CITY OF BRISTOL, FLORIDA

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

CITY OF BRISTOL, FLORIDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

To the Honorable City Council,
City of Bristol, Florida

Qualified and Unmodified Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Bristol, Florida (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Qualified Opinion on the Governmental Activities, Business-Type Activities, and Utility Fund
In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and the utility fund of the City as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion on the General Fund
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the general fund of the City as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

Matter Giving Rise to the Qualified Opinion on the Governmental Activities, Business-Type Activities, and Utility Fund
As discussed in Note 9 to the financial statements, the City has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.* Accounting principles generally accepted in the United States of America require recording of an obligation for postemployment benefits other than pensions, which would increase liabilities, decrease net position, and change the expenses in governmental activities, business-type activities and the utility fund. The effects of this departure from accounting principles generally accepted in the United States of America on the governmental activities, business-type activities and the utility fund, has not been determined.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and other required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of

financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Management has omitted the schedule of changes in the City's total OPEB liability and related ratios that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated June 27, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 27, 2024

As management of the City of Bristol, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023.

FINANCIAL HIGHLIGHTS

The assets of the City, as reported in the government-wide financial statements, exceeded the liabilities as of September 30, 2023, by $8,235,362 (net position). This amount represents an increase of $152,305 from the prior year.

The half-cent voted Fire Services Sales Surtax ("Fire Surtax") was assessed in Liberty County beginning January 1, 2018. The City received $49,659 in Fire Surtax revenue for the fiscal year ending September 30, 2021, $95,920 for the fiscal year ending September 30, 2022, and $56,574 for the fiscal year ending September 30, 2023. The Fire Surtax is restricted for the use of expenses or capital related to providing emergency fire services. In the fiscal year ending September 30, 2021 the City spent $35,045 of the Fire Surtax received. In the fiscal year ending September 30, 2022 the City spent $109,062 of the Fire Surtax revenue it received. In the fiscal year ending September 30, 2023 the City spent $58,046 of the Fire Surtax received resulting in a restricted fund balance as of September 30, 2023 of $0.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

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

The government-wide financial statements can be found on pages 12-13 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information 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.

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

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

Proprietary Funds

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

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

The basic proprietary fund financial statements can be found on pages 18-20 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-36 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary information and pension liability. Required information can be found on pages 37-41 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, assets and deferred outflows exceeded liabilities and deferred inflows by $8,235,362 at the close of the most recent fiscal year.

A large portion of the City's net position (90.38%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF BRISTOL, FLORIDA'S NET POSITION

	Governmental Activities		
	2022	2023	Increase (Decrease)
Assets			
Current and Other Assets	$ 987,365	$ 846,054	$ (141,311)
Capital Assets	2,472,805	2,405,246	(67,559)
Total Assets	3,460,170	3,251,300	(208,870)
Deferred Outflows	50,441	62,278	11,837
Liabilities			
Current Liabilities	677,106	92,376	(584,730)
Long Term Liabilities	147,646	143,611	(4,035)
Net Pension Liability	190,395	242,054	51,659
Total Liabilities	1,015,147	478,041	(537,106)
Deferred Inflows	(31,213)	19,527	50,740
Net Position			
Net Investment in Capital Assets	2,309,186	2,257,838	(51,348)
Restricted	178,161	135,289	(42,872)
Unrestricted	39,330	422,883	383,553
Total Net Position	$ 2,526,677	$ 2,816,010	$ 289,334

Business-Type Activities

	2022	2023	Increase (Decrease)
Assets			
Current and Other Assets	$ 525,892	$ 612,972	$ 87,080
Capital Assets	7,710,443	7,592,483	(117,960)
Total Assets	8,236,335	8,205,455	(30,880)
Deferred Outflows	59,213	73,108	13,895
Liabilities			
Current Liabilities	93,808	205,911	112,103
Long Term Liabilities	2,474,000	2,346,227	(127,773)
Net Pension Liability	223,507	284,151	60,644
Total Liabilities	2,791,315	2,836,289	44,974
Deferred Inflows	(36,643)	22,922	59,565
Net Position			
Net Investment in Capital Assets	5,236,443	5,185,483	(50,960)
Restricted	292,353	303,127	10,774
Unrestricted	12,080	(69,258)	(81,338)
Total Net Position	$ 5,540,876	$ 5,419,352	$ (121,524)

An additional portion of the City's net position, $438,416, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental Activities

Governmental activities increased the City's net position by $289,334 in the most recent fiscal year.

The key element of this change is an increase in operating grants.

CITY OF BRISTOL, FLORIDA'S CHANGES IN NET POSITION

Governmental Activities

	2022	2023	Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	$ 17,153	$ 17,660	$ 507
Operating Grants and Contributions	20,576	470,261	449,685
Capital Grants and Contributions	684,989	196,773	(488,216)
General Revenues:			
Taxes, Licenses, and Permits	365,232	488,811	123,579
Intergovernmental and Other	188,362	128,639	(59,723)
Total Revenues	1,276,312	1,302,144	25,832
Expenses:			
General Government	455,527	531,443	75,916
Transportation	91,829	129,201	37,372
Public Safety	194,167	153,324	(40,843)
Physical Environment	168,919	990	(167,929)
Culture and Recreation	1,594	1,291	(303)
Human Services	-	5,000	5,000
Interest on Long Term Debt	4,183	3,561	(622)
Total Expenses	916,219	824,810	(91,409)
Excess (Deficiency) of Revenues Over (Under) Expenditures	360,093	477,334	117,241
Other Financing Sources (Uses)			
Transfers In	12,940	12,000	(940)
Transfers Out	-	(200,000)	(200,000)
Total Other Financing Sources (Uses)	12,940	(188,000)	(200,940)
Increase (Decrease) in Net Position	373,033	289,334	(83,699)
Net Position, Beginning of Year	2,153,643	2,526,676	373,033
Net Position, End of Year	$ 2,526,676	$ 2,816,010	$ 289,334

