

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE
CITY OF BRISTOL
CONNECTICUT**

**FISCAL YEAR
JULY 1, 2012 - JUNE 30, 2013**

Glenn S. Klocko, Comptroller

Prepared by Comptroller's Office

CITY OF BRISTOL, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Introductory Section

CITY OF BRISTOL, CONNECTICUT

For Fiscal Year Ended June 30, 2013

PRINCIPAL OFFICIALS

CITY COUNCIL

Arthur J. Ward, Mayor
Eric Carlson, Councilmember
Kenneth Cockayne, Councilmember
Derek Czenczelewski, Councilmember
Kevin Fuller, Councilmember
Henri Martin, Councilmember
David Mills, Councilmember

BOARD OF FINANCE

Arthur J. Ward, Mayor
Richard Miecznikowski, Chairperson
Jake Carrier, Commissioner
Lisa Casey, Commissioner
Greg Fradette, Commissioner
John Smith, Vice Chairman
Cheryl Thibeault, Commissioner
Paul Tonon, Commissioner
Robert Wojtek, Commissioner

ADMINISTRATION

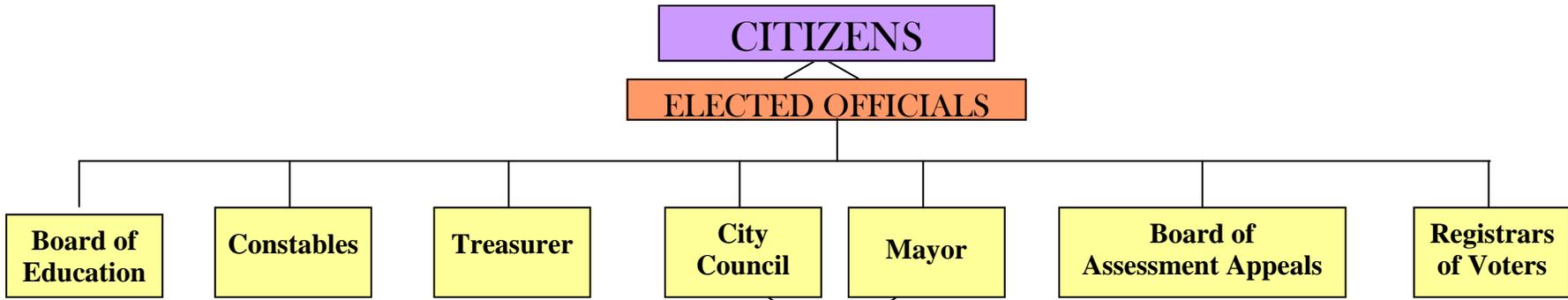
Registrar of Voters - Democrat
Registrar of Voters - Republican
Assessor
Tax Collector
Purchasing Agent
Comptroller
Assistant Comptroller
Treasurer
Personnel Director
Corporation Counsel
Town and City Clerk
Commission on Aging, Director
Director of Youth & Community Services
City Planner
Planning Secretary and City Engineer
Zoning Enforcement Officer
Police Chief
Fire Chief
Civil Preparedness Director
Building and Zoning Official
Director of Public Works
Bristol/Burlington Health District (Interim)
Library Director
Superintendent of Parks and Recreation
Bristol Development Authority Director
Bristol Water Department Superintendent
Superintendent of Schools
Deputy Superintendent of Schools

Mary Rydingsward
Sharon Krawiecki
Thomas DeNoto
Teresa Babon
Roger D. Rousseau
Glenn S. Klocko
Jane C. Wall
Thomas Barnes, Jr.
Diane Ferguson
Edward C. Krawiecki, Jr.
Therese Pac
Patricia Tomascak
Eileen McNulty
Alan L. Weiner
Paul A. Strawderman
Anthony DeCrisantis
Thomas Grimaldi
Jon Pose
Richard B. Ladisky
Guy R. Morin
Walter E. Veselka, III
Charles Motes, Jr.
Francine Petosa
Edward J. Swicklas
Vacant
Robert Longo
Ellen Solek, Ph.D.
Susan Kalt Moreau, Ph.D.

BOARD OF EDUCATION

Christopher Wilson, Chairman
Karen Vibert, Vice Chairperson
Larry Amara
Karen Bourassa
Genard Dolan

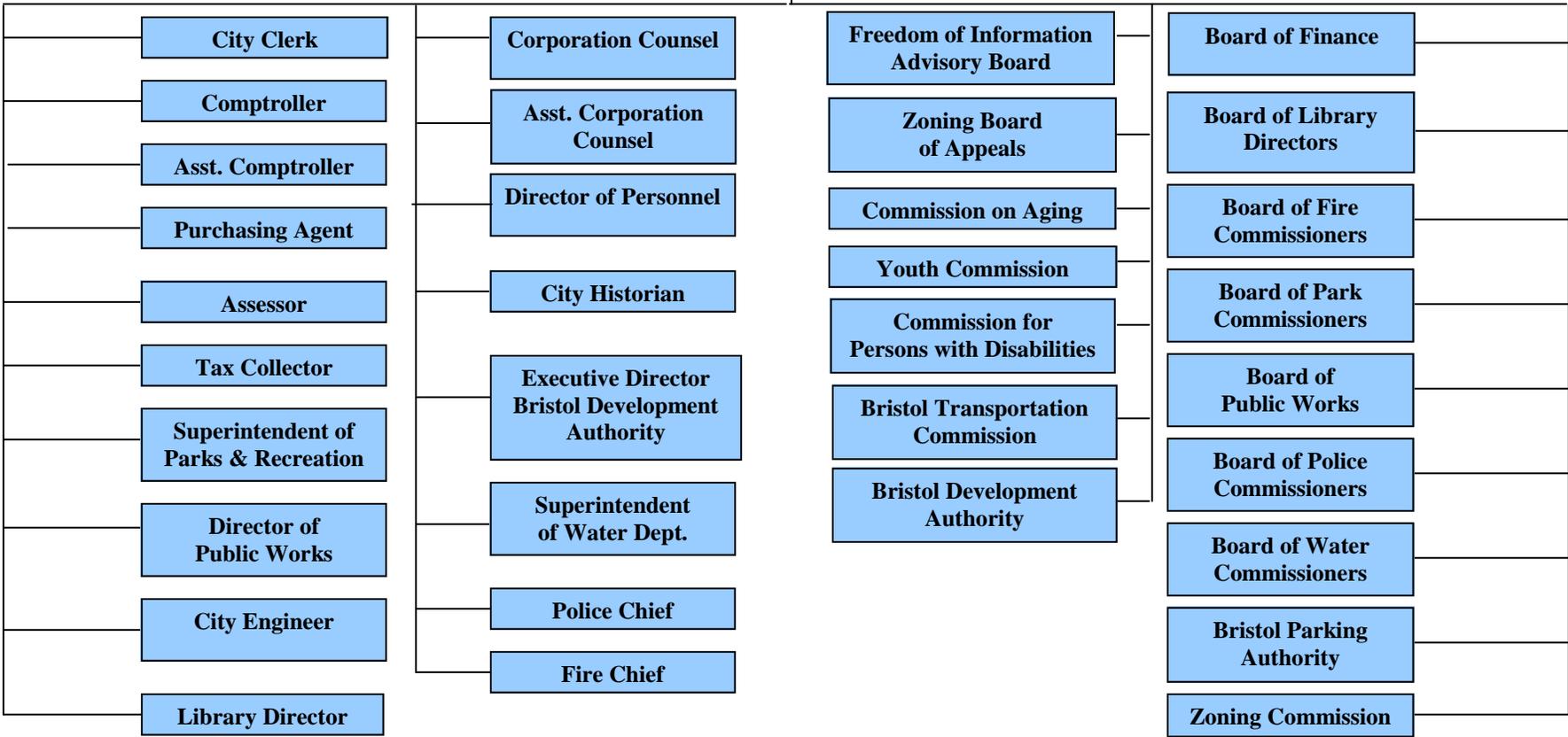
Jill Fitzgerald
Karen Hintz
Jeffrey Morgan
Thomas O'Brien



Nominated by Mayor
Appointed by City Council

Hired or appointed in accordance with City of Bristol Charter or Ordinance Board/Commission members nominated by Mayor—confirmed by Council

II:





City of Bristol

BRISTOL, CONNECTICUT 06010

December 12, 2013

To the Honorable Mayor, Members of the City Council, Members of the Board of Finance and Citizens of the City of Bristol:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2013.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

Blum, Shapiro & Company, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Bristol's financial statements for the year ended June 30, 2013. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City of Bristol, incorporated in 1911, is located in the west central part of the state, once considered the clock making, ball bearing, and lock manufacturing capital of the United States. The City remains proud of its industrial heritage. The City seal continues to maintain this history by depicting the hands of a Clock. The city occupies 26 square miles and serves a population of approximately

60,000. The City of Bristol is empowered to levy a property tax on both real and personal property and also on motor vehicles.

The City has operated under the mayor-council form of government since inception. Policy making and legislative authority is vested in the governing council (Council) consisting of the mayor and six other members, all elected on a non-partisan basis. Council members serve two-year terms. The mayor is elected for a two-year term. The mayor is elected at large and council members are elected by district.

The City of Bristol provides a full range of services, including schools, police and fire protection; the construction and maintenance of highways, streets and other infrastructure; recreational activities and cultural events; and sanitation services. Certain health services are provided through a legally separate Bristol Burlington Health District and water services are provided through a legally separate Bristol Water Department which functions, in essence, as departments of the City of Bristol and therefore have been included as an integral part of the City of Bristol's financial statements. Additional information on all these legally separate entities can be found in the notes to the financial statements (See Note 1A).

The Joint Board of the Board of Finance and City Council are required to adopt a final budget by no later than the third Monday in May. This budget serves as the foundation for the City of Bristol's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The Board of Finance has the power to approve budget revisions during the year up to \$5,000. Revisions in excess of \$5,000 require Joint Board approval.

NATIONAL, STATE & LOCAL ECONOMY

The state and national economy are in recovery mode and will continue to expand at a modest pace throughout the remainder of this year. The politics in Washington D.C. by most accounts has a negative influence on the economy according to HIS Global Insights. According to economist, Stephen Fuller, the hit to Connecticut from the Washington sequester would be and eventually was significant. The state would account for 2% of total national cuts. Despite this outlook, the City has varied manufacturing and industrial sectors that adds to the relative stability of the local economy. Major industries with headquarters or divisions located within the government's boundaries include ESPN, the nation's first and largest all-sports television network. The ESPN worldwide headquarters remains our largest taxpayer, accounting for 6.79% of total property assessed valuation. ESPN's growth in Bristol is assured by on-going development of last year's acquisition of 20 adjoining acres. Their newest digital center, nearing completion, comprises over 193,000 square feet of office space and four technologically advanced production studios. The city continues to be a leader in manufacturing, producing a wide variety of precision-crafted goods such as tin ware, bells, coaster brakes, hard wares, clocks, screw machine products, electronic items, timing devices, and robotic-based automation systems. Specialty manufacturers produce for a diverse array of industries, including medical devices, surgical equipment, aerospace, automobile items.

UNEMPLOYMENT. Unemployment rates and the number of unemployed people, not seasonally adjusted, were up over the year in all of the states nine labor market areas. Connecticut's 8.0% unemployment rate is higher than the national rate of 7.5%, and is predicted to remain stable. Locally, Bristol's 8.2% average unemployment rate is somewhat higher than national and regional averages.

As a result of a state enterprise zone established in downtown Bristol to promote additional development, renewed investment, and job opportunities, unemployment is expected to continue to lag behind the state average. Bristol's Technology Park employs over 1,600 individuals in 23 businesses.

The Southeast Bristol Business Park of approximately 51 acres has been acquired by the city on a site off a major route to and from the city (route 229). The infrastructure was jointly a funded project of the state and the city. The project is critical to Bristol's continued growth. The acreage will accommodate approximately 750,000 square feet of new industrial space. The Park construction is complete and open for occupancy. It already has two tenants. There is active discussion with one interested buyer.

LONG-TERM FINANCIAL PLANNING

Downtown Bristol is an important focus for economic development. The City acquired a downtown 1970's vintage mall property. A redevelopment company, Renaissance Downtowns, has been contracted to reconfigure the 17 acre downtown mall site which should help broaden Bristol's economic base and improve its labor market conditions once the economy improves from its current recessionary track. Pending financing, the developer is hoping to break ground in 2014.

RELEVANT FINANCIAL POLICIES

The city has formally adopted key financial policies. Several years ago, a use of fund balance policy was established by the Board of Finance to (1) reduce the general fund's reliance on surplus to balance the budget, and (2) to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time emergency expenditures. The fund balance policy goal is to maintain general fund unassigned fund balance at 10% of budgeted operating revenues.

The city also adopted a debt policy to establish parameters and guidance for the Board to make decisions on capital spending and issuance of debt as a means to fund them.

In addition, several general financial policies guide the city in areas such as justification for new hires, travel reimbursement guidelines, sinking fund purchases for capital items, and addressing technology issues through a computer and related equipment lease replacement program. Fiscal policies are reviewed annually. There is a new Investment Policy adopted by the Board of Finance.

**CITY
OF
BRISTOL**

These and other key financial policies may be found in the city's budget document behind the tab labeled 'Policy Initiatives'.

MAJOR INITIATIVES

Education entails the largest portion of the City's budget. They requested a 5.87% increase which equals \$5,875,505. The Board of Finance recommends a 2.56% increase as required by the State.

Strategies used in balancing the 2012-2013 budget:

- Department Heads were asked to submit a budget between zero and two percent
- Cost savings by reorganization through attrition
- Minimal bonding within the Ten Year Capital Improvement Plan
- Only approving capital requests if absolutely necessary
- Regionalization with other towns in the area where there can be cost savings
- Consolidate management to increase efficiency and reduce operational costs in departments

Percentages

- Requests totaled \$183.2 million from the City side and Board of Education. This is a \$12.0 million increase over the current budget
- The Board of Education request totaled \$5,875,505 or 5.87%, however an increase of \$2.5 million or 2.56% is being approved, as required by the MBR
- General Government requests totaled \$6.1 million or 8.68%, however the budget approves an increase of \$3.1 million or 4.47%
- The largest City Department increase of \$543 thousand was from Public Works, with \$480,000 coming from adopted policies by the Board of Finance within Streets, Snowplowing and Capital Fleet purchases
- Most other small departments came in with a 0-2% increase
- The mill rate increased 1.51 mills.

AWARDS AND ACKNOWLEDGEMENTS

Comprehensive Annual Financial Report (CAFR):

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. This was the twenty seventh consecutive year, which the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Popular Annual Financial Report (PAFR):

Also, the Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Bristol for its Popular Annual Financial Report for the fiscal year ended June 30, 2012. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. This is the fourteenth year in a row the City of Bristol has received the Popular Annual Financial Reporting Award. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

**CITY
OF
BRISTOL**

Distinguished Budget Presentation Awards

Program:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the City of Bristol the GFOA's Distinguished Budget Presentation Award for its budget. The award represents a significant achievement by the City of Bristol. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. This is the thirteenth consecutive time the City has received this award. We commend our independent auditors, Blum, Shapiro & Company, Certified Public Accountants, specifically Audit manager Nikoleta McTigue for her expertise and patience in progressively guiding

the City's staff through the required annual reporting updates and modifications.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Comptroller's Office, in particular, Chief Accountant David J. Bertnagel, Accountant Jeanne Doerr and Assistant to the Comptroller, Jodi McGrane. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the governing council and Board of Finance for their unflinching support for maintaining the highest standards of professionalism in the management of the City of Bristol's finances.

Respectfully submitted,



Glenn S. Klocko
Comptroller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Bristol
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Financial Section



Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Members of the Board of Finance
City of Bristol, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bristol, Connecticut, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Bristol, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bristol, Connecticut, as of June 30, 2013 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 and the budgetary comparison information on pages 56 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bristol, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2013 on our consideration of the City of Bristol, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 of Bristol, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 12, 2013

CITY OF BRISTOL, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013

This discussion and analysis of the City of Bristol, Connecticut's ("City") financial performance is provided by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2013. Please read this MD&A in conjunction with the transmittal letter beginning on page 1 and the City's financial statements, Exhibits I to IX.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by \$9.8 million as a result of this year's operations. While net position of our business-type increased by \$623 thousand, or 2.5%, net position of our governmental activities increased by \$9.2 million, or 3.4%. Increases were primarily due to the aggregate acquisition of any new assets during the fiscal year and revenues exceeding actual expenses during the year.
- During the year, the City had expenses that were \$9.8 million less than the \$230.8 million generated in tax and other revenues for governmental programs and business activities. Revenues exceeding expenses were clearly a result of receiving capital grants for construction of education facilities and increased property tax collections.
- In the City's business-type activities, revenues increased \$1.1 million or .18% while expenses increased by .04%. There was a decrease in investment earnings over prior year results.
- Total cost of all of the City's programs was \$221 million with no new programs added this year. This represents a \$9.3 million decrease compared to fiscal year 2012. The decrease represents, in part, decreased budgetary appropriations for city-wide operations including education operations.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$24.1 million, or 12.4% of general fund expenditures and transfers out.
- The tax collection rate was 98.75% of the current levy and exceeding last year's rate of 98.74%.
- The City of Bristol's total bonded indebtedness including its Enterprise fund bonds decreased by \$7.2 million to \$81.2 million or 8.9% before payments during the current fiscal year. The decrease is the annual debt service payment. The City also "rolled over" (reissued) \$5.81 million in taxable general obligation bond anticipation notes originally issued in 2008.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are presented in Exhibit III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the City as a whole begins on Exhibit I and II. The statement of net position and the statement of activities report information about the City as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. The City's net position, the difference between assets and liabilities, are one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's capital assets, to assess the overall health of the City.

In the statement of net position and the statement of activities, we divide the City into three types of activities:

- *Governmental activities* – Most of the City's basic services are reported here, including education, public safety, public works, health and welfare, libraries, parks and recreation, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.
- *Business - type activities* – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Water Department operations are reported here.
- *Component units* – The City includes one separate legal entity in its report; the Bristol-Burlington Health District. Although legally separate, this "component unit" is important because the City is financially accountable for it.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by Charter. However, the City Council establishes many other funds to help control and manage financial activities for particular purposes (like the Capital Projects Fund and Debt Service Fund) or to show that it is meeting legal responsibilities for using grants, and other money (like grants received from the State Department of Education and the Federal Department of Housing and Public Administration. The City's funds are divided into three categories; governmental, proprietary and fiduciary.

- *Governmental funds (Exhibit III and IV)* – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.
- *Proprietary funds (Exhibit V and VII)* – When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact the City's enterprise fund (a component of proprietary funds) is the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities – such as the City's Health Benefit and Workers' Compensation Internal Service Fund.

- *Fiduciary funds (Exhibit VIII and IX)* – The City is the trustee, or fiduciary, for its employees’ pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City’s fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City’s combined net position increased from a year ago from \$299.4 million to \$309.2 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City’s governmental and business-type activities.

Table 1
Net Position
(in thousands)

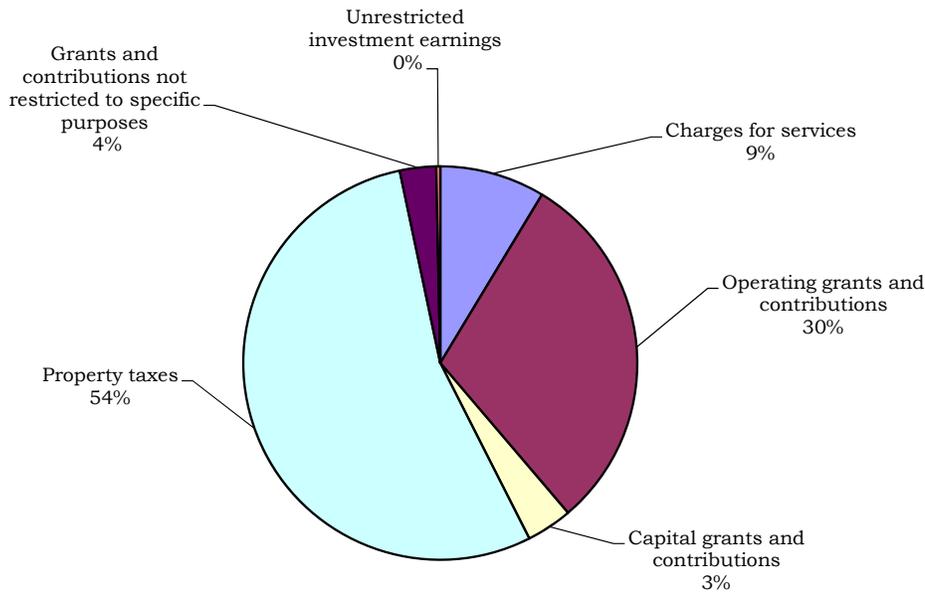
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Current assets	\$ 97,239	\$ 114,688	\$ 6,999	\$ 6,494	\$ 104,238	\$ 121,182
Capital assets, net of accumulated depreciation	336,787	319,949	24,145	24,694	360,932	344,643
Total assets	<u>434,026</u>	<u>434,637</u>	<u>31,144</u>	<u>31,188</u>	<u>465,170</u>	<u>465,825</u>
Long-term liabilities outstanding	124,938	128,647	4,518	5,145	129,456	133,792
Other liabilities	25,249	31,382	1,222	1,262	26,471	32,644
Total liabilities	<u>150,187</u>	<u>160,029</u>	<u>5,740</u>	<u>6,407</u>	<u>155,927</u>	<u>166,436</u>
Net Position:						
Net investment in capital assets	251,935	226,701	20,027	19,971	271,962	246,672
Restricted	1,004	930			1,004	930
Unrestricted	<u>30,900</u>	<u>46,977</u>	<u>5,377</u>	<u>4,810</u>	<u>36,277</u>	<u>51,787</u>
Total Net Position	<u>\$ 283,839</u>	<u>\$ 274,608</u>	<u>\$ 25,404</u>	<u>\$ 24,781</u>	<u>\$ 309,243</u>	<u>\$ 299,389</u>

Net position of the City’s governmental activities increased by 3.4% or \$9.2 million compared to a prior \$274.6 million. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements is \$47 million at the end of this year. The net position of business-type activities increased by \$623 thousand in 2013 compared to 2012.

Table 2
Changes in Net Position
(in thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u> <u>Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program revenues:						
Charges for services	\$ 12,775	\$ 13,920	\$ 7,259	\$ 6,838	\$ 20,034	\$ 20,758
Operating grants and contributions	69,848	73,300			69,848	73,300
Capital grants and contributions	8,696	42,600	25	27	8,721	42,627
General revenues:						
Property taxes	125,518	117,982			125,518	117,982
Grants and contributions not restricted to specific programs	5,199	7,504			5,199	7,504
Unrestricted investment earnings	347	354	405	(329)	752	25
Other general revenues	770	150			770	150
Total revenues	<u>223,153</u>	<u>255,810</u>	<u>7,689</u>	<u>6,536</u>	<u>230,842</u>	<u>262,346</u>
Program expenses:						
General government	12,352	12,567			12,352	12,567
Public safety	31,136	30,704			31,136	30,704
Public works	25,065	31,689			25,065	31,689
Health and welfare	7,243	6,003			7,243	6,003
Libraries	3,032	3,121			3,032	3,121
Parks and recreation	3,345	3,926			3,345	3,926
Education	128,708	133,432			128,708	133,432
Interest on long-term debt	3,041	2,070			3,041	2,070
Water			7,066	6,775	7,066	6,775
Total program expenses	<u>213,922</u>	<u>223,512</u>	<u>7,066</u>	<u>6,775</u>	<u>220,988</u>	<u>230,287</u>
Increase (Decrease) in Net Position	<u>\$ 9,231</u>	<u>\$ 32,298</u>	<u>\$ 623</u>	<u>\$ (239)</u>	<u>\$ 9,854</u>	<u>\$ 32,059</u>

The City's total revenues were \$230.8 million. The total cost of all programs and services was \$220.9 million. Our pie chart analysis below considers the operations of governmental and business-type activities.



