,265</u>	<u>\$ 2,436,446</u>	<u>\$ 2,586,068</u>
Change in Net Position				
Governmental Activities	\$ 3,117,528	\$ 596,847	\$ 485,047	\$ (264,464)
Business-Type Activities	86,634	(191,265)	808,663	687,283
Total Primary Government	<u>\$ 3,204,162</u>	<u>\$ 405,582</u>	<u>\$ 1,293,710</u>	<u>\$ 422,819</u>

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	580,866	\$ 580,866	\$ 575,954	\$ 593,883	\$ 613,637	\$ 615,256
	354,499	354,499	374,512	350,994	443,446	454,614
	296,447	296,447	320,819	328,640	171,743	165,470
	316,607	316,607	341,771	353,688	350,897	390,729
	396,224	396,224	408,374	418,920	402,970	425,864
	8	8	68	7,551	7,549	572
	-	-	-	-	-	-
	5,356	5,356	598	-	-	1,470
	48,643	48,643	55,338	49,322	70,345	39,363
	(50,000)	(50,000)	-	50,000	(325,000)	-
	<u>1,948,650</u>	<u>1,948,650</u>	<u>2,077,434</u>	<u>2,152,998</u>	<u>1,735,587</u>	<u>2,093,338</u>
	4,375	4,375	10,720	22,776	16,832	975
	-	-	-	-	-	-
	-	-	-	-	-	13,082
	-	-	-	-	-	-
	-	-	-	-	-	-
	50,000	50,000	-	(50,000)	325,000	-
	<u>54,375</u>	<u>54,375</u>	<u>10,720</u>	<u>(27,224)</u>	<u>341,832</u>	<u>14,057</u>
\$	<u>2,003,025</u>	<u>2,003,025</u>	<u>2,088,154</u>	<u>2,125,774</u>	<u>2,077,419</u>	<u>2,107,395</u>
\$	(163,656)	\$ 317,687	\$ 621,338	\$ 917,053	\$ 851,254	\$ 1,475,832
	(38,698)	430,704	690,483	(215,714)	2,573,754	659,383
\$	<u>(202,354)</u>	<u>748,391</u>	<u>1,311,821</u>	<u>701,339</u>	<u>3,425,008</u>	<u>2,135,215</u>

**CITY OF BUSHNELL, FLORIDA
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
 ACCRUAL BASIS OF ACCOUNTING
 LAST 10 FISCAL YEARS**

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<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Franchise Fees</u>	<u>Utility Taxes</u>	<u>Sale Use and Gas Tax</u>	<u>Total Taxes</u>
2012	\$ 561,544	\$ 153,767	\$ 467,123	\$ 271,863	\$ 1,454,297
2013	569,537	149,969	496,948	283,619	1,500,073
2014	559,415	154,507	462,456	353,386	1,529,764
2015	559,415	154,170	456,556	350,023	1,520,164
2016	561,900	152,814	482,483	319,106	1,516,303
2017	580,866	354,499	296,447	316,607	1,548,419
2018	575,954	374,512	320,819	341,771	1,613,056
2019	593,883	350,994	328,640	353,688	1,627,205
2020	613,637	443,446	171,743	350,897	1,579,723
2021	615,256	454,614	165,470	390,729	1,626,069

Information Source:
 Audited Financial Reports

**CITY OF BUSHNELL, FLORIDA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	-	-	-	233,075	-	-	-	-	-	-
Assigned	-	-	309,934	513,432	513,432	513,432	513,432	513,432	1,727,392	1,246,896
Unassigned	330,368	444,752	606,222	813,292	710,526	908,970	1,407,631	2,473,365	2,172,357	4,175,775
Total General Fund	<u>\$ 330,368</u>	<u>\$ 444,752</u>	<u>\$ 916,156</u>	<u>\$ 1,559,799</u>	<u>\$ 1,223,958</u>	<u>\$ 1,422,402</u>	<u>\$ 1,921,063</u>	<u>\$ 2,986,797</u>	<u>\$ 3,899,749</u>	<u>\$ 5,422,671</u>
All Other Governmental Funds										
Restricted	\$ 475,273	\$ 455,912	\$ 437,513	\$ 434,307	\$ 433,160	\$ 430,564	\$ 422,366	\$ 437,917	\$ 434,795	\$ 422,655
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 475,273</u>	<u>\$ 455,912</u>	<u>\$ 437,513</u>	<u>\$ 434,307</u>	<u>\$ 433,160</u>	<u>\$ 430,564</u>	<u>\$ 422,366</u>	<u>\$ 437,917</u>	<u>\$ 434,795</u>	<u>\$ 422,655</u>