Business-Type Activities

	2022	2023	Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	$ 805,291	$ 969,434	$ 164,143
Capital Grants and Contributions	107,532	12,000	(95,532)
General Revenues:			
Intergovernmental and Other	881	8,117	7,236
Total Revenues	913,704	989,551	75,847
Expenses:			
Business-Type Activities	869,835	1,314,580	444,745
Total Expenses	869,835	1,314,580	444,745
Excess (Deficiency) of Revenues Over (Under) Expenditures	43,869	(325,029)	(368,898)
Other Financing Sources (Uses)			
Transfers In	-	200,000	200,000
Transfers Out	(12,940)	(12,000)	940
Total Other Financing Sources (Uses)	(12,940)	188,000	200,940
Increase (Decrease) in Net Position	30,929	(137,029)	(167,958)
Net Position, Beginning of Year, Previously Reported	5,509,947	5,540,876	30,929
Restatement	-	15,505	15,505
Net Position, Beginning of Year, Restated	5,509,947	5,556,381	46,434
Net Position, End of Year	$ 5,540,876	$ 5,419,352	$ (121,524)

Business-Type Activities

Business-type activities decreased the City's net position by $121,524 in the most recent fiscal year.

The key element of this change is an increase in salary expense.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the City's governmental fund reported an ending fund balance of $2,816,010, an increase of $289,334 in comparison with the prior year. $422,883 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The general fund is the chief operating fund of the City.

Proprietary Funds

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

Unrestricted net position of the Utility Fund at the end of the year amounted to $(69,258). The total decrease in net position for the fund was $121,524. Other factors concerning the finances of the fund have already been addressed in the discussion of the City's business-type activities.

GENERAL BUDGETARY HIGHLIGHTS

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to $7,443,321 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, and roads. The City's investment in capital assets decreased $102,308 in the current year.

Additional information on the City's capital assets can be found in Note 4, on pages 28-29 of this report.

Long Term Debt

At the end of the current fiscal year, the City had long-term debt outstanding of $3,100,639.

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

	Governmental Activities	Business-Type Activities	Total
Revenue Bonds Payable	$ -	$ 2,407,000	$ 2,407,000
Notes Payable	147,408	-	147,408
Accrued Compensated Absences	8,177	11,849	20,026
Net Pension Liability	242,054	284,151	526,205
Total	$ 397,639	$ 2,703,000	$ 3,100,639

Additional information on the City's long-term debt can be found in Note 5, on pages 29-30 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

All of the following factors were considered in preparing the City's budget for the 2023-2024 fiscal year:

- Anticipated receipt of 100% of ad-valorem assessments
- Anticipated intergovernmental revenue based upon revenue accounting estimates calculated by the Florida Department of Revenue's Office of Tax Research
- Balances carried forward from prior year

- Estimated revenue for water, sewer, and solid waste services based upon historical data and the current rate schedule and proposed amended rate schedule
- Inflation trends
- Payment of principal and interest on a 2004 Bond Series and a 2007 Bond Series obligating water and sewer revenue; and reserve balances required by the Bond Issuance Covenants
- Vehicle and equipment needs of the City
- Wastewater and water testing requirements
- Anticipated FRS Employer Contribution Rates
- Other anticipated operating expenses including repair and maintenance of the City's lift station and water/sewer plants
- Anticipated receipt of grant funds and costs of capital improvement projects, repairs, and grant deliverables
- Current and anticipated debt service requirements

REQUEST FOR INFORMATION

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

CITY OF BRISTOL, FLORIDA

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

CITY OF BRISTOL, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	$ 574,045	$ 115,066	$ 689,111
Certificates of Deposit	83,943	-	83,943
Accounts Receivable, Net	-	108,419	108,419
Due from Other Governments	28,623	8,000	36,623
Due from Other Funds	-	62,461	62,461
Inventory	-	15,899	15,899
Prepaid Expenses	24,154	-	24,154
Restricted Assets:			
Cash and Cash Equivalents	135,289	106,058	241,347
Certificates of Deposit	-	197,069	197,069
Capital Assets, Not Being Depreciated	109,868	142,921	252,789
Capital Assets, Being Depreciated (Net)	2,295,378	7,449,562	9,744,940
Total Assets	3,251,300	8,205,455	11,456,755
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	62,278	73,108	135,386
Liabilities			
Accounts Payable and Accrued Expenses	17,941	30,647	48,588
Due to Other Funds	62,461	-	62,461
Accrued Interest	-	34,355	34,355
Utility Deposits	-	68,287	68,287
Accrued Compensated Absences, Current Portion	1,119	1,622	2,741
Notes Payable, Current Portion	10,855	-	10,855
Revenue Bonds Payable, Current Portion	-	71,000	71,000
Noncurrent Liabilities:			
Net Pension Liability	242,054	284,151	526,205
Accrued Compensated Absences, Long Term	7,058	10,227	17,285
Notes Payable, Long Term	136,553	-	136,553
Revenue Bonds Payable, Long Term	-	2,336,000	2,336,000
Total Liabilities	478,041	2,836,289	3,314,330
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	19,527	22,922	42,449
Net Position			
Net Investment in Capital Assets	2,257,838	5,185,483	7,443,321
Restricted for:			
Debt Service	6,659	234,840	241,499
Fire Protection	87,003	-	87,003
Infrastructure	41,627	-	41,627
Utility Deposits	-	68,287	68,287
Unrestricted	422,883	(69,258)	353,625
Total Net Position	$ 2,816,010	$ 5,419,352	$ 8,235,362

