

Final Official Statement Dated March 16, 2022

New Money Issue: Book-Entry-Only

RATINGS: S&P Global Ratings: "AA+"
Fitch Ratings: "AAA"

In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the City with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax under the Code. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. (See "Tax Matters" herein.)



City of Bristol, Connecticut \$25,500,000 General Obligation Bonds, Issue of 2022

Dated: Date of Delivery

Due: Serially March 15, 2024-2042
as detailed below:

Year	Principal	Coupon	Yield	CUSIP ¹	Year	Principal	Coupon	Yield	CUSIP ¹
2024	\$ 1,335,000	5.000%	1.460%	1098534L2	2034*	\$ 1,345,000	2.700%	2.680%	1098534W8
2025	1,340,000	5.000%	1.560%	1098534M0	2035*	1,345,000	2.800%	2.780%	1098534X6
2026	1,340,000	5.000%	1.660%	1098534N8	2036*	1,345,000	2.900%	2.880%	1098534Y4
2027	1,340,000	5.000%	1.750%	1098534P3	2037*	1,345,000	2.950%	2.930%	1098534Z1
2028	1,340,000	5.000%	1.820%	1098534Q1	2038*	1,345,000	3.000%	2.980%	1098535A5
2029	1,340,000	5.000%	1.900%	1098534R9	2039*	1,345,000	3.050%	3.020%	1098535B3
2030	1,340,000	5.000%	1.950%	1098534S7	2040*	1,345,000	3.100%	3.050%	1098535C1
2031*	1,340,000	4.000%	2.020%	1098534T5	2041*	1,345,000	3.100%	3.090%	1098535D9
2032*	1,340,000	4.000%	2.100%	1098534U2	2042*	1,345,000	3.150%	3.130%	1098535E7
2033*	1,340,000	2.600%	2.580%	1098534V0					

* Priced assuming redemption on March 15, 2030; however any such redemption is at the option of the City.

RBC CAPITAL MARKETS, LLC

The Bonds (the "Bonds") will be issued in book-entry-only form and registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. Interest on the Bonds will be payable September 15, 2022 and semiannually thereafter on March 15 and September 15 in each year until maturity. The beneficial owners of the Bonds will not receive certificates representing their ownership interest in the Bonds. Principal of, redemption premium, if any, and interest payments on the Bonds will be made by the City of Bristol, Connecticut (the "City") to DTC, or its nominee as registered owner of the Bonds. DTC will credit its participants in accordance with their respective holdings shown in the records of DTC. It is anticipated that the beneficial owners of the Bonds will receive payment or credit from DTC participants and other nominees of the beneficial owners. Ownership of the Bonds may be in principal amounts of \$5,000 or integral multiples thereof. (See "Book-Entry-Only Transfer System" herein.)

The Bonds are subject to redemption prior to maturity as more fully described under "Redemption Provisions" herein.

The Bonds will be general obligations of the City and the City will pledge its full faith and credit to pay the principal of and the interest on the Bonds when due. (See "Security and Remedies" herein.)

The Registrar, Transfer Agent, Certifying Agent and Paying Agent will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103.

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut and certain other conditions. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC on or about March 30, 2022.

¹ Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the holders of the Bonds. The City is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations not contained in this Official Statement or any supplement which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell nor the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the City since the date of this Official Statement.

Set forth in Appendix A — "2021 General Purpose Financial Statements" hereto is a copy of the report of the independent auditors for the City with respect to the financial statements of the City included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Other than as to matters expressly set forth in Appendix B, Bond Counsel are not passing on and do not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and make no representation that they have independently verified the same.

The City deems this Official Statement to be "final" for purposes of Securities and Exchange Commission Rule 15(c)(2)-12(b)(1), but it is subject to revision or amendment.

This Official Statement may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Without limiting the foregoing, the words "may," "believe," "could," "might," "possible," "potential," "project," "will," "should," "expect," "intend," "plan," "predict," "anticipate," "estimate," "approximate," "contemplate," "continue," "target," "goal" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. All forward-looking statements included in this Official Statement are based on information available to the City up to the date as of which such statements are to be made, or otherwise up to, and including, the date of this document, and the City assumes no obligation to update any such forward-looking statements to reflect events or circumstances that arise after the date hereof or after the date of any report containing such forward-looking statement, as applicable. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain important factors, including, but not limited to (i) the effect of and from, future municipal, state and federal budgetary matters, including state and federal grants and other forms of financial aid to the City; (ii) federal tax policy, including the deductibility of state and local taxes for federal tax purposes; (iii) macroeconomic economic and business developments, both for the country as a whole and particularly affecting the City; (iv) financial services industry developments; (v) litigation or arbitration; (vi) climate and weather related developments, natural disasters and other acts of God; (vii) factors used in estimating future obligations of the City; (viii) the effects of epidemics and pandemics, including economic effects; and (ix) other factors contained in this Official Statement.

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Bond Issue Summary

The information in this Bond Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	Wednesday, March 16, 2022 at 11:30 A.M. (Eastern Time).
Location of Sale:	Bristol City Hall, Comptroller's Office, 111 North Main Street, Bristol, CT 06010.
Issuer:	City of Bristol, Connecticut (the "City").
Issue:	\$25,500,000 General Obligation Bonds, Issue of 2022 (the "Bonds").
Dated Date:	Date of Delivery.
Interest Due:	March 15 and September 15, in each year until maturity commencing September 15, 2022.
Principal Due:	Serially, March 15, 2024 through March 15, 2042, as detailed on the cover of this Official Statement.
Authorization and Purpose:	The proceeds of the Bonds are being used to finance various capital improvements and school projects. See "Authorization and Purpose" herein.
Redemption:	The Bonds are subject to redemption prior to maturity. See "Redemption Provisions" herein.
Security:	The Bonds will be general obligations of the City, and the City will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	S&P Global Ratings has rated the Bonds "AA+". Fitch Ratings has rated the Bonds "AAA".
Tax Exemption:	See Tax Matters herein.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City will agree to provide, or cause to be provided, annual financial information and operating data and notices of certain events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the City substantially in the form attached as Appendix C to this Official Statement.
Bank Qualification:	The Bonds <u>shall NOT</u> be designated by the City as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
Registrar, Transfer Agent, Certifying Agent, and Paying Agent:	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 th Floor, Hartford, Connecticut 06103.
Legal Opinion:	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel.
Municipal Advisor:	Phoenix Advisors, LLC of Milford, Connecticut will act as Municipal Advisor.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made on or about March 30, 2022, against payment in Federal Funds.
Issuer Official:	Questions concerning the Official Statement should be addressed to: Ms. Diane M. Waldron, Comptroller, City Hall, 111 North Main Street, Bristol, Connecticut 06010. Telephone (860) 584-6130.

I. Bond Information

Introduction

This Official Statement is provided for the purpose of presenting certain information relating to the City of Bristol, Connecticut (the "City") in connection with the original sale of \$25,500,000 General Obligation Bonds, Issue of 2022 (the "Bonds") of the City.

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the City since the date hereof. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representation of fact. No representation is made that any of such statements will be realized. All quotations from and summaries and explanations of provisions of laws contained in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof.

Municipal Advisor

Phoenix Advisors, LLC, of Milford, Connecticut serves as Municipal Advisor to the City with respect to the issuance of the Bonds (the "Municipal Advisor"). The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the appendices hereto.

The Municipal Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

Global Health Emergency Risk

The COVID-19 Outbreak

The outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. The outbreak of the virus has affected travel, commerce and financial markets globally. There can be no assurances that the continuing prevalence of COVID-19 will not materially affect local, state, national, and global activity; increase public health emergency response costs; and materially adversely impact the financial condition of the City.

State and Local Efforts to Mitigate the Ongoing Impact of COVID-19

On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the "State") and took and continues to take steps designed to mitigate the spread and impacts of COVID-19. Public schools began to operate remotely immediately following the outbreak and continued remotely through the 2019-2020 school year. For the 2020-2021 school year, schools were permitted to reopen and school districts were given the discretion to choose in-person learning, virtual learning or a hybrid model. For the 2021-2022 school year, Bristol schools returned to full-time in-person learning.

Connecticut's COVID-19 vaccination plan commenced on December 14, 2020. The State is currently making vaccinations available to all individuals aged 5 and over, and has made booster shots available in accordance with CDC guidelines. The Bristol-Burlington Health Department and the City announced that in partnership with the State Department of Health and Griffin Hospital to offer vaccination clinics to persons aged 5 years old or older.

The Governor regularly reviews conditions and, accordingly, expands or reduces restrictions. Effective May 19, 2021, all capacity restrictions related to establishments and social/recreational gatherings were eliminated. Given the consistent increase in positive COVID-19 cases since July 2021, face-covering requirements remain in effect at this time for unvaccinated individuals. Businesses and state and local government offices have the option to require masks be worn by everyone in their establishments. Effective August 5, 2021, municipal leaders have the option of requiring that masks be worn by everyone, regardless of vaccination status, in indoor public places within their respective towns and cities. Although the City does not have such a mandate in place, all individuals entering City Hall are required to wear face coverings regardless of vaccination status.

For Fiscal Year 2020-21, the City did not experience a material negative impact as a result of COVID-19. The City collected approximately 99.2% of the Fiscal Year 2021 General Fund current levy, with 99.2% having been collected for Fiscal Year 2020 and 98.6% having been collected for Fiscal Year 2019. The City believes that it has sufficient liquidity to maintain operations without interruption, including making all debt service payments.

As of February 8, 2022, the City has collected approximately 96.6% of Fiscal Year 2022 General Fund current levy, with 89% having been collected by the same time last year for Fiscal Year 2021. As allowed through Governor's Executive Order, the City adopted a resolution for taxpayers to opt for deferral of payment of their January 1 taxes to March 31st in Fiscal Year 2021. This accounts for the difference in collections year over year.

The potential long-term impact of the COVID-19 pandemic on the City cannot be predicted at this time. The continued efforts to mitigate the spread of the outbreak and any prolonged effects on the national, State and local economy could have a materially adverse effect on the City's finances.

Government Response to COVID-19's Impact on the Economy

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Stabilization Act (the "CARES Act") that provided in excess \$2 trillion of relief to industries and entities throughout the country, including state and local governments. Under the CARES Act, \$150 billion was appropriated to states and other units of government for activities that are directly related to COVID-19. The State received approximately \$1.4 billion in such funding, and it was given the discretion to provide those funds to local governments.

On June 4, 2020, Governor Lamont established the Connecticut Municipal Coronavirus Relief Fund Program (the "Program") which established a process by which Connecticut municipalities can receive funds from the State to offset non-budgeted COVID-19 related expenditures that were incurred between March 1, 2020 and December 30, 2020. The City had approximately \$140,000 in COVID-19 related expenditures for both the City and the Board of Education during Fiscal Year 2019-20. For Fiscal Year 2020-21, the City's COVID-19 related expenditures are approximately \$773,000 and the City received a total of approximately \$900,000 from the State of Connecticut Relief Fund.

On December 27, 2020, President Trump signed into law the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, which extends certain programs and benefits first authorized by the CARES Act. The relief package includes, among other items, over \$900 billion in stimulus for various COVID-19 relief programs, \$8.75 billion for vaccine distribution, \$54.3 billion of Elementary and Secondary School Emergency Relief Funds, \$4.1 billion for the Governors Emergency Education Relief Fund, and an allocation of \$284 billion of Paycheck Protection Program funds to support eligible small businesses and non-profits, and the legislation expands and modifies the program by allowing second draw loans for certain borrowers.

On March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the "Rescue Plan"). The Rescue Plan relief package includes, amongst other provisions, \$350 billion in state and local government aid. Of the \$350 billion, the State and its local governments are expected to receive approximately \$4.2 billion as a result of this legislation, with \$2.6 billion in State relief and another \$1.6 billion in relief for local governments.

The Rescue Plan relief package also includes approximately \$123 billion to allow for a return to full-time, in-person teaching at elementary and high schools, which funds may be used for numerous purposes, including but not limited to expanding testing, modifying classrooms, improving ventilation, and hiring more custodial staff. The State's K-12 schools are expected to receive approximately \$1.1 billion.

The Rescue Plan relief package includes another \$160 billion dedicated to COVID-19 vaccination development and distribution.

Over the next two years, the City expects to receive \$16.2 million in direct federal funding as a result of the Rescue Plan. The City received its first installment of \$8.1 million in funding from this program. The City is also receiving approximately \$11 million in Rescue Plan funds for the County share to be passed through the State of Connecticut. The City is developing a plan for the use of such funds that will comply with the program eligibility criteria.

The City of Bristol and especially the BBHD staff were very proactive in our response to Covid-19. The City actively pursued the acquisition of Personal Protective Equipment for first responders and city employees (including the BBHD staff). At the first release of tests, the BBHD led the way in setting up one of the first public Covid-10 testing sites on the grounds of Bristol Hospital. BBHD initiated the first public testing clinics last winter and was instrumental in assisting the Community Health Center in setting up their downtown Center Square clinic. Last Spring the BBHD along with Bristol Hospital, were actively running vaccination clinics at the ESPN North site for the public on a three day a week schedule. The ESPN site was one of the first mass vaccination sites to be set up in the State. When the CDC opened the vaccinations to 18-year-olds, the BBHD worked with the Board of Education to include this population segment to have their ownpage vaccination clinics at ESPN. The City of Bristol, including its many first responders, BBHD staff, Bristol Hospital, and with local volunteer assistance were dedicated to the response to the Covid-19 pandemic

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The City faces certain threats due to climate change, including flooding, drought and damaging wind that could become more severe and frequent. The City cannot predict the timing, extent or severity of climate change and its impact on the City's operations and finances.

Cybersecurity

The City, like many other public and private entities, relies on technology to conduct its operations. The City and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To reduce the risk of a successful cyber security threat the City has invested in IT security firewalls, anti-virus software, anti-malware software, and ransomware protection software. All of the City computers and computer servers are protected by this security software and firewalls. These security protection systems are evaluated annually for upgrades or replacements.

To mitigate the risk of business operations impact and/or damage from cyber security incidents or cyber-attacks, the City has invested in disaster recovery systems and a continuity of IT operations plan which leverages regular daily system backups. In the event of a cybersecurity incident recovery from an earlier state for any enterprise application system is possible. The City currently has a cybersecurity insurance policy. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact financial operations and/or damage the City's digital networks and systems and the costs of remedying any such damage could be substantial.

Description of the Bonds

The Bonds mature as set forth on the cover page of this Official Statement. The Bonds will be dated the date of delivery and will bear interest at the rate or rates per annum specified on the cover page of this Official Statement, payable semiannually on March 15 and September 15 in each year until maturity, commencing September 15, 2022. Interest will be calculated on the basis of twelve thirty-day months and a 360-day year. Interest is payable to the registered owner as of the close of business on the last business day of February and August, in each year by check mailed to the registered owner, or so long as the Bonds are registered in the name of Cede & Co., as nominee of The Depository Trust Company, or by such other means as The Depository Trust Company and the City shall agree. Principal will be payable at the office of U.S. Bank Trust Company, National Association or through The Depository Trust Company.

U.S. Bank Trust Company, National Association will act as Registrar, Transfer Agent, Paying Agent, and Certifying Agent, for the Bonds.

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Redemption Provisions

The Bonds maturing on or before March 15, 2030 are not subject to redemption prior to maturity. The Bonds maturing on March 15, 2031 and thereafter are subject to redemption prior to maturity, at the election of the City, on or after March 15, 2030 at any time, either in whole or in part, in such amounts and in such order of maturity, (but by lot within a maturity) as the City may determine, at the redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
March 15, 2030 and thereafter	100%

Notice of redemption shall be given by the City or its agent by mailing a copy of the redemption notice by first-class mail not less than thirty (30) days prior to the redemption date to the registered owner of the Bonds at the address of such registered owner as the same shall last appear on the registration books for the Bonds kept for such purpose. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the City in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The City, so long as a book-entry system is used for the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its nominee. Any failure of DTC to advise any Direct Participant or of any Direct Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its contents or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of a portion of the Bonds of any maturity by the City will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interests held by Direct Participants in the Bonds to be redeemed, the interest to be reduced by such redemption in accordance with its own rules or other agreements with Direct Participants. The Direct Participants and Indirect Participants may allocate reductions of the interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocations of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the City authorizing the issuance of the Bonds and will not be conducted by or the responsibility of the City, the Registrar or Paying Agent.

Book-Entry-Only Transfer System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its

regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

DTC Practices

The City can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

Replacement Bonds

In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, and the City fails to identify another qualified securities depository for the Bonds to replace DTC; or (b) the City determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the City is authorized to issue fully-registered Bond certificates directly to the Beneficial Owner. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds.

Security and Remedies

The Bonds will be general obligations of the City of Bristol, Connecticut and the City will pledge its full faith and credit to pay the principal of and interest on the Bonds when due.

Unless paid from other sources, the Bonds are payable from general property tax revenues. The City has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the City without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the City. The City may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the City the amount of tax revenue which the City would have received except for the limitation under certain of the statutes upon its power to tax dwelling houses of qualified elderly persons of low income or of qualified disabled persons.

Payment of the Bonds is not limited to property tax revenues or any other revenue source, but certain revenues of the City may be restricted as to use and therefore may not be available to pay debt service on the Bonds.

There are no statutory provisions for priorities in the payment of general obligations of the City. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Bonds, or judgments thereon, in priority to other claims.

The City is subject to suit on its general obligation debt and a court of competent jurisdiction has power in appropriate proceedings to render a judgment against the City. Courts of competent jurisdiction also have power in appropriate proceedings to order payment of a judgment on such debt from funds lawfully available therefor or, in the absence thereof, to order the City to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors, including the current operating needs of the City and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

Authorization and Purpose

The Bonds are issued pursuant to Title 7 of the General Statutes of the State of Connecticut, as amended, the Charter of the City of Bristol, and bond resolutions approved at various City Council meetings. The Bonds are being issued to provide financing for the following projects.

Project	Amount	The Bonds
894 Middle Street Remediation Project	\$ 2,849,000	\$ 550,000
Centre Square Infrastructure Project.....	4,000,000	425,000
Fire Headquarters Renovations	1,350,000	1,350,000
Louisiana Bridge.....	1,800,000	360,000
Main Library LED Lighting Conversion.....	333,970	160,000
Memorial Blvd. Intradistrict Arts Magnet School.....	63,000,000	9,200,000
Memorial Blvd. Retaining Wall.....	1,530,000	330,000
Memorial Bridge.....	4,100,000	2,100,000
Muzzy Field Restorations.....	950,000	940,000
NEMS Gym Floor.....	244,000	240,000
Northeast Middle School Ceiling Tile Replacement.....	514,810	511,000
Parks Master Plan	150,000	150,000
Pequabuck River Conduit Replacement	700,000	700,000
Shrub Rd Parcel Acquisition (Open Space Grant)	2,100,000	1,429,200
Technology Replacements.....	1,254,000	1,254,000
Police/Court MEP upgrades	1,900,000	1,900,000
City Hall.....	33,450,000	3,900,800
Total.....	\$ 120,225,780	\$ 25,500,000

Qualification for Financial Institutions

The Bonds shall NOT be designated by the City as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.

Availability of Continuing Disclosure Information

The City of Bristol prepares, in accordance with State law, annual independent audited financial statements and files such annual audits with the State Office of Policy and Management. The City has and will continue to provide Moody's Investors Service, Inc., S&P Global Ratings and Fitch Ratings with ongoing disclosure in the form of comprehensive annual audited financial statements, adopted budgets and other materials relating to its management and financial condition, as may be necessary or requested.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the City will agree to provide, or cause to be provided (i) annual financial information and operating data, (ii) timely notice of the occurrence of certain events with respect to the Bonds not in excess of ten business days after the occurrence of such events, and (iii) timely notices of failure by the City to provide the required annual financial information and operating data on or before the date specified in the Continuing Disclosure Agreement to be executed substantially in the form set out in Appendix C to this Official Statement. The winning bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement.