CITY OF BUSHNELL, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016
Revenues					
Taxes	\$ 1,454,296	\$ 1,500,073	\$ 1,529,758	\$ 1,520,164	\$ 1,516,303
Licenses and Permits	39,401	38,536	58,593	63,388	78,676
Intergovernmental	3,214,911	817,382	365,710	372,651	543,527
Charges for Services	69,322	63,228	60,898	67,989	67,827
Fines and Forfeitures	8,901	1,530	5,486	22,832	15,892
Landfill Fees	-	40,521	289,673	406,726	362,659
Miscellaneous	49,153	78,739	52,381	39,727	94,451
Total Revenues	4,835,984	2,540,009	2,362,499	2,493,477	2,679,335
Expenditures					
General Government	502,122	534,076	532,925	503,710	787,625
Public Safety	826,420	880,259	728,957	754,066	795,356
Physical Environment	24,115	34,580	27,485	17,882	17,800
Transportation	327,007	351,816	368,088	388,924	404,605
Culture and Recreation	234,374	294,157	265,754	290,625	324,052
Capital Outlay	2,893,088	648,397	114,848	95,210	470,375
Debt Service:					
Principal	177,406	133,526	119,825	115,559	110,423
Interest	123,016	114,496	108,808	103,113	98,012
Total Expenditures	(5,107,548)	(2,991,307)	(2,266,690)	(2,269,089)	(3,008,248)
(Deficiency) Excess of Revenues (Under) Over Expenditures	(271,564)	(451,298)	95,809	224,388	(328,913)
Other Financing Sources (Uses)					
Transfers (out)	-	-	-	(43,501)	(233,075)
Transfers in	479,127	383,759	357,196	225,000	225,000
Note Payable	-	-	-	-	-
Sale of Capital Assets	-	162,562	-	234,550	-
Capital Lease	-	-	-	-	-
Total Other Financing Sources (Uses)	479,127	546,321	357,196	416,049	(8,075)
Net Change in Fund Balances	\$ 207,563	\$ 95,023	\$ 453,005	\$ 640,437	\$ (336,988)
Debt Service as a Percentage of Non-Capital Expenditures	13.57%	10.59%	10.62%	10.06%	8.21%

2017	2018	2019	2020	2021
\$ 1,548,420	\$ 1,613,056	\$ 1,627,003	\$ 1,579,723	\$ 1,626,067
78,108	66,948	45,492	33,398	49,634
536,713	475,998	427,094	416,328	603,878
55,184	45,736	66,221	48,550	24,890
35,783	50,464	43,904	52,325	60,156
561,091	746,533	1,501,594	1,875,657	2,038,318
54,005	56,002	63,348	66,280	41,423
2,869,304	3,054,737	3,774,656	4,072,261	4,444,366

578,991	622,558	636,439	675,320	697,396
837,311	780,868	847,866	930,285	869,855
17,069	18,702	15,779	31,385	31,654
321,401	364,405	403,556	406,107	416,352
329,576	293,815	295,127	270,012	271,387
351,097	268,681	329,360	295,323	426,544
116,093	124,059	116,632	136,890	137,739
92,343	91,186	98,612	92,109	84,127
(2,643,881)	(2,564,274)	(2,743,371)	(2,837,431)	(2,935,054)

225,423	490,463	1,031,285	1,234,830	1,509,312
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(100,000)	(50,000)	-	(325,000)	-
50,000	50,000	50,000	-	-
-	-	-	-	-
20,425	-	-	-	1,470
-	-	-	-	-
(29,575)	-	50,000	(325,000)	1,470

\$ 195,848	\$ 490,463	\$ 1,081,285	\$ 909,830	\$ 1,510,782
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9.09%	9.38%	8.92%	9.01%	8.84%
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**CITY OF BUSHNELL, FLORIDA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2012	\$ 125,639,528	\$ 22,614,241	\$ 148,253,769	4.992	\$ 174,192,959	85%
2013	130,215,867	22,014,403	152,230,270	4.969	177,209,940	86%
2014	126,836,381	21,966,315	148,802,696	4.944	172,355,396	86%
2015	137,745,867	22,420,496	160,166,363	4.823	184,197,453	87%
2016	141,976,239	25,427,658	167,403,897	4.566	194,814,518	86%
2017	149,238,239	21,580,018	170,818,657	4.511	205,343,372	83%
2018	160,619,551	26,736,079	187,355,630	4.230	227,307,190	82%
2019	179,435,359	25,884,197	205,319,556	3.869	257,093,198	80%
2020	191,519,161	23,552,197	215,071,358	3.722	258,584,720	83%
2021	204,560,877	23,183,797	227,744,674	3.569	275,032,028	83%

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Information Source:
 Sumter County Property Appraiser