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-Type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Primary Government:							
Governmental Activities:							
General Government	$ 531,443	$ -	$ 470,261	$ -	$ (61,182)	$ -	$ (61,182)
Transportation	129,201	17,660	-	-	(111,541)	-	(111,541)
Public Safety	153,324	-	-	24,500	(128,824)	-	(128,824)
Physical Environment	990	-	-	172,273	171,283	-	171,283
Culture and Recreation	1,291	-	-	-	(1,291)	-	(1,291)
Human Services	5,000	-	-	-	(5,000)	-	(5,000)
Interest on Long Term Debt	3,561	-	-	-	(3,561)	-	(3,561)
Total Governmental Activities	824,810	17,660	470,261	196,773	(140,116)	-	(140,116)
Business-Type Activities	1,314,580	969,434	-	12,000	-	(333,146)	(333,146)
Total Primary Government	$ 2,139,390	$ 987,094	$ 470,261	$ 208,773	(140,116)	(333,146)	(473,262)
General Revenues							
Taxes							
Property Taxes					178,238	-	178,238
Franchise Fee - Electricity					73,311	-	73,311
Discretionary Surtax					80,969	-	80,969
Local Option Gas Tax					47,912	-	47,912
Communications Service Tax					34,074	-	34,074
Fire Service Surtax					56,574	-	56,574
Sales Tax and Other State Shared Revenues					88,436	-	88,436
Building Permits					17,733	-	17,733
Unrestricted Investment Earnings					21,942	8,117	30,059
Miscellaneous					18,261	-	18,261
Transfers					(188,000)	188,000	-
Total General Revenues and Transfers					429,450	196,117	625,567
Change in Net Position					289,334	(137,029)	152,305
Net Position, Beginning of Year, Previously Reported					2,526,676	5,540,876	8,067,552
Restatement					-	15,505	15,505
Net Position, Beginning of Year, Restated					2,526,676	5,556,381	8,083,057
Net Position, End of Year					$ 2,816,010	$ 5,419,352	$ 8,235,362

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
BALANCE SHEET-GOVERNMENTAL FUND
SEPTEMBER 30, 2023

	General Fund
Assets	
Cash and Cash Equivalents	$ 574,045
Certificates of Deposit	83,943
Due from Other Governments	28,623
Prepaid Expenses	24,154
Restricted:	
Cash and Cash Equivalents	135,289
Total Assets	846,054
Liabilities and Fund Balance	
Liabilities	
Accounts Payable and Accrued Expenses	17,941
Due to Other Funds	62,461
Total Liabilities	80,402
Fund Balance	
Nonspendable	24,154
Restricted:	
Debt Service	6,659
Fire Protection	87,003
Infrastructure	41,627
Unassigned	606,209
Total Fund Balance	765,652
Total Liabilities and Fund Balance	$ 846,054

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Total Fund Balance of Governmental Funds		$ 765,652
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		2,405,246
Net pension liability and related deferred inflows/outflows are not due and payable in the current period and, therefore, are not reported in the funds.		
Deferred Outflows	62,278	
Net Pension Liability	(242,054)	
Deferred Inflows	(19,527)	(199,303)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued Compensated Absences	(8,177)	
Notes Payable	(147,408)	(155,585)
Total Net Position of Governmental Activities		$ 2,816,010

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund
Revenues	
Taxes	$ 471,078
Licenses and Permits	17,733
Intergovernmental Revenues	755,470
Charges for Services	17,660
Interest Income	21,942
Miscellaneous Revenues	18,261
Total Revenues	1,302,144
Expenditures	
Current:	
General Government	417,982
Transportation	21,932
Public Safety	62,333
Physical Environment	990
Culture and Recreation	1,291
Human Services	5,000
Debt Service:	
Principal	16,211
Interest	3,561
Capital Outlay	153,102
Total Expenditures	682,402
Excess (Deficiency) of Revenues Over (Under) Expenditures	619,742
Other Financing Sources (Uses)	
Transfer In	12,000
Transfer Out	(200,000)
Total Other Financing Sources (Uses)	(188,000)
Net Change in Fund Balance	431,742
Fund Balance, Beginning of Year	333,910
Fund Balance, End of Year	$ 765,652

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net Change in Fund Balance - Total Governmental Funds		$ 431,742
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period:		
Capital Outlay	153,102	
Depreciation Expense	(220,661)	(67,559)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
This includes changes in:		
Net Pension Liability	(51,659)	
Deferred Outflows Related to Pensions	11,837	
Deferred Inflows Related to Pensions	(50,740)	(90,562)
The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This amount is the net effect of the differences in the treatment of long-term debt in the current period:		
Principal Repayments:		
Notes Payable	16,211	
Accrued Annual Leave	(498)	15,713
Change in Net Position of Governmental Activities		$ 289,334