Governmental Activities

Governmental Activities increased the City of Bristol's net position by \$9.2 million. The prior year increase in net position was \$32.3 million. Key elements of this increase with offsetting decreases are as follows:

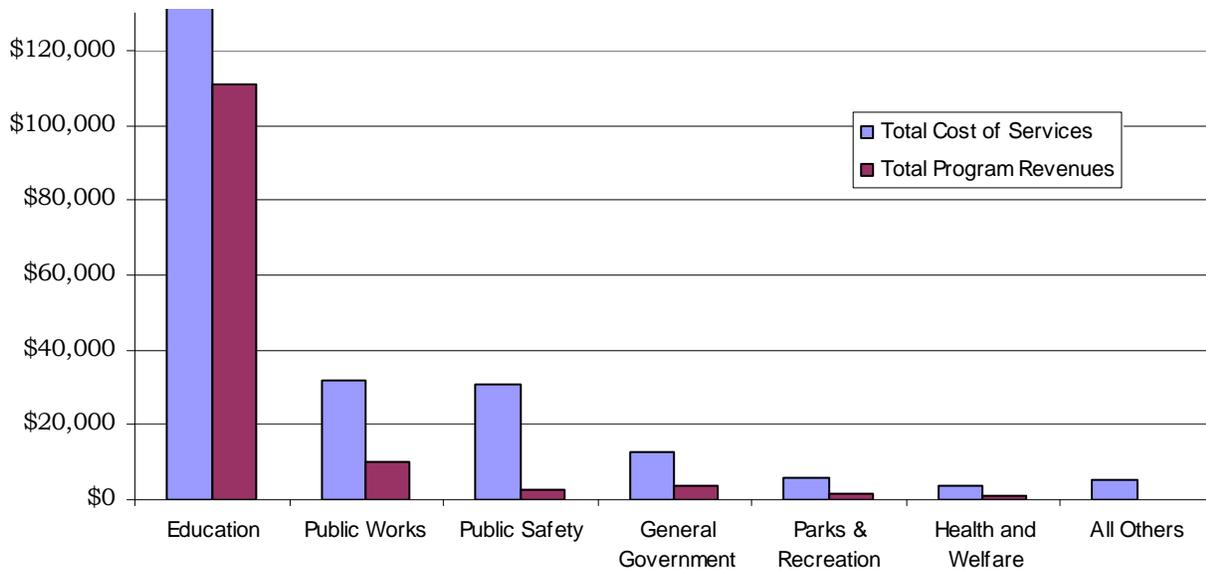
- Property tax collections increased by \$7.8 million during the year. Most of this increase is the product of increased tax revenue estimates to balance increased budgeted appropriations.
- Operating grants and contributions for governmental activities decreased by \$3.5 million, mostly as a result of a FEMA disaster grant received in 2012.
- Charges for services decreased \$1.1 million. This is a result of a combination of decreased building permits, tipping fees for Solid Waste, and less participation in the School Lunch Program.
- Investment earnings decreased \$7 thousand. A reflection of a stagnant investment environment on idle funds.
- General government activities expenses decreased \$215 thousand as a result of vacant budgeted positions.
- For the most part, any increases in departmental expenses closely paralleled inflationary costs for utilities, operational contractual obligations and double digit increased costs for health benefits.
- The State of Connecticut Teacher Retirement System is funded by the State. The funding levels have remained relatively flat. This year the on-behalf state teacher's contribution was \$11.04 million, last year the amount was \$11.12 million.

Table 3 presents the cost of each of the City's six largest programs – education, public works, public safety, general government, parks and recreation, and health and welfare – as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3
Governmental Activities
(in thousands)

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Education	\$ 128,708	\$ 133,432	\$ 52,160	\$ 22,485
Public works	25,065	31,689	16,599	21,771
Public safety	31,136	30,704	29,309	28,087
General government	12,352	12,567	9,091	9,056
Health and welfare	7,243	6,003	7,078	4,465
Parks and recreation	3,345	3,926	2,411	2,748
All others	6,073	5,191	5,955	5,080
Total	\$ 213,922	\$ 223,512	\$ 122,603	\$ 93,692

Expenses and Program Revenues- Governmental Activities (in millions)



Business-Type Activities

Revenues of the City’s business-type activities (see Table 2) were \$7.7 million in 2013 compared to \$6.5 million in 2012 and expenses increased by 4.3%. The factors influencing these results included:

- Revenues: Gains on investments.
- Expenses: Increases to expenses were due to increased costs for water treatment plant chemicals which are typically used in large quantities for the operations of the plant and capital equipment replacements.

CITY FUNDS FINANCIAL ANALYSIS

Governmental Funds

As the City completed the year, its governmental funds (as presented in the balance sheet – Exhibit III) reported a combined fund balance of \$45.6 million.

Approximately 36.6% of this total amount (\$16.7 million) constitutes *unassigned fund balance*, which is in excess of nonspendable, restricted, committed and assigned fund balance. The remainder of fund balance is *constrained to specific purposes* to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of a prior period 2) to pay debt service 3) to generate income to pay for the perpetual care and maintenance of storm water control problem areas and City cemeteries, or 4) for a variety of other restricted specific purposes.

The General Fund is the chief operating fund of the City of Bristol. At the end of the current fiscal year, *unassigned fund balance* of the general fund was \$24.1 million, while total fund balance reached \$30.1 million. As a measure of the general fund's liquidity, it may be useful to compare both *unassigned fund balance* and total fund balance to total fund expenditures. *Unassigned fund balance* represents 15.8% of total general fund expenditures, while total fund balance represents 19.7% of that same amount, and exactly the same percentage as the year before.

The Debt Service Fund has a total fund balance of \$586 thousand, all of which is restricted for the payment of debt service. Funding for debt service is represented by a transfer out of the General Fund to the Debt Service Fund.

Proprietary Funds

The City of Bristol's proprietary funds provide the same type of information found in the governmental-wide financial statements, but in more detail.

Unrestricted net position of the Water Department and Health Benefits and Workers' Compensation funds at the end of the year amounted to \$9.9 million, of that amount; the Health Benefits and Workers' Compensation fund has accumulated \$4.5 million of net position, which is equal to the funds unrestricted net position. This fund is self funded and has experienced increasingly year-to-year medical claims. To demonstrate this increasing expense trend, current year expenses were \$34.4 million compared to 2012 expenses of \$34.2 million and \$28.9 million in 2011.

Other factors concerning the finances of the Water Department have already been addressed in the discussion the City of Bristol's business-type activities.

General Fund Budgetary Highlights

Variances between original budget and the amended budget (RSI-1 and 2) can be briefly summarized as follows:

Estimated Revenues:

- Current Property Tax Collections are estimated year to year at 98%. Actual current collections were 100.12% of the budgeted amount.
- State grants are budgeted with available known estimates from the State. Some state grants exceeded original expectations due to the reimbursement nature of the grants (excess student cost base), while others are formula driven, such as the PILOT- for manufacturing and equipment grant. A FEMA grant was received in the amount of \$680 thousand for storm disaster reimbursement.
- Building permit collections were \$107 thousand over original budgeted estimates. This revenue source increase was due to existing permits issued to ESPN for a new digital programming facility.

- State and Federal grant estimates and resulting variances for our larger state provided grants, such as the Educational Cost Sharing and Public (child) transportation and PILOT: manufacturing and equipment and sales tax grants, are subject to political debate and approval at the state level and are not of local control and new housing or refurbishment permits.
- Excess Student Cost Base Grant, like many education grants are difficult to estimate and are usually based on data from a prior year which may not reflect current year data.
- Miscellaneous large variance represents monies received from neighboring communities for a joint purchase of a pothole patch machine along with one-time insurance reimbursement recoveries.

Appropriations:

- Many departments will have adjustments to their original appropriations. There are two major reasons: first, the departments cannot over expend their line items, and second, all year end over expenditures are covered by either transfers within the department line items or transfers from other departments with excessive funds at year end.

Large transfer amounts usually signify unusual circumstances. For instance:

- The School Readiness grant is not budgeted until the grant amount is known, which is usually after budget adoption.
- Public Safety adjustments were caused between Fire and Police Departments by the associated personnel savings in one department (Fire) and costs of overtime for unplanned local emergencies and contractual replacement for sick or injured personnel in the Police divisions.
- A \$22.78 million transfer to Other Funds refers to the collection of health benefits budgeted within the City side of the General Fund is combined with \$13 million from the education side of the General Fund budget, which reflects a similar amount transferred in to Other Financing Services- Internal Service (health benefits) fund. The total transfer-in from all sources for health benefits is \$33.9 million.
- A million budget adjustment in Public Works Administration was directly attributable to storm disaster related costs. FEMA reimburses 75% of City costs.
- Public Works – Fleet Maintenance increased due to increased cost of motor fuels and repairs to vehicles primarily Solid Waste trucks. Additionally, more funds were needed for tire replacements.
- Public Works – Snow Removal attributed to Winter Storm Alfred.
- Public Works – Capital Outlay additional funds due to funds received from BRRFOC & TROC appropriated for road repairs.
- Employee Benefits and Pension increased due to payouts of sick time and vacation of retiring employees.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2013, the City had \$360.8 million invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment, roads, bridges, and water and sewer lines – Table 4. This amount represents a net increase (including additions and deductions) of \$16.2 million, or 4.7%, over last year.

Table 4
Capital Assets at Year-End (Net of Depreciation)
(in millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u> <u>Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 18.0	\$ 18.2	\$ 2.7	\$ 2.7	\$ 20.7	\$ 20.9
Construction in progress	91.0	70.3			91.0	70.3
Buildings	105.2	108.0	19.2	19.9	124.4	127.9
Improvement other than buildings	8.8	8.9			8.8	8.9
Machinery and equipment	15.5	16.5	2.2	2.0	17.7	18.5
Infrastructure	98.2	98.1			98.2	98.1
Total	\$ 336.7	\$ 320.0	\$ 24.1	\$ 24.6	\$ 360.8	\$ 344.6

The following are the more significant aspects of the changes in capital assets:

Construction Work in Progress

- Increase is for Rockwell Park facility improvement provided through debt service

Improvements other than buildings

- Decreases are attributed to sales of City property no longer in use and retirement of older vehicles and equipment

Fiscal Year 2013	
<u>Capital Budget</u>	
<u>Department</u>	
Board of Education	\$297,500
Information Systems	50,000
Public Works	8,850,000
Parks & Recreation	1,230,000
Total All Departments	<u>\$10,427,500</u>
<u>Funding</u>	
Sale of Bonds	\$9,147,500
General Fund Cash	650,000
LoCIP	350,000
WPC CNR Cash	280,000
Total All Funding	<u>\$10,427,500</u>

The City’s fiscal year 2012-2013 capital budget called for it to spend \$10.42 million for capital projects. Some of the main highlights of these projects include:

- Improve various roads- cul-de-sacs, right of ways, storm drains and related pavement outlay
- Road reconstruction and drainage projects
- Coppermine Brook Flood Control projects
- Muzzy Field Improvements

More detailed information about the City’s capital assets is presented in Note 5 to the financial statements.

Long-term debt

At June 30, 2013 the City had \$81.2 million in total bonded indebtedness versus \$88.4 million last year – a decrease of 8.1% – as shown in Table 5. The decrease is due the annual payments for debt service.

Table 5
Outstanding Debt, at Year-End
(in millions)

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
General Obligation Bonds (Backed by the City)	\$ <u>77.2</u>	\$ <u>83.8</u>	\$ <u>4.0</u>	\$ <u>4.6</u>	\$ <u>81.2</u>	\$ <u>88.4</u>

The City also “rolled over” for a fourth time (reissued) \$5.81 million in taxable general obligation notes. The City paid down \$1.6 million of the original 2008 issue of \$7.41 million.

The City’s general obligation bond ratings are Aa2 and AA+ respectfully from Moody’s Investors Service and Standard and Poor’s Corporation. The Standard and Poor’s Corporation (S&P) rating represents an upgrade from AA to AA+ received in February, 2009. Prior to this upgrade, the City received upgrades from Moody’s and S&P in August 2000. A Fitch rating was first established for the City in June 2006. The Fitch rating is AA+.

The State limits the amount of general obligation debt that cities can issue based on formula determined under State Statutes based on type of debt and tax base. The City’s outstanding general obligation debt is significantly below this \$822.67 million state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City’s long-term liabilities is presented in Note 9 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The City’s elected and appointed officials considered many factors when setting the fiscal-year 2013 budget tax rates, and fees that will be charged for the business-type activities. One of those factors is the economy. Unemployment in the City now stands at 8.2 % versus 8.7% a year ago. This compares with the State’s unemployment rate of 8.0% (seasonally adjusted) and the national rate of 7.5%. (Source: CT Department of Labor).

Bristol’s wealth and income factors and unemployment trends are for the most part consistent within the Hartford region. Bristol’s median household effective buying income is 87% of the state’s average and 104% of the nation’s average.

These indicators were taken into account when adopting the General Fund budget for 2013-14. Amounts appropriated in the 2013-2014 General Fund budget are \$180.6 million, an increase of \$3.77 million over the previous year's budget of approximately \$176.8 million. The property tax rate increased by 4.75 mills, to 33.50. The prior year mill rate was 28.75 and after revaluation the equalized mill rate is 32.90. The proposed and approved mill rate increase is .60 to bring the new mill rate to 33.50, a 1.8% increase.

The City will use these increases in tax revenues to finance programs currently offered and to off-set the effect that we expect inflation to have on program costs. Budgeted expenditures equal budgeted revenues in order to keep structural balance.

If these estimates are realized, the City's budgetary General Fund balance is expected to slightly increase at June 30, 2013. Building Permits, Conveyance Tax fees, interest income and delinquent tax collections continue to lag behind any signs of economic improvement. Those revenue estimates will be kept at lower levels to reflect current economic conditions. In addition, the Mayor instituted a hiring freeze, restricted overtime usage and limited expenditures for conferences, dues and travel to help offset revenue deficiencies.

The City of Bristol has appropriated \$495 thousand of its \$30.1 million total fund balance to balance its 2013-2014 operating budget. This represents a decrease of \$130 thousand from the previous year. The eventual goal, gradually attained, is zero.

As for the City's business-type activities we expect marginal growth (0.50 -0.75%) to net position based on sales over the past three fiscal years. Expense increases will be primarily due to salaries and benefits other expenses are expected to have a slight marginal increase. Also, expenses will increase for continued watershed expansion purchases and other infrastructure and equipment improvements.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives and expends. If you have questions about this report or need additional financial information, contact the Comptroller's Office, City of Bristol, 111 North Main Street, Bristol, Connecticut, 06010.

Basic Financial Statements

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2013

(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Bristol- Burlington Health District
Assets:				
Cash and cash equivalents	\$ 81,245	\$ 1,272	\$ 82,517	\$ 1,309
Investments	661	4,163	4,824	
Receivables, net	7,818	1,327	9,145	10
Due from fiduciary funds	994		994	
Inventory	61	215	276	
Other assets	6,460	22	6,482	
Capital assets:				
Assets not being depreciated	108,955	2,717	111,672	
Assets being depreciated, net	227,832	21,428	249,260	66
Total assets	<u>434,026</u>	<u>31,144</u>	<u>465,170</u>	<u>1,385</u>
Liabilities:				
Accounts and other payables	9,623	490	10,113	35
Accrued liabilities	8,987	44	9,031	26
Bond anticipation notes payable	5,810		5,810	
Other current liabilities		667	667	
Unearned revenue	829	21	850	
Noncurrent liabilities:				
Due within one year	12,738	669	13,407	81
Due in more than one year	112,200	3,849	116,049	37
Total liabilities	<u>150,187</u>	<u>5,740</u>	<u>155,927</u>	<u>179</u>
Net Position:				
Net investment in capital assets	251,935	20,027	271,962	66
Restricted for:				
Trust purposes:				
Expendable	299		299	
Nonexpendable	705		705	
Unrestricted	<u>30,900</u>	<u>5,377</u>	<u>36,277</u>	<u>1,140</u>
Total Net Position	<u>\$ 283,839</u>	<u>\$ 25,404</u>	<u>\$ 309,243</u>	<u>\$ 1,206</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2013

(In Thousands)

Functions/Programs	Net (Expense) Revenue and Changes in Net Position							
	Expenses	Program Revenues			Primary Government			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Bristol-Burlington Health District
Primary Government:								
Governmental activities:								
General government	\$ 12,352	\$ 2,151	\$ 996	\$ 114	\$ (9,091)	\$ (9,091)	\$ (9,091)	
Public safety	31,136	1,392	435		(29,309)	(29,309)	(29,309)	
Public works	25,065	7,380	916	170	(16,599)	(16,599)	(16,599)	
Health and welfare	7,243	7	158		(7,078)	(7,078)	(7,078)	
Libraries	3,032	36	82		(2,914)	(2,914)	(2,914)	
Parks and recreation	3,345	404	433	97	(2,411)	(2,411)	(2,411)	
Education	128,708	1,405	66,828	8,315	(52,160)	(52,160)	(52,160)	
Debt service:								
Interest and fiscal charges	3,041				(3,041)	(3,041)	(3,041)	
Total governmental activities	<u>213,922</u>	<u>12,775</u>	<u>69,848</u>	<u>8,696</u>	<u>(122,603)</u>	<u>-</u>	<u>(122,603)</u>	<u>-</u>
Business-type activities:								
Water	<u>7,066</u>	<u>7,259</u>		<u>25</u>		<u>218</u>	<u>218</u>	
Total Primary Government	<u>\$ 220,988</u>	<u>\$ 20,034</u>	<u>\$ 69,848</u>	<u>\$ 8,721</u>	<u>(122,603)</u>	<u>218</u>	<u>(122,385)</u>	<u>-</u>
Component Unit:								
Bristol-Burlington Health District	<u>\$ 3,034</u>	<u>\$ 206</u>	<u>\$ 3,205</u>	<u>\$ -</u>				<u>377</u>
General revenues:								
Property taxes					125,518		125,518	
Grants and contributions not restricted to specific programs					5,199		5,199	
Unrestricted investment earnings					347	405	752	3
Miscellaneous					770		770	
Total general revenues					<u>131,834</u>	<u>405</u>	<u>132,239</u>	<u>3</u>
Change in net position					9,231	623	9,854	380
Net Position at Beginning of Year					<u>274,608</u>	<u>24,781</u>	<u>299,389</u>	<u>826</u>
Net Position at End of Year					<u>\$ 283,839</u>	<u>\$ 25,404</u>	<u>\$ 309,243</u>	<u>\$ 1,206</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2013

(In Thousands)

	<u>General</u>	<u>Debt Service Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 39,092	\$ 585	\$ 9,435	\$ 15,940	\$ 65,052
Investments				661	661
Receivables, net	5,111		524	2,183	7,818
Due from other funds	2,272			55	2,327
Other assets	3				3
Inventories				61	61
Total Assets	<u>\$ 46,478</u>	<u>\$ 585</u>	<u>\$ 9,959</u>	<u>\$ 18,900</u>	<u>\$ 75,922</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts and contracts payables	\$ 4,472	\$ (1)	\$ 2,653	\$ 1,304	\$ 8,428
Accrued liabilities	8,317			670	8,987
Due to other funds	43		1,477	807	2,327
Bond anticipation notes payable			5,810		5,810
Deferred revenue	3,547			1,177	4,724
Total liabilities	<u>16,379</u>	<u>(1)</u>	<u>9,940</u>	<u>3,958</u>	<u>30,276</u>
Fund balances:					
Nonspendable	3			766	769
Restricted		586		2,482	3,068
Committed	3,835		7,346	11,788	22,969
Assigned	2,112				2,112
Unassigned	24,149		(7,327)	(94)	16,728
Total fund balances	<u>30,099</u>	<u>586</u>	<u>19</u>	<u>14,942</u>	<u>45,646</u>
Total Liabilities and Fund Balances	<u>\$ 46,478</u>	<u>\$ 585</u>	<u>\$ 9,959</u>	<u>\$ 18,900</u>	<u>\$ 75,922</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2013

(In Thousands)

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Fund balances - total governmental funds	\$ 45,646
--	-----------

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 628,512	
Less accumulated depreciation	<u>(291,725)</u>	
Net capital assets		336,787

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:

Net pension asset	6,302
Net bond issue costs	155
Property tax receivables greater than 60 days	2,009
Interest receivable on property taxes	1,306
Sewer assessments receivable	570
Sewer assessments interest receivable	25

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

4,532

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

Bonds and serial notes payable	(77,193)
Unamortized premium on general obligation bonds	(3,429)
Interest payable on bonds and notes	(1,181)
Compensated absences	(7,489)
Landfill post closure care	(1,642)
Deferred charges on refunding	1,580
Other postemployment benefit obligation	<u>(24,139)</u>

Net Position of Governmental Activities (Exhibit I)

\$ 283,839

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(In Thousands)

	<u>General</u>	<u>Debt Service Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes and assessments	\$ 124,611	\$	\$ 31	\$ 4	\$ 124,646
Interest and lien fees on delinquent taxes and assessments	1,024				1,024
Licenses, permit and fees	881			6,090	6,971
Intergovernmental	64,542		8,595	8,928	82,065
Charges for services	3,049			2,508	5,557
Income on investments	203	1	31	83	318
Miscellaneous	970	80	100	1,785	2,935
Total revenues	<u>195,280</u>	<u>81</u>	<u>8,757</u>	<u>19,398</u>	<u>223,516</u>
Expenditures:					
Current:					
General government	5,640			1,552	7,192
Public safety	21,956			380	22,336
Public works	11,758			7,048	18,806
Health and welfare	5,720			317	6,037
Libraries	1,944			72	2,016
Parks and recreation	2,267			228	2,495
Education	98,435			8,979	107,414
Citywide:					
Employee benefits and pensions	3,349				3,349
Insurance	586				586
Miscellaneous	946				946
Capital outlay			27,462		27,462
Debt service:					
Principal retirement		6,370	275		6,645
Interest and fiscal charges		3,133	58		3,191
Total expenditures	<u>152,601</u>	<u>9,503</u>	<u>27,795</u>	<u>18,576</u>	<u>208,475</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>42,679</u>	<u>(9,422)</u>	<u>(19,038)</u>	<u>822</u>	<u>15,041</u>
Other Financing Sources (Uses):					
Transfers in	15	9,968	4,853	5,824	20,660
Transfers out	(42,025)	(1,600)	(236)	(3,076)	(46,937)
Total other financing sources (uses)	<u>(42,010)</u>	<u>8,368</u>	<u>4,617</u>	<u>2,748</u>	<u>(26,277)</u>
Net Change in Fund Balance	669	(1,054)	(14,421)	3,570	(11,236)
Fund Balance at Beginning of Year	<u>29,430</u>	<u>1,640</u>	<u>14,440</u>	<u>11,372</u>	<u>56,882</u>
Fund Balance at End of Year	<u>\$ 30,099</u>	<u>\$ 586</u>	<u>\$ 19</u>	<u>\$ 14,942</u>	<u>\$ 45,646</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2013

(In Thousands)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:

Net change in fund balances - total governmental funds (Exhibit IV) \$ (11,236)

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	28,694
Depreciation expense	(11,507)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold.

(167)

The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.