The City has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds to provide annual financial information and event notices pursuant to Rule 15c2-12(b)(5). Within the last five years from the date hereof, the City has not failed to meet, in any material respect, any of its undertakings under such agreements.

Ratings

S&P Global Ratings (“S&P”) has assigned a rating of “AA+” to the Bonds. Fitch Ratings (“Fitch”) has assigned a rating of “AAA” to the Bonds. The City furnished to the rating agencies certain information and materials, some of which may not have been included in this Official Statement. The rating reflects only the views of the rating agencies and will be subject to revision or withdrawal, which could affect the market price of the Bonds. The rating agencies should be contacted directly for its rating on the Bonds and the explanation of such rating. No application was made to any other rating agencies for the purpose of obtaining ratings on outstanding securities of the City.

Generally, rating agencies base a rating upon such information and materials and upon investigations, studies and assumptions by the rating agencies. There can be no assurance that a rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by the rating agencies if in their judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability or market price of outstanding securities.

The City expects to furnish to the rating agencies information and materials that they may request. However, the City may issue short-term or other debt for which a rating is not requested. The City's Municipal Advisor, Phoenix Advisors, LLC, recommends that all bonded debt be submitted for a credit rating.

Tax Matters

Federal Taxes. In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds is excluded from gross income for federal income tax purposes, and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax.

Bond Counsel's opinion with respect to the Bonds will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the City with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds irrespective of the date on which such noncompliance occurs. In the Tax Regulatory Agreement, which will be delivered concurrently with the issuance of the Bonds, the City will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of the Bond proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds is conditioned upon compliance by the City with such requirements.

No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of, or the receipt or accrual of interest on, the Bonds.

Original Issue Discount. The initial public offering prices of certain maturities of the Bonds may be less than the stated principal amount (the “OID Bonds”). Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds will constitute original issue discount. The offering prices relating to the yields set forth on the cover page of this Official Statement for such OID Bonds are expected to be the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds are sold. Under existing law, original issue discount on the OID Bonds accrued and properly allocable to the owners thereof under the Code is excludable from gross income for federal income tax purposes if interest on the OID Bonds is excludable from gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner's adjusted basis in an OID Bond purchased at an original issue discount, original issue discount is treated as having accrued while the owner holds such OID Bond and will be added to the owner's basis. The owner's adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of such an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued original issue discount, the accrual of original issue discount in the case of owners of OID Bonds purchasing such OID Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Bonds.

Original Issue Premium. The initial public offering prices of certain maturities of the Bonds may be more than their stated principal amounts payable at maturity (the “OIP Bonds”). In general, an owner who purchases an OIP Bond must amortize the original issue premium as provided in the applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the OIP Bond for federal income tax purposes. Prospective purchasers of OIP Bonds at a premium to its principal amount should consult their tax advisors regarding the amortization of premium and its effect upon basis.

Other Federal Tax Matters. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, certain insurance companies, recipients of Social Security or Railroad Retirement benefits, certain S corporations, foreign corporations subject to the branch profits tax, taxpayers eligible for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Bond Counsel does not express any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors regarding collateral federal income tax consequences. Prospective purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

State Taxes. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

Accrued original issue discount on an OID Bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Owners of the Bonds should consult their own tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Bonds.

Changes in Federal and State Tax Law. Legislation affecting tax-exempt obligations is regularly considered by the United States Congress. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

Investors in the Bonds should be aware that future legislative actions may increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be adversely affected and the ability of holders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

General. The opinion of Bond Counsel is rendered as of its date, and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention or any changes in law that may occur after the date of its opinion. Bond Counsel’s opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel’s opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel’s professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

The discussion above does not purport to deal with all aspects of federal or state or local taxation that may be relevant to a particular owner of the Bonds. Prospective owners of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Bonds.

Underwriting

The Bonds were purchased by RBC Capital Markets, LLC (the “Underwriter”) through a competitive bid process at a purchase price of \$27,259,823.30.

The Underwriter intends to offer the Bonds to the public initially at the offering yields set forth on the cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investments trusts) at yields higher than the public offering yields set forth on the cover page of this Official Statement, and such yields may be changed, from time to time, by the Underwriter without prior notice.

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II. The Issuer



Connecticut

Description of the Municipality

Bristol is a city of approximately 61,000 residents with one of the State's largest and best-maintained park systems, a top-rated public school system for its size, a variety of museums and local attractions such as Lake Compounce Amusement Park, and a broad industry base, including its largest taxpayer and employer, ESPN headquarters. Yet, Bristol also has one of the most affordable costs of living in the region. These reasons and others are why *Money Magazine* ranked Bristol 84th in the country as "Best Places to Live" and *Hartford Magazine* ranked Bristol as one of Greater Hartford's top municipalities in the category "Best Bang for the Buck." In 2016, Bristol was recognized as the "Best Small City for Doing Business in Greater Hartford" by WalletHub.com, a personal finance website, and in 2017 the City of Bristol exhibited the strongest "economic health" of the 25 largest cities in the State of Connecticut, according to the Connecticut Department of Labor (DOL). The DOL ranking is based on four economic indicators: (1) total covered business establishments (2) total covered employment (3) inflation-adjusted covered wages, and (4) the local unemployment rate. In 2020/2021, Bristol ranked #6 in Hartford County for single-family homes sales, with sales rising 29% and median sales price up 16.2%.

Bristol enjoys the important advantages of a central location close to major metropolitan markets: New York and Boston each lie within 100 miles of Bristol, accessible by interstate highway, train, and air; Hartford is 16 miles northeast and New Haven is 25 miles south. Connecticut's major east-west highway, Interstate 84, is less than five miles south of Downtown Bristol off Route 229. Route 72 to Bristol connects Interstate 84 with Interstate 91, providing access to Fairfield County, New Haven County, and New York City to the south, Hartford County to the east, and Springfield, Massachusetts to the north. Route 6, one of the country's original transcontinental highways, runs through Bristol as part of its 3,234-mile expanse stretching from Cape Cod to California. Bristol is only 30 miles from Bradley International Airport, and is within two hours of New York's LaGuardia and Kennedy Airports. The City is even closer to several smaller airfields which can accommodate corporate jets. Rail freight service is available locally.

Bristol was and continues to be a leader in manufacturing, producing a wide variety of precision-crafted goods. Bristol was once the foremost clock-making center in the nation and remains one of the country's largest centers for the manufacture of precision mechanical springs. Additionally, the City's manufacturing presence is well known in the production of everything from engineered steel, to screw machine products, to robotic-automation systems. Specialty manufacturers produce for a diverse array of industries, including medical devices, aerospace, defense, and automobile components.

Bristol's economic development efforts began in 1958 with the creation of the redevelopment agency for urban renewal. With a shift in focus from downtown in the 1970s, the City began work on its first industrial development on Middle Street, resulting in the development of 229 Technology Park, widely regarded as one of the most successful industrial parks in the state.

The 229 Technology Park parcels, totaling over 100 acres, were completely sold by 1986. This location was designed as an ideal choice for corporate headquarters, research and development facilities, and light manufacturing and support services. The industrial park is a high-end development. All sites benefit from underground utility service, quality landscaping, and sound protective covenants. Under the administration of the Bristol Development Authority (BDA) recently renamed the Economic and Community Development Department (ECD), the City of Bristol has attracted many companies to the park, such as IDEX Health and Science, Multi/Cable Corp., Etter Engineering Co Inc., the Covanta trash-to-energy plant, the Otis Elevator Quality Assurance Center (North America's tallest elevator test tower), the renovated DoubleTree by Hilton Hotel, and more. Most recently, the City welcomed an Amazon Distribution Center to the 229 Technology Park and a HOME2 hotel and large Convention Center are currently under construction. The 229 Technology Park has over 2,000 employees in over 27 businesses. ESPN, established in 1980, is located across from the 229 Technology Park on Route 229 and now employs more than 4,000 people, many of whom live in Bristol. ESPN recently launched the ACC Network, which is produced and broadcast from Bristol headquarters. The ACC Network has increased employment locally and further cemented ESPN's long-term commitment to Bristol.

In 1997, the City partnered with Tilcon Minerals to develop roughly 24 acres adjacent to the 229 Technology Park to create the Halcyon Technology Park. The Halcyon Technology Park shares the guidelines governing development with the 229 Technology Park. It has been developed with the addition of Bauer Aerospace, Nucoil Industries Inc., ACG Construction, Curtis Products, and others. An underutilized 25,000-square foot Reynold's Aluminum Recycling Center was refurbished by Eastern Plastics Inc. (now known as IDEX Health and Science) which has expanded twice: a 10,000 square foot addition was added in 1999, and a 15,000 additional square foot addition was constructed in 2004. In 2021 Bauer Aerospace received all site plan approvals and broke ground on a roughly 28,000 square foot expansion to be completed in summer 2022.

In addition to the successful 229 Technology Park and Halcyon Technology Park, the City offers building lots in the 51-acre Southeast Bristol Business Park (SEBBP), completed in 2008 less than one mile north of the existing industrial parks. Infrastructure for the SEBBP – including roadway, a traffic light, and utilities – was a jointly funded project of the Federal, State, and City governments. Five end-users have developed sites in the park: CMI Specialty Products is a producer/distributor of specialty electromagnetic steel; Precision Threaded Products (Thompson Aerospace) makes aircraft fasteners; GMN USA is a spindle repair/manufacturer; the Connecticut/Western Massachusetts headquarters of the PODS portable storage company that recently constructed a 130,000 square-foot distribution facility, and AMKO LLC is an aerospace manufacturer that recently completed construction on a 16,000 square-foot facility. In July 2019, AMKO began a 6,000 square foot expansion of its building. Currently, BHF Logistics, a distribution company, is working on the construction of a 12,000 square foot headquarters on Lot #2 while EcoSmart, a longtime energy efficiency and renewable energy contractor, is designing its own corporate headquarters and warehouse on Lot #6.

Bristol attracts and encourages growth with incentives such as economic development grants. The City has developed a word-of-mouth reputation as a pro-business environment due, in part, to these incentives as well as active marketing efforts. Each grant incentive is evaluated for return on investment. New taxes generated, less any abatement, can be calculated on improvements to a building and, in certain instances, the addition of new equipment and machinery. Every grantee is evaluated for financial viability and projected return to the City. Each business must also sign a grant agreement with clawback provisions: every agreement requires that the business stay in Bristol for 10 years, stay current on property taxes, and make every effort to hire Bristol residents. In addition to grants for large projects, the City utilizes "Small Business Grants" and "Downtown Grants" to incentivize business growth. Manufacturing companies, as the foundation of Bristol's economy, receive special consideration through grants to assist with the purchase of significant equipment that will result in the creation of new employment and/or the opening of new markets, as well as grants to help reimburse manufacturers receiving technical assistance to attain ISO certification and other business improvements.

In addition to grant funding, Bristol continues to promote and utilize a variety of tax abatements and similar programs to encourage private development. Pending funding at the State level, the use of the Enterprise Zone and Urban Jobs Program tax abatement and other State-sponsored programs help guarantee the City a percentage reimbursement of the full amount of property taxes otherwise due from expanding businesses. Additionally, the City utilizes tax abatement authority granted under the City and Town Development Act (as well as C.G.S. 12-65b) to structure specialized tax abatement schedules for extraordinary projects. For example, the City recently awarded a 10-year tax abatement to Carrier Companies for the construction of a 32-unit apartment complex downtown, as well as a 3-year abatement for the HOME2 and conference center in the 229 Technology Park. Finally, the City recently established a Tax Increment Financing (TIF) District and Opportunity Zone downtown. Over 150 companies received economic development grants and abatements from 1994 to 2022. More than 800,000 square feet of new construction has resulted, along with an increase of more than \$100 million in the City's grand list. Thousands of new jobs have resulted from these efforts.

Examples of recent business growth include the following projects:

- PEPCO, a longtime manufacturer of electrical switchboards for the US Navy, continued to expand its operation with a 10,000 square foot addition.
- The HOME2 hotel and the 50,000 square foot Convention Center under construction in the 229 Technology Park are on track for completion at the end of 2022.
- A 60,000 square foot Assisted Living Facility is under construction at a long-vacant downtown site.
- GMN USA added a sophisticated grinding machine that will unlock new revenue streams.
- CT Ears, a new pediatric audiology office, was assisted with its downtown office opening.
- Established business Cousin's Oil took advantage of a Downtown Grant to repave its newly acquired parking area on Riverside Avenue.
- The startup Bakery on Maple is renovating a long-vacant storefront downtown that hosts the company's exciting cakes and treats!
- Several manufacturers received Technical Assistance Grants through an innovative partnership with Connstep. The grants are helping manufacturers attain ISO certification, meet cybersecurity requirements, implement "lean" manufacturing processes, and more.

ESPN continues to thrive as it adjusts to the popularity of mobile communications and new methods of reaching its growing audience. The nation's first all-sports cable television network is an affiliate of ABC/Walt Disney. Its broadcast headquarters are in Bristol where it has grown to be the world's largest sports programmer. The \$500 million ESPN Digital Center was brought on line in June 2004, and in summer 2014 ESPN opened its second digital center broadcast studio. At an estimated cost of \$100 million, the 200,000 square foot, state-of-the-art building offers new employment opportunities and provides the City with additional tax revenue. Also, ESPN continues to invest in 383 Middle Street, a roughly 400,000 square foot former factory building now known as "ESPN North." ESPN has steadily increased its footprint within the building and made significant improvements along the way, increasing tax revenue to the City. ESPN's future growth in Bristol was assured by its acquisition of 20 adjoining acres across Birch Street. As part of this project, the City contributed to the expansion by providing \$3.5 million in infrastructure improvements including adding a critical new access road, sewer improvements, re-paving Birch Street, road widening and re-grading of CT Route 229, intersection improvements, realignment of Ronzo and Redstone Hill Roads at CT Route 229, and closing a portion of Ronzo Road to accommodate more growth. Although ESPN recently announced some workplace reduction to address the changing viewership climate, as mentioned above the company also brought the new ACC Network to Bristol, adding a number of new, skilled full-time positions to the area.

Metal working and spring making is an important industrial cluster for Bristol including the Barnes Group Inc. and its associated spring division, which are the largest precision spring manufacturers in North America. Several other spring manufacturers, including Rowley Spring and Stamping Company, Century Spring, Fourslide Spring Products, and Springfield Spring cement the area's designation as the "Spring-Making Capital of the World." These companies and others have been challenged by foreign competition. Nevertheless, there have been few closures and layoffs, and presently these manufacturers are experiencing an influx of new business as work orders return to U.S. companies from overseas.

Covanta, one of Bristol's largest taxpayers, operates a 60,000 square-foot trash-to-energy facility and processes waste for use in generating electricity. A need for additional clean energy production in Connecticut is expected to provide a continuing strong demand as well as production opportunities. Serving Bristol and several of its neighboring communities, this privately-owned complex is located within 229 Technology Park. Growth opportunities that the City is pursuing include clean energy and bioscience. The strategy is being developed and may bear fruit over the coming decade.

Bristol Health, Inc. is a nonprofit, 154-bed hospital employing approximately 1,600 healthcare professionals and support staff. Bristol Health is the City's second largest employer and offers comprehensive inpatient, outpatient, and emergency services with a state-of-the-art intensive care unit and single room maternity care. The hospital also provides a wide range of educational programs and support groups. Within the past several years, Bristol Health has opened a new Center for Wound Care and Hyperbaric Medicine, a Center for Orthopedic and Spine Health, and in 2019 completed a renovation of the behavioral health unit within the main hospital. In 2019, Bristol Health and its development partner, Rendina, completed construction of a 60,000 square-foot medical office complex on the City's Centre Square development parcel. The project encompasses 4 acres in the heart of downtown, bringing employment opportunities, medical staff, patients, and others to the area. In 2015, Bristol Health was designated by the American Nurses Credentialing Center (ANCC) Magnet Recognition Program as a "Magnet Recognized Organization." Magnet is the highest recognition an organization can receive for nursing care as established by the ANCC, a division of the American Nurses Association. Looking forward, Bristol Health will begin a significant project in 2020 to both renovate and add square footage to its existing emergency department.

The City's two most heavily trafficked retail areas – CT Route 6 and CT Route 229 – continue to grow. CT Route 6 has enjoyed a large amount of retail renovation and expansion, particularly near the Farmington town line. This has included the development of a large LA Fitness facility, Chili's restaurant, and fast food restaurant space. Nearby on CT Route 6, an eight-acre former farm is being planned for commercial development, with exciting news expected for 2022. Nearby, a developer purchased and demolished a tired restaurant building and constructed a state-of-the-art medical and retail building. New retail tenants for the remainder of CT Route 6 in Bristol include large anchor retailers Harbor Freight and Burlington, smaller independent businesses such as Cravings restaurant and deli, Route 6 Nutrition, and others, as well as popular chains America's Best Eyeglasses, NAPA Auto Parks, Aroma Joe's, and others. Several national food and drink establishments, including Starbucks, Chipotle, and others are expected to begin construction on Route 6 in 2022. On or near CT Route 229, Aldi finished a complete renovation of its grocery store, the Hospital of Central Connecticut opened a new urgent care facility, Cumberland Farms built a new gas station and retail store on a historically underutilized corner, popular local retailer Bob's Sports Chalet constructed an exciting new retail and e-commerce destination, popular restaurant group Max Pizza completed construction of a new eatery, ESPN continues its operations, and the Southeast Bristol Business Park is gaining steam at attracting the area's top manufacturers and distributors.

Downtown redevelopment remains a top priority for reasons of economic vitality and quality of life. The City is currently working to redevelop an approximately 15-acre City owned piece of property – dubbed Centre Square – in the heart of the downtown sector. In 2016, the City engaged the planning firm Milone & MacBroom to design a "master plan" for development of the site. This dynamic plan determines the locations of critical roadways, streetscape improvements, utility work, and also lays out a plan for future development on the Centre Square site. Bristol Health completed construction of a 60,000 square-foot medical complex that encompasses four acres of the Centre Square site. The City of Bristol completed construction on the site's first roadway – "Hope Street" – that will serve Bristol Health and future developments on the property. Scheduled to join Bristol Health on Centre Square soon will be two new "downtown style" buildings – one will be a mixed-use building with apartments on the upper floors and several retail/office spaces on the ground level and a second project is larger in scale featuring 90 apartments and approximately 17,000 square feet of first floor commercial space. The City also has plans to design and develop a "City Green" gathering space and recently approved the sale of parcel to bring the corporate headquarters of a large healthcare provider, Wheeler Clinic, to Centre Square.

Other downtown reinvestments are being contemplated. Transportation, shopping and living patterns are all changing, affected to a large degree by increasing energy costs. Long-term trends favor cities and those that plan for quality development in a compact environment, promoting walking, biking, and short commutes. Bristol has been making those infrastructure investments to meet such future demands.

TIF Master Plan and Opportunity Zone – Downtown Bristol

The City of Bristol recently approved the use of Tax Increment Financing (TIF) and adopted a TIF Master Plan as an economic development tool to incentivize private development and to provide a funding source for public infrastructure projects in downtown Bristol. Specifically, TIF earmarks the future real property tax revenue increases within the Downtown TIF District to help finance public infrastructure improvements, to fund City administered economic development incentive programs, and/or to help finance private development projects within the TIF District. TIF is NOT a new tax or special assessment on top of the existing property tax. In addition, the State of Connecticut recently approved an Opportunity Zone designation for much of downtown Bristol. This benefit has proven attractive for investors interested in investing in downtown development in order to shelter capital gains from federal tax obligations. There are no current plans to issue City debt for TIF at this time.