**CITY OF BUSHNELL, FLORIDA
PROPERTY TAX RATES DIRECT AND OVERLAPPING
LAST TEN FISCAL YEARS**

Fiscal Year	City of Bushnell		Overlapping Rates			Total Direct and Overlapping
	Operating Millage	Total Direct Rate	County		School Millage	
			County Millage	Total County		
2012	4.992	4.992	6.743	6.743	6.482	18.210
2013	4.969	4.969	6.602	6.602	6.357	18.217
2014	4.944	4.944	6.266	6.266	6.026	17.928
2015	4.823	4.823	6.049	6.049	5.867	17.236
2016	4.566	4.566	5.922	5.922	5.780	16.267
2017	4.511	4.511	5.833	5.833	5.692	16.036
2018	4.230	4.230	5.337	5.337	5.507	15.073
2019	3.869	3.869	7.010	7.010	5.420	16.299
2020	3.722	3.722	6.698	6.698	5.352	15.772
2021	3.569	3.569	6.404	6.404	5.146	15.119

Information Source:

City Millage Records

Sumter County Property Appraiser

**CITY OF BUSHNELL, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

	Owner	2012		2021	
		Taxable Assessed Value	Percent of Total Taxable Assessed Value	Taxable Assessed Value	Percent of Total Taxable Assessed Value
1	WAL-MART	\$ 9,483,600	6.4%	\$ 9,605,690	4.2%
2	NHC-FL124, LLC	2,909,760	2.0%	5,670,100	2.5%
3	BELLOTTO PROPERTIES, INC.	3,899,560	2.6%	4,380,550	1.9%
4	NHC-FL123, LLC	3,384,480	2.3%	4,010,090	1.8%
5	WAYNE WETZEL MOBLIE HOME, INC.			3,709,200	1.6%
6	METAL INDUSTRIES	2,780,120	1.9%	3,651,630	1.6%
7	LEXANN PROPERTIES, LLC			3,358,480	1.5%
8	LOVES TRAVEL STOPS & COUNTRY STORE			2,686,150	1.2%
9	OSPREY REALTY, LLC	1,964,190	1.3%	2,491,100	1.1%
10	SUN BLUEBERRY HILL, LLC	1,795,580		2,274,630	1.0%
11	SWAMI SHREEJI, LLC	1,558,110	1.1%		
12	BUSHNELL EQUITIES, LLC	1,860,720	1.3%		
13	ACV BUSHNOK, LLC	1,554,900	1.0%		
	Total Assessed Value	<u>\$ 31,191,020</u>	21.0%	<u>\$ 41,837,620</u>	18.4%
	Total Assessed Property Value	<u>\$ 148,253,769</u>		<u>\$ 227,744,674</u>	

Information Source:
Sumter County Tax Collector

**CITY OF BUSHNELL, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy	Current Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2012	\$ 575,464	\$ 427,702	74%	\$ 525	\$ 428,227	74%
2013	578,362	453,001	78%	60	453,061	78%
2014	574,812	444,027	77%	130	444,157	77%
2015	586,646	445,792	76%	2,209	448,001	76%
2016	587,689	449,004	76%	3,312	452,317	77%
2017	594,672	480,364	81%	646	481,010	81%
2018	614,578	517,097	84%	1,550	518,647	84%
2019	624,379	521,189	83%	334	521,523	84%
2020	632,061	527,602	83%	21	527,623	83%
2021	637,138	530,686	83%	91	530,777	83%

Information Source:
Sumter County Tax Collector

**CITY OF BUSHNELL, FLORIDA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			Business-Type Activities					Total Government	Percentage of Personal		
	Notes Payable	Other Liabilities	Capital Leases	Sewer/Water Bonds	Notes Payable	State Revolving Funds	Other Liabilities	Capital Lease		Income	Population	Per Capita
2012	\$ 2,414,134	\$ -	\$ 3,133	\$ 3,507,000	\$ -	\$ 1,148,347	\$ -	\$ 237,688	\$ 7,310,302	24.36%	2,445	2,990
2013	2,283,740	-	-	3,453,000	-	\$ 1,076,937	-	348,384	7,162,061	21.39%	2,462	2,909
2014	2,163,973	-	-	3,397,000	-	1,028,000	-	289,026	6,877,999	22.32%	2,756	2,496
2015	2,048,356	-	-	3,338,000	-	1,003,054	-	228,007	6,617,417	21.50%	2,864	2,311
2016	1,937,933	-	-	3,277,000	-	1,364,338	-	167,723	6,746,994	22.35%	2,995	2,253
2017	1,821,840	20,425	-	3,315,000	-	1,283,161	37,926	333,093	6,811,445	18.42%	3,047	2,235
2018	1,704,590	13,616	-	3,200,000	3,000,000	1,188,058	25,284	541,712	9,673,260	27.83%	3,016	3,207
2019	1,594,766	6,808	-	3,080,000	7,935,000	1,091,100	12,642	404,276	14,124,592	44.60%	3,027	4,438
2020	1,464,684	-	-	2,960,000	7,592,568	992,205	-	564,183	13,573,640	42.86%	3,183	4,264
2021	1,326,945	-	-	2,835,000	7,273,317	891,329	387,922	564,183	13,278,696	41.93%	3,219	4,125