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2023

	Utility Fund
Assets	
Current Assets	
Cash and Cash Equivalents	$ 115,066
Accounts Receivable, Net	108,419
Due from Other Governments	8,000
Due from Other Funds	62,461
Inventory	15,899
Total Current Assets	309,845
Noncurrent Assets	
Restricted Assets:	
Cash and Cash Equivalents	106,058
Certificates of Deposit	197,069
Capital Assets, Not Being Depreciated	142,921
Capital Assets, Being Depreciated (Net)	7,449,562
Total Noncurrent Assets	7,895,610
Total Assets	8,205,455
Deferred Outflows	
Deferred Outflows Related to Pensions	73,108
Liabilities	
Current Liabilities	
Accounts Payable and Accrued Expenses	30,647
Accrued Compensated Absences, Current Portion	1,622
Payable from Restricted Assets	
Revenue Bonds Payable, Current Portion	71,000
Accrued Interest	34,355
Utility Deposits	68,287
Total Current Liabilities	205,911
Noncurrent Liabilities	
Accrued Compensated Absences, Long Term	10,227
Revenue Bonds Payable, Long Term	2,336,000
Net Pension Liability	284,151
Total Noncurrent Liabilities	2,630,378
Total Liabilities	2,836,289
Deferred Inflows	
Deferred Inflows Related to Pensions	22,922
Net Position	
Net Investment in Capital Assets	5,185,483
Restricted:	
Debt Service	234,840
Utility Deposits	68,287
Unrestricted	(69,258)
Total Net Position	$ 5,419,352

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Utility Fund
Operating Revenues	
Water Revenue	$ 352,737
Wastewater Revenue	435,098
Garbage Revenue	181,599
Total Operating Revenue	969,434
Operating Expenses	
Garbage Contract	198,625
Depreciation	236,306
Salaries and Benefits	368,675
Utilities	62,680
Repairs and Maintenance	165,910
Insurance	1,200
Supplies	45,398
Water Testing and Permits	32,334
Office Expense	66,585
Telephone	5,412
Total Operating Expenses	1,183,125
Operating Income (Loss)	(213,691)
Non-Operating Revenues (Expenses)	
Capital Grants	12,000
Interest Income	8,117
Interest Expense	(131,455)
Total Non-Operating Revenues (Expenses)	(111,338)
Income Before Transfers	(325,029)
Operating Transfers	
Transfers In	200,000
Transfers Out	(12,000)
Total Operating Transfers	188,000
Change in Net Position	(137,029)
Net Position, Beginning of Year, Previously Reported	5,540,876
Restatement	15,505
Net Position, Beginning of Year, Restated	5,556,381
Net Position, End of Year	$ 5,419,352

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Utility Fund
Cash Flows from Operating Activities	
Cash Received from Customers	$ 931,702
Cash Paid to Employees	(262,361)
Cash Paid to Suppliers	(557,564)
Net Cash Provided by (Used in) Operating Activities	111,777
Cash Flows from Noncapital Financing Activities	
Operating Transfers In	200,000
Operating Transfers Out	(12,000)
Net Cash Provided by (Used in) Noncapital Financing Activities	188,000
Cash Flows from Capital and Related Financing Activities	
Cash Received from Capital Grants	22,000
Acquisition and Construction of Capital Assets	(118,346)
Principal Paid on Revenue Bonds	(67,000)
Interest Paid on Revenue Bonds	(106,473)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(269,819)
Cash Flows from Investing Activities	
Interest Received on Investments	8,117
Net Cash Provided by (Used in) Investing Activities	8,117
Net Increase (Decrease) in Cash and Cash Equivalents	38,075
Cash and Cash Equivalents, Beginning of Year, Previously Reported	364,662
Reclassifed to Certificates of Deposit	(197,118)
Restatement	15,505
Cash and Cash Equivalents, Beginning of Year, Restated	183,049
Cash and Cash Equivalents, End of Year	$ 221,124
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities	
Cash Flows from Operating Activities	
Operating Income (Loss)	$ (213,691)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activites:	
Depreciation	236,306
(Increase) Decrease in Accounts Receivable	(15,732)
(Increase) Decrease in Due from Other Funds	(22,000)
(Increase) Decrease in Inventory	(5,816)
(Increase) Decrease in Deferred Outflows	(13,895)
Increase (Decrease) in Accounts Payable and Accrued Expenses	26,196
Increase (Decrease) in Accrued Compensated Absences	(7)
Increase (Decrease) in Net Pension Liability	60,644
Increase (Decrease) in Deferred Inflows	59,565
Increase (Decrease) in Utility Deposits	207
Total Adjustments	325,468
Net Cash Provided by (Used in) Operating Activites	$ 111,777

See accompanying notes to basic financial statements.

CITY OF BRISTOL, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

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

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

Government-wide and Fund Financial Statements

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

Basis of Presentation

Government-wide Financial Statements

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

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

Fund Financial Statements

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

The City reports the following major governmental fund:

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

The City reports the following major proprietary fund:

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

Note 1 – Summary of Significant Accounting Policies *(Continued)*

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

Measurement Focus and Basis of Accounting

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

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

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

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

Budgetary Information

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. The appropriated budget is prepared by fund, function, and department. The City's management may make transfers of appropriations within a department.