The City is eligible for \$16.8 million in direct American Rescue Plan funds and \$11 million passed through the State for the County share. The City established a 15 member task force to manage the award and allocation of these funds. The Task Force is comprised of Board of Finance and Public Works representatives as well as representatives from the Economic Development Commission, and members of the non-profit and business communities. The Task Force is committed to allocating these funds to projects that address COVID 19 mitigation and that are transformative and sustainable for the long term. It has been a very deliberative process. A consultant was hired to assist with developing a grant process, review of projects and assist with determining eligibility of each project that is applied for funding. In addition the consultant will provide ongoing administrative support, including assistance with reporting, in accordance with Treasury guidelines. The City opened a portal in December 2021 and accepted applications through January 31, 2021. The Task Force, split into three subcommittees - City, Non-Profit and Business - will review projects within those categories and make recommendations to the Task Force. Once recommended by the Task Force projects/funding will be approved in accordance with City Charter requirements to appropriate the funds. At the time the portal closed projects totaled over \$78 million. Recommendation and discussion is scheduled for late February into early March 2022.

Form of Government

Adopted by the State legislature in 1911, the City's Charter established a Council-Mayor form of government. The Charter subsequently was amended by many Special Acts, with a major change taking effect on January 1, 1969 through Charter Revision pursuant to the Home Rule Act. The City's general elective officers include the Mayor, City Council (6 members), Treasurer, and Board of Assessment Appeals (3). The Mayor and City Council appoint other City officials and members of various Boards and Commissions.

The Mayor is the chief executive officer of the City and an ex officio member of the City Council and Board of Finance. Elected every odd-numbered year on a partisan basis, the Mayor presides over meetings of the City Council and exercises general supervision over the official acts and conduct of the City's officers.

The City's legislative power is vested exclusively in the City Council, consisting of six members from three City Council Districts who are elected every odd-numbered year on a partisan basis. As the City's elected representatives, the City Council sets policy by resolutions or ordinances and directs the Mayor to ensure that such policies, as well as all the Charter-mandated duties of the City, are implemented.

The Board of Finance consists of nine members with four-year overlapping terms, who are nominated by the Mayor and confirmed by the City Council. The Board of Finance serves as the Board of Estimate and Apportionment of expenditures for the City, responsible for preparing a budget and estimate of expenditures every ensuing fiscal year.

A Joint Meeting of the City of Bristol is comprised of the members of the Board of Finance, the City Council and the Mayor (who also serves as Chairman). Joint Meeting responsibilities include approval of the budget, authorization of all additional expenditures to the budget, and approval of any expenditure in excess of \$5,000.

The Board of Education consists of nine members, each of whom is elected every fourth year coinciding with the odd-numbered election year of the City's other elective officers. Effective with the November 2019 election, these terms will be staggered every four years. Although the Board of Education's total operating budget must be approved within the City's Annual Budget, the board operates independently of the City Council.

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Principal Municipal Officials

Office	Name	Manner of Selection	Term Expiration
Mayor	Jeffrey Caggiano	Elected	11/23
Council Member	Sebastian Panioto	Elected	11/23
Council Member	Jolene Lusitani	Elected	11/23
Council Member	Jacqueline Olsen	Elected	11/23
Council Member	Susan Tyler	Elected	11/23
Council Member	Andrew Howe	Elected	11/23
Council Member	Cheryl Thibeault	Elected	11/23
Board of Finance, Chairman	John E. Smith	Appointed	06/23
Board of Finance, Vice Chairman	Orlando Calfe	Appointed	06/25
Board of Finance	Jeffrey Caggiano	Ex-Officio	11/23
Board of Finance	Marie O'Brien	Appointed	06/22
Board of Finance	Jonathan Mace	Appointed	06/23
Board of Finance	Glenn Heiser	Appointed	06/25
Board of Finance	Ron Burns	Appointed	06/24
Board of Finance	David Maikowski	Appointed	06/22
Board of Finance	Mark Whitford	Appointed	06/24
Board of Education, Chairperson	Jennifer Dube	Elected	11/23
Board of Education, Vice Chairperson	Kristen Giantonio	Elected	11/23
Board of Education, Member.....	Eric Carlson	Elected	11/25
Board of Education, Member	Shelby Rafaniello Pons	Elected	11/23
Board of Education, Member	John W. Sklenka	Elected	11/23
Board of Education, Member	Todd Sturgeon	Elected	11/25
Board of Education, Member	Karen Vibert	Elected	11/23
Board of Education, Member	Chris Wilson	Elected	11/25
Board of Education, Secretary	Dante Tagariello	Elected	11/25
Town and City Clerk	Therese Pac	Appointed	11/22
Comptroller	Diane M. Waldron	Appointed	06/25
Assistant Comptroller	Robin Manuele	Appointed	04/22
Treasurer	David J. Preleski	Elected	11/23
Assessor	Thomas DeNoto	Appointed	07/24
Tax Collector	Ann Bednaz	Appointed	08/22
Purchasing Agent	Roger Rousseau	Appointed	01/22
Director of Public Works	Raymond Rogozinski	Appointed	02/23
Police Chief	Brian J. Gould	Appointed	04/23
Fire Chief	Richard Hart	Appointed	11/25
Corporation Counsel	Edward Krawiecki	Appointed	11/23
Superintendent of Schools	Catherine Carbone	Appointed	Indefinite
Human Resources Director	Mark Penney	Appointed	03/23
Superintendent Parks and Recreation	Joshua Medeiros	Appointed	02/23
Superintendent of Water Department	Robert Longo	Appointed	05/23
Bristol Development Authority Ex. Director	Justin Malley	Appointed	04/22
Registrar of Voters (D)	Kevin McCauley	Elected	1/4/2023
Registrar of Voters (R)	Sharon Krawiecki	Elected	1/4/2023
Director, Department of Aging	Patricia Tomascak	Appointed	Indefinite
Chairman, Inland Wetlands Commission	Zachary Fisk	Appointed	05/23
Director of Youth & Community Services	Joshua Medeiros	Appointed	02/23
City Planner	Robert Flanagan	Hired	Indefinite
Planning Secretary and City Engineer	Nancy Levesque	Appointed	04/23
Zoning Enforcement Officer	Edward Spyros	Appointed	Indefinite
Director, Emergency Management	Harland Graime	Appointed	Indefinite
Chief Building Official	Richard Brown	Appointed	12/24
Bristol-Burlington Health District Director.....	Marco Palmieri	Appointed	Indefinite
Library Director	Deborah Prozzo	Appointed	Indefinite
Water Pollution Control Manager.....	Sean Hennessey	Hired	Indefinite

Municipal Services

Police. It is the mission of the Bristol Police Department; “To Protect and Serve the Community with Integrity and Professionalism”. The department provides full service to the city with an authorized strength of 122 sworn officers and 25 civilian personnel. The department’s personnel consists of the Police Chief, two Deputy Chiefs, eleven Lieutenants, thirteen Sergeants, nineteen Detectives, seventy-six Patrol Officers, two Animal Control Officers, seventeen Public Safety Dispatchers, one Fleet and Maintenance Technician, one Property and Evidence Technician, one Executive Assistant, one Police Payroll Supervisor and two Principal Record Clerks. The Board of Police Commissioners consists of six commissioners.

The Bristol Police Department consists of the following divisions, Patrol, Criminal Investigation, Traffic, Youth, Community Relations, Training, Communications, Animal Control, Records and Scheduling. Ancillary Support Services include a Narcotics Enforcement Unit, participation in the U.S. Department of Justice Drug Enforcement Administration Task Force, Federal Bureau of Investigation Cyber Crime Task Force and the regional Emergency Response Team.

The Bristol Police Department is currently Tier III State Accredited. The purpose of State Accreditation is to improve the delivery of law enforcement services by offering a body of standards, developed by law enforcement practitioners, covering a wide range of current law enforcement topics. Accreditation is a process by which law enforcement agencies voluntarily demonstrate that their policies and procedures, operations, management, and support services meet standards established for the profession. These standards are intended to help law enforcement agencies: Strengthen crime prevention and control capabilities, formalize essential management procedures, establish fair and nondiscriminatory personnel practices, improve service delivery, solidify interagency cooperation and coordination, and boost citizen and staff confidence in the agency.

Fire. The Bristol Fire Department is a career department which provides emergency services through the use of 80 line personnel, six staff personnel, two full-time administrative personnel and one part-time principal clerk. The line personnel are divided into four platoons that work a 24-hour shift followed by three days off. Fire crews responded to 1,966 calls for service between July 1, 2020 and June 30, 2021. There are five engine companies and one truck company which operate under the direction of a Deputy Chiefs acting as shift supervisor. The department’s personnel roster currently consists of the Fire Chief, Administrative Assistant, Principal Clerk, four Deputy Chiefs, one Fire Marshal, three Fire Inspectors, one Drill Master, one Equipment Technician, six Captains, 18 Lieutenants and 52 Firefighters. The Board of Fire Commissioners provides oversight for the Bristol Fire Department. Commissioners are appointed to the Board for a term of three years by the Mayor who sits as the ex-officio Chairman of the Board. The Fire Commissioners work hand-in-hand with the Fire Chief to establish the primary policies of the Fire Department. Based on most recent Insurance Service Office surveys of the department’s fire suppression capabilities, the City maintains a fire insurance classification of three.

Public Works. The Department of Public Works is under the direction of the Board of Public Works, consisting of the Mayor, three council representatives and three private citizens. Department programs include the maintenance of the City’s streets, storm water infrastructure and bridges; the administration and/or construction of capital public works improvements; the maintenance and upgrading of all public buildings, exclusive of school and park facilities; the administration and/or collection and disposal of solid waste rubbish and recycling materials; the collection and treatment of waste water; purchase, service and maintenance of the Public Works fleet; and land use development planning. The Department of Public Works is divided into the following seven Operating Divisions with 96 employees:

Administration: Performs all office functions for the department including payroll, purchasing, processing bills, word processing, database management, filing and issuance of permits for Transfer Station use, and barrel management for solid waste, recycling and yard waste collections. Administration also acts as the City Hall Switchboard for all calls, manages the Public Works web site, Department social media presence and handles communications and press releases for internal and external customers. This division also manages the citizen request/complaint database, and acts as the initial contact-point on street maintenance, storm water and drainage, solid waste and recycling, land use, permitting and engineering matters.

Engineering: Provides in-house technical and professional services for Public Works and for other City departments, boards and commissions. Performs design, construction administration and inspection of Public Works capital projects. Performs the updating of City maps; reviews plans for subdivisions for the Planning Commission and requests for changes to zoning; and reviews site plans and permit applications for the Inland Wetlands Commission. Performs updates, manages access and assists other Departments using the City's GIS database. The Division is also responsible for oversight of the upkeep on approximately 2 miles of industrial railroad spur with one bridge, 3 signalized crossings and 2 manual crossings plus the City's 5,500 street lights.

Land Use Administration: Provides administrative and technical services for the City's four land agencies (Planning Commission, Zoning Commission, Zoning Board of Appeals and Inland Wetlands Agency) and the local Historic District Commission. These services include receiving, processing and reviewing all applications; preparing legal notices, meeting agendas, correspondence and meeting minutes; and maintaining the official records of the boards. It also provides information, advice and assistance to the development community (e.g., developers, design professionals, attorneys, and real estate agents) and to the public regarding planning, zoning and related land use and development matters, as well as technical expertise and administrative assistance in the preparation and updating of the City's Plan of Conservation and Development, the City's regulatory tools (Zoning Regulations, Zoning Map, Subdivision Regulations, and Inland Wetlands Regulations) and other planning-related studies. The Land Use Division also has administrative responsibility for implementation of the state's Aquifer Protection Area Program, in conjunction with the Zoning Commission, which has been designated as the City's Aquifer Protection Agency.

Facility Maintenance: Provides custodial and maintenance services for City Hall and the Police/Court Complex, Youth Services (51 High Street), Animal Control Facility (Vincent P. Kelly Road), City Yard (95 Vincent P. Kelly Road) and Transfer Station (685 Lake Street), as well as maintenance and repair services for the firehouses, libraries and senior center. Attends to landscaping and winter snow removal operations for City Hall, Police/Court Complex, Youth Services, Memorial Boulevard School and other City-owned properties as directed. Serves as Custodian for other properties acquired by the City through foreclosure, purchase and other means until transfer of responsibility to another department or sale by the City. Facility Manager works with City's Energy Commission on energy saving/management projects and Sustainable CT certification program initiatives.

Street Maintenance Operations: Maintains and repairs 232 miles of street, 220 miles of storm drains including over 8,000 catch basins, and 25 bridges. Additionally, this division is responsible for cutting, trimming and replanting trees and, winter snow removal and ice control operations.

Solid Waste & Recycling Management: Provides for collection and, by various means, disposal of all solid waste generated by approximately 20,000 dwelling units which house approximately 80 percent of the City's population. The division's activities include: collection of 17,500 tons of refuse; collection of 5,100 tons of recyclable material; and collection of 450 tons of bulky material. The division also operates the City's transfer station/recycling drop-off center as a Pay-As-You Throw Special Revenue Fund operation which receives and transfers 2,000 tons of refuse, 4,600 tons of recyclable material, 3,000 tons of brush, 3,200 gallons of waste oil, and spring and fall leaf collection, including the operation of a leaf composting facility which processes 1,300 tons of leaves collected by the City and brought in by individuals and small businesses. All quantities are annual.

Fleet Maintenance: This division maintains and repairs all Public Works vehicles and equipment and 40 Police Department vehicles, and provides fuel and oil for most City vehicles. The garage averages over 1,500 repair and service orders per year, and dispenses approximately 129,000 gallons of gasoline and 174,000 gallons of diesel fuel annually.

Service Contract- Solid Waste Disposal Facility. Covanta Bristol, Inc., a Connecticut corporation, operates a 650-ton-per-day mass-burn solid waste disposal, electric power generation, and resource recovery facility at 170 Enterprise Drive. The commercial operation date was April of 1988.

The Company is a subsidiary of Covanta Energy Corporation, a Delaware corporation. The Company was formed in 1984 for the purpose of owning and operating the facility for the processing and disposal of acceptable solid waste from the City of Bristol, Town of Berlin, Branford, Burlington, Hartland, Plainville, Plymouth, Prospect, Seymour, Southington, Warren, Washington, Wolcott, and the City of New Britain, (14 municipalities collectively referred to as the "Contracting Communities"). The Contracting Communities Agreement operating under the Bristol Resource Recovery Facility Operating Committee ("BRRFOC") expired in 2014 and each municipality has individually contracted with Covanta through a collective agreement through 2034.

The City pays a tipping fee of \$67.01 per ton for refuse delivered, effective July 1, 2021. The City receives a rebate that is to be used for solid waste educational efforts including our Recycle Coach smartphone application and social media presence. The City also receives a Host Fee based on tonnage delivered, processed or handled at the facility to offset the impact of facility traffic on the City's roadway infrastructure.

If the facility is temporarily or permanently shut down and partially or completely unable to receive and process acceptable waste, the Company is obligated to provide waste disposal services by alternative disposal methods.

City collected recyclables are processed at a company in Berlin Connecticut know as Murphy Road LLC. Recyclables are transported from Bristol to the facility by the Department of Public Works. The processing fee is based on the market price of the recyclable material components and is approximately \$83/ton.

Water Department. The Bristol Water Department is a municipal department of the City of Bristol and is governed by a Board of Water Commissioners appointed by the Mayor and approved by the City Council.

The Water Treatment Plant was constructed and put on-line in 1989 with a filtering capacity of 12 million gallons per day ("MGD") and provisions for increasing this capacity to 24 MGD with future expansion. The project cost of the new plant was \$11.4 million of which \$9,835,000 was bonded and debt service was paid for with revenues from the sale of water. All bonding for the Water Treatment Plant was repaid in 2008. Additional bonding in the amount of \$5,900,000 completed the rehabilitation of dams 2, 4 and 5 and the storage tank at the Filter Plant.

The surface water supply consists of six reservoirs with a combined capacity of 1.2 billion gallons of water. These reservoirs are located in the towns of Burlington, Harwinton, Plymouth and the City. In addition to the surface supply, there are five gravel packed wells with an average daily maximum production of 2.5 million gallons.

The Bristol Water Department has established an interconnection with the New Britain Water Department. The interconnection provides 500,000 gallons per day of additional supply for the Bristol Water Department, as required.

Ten storage structures are spread throughout the City in six different pressure zones with a combined capacity of 16.7 million gallons. The distribution system consists of over 300 miles of cast iron and ductile iron water mains varying in size from 4" to 36".

All bills are due and payable on the first day of the regular billing period. Penalty charges of 1.5% of the unpaid balance are added after 30 days from the billing date. Liens are filed in the City land records if the account remains unpaid for a period of six months from the billing date. All accounts in arrears after the 30 day payment period receive a "Second Notice" which includes the past due amount for the water and sewer bill plus any penalty and lien charges. Thirty (30) days after the "Second Notice" is sent, the customer will receive a "Third Notice" as a reminder bill that the account is still delinquent. Approximately seven to ten days after the "Third Notice" is sent, if payment is still not received on the past due account, the customer will receive a "Final Notice". The customer has thirteen (13) days from the date of the "Final Notice" to pay the delinquent account in its entirety or call the office to make arrangements for payment with the Collections Clerk. The "Final Notice" contains information on what a customer should do to prevent the possible termination of their water service. Although not required under the Bristol Water Department Rules and Regulations, seven days prior to the end of the thirteen day payment period a yellow door hanger is left at the service address and/or mailed to the owner of the property. If payment has not been made by the end of the thirteen day payment period, the service is terminated in accordance with the Department of Public Utility Control guidelines. The terminated service will not be turned back on until full payment is made by either cash or bank certified check including all re-instatement fees. For locations that contain tenants that cannot be shut off due to Department of Public Utility Control guidelines, liens are filed in the City land records if the account remains unpaid for a period of six months from the billing date.

Water Pollution Control: This division is charged with the operation and maintenance of the City's wastewater collection and treatment facilities, as accounted for in the Sewer Operating and Assessment Fund, and provides sanitary sewer collection and treatment to approximately 90% of the City's populated area. It operates and maintains an advanced wastewater reclamation plant with 10.75 MGD capacity, 16 pumping stations, and 243 miles of sewer lines and 5,600 manholes. It also provides administrative services for the operation of the City's wastewater collection and treatment facilities, oversees sewer usage billing performed by the City's Water Department, and develops long-term plans to assure the operation will meet the future needs of the community. In accordance with State and Federal regulations, the Division is required to maintain a Capital Reserve Fund adequately funded to meet the financial demands of all facility upgrades, modifications and capital equipment replacement.

Parks and Recreation. It is the mission of the Bristol Parks, Recreation, Youth and Community Services Department to deliver high-quality services and facilities that enhance the community's quality of life, meet the diverse needs of all citizens, and build a sustainable future. The department's vision is to be an essential department impacting the lives of all Bristol residents by shaping positive public perceptions, fostering cultural unity, creating responsible and healthy citizens, and inspiring advocacy.

In order to administer the best quality services in the most efficient way, the department is organized into six operational divisions including: Administration; Parks, Grounds, & Facilities Maintenance; Recreation; Aquatics; Youth & Community Services and Arts & Culture. The professional staff consists of 32 full-time employees and more than 300 part-time and seasonal employees. Policy is set by a 7 member Board of Park Commissioners, an 11 member Youth Commission, and 8 member Arts & Culture Commission.