(182)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change	(118)
Property tax interest and lien revenue - accrual basis change	(117)
Sewer assessment receivable - accrual basis change	23
Net pension asset	(149)
Change in bond issuance costs	(17)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Bond principal payments	6,646
Amortization of deferred charge on refunding	(172)
Accrued interest	17
Bond premiums	322

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 the governmental funds:

Compensated absences	155
Other postemployment benefits	(2,792)
Landfill post closure care	33

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

(202)

Change in Net Position of Governmental Activities (Exhibit II) \$ 9,231

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION**

June 30, 2013
(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
	<u> </u>	<u> </u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,272	\$ 16,193
Investments	4,163	
Receivables, net	1,327	
Due from other funds		994
Inventories	215	
Total current assets	<u>6,977</u>	<u>17,187</u>
Noncurrent assets:		
Other deferred charges	22	
Capital assets:		
Assets not being depreciated	2,717	
Assets being depreciated, net	21,428	
Total noncurrent assets	<u>24,167</u>	<u>-</u>
Total assets	<u>31,144</u>	<u>17,187</u>
LIABILITIES		
Current liabilities:		
Accounts and other payables	490	15
Payroll liabilities	44	
Customer deposits	667	
Deferred credits	21	15
Compensated absences - current	64	
Bonds payable - current	605	
Unpaid claims - current		5,035
Total current liabilities	<u>1,891</u>	<u>5,065</u>
Noncurrent liabilities:		
Compensated absences	336	
Bonds payable	3,513	
Unpaid claims		7,590
Total noncurrent liabilities	<u>3,849</u>	<u>7,590</u>
Total liabilities	<u>5,740</u>	<u>12,655</u>
NET POSITION		
Net investment in capital assets	20,027	
Unrestricted	5,377	4,532
Total Net Position	<u>\$ 25,404</u>	<u>\$ 4,532</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED JUNE 30, 2013

(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Operating revenues:		
Charges for services	\$ 6,866	\$ 7,732
Contributions		75
Miscellaneous	393	88
Total operating revenues	<u>7,259</u>	<u>7,895</u>
Operating expenses:		
Source of supply	179	
Pumping	307	
Purification	1,047	
Transmission and distribution	2,007	
Customer accounts, administrative and general	1,967	
Depreciation	1,060	
Taxes other than income taxes	437	
Insurance claims, premiums and fees		34,401
Total operating expenses	<u>7,004</u>	<u>34,401</u>
Operating income (loss)	<u>255</u>	<u>(26,506)</u>
Nonoperating revenues (expenses):		
Income on investments	405	27
Interest expense	(52)	
Loss on disposal	(6)	
Amortization of debt discount and expense	(4)	
Total nonoperating revenues	<u>343</u>	<u>27</u>
Income (loss) before capital contributions and transfers	598	(26,479)
Capital contributions	25	
Transfers:		
Transfers in		26,277
Change in Net Position	623	(202)
Net Position at Beginning of Year	<u>24,781</u>	<u>4,734</u>
Net Position at End of Year	<u>\$ 25,404</u>	<u>\$ 4,532</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED JUNE 30, 2013

(In Thousands)

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:		
Cash received from charges for services and contributions	\$ 7,188	\$ 7,779
Cash received from other operating revenue		122
Cash paid to employees	(2,139)	
Cash paid to suppliers	(3,715)	
Cash payment for claims paid		(33,908)
Deposits paid back to customers	(64)	
Net cash provided by (used in) operating activities	<u>1,270</u>	<u>(26,007)</u>
Cash Flows from Noncapital Financing Activities:		
Transfers from other funds		<u>26,277</u>
Cash Flows from Capital Financing Activities:		
Purchase of capital assets/utility plant	(511)	
Principal payments bonds/notes	(594)	
Interest payments and issuance costs	(52)	
Net cash used in capital and related financing activities	<u>(1,157)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Purchase of investments	(91)	
Income on investments		27
Net cash provided by (used in) investing activities	<u>(91)</u>	<u>27</u>
Net Increase in Cash and Cash Equivalents	22	297
Cash and Cash Equivalents at Beginning of Year	<u>1,250</u>	<u>15,896</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,272</u>	<u>\$ 16,193</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ 255	\$ (26,506)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	1,060	
(Increase) decrease in due from other funds		(64)
(Increase) decrease in accounts receivable	(99)	111
Increase (decrease) in provision for uncollectible accounts	28	
(Increase) decrease in inventory	36	
Increase (decrease) in accounts payable	41	11
Increase (decrease) in deferred revenues		(41)
Increase (decrease) in accrued liabilities	(17)	
Increase (decrease) in accrued compensated absences	(22)	
Increase (decrease) in unpaid claims		482
Increase (decrease) in customer deposits	(64)	
Total adjustments	<u>1,015</u>	<u>499</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,270</u>	<u>\$ (26,007)</u>
Noncash Investing and Capital Activities:		
Capital contributions	<u>\$ 25</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2013
(In Thousands)

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Agency Funds</u>
Assets:			
Cash and cash equivalents	\$ 128	\$ 412	\$ 518
Investments, at fair value:			
Certificates of deposit			156
Corporate bonds	74,248		
U.S. treasury	50,006		
U.S. government agencies	13,655		
Securitized instruments	13,404		
Common stock	331,848		
Mutual funds	70,853	3,035	
Total investments	<u>554,014</u>	<u>3,035</u>	<u>156</u>
Total assets	<u>554,142</u>	<u>3,447</u>	<u>\$ 674</u>
Liabilities:			
Due to senior citizens			\$ 12
Due to student groups			662
Due to other funds	994		
Total liabilities	<u>994</u>	<u>-</u>	<u>\$ 674</u>
Net Position:			
Held in Trust for Pension Benefits	552,348		
Held in Trust for OPEB Benefits	<u>800</u>	<u>3,447</u>	
Total Net Position	<u>\$ 553,148</u>	<u>\$ 3,447</u>	

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN NET POSITION
PENSION TRUST FUNDS AND OPEB TRUST FUND

FOR THE YEAR ENDED JUNE 30, 2013

(In Thousands)

	Pension Trust Funds	OPEB Trust Funds
	<u> </u>	<u> </u>
Additions:		
Contributions:		
Plan members	\$ 2,391	\$ 3,050
Other revenues		112
Total additions	<u>2,391</u>	<u>3,162</u>
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	29,826	(22)
Interest and dividends	11,987	8
Total	<u>41,813</u>	<u>(14)</u>
Less investment expense	(423)	
Total investment income (loss)	<u>41,390</u>	<u>(14)</u>
Total additions	<u>43,781</u>	<u>3,148</u>
Deductions:		
Benefits	19,367	
Administration	3,140	4
Police and fire retiree health care	978	
Other	15	
Total deductions	<u>23,500</u>	<u>4</u>
Net Change	20,281	3,144
Net Position at Beginning of Year	<u>532,867</u>	<u>303</u>
Net Position at End of Year	<u>\$ 553,148</u>	<u>\$ 3,447</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013

(amounts expressed in thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Bristol, Connecticut (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the City are described below.

A. Reporting Entity

The City was incorporated in 1911. Its legal authority is derived from Chapter Ninety-nine (99) of the General Statutes of the State of Connecticut and Number 352 of the Special Acts of 1911. The City has operated under the Council-Mayor form of government since 1911. Services provided include education, water, sewer, refuse, streets and drainage, recreation and parks, planning and zoning, community development, human services, police and fire protection.

Discretely Presented Component Unit

The Bristol-Burlington Health District (the District) was formed on July 1, 1979 as a health district under Section 19-106 of the General Statutes of the State of Connecticut as a legally separate entity. The City appoints a majority of the District's governing six-member board once every three years. Although it is legally separate from the City of Bristol, the District is presented discretely as it is fiscally dependent upon the City. The City contributes almost eighty percent (80%) of the District's annual operating budget. Additionally, if the District were to dissolve, according to state statute the District would immediately become a department of the City. The District does not provide services primarily to the City of Bristol, but to its citizens. A complete set of financial statements may be obtained at the District's office located at 240 Stafford Avenue, Bristol, Connecticut 06010.

Related Organization

Bristol Downtown Development Corporation

The Bristol Downtown Development Corporation (the Corporation) was formed on April 5, 2007. The Corporation is a nonstock corporation organized pursuant to the Non-Stock Corporation act, Connecticut General Statute Section 33-1000 as a separate entity. All Directors are nominated by the Mayor and approved by vote of the City Council. During the current year, the City transferred \$69,000 (amount not rounded) to the Corporation.

Joint Venture

The City is a participant in two joint ventures as described below.

Tunxis Recycling Operating Committee

The City is a participant with thirteen (13) other cities and towns in a joint venture, the Tunxis Recycling Operating Committee (TROC). TROC is responsible for the development, operations and management of a solid waste recycling program for all participating communities. The governing board consists of City officials appointed by each of the participating municipalities, and assumes all the management decisions. The City has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the intercommunity agreement dated as of June 21, 1990. Expenditures of \$31 were incurred in 2012-13 related to the City's participation in TROC.

The unassigned fund balance for fiscal year ended June 30, 2013 as reflected in TROC's financial statements is \$417. A complete set of financial statements for TROC can be obtained from TROC's administrative office at 43 Enterprise Drive, Bristol, Connecticut 06010.

Bristol Resource Recovery Facility Operating Committee

The City is a participant with thirteen (13) other cities and towns in a joint venture, the Bristol Resource Recovery Facility (BRRFOC). BRRFOC was created pursuant to an intercommunity agreement to exercise certain rights on behalf of contracting municipalities in dealing with the trash-to-energy plant built by Ogden Martin Systems of Bristol, Inc., now known as Covanta Bristol, Inc. (Covanta) in Bristol, Connecticut. The governing board consists of City officials appointed by each of the participating municipalities, and assumes all the management decisions. The City has an obligation to appropriate funds in amounts necessary to fulfill its obligations created pursuant to the intercommunity agreement dated as of August 15, 1985. These obligations deal with guarantees to meet certain tonnage requirements. The City expenditures to BRRFOC amounted to \$2,490 this year. The unassigned fund balance for fiscal year ended June 30, 2013 as reflected in BRRFOC's financial statements is \$4.9 million. A complete set of financial statements for BRRFOC can be obtained from the administrative office at 43 Enterprise Drive, Bristol, Connecticut 06010.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the City is reported separately from a certain legally separate component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements, except for Agency Funds, which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 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.

Property taxes, charges for services, 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

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

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term principal, interest and related costs.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds or Trust Funds).

The City reports the following major proprietary fund:

The Enterprise Fund is used to account for the operations of the Bristol Water Department.

Additionally, the City reports the following fund types:

The Internal Service Fund accounts for the risk management activities of the City.

The Pension Trust Funds account for the activities of the City Pension Plans, which accumulate resources for pension benefit payments to qualified City employees.

The Other Post Employment Benefits (OPEB) Trust Fund accounts for the activities of the City's Post Employment Benefits plan, which accumulates resources for healthcare payments to qualified City employees.

The Agency Funds are used to account for assets held by the City in an agent capacity for individuals, private organizations or other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds include Senior Citizens Activity Fund and School Activity Fund.

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 and other charges between certain City functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Functional expenses in the statement of activities include certain indirect expenses, such as employee benefits, pension and insurance. These expenses are allocated to governmental activity functions based on total salary expenses for each function.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 Water Enterprise Fund and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service fund 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 nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

D. 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 obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the City, as well as for its component units, are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property taxes are levied each July 1 based on the assessed property values of the prior October 1 Grand List. Assessed values are established by the City Assessor's Office at 70% of appraised value.

Property taxes related to assessed values of under \$1,000 (not rounded) are due in one installment on July 1; remaining property taxes are due in two equal installments on July 1 and the following January 1. Supplemental motor vehicle taxes are due in full on January 1. Taxes become overdue one month after the installment due date. Interest at the rate of 1.5% per month accrues on all overdue taxes. As of June 30, an enforceable lien is recorded against any outstanding real property taxes.

Uncollected taxes, other than amounts received within 60 days of year-end, and taxes collected in advance of the fiscal year in which they were levied, are reflected as deferred revenue in the fund financial statements. Property taxes receivable at June 30, 2013 are stated net of allowance for estimated uncollectible amounts of \$300.

F. Inventories and Prepaid Items

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

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

G. 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. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not 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 primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25-50
Improvements other than buildings	20
Machinery and equipment	3-20
Infrastructure	10-65

H. Compensated Absences

A limited amount of vacation time earned may be accumulated by employees until termination of their employment. Vacation leave is valued using current salary costs, as well as any salary-related payments that are directly and incrementally connected with leave payments to employees. Sick leave accruals are also based on current salary costs as well as salary-related payments.

Eligible City employees earn 5 to 25 days of sick leave per year and 5 to 20 days of vacation per year depending on employees' length of service. A maximum of 200 days of sick leave and 40 days of vacation leave may be accrued. An employee leaving the employ of the City is entitled to be paid for all unused vacation and a maximum of 90 days or 45% of sick leave upon retirement.

Board of Education employees earn 10 to 20 days of sick leave per year. Maximum sick leave accrual varies by bargaining units from 180 to 275 days. Board of Education employees, with the exception of teachers, earn 5 to 20 days of vacation leave that cannot be accrued and must be used within the fiscal year it was earned. Upon termination, Board of Education employees are paid for all unused vacation leave. Unused sick leave is paid only on retirement to a maximum of 30% depending on bargaining units.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Fund Equity

Equity in the government-wide financial statements is defined as "net position" and is classified in the following categories:

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position - Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This component consists of net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (City Board of Finance). Amounts remain committed until action is taken by the Board of Finance (resolution) to remove or revise the limitations.

Assigned Fund Balance - For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as nonspendable, restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by the Board of Finance, which has been delegated authority to assign amounts by the City Charter.

Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The City adopts an annual operating budget for the General Fund only. The following details the procedures relating to the General Fund budgetary data reflected in the financial statements.

The City Charter requires the Board of Finance to submit a recommended operating budget to the City Council 15 days prior to the third Monday in May. The budget provides a financial plan for the year and contains estimates of anticipated revenues and proposed expenditures. After at least one public hearing on the recommended budget, the Board of Finance and City Council (Joint Board) may adopt a final budget for the year.

In practice, the budget is submitted to the Board of Finance in February. A series of work sessions is held to review the budget and is followed by one or more public hearings. The final budget, which includes the annual property tax levy, is then approved.

Appropriations for the General Fund lapse at June 30 of each year. All other program appropriations do not lapse at year end.

The budget is prepared on the modified accrual basis, except for encumbrances, by function, activity and object. Expenditures may not legally exceed appropriations at the object level within a department. The Board of Finance has the power to approve budget revisions during the year up to \$5,000 (amount not rounded). Revisions in excess of \$5,000 (amount not rounded) require Joint Board approval. All budget revisions must be approved. Additional appropriations from fund balance in the amount of \$8,985 were approved during the fiscal year.

Encumbrances are recognized as a valid and proper charge in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year end are reflected in budgetary reports as expenditures in the current year. Encumbrances outstanding at year-end are included in either restricted, committed or assigned fund balance depending on the level of restriction in accordance with generally accepted accounting principles (GAAP) since they do not constitute expenditures or liabilities.

Also, in accordance with the provisions of Governmental Accounting Standards Board Statement No. 24, the City has reported on-behalf payments made by the State of Connecticut into the teachers' retirement system in the Governmental Funds.

Budgets for Special Revenue Funds are prepared in accordance with the requirements of the various grant agreements and/or legal provisions that control the expenditure of such funds. Since such budgets are adopted on a program basis, it is not practicable to present the results of budgetary operations at the combined level. Special Revenue Funds are budgeted on the modified accrual basis.

Appropriations for the Capital Projects Funds do not lapse at the end of the fiscal year, but continue until the completion of the applicable project.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository" as defined by Statute, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an "out of state bank," as defined by the Statutes, which is not a "qualified public depository."

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies; 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer's Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

A. Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposit will not be returned. The City does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository's risk based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$68,404 of the City's bank balance of \$72,045 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	44,226
Uninsured and collateral held by the pledging bank's trust department, not in the City's name		<u>24,178</u>
Total Amount Subject to Custodial Credit Risk	\$	<u><u>68,404</u></u>

At June 30, 2013, the entire amount of the component unit's deposits was covered by federal depository insurance.

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2013, the cash equivalent amounted to \$15,007. The following table provides summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
State of Connecticut Short-Term Investment Fund (STIF)	AAAm
Cutwater Asset Management - Cooperative Liquid Assets Securities System (CLASS)	AAAm

B. Investments

Investments as of June 30, 2013 in all funds are as follows:

Investment Type	Credit Rating	Fair Value	Investment Maturities (Years)		
			Less Than 1	1-10	More Than 10
Interest-bearing investments:					
U.S. Treasury bonds	Aaa	\$ 50,006	\$	\$ 44,286	\$ 5,720
U.S. Government agencies	Aaa	13,655		13,655	
Corporate bonds	Aaa	1,730	1,730		
Corporate bonds	Aa1-Aa3	6,602	1,172	5,430	
Corporate bonds	A1-A3	20,391	979	18,663	749
Corporate bonds	Baa1-Baa3	26,618	776	25,842	
Corporate bonds	Ba1-Ba3	7,467		7,467	
Corporate bonds	B1-B3	8,094		8,094	
Corporate bonds	Caa1-Caa3	3,001		2,954	47
Corporate bonds	Ca1-Ca3	104		104	
Corporate bonds	Unrated	241	241		
Securitized instruments	Aaa	13,404		1,913	11,491
Certificates of deposit	*	156	156		
Total		151,469	\$ 5,054	\$ 128,408	\$ 18,007
Other investments:					
Common stock		331,848			
Mutual funds		78,712			
Total Investments		\$ 562,029			

*Subject to coverage by federal depository insurance and collateralization.

Interest Rate Risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The City has an investment policy that allows the same type of investments as State Statutes.

Concentration of Credit Risk - The City does not have a policy limiting investments in any one issuer that is in excess of five percent of the City's total investments.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investments to or buys them for the City), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk. At June 30, 2013, the City did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the City's name.

4. RECEIVABLES

Receivables as of year end for the City's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>Water Enterprise Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 2,762	\$	\$	\$	\$ 2,762
Interest	1,306		30		1,336
Accounts	144		1,361	559	2,064
Special assessments			69	594	663
Intergovernmental	<u>1,209</u>	<u>524</u>	<u></u>	<u>1,030</u>	<u>2,763</u>
Gross receivables	5,421	524	1,460	2,183	9,588
Less allowance for uncollectibles	<u>(310)</u>	<u></u>	<u>(133)</u>	<u></u>	<u>(443)</u>
Net Total Receivables	<u>\$ 5,111</u>	<u>\$ 524</u>	<u>\$ 1,327</u>	<u>\$ 2,183</u>	<u>\$ 9,145</u>

Total uncollectible amounts related to revenues of the current period are as follows:

General Fund:	
Uncollectibles related to taxes receivable	\$ 300
Uncollectibles related to accounts receivable	10
Water Enterprise Fund:	
Uncollectibles related to accounts receivable	<u>133</u>
Total Uncollectibles of the Current Fiscal Year	<u>\$ 443</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable principal and interest	\$ 3,315	\$
Property taxes collected in advance		187
Sewer assessments not yet due	595	
Other advance collections	<u></u>	<u>627</u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 3,910</u>	<u>\$ 814</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 18,170	\$ 2	\$ (167)	\$ 18,005
Construction in progress	70,285	24,888	(4,223)	90,950
Total capital assets not being depreciated	<u>88,455</u>	<u>24,890</u>	<u>(4,390)</u>	<u>108,955</u>
Capital assets being depreciated:				
Buildings	199,509	563		200,072
Improvements other than buildings	14,244			14,244
Machinery and equipment	67,512	2,549	(1,591)	68,470
Infrastructure	232,214	4,915	(358)	236,771
Total capital assets being depreciated	<u>513,479</u>	<u>8,027</u>	<u>(1,949)</u>	<u>519,557</u>
Less accumulated depreciation for:				
Buildings	(91,534)	(3,293)		(94,827)
Improvements other than buildings	(5,331)	(102)		(5,433)
Machinery and equipment	(50,995)	(3,344)	1,409	(52,930)
Infrastructure	(134,125)	(4,768)	358	(138,535)
Total accumulated depreciation	<u>(281,985)</u>	<u>(11,507)</u>	<u>1,767</u>	<u>(291,725)</u>
Total capital assets being depreciated, net	<u>231,494</u>	<u>(3,480)</u>	<u>(182)</u>	<u>227,832</u>
Governmental Activities Capital Assets, Net	<u>\$ 319,949</u>	<u>\$ 21,410</u>	<u>\$ (4,572)</u>	<u>\$ 336,787</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,700	\$	\$	\$ 2,700
Construction in progress	54	17	(54)	17
Total capital assets not being depreciated	<u>2,754</u>	<u>17</u>	<u>(54)</u>	<u>2,717</u>
Capital assets being depreciated:				
Buildings and system	36,738	60		36,798
Machinery and equipment	5,024	494	(32)	5,486
Total capital assets being depreciated	<u>41,762</u>	<u>554</u>	<u>(32)</u>	<u>42,284</u>
Less accumulated depreciation for:				
Buildings and system	(16,809)	(791)		(17,600)
Machinery and equipment	(3,013)	(269)	26	(3,256)
Total accumulated depreciation	<u>(19,822)</u>	<u>(1,060)</u>	<u>26</u>	<u>(20,856)</u>
Total capital assets being depreciated, net	<u>21,940</u>	<u>(506)</u>	<u>(6)</u>	<u>21,428</u>
Business-Type Activities Capital Assets, Net	<u>\$ 24,694</u>	<u>\$ (489)</u>	<u>\$ (60)</u>	<u>\$ 24,145</u>

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

Governmental activities:	
General government	\$ 300
Public safety	1,350
Public works	5,466
Health and welfare	6
Libraries	543
Parks and recreation	332
Education	<u>3,510</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u>11,507</u>
 Business-type activities:	
Water	\$ <u>1,060</u>

Construction Commitments

The City has several active construction projects as of June 30, 2013. The following is a summary of capital projects as of June 30, 2013:

	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>
Schools	\$ 178,320	\$ 160,078
Streets, bridges and building improvements	59,557	42,418
Capital and nonrecurring	<u>47,217</u>	<u>26,390</u>
 Total	 \$ <u>285,094</u>	 \$ <u>228,886</u>

The commitments are being financed with general obligation bonds and State and Federal grants.

Discretely Presented Component Units

Activity for the Bristol-Burlington Health District for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Furniture and equipment	\$ 232	\$ 11	\$ (6)	\$ 237
Less accumulated depreciation for:				
Furniture and equipment	<u>(155)</u>	<u>(22)</u>	<u>6</u>	<u>(171)</u>
 District Capital Assets, Net	 \$ <u>77</u>	 \$ <u>(11)</u>	 \$ <u>-</u>	 \$ <u>66</u>

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2013, interfund receivables and payables were comprised of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 807
	Capital Projects Fund	1,465
Nonmajor Governmental Funds	General Fund	43
	Capital Projects Fund	12
Internal Service	Pension Trust Funds	<u>994</u>
Total		<u>\$ 3,321</u>

Interfund receivables and payables generally represent temporary balances arising from reimbursement-type transactions. All balances are expected to be repaid within a year.

Interfund transfers:

	<u>Transfers In</u>					<u>Total Transfers Out</u>
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects</u>	<u>Nonmajor Govern- mental</u>	<u>Internal Service Funds</u>	
Transfer out:						
General Fund	\$	\$ 9,732	\$ 1,855	\$ 5,755	\$ 24,683	\$ 42,025
Debt Service Fund			1,600			1,600
Capital Projects		236				236
Nonmajor Governmental Funds	<u>15</u>		<u>1,398</u>	<u>69</u>	<u>1,594</u>	<u>3,076</u>
Total Transfers In	<u>\$ 15</u>	<u>\$ 9,968</u>	<u>\$ 4,853</u>	<u>\$ 5,824</u>	<u>\$ 26,277</u>	<u>\$ 46,937</u>

Transfers are for regularly recurring operational transfers. Interfund transfers are used to 1) move revenues from the General Fund to the Debt Service Fund to pay for principal and interest on debt, 2) supplement revenues of other funds such as the Capital Projects Fund for the projects that have been closed out, and 3) support the self-insurance for health and workers' compensation benefits.