Note 1 – Summary of Significant Accounting Policies *(Continued)*

Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

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

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

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

Investments for the City are reported at fair value.

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

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

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

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

Note 1 – Summary of Significant Accounting Policies *(Continued)*

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

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

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

Assets	Years
Buildings and Improvements	40
Public Domain Infrastructure	20-40
System Infrastructure	10-50
Vehicles, Furniture, Equipment, and Software	5-15

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

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

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

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

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

Note 1 – Summary of Significant Accounting Policies *(Continued)*

Fund Balance Flow Assumptions
Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be

applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

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

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

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

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

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

Note 1 – Summary of Significant Accounting Policies *(Continued)*

Use of Estimates

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

Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as program revenues include:

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

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

Property Taxes

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

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

Proprietary Funds Operating and Non-Operating Revenues and Expenses

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

Recently Issued Auditing Standards

During the year ended September 30, 2023, the City adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements, which changes the accounting and financial reporting related to Subscription-Based Information Technology Arrangements (SBITAs) for government end users. Upon adoption, a SBITA will result in a right to-use subscription asset, which will be an intangible asset, and a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding SBITA. As of September 30, 2023, the City did not have any SBITAs.

Note 2 – Deposits

At year end, the carrying amount of the City's cash and cash equivalents was $930,458, and the total of the bank balances was $1,002,127. The carrying amount and bank balances of the City's certificates of deposit was $281,012. The bank balance was covered by Federal depository insurance or by collateral held by the City's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes.

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

Note 3 – Receivables

Receivables as of September 30, 2023, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Utility Fund	Total
Accounts Receivable, Net	$ -	$ 108,419	$ 108,419
Due from Other Governments	28,623	8,000	36,623
Total Receivables, Net	$ 28,623	$ 116,419	$ 145,042

In the general fund, due from other governments consists of state shared revenues. In the utility fund, due from other governments consists of grant revenue for expenses incurred and not yet reimbursed. Accounts receivable consist of monthly utility billings net of the allowances for uncollectible accounts.

Note 4 – Capital Assets

Capital asset activity for the year ended September 30, 2023 was as follows:

	Balance Sept. 30, 2022	Increase	Decrease	Transfers	Balance Sept. 30, 2023
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	$ 75,097	$ -	$ -	$ -	$ 75,097
Construction in Progress	-	34,771	-	-	34,771
Total Capital Assets, Not Being Depreciated	75,097	34,771	-	-	109,868
Capital Assets, Being Depreciated:					
Buildings and Improvements	341,063	-	-		341,063
Improvements Other Than Buildings	2,796,959	-	-	(17,173)	2,779,786
Equipment and Other	756,226	118,331	-	17,173	891,730
Total Capital Assets, Being Depreciated	3,894,248	118,331	-	-	4,012,579
Less Accumulated Depreciation for:					
Buildings and Improvements	(488,386)	(8,405)	-	243,532	(253,259)
Improvements Other Than Buildings	(582,688)	(111,012)	-	(198,307)	(892,007)
Equipment and Other	(425,466)	(101,244)	-	(45,225)	(571,935)
Total Accumulated Depreciation	(1,496,540)	(220,661)	-	-	(1,717,201)
Total Capital Assets, Being Depreciated, Net	2,397,708	(102,330)	-	-	2,295,378
Total Governmental Capital Assets, Net	$2,472,805	$ (67,559)	$ -	$ -	$2,405,246
Business-Type Activities:					
Capital Assets, Not Being Depreciated:					
Land	$ 122,921	$ -	$ -	$ -	$ 122,921
Construction in Progress	409,034	2,000	-	(391,034)	20,000
Total Capital Assets, Not Being Depreciated	531,955	2,000	-	(391,034)	142,921
Capital Assets, Being Depreciated					
Buildings and Improvements	73,000	-	-	-	73,000
Utility, Plant Equipment and Improvements	10,698,827	116,346	-	391,034	11,206,207
Total Capital Assets, Being Depreciated	10,771,827	116,346	-	391,034	11,279,207
Less Accumulated Depreciation for:					
Buildings and Improvements	(2,050)	(1,825)	-	(3,489)	(7,364)
Utility, Plant Equipment and Improvements	(3,591,289)	(234,481)	-	3,489	(3,822,281)
Total Accumulated Depreciation	(3,593,339)	(236,306)	-	-	(3,829,645)
Total Capital Assets, Being Depreciated, Net	7,178,488	(119,960)	-	391,034	7,449,562
Total Business-Type Capital Assets, Net	$7,710,443	$(117,960)	$ -	$ -	$7,592,483

Note 4 – Capital Assets *(Continued)*

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	$ 22,401
Transportation	107,269
Public Safety	90,991
Total	$ 220,661
Business-Type Activities:	
Water	$ 53,725
Wastewater	182,581
Total	$ 236,306

Note 5 – Long Term Debt

Changes in long-term liabilities for the year ended September 30, 2023 were as follows:

	Balance 10/1/2022	Additions	Reductions	Balance 9/30/2023	Due Within One Year
Governmental Activities:					
USDA Loan - Fire Truck	$ 158,263	$ -	$ 10,855	$ 147,408	$ 10,855
Note Payable - Tractor / Sweeper	5,356	-	5,356	-	-
Accrued Compensated Absences	7,678	499	-	8,177	1,119
Net Pension Liability	190,395	51,659	-	242,054	-
Total Long Term Liabilities	$ 361,692	$ 52,158	$ 16,211	$ 397,639	$ 11,974
Business-Type Activities:					
Revenue Bond Series 2004	$ 1,101,000	$ -	$ 33,000	$ 1,068,000	$ 35,000
Revenue Bond Series 2007	1,373,000	-	34,000	1,339,000	36,000
Accrued Compensated Absences	11,856	-	7	11,849	1,622
Net Pension Liability	223,507	60,644	-	284,151	-
Total Long Term Liabilities	$ 2,709,363	$ 60,644	$ 67,007	$ 2,703,000	$ 72,622

USDA Loan – Fire Truck
On September 21, 2020, the City borrowed $178,800 from the United States Department of Agriculture to purchase a fire truck. The interest rate has been determined to be 2.25%. Payments are due annually in amounts outlined in a schedule with the first payment in 2021, and the final payment in 2035.

Notes Payable – Tractor/Sweeper
The City borrowed $37,198 to purchase a new John Deere Tractor and road sweeper attachment. The loan was taken out on June 18, 2018 (loan number 02757569072) and the interest rate is 4%. Payments are $686 each month. The loan was paid off in full during the year ended September 30, 2023.

Note 5 – Long Term Debt *(Continued)*

Business-Type Activities

Revenue Bonds
The City also issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the current fiscal year related to these issues in prior years totaled $2,407,000.

Water and sewer revenue bonds outstanding at September 30, 2023 are comprised of the following:

$1,500,000 Water and Sewer System Revenue Bonds, Series 2004, payable in annual installments ranging from $17,000 to $76,000 through September 1, 2043, plus interest at 4.375%, collateralized by a first lien on net revenues of the water and sewer system. The amount outstanding at September 30, 2023 was $1,068,000.

$1,732,000 Water and Sewer System Revenue Bonds, Series 2007, payable in annual installments ranging from $19,000 to $86,000 through September 1, 2046, plus interest at 4.25%, collateralized by a first parity lien on net revenues of the water and sewer system. The amount outstanding at September 30, 2023 was $1,339,000.

Outstanding principal for revenue bonds and notes payable to maturity are as follows:

Year Ending September 30,	Governmental	Business-Type
2024	$ 10,855	$ 71,000
2025	11,100	73,000
2026	11,349	77,000
2027	11,605	81,000
2028	11,866	83,000
Thereafter	90,633	2,043,000
Total	$ 147,408	$ 2,407,000

Unused Lines of Credit
During the year ended September 30, 2023, the City obtained a $6,869,018 and a $1,916,320 line of credit with Centennial Bank to fund future grant related construction projects. Neither line of credit was drawn upon during the year ended September 30, 2023. Both lines bear an interest rate of 6.25%.

Note 6 – Commitments

The City had no major commitments as of September 30, 2023.

Note 7 – Contingent Liabilities

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

Note 8 – Employee Retirement Plan

Defined Benefit Plans

Plan Description

The City participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability and death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (844) 377-1888.

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

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

Benefits Provided

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

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

Note 8 – Employee Retirement Plan *(Continued)*

Contributions

The contribution requirements of plan members and the City are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The City's contribution rates for the year ended September 30, 2023 were as follows:

	Year Ended June 30, 2023		Year Ended June 30, 2024	
	FRS (2)	HIS	FRS (2)	HIS
Regular Class	10.19%	1.66%	11.51%	1.66%
Elected City Officers	55.28%	1.66%	56.62%	1.66%
Senior Management	29.85%	1.66%	32.46%	1.66%
DROP Plan Participants	16.93%	1.66%	19.13%	1.66%
Reemployment Retiree	(1)	(0)	(1)	(0)

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

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

The City's contributions for the year ended September 30, 2023, were $47,042 to FRS and $5,215 to HIS.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2023, the City reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2023, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuation date July 1, 2023. The City's proportions of the net pension liabilities were based on the City's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net Pension Liability	$ 400,940	$ 125,265
Proportion at:		
Current Measurement Date	0.001006204%	0.000788757%
Prior Measurement Date	0.000922078%	0.000668594%
Pension Expense (Benefit)	$ 64,296	$ 49,124

Note 8 – Employee Retirement Plan *(Continued)*

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 37,645	$ -
Changes of assumptions	26,137	-
Net difference between projected and actual earnings on Pension Plan Investments	16,744	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	19,661	(26,257)
Employer contributions subsequent to the measurement date	11,465	-
Total	$ 111,652	$ (26,257)

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,834	$ (294)
Changes of assumptions	3,293	(10,855)
Net difference between projected and actual earnings on Pension Plan Investments	65	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,174	(5,043)
Employer contributions subsequent to the measurement date	1,368	-
Total	$ 23,734	$ (16,192)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2024. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Measurement Period Ending June 30,	FRS	HIS
2024	$ 363	$ 1,213
2025	(9,228)	1,774
2026	68,972	614
2027	10,679	613
2028	3,144	1,399
Thereafter	-	561
Total	$ 73,930	$ 6,174