Administration is responsible for developing a fiscally responsible department budget that meets the changing and dynamic needs of the community. Administration provides stewardship to the many benefactors of the Parks, Recreation, Youth and Community Services Department which include 8 trust and endowment funds, as well as, the Friends of Bristol Parks and Recreation Fund through the Main Street Community Foundation. The division interfaces and coordinates with dozens of non-profits, sports organizations, and civic groups that utilize park space for events including the Mums Festival, West End Association Summer Festival, and Veterans organizations - drawing thousands of visitors into the city each year. Administration provides support to all department divisions, manages the department master/strategic plans, organizes and creates policy in alignment with the pursuit of CAPRA (Commission for Accreditation of Park and Recreation Agencies) accreditation, establishes fundraising events, supports divisions with marketing strategy, pursues new funding sources and provides direct project management for department projects.

Parks, Grounds, & Facilities Maintenance division is responsible for over 730 acres of park land which includes 2 major active parks with over 100 acres each, 8 neighborhood parks, a lighted stadium, a veteran's memorial park, and 4 open space passive parks. The division is responsible for the upkeep of park amenities including 3 water spray parks, 14 tennis courts (5 lighted), 6 lighted sand volleyball courts, 1 modified pickle ball court, 7 fishing areas, 2 horseshoe pits, 2 bocce courts, 6 basketball courts, 6 pre-school playscapes, an ADA compliant accessible playground, para-fitness course, 4 baseball diamonds, 6 (3 lighted) softball diamonds, jogging path, metered walking path, hiking trails, mountain bike trails, 2 eighteen hole disc golf courses, 2 off-leash dog parks, and a skate park plaza.

Recreation division is responsible for administering hundreds of recreational programs and special events throughout the year. A variety of programs are offered serving the varied interests of Bristol residents from pre-school to senior citizens. This includes popular summer camps, sports clinics, arts instruction, Summer Concerts, Winter Wonderland, and much more. Recreational programs increase physical, social, and emotional wellness and serve to enhance community spirit, as well as, the quality of life for every resident. The former Pine Lake Challenge Course was rebranded as the Pine Lake Adventure Park, re-aligned within the recreation division in order to provide a well-rounded recreational and outdoor adventure-based experiential learning program.

Aquatics division is responsible for the oversight of the Dennis Malone Aquatics Center (DMAC) and two outdoor park pools at Page and Rockwell. The division offers seasonal memberships and daily passes for thousands of patrons annually. An extensive award winning American Red Cross Learn to Swim program is offered at all 3 facilities, annually teaching thousands of Bristol youth this critical life skill. In addition, the division offers water fitness programs, training classes, recreational swim teams, special events, and more. The Dennis Malone Aquatics Center is also host to Bristol Central High School/Bristol Eastern High School Swim Teams, St. Paul and Lewis Mills Swim Teams, private rentals and Bristol Health for water therapy.

Youth & Community Services division is responsible for the coordination of a comprehensive community-based youth services bureau and the delivery of essential life services for Bristol residents in need. The Bureau strives to enhance the networking and support between family, school, peer and community environments. Direct services including juvenile diversion programming, individual and family counseling, outreach support, crisis support and case management, youth employment training and positive youth development opportunities.

Community Services provides adults with critical information and referrals to available community and state resources. Advocacy and referrals are made for housing, mental/physical health, medical insurance, state benefits, and utilization of the statewide 211 resource. Short term case management and support is provided to individuals in transition and/or emotional distress. One-time assistance is available to residents descending into a long-term crisis or life altering circumstances.

In 2020, the Parent and Child Center of Bristol Health was realigned within the Youth and Community Services division of the department to create the new Parent and Child program. The program focuses on supporting new families with programs, resources and services. Staff and program budgets are supported through grant funding, community donations and sponsorships.

**Municipal Employees
Full-Time as of 10/1/21**

Fiscal Year Ended June 30	2021	2020	2019	2018	2017
Board of Education.....	1,205	1,118	1,095	1,027	1,071
General Government.....	516	508	506	501	505
Total.....	1,721	1,626	1,601	1,528	1,576

Source: City of Bristol, Human Resources and Board of Education.

The table below shows an analysis of general government employees by department:

Department	Full Time	Part-Time & Temporary
Police	145	-
Fire	88	1
Administrative and Financial	70	10
Youth Services.....	-	-
Recreation	27	170
Library	31	8
Public Works	94	2
Water	61	-
Total	516	191

Source: City of Bristol, Human Resources.

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Employee Relations

Almost all full and permanent part-time City employees, with the exception of management, are represented by a bargaining organization as follows:

Board of Education	Employees Represented ¹	Current Contract Expiration Date
Bristol Federation of Teachers Local 1464	657	6/30/2025
Bristol Association of Principals & Supervisors	37	6/30/2023
Bristol Educational Secretaries Association	77	6/30/2024
Bristol Municipal Employees Local 2267 Board of Education, Custodial, Maintenance & Teachers Aides	278	6/30/2024
AFL Local 2267 Council No. 4 (Board of Education Cafeteria) ..	66	6/30/2024
#818 Council 4	6	6/30/2020 ²
Non-Bargaining Employees	60	--
Sub-total	1,181	
City Groups		
Local 1338 of Council No. 4, AFSCME, AFL-CIO	122	6/30/2022
Police Union	119	6/30/2023
Local 773, International Association of Fire Fighters	87	6/30/2023
Bristol City Hall Employees, Local 233	121	6/30/2022
Bristol Professionals & Supervisors Association	53	6/30/2022
Non-Bargaining Employees	14	--
Sub-total	516	
Total	1,697	

¹ Excludes part-time employees.

² In negotiation.

Source: City of Bristol, Human Resources and Board of Education.

General Statutes Sections 7-473c, 7-474 and 10-153a to 153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipal entity may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. Effective October 1, 1997, for binding arbitration of teachers' contracts, in assessing the financial capability of a city, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

Educational Services

The Bristol Public School system provides educational services ranging from pre-school programs through adult education programs. Within the system, there are six elementary schools which accommodate grades pre-kindergarten through five; two schools which accommodate grades pre-kindergarten through eighth, two middle schools, which provide programs for grades six, seven and eight; and two high schools which are comprehensive high schools for grades nine through twelve.

In addition to these schools, alternative education programs are provided at the Bristol Early Childhood Center. Bristol maintains a special education program with services provided to special needs students from pre-school to age twenty-one. Bristol's program for gifted students includes special programs and resource services for students identified as gifted in grades three through twelve. The academic programs are complimented by a wide variety of extracurricular activities, including intramural and interscholastic sports, instrumental and vocal music programs, and many student organizations which are available to all students.

The community is further served by a parochial school system of two grammar schools (K-8) and one high school. The Bristol Technical Educational Center is open to adults and high school students in grades 11 and 12, and is approved for veterans. Opportunities for post-secondary education in technical, professional, and the liberal arts field abound in the area through both public and private schools. A regional community/technical college is situated one mile over the Bristol border in the Town of Farmington and Central Connecticut State University is in nearby New Britain. Branches of the University of Connecticut and State technical colleges are located in both Waterbury and Hartford, twenty minutes away. Also available in the area are nursery schools and day care facilities, as well as child care programs in all of the elementary schools in Bristol.

Bristol Public Schools

Educators

Teachers and administrators belong to the retirement program provided by the State Teachers' Retirement Board and contribute 8.25% (7% + 1.25% health insurance). The State of Connecticut makes appropriations from the General Fund for its contributions to the Retirement Fund. The contributions are calculated using the terminal funding method. Neither the City nor the Board of Education is currently required to contribute to the Retirement Fund.

Support Staff

Support staff who qualify for benefits participate in the City retirement plan.

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School Facilities

School	Grades	Construction		Actual Enrollment 10/1/2021 ^{2,3}
		(Remodeling or Renovation)	Number of Classrooms ¹	
Bristol Central High School	9-12	1967, 2000	55	1,582
Bristol Eastern High School	9-12	1959 (65), 2000	60	1,700
Chippens Hill Middle School	6-8	1993	45	911
Northeast Middle School	6-8	1922 (65,83)	41	1,050
Greene-Hills	K-8	2012	53	1,100
West Bristol	K-8	2012	53	1,100
Stafford School	K- 5	1951 (54,85)	41	1,050
Edgewood School	K- 5	1957 (64,86,12)	24	497
Ellen Hubbell	K- 5	1991	28	529
Ivy Drive School	K- 5	1967 (2007)	29	480
Mountain View School	K- 5	1967 (2007)	27	441
South Side School	K- 5	1974	28	569
Totals			484	11,009

¹ New England School Development Annual Report.

² The Bristol Board of Education reports Current Operating Capacity as of 10/1 every year based upon square footage and other requirements of the State Department of Education; however, the Bristol Board of Education's actual utilization of Current Operating Capacity is maximized by scheduling classes in interchangeable classrooms that are available for instruction. The Bristol Board of Education's Actual Enrollment, therefore, may exceed Current Operating Capacity in some schools.

³ Excludes 79 out-of-district placements and 335 pre-school students, but includes Special Education students.

Source: City of Bristol, Board of Education.

School Enrollment

School Year	Pre K	K - 5	6 - 8	9-12	Total ²
Historical¹					
2012-2013	287	3,581	1,836	2,546	8,250
2013-2014	290	3,585	1,750	2,509	8,134
2014-2015	337	3,546	1,772	2,448	8,103
2015-2016	335	3,554	1,734	2,408	8,031
2016-2017	333	3,551	1,858	2,394	8,136
2017-2018	298	3,406	1,862	2,260	7,826
2018-2019	293	3,375	1,822	2,366	7,856
2019-2020	297	3,364	1,859	2,352	7,872
2020-2021	231	3,202	1,785	2,379	7,597
2021-2022	288	3,182	1,735	2,429	7,634
Projected³					
2022-2023	307	3,241	1,823	2,518	7,889
2023-2024	307	3,181	1,851	2,432	7,771
2024-2025	307	3,209	1,748	2,435	7,699

¹ Bristol Board of Education (excludes 79 out-of-district placements).

² Special Education students are included in counts of regular education.

³ State of Connecticut, Department of Education.

Source: City of Bristol, Board of Education.

III. Economic and Demographic Information

Population and Density

Year	Population ¹	% Increase (Decrease)	Density ²
2020	60,833	0.6%	2,244.8
2010	60,477	0.7%	2,231.6
2000	60,062	-1.0%	2,216.3
1990	60,640	5.7%	2,237.6
1980	57,370	3.4%	2,117.0
1970	55,487	--	2,047.5

¹ 1970-2010, U.S. Department of Commerce, Bureau of Census

² Per square mile: 27.0 square miles

Age Distribution of the Population

Age	City of Bristol		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years	2,952	4.9%	183,808	5.1%
5 to 9 years	3,208	5.3	198,000	5.5
10 to 14 years	3,723	6.2	221,325	6.2
15 to 19 years	3,857	6.4	244,249	6.8
20 to 24 years	3,537	5.9	244,597	6.8
25 to 34 years	8,399	13.9	441,742	12.4
35 to 44 years	7,452	12.4	424,739	11.9
45 to 54 years	8,399	13.9	508,428	14.2
55 to 59 years	4,610	7.7	264,804	7.4
60 to 64 years	4,120	6.8	242,329	6.8
65 to 74 years	5,290	8.8	336,422	9.4
75 to 84 years	3,094	5.1	174,887	4.9
85 years and over	1,577	2.6	89,744	2.5
Total.....	60,218	100.0%	3,574,097	100.0%
Median Age (Years) 2019.....	40.5		41.0	
Median Age (Years) 2010 ¹	40.0		40.0	

¹ U.S. Department of Commerce, Bureau of Census, 2010.

Source: American Community Survey 2015-2019

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Income Distribution

	City of Bristol		State of Connecticut	
	Families	Percent	Families	Percent
Less than \$10,000.....	323	2.2%	24,799	2.8%
\$10,000 to \$14,999.....	252	1.7	16,037	1.8
\$15,000 to \$24,999.....	925	6.2	38,364	4.3
\$25,000 to \$34,999.....	933	6.2	48,110	5.4
\$35,000 to \$49,999.....	1,575	10.5	77,010	8.6
\$50,000 to \$74,999.....	2,457	16.4	123,980	13.9
\$75,000 to \$99,999.....	2,418	16.1	116,676	13.1
\$100,000 to \$149,999.....	3,363	22.4	186,246	20.8
\$150,000 to \$199,999.....	1,683	11.2	109,258	12.2
\$200,000 or more.....	1,064	7.1	152,958	17.1
Total.....	14,993	100.0%	893,438	100.0%

Source: American Community Survey 2015-2019

Income Levels

	City of Bristol	State of Connecticut
Per Capita Income, 2019.....	\$36,351	\$44,496
Median Family Income, 2019.....	\$85,397	\$100,418
Median Household Income, 2019.....	\$67,507	\$78,444

Source: American Community Survey 2015-2019

Employment Data

Period	City of Bristol		Percentage Unemployed		
	Employed	Unemployed	City of Bristol	Hartford Labor Market	State of Connecticut
December 2021.....	30,351	1,802	5.6	4.5	4.4
Annual Average					
2021.....	29,053	2,353	7.5	6.6	6.6
2020.....	30,716	2,610	7.9	7.0	7.3
2019.....	31,984	1,416	4.2	3.8	3.7
2018.....	31,702	1,519	4.6	4.1	4.1
2017.....	31,467	1,771	5.3	4.8	4.7
2016.....	31,038	1,958	5.9	5.3	5.3
2015.....	30,772	2,127	6.5	5.6	5.6
2014.....	31,282	2,406	7.2	6.7	6.7
2013.....	30,635	2,742	8.2	7.9	7.9
2012.....	31,220	2,947	8.6	8.4	8.3

Source: Department of Labor, State of Connecticut

Employment by Industry

Sector	City of Bristol		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	33	0.1%	7,057	0.4%
Construction.....	1,783	5.6	109,467	6.0
Manufacturing.....	4,206	13.2	189,162	10.4
Wholesale trade.....	830	2.6	44,344	2.4
Retail trade.....	3,964	12.5	191,756	10.6
Transportation warehousing, and utilities.....	1,285	4.0	76,439	4.2
Information.....	1,474	4.6	39,585	2.2
Finance, insurance, real estate, and leasing....	3,512	11.0	162,153	8.9
Professional, scientific, management, administrative, and waste management.....	2,364	7.4	208,379	11.5
Education, health and social services.....	7,761	24.4	484,166	26.7
Arts, entertainment, recreation, accommodation and food services.....	2,010	6.3	152,041	8.4
Other services (except public admin.).....	1,289	4.1	84,915	4.7
Public Administration.....	1,293	4.1	66,172	3.6
Total Labor Force, Employed.....	31,804	100.0%	1,815,636	100.0%

Source: American Community Survey 2015-2019

Educational Attainment Years of School Completed Age 25 & Over

	City of Bristol		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	1,630	4.2%	99,837	4.4%
9th to 12th grade, no diploma.....	2,819	5.8	132,826	6.1
High School graduate (includes equivalency).....	14,249	26.7	666,828	27.5
Some college, no degree.....	8,504	18.1	416,175	17.8
Associate degree.....	4,338	8.7	191,964	7.4
Bachelor's degree.....	7,457	20.3	541,380	20.5
Graduate or professional degree.....	3,944	16.3	434,085	16.4
Total.....	42,941	100.0%	2,483,095	100.0%
Percent high school graduate or higher.....		89.6%		90.6%
Percent bachelor's degree or higher.....		26.6%		39.3%

Source: American Community Survey 2015-2019

Age Distribution of Housing

Year Built	City of Bristol		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier.....	5,583	21.0%	334,845	22.1%
1940 to 1969.....	10,197	38.4	532,280	35.1
1970 to 1979.....	3,666	13.8	203,700	13.4
1980 to 1989.....	4,375	16.5	188,655	12.4
1990 to 1999.....	1,580	6.0	116,028	7.7
2000 or 2009.....	896	3.4	103,075	6.8
2010 or later.....	249	0.9	38,046	2.5
Total Housing Units.....	26,546	100.0%	1,516,629	100.0%

Source: American Community Survey 2015-2019

Housing Inventory

Housing Units	City of Bristol		State of Connecticut	
	Units	Percent	Units	Percent
1-unit, detached.....	14,425	54.3%	893,531	58.9%
1-unit, attached.....	1,341	5.1	81,832	5.4
2 units.....	2,923	11.0	124,082	8.2
3 or 4 units.....	2,617	9.9	130,863	8.6
5 to 9 units.....	1,691	6.4	82,695	5.5
10 to 19 units.....	1,096	4.1	57,281	3.8
20 or more units.....	2,290	8.6	134,093	8.8
Mobile home.....	144	0.5	11,826	0.8
Boat, RV, van, etc.....	19	0.1	426	0.0
Total Inventory.....	26,546	100.0%	1,516,629	100.0%

Source: American Community Survey 2015-2019

Owner-Occupied Housing Values

Specified Owner-Occupied Units	City of Bristol		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	349	2.2%	17,522	1.9%
\$50,000 to \$99,999.....	792	5.1	28,440	3.1
\$100,000 to \$149,999.....	2,997	19.1	78,467	8.7
\$150,000 to \$199,999.....	3,857	24.6	137,944	15.2
\$200,000 to \$299,999.....	5,440	34.7	248,431	27.4
\$300,000 to \$499,999.....	1,872	11.9	244,855	27.0
\$500,000 to \$999,999.....	337	2.1	107,504	11.9
\$1,000,000 or more.....	35	0.2	42,518	4.7
Total.....	15,679	100.0%	905,681	100.0%
Median Value.....	\$197,800		\$275,400	

Source: American Community Survey 2015-2019

Major Employers Employment Levels As of February 2022

Name	Business	Estimated Number of Employees
ESPN Inc.....	Broadcasting Facility Headquarters	4,200
Bristol City	Municipality	1,721
Bristol Health.....	Healthcare	1,160
Amazon	Distribution Center	350
Faneuil, Inc.	Call Center	200
Sheriden Woods Health Care Ctr.....	Health Care	200
IDEX Health & Science	Manufacturing	175
Shop & Stop.....	Retail	150
Quality Coils Inc.....	Manufacturing	125
The Pines @ Bristol	Healthcare	115
Total.....		8,396

Source: City of Bristol - Bristol Development Authority.

Land Use Summary

Category	All Land	
	Acreage	Percent
Residential	7,867	45.82%
Industrial and Commercial	1,760	10.25%
Community Facilities/Institutions	1,331	7.75%
Open Space	1,695	9.87%
Other (Farms, Misc. Public Land)	552	3.21%
Transportation and Utilities	2,132	12.42%
Vacant	1,833	10.68%
Totals	17,170	100.00%

Source: City of Bristol, Land Use Department.

Building Permits Ten-Year Comparison

Calendar Year	Residential		Commercial & Industrial		Apartments & Condominiums		Total Estimates	
	No.	Value	No.	Value	No.	Value	No.	Value
2021	1,334	\$ 24,303,679	109	\$ 47,594,832	-	\$ -	1,443	\$ 71,898,511
2020	1,200	17,065,517	118	56,801,119	-	-	1,318	73,866,636
2019	984	14,204,385	160	13,607,512	-	-	1,144	27,811,897
2018	1,201	16,128,715	235	32,969,560	-	-	1,436	49,098,275
2017	1,145	15,290,398	242	18,235,634	-	-	1,387	33,526,032
2016	1,100	12,707,765	221	41,687,869	-	-	1,321	54,395,634
2015	1,229	11,855,263	257	19,797,336	-	-	1,486	31,652,599
2014	1,206	14,205,476	252	16,384,301	-	-	1,458	30,589,777
2013	1,122	15,498,865	238	18,636,294	1	1,000,000	1,361	35,135,159
2012	1,076	11,621,730	234	16,704,090	-	-	1,310	28,325,820

Note: Does not include mechanicals.