7. LEASES

Operating Leases

The City leases computers under noncancelable operating leases. Total costs for such leases were \$785 for the year ended June 30, 2013. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 668
2015	491
2016	355
2017	<u>230</u>
	<u>\$ 1,744</u>

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds and Clean Water Fund Loans	\$ 83,839	\$	\$ 6,646	\$ 77,193	\$ 6,556
Premium on general obligation bonds	3,751		322	3,429	
Deferred amount on refunding	(1,752)		(172)	(1,580)	
Total bonds payable	<u>85,838</u>		<u>6,796</u>	<u>79,042</u>	<u>6,556</u>
Compensated absences	7,644	1,363	1,518	7,489	1,084
Landfill postclosure care	1,675	30	63	1,642	63
Net OPEB obligation	21,347	2,792		24,139	
Unpaid claims	<u>12,143</u>	<u>34,401</u>	<u>33,918</u>	<u>12,626</u>	<u>5,035</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 128,647</u>	<u>\$ 38,586</u>	<u>\$ 42,295</u>	<u>\$ 124,938</u>	<u>\$ 12,738</u>
Business-Type Activities:					
Bonds payable:					
General obligation bonds	\$ 4,619	\$	\$ 594	\$ 4,025	\$ 595
Premium on general obligation bonds	262		26	236	26
Deferred amount on refunding	(158)		(15)	(143)	(16)
Total bonds payable	<u>4,723</u>		<u>605</u>	<u>4,118</u>	<u>605</u>
Compensated absences	<u>422</u>	<u>40</u>	<u>62</u>	<u>400</u>	<u>64</u>
Total Business-Type Activities Long-Term Liabilities	<u>\$ 5,145</u>	<u>\$ 40</u>	<u>\$ 667</u>	<u>\$ 4,518</u>	<u>\$ 669</u>
Component Unit:					
Compensated Absences	<u>\$ 99</u>	<u>\$ 58</u>	<u>\$ 39</u>	<u>\$ 118</u>	<u>\$ 81</u>

For the governmental activities, compensated absences and OPEB obligations are generally liquidated by the General Fund.

Bond Anticipation Notes

Bond anticipation notes payable activity for the year ended June 30, 2013 was as follows:

<u>Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Bond anticipation notes	08/01/11	07/30/12	1.25%	\$ 7,410	\$	\$ 7,410	\$
Bond anticipation notes	07/30/12	04/29/13	1.25%		6,410	6,410	
Bond anticipation notes	04/29/13	01/28/14	1.00%		<u>5,810</u>		<u>5,810</u>
Total				<u>\$ 7,410</u>	<u>\$ 12,220</u>	<u>\$ 13,820</u>	<u>\$ 5,810</u>

Bond anticipation notes payable are issued to finance purchase of land, demolition, abatement, cleanup and other work at the Bristol Centre Mall site.

Bonds and notes payable at June 30, 2013 were comprised of the following:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2013</u>
General City Bonds:					
General improvement:					
2004	10/15/04	10/15/21	3.00-5.00	\$ 22,365	\$ 1,315
2006	12/01/06	07/15/22	3.00-4.00	10,006	625
2009	02/15/09	02/15/17	2.00-4.18	8,900	6,660
2011	06/27/11	08/01/30	2.00-4.00	8,637	8,182
2012 Refunding	08/11/11	07/15/22	3.00-5.00	15,589	<u>15,589</u>
Total general improvement bonds					<u>32,371</u>
School:					
2005 Refunding	06/15/05	10/15/18	2.70-5.00	10,635	5,770
2006	12/01/06	07/15/22	3.00-4.00	11,600	725
2011	06/27/11	08/01/30	2.00-4.00	25,550	24,205
2012 Refunding	08/11/11	07/15/22	3.00-5.00	6,234	<u>6,234</u>
Total school bonds					<u>36,934</u>
Sewers:					
2011	06/27/11	08/01/30	2.00-4.00	5,400	<u>5,115</u>
Capital Projects Fund:					
Clean Water Fund Notes					
498-D/C	06/30/02	06/30/21	2.00	1,483	659
Clean Water Fund Notes					
415-D/C	06/30/02	06/30/21	2.00	1,410	626
Clean Water Fund Notes					
504-C	12/31/03	12/31/22	2.00	1,488	774
Clean Water Fund Notes					
562-C	11/30/04	11/30/23	2.00	694	392
Clean Water Fund Notes					
464-C	05/31/06	03/31/26	2.00	470	<u>322</u>
Total capital projects level debt					<u>2,773</u>
Total General City Serial					
Bonds and Clean Water Fund Loans					
					<u>77,193</u>
Water Department:					
Enterprise Fund Bonds:					
Water 1995	05/15/95	05/15/14	4.90-6.00	1,640	100
Water 2004	10/15/04	10/15/21	3.00-5.00	600	35
Water 2005 Refunding	06/15/05	10/15/18	2.70-5.00	2,315	800
Water 2006	12/01/06	07/15/22	3.00-4.00	3,394	210
Water 2011	06/27/11	08/01/30	2.00-4.00	813	768
Water 2012 Refunding	08/11/11	07/15/22	3.00-5.00	2,112	<u>2,112</u>
Total Water Department					
Enterprise Fund Bonds					
					<u>4,025</u>
Total Bonded Indebtedness					
				\$	<u><u>81,218</u></u>

Notes and bonds payable are secured by the general revenue raising powers of the City. The annual requirements to amortize long-term bond obligations at June 30, 2013 are as follows:

General Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 5,990	\$ 2,466	\$ 8,456
2014	5,901	2,236	8,137
2015	5,892	2,017	7,909
2016	5,887	1,793	7,680
2017	5,866	1,586	7,452
2018-2022	24,272	5,021	29,293
2023-2027	10,103	1,983	12,086
2028-2031	<u>5,394</u>	<u>324</u>	<u>5,718</u>
Total	<u>\$ 69,305</u>	<u>\$ 17,426</u>	<u>\$ 86,731</u>

Sewer Operating and Assessment Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 285	\$ 176	\$ 461
2015	285	164	449
2016	285	153	438
2017	285	141	426
2018	283	133	416
2019-2023	1,415	534	1,949
2024-2028	1,422	303	1,725
2029-2031	<u>855</u>	<u>51</u>	<u>906</u>
Total	<u>\$ 5,115</u>	<u>\$ 1,655</u>	<u>\$ 6,770</u>

Capital Projects Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 281	\$ 53	\$ 334
2015	287	47	334
2016	292	41	333
2017	298	36	334
2018	304	30	334
2019-2023	1,217	60	1,277
2024-2026	<u>94</u>	<u>2</u>	<u>96</u>
Total	<u>\$ 2,773</u>	<u>\$ 269</u>	<u>\$ 3,042</u>

Water Enterprise Fund:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 595	\$ 153	\$ 748
2015	479	125	604
2016	483	106	589
2017	478	87	565
2018	281	73	354
2019-2023	1,373	196	1,569
2024-2028	210	45	255
2029-2031	<u>126</u>	<u>7</u>	<u>133</u>
Total	<u>\$ 4,025</u>	<u>\$ 792</u>	<u>\$ 4,817</u>

The City does not have any overlapping debt contingencies as of June 30, 2013.

The City's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes as reflected in the following schedule (in thousands):

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 282,692	\$ 45,989	\$ 236,703
Schools	565,385	39,042	526,343
Sewers	471,154	8,338	462,816
Urban renewal	408,333		408,333
Pension deficit	376,923		376,923

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation (\$879,487).

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding. Bonds authorized but not issued are as follows:

General Purpose	\$ 8,093
Schools	102,436
Sewers	<u>450</u>
	<u>\$ 110,979</u>

Additionally, net indebtedness is reduced by State of Connecticut grant commitments in the amount of \$100,613.

Prior Year Defeasance of Debt

In prior years, the City defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2013, \$24,880 of defeased bonds remain outstanding and the escrow balance is \$25,343.

9. LANDFILL CLOSURE

The City entered into a landfill lease agreement with Ogden Martin Systems of Bristol, Inc. (the Company), now known as Covanta, Bristol, Inc. (Covanta), whereby the City leased to the Company a landfill adjacent to the facility site in the City. The City is currently collecting fees for the interim period until the official Certificate of Closure is issued. Further, the Company, pursuant to a service agreement with BRRFOC has passed all costs of properly closing the City's landfill site to the Committee and the related contracting communities. Solid waste landfill closure and postclosure care requirements have been established by the State of Connecticut Department of Environmental Protection Agency and the Federal Environmental Protection Agency. The costs associated with monitoring and maintaining the landfill area during the postclosure period are the responsibility of the City. The projected costs of this postclosure period is \$1,642. These projected costs could be impacted by future inflation and regulations. The landfill was closed prior to July 1, 2002. Between 1979 and 1983 one part of the site received metal hydroxide slurry from local metal plating companies. This area was closed in 1986 and covered with a membrane cap as required by the Resource Conservation and Recovery Act (RCRA).

10. RISK MANAGEMENT

The City is exposed to various risks of loss including torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City generally obtains commercial insurance for these risks but has chosen to retain the risks for employee health and medical claims. The City has also retained risk for workers' compensation claims for fiscal years July 1, 1985 through June 30, 1998 and July 1, 2004 through June 30, 2011. The Health Benefits and Worker's Compensation Internal Service Fund is utilized to report this self-insurance activity. CIGNA administers the medical, Medco administers the prescription and Anthem Blue Cross/Blue Shield administers the dental plan, for which the City pays a fee. All funds of the City contribute to the Internal Service Fund based upon actuarial and insurance carrier estimates. The claims liability of \$12,626 reported in the Internal Service Fund at June 30, 2013 is based on the Government Accounting Standards Board Statement No. 10, which requires that a liability for estimated claims incurred but not reported be recorded. Changes in the claims liability were as follows:

	Liability July 1,	Current Year Claims And Changes In Estimates	Claim Payment	Liability June 30,
2011-12	\$ 10,015	\$ 34,208	\$ 32,080	\$ 12,143
2012-13	12,143	34,401	33,919	12,625

Settled claims for all types of commercial coverage have not exceeded coverage in any of the past three years.

11. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2013 are as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Inventory	\$	\$	\$	\$ 61	\$ 61
Prepays	3				3
Trust purpose				705	705
Restricted for:					
Grants				2,482	2,482
Debt service		586			586
Committed to:					
Landfill closure	535		1,851		2,386
Compensated absences	2,500			204	2,704
Heart and Hypertension	800				800
School renovations			787		787
Capital and nonrecurring			835		835
Capital and nonrecurring WPCA			3,873		3,873
Equipment				5,671	5,671
Education				856	856
Manross Memorial Library				498	498
Sewer				3,445	3,445
Solid waste disposal				259	259
Pine Lake challenge course				128	128
Open space				4	4
Centre mall				424	424
Trust purpose				299	299
Assigned to:					
Subsequent year's budget	495				495
Carryovers	841				841
General government encumbrances	1				1
Public safety encumbrances	20				20
Public works encumbrances	711				711
Libraries encumbrances	25				25
Parks and recreation encumbrances	8				8
Miscellaneous encumbrances	11				11
Unassigned	<u>24,149</u>		<u>(7,327)</u>	<u>(94)</u>	<u>16,728</u>
Total Fund Balances	<u>\$ 30,099</u>	<u>\$ 586</u>	<u>\$ 19</u>	<u>\$ 14,942</u>	<u>\$ 45,646</u>

12. CONTINGENT LIABILITIES

The City is a defendant in a number of lawsuits. Based on Counsel's review of all asserted claims for damages, the City is of the opinion that resolution of all lawsuits against the City will not significantly affect its financial position.

The City participates in a number of State and Federal grant programs that are subject to program compliance audits by the grantor agencies. Such audits could lead to requests for reimbursement of expenditures disallowed under the terms of the grants. As of June 30, 2013, the City is of the opinion that such reimbursements in respect of disallowed expenditures, if any, will not be significant.

13. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

The City provides certain health care and life insurance benefits for retired employees in accordance with City Council resolutions and bargaining agreements. All regular active employees who retire directly from the City and meet eligibility criteria may participate. Benefit provisions are established through negotiations between the City and the various unions representing the employees. The other postemployment benefits plan is a single-employer defined benefit healthcare plan administered by the City. The City does not issue stand-alone financial statements for this program.

At July 1, 2012, plan membership consisted of the following:

	Retiree Health Plan
Active plan members	1,458
Retired members	532
Total Participants	<u>1,990</u>

B. Funding Policy

The City has established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits. The fund is reported as a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the City are also negotiated with the various unions representing the employees.

Governmental Accounting Standards Board Statement No. 45 defines the Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. IRS Code Section 401(h) Account is a separate account set up as a sub-account of the retirement fund trust that can pre-fund retiree healthcare for medical, dental, vision and other health-related benefits provided to terminated or retired employees and their dependents and beneficiaries. The City has implemented Code 401(h) for its Police and Fire Plans and set aside those assets as restricted pension assets and sub-accounts of the City's overall pension plan. The pension assets restricted for those sub-account OPEB payments are \$508,694 (amount not rounded) for the Police Pension plan and \$591,309 (amount not rounded) for the Fire Pension plan.

Annual OPEB Cost and Net OPEB Obligations

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the City's net OPEB obligation:

	Retiree Healthcare Plan
Annual required contribution (ARC)	\$ 8,279
Interest on net OPEB obligation	1,067
Adjustment to annual required contribution	<u>(1,388)</u>
Annual OPEB cost	7,958
Contributions made	<u>5,166</u>
Increase in net OPEB obligation	2,792
Net OPEB obligation, beginning of year	<u>21,347</u>
Net OPEB Obligation, End of Year	<u><u>\$ 24,139</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation (asset) is presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/2011	\$ 7,292	\$ 4,454	61.1%	\$ 18,497
6/30/2012	7,605	4,755	62.5	21,347
6/30/2013	7,958	5,166	64.9	24,139

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded (Unfunded) AAL (UAAL) (a-b)	Percentage Funded (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/08	\$ -	\$ 72,000	\$ (72,000)	0.0%	\$ 70,000	(102.9)%
7/1/10	-	64,510	(64,510)	0.0	91,807	(70.3)
7/1/12	1,847	75,052	(73,205)	2.0	88,563	(82.7)

Schedule of Employer Contributions

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2008	\$ 8,200	33.7%
2009	8,768	36.0
2010	9,322	47.7
2011	7,528	59.2
2012	7,883	60.3
2013	8,279	62.4

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future.

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The ARC reflects a closed 30-year, level amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 5% investment rate of return and inflation rate of 3%. The annual healthcare cost trend rate is 10% initially, grading down to 5% in year 2019 and thereafter.

14. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Plan Description

The City is the administrator of three single-employer Public Employee Retirement Systems (PERS) as presented below:

City of Bristol Retirement System	General city employees
Firefighters' Benefit Fund	Firefighter employees
Police Benefit Fund	Police employees

The PERS are considered to be part of the City's financial reporting entity and are included in the City's financial reports as pension trust funds. There are no stand-alone financial statements issued for the PERS. These plans were established and can be amended under the authority of the City Charter.

Combining Schedule of Position

	Employee Retirement Funds				
	City Retirement System Fund	Firefighters' Benefit Fund	Police Benefit Fund	Interfund Eliminations	Total
Assets:					
Cash and cash equivalents	\$	\$	\$	\$	\$
Investments	202,275	168,092	183,647		554,014
Due from other funds		166		(166)	
Total Assets	202,275	168,386	183,647	(166)	554,142
Liabilities:					
Due to other funds	120	495	545	(166)	994
Net Position:					
Held in trust for pension benefits	202,155	167,682	182,511		552,348
Held in trust for Police retiree OPEB benefits			591		591
Held in trust for firefighters retiree OPEB benefits		209			209
Total Net Position	\$ 202,155	\$ 167,891	\$ 183,102	\$ -	\$ 553,148

Combining Schedule of Changes in Plan Net Position

	Employee Retirement Funds				
	City Retirement System Fund	Firefighters' Benefit Fund	Police Benefit Fund	Interfund Eliminations	Total
Additions:					
Contributions:					
Plan members	\$ 1,724	\$ 258	\$ 409	\$	\$ 2,391
Investment income:					
Net appreciation in fair value of investments	11,006	8,980	9,840		29,826
Interest and dividends	4,421	3,611	3,955		11,987
Total investment income	15,427	12,591	13,795		41,813
Less investment expenses	(241)	(75)	(107)		(423)
Net investment income	15,186	12,516	13,688		41,390
Total additions	16,910	12,774	14,097	-	43,781
Deductions:					
Benefits	10,924	3,422	5,021		19,367
Administration	1,168	950	1,022		3,140
Police and Fire retiree health care		495	483		978
Other			15		15
Total deductions	12,092	4,867	6,541	-	23,500
Change in net position	4,818	7,907	7,556		20,281
Net Position - Beginning of Year	197,337	159,984	175,546		532,867
Net Position - End of Year	\$ 202,155	\$ 167,891	\$ 183,102	\$ -	\$ 553,148

At July 1, 2012, PERS membership consisted of:

	<u>City of Bristol Retirement System</u>	<u>Firefighters' Benefit Fund</u>	<u>Police Benefit Fund</u>
Retirees, disabled and beneficiaries currently receiving benefits	476	90	107
Terminated employees entitled to benefits but not yet receiving them	55	2	3
Current employees:			
Vested	396	49	67
Nonvested	<u>332</u>	<u>41</u>	<u>47</u>
Total	<u>1,259</u>	<u>182</u>	<u>224</u>

The City of Bristol Retirement System covers all full-time employees (except firemen, policemen and teachers) who are under age 65 on their date of employment. The City provides all retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Employees are 100% vested after 10 years of continuous service, if their contributions remain in the fund upon termination. Employees who retire at normal retirement (age plus service equal to 80, minimum age 55) receive a retirement benefit for life of 2.40% of average annual pay times number of completed years of service. If an employee leaves employment or dies before meeting vesting requirements, accumulated employee contributions and interest are refunded.

The City of Bristol Fire Benefit Fund covers all members of the Fire Department. The City provides all retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Under the plan, all employees of the Fire Department are eligible to join. Employees are 100% vested after 10 years of continuous service, if their contributions remain in the fund. Fire employees who retire at normal retirement (the earlier of age 65 and 25 years of continuous service) receive a retirement benefit for life of 70% of base pay (including ¼ of an employee's unused sick leave paid out at the time of retirement), adjusted for cost of living. The cost-of-living escalation is limited to a 2.25% increase per year. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions are refunded. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

The City of Bristol Police Benefit Fund covers all members of the Police Department. The City provides all retirement, death and disability benefits through a single-employer, contributory, defined benefit plan. Under the plan, all employees of the Police Department are eligible to join. Employees are 100% vested after 10 years of continuous service, if their contributions remain in the fund upon termination. Police employees who were hired prior to July 1, 1988 and who retire at normal retirement (the earlier of age 65 or 25 years of continuous service) receive a retirement benefit for life of 70% of the compensation paid to the member in the year prior to his retirement, adjusted for escalation. The pension benefit formula is 70% of a member's compensation (base pay). Base pay shall include ¼ of an employee's unused sick leave paid out at the time of retirement if applicable.

The Plan also provides for automatic post-retirement increases on retiree pensions. The pension shall be adjusted by one-half of the pay increase awarded to a then-active member in the same grade as the retiree last held. The cost-of-living escalation is limited to a 2.25% increase per year. Member's contributions are returnable on termination or on death while active, or after retirement (less any benefits paid), provided in each case that no death benefits are otherwise payable.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefit payments and refunds are payable when due and payable in accordance with the terms of the PERS. Administrative costs are paid from pension fund resources.

Method Used to Value Investments: All assets are valued at fair value for reporting purposes. Realized and unrealized gains or losses are spread over four years for actuarial valuation purposes. There are no investments in any organization that represent 5% or more of available net position.

C. Funding Status and Progress

Employees covered under the City of Bristol Retirement System are required to contribute 6.0% of pay. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions and interest are refunded.

The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. For the year ended June 30, 2013, the City was not required to make a contribution. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

Fire employees are required to contribute 6% of their base pay to the PERS. After 25 years of service, employee contributions cease. Employees shall be fully vested after ten years of continuous service. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions are refunded. The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. For the year ended June 30, 2013, the City was not required to make a contribution. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

Police employees are required to contribute 6% of their base pay to the PERS. After 25 years of service, employee contributions cease. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions are refunded. The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. For the year ended June 30, 2013, the City was not required to make a contribution. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

D. Annual Pension Cost and Net Pension Obligations

The annual pension cost and net pension obligation for the current year were as follows:

	City of Bristol Retirement System	Firefighters' Benefit Fund	Police Benefit Fund
Annual required contribution	\$ -	\$ -	\$ -
Interest on net pension obligation	(130)	(132)	(222)
Adjustment to annual required contribution	170	173	290
Annual pension cost	40	41	68
Contributions made	-	-	-
Decrease in net pension asset	40	41	68
Net Pension Asset, Beginning of Year	(1,734)	(1,763)	(2,954)
Net Pension Assets, End of Year	\$ (1,694)	\$ (1,722)	\$ (2,886)

The following is a summary of certain significant actuarial assumptions and other PERS information:

	City of Bristol Retirement System	Firefighters' Benefit Fund	Police Benefit Fund
Actuarial valuation date	July 1, 2012	July 1, 2012	July 1, 2012
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level dollar amount-open	Level dollar amount-open	Level dollar amount-open
Remaining amortization period	20 years, open	20 years, open	20 years, open
Asset valuation method	4-year Smoothed Market	4-year smoothed market	4-year smoothed market
Actuarial assumptions:			
Investment rate of return*	7.50%	7.50%	7.50%
Projected salary increases	3.5-6.25%	3.5-8.0%	3.5-8.0%
*Includes inflation at	2.75%	2.75%	2.75%

E. Trend Information

City of Bristol Retirement System			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/11	\$ 40	0.0%	\$ (1,774)
6/30/12	40	0.0	(1,734)
6/30/13	40	0.0	(1,694)

Firefighters' Benefit Fund			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/11	\$ 42	0.0%	\$ (1,803)
6/30/12	40	0.0	(1,763)
6/30/13	41	0.0	(1,722)

Police Benefit Fund			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/11	\$ 69	0.0%	\$ (3,022)
6/30/12	68	0.0	(2,954)
6/30/13	68	0.0	(2,886)

F. Schedule of Funding Progress

City of Bristol Retirement System						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/07	\$ 192,080	\$ 131,438	\$ 60,642	146.1%	\$ 29,345	206.6%
7/1/08	207,698	143,268	64,430	145.0	30,309	212.6
7/1/09	203,537	150,284	53,253	135.4	31,268	170.3
7/1/10	202,904	156,145	46,759	129.9	30,783	151.9
7/1/11	200,861	161,266	39,595	124.6	30,610	129.4
7/1/12	198,149	170,641	27,508	116.1	31,280	87.9

Firefighters' Benefit Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/07	\$ 142,188	\$ 60,481	\$ 81,707	235.1%	\$ 5,184	1,576.1%
7/1/08	155,198	61,374	93,824	252.9	5,219	1,797.6
7/1/09	155,135	61,873	93,262	250.7	5,298	1,760.4
7/1/10	157,354	62,506	94,848	251.7	5,275	1,798.1
7/1/11	159,247	66,073	93,174	241.0	5,454	1,708.2
7/1/12	160,794	65,874	94,920	244.1	5,521	1,719.2

Police Benefit Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/07	\$ 156,222	\$ 76,105	\$ 80,117	205.3%	\$ 7,502	1,067.9%
7/1/08	170,638	77,990	92,648	218.8	7,421	1,248.5
7/1/09	170,404	83,227	87,177	204.7	8,245	1,057.3
7/1/10	172,814	86,099	86,715	200.7	8,377	1,035.1
7/1/11	175,219	91,283	83,936	192.0	8,295	1,011.9
7/1/12	176,389	95,527	80,862	184.6	7,838	1,031.7

G. Schedule of Employer Contributions

City of Bristol Retirement System

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/08	\$ -	N/A
6/30/09	-	N/A
6/30/10	-	N/A
6/30/11	-	N/A
6/30/12	-	N/A
6/30/13	-	N/A

Firefighters' Benefit Fund

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/08	\$ -	N/A
6/30/09	-	N/A
6/30/10	-	N/A
6/30/11	-	N/A
6/30/12	-	N/A
6/30/13	-	N/A

Police Benefit Fund

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
6/30/08	\$ -	N/A
6/30/09	-	N/A
6/30/10	-	N/A
6/30/11	-	N/A
6/30/12	-	N/A
6/30/13	-	N/A

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is presented in Section D above.