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Information Source:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF BUSHNELL, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2020 AND NINE YEARS AGO

	Fiscal Year 2012			Fiscal Year 2021		
	Debt Outstanding	Percent Applicable	Estimated Share of Overlapping Debt	Debt Outstanding	Percent Applicable	Estimated Share of Overlapping Debt
Governmental Unit						
Sumter County	\$ 36,145,000	1.63%	\$ 590,096	\$ 133,066,786	1.74%	\$ 2,315,995
Sumter County School Board	4,300,000	1.63%	<u>70,201</u>	2,995,000	1.74%	<u>52,127</u>
Total Overlapping Debt			660,297			2,368,122
Total Direct Debt			2,417,267			1,326,945
Total Direct and Overlapping Debt			<u><u>\$ 3,077,564</u></u>			<u><u>\$ 3,695,067</u></u>

Information Source:

Sumter County Finance Department
Sumter County School Board

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Bushnell. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

**CITY OF BUSHNELL, FLORIDA
COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2020**

**The Constitution of the State of Florida,
Florida Statute 200.181, Sets No Legal Debt Margin.**

CITY OF BUSHNELL, FLORIDA
PLEDGED REVENUE COVERAGE - WASTEWATER BONDS
LAST TEN FISCAL YEARS

Fiscal Year	Sewer Charges and Other*	Less: Operating Expenses**	Net Available Revenue	Debt Service Requirements			Debt Coverage Ratio
				Principal	Interest	Total	
Revenue Bonds							
2012	\$ 852,339	\$ 576,038	\$ 276,301	\$ 39,000	\$ 118,955	\$ 157,955	57%
2013	813,286	540,782	272,504	41,000	117,151	158,151	58%
2014	809,759	622,788	186,971	43,000	115,255	158,255	85%
2015	872,489	596,874	275,615	45,000	113,266	158,266	57%
2016	870,677	605,798	264,879	47,000	109,185	156,185	59%
2017	907,305	618,597	288,708	-	54,010	54,010	19%
2018	1,047,314	817,818	229,496	82,800	66,896	149,696	65%
2019	1,110,568	773,221	337,347	86,400	65,100	151,500	45%
2020	1,321,766	710,025	611,741	86,400	62,486	148,886	24%
2021	1,135,895	763,809	372,086	90,000	60,124	150,124	40%
State Revolving Loan Fund							
2012	\$ 852,339	\$ 576,038	\$ 276,301	\$ 48,808	\$ 20,623	\$ 69,431	25%
2013	813,286	540,782	272,504	49,873	19,438	69,311	25%
2014	809,759	622,788	186,971	50,961	18,350	69,311	37%
2015	872,489	596,874	275,615	52,072	17,238	69,310	25%
2016	870,677	605,798	264,879	53,209	14,853	68,062	26%
2017	907,305	618,597	288,708	54,370	14,941	69,311	24%
2018	1,047,314	817,818	229,496	55,556	13,755	69,311	30%
2019	1,110,568	773,221	337,347	56,768	12,543	69,311	21%
2020	1,321,766	710,025	611,741	57,910	11,304	69,214	11%
2021	1,135,895	763,809	372,086	59,272	10,039	69,311	19%

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Information Source:

Audited Financial Reports
General Ledger

* Revenues are defined as Sewer System revenues and other legally available non-ad valorem funds (excluding non-cash items and grant funds).

** Operating expenses are defined as operating and maintaining the Sewer System determined pursuant to generally accepted accounting principles, exclusive of interest on any debt payable from gross revenues, depreciation, and any other items not requiring the expenditure of cash.