Note 8 – Employee Retirement Plan *(Continued)*

Actuarial Assumptions

The total pension liability for each of the defined benefit plans, measured as of June 30, 2023, was determined by an actuarial valuation dated July 1, 2018, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increase	3.25% Average, Including Inflation	3.25%
Discount Rate	6.70%	3.65%
Long Term Expected Rate of Return, Net of Investment Income	6.70%	N/A
Municipal Bond	N/A	3.65%

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

For both plans, the actuarial assumptions used in the valuation date June 30, 2023, were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2023:

- FRS: The long-term expected rate of return remained at 6.70% and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was increased from 3.54% to 3.65%.
- The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

Asset Class	Target Allocation	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	2.9%	2.6%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
	100%			
Assumed Inflation - Mean			2.4%	1.4%

Note 8 – Employee Retirement Plan *(Continued)*

Discount Rate

The discount rate used to measure the total pension liability for FRS was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.65% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

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

	FRS		
		Current	
	1% Decrease	Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	$ 684,888	$ 400,940	$ 163,384

	HIS		
		Current	
	1% Decrease	Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	$ 142,908	$ 125,265	$ 110,640

Pension Plans' Fiduciary Net Position

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

Defined Contribution Plan

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

Note 9 – Other Postemployment Benefits

The City has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* which establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities, note disclosures, and required supplementary information.

Note 10 – Fire Services Sales Surtax

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

Beginning Restricted Fund Balance	$ 1,472
Amount Received as of September 30, 2023	56,574
Amount Spent as of September 30, 2023:	
Capital Outlay	(14,682)
Debt Service Payments	(10,806)
Operating Expense	(32,558)
Ending Restricted Fund Balance	$ -

Note 11 – Risk Management

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

Note 12 – Restatement

The City determined that beginning fund balance for the utility fund was understated by $15,505 as a result of stale dated checks causing cash at September 30, 2022 to be understated.

Note 13 – Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure in the financial statements through June 27, 2024, the date in which the financial statements were available to be issued.

Subsequent to year end the City received a consent order from the Florida Department of Environmental Protection regarding violations in connection with the City's Wastewater Treatment Facility. The penalty is a $31,062 cash payment or an in-kind project with a value of at least $45,843. The City could be subject to daily penalties and is currently negotiating the terms of the settlement. An agreement has not been entered into as of June 27, 2024.

CITY OF BRISTOL, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMEBER 30, 2023

CITY OF BRISTOL, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 415,134	$ 415,134	$ 471,078	$ 55,944
Licenses and Permits	9,000	9,000	17,733	8,733
Intergovernmental Revenues	3,667,515	3,667,515	755,470	(2,912,045)
Charges for Services	24,510	24,510	17,660	(6,850)
Interest Income	760	760	21,942	21,182
Miscellaneous Revenues	-	-	18,261	18,261
Total Revenues	4,116,919	4,116,919	1,302,144	(2,814,775)
Expenditures				
Current:				
General Government	2,589,626	2,589,626	417,982	2,171,644
Transportation	73,000	73,000	21,932	51,068
Public Safety	106,396	106,396	62,333	44,063
Physical Environment	-	-	990	(990)
Culture and Recreation	-	-	1,291	(1,291)
Human Services	5,000	5,000	5,000	-
Debt Service:				
Principal	3,502,688	3,502,688	16,211	3,486,477
Interest	-	-	3,561	(3,561)
Capital Outlay	1,508,472	1,508,472	153,102	1,355,370
Total Expenditures	7,785,182	7,785,182	682,402	7,102,780
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,668,263)	(3,668,263)	619,742	4,288,005
Other Financing Sources (Uses)				
Proceeds from Long Term Debt	3,376,850	3,376,850	-	(3,376,850)
Transfers In	72,000	72,000	12,000	(60,000)
Transfers Out	(322,000)	(322,000)	(200,000)	122,000
Total Other Financing Sources (Uses)	3,126,850	3,126,850	(188,000)	(3,314,850)
Net Change in Fund Balance	(541,413)	(541,413)	431,742	973,155
Fund Balance, Beginning of Year	333,910	333,910	333,910	-
Fund Balance, End of Year	$ (207,503)	$ (207,503)	$ 765,652	$ 973,155

CITY OF BRISTOL, FLORIDA
NOTE TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Note 1 – Budgetary Information

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

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

1. Prior to October 1, the City Council receives a proposed operating budget for the next fiscal year. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to October 1, the budget is legally enacted through passage of an ordinance.

4. The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council.

5. The legal level of budgetary control is the fund level.

6. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)									
Proportion of the net pension liability (asset)	0.001006204%	0.000922078%	0.0009254%	0.0009573%	0.0011516%	0.0011454%	0.0015950%	0.0016902%	0.0016902%
Proportionate share of the net pension liability (asset)	$ 400,940	$ 343,087	$ 69,906	$ 414,892	$ 396,610	$ 344,997	$ 471,800	$ 418,807	$ 218,312
Covered-employee payroll	$ 312,590	$ 219,921	$ 246,685	$ 279,533	$ 243,598	$ 213,418	$ 219,203	$ 210,250	$ 597,639
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	128.26%	156.00%	28.34%	148.42%	162.81%	161.65%	215.23%	199.19%	36.53%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	96.40%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program (HIS)									
Proportion of the net pension liability (asset)	0.000788757%	0.000668594%	0.000622560%	0.000624750%	0.072391900%	0.065725500%	0.000006673%	0.000680986%	0.000682010%
Proportionate share of the net pension liability (asset)	$ 125,265	$ 70,815	$ 76,367	$ 76,282	$ 80,999	$ 69,565	$ 71,355	$ 79,366	$ 69,555
Covered-employee payroll	$ 312,590	$ 219,921	$ 246,685	$ 279,533	$ 243,598	$ 213,418	$ 219,203	$ 210,250	$ 597,639
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	40.07%	32.20%	30.96%	27.29%	33.25%	32.60%	32.55%	37.75%	11.64%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	3.56%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