Source: City of Bristol, Building Department.

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IV. Tax Base Data

Property Tax

Assessments

The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the limits of the City of Bristol for inclusion on the Grand List is the responsibility of the Assessor. The Grand List represents the total assessed value for all taxable real and personal property and motor vehicles located within the City as of October 1st. The three classes of taxable property that create the Grand List are Real Estate, Motor Vehicles, and Personal Property. Real Property includes land and improvements that are permanently attached to the land. Personal Property includes all other property not classified as real property, such as machinery, equipment, furniture, fixtures, registered and non-registered motor vehicles. Assessments for real property are computed at seventy percent (70%) of the estimated market value at the time of the last revaluation. The last City-wide revaluation was 2017. The Board of Assessment Appeals is charged with the duty of hearing appeals on assessments from aggrieved taxpayers, and reviewing and changing valuation set by the Assessor.

Public Act No. 04-2 of the May 2004 Special Session of the Connecticut General Assembly modified the required cycle of revaluation and lengthened the cycle from four to five years. Generally, the law requires a revaluation every five years and a general revaluation based on physical observation where the preceding revaluation in the five-year cycle was a statistical revaluation. The City of Bristol's next general revaluation is scheduled to take effect October 1, 2022.

New construction of real estate and modifications to existing structures completed after any assessment date are liable for payment of municipal taxes from the date Certificate of Occupancy is issued by the Building Inspector. This involves the physical inspection of the property and computing the assessment. The prorated increment is the increase in the building assessment prorated on a daily basis from the Certificate of Occupancy date to the next assessment year.

Pursuant to the Connecticut General Statutes 14-163, the Commissioner of Motor Vehicles is required to furnish to the assessor in each town, a list containing the names and addresses of the owners of motor vehicles, residing in their respective towns, as they appear on October 1st of each year. Appraisals of motor vehicles are accomplished in accordance with an automobile pricing schedule recommended by Connecticut Association of Assessing Officers to the State Office of Policy and Management. In the past five years National Automobile Dealers Association ("NADA") has been the recommended schedule. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1st are subject to a property tax as if the motor vehicle had been included on the October 1st Grand List. The tax is prorated and is based on the number of months of ownership between October 1 and the following July 31st. Motor vehicles purchased in August and September are not taxed until the next October 1st Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October Grand List, the taxpayer is entitled to certain credits. If the motor vehicle is sold, destroyed, or stolen and not replaced, the tax bill will be prorated for the number of months of ownership.

Motor Vehicle Property Tax Cap: Connecticut General Statutes Section 12-71e creates a cap on the local property tax mill rate for motor vehicles. For the assessment year October 1, 2017 (the fiscal year ending June 30, 2019), and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 45 mills. No district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town or city in which such district or borough is located would result in a combined motor vehicle mill rate in excess of these mill rate caps. The City's mill rate for motor vehicles for the fiscal year ending June 30, 2022 is 38.35 mills.

For the fiscal year ending June 30, 2022, and each fiscal year thereafter, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 45 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2013, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 45 mills.

The Personal Property list consists of all businesses located within the corporate City limits of Bristol. In general terms, personal property is everything needed to engage in a business enterprise, excluding land and any improvements thereon. The common categories are machinery, furniture and fixtures, equipment, data processing equipment, and unregistered motor vehicles. Discovery of new accounts are obtained by reviewing the Secretary of the State of Connecticut registry, newspaper articles, lessee reports, advertisements, trade names filed with the City Clerk, and a physical canvass of the City business districts. State Statutes require all owners of business personal property to file annual lists of such property no later than November 1st, or be subject to a 25% penalty. All business personal property is assessed annually. Site inspections and audits are completed periodically.

Connecticut General Statutes 12-81(72) allows a five year, 100% property tax exemption for eligible new manufacturing machinery and equipment acquired and installed on or after October 2, 1991, and for "newly acquired" used manufacturing machinery and equipment acquired and installed on or after July 1, 1992. The State of Connecticut no longer reimburses each municipality for the revenue loss sustained as a result of this exemption.

Levy

Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. At the discretion of the City and for the convenience of the taxpayer, in compliance with Connecticut General Statutes, tax bills are payable in two installments - July 1 and January 1. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor corrections, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. A modest estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least three times a year, with interest charged at the rate of one and one-half percent per month in accordance with Connecticut General Statutes, with a minimum charge of \$2. Outstanding real estate tax accounts are automatically lien-ed each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Auto accounts and personal property accounts are transferred to suspense when deemed least likely to be collected and all accounts become uncollectible 15 years after the due date in accordance with Connecticut General Statutes.

Tax Abatement Policy

The City of Bristol employs a number of statutory tax abatement mechanisms to incentivize economic growth in the community. Some of these programs include:

Connecticut City and Town Development Act

In November of 2014, Bristol voters approved a five-year extension of the Connecticut City and Town Development Act pursuant to Chapter 114 of the General Statutes which provides the community with a broad range of financial tools to foster the development of residential, industrial, commercial, and manufacturing facilities including the power to exempt development property from local taxation. This act is up for re-approval in November 2024.

Enterprise Zone

The Enterprise Zone primarily encompasses the geographic center of downtown Bristol. Two important business incentives available in the Enterprise Zone are a five-year, 80% abatement of local property taxes on qualifying real and personal property and a ten-year, 25% credit on that portion of the state's corporation business tax. Additionally, qualifying newly formed corporations located in the zone are eligible for corporate tax credits. In order to qualify for the State of CT Enterprise Zone Program, the business occupying the space must be deemed eligible for the program by the State. Generally, manufacturers or service-based organizations that do not conduct business with the general public are eligible.

The Enterprise Zone property tax abatement revenue loss is reported annually to the State Department of Economic and Community Development as part of the Distressed Municipalities initiative granting the City 50% abatement revenue loss reimbursement. The following table represents the City’s 50% abatement revenue loss reported to the State of Connecticut Department of Economic and Community Development for the last five years:

Grand List Year	Revenue Abatement Real Estate	Revenue Abatement Personal Property	Total
2011	\$ 174,028	\$ 67,930	\$ 241,958
2012	148,199	39,712	187,911
2013	151,199	54,279	205,478
2014	115,915	58,252	174,167
2015	70,793	54,073	124,866
2016	62,680	40,439	103,119
2017	81,090	22,769	103,859
2018	108,555	54,160	162,715
2019	101,583	47,542	149,125
2020	122,588	51,060	173,648
Total.....			\$ 1,196,977

If a business does not qualify for the State of Connecticut Enterprise Zone Program, an opportunity exists to pursue tax abatement through the City of Bristol Enterprise Zone Program. The City of Bristol program offers a 7-year abatement of real property improvements: 100% (Year 1), 100% (Year 2), 50% (Year 3), 40% (Year 4), 30% (Year 5), 20% (Year 6), and 10% (Year 7). Per Article XIV, Section 18-201 of the City of Bristol Code of Ordinances, assessments on commercial or residential real property within the Enterprise Zone which is improved are eligible to be fixed for a period of seven (7) years from the time of such improvement and shall defer any increase in assessment attributable to such improvements based on the schedule noted above.

Bioscience Zone

The Bioscience Zone is located in downtown areas and the southeastern portion of Bristol. Businesses engaged in bioscience development or production including the study of genes, cells, tissues, and chemical and physical structures of living organisms will be able to benefit from the same incentives available to businesses located in the State of Connecticut Enterprise Zone Program.

Urban Jobs Program

The Urban Jobs Tax Abatement Program is designated for manufacturers moving to or expanding in Bristol. In addition, warehouse/distribution firms engaging in new construction are also eligible. The program has the same eligibility requirements and benefits as the State Sponsored Enterprise Zone Track, with the exception that the property in question does not need to be located within the City/State-designated Enterprise Zone.

Opportunity Zone Program

The City successfully applied for federal “Opportunity Zone” designation for Census tract 4061, which encompasses the majority of downtown Bristol. Opportunity Zones are a creation of the federal Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income communities. The program provides a federal tax incentive for investors to re-invest unrealized capital gains into Opportunity Zones. Each governor may designate up to 25% of the qualified Census tracts in the state as Opportunity Zones. Qualified Census tracts are those that have a poverty rate of at least 20% or a median income that does not exceed 80% of the area median income.

Comparative Assessed Valuation

Grand List as of 10/1	Commercial/			All Land	Personal Property	Motor Vehicle	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Percent Change
	Residential Real Property	Industrial Real Property								
2021 ¹	56.8	16.6	0.5	12.0	14.1	\$ 4,505,989,866	\$ 265,164,378	\$ 4,240,825,488	4.03%	
2020	54.6	21.0	0.6	14.0	9.8	4,364,588,167	288,223,993	4,076,364,174	1.87%	
2019	55.4	21.0	0.6	13.7	9.3	4,288,754,003	287,085,596	4,001,668,407	1.36%	
2018	56.0	21.0	0.6	13.2	9.2	4,222,404,205	274,505,156	3,947,899,049	0.77%	
2017 ²	56.1	21.0	0.6	13.1	9.1	4,206,276,093	288,658,108	3,917,617,985	0.16%	
2016	56.3	20.4	0.8	13.4	9.2	4,204,366,433	292,906,704	3,911,459,729	1.72%	
2015	57.1	20.5	0.8	12.6	9.0	4,134,126,831	288,994,455	3,845,132,376	0.60%	
2014	56.8	20.5	0.8	12.8	9.0	4,134,114,218	312,023,752	3,822,090,466	-0.36%	
2013	57.7	20.8	0.8	11.6	9.1	4,067,924,600	232,210,578	3,835,714,022	1.56%	
2012 ²	58.4	20.8	0.9	10.8	9.1	4,003,522,190	226,672,927	3,776,849,263	-12.53%	

¹ Before Board of Assessment Appeals.

² Revaluation.

Source: City of Bristol, City Assessor. The numbers listed above are before Board of Assessment Appeals action.

Exempt Property Assessed Value

The following categories of exempt properties are not included in the Grand List:

	Assessed Value
Public	
State of Connecticut	\$ 7,684,820
City of Bristol	256,904,640
United States of America	5,263,230
Sub-Total Public	\$ 269,852,690
Private	
Recreation Facilities	\$ 2,443,420
Churches	35,010,500
Hospitals and Sanitariums	55,609,470
Veterans' Organizations	844,410
Scientific, Educational, Historical and Charitable	21,959,620
Cemeteries	2,402,610
Sub-Total Private	\$ 118,270,030
Total Tax Exempt Property	\$ 388,122,720
Percent Compared to Net Taxable Grand List ¹	9.15%

¹ Based on a Net Taxable Grand List as of October 1, 2021 of \$4,240,825,488.

Source: City of Bristol, Assessor.

Ten Largest Taxpayers

Name	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List ¹
ESPN (Entertainment & Sports TV) ²	Broadcasting Facility Headquarters	\$ 267,969,160	6.32%
Eversource	Utility	76,143,780	1.80%
Covanta	Trash to energy facility	34,289,150	0.81%
Bristol Center LLC	Manufacturing/Warehouse facility	33,513,690	0.79%
Disney Streaming Tech LLC	Office Complex	31,732,330	0.75%
Yankee Gas Service Company	Utility	29,250,470	0.69%
Bristol Sports DST	Office Complex	25,297,930	0.60%
D'Amato Construction/Affiliated LLCs	Real Estate owner/developer	24,321,137	0.57%
Federal Realty Investment Trust	Shopping Plaza	22,658,300	0.53%
Carpenter Realty Company	Real Estate owner/developer	20,825,858	0.49%
Total		\$ 566,001,805	13.35%

¹ Based on a Net Taxable Grand List as of October 1, 2021 of \$4,240,825,488.

² The Walt Disney Company owns 80% and the Hearst Corporation owns 20% of ESPN, Inc. The Walt Disney Company is traded on the New York Stock Exchange and the Hearst Corporation is privately-held.

Source: City of Bristol, Assessor.

Property Tax Levies and Collections

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate	Adjusted Annual Levy	Percent Collected at End of Fiscal Year	Uncollected	
						Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 6/30/2021
2020	2022 ²	\$ 4,076,364,174	38.35	\$158,356,373	IN COLLECTION		
2019	2021	4,001,668,407	38.35	154,661,973	98.35	1.65	1.65
2018	2020	3,947,899,049	38.05	145,630,169 ⁴	98.18	1.82	0.99
2017 ¹	2019	3,917,617,985	36.88	140,625,450	98.42	1.58	0.64
2016	2018	3,525,167,050	36.03	126,652,686	98.63	1.37	0.45
2016 (MV) ³	2018	379,623,698	32.00	11,968,704	94.09	5.91	--
2015	2017	3,845,132,376	36.03	140,557,058	98.92	1.18	0.00
2014	2016	3,822,090,466	34.61	135,392,014	98.68	1.32	0.00
2013	2015	3,835,714,022	34.61	134,241,698	98.47	1.53	0.05
2012 ¹	2014	3,776,849,263	33.50	127,846,858	98.36	1.54	0.39
2011	2013	4,318,104,740	28.75	125,219,747	98.73	1.25	0.16

¹ Revaluation.

² Subject to audit.

³ State legislation at the time of budget adoption capped the motor vehicle mill rate at 32 mills.

⁴ Excludes the motor vehicle supplement billed on January 1, 2020.

Source: City of Bristol, Tax Collector.

**Property Taxes Receivable
Last Five Fiscal Years
(In Thousands)**

As of June 30	Total Uncollected Taxes	Current Year Levy
2021	\$ 2,583	\$ 1,254
2020	2,147	1,070
2019	3,483	2,027
2018	3,496	1,953
2017	3,454	1,998
2016	4,155	2,541
2015	3,592	2,397
2014	3,462	2,242
2013	2,762	1,691
2012	2,732	1,406

Source: City of Bristol, Tax Collector.

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V. Debt Summary
Long-Term Debt
As of March 30, 2022
Principal Only
(Pro-Forma)

Date	Purpose	Rate %	Amount of Original Issue	Amount Outstanding	Date of Fiscal Year Maturity
12/31/03	Clean Water PLO (504-C)	2.00	\$ 1,488,101	\$ 73,901	2022
05/28/04	Clean Water PLO (562-C)	2.00	693,527	71,663	2023
04/20/06	Clean Water PLO (464-C)	2.00	470,225	112,219	2026
08/24/11	General Purpose Refunding	3.00-5.00	15,589,000	597,000	2023
08/24/11	Schools Refunding	3.00-5.00	6,234,000	693,000	2023
08/24/11	Water Refunding	3.00-5.00	2,112,000	205,000	2023
06/27/14	Water PLO	2.00	501,000	317,281	2033
07/31/15	Clean Water PLO (622-C).....	2.00	631,833	432,235	2035
09/30/15	Water PLO	2.00	344,155	238,093	2035
11/17/15	General Purpose Refunding	3.00-5.00	4,126,000	1,530,000	2025
11/17/15	Schools Refunding	3.00-5.00	2,991,000	75,000	2025
05/30/17	General Purpose	2.00-5.00	17,739,000	14,600,000	2035
05/30/17	Schools	2.00-5.00	3,391,000	2,795,000	2035
11/09/17	General Purpose Refunding	3.00-5.00	5,437,000	4,021,000	2031
11/09/17	Schools Refunding	3.00-5.00	16,094,000	11,907,000	2031
11/09/17	Sewer Refunding	3.00-5.00	3,401,000	2,519,000	2031
11/09/17	Water Refunding	3.00-5.00	503,000	373,000	2031
08/30/18	Clean Water PLO (640-DC).....	2.00	7,530,046	6,419,036	2039
10/25/18	General Purpose	2.50-5.00	18,094,096	16,039,000	2039
10/25/18	Schools	2.50-5.00	4,280,904	3,784,000	2039
10/25/18	Sewer	2.50-5.00	125,000	112,000	2039
10/25/18	General Purpose	3.65-4.05	7,900,000	6,985,000	2039
07/31/19	Water PLO	2.00	497,096	428,772	2039
11/12/19	General Purpose	2.125-5.00	5,375,000	5,180,000	2040
11/12/19	Schools	2.125-5.00	19,625,000	18,900,000	2040
Total Outstanding Long-Term Debt.....			\$ 145,172,983	\$ 98,408,200	
<u>This Issue:</u>					
03/30/22	General Purpose	2.60-5.00	\$ 14,295,000	\$ 14,295,000	2042
03/30/22	Schools	2.60-5.00	11,205,000	11,205,000	2042
Total This Issue.....			\$ 25,500,000	\$ 25,500,000	
Grand Total.....			\$ 170,672,983	\$ 123,908,200	

¹ The City has a Memorandum of Agreement and Understanding regarding the financing commitment of the Water Department to ensure the self-funding of the Water Department's debt.

Note: The City's debt service for general obligation sewer bonds is paid completely from the General Fund.

**Short-Term Debt
As of March 30, 2022**

The City does not have outstanding short-term debt as of March 30, 2022.

**General Fund
Bonded Debt Maturity Schedule ¹
As of March 30, 2022
(Pro-Forma)**

Fiscal Year	Principal	Interest	Total	Pro-forma: This Issue			Cumulative Principal Retired
				General Purpose	Schools	Total	
2022 ²	\$ 1,415,630	\$ 824,745	\$ 2,240,375	\$ -	\$ -	\$ -	1.2%
2023	8,051,022	3,167,739	11,218,761	-	-	-	7.7%
2024	6,935,789	2,824,213	9,760,002	750,000	585,000	1,335,000	14.5%
2025	7,095,542	2,506,821	9,602,363	750,000	590,000	1,340,000	21.4%
2026	6,635,576	2,248,802	8,884,378	750,000	590,000	1,340,000	27.9%
2027	6,642,068	2,007,368	8,649,436	750,000	590,000	1,340,000	34.4%
2028	6,655,020	1,777,863	8,432,883	750,000	590,000	1,340,000	41.0%
2029	6,658,137	1,553,967	8,212,104	750,000	590,000	1,340,000	47.5%
2030	6,716,415	1,326,517	8,042,932	750,000	590,000	1,340,000	54.1%
2031	6,719,860	1,104,530	7,824,390	750,000	590,000	1,340,000	60.7%
2032	4,650,474	935,153	5,585,627	750,000	590,000	1,340,000	65.6%
2033	4,659,266	803,775	5,463,041	750,000	590,000	1,340,000	70.5%
2034	4,668,233	669,539	5,337,772	755,000	590,000	1,345,000	75.4%
2035	4,661,496	533,367	5,194,863	755,000	590,000	1,345,000	80.3%
2036	3,408,042	395,896	3,803,938	755,000	590,000	1,345,000	84.2%
2037	3,416,785	293,787	3,710,572	755,000	590,000	1,345,000	88.1%
2038	3,425,702	190,537	3,616,239	755,000	590,000	1,345,000	92.0%
2039	3,050,996	87,644	3,138,640	755,000	590,000	1,345,000	95.6%
2040	1,380,000	18,975	1,398,975	755,000	590,000	1,345,000	97.8%
2041	-	-	-	755,000	590,000	1,345,000	98.9%
2042	-	-	-	755,000	590,000	1,345,000	100.0%
Total.....	\$ 96,846,053	\$ 23,271,238	\$ 120,117,291	\$ 14,295,000	\$ 11,205,000	\$ 25,500,000	

¹ Includes debt service related to Clean Water Fund Loans from the State of Connecticut outstanding as of March 30, 2022 but excludes self-supporting water debt and refunded bonds.

² Excludes \$7,616,020 of principal and \$2,719,805 of interest paid between July 1, 2021 and March 30, 2022.

Note: The City's debt service for general obligation sewer bonds is paid for from sewer user fees.