H. Teacher Retirement

All City of Bristol Board of Education certified employees participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has: 1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or 2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. Total covered payroll and total certified Board payroll was \$53,246 for the year ended June 30, 2013.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. For the year ended June 30, 2013, the City has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$11,039 as payments made by the State of Connecticut on behalf of the City. The City does not have any liability for teacher pensions.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

**Required Supplementary
Information**

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance Over (Under)	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Property taxes:						
Current levy	\$ 121,894	\$ 1,428	\$ 123,322	\$ 123,470	\$ 148	\$ 115,579
Prior levies	1,350		1,350	1,141	(209)	1,189
Interest and penalties	570	348	918	1,024	106	750
Total property taxes	<u>123,814</u>	<u>1,776</u>	<u>125,590</u>	<u>125,635</u>	<u>45</u>	<u>117,518</u>
Licenses, permits and fees:						
Assessors' late filing fees	2		2	1	(1)	2
Circuit court fines	1		1	2	1	2
Dog penalties	1		1	1	-	1
Merchandising licenses	2		2	3	1	3
Animal licenses	8		8	7	(1)	8
Marriage licenses	3		3	2	(1)	2
Fees	7		7	9	2	7
Notary services	4		4	4	-	5
Burial permits	2		2	2	-	3
Trade names			-		-	1
Vital statistics	115	1	116	140	24	143
Parking violations	70		70	61	(9)	79
Alarm fees	15		15	22	7	13
Police report fees	10		10	9	(1)	9
Building permits	450	107	557	558	1	1,239
Building violations	2		2		(2)	7
PW excavating permits	8		8	7	(1)	7
Land use fees and permits	16		16	28	12	12
BBHD code enforcement fees			-	1	1	-
Library fines	24		24	24	-	25
Total licenses, permits and fees	<u>740</u>	<u>108</u>	<u>848</u>	<u>881</u>	<u>33</u>	<u>1,568</u>
State and Federal Grants:						
State grants-in-aid:						
State Owned Property (PILOT)	50	37	87	87	-	103
PILOT: Manufacturing and Equipment	1,000	974	1,974	1,974	-	1,974
State Grant: Elderly Freeze	6		6	6	-	6
Tax Relief Elderly/Disabled Homeowner	325	27	352	352	-	346
Private Hospitals (PILOT)	570		570	553	(17)	573
Tax Relief Totally Disabled	9		9	11	2	10
Additional Tax Relief: Veterans	25		25	28	3	27
Enterprise zone reimbursement	150		150	163	13	147
Sales Tax		494	494	494	-	702
Town Aid Road Transportation	339		339	333	(6)	340
Mashantucket Pequot Grant	596		596	590	(6)	596
PILOT	50		50	68	18	72
Off-track betting	60		60	74	14	71
Utilities tax	100	45	145	146	1	156
Youth Services Bureau	49		49	49	-	49
Youth Service Bureau - Enhancement		7	7	7	-	8
E911 Subsidy Grant	136		136	134	(2)	136

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance Over (Under)	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
School Readiness Grant/Quality Enhancement	\$	\$ 2,381	\$ 2,381	\$ 2,300	\$ (81)	\$ 2,131
Education Cost Sharing	41,658	40	41,698	41,697	(1)	41,613
Trans. Child - Public	395		395	300	(95)	432
Medicaid Coordination	100	101	201	201	-	102
Excess Student Cost Base	2,000	512	2,512	2,512	-	2,718
Health Serv. PA 481/Private School Health Reimbursement	230	52	282	282	-	259
Transportation School Child-Nonpublic	159		159	142	(17)	168
Miscellaneous State grants	19	231	250	256	6	73
Federal Grants:						
Housing Authority (FED-PILOT)	70	31	101	101	-	95
FEMA Disaster Grant		680	680	641	(39)	2,729
Public safety federal grants	6		6	2	(4)	10
Total state and federal grants	48,102	5,612	53,714	53,503	(211)	55,646
Charges for services:						
Copier charges	52	1	53	66	13	63
Code enforcement reimbursements	11	142	153	154	1	32
Water reimbursement fees	2		2		(2)	2
Foreclosure reimbursement fees	13		13		(13)	12
Recording fees	270	46	316	316	-	262
Real estate transfer tax	760		760	563	(197)	627
Department of Aging Services	64	2	66	65	(1)	62
Public safety charges for services	618	99	717	715	(2)	859
Animal control charges	16		16	12	(4)	15
Miscellaneous charges for services	10	1	11	11	-	12
Public works service and maps	281	46	327	331	4	297
Recycling permits	190		190	139	(51)	238
City building rentals	198		198	220	22	229
School tuition	225		225	167	(58)	333
Pool revenue	145		145	167	22	165
Park program	106		106	123	17	130
Total charges for services	2,961	337	3,298	3,049	(249)	3,338
Investment earnings:						
Interest-General Fund	194		194	198	4	169
Interest-Miscellaneous A/R	6		6	5	(1)	7
Total investment earnings	200	-	200	203	3	176
Sale of property and equipment	50	122	172	172	-	181

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance Over (Under)	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Other local revenue:						
Miscellaneous	\$ 16	\$ 330	\$ 346	\$ 350	\$ 4	\$ 143
Contributions to Youth Services			-		-	1
Contributions Interdistrict Cooperative			-		-	120
Library Trust Funds	16		16	17	1	16
Park Trust Funds and Gifts	359	79	438	431	(7)	449
Total other local revenue	391	409	800	798	(2)	729
Transfers in	3	14	17	15	(2)	1,563
Total Revenues and Other Financing Sources	\$ <u>176,261</u>	\$ <u>8,378</u>	\$ <u>184,639</u>	184,256	\$ <u>(383)</u>	\$ <u>180,719</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for City teachers are not budgeted

11,039

Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds - Exhibit IV

\$ 195,295

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance (Over) Under	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
General Government						
City Council:						
Personnel Services	\$ 58	\$	\$ 58	58	\$ -	\$ 58
Mayor's Office:						
Personnel Services	153	1	154	153	1	151
Contractual Services	61		61	58	3	53
Supplies	1		1	1	-	1
Total mayor's office	<u>215</u>	<u>1</u>	<u>216</u>	<u>212</u>	<u>4</u>	<u>205</u>
Probate Court:						
Contractual Services	30		30	22	8	18
Supplies	5		5	5	-	5
Total probate court	<u>35</u>	<u>-</u>	<u>35</u>	<u>27</u>	<u>8</u>	<u>23</u>
Registrar of Voters:						
Personnel Services	141	3	144	142	2	139
Contractual Services	100	(4)	96	90	6	46
Supplies	7	1	8	6	2	3
Total registrar of voters	<u>248</u>	<u>-</u>	<u>248</u>	<u>238</u>	<u>10</u>	<u>188</u>
Assessor:						
Personnel Services	371		371	352	19	366
Contractual Services	23		23	21	2	17
Supplies	2		2	2	-	1
Total assessor	<u>396</u>	<u>-</u>	<u>396</u>	<u>375</u>	<u>21</u>	<u>384</u>
Board of Assessment Appeals:						
Personnel Services	6		6	6	-	5
Tax Collector:						
Personnel Services	286		286	285	1	274
Contractual Services	84		84	74	10	71
Supplies	1		1	1	-	1
Capital Outlay			-		-	3
Total tax collector	<u>371</u>	<u>-</u>	<u>371</u>	<u>360</u>	<u>11</u>	<u>349</u>
Purchasing:						
Personnel Services	169		169	168	1	169
Contractual Services	9		9	7	2	9
Total purchasing	<u>178</u>	<u>-</u>	<u>178</u>	<u>175</u>	<u>3</u>	<u>178</u>
Comptroller's Office:						
Personnel Services	656	3	659	615	44	645
Contractual Services	11		11	10	1	9
Supplies	1		1	1	-	2
Total comptroller's office	<u>668</u>	<u>3</u>	<u>671</u>	<u>626</u>	<u>45</u>	<u>656</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013					2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	
Treasurer:						
Personnel Services	\$ 109	\$	\$ 109	\$ 109	\$ -	\$ 103
Contractual Services	6		6	4	2	4
Supplies	1		1		1	-
Other/Misc.	55		55	17	38	37
Total treasurer	<u>171</u>	<u>-</u>	<u>171</u>	<u>130</u>	<u>41</u>	<u>144</u>
Information Systems:						
Personnel Services	516		516	514	2	488
Contractual Services	254	(9)	245	238	7	208
Supplies	31	(5)	26	26	-	24
Total information systems	<u>801</u>	<u>(14)</u>	<u>787</u>	<u>778</u>	<u>9</u>	<u>720</u>
Personnel Department:						
Personnel Services	449	5	454	445	9	450
Contractual Services	111	35	146	134	12	102
Purch. Professional Services	5	1	6	5	1	6
Supplies	6		6	5	1	5
Total personnel department	<u>571</u>	<u>41</u>	<u>612</u>	<u>589</u>	<u>23</u>	<u>563</u>
Corporation Counsel:						
Personnel Services	358	4	362	355	7	334
Contractual Services	267	(122)	145	136	9	216
Supplies	16		16	12	4	11
Total corporation counsel	<u>641</u>	<u>(118)</u>	<u>523</u>	<u>503</u>	<u>20</u>	<u>561</u>
City Clerk:						
Personnel Services	316	3	319	317	2	313
Contractual Services	78	(16)	62	53	9	70
Supplies	3		3	2	1	2
Total city clerk	<u>397</u>	<u>(13)</u>	<u>384</u>	<u>372</u>	<u>12</u>	<u>385</u>
Board of Finance:						
Personnel Services	1		1	1	-	1
Contractual Services	70		70	70	-	70
Total board of finance	<u>71</u>	<u>-</u>	<u>71</u>	<u>71</u>	<u>-</u>	<u>71</u>
Aging Department:						
Personnel Services	370	(41)	329	317	12	348
Contractual Services	135	33	168	164	4	175
Supplies	53		53	41	12	38
Total aging department	<u>558</u>	<u>(8)</u>	<u>550</u>	<u>522</u>	<u>28</u>	<u>561</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance (Over) Under	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Downtown Corporation (BDDC):						
Contractual Services	\$ 60	\$	\$ 60	\$ 60	\$ -	\$ 70
Veteran's Office:						
Personnel Services	6		6	4	2	5
CCRPA:						
Contractual Services	29		29	29	-	22
Youth Services:						
Personnel Services	249		249	235	14	238
Contractual Services	121	7	128	124	4	117
Supplies	13		13	11	2	10
Total youth services	383	7	390	370	20	365
Interdistrict COOP:						
Personnel Services		59	59	59	-	59
Contractual Services		6	6	6	-	60
Purchased other services		27	27	27	-	1
Supplies		1	1	1	-	-
Total interdistrict COOP	-	93	93	93	-	120
Community Promotions:						
Contractual Services	5		5	1	4	2
Other	25		25	15	10	12
Total community promotions	30	-	30	16	14	14
Boards and Commissions						
Personnel Services	5		5	5	-	4
Contractual Services	1		1	1	-	-
Total boards and commissions	6	-	6	6	-	4
Total general government	5,899	(8)	5,891	5,620	271	5,651

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance (Over) Under	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Public Safety						
Police Department:						
Personnel Services	\$ 12,357	\$ 229	\$ 12,586	\$ 12,509	\$ 77	\$ 12,083
Contractual Services	619	10	629	569	60	494
Supplies	386	(23)	363	326	37	360
Capital Outlay	271	(23)	248	248	-	13
Total police department	<u>13,633</u>	<u>193</u>	<u>13,826</u>	<u>13,652</u>	<u>174</u>	<u>12,950</u>
Fire Department:						
Personnel Services	7,342	(35)	7,307	7,289	18	6,993
Contractual Services	210	1	211	190	21	200
Supplies	183		183	165	18	169
Capital Outlay	68	1	69	68	1	30
Total fire department	<u>7,803</u>	<u>(33)</u>	<u>7,770</u>	<u>7,712</u>	<u>58</u>	<u>7,392</u>
Animal Control:						
Personnel Services	121	9	130	124	6	118
Contractual Services	11		11	10	1	17
Supplies	5		5	5	-	-
Total animal control	<u>137</u>	<u>9</u>	<u>146</u>	<u>139</u>	<u>7</u>	<u>135</u>
Emergency Management:						
Personnel Services	6		6	6	-	6
Contractual Services	6		6	5	1	5
Supplies	1		1	1	-	3
Total emergency management	<u>13</u>	<u>-</u>	<u>13</u>	<u>12</u>	<u>1</u>	<u>14</u>
Building Inspection:						
Personnel Services	447		447	446	1	447
Contractual Services	4		4	3	1	3
Supplies	7	1	8	7	1	7
Total building inspection	<u>458</u>	<u>1</u>	<u>459</u>	<u>456</u>	<u>3</u>	<u>457</u>
Total public safety	<u>22,044</u>	<u>170</u>	<u>22,214</u>	<u>21,971</u>	<u>243</u>	<u>20,948</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013					2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	
Public Works						
Administration:						
Personnel Services	\$ 327	\$ 1	\$ 328	\$ 328	\$ -	\$ 323
Contractual Services	8	1	9	7	2	3,307
Supplies	2		2	2	-	2
Capital Outlay			-		-	7
Total administration	<u>337</u>	<u>2</u>	<u>339</u>	<u>337</u>	<u>2</u>	<u>3,639</u>
Engineering:						
Personnel Services	868	(121)	747	730	17	818
Contractual Services	13		13	9	4	30
Supplies	3		3	2	1	2
Total engineering	<u>884</u>	<u>(121)</u>	<u>763</u>	<u>741</u>	<u>22</u>	<u>850</u>
Land Use:						
Personnel Services	201		201	197	4	186
Contractual Services	16		16	12	4	16
Supplies	1		1		1	-
Total land use	<u>218</u>	<u>-</u>	<u>218</u>	<u>209</u>	<u>9</u>	<u>202</u>
Maintenance:						
Personnel Services	479	(24)	455	420	35	443
Contractual Services	509	40	549	535	14	526
Supplies	186	(16)	170	156	14	158
Total maintenance	<u>1,174</u>	<u>-</u>	<u>1,174</u>	<u>1,111</u>	<u>63</u>	<u>1,127</u>
Streets Division:						
Personnel Services	1,700	(254)	1,446	1,428	18	1,655
Contractual Services	37	12	49	30	19	18
Supplies	160	(17)	143	138	5	220
Capital Outlay	13		13	12	1	
Total streets division	<u>1,910</u>	<u>(259)</u>	<u>1,651</u>	<u>1,608</u>	<u>43</u>	<u>1,893</u>
Solid Waste Division:						
Personnel Services	1,377	(139)	1,238	1,167	71	1,433
Contract Services	1,285	16	1,301	1,232	69	1,340
Supplies	25	1	26	19	7	24
Transfer out	(1,123)		(1,123)	(1,123)	-	(1,143)
Total solid waste division	<u>1,564</u>	<u>(122)</u>	<u>1,442</u>	<u>1,295</u>	<u>147</u>	<u>1,654</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance (Over) Under	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Fleet Maintenance:						
Personnel Services	\$ 554	\$ (37)	\$ 517	\$ 516	\$ 1	\$ 562
Contractual Services	216	3	219	219	-	303
Supplies	799	380	1,179	1,179	-	982
Total fleet maintenance	<u>1,569</u>	<u>346</u>	<u>1,915</u>	<u>1,914</u>	<u>1</u>	<u>1,847</u>
Snow Removal:						
Personnel Services	266	4	270	270	-	83
Contractual Services	314	472	786	775	11	116
Supplies	376	107	483	482	1	299
Capital Outlay	3	1	4	4	-	-
Total snow removal	<u>959</u>	<u>584</u>	<u>1,543</u>	<u>1,531</u>	<u>12</u>	<u>498</u>
Major Road Improvements:						
Personnel Services	12		12	2	10	5
Contractual Services	1,523		1,523	1,523	-	1,275
Total major road improvements	<u>1,535</u>	<u>-</u>	<u>1,535</u>	<u>1,525</u>	<u>10</u>	<u>1,280</u>
Railroad Maintenance:						
Contractual Services	54	(21)	33	31	2	44
Other City Buildings:						
Contractual Services	115	12	127	104	23	100
Supplies	90	148	238	190	48	8
Capital Outlay	5		5	1	4	5
Total other city buildings	<u>210</u>	<u>160</u>	<u>370</u>	<u>295</u>	<u>75</u>	<u>113</u>
Composting:						
Contractual Services	73		73	50	23	83

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013					2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	
Perm Patch Utility Trenches:						
Contractual Services	\$	\$ 15	\$ 15	\$ 15	\$ -	\$ -
Public Works Fleet:						
Capital Outlay	550	138	688	688	-	137
Public Works Line Painting:						
Personnel Services	1		1		1	-
Contractual Services	114	(60)	54	-	54	114
Total public works line painting	115	(60)	55	-	55	114
Storm Water Maintenance						
Personnel Services	-	2	2	2	-	-
Street Lighting:						
Contractual Services	750	33	783	783	-	783
Total public works	11,902	697	12,599	12,135	464	14,264
Health and Welfare						
Community Services:						
Personnel Services	44		44	44	-	44
Contractual Services	17		17	9	8	9
Other/Miscellaneous	13		13	11	2	3
Total community services	74	-	74	64	10	56
Bristol-Burlington Health:						
Contractual Services	2,926		2,926	2,916	10	2,497
Code Enforcement:						
Contractual Services	8	1	9	9	-	7
Supplies	1		1	1	-	1
Other/Miscellaneous	20	270	290	282	8	48
Total code enforcement	29	271	300	292	8	56

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2011
(In Thousands)**

	2012					2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance (Over) Under	
Health/SS Outside Agencies:						
Contractual Services	\$ 67	\$ 1	\$ 68	\$ 67	\$ 1	\$ 64
Cemetery Upkeep:						
Purch. Prof. Services	75		75	75	-	75
School Readiness Program:						
Personnel Services	9	65	74	69	5	69
Contractual Service	4	2,316	2,320	2,238	82	2,068
Total school readiness program	13	2,381	2,394	2,307	87	2,137
Total health and welfare	3,184	2,653	5,837	5,721	116	4,885
Libraries						
Library:						
Personnel Services	1,440	(3)	1,437	1,414	23	1,397
Contractual Services	279	13	292	281	11	268
Supplies	300	(30)	270	254	16	296
Capital Outlay	71	(68)	3	2	1	
Total libraries	2,090	(88)	2,002	1,951	51	1,961
Parks and Recreation						
Parks and Recreation:						
Personnel Services	1,697	(10)	1,687	1,590	97	1,711
Contractual Services	298	42	340	303	37	394
Supplies	268	2	270	254	16	251
Capital Outlay	85	14	99	92	7	2
Other/Miscellaneous	6		6	5	1	7
General Insurance	25	3	28	28	-	24
Total parks and recreation	2,379	51	2,430	2,272	158	2,389
Employee Benefits and Pension						
Employee benefits and pension:						
Retirement Benefits	1,482	583	2,065	2,056	9	-
Heart and Hypertension Police	677	25	702	683	19	636
Employee Benefits	3,274		3,274		3,274	2,141
Transfer to Internal Service	(3,274)		(3,274)		(3,274)	-
Other Post Employment Benefits	610		610	610	-	1,085
Total employee benefits and pension	2,769	608	3,377	3,349	28	3,862

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2012
(In Thousands)**

	2013				Variance (Over) Under	2012 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
General Insurance						
General Insurance	\$ 579	\$ 11	\$ 590	\$ 586	\$ 4	\$ 967
Miscellaneous						
Miscellaneous:						
All Other Costs and Fees	2,933	(1,513)	1,420	1,152	268	1,007
Public Buildings	200	(200)	-	-	-	150
Total miscellaneous	<u>3,133</u>	<u>(1,713)</u>	<u>1,420</u>	<u>1,152</u>	<u>268</u>	<u>1,157</u>
Education						
Board of Education:						
Personnel Services	62,291	(662)	61,629	61,572	57	61,202
Employee Benefits	15,306	735	16,041	16,030	11	17,473
Contractual Services	19,058	(1,019)	18,039	17,944	95	10,409
Supplies and Materials	5,352	2	5,354	5,231	123	12,296
Capital Outlay	182	(18)	164	162	2	575
All Other	45	(25)	20	20	-	10
General Insurance	452	18	470	469	1	409
Transfer to Internal Service and Other		(14,032)	(14,032)	(14,032)	-	(13,051)
Operating Transfers Out		342	342	342	-	200
Total Board of Education	<u>102,686</u>	<u>(14,659)</u>	<u>88,027</u>	<u>87,738</u>	<u>289</u>	<u>89,523</u>
Transfers to other funds:						
Special Revenue	1,489	3,525	5,014	5,013	1	3,037
Debt Service	9,131	600	9,731	9,731	-	6,646
Capital Projects	950	906	1,856	1,856	-	1,416
Sinking Fund		200	200	200	-	-
Internal Service	8,651	16,032	24,683	24,683	-	22,783
Total transfers to other funds	<u>20,221</u>	<u>21,263</u>	<u>41,484</u>	<u>41,483</u>	<u>1</u>	<u>33,882</u>
Total	\$ <u>176,886</u>	\$ <u>8,985</u>	\$ <u>185,871</u>	183,978	\$ <u>1,893</u>	\$ <u>179,489</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for City teachers are not budgeted

11,039

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes but in the year received for financial reporting purposes

(391)

Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds - Exhibit IV

\$ 194,626

**Combining and Individual
Fund Statements and Schedules**

General Fund

GENERAL FUND

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

This fund is administered in accordance with Section 25 of the City Charter. The Board of Finance and Joint Board (Board of Finance and City Council meeting jointly) have final approval over the authorizations of budgetary appropriations and any revisions to the approved budget. The Charter mandates that funding deficits, operating deficiencies or operating surpluses have priority consideration when the succeeding budget is formulated. The Board of Finance, through its agent, the Comptroller's office, controls the collection and disbursement of funds and has the legal authority to initiate audits. All assets of this fund belong to the City of Bristol. The authority for the levy of property taxes resides with the Joint Board. The City Council has the power to apply for and accept grants from other agencies and to establish and/or change the imposition of charges (fees) for the delivery of services.