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

CITY OF BRISTOL, FLORIDA
SCHEDULE OF THE CITY'S CONTRIBUTIONS
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)									
Contractually required contribution	$ 47,042	$ 39,347	$ 35,255	$ 31,806	$ 35,709	$ 32,643	$ 42,303	$ 40,591	$ 36,516
Contributions in relation to the contractually required contribution	(47,042)	(39,347)	(35,255)	(31,806)	(35,709)	(32,643)	(42,303)	(40,591)	(36,516)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 300,147	$ 219,921	$ 246,685	$ 279,533	$ 243,598	$ 213,418	$ 219,203	$ 210,250	$ 597,639
Contributions as a percentage of covered-employee payroll	15.67%	17.89%	14.29%	11.38%	14.66%	15.30%	19.30%	19.31%	6.11%
Health Insurance Subsidy Program (HIS)									
Contractually required contribution	$ 5,215	$ 4,046	$ 3,659	$ 3,600	$ 4,020	$ 3,564	$ 3,545	$ 3,570	$ 7,530
Contributions in relation to the contractually required contribution	(5,215)	(4,046)	(3,659)	(3,600)	(4,020)	(3,564)	(3,545)	(3,570)	(7,530)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 300,147	$ 219,921	$ 246,685	$ 279,533	$ 243,598	$ 213,418	$ 219,203	$ 210,250	$ 597,639
Contributions as a percentage of covered-employee payroll	1.74%	1.84%	1.48%	1.29%	1.65%	1.67%	1.62%	1.70%	1.26%

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

CITY OF BRISTOL, FLORIDA
OFFICIALS
SEPTEMBER 30, 2023

James P. Kersey Mayor	Christian Vowell Chairman
Thomas Rankin Vice Chairman	Jennifer Hudgins Council Member

Robin M. Hatcher
City Clerk

CITY OF BRISTOL, FLORIDA

COMPLIANCE SECTION

SEPTEMBER 30, 2023

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

To the Honorable City Council,
City of Bristol, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Bristol, Florida (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2024.

Report on 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 were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Bristol, Florida's Response to Findings
Government Auditing Standards requires the auditor to perform limited procedures on the City of Bristol, Florida's response to the findings identified in our audit and described in the accompanying schedule of findings. The City of Bristol, Florida's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 27, 2024

CITY OF BRISTOL, FLORIDA
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

2023-001: Accounting Records Not Maintained in Accordance with U.S. GAAP

Criteria: A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the accounting records in accordance with generally accepted accounting principles.

Condition: It was noted during the audit that material adjusting entries to various accounts were needed.

Cause: Failure to apply appropriate accounting principles.

Effect: Failure to apply appropriate accounting principles caused various accounts to be materially misstated.

Recommendation: We recommend that management ensure all accrual entries are made and accounts are reconciled prior to the start of the audit.

Classification: Material Weakness

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES – INVESTMENT OF PUBLIC FUNDS

To the Honorable City Council,
City of Bristol, Florida

We have examined the City of Bristol, Florida's (the "City"), compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the fiscal year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General.* Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements 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 specified requirements referenced above. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, Local Government Investment Policies, during the year ended September 30, 2023.

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 27, 2024

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL

To the Honorable City Council,
City of Bristol, Florida

Report on the Financial Statements
We have audited the financial statements of the City of Bristol, Florida (the "City") as of and for the fiscal year ended September 30, 2023 and have issued our report thereon dated June 27, 2024.

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 *AICPA 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 June 27, 2024, 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 annual financial audit report. There were no audit findings or recommendations identified in the preceding annual financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 of the notes to the financial statements. There were no component units.

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

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 the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. Our recommendations are included in our report on internal control dated June 27, 2024.

Additional Matters

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

Purpose of this Letter

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 27, 2024

CITY OF BRISTOL

P.O. BOX 207
BRISTOL, FL 32321

June 27, 2024

Mr. Chris Moran, CPA
Moran & Smith LLP
2260 Wednesday St., Ste 400
Tallahassee, FL 32308

RE: 2022-2023 Audit Report; Findings, Page 44

Dear Mr. Moran,

In regard to the fiscal year 2022-2023 audit findings and recommendations for the City of Bristol, Florida, our response is as follows:

2023-001: Accounting Records Not Maintained in Accordance with U.S. GAAP

The City of Bristol hired an outside CPA firm during fiscal year 22/23. They were not on board for the majority of the year. The CPA firm will work closely with the City moving forward to ensure that accounting records are kept in accordance with generally accepted accounting principles and that all accrual entries are made and accounts are reconciled prior to the start of future audits.

Sincerely,

Robin Hatcher, City Clerk
City of Bristol, Florida