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Self-Supporting Water Debt Maturity Schedule
As of March 30, 2022
(Pro-Forma)

Fiscal Year	Principal	Interest	Total	Cumulative Principal Retired
2022 ¹	\$ 20,350	\$ 6,635	\$ 26,985	1.3%
2023	307,015	38,058	345,073	21.0%
2024	103,268	31,022	134,290	27.6%
2025	105,546	27,739	133,285	34.3%
2026	107,850	24,358	132,208	41.2%
2027	109,181	21,137	130,318	48.2%
2028	110,538	18,083	128,621	55.3%
2029	111,923	15,031	126,954	62.5%
2030	113,336	11,937	125,273	69.7%
2031	114,778	8,814	123,592	77.1%
2032	74,248	6,496	80,744	81.8%
2033	75,749	5,001	80,750	86.7%
2034	62,143	3,532	65,675	90.6%
2035	42,926	2,500	45,426	93.4%
2036	28,087	1,814	29,901	95.2%
2037	28,654	1,245	29,899	97.0%
2038	29,232	665	29,897	98.9%
2039	17,324	116	17,440	100.0%
Total.....	\$ 1,562,148	\$ 224,183	\$ 1,786,331	

¹ Excludes \$319,436 of principal and \$43,188 of interest paid between July 1, 2021 and March 30, 2022.

² Excludes Refunded Bonds.

Overlapping/Underlying Debt

The City of Bristol has neither overlapping nor underlying debt.

THE CITY OF BRISTOL HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.

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Debt Statement
As of March 30, 2022
Principal Only
(Pro Forma)

Long-Term Debt Outstanding:

General Purpose (Including This Issue).....	\$ 63,247,000
Schools (Including This Issue)	49,359,000
Sewers.....	9,740,054
Water	1,562,146
Total Long-Term Debt.....	123,908,200
Short-Term Debt.....	-
Total Direct Debt.....	123,908,200
Less: Self Supporting Water Debt ¹	(1,562,146)
Total Net Direct Debt.....	122,346,054
Plus: Overlapping/Underlying Debt	-
Total Overall Net Debt.....	\$ 122,346,054

¹ The City has a Memorandum of Agreement and Understanding regarding the financing commitment of the Water Department to ensure the self-funding of the Water Department's debt.

Current Debt Ratios
As of March 30, 2022
(Pro Forma)

Population (2020)	60,833
Net Taxable Grand List (10/1/21)	\$ 4,240,825,488
Estimated Full Value (70%).....	\$ 6,058,322,126
Equalized Grand List (10/1/19) ²	\$ 6,247,923,284
Income per Capita (2019) ¹	\$ 36,351

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$123,908,200	\$122,346,054	\$122,346,054
Per Capita.....	\$ 2,036.86	\$ 2,011.18	\$ 2,011.18
Ratio to Net Taxable Grand List.....	2.92%	2.88%	2.88%
Ratio to Estimated Full Value.....	2.05%	2.02%	2.02%
Ratio to Equalized Grand List.....	1.98%	1.96%	1.96%
Debt per Capita to Income per Capita (2019).....	5.60%	5.53%	5.53%

¹ U.S. Bureau of Census, American Community Survey (2015-2019).

² Office of Policy and Management, State of Connecticut.

Bond Authorization Procedure

Authorization to incur indebtedness through the issuance of bonds or notes must be approved by the Board of Finance which has the sole power by Charter to determine the necessity for and manner of issuing bonds by the City of Bristol. Special appropriations which are financed by bond issues must be approved by the Board of Finance and the Joint Board. Refunding bonds are authorized by resolution of City Council.

Temporary Financing

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions by the end of the third year and for all subsequent years during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for sewer projects and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes must be permanently funded no later than ten years from the initial borrowing date except for sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment.

Temporary notes may be issued in one year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

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Statement of Debt Limitation
As of March 30, 2022
(Pro Forma)

Total Tax Collections (including interest and lien fees) for the year ended June 30, 2021	\$ 155,361,000
Reimbursement for Revenue Loss on Tax Relief for Elderly-Freeze	-
Base	\$ 155,361,000

	General Purpose	Schools	Sewers	Urban Renewal	Unfunded Pension
Debt Limitation:					
2 1/4 times base.....	\$ 349,562,250	-	-	-	-
4 1/2 times base.....	-	\$ 699,124,500	-	-	-
3 3/4 times base.....	-	-	\$ 582,603,750	-	-
3 1/4 times base.....	-	-	-	\$ 504,923,250	-
3 times base.....	-	-	-	-	\$ 466,083,000
Total Debt Limitation	349,562,250	699,124,500	582,603,750	504,923,250	466,083,000
Indebtedness:					
Outstanding Debt: ¹					
Bonds Payable.....	48,952,000	38,154,000	9,740,054	-	-
Bonds of This Issue.....	14,295,000	11,205,000	-	-	-
Notes	-	-	-	-	-
Bonds Authorized But Unissued.....	37,116,818	34,900,388 ²	743,167	-	-
Total Indebtedness	100,363,818	84,259,388	10,483,221	-	-
Less School Construction Grants ³	-	-	-	-	-
Total Net Indebtedness For Debt Limitation Calculation	100,363,818	84,259,388	10,483,221	-	-
DEBT LIMITATION IN EXCESS OF INDEBTEDNESS	\$ 249,198,432	\$ 614,865,112	\$ 572,120,529	\$ 504,923,250	\$ 466,083,000

¹ Because water debt is excludable from the calculation of debt limitation as allowed by Connecticut General Statutes, excluded from above is \$1,562,146 of water bonds outstanding.

² Amount authorized but unissued for school projects has been reduced by grants received from the State of Connecticut. For school projects authorized by the General Assembly after July 1, 1996, a bond authorization is required for the portion of the project that is eligible for state grants.

³ The State of Connecticut Bureau of School Building Grants reimburses municipalities for eligible principal and interest costs over the life of any bonds issued for projects authorized by the Connecticut General Assembly prior to July 1, 1996. The City does not expect to receive any principal reimbursement from the State of Connecticut under this program going forward.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$1,087,527,000.

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**Authorized but Unissued Debt
As of March 30, 2022
(Pro Forma)**

Project	Authorized Amount	Debt Previously Issued	The Bonds	Grants Received or Other Funds to Reduce Bond Authorization ¹	Net Authorized but Unissued
894 Middle Street Remediation Project	\$ 2,849,000	\$ -	\$ 550,000	\$ 2,266,073	\$ 32,927
Broad St. Pump Sta. Force Main Inst.....	1,500,000	756,833	-	-	743,167
Centre Square Infrastructure Project.....	4,000,000	3,525,298	425,000	-	49,702
Chippens Hill Roof.....	2,909,560	1,650,000	-	759,764	499,796 ⁴
City Hall Unit Heater/AC Perimeter Replacement.....	675,000	-	-	-	675,000
City Wide Fiber Network	100,000	-	-	-	100,000
Downs Street Bridge.....	320,000	275,000	-	-	45,000
DPW Vincent P. Kelly Facility Renovations Phase II.....	350,000	330,000	-	-	20,000
Fire Headquarters Renovations	1,350,000	-	1,350,000	-	-
Fire Station 3 Reconstruction/Relocation	400,000	-	-	-	400,000
Greene Hills School HVAC Corrective Plan.....	7,375,000	-	-	-	7,375,000 ⁴
Jerome Avenue Bridge Replacement	198,000	-	-	-	198,000
Lake Avenue Bridge Replacement.....	540,000	-	-	-	540,000
Landfill Erosion Repairs.....	45,000	-	-	-	45,000
Louisiana Bridge.....	1,800,000	-	360,000	1,347,981	92,019
Main Library LED Lighting Conversion.....	333,970	-	160,000	-	173,970
Mall Purchase/Legal.....	6,275,000	3,085,000	-	3,080,000	110,000
Memorial Blvd. Intradistrict Arts Magnet School.....	63,000,000	16,027,840	9,200,000	14,802,263	22,969,897 ²
Memorial Blvd. Retaining Wall.....	1,530,000	-	330,000	-	1,200,000
Memorial Bridge.....	4,100,000	-	2,100,000	1,961,000	39,000
Muzzy Field Restorations.....	950,000	-	940,000	-	10,000
NEMS Gym Floor.....	244,000	-	240,000	-	4,000
North Main Street Streetscape.....	70,000	-	-	-	70,000
Northeast Middle School Ceiling Tile Replacement.....	514,810	-	511,000	-	3,810
Page Park Pool and Bathhouse.....	4,100,000	3,600,000	-	500,000	-
Parks Master Plan	150,000	-	150,000	-	-
Pequabuck River Conduit Replacement	700,000	-	700,000	-	-
Route 72 Corridor Improvements.....	55,000	-	-	-	55,000
Shrub Rd Parcel Acquisition (Open Space Grant)	2,100,000	-	1,429,200	670,800	-
Southside School HVAC Upgrade.....	3,872,160	3,597,160	-	-	275,000
Stafford School Roof.....	2,514,275	-	-	1,343,575	1,170,700
Stevens Street Richard Court Berm Construction.....	550,000	498,000	-	-	52,000
Technology Replacements.....	1,254,000	-	1,254,000	-	-
All Schools Tech. Network Replacement/Upgrade.....	445,835	-	-	-	445,835
Wolcott St Reconstruction.....	130,000	-	-	-	130,000
EG Stocks Playground and Splash Park Upgrade.....	600,000	-	-	-	600,000
Page Park Pavilion Renovation Phase 2.....	600,000	-	-	-	600,000
Page Park Revitalization.....	2,000,000	-	-	-	2,000,000
Northeast Middle School Renovations.....	250,000	-	-	-	250,000
Edgewood School Roof Replacement.....	1,306,350	-	-	-	1,306,350
Broad Street Retaining Wall.....	80,000	-	-	-	80,000
Field Street Culverts.....	430,000	-	-	-	430,000
Woodland Street Sidewalks.....	340,000	-	-	-	340,000
Shrub Road Sidewalks.....	80,000	-	-	-	80,000
Police/Court MEP upgrades.....	1,900,000	-	1,900,000	-	-
City Hall.....	33,450,000	-	3,900,800	-	29,549,200
Total.....	\$ 158,336,960	\$ 33,345,131	\$25,500,000	\$ 26,731,456	\$ 72,760,373

¹ This column contains actual grants received, except where noted. It does not include estimates for grants to be received.

² The City expects to receive approximately \$37 million in school construction grants from the State of Connecticut for this project.

³ The City does not expect to bond the remaining authorization. School construction grants from the State of Connecticut are expected to be received to fund the remaining amounts.

⁴ The City does not expect to bond the remaining authorization as the project has been completed.

Principal Amount of Outstanding Debt ¹
Last Five Fiscal Years

General Obligation

Bonds Payable From:	2021	2020	2019	2018	2017
General Fund ²	\$ 104,462,072	\$ 112,491,733	\$ 95,056,112	\$ 71,469,432	\$ 79,002,963
Water Enterprise Fund ³	1,881,520	2,219,107	2,559,519	2,357,678	2,722,196
Sub-Total Bonds	106,343,592	114,710,840	97,615,631	73,827,110	81,725,159
Short-Term Debt					
Bond Anticipation Notes	-	-	-	15,800,000	4,000,000
Sub-Total Notes	-	-	-	15,800,000	4,000,000
Grand Total	\$ 106,343,592	\$ 114,710,840	\$ 97,615,631	\$ 89,627,110	\$ 85,725,159

¹ Amounts rounded.

² Includes Clean Water Fund Loans.

³ The City has a memorandum of agreement and understanding regarding the financing commitment by the Water Department to ensure the self-funding of the Water Department's debt.

Ratio of Net Long-Term Debt to Valuation, Population and Income

Fiscal Year Ended 6/30	Net Assessed Value (000s)	Estimated Full Value (000s)	Net Long-Term Debt ¹	Ratio of Net Long-Term Debt to Assessed Value	Ratio of Net Long-Term Debt to Estimated Full Value	Population ²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Income ³
2021	\$ 4,001,668	\$ 5,716,669	\$ 104,462	2.61%	1.83%	60,833	\$1,717.19	4.72%
2020	3,947,899	5,639,856	112,492	2.85%	1.99%	60,833	1,849.19	5.09%
2019	3,917,618	5,596,597	95,056	2.43%	1.70%	60,833	1,562.57	4.30%
2018	3,911,460	5,587,800	71,469	1.83%	1.28%	60,833	1,174.85	3.23%
2017	3,845,132	5,493,046	79,002	2.05%	1.44%	60,833	1,298.67	3.57%

¹ Exclusive of water debt and school building grants receivable.

² U.S. Bureau of Census, 2020.

³ Income per Capita: \$36,351. U.S. Bureau of Census, American Community Survey (2015-2019).

Ratio of Annual Debt Service Expenditures for Total Long-Term Debt to General Fund Expenditures (GAAP Basis)
(In Thousands)

Fiscal Year Ended 6/30	Principal	Interest	Total Debt Service ¹	Total General Fund Expenditures ²	Ratio of General Fund Debt Service To Total General Fund Expenditures
2022 ³	\$ 8,521	\$ 3,400	\$ 11,921	\$ 227,593	5.24%
2021	7,357	3,770	11,127	231,055	4.82%
2020	6,931	3,584	10,515	231,448	4.54%
2019	6,192	3,276	9,468	214,666	4.41%
2018	6,340	2,334	8,674	228,160	3.80%
2017	6,177	2,310	8,487	218,469	3.88%
2016	6,186	2,440	8,626	202,953	4.25%
2015	6,177	2,170	8,347	206,972	4.03%
2014	6,275	2,685	8,960	199,599	4.49%
2013	6,370	3,133	9,503	194,626	4.88%

¹ Excludes the Water Department's debt accounted for in the Enterprise Fund.

² Includes General Fund Expenditures and Transfers-Out.

³ Budget Basis. State of Connecticut on-behalf contributions for teachers' pensions was included in the expenditure number for comparability to audited years.

Source: City of Bristol, Audit Reports 2012-2021. 2022 from Finance Department.

VI. Financial Administration

Audit

The City of Bristol, pursuant to local ordinance and provisions of the Connecticut General Statutes (Chapter 111), is required to undergo an annual audit by an independent public accountant. The auditor, appointed by the Board of Finance, is required to conduct the audit under the guidelines outlined by the Office of Policy and Management, which also receives a copy of the audit report. For fiscal year ended June 30, 2021, the financial statements of the various funds of the City were audited by CliftonLarsonAllen LLP of West Hartford, Connecticut.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (“GFOA”) presents a Certificate of Achievement for Excellence in Financial Reporting Award to those applicants who conform to the program's requirements. The award is valid for one year only.

In order to be awarded the Certificate of Achievement for Excellence in Financial Reporting, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The City has not only received the Certificate of Conformance (previous name of award before 1986) for past financial reports, but the City also has received the Certificate of Achievement for Excellence in Financial Reporting for its annual financial report for the last thirty-four consecutive years including the June 30, 2020 report.

The City feels confident that it meets the program requirements for the award and will continue to participate in the Certificate of Achievement for Excellence in Financial Reporting Program.

Award for Distinguished Budget Presentation

The GFOA presented the Distinguished Budget Presentation Award, which is the highest form of recognition in governmental budgeting, to the City of Bristol for the eighteenth consecutive year for its annual budget for fiscal year ending June 30, 2022. This award reflects the commitment of the governing body and its staff towards meeting the highest principles of governmental budgeting.

The City feels confident that it meets the program requirements for this award, and will continue to participate in the Distinguished Budget Presentation Award Program.

Award for Outstanding Achievement in Popular Annual Financial Reporting

The GFOA presented the Award for Outstanding Achievement in Popular Annual Financial Reporting for the nineteenth consecutive year to the City for the Popular Annual Financial Report for the fiscal year ending June 30, 2019. This award recognizes the recipient’s conformance with the highest standards for preparation of state and local government popular reports.

Budget Procedure

The Board of Finance is the budget making authority for the City. The Board annually adopts a budget calendar outlining the budget process timetable which is summarized below:

January	All City Agencies, Boards, Commissions and Departments submit their estimates for revenues and expenditures.
Middle February to Early April.....	Board of Finance holds hearings and budget workshops.
15 Days Prior to 3 rd Monday in May or 1 st Friday in June, whichever is applicable	Board of Finance must adopt a budget and deliver to Council.
Seven Days Prior to 3 rd Monday in May....	Publish the budget in a newspaper.
3 rd Monday in May or 1 st Friday in June, as applicable	Board of Finance and City Council meet on budget (they may modify only) and adopt tax rate.

The Charter requires that the adopted budget have a balanced relationship between revenues and expenditures as well as the inclusion of pension contributions and debt service requirements. Once adopted, transfers may be authorized by the Board of Finance and, if in excess of \$5,000, transfers must also be approved at a Joint Meeting of the City Council and the Board of Finance. Additional appropriations require Board of Finance and City Council approval. The only exception to the above involves appropriations from the Reserve Fund for Capital and Nonrecurring Expenditures under the provisions of Chapter 108 of the Connecticut General Statutes. Appropriations are made based on the recommendation of the Board of Finance and approval by the City's legislative body, the City Council.

Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general fund budgeted expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. The 2022-2023 biennium budget legislation does not provide funding for the municipal revenue sharing grant in fiscal years ending June 30, 2022 and June 30, 2023. For fiscal years ending June 30, 2018 through June 30, 2022 the City's budget has not exceeded the municipal spending cap.

Five-Year Capital Improvement Program Summary

Proposed Projects	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Board of Education	\$ 1,981,350	\$ 76,702,400	\$ 2,000,000	\$ 14,326,600	\$ 49,951,700	\$ 144,962,050
Fire Department	-	7,400,000	748,000	-	-	8,148,000
General Government	550,000	-	-	-	-	550,000
Parks & Recreation	3,595,000	4,140,000	5,485,000	3,750,000	2,725,000	19,695,000
Public Works	40,830,000	16,900,000	7,990,000	8,132,000	2,500,000	76,352,000
Water Pollution Control.....	-	450,000	762,500	300,000	750,000	2,262,500
Total	\$ 46,956,350	\$ 105,592,400	\$ 16,985,500	\$ 26,508,600	\$ 55,926,700	\$ 251,969,550
Funding Sources						
General Fund Cash.....	\$ -	\$ 695,000	\$ 1,383,000	\$ 782,000	\$ 800,000	\$ 3,660,000
State & Federal Aid	6,390,000	44,155,000	2,960,000	2,720,000	26,975,000	83,200,000
WPC CNR Fund.....	-	450,000	762,500	300,000	750,000	2,262,500
Other Funds	400,000	1,240,000	1,880,000	600,000	1,400,000	5,520,000
Bonds	40,166,350	59,052,400	10,000,000	22,106,600	26,001,700	157,327,050
Total	\$ 46,956,350	\$ 105,592,400	\$ 16,985,500	\$ 26,508,600	\$ 55,926,700	\$ 251,969,550

¹ The Board of Education requested a school to be renovated "as new". This project has yet to be fully reviewed by the Ten Year CIP Committee as well as the Board of Education.

Insurance & Risk Management

Through an appointed committee of the Board of Finance the Insurance Committee oversees all city wide insurance that includes property and liability, workers' compensation and medical. The City uses the services of consultants and qualified brokers to procure these insurances for the City and Board of Education.

Since July 2003 the City has been self-insured for Workers' Compensation claims. The program is administered by FutureComp, a third party claims administrator.

In September 1988, the decision was made to self-insure the City's Medical and Dental Benefits. The City uses an internal service fund to account for the medical claims and administration of its benefit programs. The City uses Cigna for medical and prescription and Anthem Blue Cross/Blue Shield for dental. Lockton Companies provides the City of Bristol and Board of Education with employee health and benefits insurance consulting services. As of June 30, 2022, the Health Insurance Benefit Fund had in excess of \$12 million which was all available for future claims. Effective with the FY2019-2020 budget the City purchased stop loss coverage to cover claims in excess of \$1 million.