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND
COMPARATIVE BALANCE SHEET

JUNE 30, 2013 AND 2012

(In Thousands)

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and cash equivalents	\$ 39,092	\$ 38,886
Receivables:		
Taxes, net of allowance for uncollectible amounts of \$300 in 2013 and 2012	2,462	2,432
Interest receivable	1,306	1,423
Other, net of allowance for uncollectible amounts of \$10 in 2013 and 2012	134	238
Due from other funds	2,272	611
Due from other governments	1,209	4,137
Other assets	<u>3</u>	<u>2</u>
Total Assets	<u>\$ 46,478</u>	<u>\$ 47,729</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 4,472	\$ 5,116
Accrued liabilities	8,317	9,128
Due to other funds	43	155
Deferred revenue	<u>3,547</u>	<u>3,900</u>
Total liabilities	<u>16,379</u>	<u>18,299</u>
Fund balance:		
Nonspendable	3	2
Committed	3,835	3,848
Assigned	2,112	1,617
Unassigned	<u>24,149</u>	<u>23,963</u>
Total fund balance	<u>30,099</u>	<u>29,430</u>
Total Liabilities and Fund Balance	<u>\$ 46,478</u>	<u>\$ 47,729</u>

CITY OF BRISTOL, CONNECTICUT

GENERAL FUND

REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2013
(In Thousands)

Grand List	Uncollected Taxes July 1, 2012	Lawful Corrections		Transfers to Suspense	Suspense Items Collected	Tax Abatements	Other Adjustments	Net Amount Collectible	Collections				Uncollected Taxes June 30, 2013			
		Additions	Deductions						Taxes	Interest	Lien Fees	Total				
2011	\$ 125,081	\$ 703	\$ 565	\$	\$	8	(29)	\$ 125,182	\$ 123,491	\$ 502	\$ 61	\$ 124,054	\$ 1,691			
2010	1,406	31	28	101	34	2	(10)	1,330	947	175	32	1,154	383			
2009	427	1	2	167	53	1	(3)	308	211	74	10	295	97			
2008	292	1		164	18		(1)	146	74	40	2	116	72			
2007	74				28			102	40	33	1	74	62			
2006	65	1			27		(2)	91	30	21	2	53	61			
2005	59				10		(1)	68	10	12	1	23	58			
2004	40				9			49	9	11	1	21	40			
2003	38				7			45	7	10	1	18	38			
2002	35				6			41	6	9	1	16	35			
2001	41				3			44	3	6	1	10	41			
2000	38				3			41	3	4	1	8	38			
1999	37				3			40	3	6		9	37			
1998	38				2			40	2	5		7	38			
1997	72							72	1	2		3	71			
Total	\$ 127,743	\$ 737	\$ 595	\$ 432	\$ 203	\$ 11	\$ (46)	\$ 127,599	124,837	910	114	125,861	\$ 2,762			
									Less: Code enforcement fees collected included above				(374)	(374)		
									Property taxes receivable considered available:							
									June 30, 2012				(305)	(305)		
									June 30, 2013				453	453		
									Total Property Tax Revenue (RSI-1)							
									\$ 124,611		\$ 910		\$ 114		\$ 125,635	

**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. A summary of the Special Revenue Funds is presented below:

Fund	Funding Source	Function
Equipment and Building Sinking	Federal, State and local	Equipment and building purchases
Community Development Act	Federal grants	Community development programs
Special Grants and Donations	Federal, State and local grants	Administration of miscellaneous grants
Special Education Grant	Federal and State grants	Education Grant Programs
Bristol School Lunch Program	Sale of food, State and Federal grants	Operation of the school cafeterias
Manross Memorial Library	Donations	Support of the City Library Board
Sewer Operating and Assessment	Charges for services	Operations of the sanitary sewer system
Solid Waste Disposal	Charges for services	Operation of the City's solid waste disposal program
Police Department Drug Forfeiture	Sale of assets and Federal grants	Account for monies received from sale of assets acquired during drug related arrests
Pine Lake Challenge Course	Licenses and permits	Recreational facility used by outside groups
LOCIP Projects	State grants	Activity of all the LOCIP Projects
Transfer Station	Charges for services	Operations of the City's Transfer Station
Student Activity	Charges for services	Operations of the Adult Education, Summer School and Driver Education programs
Open Space	Donations	Procurement of Land
Centre Mall	Rent/leases	Operation of Centre Mall
Pardee Fund #1	Sarah Norton Pardee Trust Fund	Cemetery maintenance
Pardee Fund #2	Sarah Norton Pardee Trust Fund	Support of those requiring public aid
Reserve Fund for Depreciation for Page Park Swimming Pool	Donations	Maintenance of the Page Park Swimming Pool

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Fund	Funding Source	Function
Sarah Norton Pardee Trust	Will of Sarah Norton Pardee	The upkeep of City cemeteries and the support of those requiring public aid
Mary J. Atwood Trust	Will of Mary J. Atwood	For the benefit of needy pupils of the Bristol High School
Storm Water Control Trust	Donations	Perpetual maintenance and management of storm water control problem areas
Lake Avenue Cemetery Trust	Donations	To upkeep Lake Avenue Cemetery

CITY OF BRISTOL, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2013

(In Thousands)

	Special Revenue Funds							
	Equipment and Building Sinking	Community Development Act	Special Grants and Donations	Special Education Grant	Bristol School Lunch Program	Manross Memorial Library	Sewer Operating and Assessment	Solid Waste Disposal
ASSETS								
Cash and cash equivalents	\$ 5,909	\$ 1,016	\$ 1,588	\$ 650	\$	\$ 514	\$ 3,960	\$ 306
Investments								
Accounts receivable					2		322	212
Assessment receivable							594	
Due from other funds			6	46				
Due from other governments		92	39	191	305			
Inventory					61			
Total Assets	<u>\$ 5,909</u>	<u>\$ 1,108</u>	<u>\$ 1,633</u>	<u>\$ 887</u>	<u>\$ 368</u>	<u>\$ 514</u>	<u>\$ 4,876</u>	<u>\$ 518</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 238	\$ 65	\$ 277	\$ 77	\$ 3	\$ 16	\$ 333	\$ 221
Contracts payable - retainage								
Accrued liabilities		4	55	491	70		23	
Due to other funds			23	248	231			
Deferred revenue			48	71			902	38
Total liabilities	<u>238</u>	<u>69</u>	<u>403</u>	<u>887</u>	<u>304</u>	<u>16</u>	<u>1,258</u>	<u>259</u>
Fund Balances:								
Nonspendable					61			
Restricted		1,008	1,230					
Committed	5,671	31			3	498	3,618	259
Unassigned								
Total fund balances	<u>5,671</u>	<u>1,039</u>	<u>1,230</u>	<u>-</u>	<u>64</u>	<u>498</u>	<u>3,618</u>	<u>259</u>
Total Liabilities and Fund Balances	<u>\$ 5,909</u>	<u>\$ 1,108</u>	<u>\$ 1,633</u>	<u>\$ 887</u>	<u>\$ 368</u>	<u>\$ 514</u>	<u>\$ 4,876</u>	<u>\$ 518</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2013
(In Thousands)

Special Revenue Funds

	<u>Police Department Drug Forfeiture</u>	<u>Pine Lake Challenge Course</u>	<u>LOCIP Projects</u>	<u>Transfer Station</u>	<u>Student Activity</u>	<u>Open Space</u>	<u>Centre Mall</u>	<u>Pardee Fund #1</u>	<u>Pardee Fund #2</u>
ASSETS									
Cash and cash equivalents	\$ 200	\$ 120	\$	\$ 25	\$ 873	\$ 4	\$ 435	\$ 41	\$ 1
Investments									
Accounts receivable		23							
Assessment receivable									
Due from other funds									
Due from other governments			403						
Inventory									
Total Assets	<u>\$ 200</u>	<u>\$ 143</u>	<u>\$ 403</u>	<u>\$ 25</u>	<u>\$ 873</u>	<u>\$ 4</u>	<u>\$ 435</u>	<u>\$ 41</u>	<u>\$ 1</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 2	\$ 2	\$ 36	\$ 4	\$	\$	\$ 2	\$	\$
Contracts payable - retainage			28						
Accrued liabilities		13		6	8				
Due to other funds			293		12				
Deferred revenue				109			9		
Total liabilities	<u>2</u>	<u>15</u>	<u>357</u>	<u>119</u>	<u>20</u>	<u>-</u>	<u>11</u>	<u>-</u>	<u>-</u>
Fund Balances:									
Nonspendable									
Restricted	198		46						
Committed		128			853	4	424	41	1
Unassigned				(94)					
Total fund balances	<u>198</u>	<u>128</u>	<u>46</u>	<u>(94)</u>	<u>853</u>	<u>4</u>	<u>424</u>	<u>41</u>	<u>1</u>
Total Liabilities and Fund Balances	<u>\$ 200</u>	<u>\$ 143</u>	<u>\$ 403</u>	<u>\$ 25</u>	<u>\$ 873</u>	<u>\$ 4</u>	<u>\$ 435</u>	<u>\$ 41</u>	<u>\$ 1</u>

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CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

JUNE 30, 2013

(In Thousands)

	Special Revenue Funds		Permanent Funds					Interfund Eliminations	Total Nonmajor Governmental Funds
	Reserve Fund for Depreciation for Page Park Swimming Pool	Total	Sarah Norton Pardee Trust	Mary J. Atwood Trust	Storm Water Control Trust	Lake Avenue Cemetery Trust	Total		
ASSETS									
Cash and cash equivalents	\$ 254	\$ 15,896	\$ 8	\$ 1	\$	\$ 35	\$ 44	\$	\$ 15,940
Investments		-			661		661		661
Accounts receivable		559					-		559
Assessment receivable		594					-		594
Due from other funds	3	55					-		55
Due from other governments		1,030					-		1,030
Inventory		61					-		61
Total Assets	\$ 257	\$ 18,195	\$ 8	\$ 1	\$ 661	\$ 35	\$ 705	\$ -	\$ 18,900
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$	\$ 1,276	\$	\$	\$	\$	\$ -	\$	\$ 1,276
Contracts payable - retainage		28					-		28
Accrued liabilities		670					-		670
Due to other funds		807					-		807
Deferred revenue		1,177					-		1,177
Total liabilities	-	3,958	-	-	-	-	-	-	3,958
Fund Balances:									
Nonspendable		61	8	1	661	35	705		766
Restricted		2,482					-		2,482
Committed	257	11,788					-		11,788
Unassigned		(94)					-		(94)
Total fund balances	257	14,237	8	1	661	35	705	-	14,942
Total Liabilities and Fund Balances	\$ 257	\$ 18,195	\$ 8	\$ 1	\$ 661	\$ 35	\$ 705	\$ -	\$ 18,900

CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
(In Thousands)

	Special Revenue Funds							
	Equipment and Building Sinking	Community Development Act	Special Grants and Donations	Special Education Grant	Bristol School Lunch Program	Manross Memorial Library	Sewer Operating and Assessment	Solid Waste Disposal
Revenues:								
Sewer assessments, interest and liens	\$	\$	\$	\$	\$	\$	\$ 4	\$
Licenses and permit			505				5,261	44
Intergovernmental	91	648	342	5,776	1,740		5	
Charges for services			112		1,031		53	1,251
Investment earnings	5	3				1	9	2
Net appreciation in the fair market value of investments								
Contribution	509	25	809					
Miscellaneous			9			44	87	99
Total revenues	<u>605</u>	<u>676</u>	<u>1,777</u>	<u>5,776</u>	<u>2,771</u>	<u>45</u>	<u>5,419</u>	<u>1,396</u>
Expenditures:								
General government	115	812	478					
Public safety	67		283					
Public works	836						3,301	2,490
Health and welfare		168	149					
Libraries			4			68		
Parks and recreation	6		125					
Education			844	5,307	2,670			
Total expenditures	<u>1,024</u>	<u>980</u>	<u>1,883</u>	<u>5,307</u>	<u>2,670</u>	<u>68</u>	<u>3,301</u>	<u>2,490</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(419)</u>	<u>(304)</u>	<u>(106)</u>	<u>469</u>	<u>101</u>	<u>(23)</u>	<u>2,118</u>	<u>(1,094)</u>
Other Financing Sources (Uses):								
Transfers in	3,611	579	76		342			1,123
Transfers out	(10)	(87)	(219)	(469)	(423)		(1,831)	
Total other financing sources (uses)	<u>3,601</u>	<u>492</u>	<u>(143)</u>	<u>(469)</u>	<u>(81)</u>	<u>-</u>	<u>(1,831)</u>	<u>1,123</u>
Net Change in Fund Balances	3,182	188	(249)	-	20	(23)	287	29
Fund Balance Beginning of Year	<u>2,489</u>	<u>851</u>	<u>1,479</u>	<u>-</u>	<u>44</u>	<u>521</u>	<u>3,331</u>	<u>230</u>
Fund Balance End of Year	<u>\$ 5,671</u>	<u>\$ 1,039</u>	<u>\$ 1,230</u>	<u>\$ -</u>	<u>\$ 64</u>	<u>\$ 498</u>	<u>\$ 3,618</u>	<u>\$ 259</u>

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CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013
(In Thousands)

	Special Revenue Funds								
	Police Department Drug Forfeiture	Pine Lake Challenge Course	LOCIP Projects	Transfer Station	Student Activity	Open Space	Centre Mall	Pardee Fund #1	Pardee Fund #2
Revenues:									
Sewer assessments, interest and liens	\$	\$	\$		\$	\$	\$	\$	\$
Licenses and permit		122			158				
Intergovernmental	70		256				13		
Charges for services				48			1		
Investment earnings					2				
Net appreciation in the fair market value of investments									
Contribution			113		69				
Miscellaneous	5								
Total revenues	<u>75</u>	<u>122</u>	<u>369</u>	<u>48</u>	<u>229</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>-</u>
Expenditures:									
General government		142					5		
Public safety	30								
Public works			301	120					
Health and welfare									
Libraries									
Parks and recreation			97						
Education					158				
Total expenditures	<u>30</u>	<u>142</u>	<u>398</u>	<u>120</u>	<u>158</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>45</u>	<u>(20)</u>	<u>(29)</u>	<u>(72)</u>	<u>71</u>	<u>-</u>	<u>9</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):									
Transfers in			93						
Transfers out				(22)			(13)		
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>93</u>	<u>(22)</u>	<u>-</u>	<u>-</u>	<u>(13)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	45	(20)	64	(94)	71	-	(4)	-	-
Fund Balance Beginning of Year	153	148	(18)	-	782	4	428	41	1
Fund Balance End of Year	<u>\$ 198</u>	<u>\$ 128</u>	<u>\$ 46</u>	<u>(94)</u>	<u>\$ 853</u>	<u>\$ 4</u>	<u>\$ 424</u>	<u>\$ 41</u>	<u>\$ 1</u>

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013
(In Thousands)

	Special Revenue Funds		Permanent Funds					Interfund Eliminations	Total Nonmajor Governmental Funds
	Reserve Fund for Depreciation for Page Park Swimming Pool	Total	Sarah Norton Pardee Trust	Mary J. Atwood Trust	Storm Water Control Trust	Lake Avenue Cemetery Trust	Total		
Revenues:									
Sewer assessments, interest and liens	\$	\$ 4	\$	\$	\$	\$	\$ -	\$	\$ 4
Licenses and permit		6,090					-		6,090
Intergovernmental		8,928					-		8,928
Charges for services		2,508					-		2,508
Investment earnings		23			19		19		42
Net appreciation in the fair market value of investments					41		41		41
Contribution		1,525					-		1,525
Miscellaneous	16	260					-		260
Total revenues	<u>16</u>	<u>19,338</u>	<u>-</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>19,398</u>
Expenditures:									
General government		1,552					-		1,552
Public safety		380					-		380
Public works		7,048					-		7,048
Health and welfare		317					-		317
Libraries		72					-		72
Parks and recreation		228					-		228
Education		8,979					-		8,979
Total expenditures	<u>-</u>	<u>18,576</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,576</u>
Excess (Deficiency) of Revenues over Expenditures	<u>16</u>	<u>762</u>	<u>-</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>822</u>
Other Financing Sources (Uses):									
Transfers in		5,824					-		5,824
Transfers out		(3,074)			(2)		(2)		(3,076)
Total other financing sources (uses)	<u>-</u>	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>2,748</u>
Net Change in Fund Balances	16	3,512	-	-	58	-	58	-	3,570
Fund Balance Beginning of Year	<u>241</u>	<u>10,725</u>	<u>8</u>	<u>1</u>	<u>603</u>	<u>35</u>	<u>647</u>	<u>-</u>	<u>11,372</u>
Fund Balance End of Year	<u>\$ 257</u>	<u>\$ 14,237</u>	<u>\$ 8</u>	<u>\$ 1</u>	<u>\$ 661</u>	<u>\$ 35</u>	<u>\$ 705</u>	<u>\$ -</u>	<u>\$ 14,942</u>

**Capital
Projects Fund**

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds or Trust Funds).

CITY OF BRISTOL, CONNECTICUT

CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - ACTUAL VS. APPROPRIATIONS
FOR THE YEAR ENDED JUNE 30, 2013
(In Thousands)

Fiscal Year	Dept	Project Name	Amended Budget	Expended Current Year	Total All Years	Open Purchase Orders	Total Expended	Project Balance
Schools - Fund 301:								
2004	BOE	Ivy Drive Code Alterations	\$ 14,649	\$	\$ 14,734	\$	\$ 14,734	\$ (85)
2005	BOE	Jennings School Roof	600		452		452	148
2005	BOE	O'Connell School	800					800
2001	BOE	Mountain View Code Update	14,538		14,898		14,898	(360)
2001	BOE	South Side Code Update	800	(36)	776	36	812	(12)
1998	BOE	Bristol Central HS Renovations	18,000		18,401		18,401	(401)
1998	BOE	Bristol Eastern HS Renovations	21,200		21,470		21,470	(270)
1998	BOE	Bristol Eastern HS Roof Replacement	1,500		1,540		1,540	(40)
2006	BOE	Memorial Boulevard Roof	550		768		768	(218)
2007	BOE	Forestville K-8 School	53,000	10,297	43,615	652	44,267	8,733
2007	BOE	West Bristol K-8 School	52,000	9,224	41,666	700	42,366	9,634
2009	BOE	BEHS Track Replacement	385		362		362	23
2013	BOE	BOE Admin Roof Replacement	298		3		8	290
		Total Schools - Fund 301	178,320	19,488	158,685	1,393	160,078	18,242
Capital Projects - Fund 302:								
2002	City Hall	ADA Upgrades	303		299		299	4
2007	Police	City Traffic Control Signal Upgrade	458		286		286	172
2008	Fire	E4 Architectural Study	400		20		20	380
2000	PW Streets	East Rd. Intersection Improvements	290		269	14	283	7
2003	PW Streets	Milton & Westwoods Terrace Sidewalks	310		27	3	30	280
2006	PW Streets	Sediment Control Cedar Lake	240		160		160	80
2007	PW Streets	South Street Widening	80		30		30	50
2007	PW Streets	Realignment-Union, South & Church Streets	610	90	389	28	417	193
2008	PW Streets	Reconstruction of Waterbury Road	3,560		67		67	3,493
2008	PW Streets	Citywide - Roadside Barrier	510	1	368	22	390	120
2008	PW Streets	Frederick Street/ Coppermine Realignment	81	15	83		83	(2)
2008	PW Streets	Sediment Structures - Pequabuck River	20		-		-	20
2009	PW Streets	Allentown Road Reconstruction	1,100		587		587	513
2007	PW Solid Waste	Transfer Station Upgrades	100	10	92	8	100	-
2009	PW Solid Waste	Transfer Station Improvements	181	16	176	6	182	(1)
2007	PW Garage	Public Works Garage Rehabilitation	120		50		50	70
2008	PW Land Use	West End Planning Study	80		80		80	-
	PW C.I.	Contingency-Bridge Control	458		-		-	458
2002	BDA	Downtown Revitalization Phase 1	3,624	51	3,530		3,530	94
2005	BDA	Downtown Revitalization Phase 2	7,639	77	7,595	3	7,598	41
2008	BDA	Main Street Streetscapes	1,597	(59)	1,499	70	1,569	28
2009	BDA	Downtown Parking Feasibility	920	101	820		820	100
2008	BDDC	Mall Demolition/Abatement	3,500	105	1,351	22	1,373	2,127
2005	Parks&Rec.	Memorial Boulevard Parking Enhancements	150	10	115		115	35
2005	Parks&Rec.	Revitalization of Public Parks	780		780		780	-
2006	Parks&Rec.	E.G. Stocks Revitalization	1,250		1,250		1,250	-
2006	Parks&Rec.	Bracket Park Revitalization	900	2	890		890	10
2008	Parks&Rec.	Rockwell Park Historic Bldg. Grant	205	16	155	10	165	40
2008	Parks&Rec.	Rockwell Park Rehab	7,000	1	6,969		6,969	31
2008	Parks&Rec.	Casey Field Upgrades	492	(2)	490		490	2
2009	Parks&Rec.	Page Pool Improvements	80		56		56	24
2006	MIS	Fiberoptics	1,350	372	1,341	4	1,345	5
2008	MIS	GIS System	590	34	410	12	422	168
2008	PW Engineering	Coppermine Brook-Storm Drain Study	800		-		-	800
2010	PW Streets	Mix Street Phase II	1,400		727		727	673
2010	Aging	Senior Center Utility Upgrades	4,741	2,402	4,461	177	4,638	103
2010	PW Streets	Marsh Road Reconstruction	507		507		507	-
2010	PW Streets	Frederick Street Channel Improvements	1,500	1	5		5	1,495
2010	PW Streets	Richard Court Berm/Channel	592	13	13	29	42	550
2010	Parks&Rec.	Rockwell Hiker & WWII Cannon Repair	23		23		23	-
2010	Parks&Rec.	Miscellaneous Page Park Improvements	10		10		10	-
2011	Parks&Rec.	Page Park Main Drain	20		18		18	2
2011	PD Communic.	CAD Records Management Update	500	8	498		498	2
2011	PD Communic.	Radio System Z Release	243		243		243	-
2011	PW Streets	Mix Street Phase II	11		11		11	-
2011	PW Streets	Witches Rock Road Reconstruction	1,090	345	968	46	1,014	76
2011	PW Streets	Willis St Reconstruction Phase II	910	356	356	120	476	434

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT

CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - ACTUAL VS. APPROPRIATIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2013
(In Thousands)