**CITY OF BUSHNELL, FLORIDA
PLEGDED REVENUE COVERAGE - WATER
LAST TEN FISCAL YEARS**

Fiscal Year	Water Charges*	Less: Operating Expenses**	Net Available Expenses	Debt Service Requirements			Debt Coverage Ratio
				Principal	Interest	Total	
Revenue Bond							
2012	\$ 667,367	\$ 564,135	\$ 103,232	\$ 12,000	\$ 41,905	\$ 53,905	52.22%
2013	677,900	515,555	162,345	13,000	41,395	54,395	33.51%
2014	634,696	492,791	141,905	13,000	40,843	53,843	37.94%
2015	666,718	542,250	124,468	14,000	40,290	54,290	43.62%
2016	998,352	363,881	634,471	14,000	39,695	53,695	8.46%
2017	907,305	473,703	433,602	-	23,032	23,032	5.31%
2018	1,201,662	409,500	792,162	32,200	26,015	58,215	7.35%
2019	788,701	525,451	263,250	33,600	25,317	58,917	22.38%
2020	872,054	454,600	417,454	33,600	24,339	57,939	13.88%
2021	776,868	511,895	264,973	35,000	23,381	58,381	22.03%
State Revolving Funds							
2012	\$ 667,367	\$ 564,135	\$ 103,232	\$ 32,502	\$ 7,143	\$ 39,645	38.40%
2013	677,900	515,555	162,345	21,537	6,250	27,787	17.12%
2014	634,696	492,791	141,905	14,874	5,810	20,684	14.58%
2015	666,718	542,250	124,468	15,281	5,404	20,685	16.62%
2016	998,352	363,881	634,471	15,698	4,987	20,685	3.26%
2017	907,305	473,703	433,602	26,847	9,396	36,243	8.36%
2018	1,201,662	409,500	792,162	39,506	9,042	48,548	6.13%
2019	788,701	525,451	263,250	40,190	8,358	48,548	18.44%
2020	872,054	454,600	417,454	41,373	7,659	49,032	11.75%
2021	776,868	511,895	264,973	42,101	6,944	49,045	18.51%

Information Source:

Audited Financial Reports
General Ledger

* Revenues are defined as Sewer System revenues and other legally available non-ad valorem funds (excluding non-cash items and grant funds).

** Operating expenses are defined as operating and maintaining the Sewer System determined pursuant to generally accepted accounting principles, exclusive of interest on any debt payable from gross revenues, depreciation, and any other items not enquiring the expenditure of cash.

**CITY OF BUSHNELL, FLORIDA
 PLEDGED REVENUE COVERAGE - ELECTRIC
 LAST TEN FISCAL YEARS**

Fiscal Year	Electric Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Requirements			Debt Coverage Ratio
				Principal	Interest	Total	
Notes Payable							
2012	***	***	***	***	***	***	0.00%
2013	***	***	***	***	***	***	0.00%
2014	***	***	***	***	***	***	0.00%
2015	***	***	***	***	***	***	0.00%
2016	***	***	***	***	***	***	0.00%
2017	***	***	***	***	***	***	0.00%
2018	\$ 3,097,903	\$ 3,042,278	\$ 55,625	\$ -	\$ 29,627	\$ 29,627	53.26%
2019	***	***	***	***	***	***	0.00%
2020	***	***	***	***	***	***	0.00%
2021	***	***	***	***	***	***	0.00%

Information Source:
 Audited Financial Reports
 General Ledger

*** The City did not enter into any debt agreements that required a pledge of electric revenues. Therefore, this is reported at zero.

**CITY OF BUSHNELL, FLORIDA
 PLEDGE REVENUE COVERAGE - SANITATION
 LAST TEN FISCAL YEARS**

Fiscal Year	Sanitation Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Requirements			Debt Coverage Ratio
				Principal	Interest	Total	
2012	***	***	***	***	***	***	***
2013	***	***	***	***	***	***	***
2013	***	***	***	***	***	***	***
2014	***	***	***	***	***	***	***
2015	***	***	***	***	***	***	***
2016	***	***	***	***	***	***	***
2017	***	***	***	***	***	***	***
2018	***	***	***	***	***	***	***
2019	***	***	***	***	***	***	***
2020	***	***	***	***	***	***	***
2021	***	***	***	***	***	***	***

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Information Source:
 Audited Financial Reports
 General Ledger

*** The City did not enter into any debt agreements that required a pledge of sanitation revenues. Therefore, this is reported at zero.

**CITY OF BUSHNELL, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Personal Income (Amounts Expressed In Thousands)	Per Capita Personal Income	Median Age	Education Level In Years of Formal Interest	School Enrollment	Unemployment Rate/Percent
2012	2,445	\$ 30,005	\$ 16,180	46.0	14.4	1,863	7.80%
2013	2,462	32,582	20,431	43.1	14.4	1,825	5.50%
2014	2,756	33,844	21,693	46.1	15.2	2,142	4.40%
2015	2,864	33,479	20,009	46.6	15.0	2,120	4.40%
2016	2,995	30,820	21,053	46.6	15.0	2,157	6.60%
2017	3,047	30,784	14,885	56.4	15.0	1,813	5.90%
2018	3,016	30,192	15,318	55.3	15.0	1,687	4.40%
2019	3,027	36,985	27,774	55.9	15.0	1,866	2.80%
2020	3,183	34,760	21,708	57.6	15.0	1,842	4.80%
2021	3,219	31,667	23,893	55.9	15.0	1,642	6.60%