The City of Bristol has not had any problems in securing or meeting its insurance needs.

Investment Practices for Operating Funds

The City's operating and working capital funds are invested at the direction of the City Treasurer in the following short-term investments: (1) various certificates of deposit with Connecticut banks; (2) overnight repurchase agreements collateralized by U.S. government agency obligations such as Federal Home Loan Mortgage Corporation which are valued daily; and (3) overnight U.S. Treasury obligations.

In addition, the City monitors the risk based capital ratios and collateral requirements of the qualified public depositories, as defined by the Connecticut General Statutes, Section 36-382, for which it places deposits or makes investments.

Eligible investments for Connecticut municipalities are governed by the Connecticut General Statutes, primarily Sections 7-400 and 7-402. Please refer to Note 15 in the Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2020.

Investment Practices for Pension Plans

The City provides three pension plans which cover substantially all employees of the City. In 1969 the City adopted the Retirement Ordinance, pursuant to the City Charter, amended 1969. The pension plan provides retirement systems for Bristol's municipal employees, police and firefighters. It also empowers the General Retirement Board to oversee the management and administration of the funds. Teachers are covered under the Connecticut State Teachers' Retirement System.

The Retirement Ordinance establishes that decision-making authority regarding investments is entrusted to the General Retirement Board ("Board"), while the City Treasurer and Comptroller, as Custodian and Secretary respectively, carry out the directives of the General Retirement Board.

**City of Bristol General Retirement System-
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a) (000s)	Actuarial Liability (AAL) (b) (000s)	Funded (Unfunded)		Covered Payroll (c) (000s)	UAAL as a % of Covered Payroll ((a-b)/c)
			AAL (a-b) (000s)	Percentage Funded (a/b)		
7/1/2012	\$ 535,332	\$ 332,042	\$ 203,290	161.2%	44,892	(452.8%)
7/1/2013	562,862	351,183	211,679	160.3%	44,715	(473.4%)
7/1/2014	597,487	363,225	234,262	164.5%	45,357	(516.5%)
7/1/2015	608,722	373,446	235,276	163.0%	44,946	(523.5%)
7/1/2016	616,090	403,937	212,153	152.5%	48,453	(437.9%)
7/1/2017	627,928	420,994	206,934	149.2%	49,004	(422.3%)
7/1/2018	637,056	443,593	193,463	143.6%	51,164	(378.1%)
7/1/2019	652,163	469,965	182,198	138.8%	52,205	(349.0%)
7/1/2020	670,545	499,837	170,708	134.2%	53,661	(318.1%)
7/1/2021	712,137	552,446	159,691	128.9%	56,287	(283.7%)

**City of Bristol General Retirement System
Schedule of Employer Contributions**

Fiscal Year Ended	Annual Required Contribution	Amount Contributed	Percentage Contributed
6/30/2013	\$ -	\$ -	n/a
6/30/2014	604,612	227,500	37.6%
6/30/2015	507,245	127,325	25.1%
6/30/2016	352,543	44,000	12.5%
6/30/2017	756,393	1,064,936	140.8%
6/30/2018	2,617,369	2,617,369	100.0%
6/30/2019 ¹	-	-	n/a
6/30/2020 ¹	-	-	n/a
6/30/2021 ¹	-	-	n/a
6/30/2022 ^{1,2}	-	-	n/a

¹ Effective FY 6/30/2019 the City consolidated the three separate Retirement Funds, City, Police and Fire, under one reporting and actuarial valuation umbrella to maximize the assets and overfunding of the Police and Fire plans with the slightly underfunded City plan which required a contribution.

² Subject to audit.

During the FY2018-2019 budget process the City was faced with a significant tax increase primarily as a result of a loss of state revenues realized from the prior budget year. Looking at various alternatives to mitigate the tax increase the City focused on the required pension contribution for the City Retirement fund. The City has three pension plans, City Employee Retirement Fund, Firefighter Retirement Fund and Police Retirement Fund. The City is very fortunate in that all funds are extremely well funded. At June 30, 2017 the funded ratios for each plan were: City 99.5%, Fire 268% and Police 164%. However, since the City plan had dipped below the 100% funded ratio a contribution was required. The pension funds had historically been combined for investment purposes with activity allocated among the three plans for reporting and actuarial purposes. Recognizing the benefits of consolidation, City officials evaluated the best options to combine the funds under one “umbrella” plan to mitigate the required contribution. Working with City officials, the Fire and Police unions, the City’s actuary and pension attorney the plans were combined for actuarial and reporting purposes effective July 1, 2018. The combined funded ratio for the pension plan at the time of consolidation was 149%. The consolidated financial information is as follows:

City of Bristol Retirement System	
Actuarial Liability.....	\$ 552,445,763
Actuarial Value of Assets.....	712,136,845
Unfunded Accrued Liability/(Surplus).....	\$ (159,691,082)
Past Service Cost.....	\$ (19,694,597)
City Normal Cost.....	10,222,066
Actuarially Determined	
Contribution for FY2022-23.....	\$ - ¹

¹ The City has no required contribution for the fiscal year 2021/22 or 2022/2023

GASB 67 Disclosure – ALL PLANS

Governmental Accounting Standards Board Statement No. 67 (“GASB 67”) requires a determination of the Total Pension Liability (“TPL”) for a plan using the Entry Age Normal actuarial funding method. The Net Pension Liability (“NPL”) is then set equal to the TPL minus the plan’s Fiduciary Net Position (“FNP”) which, generally, is the market value of assets in the plan as of the measurement date. Among the assumptions needed for the liability calculation is a Single Equivalent Interest Rate (“SEIR”). To determine the SEIR, the FNP must be projected into the future for as long as there are anticipated benefits payable to the membership and beneficiaries of the system on the measurement date. If the FNP of the plan is not expected to be depleted at any point in the future, the plan may use its long-term expected rate of return as the SEIR. If, on the other hand, the FNP of the plan is expected to be depleted, then the SEIR is the single rate of interest that will generate a present value of benefits equal to the sum of (i) the present value of all benefits through the date of depletion at a discount rate equal to the long-term expected rate of return, plus (ii) the present value of benefits after the date of depletion discounted at a rate based on 20-year, tax-exempt, general obligation municipal bonds, with an average credit rating of AA/Aa or higher.

The report for the Plan as of June 30, 2021 used its long term investment rate of 7.0% as the SEIR since the results currently indicate that the FNP will not be depleted at any point in the future. The City recently reduced the long term rate of return to 6.5% for its July 1, 2021 actuarial valuation. GASB 67 also requires sensitivity calculations based on a SEIR 1% in excess and 1% less than the SEIR used, which would impact the NPL as follows:

Net pension liability (asset)	Current		
	1% Decrease	Discount Rate	1% Increase
	6.00%	7.00%	8.00%
City of Bristol Retirement System.....	(227,447,319)	(290,692,789)	(343,230,320)

See Appendix A – “Audited Financial Statements, Notes to Financial Statements, Note 14” herein.

Education

Teachers and administrators, who belong to the retirement program provided by the State Teachers' Retirement Board, contribute 7.25% (6% + 1.25% health insurance). The State of Connecticut makes appropriations from the General Fund for its contributions to the Retirement Fund. The contributions are determined on an actuarial reserve basis. Neither the City nor the Board of Education is required to currently contribute to the Retirement Fund.

Other Post-Employment Benefits

In addition to providing pension benefits, the City provides certain health care and life insurance benefits for retired employees in accordance with City Council resolutions and bargaining agreements. Substantially all of the City’s employees may become eligible for those benefits if they reach normal retirement age while working for the City. The cost of retiree health care benefits is recognized as an expenditure as claims are paid.

The City uses the actuarial firm Milliman to perform the actuarial analysis of its estimated liability for post-employment benefits. The following is a detailed analysis, as of the most recent valuation.

Net OPEB Obligations

Actuarial Valuation Date	Actuarial Value of Assets (a) (000s)	Actuarial Liability (AAL) (b) (000s)	Funded (Unfunded) AAL (UAAL) (a-b) (000s)	Percentage Funded (a/b)	Covered Payroll (c) (000s)	UAAL as a % of Covered Payroll ((a-b)/c)
7/1/2008	\$ -	\$ 72,000	\$ (72,000)	0.0%	\$ 70,000	102.9%
7/1/2010	-	64,510	(64,510)	0.0%	91,807	70.3%
7/1/2012	1,847	75,052	(73,205)	2.5%	88,563	82.7%
7/1/2014	4,440	60,733	(56,293)	7.3%	96,521	58.3%
7/1/2016	6,128	70,897	(64,769)	8.6%	98,287	65.9%
7/1/2018	9,926	66,122	(56,196)	15.0%	98,287	57.2%
7/1/2020	14,091	80,355	(66,264)	17.5%	105,736	62.7%

Schedule of Employer Contributions

	2022	2021	2020	2019	2018
Actuarially Determined Contribution.....	\$ 8,664,061	\$ 8,411,459	\$ 8,280,600	\$ 7,208,338	\$ 6,234,993
Contributions in Relation to the Actuarially Determined Contribution.....	7,879,513	7,818,237	8,127,555	7,917,323	5,801,097
Contribution Deficiency (Excess).....	784,548	593,222	153,045	(708,985)	433,896
Contributions as a Percentage of Actuarially Determined Contribution.....	90.94%	92.95%	98.15%	109.84%	93.04%
Covered Payroll.....	\$ 105,736,504	\$ 105,287,835	\$ 105,705,084	\$ 105,156,160	\$ 98,287,369
Contributions as a Percentage of Covered Payroll.....	7.45%	7.43%	7.69%	7.53%	5.90%

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**Five Year Summary of General Fund Revenues and Expenditures (GAAP)
and Adopted Current Budget (Budgetary Basis)
(In Thousands)**

	Budget 2022¹	Actual 2021	Actual 2020	Actual 2019	Actual 2018	Actual 2017
Revenues:						
Taxes and assessments	\$ 156,403	\$ 154,418	\$ 150,755	\$ 145,317	\$ 140,099	\$ 140,289
Interest and lien fees	775	1,059	865	961	898	1,138
Licenses and permits	1,541	2,820	2,059	1,978	1,984	1,454
Intergovernmental ²	43,488	68,763	72,627	62,257	78,648	73,043
Charges for Services	3,150	5,310	3,921	4,551	4,047	3,955
Investment Income	406	289	1,410	1,502	939	458
Sale of property and equipment	-	-	-	-	-	-
Miscellaneous	584	148	68	310	378	737
Total Revenues	206,347	232,807	231,704	216,875	226,993	221,074
Expenditures:						
General government	\$ 6,715	\$ 8,046	6,408	6,305	6,219	6,066
Public safety	27,675	35,092	26,569	26,225	25,306	23,311
Public works	10,223	12,773	13,274	14,906	15,722	13,627
Health and Welfare	3,825	6,528	6,426	6,322	6,317	6,354
Libraries	2,469	2,956	2,306	2,167	2,190	2,025
Parks and Recreation	3,934	4,193	2,634	2,517	2,512	2,465
Education ²	103,698	142,045	119,334	109,878	125,251	115,560
Employee Benefits	3,146	-	4,407	3,925	4,470	4,283
Insurance ³	33,235	-	30,362	27,968	27,490	30,045
Miscellaneous	1,567	-	381	430	514	655
Capital Outlay	-	-	143	-	-	-
Debt Service	10,500	10,100	9,850	8,900	9,004	7,949
Total Expenditures	206,987	221,733	222,095	209,541	224,995	212,340
Operating Results	(640)	11,074	9,609	7,334	1,998	8,734
Other Financing Source (Uses):						
Operating transfers in & Other	3,246	18	46	-	18	13
Operating transfers (out)	(2,606)	(9,322)	(9,353)	(5,125)	(3,165)	(6,129)
Issuance of Capital Lease	-	-	143	-	-	-
G.O. Bonds Issued	-	-	-	-	-	-
Premium on Bonds	-	-	701	-	-	-
Refunding bonds issued	-	-	-	-	24,932	-
Premium on refunding bonds issued	-	-	-	-	3,455	-
Payment to refunded bond escrow agent	-	-	-	-	(28,213)	-
Net Other Financing Sources (Uses)	640	(9,304)	(8,463)	(5,125)	(2,973)	(6,116)
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses						
	-	1,770	1,146	2,209	(975)	2,618
Fund Balance, July 1	42,926	41,156	40,010	37,800	38,775	36,157
Fund Balance, June 30	N/A	\$ 42,926	\$ 41,156	\$ 40,010	\$ 37,800	\$ 38,775

¹ Actual (GAAP) years include State Teachers' Retirement Contribution on behalf payment. Years shown on an estimated and budgetary basis do not.

² Insurance includes Property, Casualty, Worker's Compensation, Heart & Hypertension and medical for all City and Board of Education employees.

³ Effective with the June 30, 2021 audit, insurance is allocated among government functions for GAAP reporting.

Analysis of General Fund Equity

	Adopted Budget 2022¹	Actual 2021	Actual 2020	Actual 2019	Actual 2018	Actual 2017
Nonspendable	N/A	\$ 2	\$ -	\$ 3	\$ 5	\$ -
Restricted	N/A	-	-	-	-	-
Committed	N/A	3,150	3,132	3,107	3,086	3,095
Assigned	N/A	8,432	7,968	7,337	6,368	7,885
Unassigned	N/A	31,342	30,056	29,562	28,342	27,795
Total Fund Balance	N/A	\$ 42,926	\$ 41,156	\$ 40,010	\$ 37,800	\$ 38,775

¹ Budgetary Basis. Subject to audit. No assurances can be given that subsequent projections and the final result of operations will not change.

Enterprise Fund

The Enterprise Fund is used to account for the operations of the Bristol Water Department. These operations are financed and operated in a manner similar to that of a private business enterprise, utilizing the accrual basis of accounting, where the intent is that all costs (including depreciation), related to the provision of goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Statement of Revenues, Expenses and Changes in Fund Balance (In Thousands)

	Actual 2021	Actual 2020	Actual 2019	Actual 2018	Actual 2017
Operating Revenues:					
Charges for services	\$ 8,891	\$ 8,521	\$ 7,677	\$ 7,078	\$ 7,400
Miscellaneous	446	408	548	422	420
Total Operating Revenues	9,337	8,929	8,225	7,500	7,820
Operating Expenses:					
Source of supply	301	190	232	241	191
Pumping	292	416	314	254	261
Purification	1,168	1,133	990	947	912
Transmission and distribution	1,151	1,860	1,789	1,144	2,138
Customer accounts, administrative and general.....	3,029	3,220	2,446	2,430	2,117
Depreciation	1,162	1,135	1,136	1,062	1,116
Taxes other than income taxes	574	581	541	506	467
Loss on disposal	-	-	-	-	-
Total Operating Expenses	7,677	8,535	7,448	6,584	7,202
Operating Income (Loss)	1,660	394	777	916	618
Non-Operating Revenue (Expenses):					
Interest income (loss)	6	71	(37)	307	527
Interest expense	(64)	(77)	(85)	(87)	(101)
Other, net	-	-	-	(4)	-
Loss on disposal	-	-	-	-	-
Amortization of debt discount and expense	18	14	14	16	11
Total Non-Operating Revenues (Expenses)	(40)	9	(108)	232	437
Income (loss) before capital contribution and operating transfers	1,620	403	669	1,148	1,055
Capital Contribution	-	-	-	-	-
Change in Net Assets.....	1,620	403	669	1,148	1,055
Fund Balance, July 1	34,714	34,311	33,642	32,494 ¹	27,028
Fund Balance, June 30	\$ 36,334	\$ 34,714	\$ 34,311	\$ 33,642	\$ 28,083

¹ As restated.

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Bristol Water Department
Balance Sheet
June 30, 2021
(In Thousands)

Assets and Other Debits	
Current Assets:	
Cash and cash equivalents	\$ 8,825
Investments	-
Receivables, net	1,634
Inventories	299
Other assets	8
Total Current Assets	10,766
Noncurrent Assets:	
Net Pension Asset	12,707
Capital assets:	
Assets not being depreciated.....	4,425
Assets being depreciated, net.....	17,743
Total Noncurrent Assets	34,875
Total Assets	\$ 45,641
Deferred Outflows of Resources	
Deferred charge on refunding	35
Deferred outflows related to pension.....	1,300
Deferred outflows related to OPEB.....	538
Total Deferred Outflows of Resources	\$ 1,873
Liabilities, Equity and Other Credits	
Current Liabilities:	
Accounts and contracts payable	488
Payroll liabilities	107
Customer deposits	39
Unearned revenues	-
Compensated absences	77
Bonds payable - current	279
Notes payable - current.....	61
Total Current Liabilities	1,051
Non-current Liabilities:	
Compensated absences	392
Bonds payable	657
Notes payable	964
Net OPEB Liability	3,987
Total Noncurrent Liabilities	6,000
Total Liabilities	7,051
Deferred Inflows of Resources	
Deferred inflows related to pension.....	4,050
Deferred inflows related to OPEB.....	80
Total Deferred Outflows of Resources	\$ 4,130
Invested in capital assets, net of related debt	20,241
Restricted for Pensions	12,707
Unrestricted	3,385
Total Net Position	36,333

VII. Legal and Other Information

Litigation

It is the opinion of the City's Corporation Counsel, Edward Krawiecki, that pending litigation will not be finally determined so as to result individually, or in the aggregate, in final judgments against the City which would materially adversely affect its financial position.

Transcript and Closing Documents

The winning bidder will be furnished the following documents when the Bonds are delivered:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.
2. A certificate on behalf of the City, signed by the Mayor, Agent of the Board of Finance, and the Comptroller which will be dated the date of delivery, which will certify, to the best of said officials' knowledge and belief, that at the time the bids were awarded for the Bonds, the descriptions and statements in the Official Statement relating to the City and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the City from that set forth in or contemplated by the Official Statement.
3. A Receipt for the purchase price of the Bonds.
4. The approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut in substantially the form set out in Appendix B to this Official Statement.
5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached hereto as Appendix C to this Official Statement.
6. The City of Bristol has prepared an Official Statement for the Bonds which is dated March 16, 2022. The City deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(1), but it is subject to revision or amendment. The City will provide the winning bidder with a reasonable number of copies of the final Official Statement at the City's expense. The copies of the Official Statement will be made available to the winning bidder at the office of the City's Municipal Advisor no later than seven business days of the bid opening. If the City's Municipal Advisor is provided with the necessary information from the winning bidder by noon of the day following the day bids on the Bonds are received, the copies of the final Official Statement will include an additional cover page and other pages indicating the interest rates, yields or reoffering prices, the name of the managing underwriter, the name of the insurer, if any, and any changes on the Bonds. The winning bidder shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement to the winning bidder.

A record of the proceedings taken by the City in authorizing the Bonds will be kept on file at offices of U.S. Bank Trust Company, National Association, and may be examined upon reasonable request.