Fiscal Year	Dept	Project Name	Amended Budget	Expended Current Year	Total All Years	Open Purchase Orders	Total Expended	Project Balance
2011	PW Streets	Fall Mountain Road Reconstruction	\$ 700	\$	\$ 620	\$	\$ 620	\$ 80
2011	PW Solid Waste	Single Stream Recycling Program	1,300	26	1,163		1,163	137
2011	PW Major Bridge	Major Bridge Repairs	380		22		22	358
2012	Parks&Rec.	Rockwell Park Wall Stabilization	680	261	301	124	425	255
2012	Parks&Rec.	Misc. Page Park Improvements	10		1		1	9
2012	PW Engineering	Roadway Pavement Analysis	120	85	85	4	89	31
2012	PW Engineering	Jacobs St. Bank Stabilization	8		8		8	-
2012	PW Streets	Hillside Place Intersection Reconstruction	440		-		-	440
2012	PW Streets	Farrell Ave. Reconstruction	358	171	364	15	379	(21)
2013	MIS	Telephone System Replacement	50		-		-	50
2013	Parks&Rec.	Muzzy Field Improvements	1,000	24	24	36	60	940
2013	Parks&Rec.	Underground Tank Removal-Rockwell	20	3	3		3	17
2013	Parks&Rec.	Mrs. Rockwell Pavilion Roof Replacement	35	25	25		25	10
2013	Parks&Rec.	Page Park Tennis Court Repair	25		-	17	17	8
2013	Parks&Rec.	Wilson Field Parking Improvements	50		-		-	50
2013	Parks&Rec.	Page Park Road Rehab	100	100	100		100	-
2013	PW Streets	Matthews Street Reconstruction	800		-		-	800
2013	PW Engineering	Dorset Horn & Great Pyrenese Reconstr.	400	160	160		160	240
2013	PW Engineering	Channel Improvement/Bridge Removal	380		-		-	380
2013	PW Engineering	Wooded Debris Removal-Cost Sharing	60	3	3		3	57
2013	PW Engineering	Sediment Removal-Pequabuck	200		-		-	200
2013	PW Engineering	Pequabuck River-Flood Control Study	110		-		-	110
2013	PW Engineering	Senior Center Roof Replacement	600	589	589	106	695	(95)
2013	Parks&Rec.	Pine Lake Handicapped Grant	156		-		-	156
2013	PW Engineering	Pequabuck River Flooding Study	250		-		-	250
		Total Capital Projects - Fund 302	<u>59,557</u>	<u>5,412</u>	<u>41,542</u>	<u>876</u>	<u>42,418</u>	<u>17,139</u>
		Reserve for CNR - Fund 305:						
1991	CDBG	SE Mini-Industrial Park Project	5,002		4,919		4,919	83
2002	CDBG	SE Mini-Industrial Park Grant Phase II	3,102		3,031		3,031	71
2001	Fire	Mix & Brook Street Grant	13	2	10		10	3
1996	Landfill	Landfill Engineering Costs	1,181		926		926	255
1996	Landfill	Acq. Of Landfill Groundwater Rights	280		280		280	-
2002	Landfill	Landfill BRRFOC	3,357		1,761		1,761	1,596
2007	Landfill	Landfill Damage	380		178	16	194	186
1999	Recreation	Dredging/Birge Pond/Pine Lake	988		964		964	24
1997	Streets	Sidewalk Pilot Program	100		91		91	9
2006	Railroad	Railroad Spur Update	286		254		254	32
2008	Misc	Cemetery Restoration	17	5	-		-	17
2011	Comptroller's	CL&P Refund - Streetlights			20		20	(20)
2012	BOE	Charts of Accounts/MUNIS Reconfig	45	27	27	18	45	-
2012	BOE	MUNIS Training	55	12	12	38	50	5
2012	Public Works	Pequabuck Wooded Debris Removal	49		50		50	(1)
2012	Public Works	Berm Repair - Blvd.	82		85		85	(3)
2012	Public Works	Broad St. Sediment	192		189	4	193	(1)
2012	Public Works	Jacobs St. Bank Stabilization	206		212		212	(6)
2012	Public Works	Memorial Blvd. Retaining Walls	44		-		-	44
2012	Public Works	Terryville Rd. Bank Stabilization	214	17	31	3	34	180
2012	Assessor	Revaluation	383	270	315		315	68
2013	Public Works	259 East Main St.	135	2	2		2	133
		Total Reserve for CNR - Fund 305	<u>16,111</u>	<u>335</u>	<u>13,357</u>	<u>79</u>	<u>13,436</u>	<u>2,675</u>
		Capital and Nonrecurring Fund 126:						
2000	WPC	WPC Facility Plan Update	407		354		354	53
2002	WPC	Denitrification Phase I	710		712		712	(2)
1999	WPC	99 CIP I/I Phase I			-		-	-
2007	WPC	Broad St. Sanitary Flow	400		350		350	50
2007	WPC	Broad St. Pump Station	600		599	1	600	-
2008	WPC	Broad St. I/I Study Phase II	600	2	570	24	594	6
2008	WPC	Broad St. Force Main Replacement	100		-		-	100
2008	WPC	SSO - Forcemain - Middle Street	340		300		300	40
2009	WPC	Forestville Reduction Relief Force	5,460	626	3,008	1,932	4,940	520
2009	WPC	Forestville SS Engineering	875		762		762	113
2010	WPC	Submersible Sewage Pump	76		73		73	3
2010	WPC	Broad Street Pump Station Upgrades	1,420	696	1,076	117	1,193	227
2011	WPC	Sewer System Rehab Broad St	1,506	(488)	462	1,043	1,505	1
2011	WPC	Phosphorus Removal Upgrade	18,442	1,361	1,361	80	1,441	17,001
2012	WPC	Redstone Hill Sanitary Sewer Replacement	170	30	130		130	40
		Total Capital and Nonrecurring - Fund 126	<u>31,106</u>	<u>2,227</u>	<u>9,757</u>	<u>3,197</u>	<u>12,954</u>	<u>18,152</u>
		Total	\$ <u>285,094</u>	\$ <u>27,462</u>	\$ <u>223,341</u>	\$ <u>5,545</u>	\$ <u>228,886</u>	\$ <u>56,208</u>

Enterprise Funds

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Water Enterprise Fund is the City's only enterprise fund.

CITY OF BRISTOL, CONNECTICUT
WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION

JUNE 30, 2013 AND 2012

(In Thousands)

	<u>2013</u>	<u>2012</u>
Current assets:		
Cash and cash equivalents	\$ 1,272	\$ 1,250
Investments	4,163	3,659
Receivables, net	1,327	1,256
Inventories	215	251
Other assets		52
Total current assets	<u>6,977</u>	<u>6,468</u>
Noncurrent assets:		
Deferred debits	22	26
Capital assets:		
Assets not being depreciated	2,717	2,754
Assets being depreciated, net	<u>21,428</u>	<u>21,940</u>
Total noncurrent assets	<u>24,167</u>	<u>24,720</u>
Total Assets	<u>31,144</u>	<u>31,188</u>
Liabilities:		
Current liabilities:		
Accounts and other payables	490	449
Payroll liabilities	44	61
Customer deposits	667	731
Deferred credits	21	21
Compensated absences - current	64	62
Bonds payable - current	605	605
Total current liabilities	<u>1,891</u>	<u>1,929</u>
Noncurrent liabilities:		
Compensated absences	336	360
Bonds payable	<u>3,513</u>	<u>4,118</u>
Total noncurrent liabilities	<u>3,849</u>	<u>4,478</u>
Total Liabilities	<u>5,740</u>	<u>6,407</u>
Net Position:		
Net investment in capital assets	20,027	19,971
Unrestricted	<u>5,377</u>	<u>4,810</u>
Total Net Position	<u>\$ 25,404</u>	<u>\$ 24,781</u>

CITY OF BRISTOL, CONNECTICUT

WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION

FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

(In thousands)

	<u>2013</u>	<u>2012</u>
Operating Revenues:		
Charges for services	\$ 6,866	\$ 6,583
Miscellaneous operating revenue	393	255
Total operating revenues	<u>7,259</u>	<u>6,838</u>
Operating Expenses:		
Source of supply	179	194
Pumping	307	291
Purification	1,047	1,127
Transmission and distribution	2,007	1,837
Customer accounts, administrative and general	1,967	2,031
Depreciation	1,060	860
Taxes other than income taxes	437	281
Total operating expenses	<u>7,004</u>	<u>6,621</u>
Operating Income	<u>255</u>	<u>217</u>
Nonoperating Revenues (Expenses):		
Income (loss) on investments	405	(329)
Interest expense	(52)	(141)
Loss on disposal	(6)	(7)
Amortization of debt discount and expense	(4)	(6)
Total nonoperating revenues (expenses)	<u>343</u>	<u>(483)</u>
Income (loss) before contributions	598	(266)
Capital contributions	<u>25</u>	<u>27</u>
Change in Net Position	623	(239)
Net Position at Beginning of Year	<u>24,781</u>	<u>25,020</u>
Net Position at End of Year	<u>\$ 25,404</u>	<u>\$ 24,781</u>

CITY OF BRISTOL

**WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS**

FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

(In thousands)

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities:		
Cash received from charges for services	\$ 7,188	\$ 6,764
Cash paid to employees	(2,139)	(2,064)
Cash paid to suppliers	(3,715)	(3,722)
Deposits paid back to customers	(64)	(5)
Net cash provided by operating activities	<u>1,270</u>	<u>973</u>
Cash Flows from Capital and Related Financing Activities:		
Purchase of capital assets/utility plant	(511)	(585)
Issuance of bonds and notes		2,112
Principal payments bonds/notes	(594)	(2,756)
Interest payments and issuance costs	(52)	(141)
Net cash used in capital and related financing activities	<u>(1,157)</u>	<u>(1,370)</u>
Cash Flows from Investing Activities:		
Proceeds from sales and maturities of investments		876
Purchase of investments	(91)	
Net cash provided by (used in) investing activities	<u>(91)</u>	<u>876</u>
Net Increase in Cash and Cash Equivalents	22	479
Cash and Cash Equivalents at Beginning of Year	<u>1,250</u>	<u>771</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,272</u>	<u>\$ 1,250</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	\$ 255	\$ 217
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,060	860
(Increase) decrease in customer accounts receivable	(99)	(91)
Increase (decrease) in provision for uncollectible accounts	28	18
(Increase) decrease in inventory	36	(92)
(Increase) decrease in other assets	52	
Increase (decrease) in vouchers payable	41	30
Increase (decrease) in payroll liabilities	(17)	32
Increase (decrease) in accrued compensated absences	(22)	4
Increase (decrease) in customer deposits	(64)	(5)
Total adjustments	<u>1,015</u>	<u>756</u>
Net Cash Provided by Operating Activities	<u>\$ 1,270</u>	<u>\$ 973</u>
Noncash investing and capital activities:		
Capital contributions	<u>\$ 25</u>	<u>\$ 27</u>

Internal Service Funds

INTERNAL SERVICE FUNDS

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

Health Benefit and Workers Compensation Fund - to provide reserves necessary to support an insurance program health benefits and workmen's compensation claims.

CITY OF BRISTOL, CONNECTICUT

INTERNAL SERVICE FUNDS
COMPARATIVE STATEMENT OF NET POSITION

JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Assets:		
Cash and cash equivalents	\$ 16,193	\$ 15,896
Accounts receivable		111
Due from other funds	<u>994</u>	<u>930</u>
Total assets	<u>17,187</u>	<u>16,937</u>
Liabilities:		
Accounts payable	15	4
Unpaid claims	12,625	12,143
Deferred revenues	<u>15</u>	<u>56</u>
Total liabilities	<u>12,655</u>	<u>12,203</u>
Net Position:		
Unrestricted	<u>\$ 4,532</u>	<u>\$ 4,734</u>

CITY OF BRISTOL, CONNECTICUT

INTERNAL SERVICE FUNDS

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

(In Thousands)

	<u>2013</u>	<u>2012</u>
Operating revenues:		
Charges for services	\$ 7,732	\$ 7,115
Contributions	75	49
Other	88	655
Total operating revenues	<u>7,895</u>	<u>7,819</u>
Operating expenses:		
Insurance claims, premiums and fees	<u>34,401</u>	<u>34,208</u>
Operating loss	(26,506)	(26,389)
Nonoperating revenues:		
Revenues from use of money	<u>27</u>	<u>36</u>
Loss before transfers	(26,479)	(26,353)
Transfers in	<u>26,277</u>	<u>24,178</u>
Change in Net Position	(202)	(2,175)
Net Position at Beginning of Year	<u>4,734</u>	<u>6,909</u>
Net Position at End of Year	<u>\$ 4,532</u>	<u>\$ 4,734</u>

CITY OF BRISTOL, CONNECTICUT

INTERNAL SERVICE FUNDS
COMPARATIVE STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2013 AND 2012

(In Thousands)

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities:		
Cash received from charges for services	\$ 7,779	\$ 6,259
Cash received from other operating revenue	122	655
Cash payments for claims paid	(33,908)	(32,083)
Net cash used in operating activities	<u>(26,007)</u>	<u>(25,169)</u>
Cash Flows from Noncapital Financing Activities:		
Cash received from other funds	<u>26,277</u>	<u>24,147</u>
Cash Flows from Investing Activities:		
Interest income	<u>27</u>	<u>36</u>
Net Increase (Decrease) in Cash and Cash Equivalents	297	(986)
Cash and Cash Equivalents at Beginning of Year	<u>15,896</u>	<u>16,882</u>
Cash and Cash Equivalents at End of Year	<u>\$ 16,193</u>	<u>\$ 15,896</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating loss	\$ <u>(26,506)</u>	\$ <u>(26,389)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:		
(Increase) decrease in due from other funds	(64)	(892)
(Increase) decrease in accounts receivable	111	(62)
Increase (decrease) in accounts payable	11	(4)
Increase (decrease) in unpaid claims	482	2,128
Increase (decrease) in deferred revenues	(41)	50
Total adjustments	<u>499</u>	<u>1,220</u>
Net Cash Used in Operating Activities	<u>\$ (26,007)</u>	<u>\$ (25,169)</u>

Fiduciary Funds

FIDUCIARY FUNDS

Pension Trust Fund

Retirement System Fund - to account for the accumulation of resources to be used for retirement payments in accordance with retirement ordinance computations and times in the future. This fund covers all full-time City employees and noncertified members of the Board of Education. (Certified teachers are included under a State of Connecticut Pension Plan.) Resources are contributed by employees at rates determined by ordinance, by bargaining unit working agreements and by the City at amounts calculated by annual actuarial evaluations.

Firefighters' Benefit Fund - to account for the accumulation of resources to be used for retirement payments in accordance with contract amounts and times in the future. This fund covers all full-time firefighters. Resources are contributed by employees at rates determined by contract and by the City at amounts calculated by annual actuarial evaluations.

Police Benefit Fund - to account for the accumulation of resources to be used for retirement payments in accordance with contract amounts and times in the future. This fund covers all full-time police officers. Resources are contributed by employees at rates fixed by contract and by the City at amounts determined by annual actuarial evaluations.

Agency Funds

Senior Citizens Activity Fund - to account for the collection and payment of expenses for senior citizens' trips and special activities.

School Activity Funds - to account for the collection and payment of expenses for education and extracurricular activities.

CITY OF BRISTOL, CONNECTICUT

PENSION TRUST FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013 WITH COMPARATIVE TOTALS FOR 2012
(In Thousands)

	City Retirement System Fund	Firefighters' Benefit Fund	Police Benefit Fund	Interfund Elimination	Totals	
					2013	2012
ASSETS						
Cash and cash equivalents	\$	\$ 128	\$	\$	\$ 128	\$ 680
Investments	202,275	168,092	183,647		554,014	533,079
Due from other funds		166		(166)		553,864
Total Assets	202,275	168,386	183,647	(166)	554,142	533,759
LIABILITIES						
Due to other funds	120	495	545	(166)	994	892
NET POSITION						
Held in trust for employee retirement	202,155	167,682	182,511		552,348	531,020
Held in trust for police OPEB benefits			591		591	1,020
Held in trust for firefighters' OPEB benefits		209			209	827
Total Net Position	\$ 202,155	\$ 167,891	\$ 183,102	\$ -	\$ 553,148	\$ 532,867

CITY OF BRISTOL, CONNECTICUT

PENSION TRUST FUNDS

**COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013 WITH
COMPARATIVE TOTALS FOR 2012**
(In Thousands)

	City	Firefighters'	Police	Interfund	Totals	
	Retirement System Fund				Benefit Fund	Benefit Fund
Additions:						
Contributions:						
Plan members	\$ 1,724	\$ 258	\$ 409	\$ -	\$ 2,391	\$ 2,244
Investment income:						
Net appreciation (depreciation) in fair value of investments	11,006	8,980	9,840	-	29,826	(16,107)
Interest and dividends	4,421	3,611	3,955	-	11,987	13,126
	<u>15,427</u>	<u>12,591</u>	<u>13,795</u>	<u>-</u>	<u>41,813</u>	<u>(2,981)</u>
Less investment expense	(241)	(75)	(107)	-	(423)	(455)
	<u>15,186</u>	<u>12,516</u>	<u>13,688</u>	<u>-</u>	<u>41,390</u>	<u>(3,436)</u>
Net investment income (loss)	15,186	12,516	13,688	-	41,390	(3,436)
Total additions (reductions)	<u>16,910</u>	<u>12,774</u>	<u>14,097</u>	<u>-</u>	<u>43,781</u>	<u>(1,192)</u>
Deductions:						
Benefits	10,924	3,422	5,021	-	19,367	18,197
Administration	1,168	950	1,022	-	3,140	2,811
Police and fire retiree health care	-	495	483	-	978	892
Other	-	-	15	-	15	15
Total deductions	<u>12,092</u>	<u>4,867</u>	<u>6,541</u>	<u>-</u>	<u>23,500</u>	<u>21,915</u>
Net Change	4,818	7,907	7,556	-	20,281	(23,107)
Net Position Held in Trust for Pension						
Benefits at July 1	<u>197,337</u>	<u>159,984</u>	<u>175,546</u>	<u>-</u>	<u>532,867</u>	<u>555,974</u>
Net Position Held in Trust for Pension						
Benefits at June 30	<u>\$ 202,155</u>	<u>\$ 167,891</u>	<u>\$ 183,102</u>	<u>\$ -</u>	<u>\$ 553,148</u>	<u>\$ 532,867</u>

CITY OF BRISTOL, CONNECTICUT

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2013

(In Thousands)

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>Senior Citizens Activity Fund</u>				
ASSETS				
Cash and cash equivalents	\$ 13	\$ 53	\$ 54	\$ 12
LIABILITIES				
Due to senior citizens	\$ 13	\$ 53	\$ 54	\$ 12
<u>School Activity Fund</u>				
ASSETS				
Cash and cash equivalents	\$ 489	\$ 1,146	\$ 1,129	\$ 506
Investments	162	1	7	156
Total	\$ 651	\$ 1,147	\$ 1,136	\$ 662
LIABILITIES				
Due to student groups	\$ 651	\$ 1,147	\$ 1,136	\$ 662
<u>Total Agency Funds</u>				
ASSETS				
Cash and cash equivalents	\$ 502	\$ 1,199	\$ 1,183	\$ 518
Investments	162	1	7	156
Total	\$ 664	\$ 1,200	\$ 1,190	\$ 674
LIABILITIES				
Due to senior citizens	\$ 13	\$ 53	\$ 54	\$ 12
Due to student groups	651	1,147	1,136	662
Total	\$ 664	\$ 1,200	\$ 1,190	\$ 674

Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

CITY OF BRISTOL, CONNECTICUT

NET POSITION BY COMPONENT
LAST TEN YEARS

(In Thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
Net investment in capital assets	\$ 251,935	\$ 226,701	\$ 179,772	\$ 206,272	\$ 201,557	\$ 207,039	\$ 200,700	\$ 198,732	\$ 190,922	\$ 195,021
Restricted	1,004	930	752	655	557	487	410	341	296	269
Unrestricted	30,900	46,977	61,786	27,173	36,804	39,534	51,656	44,747	38,523	32,601
Total Governmental Activities Net Position	<u>\$ 283,839</u>	<u>\$ 274,608</u>	<u>\$ 242,310</u>	<u>\$ 234,100</u>	<u>\$ 238,918</u>	<u>\$ 247,060</u>	<u>\$ 252,766</u>	<u>\$ 243,820</u>	<u>\$ 229,741</u>	<u>\$ 227,891</u>
Business-type activities:										
Net investment in capital assets	\$ 20,027	\$ 19,971	\$ 19,706	\$ 20,667	\$ 20,592	\$ 19,815	\$ 18,427	\$ 18,970	\$ 19,515	\$ 19,515
Unrestricted	5,377	4,810	5,314	3,598	3,729	4,880	6,297	5,946	5,000	4,522
Total Business-type Activities Net Position	<u>\$ 25,404</u>	<u>\$ 24,781</u>	<u>\$ 25,020</u>	<u>\$ 24,265</u>	<u>\$ 24,321</u>	<u>\$ 24,695</u>	<u>\$ 24,724</u>	<u>\$ 24,916</u>	<u>\$ 24,515</u>	<u>\$ 24,037</u>
Primary government:										
Net investment in capital assets	\$ 271,962	\$ 246,672	\$ 199,478	\$ 226,939	\$ 222,149	\$ 226,854	\$ 219,127	\$ 217,702	\$ 210,437	\$ 214,536
Restricted	1,004	930	752	655	557	487	410	341	296	269
Unrestricted	36,277	51,787	67,100	30,771	40,533	44,414	57,953	50,693	43,523	37,123
Total Primary Government Net Position	<u>\$ 309,243</u>	<u>\$ 299,389</u>	<u>\$ 267,330</u>	<u>\$ 258,365</u>	<u>\$ 263,239</u>	<u>\$ 271,755</u>	<u>\$ 277,490</u>	<u>\$ 268,736</u>	<u>\$ 254,256</u>	<u>\$ 251,928</u>

Notes:

Schedule prepared on the accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT

CHANGES IN NET POSITION
LAST TEN YEARS

(In Thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:										
Governmental activities:										
General government	\$ 12,352	\$ 12,567	\$ 12,549	\$ 14,433	\$ 14,551	\$ 20,241	\$ 11,110	\$ 11,487	\$ 8,746	\$ 8,816
Public safety	31,136	30,704	31,719	31,548	29,854	27,794	24,268	22,984	24,366	23,751
Public works	25,065	31,689	25,183	24,696	28,190	24,493	27,278	24,140	23,747	22,969
Health and welfare	7,243	6,003	6,327	5,656	6,445	5,914	5,995	3,987	4,182	3,277
Libraries	3,032	3,121	2,739	2,651	2,933	2,536	2,369	1,995	2,880	2,926
Parks and recreation	3,345	3,926	3,201	2,972	3,032	3,442	3,175	3,603	5,802	6,014
Education	128,708	133,432	123,128	122,597	122,846	146,877	108,150	106,964	93,175	90,751
Miscellaneous						837	694	754	752	607
Interest on long-term debt	3,041	2,070	2,830	2,246	2,063	2,054	2,335	1,840	1,949	1,522
Total Governmental Activities Expenses	213,922	223,512	207,676	206,799	209,914	234,188	185,374	177,754	165,599	160,633
Business-type activities:										
Water	7,066	6,775	6,529	6,208	6,458	5,936	6,154	5,363	5,215	5,669
Total primary government expenses	220,988	230,287	214,205	213,007	240,124	240,124	191,528	183,117	170,814	166,302
Program revenues:										
Governmental activities:										
Charges for services:										
General government	2,151	2,114	2,310	2,481	2,367	2,914	3,490	3,563	2,865	1,963
Public works	7,380	7,263	7,138	6,582	6,710	6,213	6,325	6,266	6,049	5,821
Education	1,405	1,850	1,903	2,132	2,077	2,380	2,247	1,994	1,934	1,330
Other	1,839	2,693	2,431	2,492	2,296	2,352	1,917	1,862	1,584	1,557
Operating grants and contributions	69,848	73,300	69,468	68,554	67,428	94,611	57,800	56,201	51,287	50,216
Capital grants and contributions	8,696	42,600	10,704	4,014	2,896	3,833	8,641	12,917	1,354	2,628
Total Governmental Activities Program Revenues	91,319	129,820	93,954	86,255	83,774	112,303	80,420	82,803	65,073	63,515
Business-type activities:										
Charges for services	7,259	6,838	6,327	5,668	5,393	5,497	5,428	5,661	5,485	5,444
Capital grants and contributions	25	27	8	33	30	90	209	19	14	19
Total business-type activities program revenues	7,284	6,865	6,335	5,701	5,423	5,587	5,637	5,680	5,499	5,463
Total primary government program revenues	98,603	136,685	93,960	91,956	89,197	117,890	86,057	88,483	70,572	68,978