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Information Source:

U.S. Census Bureau
www.data.dancingengineer.com/labormarket
www.data.dancingengineer.com/unemployment
www.bestplaces.net/economy/city/florida/bushnell

**CITY OF BUSHNELL, FLORIDA
PRINCIPAL EMPLOYERS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
CURRENT YEAR AND NINE YEARS AGO**

Employer	Fiscal Year 2012			Fiscal Year 2021		
	Employees	Percentage of Total City* Employment	Rank	Employees	Percentage of Total City* Employment	Rank**
Sumter County District Schools	834	2.20%	1	887	2.22%	1
Sumter County Government	319	0.84%	2	340	0.85%	2
Sumter County Sheriff's Office	251	0.66%	4	329	0.82%	3
Wal-Mart	275	0.73%	3	240	0.60%	4
Metal Industries	113	0.30%	5	151	0.38%	5
Winn Dixie				76	0.19%	6
City of Bushnell	30	0.08%	6	34	0.09%	7
Total	1,822	4.81%		2,057	5.15%	

* City data not available. Percentage is calculated based on total County employment. Prior information is not available.

**Only top 6 employer information is available.

Information Source:

Sumter County Board of County Commissioners
Wal-Mart
Metal Industries
Sumter County Chamber of Commerce
www.data.dancingengineer.com/labormarket

CITY OF BUSHNELL, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	9	9	9	10	10	10	10	11	12	12
Public Safety:										
Police:										
Officers	0	0	0	0	0	0	0	0	0	0
Civilians	0	0	0	0	0	0	0	0	0	0
Fire:										
Firefighters and Officers	0	0	0	0	0	0	0	0	0	0
Civilians	0	0	0	0	0	0	0	0	0	0
Highways and Streets:										
Maintenance	5	5	5	5	4	4	4	4	4	4
Sanitation	2	2	2	2	2	3	3	3	2	3
Culture and Recreation	4	2	2	2	3	3	3	3	3	3
Water	2	2	2	2	2	2	2	2	3	3
Sewer	3	3	3	3	3	3	3	2	2	3
Electric	5	5	5	5	5	6	6	8	5	6
Total	30	28	28	29	29	31	31	33	31	34

Information Source:
City Records

**CITY OF BUSHNELL, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police:										
Physical Arrests	89	343	267	231	727	319	691	646	683	1712
Traffic Violations	144	291	239	714	823	1139	1853	646	554	597
DUI Citations	4	10	16	9	14	13	16	4	10	18
Fire:										
Inspections	0	0	0	0	0	0	0	0	0	0
Highways and Streets:										
Street Resurfacing (Miles)	0	0	1	3.1	0.01	0.46	0.765	1.344	1.6	1.4
Potholes Repaired	566	430	406	562	567	385	337	460	315	269
Sanitation:										
Refuse Collected (Tons/Day)	7.92	8.78	9.01	8.58	9.06	9.56	10.14	10.09	8.82	9.3
Culture and Recreation:										
Community Center Admissions	29	26	27	19	19	31	27	34	13	21
Water:										
Average Daily Consumption (Thousands of Gallons)	443,000	363,000	373,000	388,000	442,000	459,000	484,000	478,000	434,000	439,000
Wastewater:										
Average Daily Sewage Treatment (Thousands of Gallons)	225,000	219,000	224,000	208,000	269,000	252,000	323,000	326,000	281,000	298,000

*Information above is an estimate.

Information Source:

City Records

**CITY OF BUSHNELL, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Function											
Public Safety:											
Police:											
Stations	1	0	0	0	0	0	0	0	0	0	
Patrol Units	10	0	0	0	0	0	0	0	0	0	
Fire Stations	1	1	1	1	0	0	0	0	0	0	
Sanitation:											
Collection Trucks	2 Side-Loaders (automatic) 1 Rear-Loader 1 Front-Loader	2 Side-Loaders (automatic) 1 Rear-Loader 1 Front-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader 1 Front/Side-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader 1 Front/Side-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader 1 Front/Side-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader 1 Front/Side-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader 2 Front/Side-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader 2 Front/Side-Loader	1 Side-Loader (automatic) 1 Grapple Truck 1 Front-Loader 2 Front/Side-Loader
Highways and Streets:											
Streets (Miles)	18.1	18.1	18.1	20.45	20.7	20.7	20.7	20.7	21.94	21.94	
Traffic Signals	7	7	7	8	8	8	8	8	8	8	
Culture and Recreation:											
Parks Acreage	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	40.68	
Tennis Courts	2	2	2	2	2	2	2	2	2	2	
Basketball Courts	3	3	3	3	3	3	3	3	3	3	
Playgrounds	6	6	6	6	6	6	6	6	6	6	
Ball Fields	9 lighted	9 lighted	9 lighted	9 lighted	9 lighted	9 lighted	9 lighted	9 lighted	9 lighted	9 lighted	
Multi-Purpose Fields	2	2	2	2	2	2	2	2	2	2	
Picnic Pavilions	4 Large/1 Small	4 Large/1 Small	4 Large/1 Small	4 Large/1 Small	5 Large/1 Small	5 Large/1 Small	5 Large/1 Small	5 Large/1 Small	5 Large/1 Small	5 Large/1 Small	
Community Centers	1	1	1	1	1	1	1	1	1	1	
Shuffleboard Courts	2	2	2	2	2	2	2	2	2	2	
Water:											
Water Mains (Miles)	24.24	24.24	27.55	28.35	29.15	29.15	29.15	29.44	29.44	29.44	
Wastewater:											
Sewer Mains (Miles)	27.29	27.35	27.35	27.35	27.47	27.47	27.47	27.47	27.47	27.47	
Electric:											
Miles of Service Lines	18.95	19.31	19.57	19.57	19.57	19.57	19.57	19.57	35.57	35.57	
Information Source:											
City Records											
City of Bushnell Fixed Asset Detail											

COMPLIANCE SECTION

**ADDITIONAL ELEMENTS OF REPORTING PREPARED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*,
ISSUED BY THE COMPTROLLER GENERAL OF THE UNITED
STATES, AND *RULES OF THE AUDITOR GENERAL***

**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**

Honorable Mayor and Council Members
City of Bushnell
Bushnell, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bushnell, Florida (the City) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 27, 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 (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control that we consider to be a significant deficiency in internal control, as follows:

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

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Honorable Mayor and Council Members
City of Bushnell
Bushnell, Florida

**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***

2008-2—Segregation of Duties

The City operates with a small finance, accounting, and customer service department and does not have the resources to properly segregate duties among employees so that no one employee has sole control over approving, recording, and accounting for transactions.

Because significant deficiencies in internal control over financial reporting exist when there is not sufficient separation of incompatible accounting duties, we recommend that the City's finance, accounting, and customer service departments continue to develop and, if necessary, expand its current staff to ensure more effective internal control structure over financial reporting.

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, non-compliance with which could have a direct and material effect on the financial statements. 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.


However, we noted certain other matters that we reported to management of the City in a separate letter dated May 27, 2022.

City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying Management Letter Response. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



May 27, 2022
Ocala, Florida

MANAGEMENT LETTER

Honorable Mayor and Council Members
City of Bushnell
Bushnell, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Bushnell, Florida (the City) as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 27, 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; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated May 27, 2022, should be considered in conjunction with this management letter.

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 financial audit report. See status of attached Prior Year Comments and Recommendations.

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 be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the City is reported in Note 1 to the basic financial statements. There are no component units related to the City.

Financial Condition and Management

Sections 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 to identify the specific condition(s) 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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MANAGEMENT LETTER

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 (see management letter comments).

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management (see management letter comments).

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance 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 warrants the attention of those charged with governance. In connection with our audit, there was an allegation of abuse (see management letter comments).

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, the Mayor and Council Members, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

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



May 27, 2022
Ocala, Florida

MANAGEMENT LETTER COMMENTS

The Honorable Mayor and Council Members
City of Bushnell
Bushnell, Florida

Prior Year Comments and Recommendations (Updated for 2022)

Corrective actions have been taken to address findings and recommendations made in the preceding audit report as follows:

Findings 2018-2 has been resolved.

The following have been included in the previous two fiscal year financial audit reports:

2011-1—Financial Condition Assessment—Wastewater Fund

As required by the *Rules of the Auditor General*, we have applied financial condition assessment procedures to the City's financial statements as of September 30, 2021, and noted that the Wastewater Fund has a net operating income, but is operating with borrowed funds from both outside sources and through interfund borrowings from the electric and water funds.

It is noted that the fund has shown improvement in net financial position during the year due to less spending overall and receipt of ARPA funds. However, the City was informed that the operating plant has a tank rupture that will require extensive financial commitment to repair.

We recommend that management continue to monitor the results of the Wastewater Fund to ensure the fund continues to improve its financial position to ensure operating revenues are sufficient to cover operating expenses.

2014-1—Interfund Borrowings with the Wastewater Fund

As of September 30, 2021, the Wastewater Fund substantially improved its financial position. The fund was not required to borrow from other funds as of September 30, 2021, for operating cash shortages. The other interfund borrowings consist of advances from both the water and electric funds of \$1,242,948. These interfund borrowings primarily occurred in prior years.