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(In Thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Net revenue (expense):										
Governmental activities	\$ (122,603)	\$ (93,692)	\$ (113,722)	\$ (120,544)	\$ (126,140)	\$ (121,885)	\$ (104,954)	\$ (94,951)	\$ (100,526)	\$ (97,118)
Business-type activities	218	90	(194)	(507)	(1,035)	(349)	(517)	317	284	(206)
Total primary government net expense	(122,385)	(93,602)	(113,916)	(121,051)	(127,175)	(122,234)	(105,471)	(94,634)	(100,242)	(97,324)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	125,518	117,982	117,274	110,752	111,163	106,391	103,644	99,931	96,106	89,646
Grants and contributions not restricted to specific purposes	5,199	7,504	4,354	4,553	5,421	6,548	6,409	5,850	4,447	4,798
Unrestricted investment earnings	347	354	302	396	1,332	2,944	3,700	2,738	1,633	677
Other general revenues	770	150	2	25	82	296	147	511	190	83
Total governmental activities	131,834	125,990	121,932	115,726	117,998	116,179	113,900	109,030	102,376	95,204
Business-type activities:										
Unrestricted investment earnings	405	(329)	949	451	661	320	325	84	194	157
Total primary government	132,239	125,661	122,881	116,177	118,659	116,499	114,225	109,114	102,570	95,361
Changes in net position:										
Governmental activities	9,231	32,298	8,210	(4,818)	(8,142)	(5,706)	8,946	14,079	1,850	(1,914)
Business-type activities	623	(239)	755	(56)	(374)	(29)	(192)	401	478	(49)
Total Primary Government	\$ 9,854	\$ 32,059	\$ 8,965	\$ (4,874)	\$ (8,516)	\$ (5,735)	\$ 8,754	\$ 14,480	\$ 2,328	\$ (1,963)

Note:

Schedule prepared on the accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(In Thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund:										
Reserved	\$	\$	\$	\$ 749	\$ 998	\$ 1,859	\$ 1,419	\$ 1,668	\$ 753	\$ 2,310
Unreserved				27,323	26,953	27,194	26,302	25,818	24,030	18,010
Nonspendable	3	2	10							
Committed	3,835	3,848	4,975							
Assigned	2,112	1,617	2,008							
Unassigned	24,149	23,963	21,444							
Total General Fund	\$ 30,099	\$ 29,430	\$ 28,437	\$ 28,072	\$ 27,951	\$ 29,053	\$ 27,721	\$ 27,486	\$ 24,783	\$ 20,320
06 All other governmental funds:										
Reserved	\$	\$	\$	\$ 15,611	\$ 5,409	\$ 6,582	\$ 5,339	\$ 16,412	\$ 10,065	\$ 5,607
Unreserved, reported in:										
Special revenue funds				8,726	8,301	7,817	7,579	7,914	7,495	5,834
Capital projects funds				(22,123)	(6,289)	(5,055)	1,853	(24,611)	(9,158)	(8,254)
Permanent funds				419	375	311	246	192	171	163
Nonspendable	766	690	540							
Restricted	3,068	4,004	3,339							
Committed	19,134	28,171	34,916							
Assigned		120	73							
Unassigned	(7,421)	(5,533)	(512)							
Total all Other Governmental Funds	\$ 15,547	\$ 27,452	\$ 38,356	\$ 2,633	\$ 7,796	\$ 9,655	\$ 15,017	\$ (93)	\$ 8,573	\$ 3,350

Note: Schedule prepared on the modified accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:										
Taxes and assessments	\$ 124,646	\$ 116,805	\$ 116,771	\$ 110,803	\$ 110,097	\$ 105,520	\$ 102,760	\$ 99,958	\$ 93,490	\$ 88,948
Interest and lien fees on				1,073	1,087	1,012	1,053	1,476	3,812	1,351
delinquent taxes and assessments	1,024	750	927							
Licenses, permit and fees	6,971	7,397	6,983	6,184	6,241	6,028	5,897	6,145	1,488	1,481
Intergovernmental	82,065	122,110	83,270	75,924	74,737	104,114	72,764	75,037	57,378	57,324
Charges for services	5,557	6,222	6,337	7,314	6,834	7,475	7,299	7,143	10,852	9,724
Income on investments	318	318	264	347	1,206	2,643	3,307	2,410	1,538	677
Miscellaneous	2,935	2,018	1,895	1,706	1,724	1,664	2,054	1,839	1,371	1,180
Total revenues	<u>223,516</u>	<u>255,620</u>	<u>216,447</u>	<u>203,351</u>	<u>201,926</u>	<u>228,456</u>	<u>195,134</u>	<u>194,008</u>	<u>169,929</u>	<u>160,685</u>
Expenditures:										
General government	7,192	7,119	6,820	7,294	7,264	7,520	8,274	7,542	6,386	6,095
Public safety	22,336	21,610	22,250	21,799	21,181	20,905	19,957	20,024	19,100	18,541
Public works	18,806	22,437	17,804	17,111	21,280	19,919	19,683	19,247	17,252	16,006
Health and welfare	6,037	6,099	6,095	5,488	6,265	5,611	4,784	3,652	3,564	3,042
Libraries	2,016	2,306	1,976	1,981	1,969	1,981	1,963	1,676	1,578	1,584
Parks and recreation	2,495	2,822	2,433	2,396	2,487	2,419	2,234	2,626	2,235	2,096
Education	107,414	111,168	106,565	106,740	105,358	131,203	96,495	91,734	84,302	80,071
Citywide:										
Employee benefits and pensions	3,349	3,898	4,393	2,637	2,702	2,892	2,719	2,888	2,897	2,405
Insurance	586	967	465	589	681	655	713	717	638	654
Miscellaneous	946	514	1,352	792	758	837	692	718	752	607
Capital outlay	27,462	55,434	19,760	10,521	15,309	10,906	16,715	23,088	19,908	10,903
Debt service:										
Principal retirement	6,645	4,545	4,575	4,570	4,935	4,934	5,099	5,773	4,644	4,633
Interest and fiscal charges	3,191	2,620	2,002	2,292	2,009	2,306	1,855	1,794	1,764	1,601
Refunding bond issuance cost									150	
Total expenditures	<u>208,475</u>	<u>241,539</u>	<u>196,490</u>	<u>184,210</u>	<u>192,198</u>	<u>212,088</u>	<u>181,183</u>	<u>181,479</u>	<u>165,170</u>	<u>148,238</u>
Excess of revenue over expenditures	<u>15,041</u>	<u>14,081</u>	<u>19,957</u>	<u>19,141</u>	<u>9,728</u>	<u>16,368</u>	<u>13,951</u>	<u>12,529</u>	<u>4,759</u>	<u>12,447</u>
Other financing sources (uses):										
Transfers in	20,660	14,946	12,665	13,797	14,150	14,895	14,015	12,104	9,533	10,574
Transfers out	(46,937)	(39,124)	(37,217)	(37,620)	(36,165)	(35,293)	(34,227)	(31,066)	(27,815)	(27,626)
Proceeds from capital leases					8,900					
Proceeds from borrowing			39,587				21,606	470	23,059	1,488
Proceeds from refunding		21,823							10,740	
Premium on bonds issued		2,932	1,096		66				515	
Payment to refunded bond escrow agent		(24,569)							(11,105)	
Total other financing sources (uses)	<u>(26,277)</u>	<u>(23,992)</u>	<u>16,131</u>	<u>(23,823)</u>	<u>(13,049)</u>	<u>(20,398)</u>	<u>1,394</u>	<u>(18,492)</u>	<u>4,927</u>	<u>(15,564)</u>
Net Changes in Fund Balances	<u>\$ (11,236)</u>	<u>\$ (9,911)</u>	<u>\$ 36,088</u>	<u>\$ (4,682)</u>	<u>\$ (3,321)</u>	<u>\$ (4,030)</u>	<u>\$ 15,345</u>	<u>\$ (5,963)</u>	<u>\$ 9,686</u>	<u>\$ (3,117)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>5.5%</u>	<u>3.9%</u>	<u>3.8%</u>	<u>4.0%</u>	<u>4.0%</u>	<u>3.8%</u>	<u>4.4%</u>	<u>4.9%</u>	<u>4.5%</u>	<u>4.5%</u>

Note: Schedule prepared on the modified accrual basis of accounting

CITY OF BRISTOL, CONNECTICUT

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(In Thousands)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value (2)
	Residential	Commercial	Industrial							
2013	\$ 2,508,327	\$ 475,097	\$ 223,871	\$ 432,801	\$ 363,427	\$ 226,673	\$ 3,776,849	33.5	\$ 5,395,500	70%
2012	3,041,932	495,045	230,458	408,548	365,967	223,986	4,318,104	28.75	6,168,720	70%
2011	3,038,627	486,786	230,731	387,052	342,385	211,187	4,274,394	27.24	6,106,277	70%
2010	3,119,391	760,652	232,187	381,500	331,617	181,046	4,375,145	27.24	6,250,208	70%
2009	3,026,970	454,990	242,253	372,646	323,890	174,309	4,246,440	25.99	6,066,343	70%
2008 (3)	3,022,346	441,107	235,464	365,396	342,196	171,074	4,235,435	34.71	6,050,621	70%
2007	2,015,854	284,262	183,537	373,548	338,877	155,518	3,040,560	34.21	4,343,658	70%
2006	1,972,390	278,040	173,782	357,779	320,031	142,739	2,959,283	33.33	4,431,461	70%
2005	1,964,939	246,747	173,002	262,366	300,023	71,827	2,875,250	32.83	4,210,111	70%
2004 (3)	1,956,066	228,333	173,089	266,201	310,713	89,196	2,845,206	30.93	4,192,003	70%

(1) Assessed values for all real and personal property located within the City on October 1, are included on the Grand List by the Assessor's office. A Board of Assessment Appeals determines whether adjustments to the Assessor's list under appeal are warranted. Assessments are computed at 70% of market value. A revaluation of all property within the City is required to be completed no less than every ten years.

(2) Equalized Net Grand List is compiled by the State of Connecticut Office of Policy and Management as a factor in figuring aid to education, and is produced by comparing sample sales of real estate, or market value, to the assessed value of the property on the Town/City's books. The resulting sales assessment ratio is used to equalize grand lists for each Town/City in Connecticut. These computations usually take one year to compile.

(3) Revaluation year

CITY OF BRISTOL, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

2011 AND 2002

(In Thousands)

Taxpayer	October 1, 2011			October 1, 2002		
	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value
E.S.P.N.	\$ 308,579,320	1	6.8%	\$ 114,687,790	1	3.9%
***Odgen Martin Corporation				38,095,290	2	1.3%
Connecticut Light & Power	35,880,330	3	0.8%	21,027,920	3	0.7%
Theis Precision Steele	15,884,190	10	0.4%	18,422,650	4	0.6%
Webster Bank				15,461,170	5	0.5%
Carpstener Realty Company	23,754,950	5	0.5%	11,844,930	8	0.4%
Barnes Group				14,488,500	6	0.5%
Otis Elevator				11,977,840	7	0.4%
Federal Realty Investment Trust	22,553,930	6	0.5%	11,324,220	9	0.4%
Lake Compounce	17,408,130	8	0.4%			
Covanta	42,720,780	2	0.9%			
**Bristol Industrial Partners, LLC/Bristol Center	34,424,950	4	0.8%	9,257,500	10	0.3%
****Winstanley Enterprises	22,283,100	7	0.5%			
Elk Bristol Commons LLC/Elias Kalimian	16,664,200	9	0.4%			
Total	\$ 540,153,880		11.9%	\$ 266,587,810		9.00%

October 1, 2011 Assessment

Source: City of Bristol, Office of Tax Assessor

**New ownership as of 10/1/2007

***Real Estate ownership entity for Covanta

****WE 383 Middle Street LLC, previously
Superior Electric Corp.

TABLE 7

CITY OF BRISTOL, CONNECTICUT

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(In Thousands)**

Fiscal Year Ended June 30,	Tax Rate in Mills	Taxes Levied For the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	28.75	\$ 125,055	\$ 123,492	98.75	\$	\$ 123,492	98.75
2012	27.24	117,108	115,629	98.74	1,096	116,725	99.67
2011	27.24	116,860	115,256	98.63	1,031	116,287	99.51
2010	25.99	110,770	108,912	98.32	1,139	110,051	99.35
2009	25.99	110,740	108,691	98.15	1,639	110,330	99.63
2008	34.71	106,413	104,402	98.11	1,415	105,817	99.44
2007	34.21	103,075	100,951	97.94	1,447	102,398	99.34
2006	33.33	99,648	97,765	98.11	1,631	99,396	99.75
2005	32.83	95,382	93,483	98.01	1,780	95,263	99.88
2004	30.93	88,824	86,734	97.65	1,997	88,731	99.90

Source: Tax Collector's Report; Comprehensive Annual Financial Report

CITY OF BRISTOL, CONNECTICUT

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(In Thousands)

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Ratio of Debt to Estimated Taxable Assessed Value	Debt Per Capita	Total Debt Outstanding as a Percentage of Personal Income
	General Obligation Bonds	Capital Leases	Water				
2013	\$ 79,042	\$	\$ 4,118	\$ 83,160	2.20%	\$ 1,340	0.04%
2012	85,838		4,723	90,561	2.10%	1,462	0.04%
2011	89,235		5,263	94,498	2.16%	1,551	0.04%
2010	54,225		5,000	59,225	1.35%	972	0.04%
2009	58,793		5,549	64,342	1.52%	1,060	0.04%
2008	54,826		6,109	60,935	1.44%	999	0.04%
2007	59,762		7,034	66,796	1.54%	1,090	0.04%
2006	43,255		4,355	47,610	1.07%	781	0.05%
2005	48,558	3	5,100	53,661	1.27%	884	0.05%
2004	30,133	6	5,155	35,294	0.84%	593	0.07%

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

CITY OF BRISTOL, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

JUNE 30, 2013

(In Thousands)

Total tax collections, including interest and lien fees	\$ 125,635
Reimbursement for loss of revenues:	
Tax relief for elderly - freeze	<u>6</u>
Base	<u>\$ 125,641</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 282,692	\$	\$	\$	\$
4-1/2 times base		565,385			
3-3/4 times base			471,154		
3-1/4 times base				408,333	
3 times base					376,923
Total	<u>282,692</u>	<u>565,385</u>	<u>471,154</u>	<u>408,333</u>	<u>376,923</u>
Indebtedness:					
Bonds and notes payable	32,086	37,219	7,888		
Bond anticipation notes payable	5,810				
Bonds authorized and unissued	8,093	102,436	450		
State Grant Commitments		(100,613)			
Total	<u>45,989</u>	<u>39,042</u>	<u>8,338</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 236,703</u>	<u>\$ 526,343</u>	<u>\$ 462,816</u>	<u>\$ 408,333</u>	<u>\$ 376,923</u>

NOTE: In no event shall total debt exceed seven times annual receipts from taxation. The maximum permitted under this formula would be \$879,487.

CITY OF BRISTOL, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Debt limitation	\$ 879,487	\$ 822,668	\$ 823,725	\$ 782,901	\$ 777,462	\$ 747,175	\$ 726,418	\$ 710,220	\$ 681,765	\$ 631,918
Total net debt applicable to limit	<u>93,369</u>	<u>100,679</u>	<u>104,310</u>	<u>93,200</u>	<u>97,690</u>	<u>55,549</u>	<u>60,483</u>	<u>74,152</u>	<u>46,766</u>	<u>30,118</u>
Legal Debt Margin	\$ <u>786,118</u>	\$ <u>721,989</u>	\$ <u>719,415</u>	\$ <u>689,701</u>	\$ <u>679,772</u>	\$ <u>691,626</u>	\$ <u>665,935</u>	\$ <u>636,068</u>	\$ <u>634,999</u>	\$ <u>601,800</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>10.62%</u>	<u>12.23%</u>	<u>12.66%</u>	<u>11.90%</u>	<u>12.57%</u>	<u>7.44%</u>	<u>8.33%</u>	<u>10.44%</u>	<u>6.86%</u>	<u>4.77%</u>

Source: Comprehensive annual financial report - Schedule of Debt Limitation

Note: See Table 9 for calculation of current year debt limitation

CITY OF BRISTOL, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population (1)	Per Capita Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)	Personal Income (5)
2013	60,603	\$ 29,629	40	8,366	8.2%	\$ 35,534
2012	60,510	29,629	40	8,365	8.8%	35,534
2011	60,092	25,782	40	8,508	9.4%	35,534
2010	60,927	25,782	40	8,699	9.8%	35,534
2009	60,679	25,782	40	8,656	9.1%	35,534
2008	60,991	25,782	40	8,781	6.1%	35,534
2007	61,258	25,782	39	8,892	5.1%	35,534
2006	60,992	25,782	39	9,008	4.9%	35,534
2005	60,722	25,782	39	9,016	5.4%	35,534
2004	60,541	25,782	36	8,980	5.5%	35,534

(1) Source: State Health Department

(2) Source: State Department of Economic Development, 2010 Census

(3) Source: Bristol Board of Education

(4) Source: State Department of Labor (2012 Average as of August 31, 2012)

(5) Source: U.S. Census Bureau, 2000 Census

CITY OF BRISTOL, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND SIX YEARS AGO

<u>Employer</u>	<u>Nature of Business</u>	<u>2013</u>			<u>2007*</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
ESPN	Sports Broadcasting	3,800	1	12.39%	3,000	1	9.04%
Bristol Hospital, Inc.	Healthcare	1,750	2	5.71%	1,271	2	3.83%
City of Bristol & Board of Education	Municipality	1,536	3	5.01%	1,681	3	
Stephen AutoMall Centre	Retail	200	4	0.65%			
IDEX Health & Science LLC	Health Care	200	5	0.65%			
Sheriden Woods Health Care Center	Health Care	180	6	0.59%			
Quality Coils	Manufacturing	170	7	0.55%			
Stop & Shop	Grocery Store	150	8	0.49%	353	6	1.06%
Rowley Spring	Manufacturing	150	9	0.49%			
The Pines at Bristol	Health Care	140	10	0.46%			
Price Chopper	Grocery Store				220	9	0.66%
Associated Spring- Barnes Group	Manufacturing				500	5	1.51%
Cigna	Insurance				352	7	1.06%
Walmart	Retail				243	8	0.73%
Yarde Metals	Manufacturing				614	4	1.85%
Theis Precision Steel	Manufacturing				190	10	0.57%
Total		<u>8,276</u>		<u>22.83%</u>	<u>8,424</u>		<u>20.31%</u>

Source: Bristol Chamber of Commerce & Bristol Development Authority

*Information not available prior to 2007

CITY OF BRISTOL, CONNECTICUT

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	Full-Time Equivalent Employees as of June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government	75	85	82	87	87	87	90	91	90	90
Police	134	134	138	150	150	147	147	142	142	129
Fire	88	89	90	93	93	93	92	90	92	92
Public works	113	117	118	127	127	135	136	127	117	120
Parks and recreation	21	21	21	23	23	22	20	22	22	23
Library	30	29	30	30	30	28	30	27	24	24
Education	1,061	1,065	1,121	1,110	1,143	1,155	1,131	1,130	1,135	1,069
Water Department	<u>34</u>	<u>34</u>	<u>34</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>35</u>	<u>37</u>	<u>37</u>	<u>37</u>
Total	<u><u>1,556</u></u>	<u><u>1,574</u></u>	<u><u>1,634</u></u>	<u><u>1,656</u></u>	<u><u>1,689</u></u>	<u><u>1,703</u></u>	<u><u>1,681</u></u>	<u><u>1,666</u></u>	<u><u>1,659</u></u>	<u><u>1,584</u></u>

Source: City of Bristol, Personnel Office and Board of Education, Personnel Office

**CITY OF BRISTOL, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government:										
Building permits issued	1,284	1,325	1,322	1,494	1,512	1,533	1,728	1,855	1,855	1,976
Police:										
Physical arrests	2,539	2,638	2,655	2,920	3,289	2,526	3,451	2,426	2,300	2,386
Parking violations	2,478	3,443	1,695	3,103	3,969	4,309	3,402	3,885	4,240	4,484
Traffic violations	6,767	6,072	8,560	10,492	10,200	10,098	10,246	7,884	10,097	10,807
Fire:										
Emergency responses	2,195	2,935	1,353	999	1,016	2,636	3,036	3,090	2,521	2,247
Fires extinguished	249	272	233	200	124	280	252	271	209	179
Inspections	877	998	1,255	1,978	814	849	475	523	533	247
Refuse collection:										
Refuse collected (tons per day)	65.2	73.61	67.24	69.17	69.93	73	76.52	74.54	73	69.7
Recyclables collected (tons per day)	16.64	16.11	13.35	13.48	13.58	12	11	13.77	13.8	14.7
Other public works:										
Street resurfacing (miles)	10.2	8.2	7.5	5.5	11	9.2	8.8	7.3	4.8	8.8
Potholes repaired	750	750	830	920	1,050	1,000	1,000	1,000	1,000	1,000
Parks and recreation:										
Athletic field permits issued	1,522	1,591	1,246	1,050	1,050	1,083	992	1,034	1,087	1,116
Library:										
Volumes in collection	214,288	215,250	209,150	200,600	193,869	192,261	180,180	170,155	168,756	166,540
Total volumes borrowed	311,714	327,807	331,043	344,386	351,025	353,329	336,680	298,629	321,208	376,762
Water:										
New connections:										
Water main breaks	21	19	15	24	21	19	23	18	15	19
Average daily production (thousands of gallons)	5,118	5,219	5,455	5,261	5,400	5,500	5,300	5,700	5,800	5,500
Peak daily production (thousands of gallons)	7,731	8,841	9,720	7,474	7,716	7,385	8,074	7,800	8,100	7,410
Wastewater:										
Average daily sewage treatment (millions of gallons daily)	8.5	8.5	8.5	8.6	8.6	8	8.96	10.06	8.6	8.8

N/A - Information not available

Source: City of Bristol: Building Department, Police Department, Fire Department, Parks and Recreation Department, Public Works Department
Library, Water Department and Water Pollution Control

**CITY OF BRISTOL, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR										
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	
Police:											
Stations	1	1	1	1	1	1	1	1	1	1	1
Zone offices	1	1	1	1	1	1	1	1	1	1	0
Patrol units	30	30	30	30	30	30	30	30	30	28	28
Fire stations:											
Fire stations	5	5	5	5	5	5	5	5	5	5	5
Refuse collection:											
Collection trucks	25	30	30	31	28	28	28	27	25	24	24
Other public works:											
Streets (miles)	235	232	232	232	232	232	225	222.5	221.9	221.8	221.8
Highways (miles)	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8	20.8
Streetlights	5,535	5,523	5,500	5,500	5,493	5,005	5,456	6,031	5,670	5,452	5,452
Traffic signals	24	24	24	24	24	24	24	19	19	19	19
Parks and recreation:											
Acreage	700	700	700	700	700	700	700	700	700	700	700
Playgrounds	8	8	8	8	8	8	8	8	8	8	8
Baseball/softball diamonds	12	10	10	10	10	10	10	10	10	10	10
Soccer/football fields	6	5	5	5	5	5	5	5	5	5	5
Community centers	0	0	0	0	0	0	0	0	0	0	0
Water:											
Water mains (miles)	313	313	313	313	313	313	313	313	311	284	284
Fire hydrants	1,596	1,596	1,591	1,575	1,569	1,561	1,554	1,543	1,543	1,519	1,519
Storage capacity (thousands of gallons)	1,281,105	1,281,105	1,281,105	1,281,105	1,281,105	1,281,105	1,281,105	1,279,605	1,279,605	1,279,605	1,279,605
Wastewater:											
Sanitary sewers (miles)	242.9	242.9	238.7	237.8	237.8	237.7	236.83	236.18	234.86	233.76	233.76
Storm sewers (miles)	223.1	223.1	220.8	220.5	219.9	219.3	218	218	219.5	217.4	217.4
Treatment capacity (millions per day)	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75

Source: City of Bristol: Police Department, Fire Department, Parks and Recreation Department, Public Works Department, Water Department and Water Pollution Control