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Bushnell, Florida

MANAGEMENT LETTER COMMENTS

Authoritative accounting standards indicate that “if repayment is not expected within a reasonable time, the interfund balances should be reduced and the amount that is not expected to be repaid should be reported as a transfer from the fund that made the loan to the fund that received the loan”. We recommend that management consider this issue and determine the appropriate measures to address the interfund borrowings.

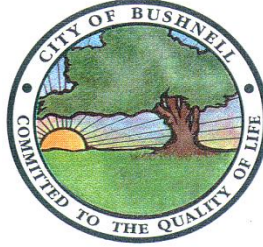
Pursuant to Chapter 119, Florida Statutes, these management letter comments are a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management and the Florida Auditor General, and is not intended to be, and should not be, used by anyone other than these specified parties.

We would like to take this opportunity to express our appreciation for the courtesies that have been extended to our staff. If you have any questions or comments about the contents of this letter, please do not hesitate to contact us.



May 27, 2022
Ocala, Florida

CITY OF BUSHNELL



117 E. Joe P Strickland, Jr. Avenue, P.O. Box 115
Bushnell, FL 33513
Phone: 352-793-2591 Fax: 352-793-2711

May 27, 2022

RESPONSE TO THE MANAGEMENT LETTER

To: Honorable Mayor and Council Members
From: Shelley Ragan
Re: Management Response to the Auditor’s Management Letter

Honorable Council Members:

This letter of explanation is being offered in accordance with the “Rules of the Auditor General” in particular, Chapter 10.500 thereof. Specifically, this letter responds to Purvis, Gray and Company’s “Management Letter” comments dated May 27, 2022. In their report Purvis, Gray and Company, LLP (PG&C) made several recommendations for improvement with regard to the City’s fiscal management. The specific areas identified in their comments and recommendations are as follows:

PRIOR YEAR RECOMMENDATIONS:

- ❖ Segregation of Duties
- ❖ Financial Condition Assessment - Wastewater Fund
- ❖ Interfund Borrowings with the Wastewater Fund

The following discussion addresses each of the above comments and recommendations, providing additional background information, and describing management’s plans to address these findings.

PRIOR YEAR RECOMMENDATIONS:

2008-2 – Segregation of Duties

Management continually reviews current segregation of duties and reassigns job duties as permitted to allow for more appropriate segregation. More tasks have been assigned to both the Accounts Payable Specialist and the Procurement Administrative Assistant to improve the

segregation of duties in the Finance Department. However, due to the loss of the previous City Manager/Finance Director the staff requirements have become limited again. The City is hopeful that in the coming year additional staff can be added to fulfill the requirements for the segregation of duties, but due to the small size of the current City staff it is unlikely that complete segregation of duties can be achieved in the coming fiscal year.

2011-1 – Financial Condition Assessment – Wastewater Fund

The Wastewater Fund continued to show a decrease in net position wherein revenues were less than expenses in the fiscal year ended September 30, 2021. The financial condition of the fund trended in a negative position due to unforeseen repair and replacement costs that occurred at the City's Wastewater Treatment Facility during FY2020-2021.

In the current fiscal year, the City Council and management are working to develop a plan to secure funding through grant programs to help offset the cost of making necessary upgrades and repairs to its aging infrastructure and Wastewater Treatment Plant. The City has several ongoing projects to make necessary repairs and upgrades to the wastewater infrastructure which will allow the City to keep the repair and maintenance costs at a more manageable level in future years.

While none of these measures will completely resolve this audit issue quickly, the City's corrective actions will enable the Wastewater Fund to show improvement in overall revenues and cash flows, and help to improve the overall financial position of the fund. It is anticipated that the combination of all of these measures will allow the City to operate its Wastewater Fund with a positive cash balance in the future.

2014-1 – Interfund Borrowings with the Wastewater Fund

In FY2020-2021, the Wastewater Fund showed no improvement in operations, primarily due to unanticipated increases in expenses due to the equipment failure of an integral part of the Wastewater Treatment Plant. It should also be noted, that the likelihood of the fund to fully repay the interfund borrowings in the near future is remote. Consequently, management is working with City Council to develop a plan to consider reporting these loans in the future as a permanent transfer from the Electric Fund to the Wastewater Fund, with no anticipation of repayment.

Respectfully submitted,

Shelley Ragan

Shelley Ragan, Finance Director

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH FLORIDA STATUTE SECTION 218.415 – INVESTMENTS OF PUBLIC FUNDS

Honorable Mayor and Council Members
City of Bushnell
Bushnell, Florida

We have examined the City of Bushnell, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes with regards to the City's investments during the year ended September 30, 2021. 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, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, 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 during the fiscal year ended September 30, 2021.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Mayor and Council Members of the City, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties



May 27, 2022
Ocala, Florida

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