Concluding Statement

This Official Statement is not to be construed as a contract or agreement between the City and the purchaser or holders of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representation of fact, and no representation is made that any of such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

The following officials in their capacity as officers of the City, and in the name and on behalf of the City, do hereby certify in connection with this issue, that they have examined this Official Statement, and to the best of their knowledge and belief, the description and statements relating to the City and its finances are true and correct, as of the date of this Official Statement, in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This Official Statement has been duly prepared and delivered by the City, and executed for and on behalf of the City by the following officials:

CITY OF BRISTOL, CONNECTICUT

/s/ Jeffrey Caggiano

JEFFREY CAGGIANO, *Mayor*

/s/ Diane M. Waldron

DIANE M. WALDRON, *Agent of the Board of Finance*

/s/ Diane M. Waldron

DIANE M. WALDRON, *Comptroller*

Dated: March 16, 2022

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Appendix A

General Purpose Financial Statements (Excerpted from the City's Annual Comprehensive Financial Report)

The following includes the General Purpose Financial Statements of the City of Bristol, Connecticut for the fiscal year ended June 30, 2021. The supplemental data which was a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Matthew Spoerndle, Senior Managing Director, Phoenix Advisors, LLC, 53 River Street, Suite #1, Milford, Connecticut. Telephone (203) 878-4945.

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Independent Auditors' Report

To the Members of the City Council and 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, 2021, 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

During fiscal year ended June 30, 2021, the City of Bristol, Connecticut adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the City of Bristol, Connecticut reported a restatement for the change in accounting principle (see Note 16). Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City 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.

The City of Bristol, Connecticut's basic financial statements of the City of Bristol, Connecticut, as of and for the year ended June 30, 2020 (not presented herein), were audited by Blum, Shapiro & Company, P.C. (blumshapiro), whose partners and professional staff joined CliftonLarsonAllen LLP as of January 1, 2021 and has subsequently ceased operations. Blumshapiro's report thereon, dated December 17, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. The accompanying financial statements for the General Fund, Water Enterprise Fund, Internal Service Funds, and Pension and OPEB Trust Funds as of and for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2020 financial statements. The accompanying 2020 financial statements for the General Fund, Water Enterprise Fund, Internal Service Funds and Pension Trust Funds have been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In blumshapiro's opinion, the financial statements for the General Fund, Water Enterprise Fund, Internal Service Funds, and Pension Trust Funds were fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Bristol, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bristol, Connecticut's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
February 25, 2022

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

This discussion and analysis of the City of Bristol, Connecticut's (the City) financial performance is provided by management to provide an overview of the City's financial activities for the fiscal year ended June 30, 2021. Please read this MD&A in conjunction with the transmittal letter beginning on page iii and the City's financial statements, Exhibits I to IX.

FINANCIAL HIGHLIGHTS

- The City's total net position increased \$48.1 million or 9.2%. Net position of business-type activities increased by \$1.6 million, or 4.7%, and net position of governmental activities increased by \$46.5 million or 9.6%.
- During the year, revenues generated in tax and other revenues for governmental programs and business activities exceeded expenses by \$48.1 million. This is primarily the result in the positive change in the net pension asset of approximately \$131 million and the net change in deferred outflows and inflows related to the City's pension investments.
- In the City's governmental activities, revenues increased approximately \$41.4 million or 15.4% and expenses decreased \$9.8 million or 3.6%. The increase in revenues were primarily a result of increases in operating grants and contributions as well as capital grants and contributions related to COVID relief funds including CARES grants for the City, Education and for CDBG programs that were COVID related as well as capital grants and contributions related to school construction grants. Property Tax revenues also increased due to the increase in the tax rate and grand list growth. The decrease in expenses is primarily attributable to the increase in the change in net pension asset and the change in deferred inflows and outflows over the prior year.
- In the City's business-type activities, revenues increased \$0.34 million or 3.8% and expenses decreased \$0.87 million or 10.2%. The increase in revenues was primarily a result of increased water sales revenues; and the decrease in expenditures is a direct result of a decrease in transmission and distribution costs.
- Total cost of all City programs was \$270.4 million with no new programs added this year. This represents a \$10.7 million or 3.8% decrease compared to fiscal year 2020.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$31.3 million, or 13.6% of general fund budgetary expenditures and transfers out including the State Teachers retirement and OPEB on behalf payments.
- The tax collection rate was 99.2% on the current levy. It remained unchanged compared to the prior year.
- The City of Bristol's total bonded indebtedness including Enterprise fund debt decreased \$7.6 million to \$97.8 million representing a 7.2% decrease after current year annual debt service payments. There were no debt issuances during the fiscal year.

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.

The statement of net position and the statement of activities divides 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 established 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 grants, and other funds restricted for specific purposes. 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 included with the fund financial statements.

- *Proprietary funds (Exhibit V through 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. 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 provides more detail and additional information, such as cash flows, for the 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 post-employment benefit 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 \$518 million to \$567 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
SUMMARY SCHEDULE OF NET POSITIONS

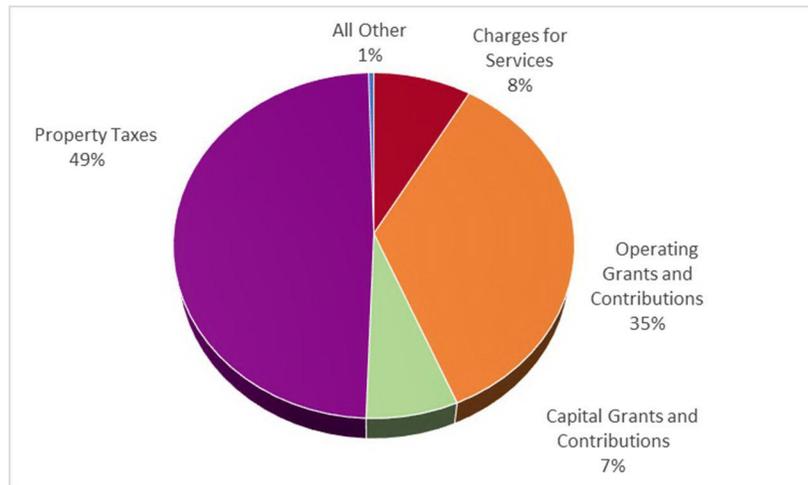
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 443,353,540	\$ 305,218,797	\$ 23,473,393	\$ 16,863,346	\$ 466,826,933	\$ 322,082,143
Capital assets, net of accumulated depreciation	380,991,445	354,280,305	22,167,283	22,751,335	403,158,728	377,031,640
Total assets	<u>824,344,985</u>	<u>659,499,102</u>	<u>45,640,676</u>	<u>39,614,681</u>	<u>869,985,661</u>	<u>699,113,783</u>
Deferred Outflows of Resources	33,044,358	56,709,863	1,873,209	3,028,617	34,917,567	59,738,480
Long-term liabilities outstanding	189,232,409	200,245,044	6,417,174	7,018,419	195,649,583	207,263,463
Other liabilities	42,696,432	26,967,280	632,700	741,054	43,329,132	27,708,334
Total liabilities	<u>231,928,841</u>	<u>227,212,324</u>	<u>7,049,874</u>	<u>7,759,473</u>	<u>238,978,715</u>	<u>234,971,797</u>
Deferred Inflows of Resources:	94,902,164	5,816,416	4,129,939	169,882	99,032,103	5,986,298
Net Position:						
Net investment in capital assets	285,801,914	277,709,386	20,241,478	20,469,668	306,043,392	298,179,054
Restricted	286,841,098	148,067,072	12,707,324	6,978,453	299,548,422	155,045,525
Unrestricted	<u>(42,084,674)</u>	<u>57,403,767</u>	<u>3,385,270</u>	<u>7,265,822</u>	<u>(38,699,404)</u>	<u>64,669,589</u>
Total Net Position	<u>\$ 530,558,338</u>	<u>\$ 483,180,225</u>	<u>\$ 36,334,072</u>	<u>\$ 34,713,943</u>	<u>\$ 566,892,410</u>	<u>\$ 517,894,168</u>

Net position of the City's governmental activities increased by \$46.5 million or 9.6%, as restated compared to a prior year decrease of \$4.8 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 (\$41.0) million at the end of this year. The net position of business-type activities increased by \$1.6 million and unrestricted net position decreased by \$3.9 million or 53.4% in 2021 compared to 2020.

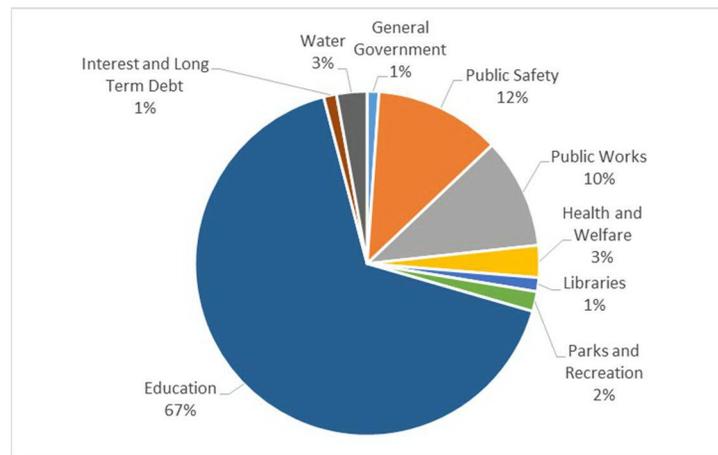
TABLE 2
SUMMARY STATEMENTS OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 17,462,363	\$ 15,512,819	\$ 9,337,193	\$ 8,928,762	\$ 26,799,556	\$ 24,441,581
Operating grants and contributions	112,102,689	92,600,641			112,102,689	92,600,641
Capital grants and contributions	22,312,052	6,956,592			22,312,052	6,956,592
General revenues:						
Property taxes	155,837,150	150,235,069			155,837,150	150,235,069
Grants and contributions not restricted to specific programs	663,766	486,324			663,766	486,324
Unrestricted investment earnings	610,639	1,737,976	5,577	71,271	616,216	1,809,247
Other general revenues	178,553	185,831			178,553	185,831
Total revenues	<u>309,167,212</u>	<u>267,715,252</u>	<u>9,342,770</u>	<u>9,000,033</u>	<u>318,509,982</u>	<u>276,715,285</u>
Program expenses:						
General government	2,999,490	16,386,951			2,999,490	16,386,951
Public safety	31,945,889	38,189,472			31,945,889	38,189,472
Public works	28,034,440	24,113,012			28,034,440	24,113,012
Health and welfare	8,138,461	7,453,386			8,138,461	7,453,386
Libraries	3,533,549	3,244,302			3,533,549	3,244,302
Parks and recreation	5,033,621	3,978,644			5,033,621	3,978,644
Education	179,714,640	176,362,753			179,714,640	176,362,753
Interest on long-term debt	3,279,285	2,785,304			3,279,285	2,785,304
Water			7,722,641	8,597,186	7,722,641	8,597,186
Total program expenses	<u>262,679,375</u>	<u>272,513,824</u>	<u>7,722,641</u>	<u>8,597,186</u>	<u>270,402,016</u>	<u>281,111,010</u>
Change in net position	46,487,837	(4,798,572)	1,620,129	402,847	48,107,966	(4,395,725)
Net position - beginning	483,180,225	487,978,797	34,713,943	34,311,096	517,894,168	522,289,893
Restatement	890,276				890,276	
Net Position - Ending	<u>\$ 530,558,338</u>	<u>\$ 483,180,225</u>	<u>\$ 36,334,072</u>	<u>\$ 34,713,943</u>	<u>\$ 566,892,410</u>	<u>\$ 517,894,168</u>

The City's total revenues were \$318.5 million. The total cost of all programs and services was \$270.4 million with an overall change in net position of \$48.1 million. The revenue pie chart below considers the operations of governmental and business-type activities.



The expenditure pie chart below considers the operations of governmental and business-type activities.



Governmental Activities

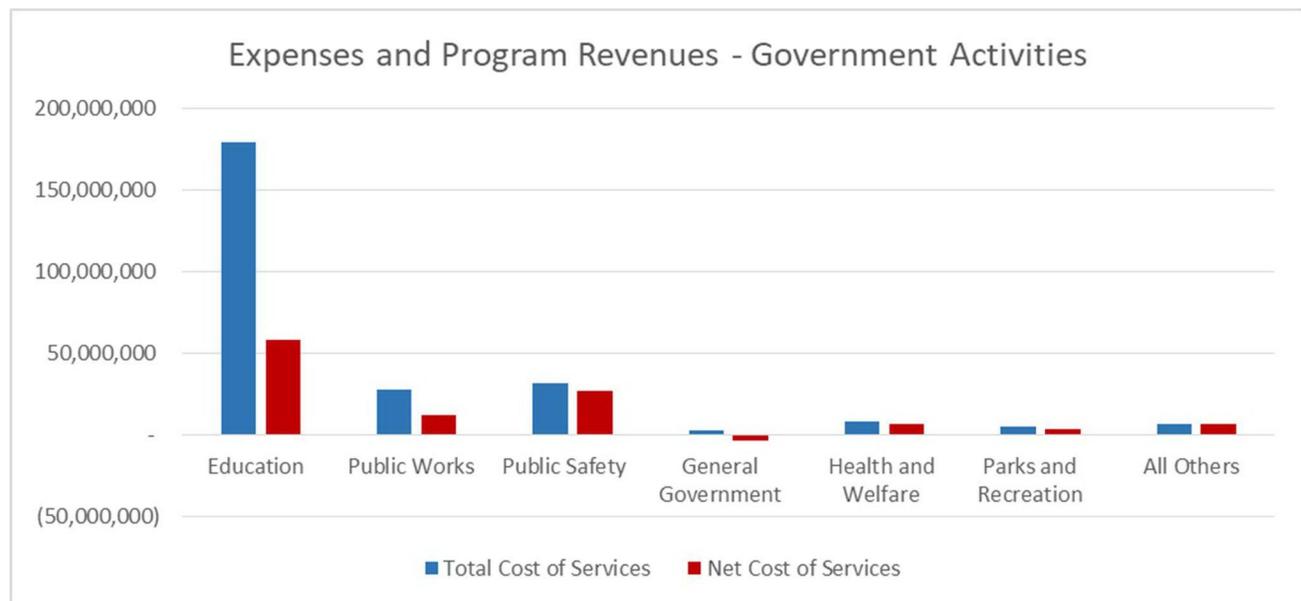
Governmental Activities increased the City of Bristol’s net position by \$46.5 million. The prior year decrease in net position was \$4.8 million. Key elements of the 2021 increase with offsetting decreases are highlighted below:

- Property tax collections increased \$5.6 million compared to the prior year. The increase is due to the increase in the mill rate over the prior year from 38.05 to 38.35 or a 0.8% increase as well as growth in the October 1, 2019 grand list that generated approximately \$2 million in additional tax revenue.
- In addition, the City did generate additional revenue with the Supplemental Motor Vehicle bills issued for January 1, 2021. The City anticipated \$1.4 million in the adopted budget and the actual collections were approximately \$1.9 million. FY2020 these collections totaled \$2 million.
- Operating grants and contributions for governmental activities increased by \$19.5 million. The significant additional revenues were primarily COVID related for FEMA reimbursement of pandemic response costs as well as CARES and ESSER funding. There was also an increase in the State Alliance grant to the Board of Education as well as an increase due to the on-behalf State Teachers Retirement and Other Postemployment Benefits contribution which is a swing from the prior year of approximately a \$213.7 million increase in these revenues.
- Capital grants and contributions increased \$15.1 million, the majority of the increase is school construction grant revenue for renovations at the Memorial Boulevard School and roof replacement at two schools.
- Charges for services increased \$1.95 million. Conveyance Tax and Police Special Services account for the majority of this increase, \$0.8 million and \$0.5 million respectively. As a result of the pandemic the real estate market soared and the City experienced record activity in the conveyance of properties in fiscal year 2021. In addition, construction on road projects resumed that required Police Special Services, all paid for at the expense of the contractor.
- Investment earnings decreased due to declining interest rates with the downturn of the economy due and COVID.
- Governmental activities expenses decreased \$9.8 million primarily as a result of the change in the Net Pension Asset and deferred inflows and outflows related to it. The decrease is most prevalent in the General Government and Public Safety functions.

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)

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
Education	\$ 179,714,640	\$ 176,362,753	\$ 58,538,935	\$ 85,635,158
Public works	28,034,440	24,113,012	11,668,356	14,665,824
Public safety	31,945,889	38,189,472	26,892,445	34,276,212
General government	2,999,490	16,386,951	(3,609,104)	7,752,935
Health and welfare	8,138,461	7,453,386	7,041,473	6,843,842
Parks and recreation	5,033,621	3,978,644	3,690,138	2,406,685
All others	6,812,834	6,029,606	6,580,028	5,863,116
Total	\$ 262,679,375	\$ 272,513,824	\$ 110,802,271	\$ 157,443,772



Business-Type Activities

Revenues of the City’s business-type activities (see Table 2) were \$9.3 million in 2021 compared to \$9.0 million in 2020 and net expenses decreased \$0.9 million or 10.2%. The factors influencing these results included:

- Revenues: Increases were primarily from increased water charges and sales.
- Expenses: The decrease is primarily related to a decrease in transmission and distribution costs as well as the deferred inflows/outflows relative to this fund’s share of pension and OPEB assets/liabilities and expenses.

Overall net position increased \$1.6 million or 4.7%.

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 \$90.2 million.

Approximately 34% of this total amount or \$31.3 million constitutes unassigned 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, approximately 48% or \$43.8 million of fund balance, 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 main operating fund of the City of Bristol. At the end of the current fiscal year, unassigned fund balance of the general fund was \$31.3 million, while total fund balance reached \$42.9 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 13.6% of total general fund expenditures including the State Teacher's Retirement and OPEB on-behalf payments, while total fund balance represents 18.6% of that same amount. This compares to 13.0% and 17.8%, respectively, to the prior year.

The Capital Projects Fund has a fund balance of \$20 million compared to the prior year's fund balance of \$39.4 million. The City issued bonds to finance various capital projects in October 2019 to meet future cash flow requirements for ongoing authorized capital projects and the majority of the decrease in fund balance is attributable to the use of these bond proceeds to pay for project costs.

The Debt Service Fund has a total fund balance of \$.7 million, a decrease of approximately \$1 million, 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. Planned use of premium on the 2019 issued bonds was a factor in the decrease in fund balance.

The Special Education Grants fund has a minimal balance of \$0.6 million and the Health Benefits and Workers Compensation funds totaled \$17.9 million. Factors concerning the finances of the Water Department have already been addressed in the discussion of the City of Bristol's business-type activities.

This Health Benefits and Workers' Compensation fund experienced an overall \$4.2 million increase in net position. There are a few factors that caused this:

- Charges for services made up of contributions from the City, BOE and Employees increased \$3.0 million.
- Claims, premiums and fees were \$0.4 million less than the previous year. Part of this decrease or flat level of cost was an indirect result of COVID as there were fewer claims for routine physician visits and a hold on elective surgeries. Overall the City had extremely positive claims experience for FY2021.

General Fund Budgetary Highlights

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

Estimated Revenues:

- Current Property Tax Collections are estimated year for budget purposes at 98.5%. Actual current collections were 99.2%. Current tax collections increased \$3.1 million over the prior year due to the increase in the mill rate from 38.05 to 38.35, a 0.30 mill or 0.79% tax increase. Growth in the grand list generated approximately \$2.03 million in new tax revenue at the previous mill rate while the balance came from the modest 0.79% mill rate increase.
- The Supplemental Motor Vehicle tax revenue generated approximately \$0.5 million more than anticipated. While historically the City has overachieved on this revenue, conservative budget estimates are used as the motor vehicle supplement list can be volatile year over year and may be affected by the state of the economy. Prior year collections were consistent with the current year at \$1.9 million.
- Building permit collections were \$0.9 million over original budgeted estimates. This revenue source increase was due to an increase in new residential and commercial development activity.
- Overall, with the exception of CARES and FEMA reimbursement, state and federal grants received were as expected. The City received a total of \$1.1 million allocated to the General Fund in CARES and FEMA grants related to the COVID 19 pandemic. This is the first year activity for the Municipal Grants in Aid revenue was accounted for in the Road Improvements Fund. Years prior it was allocated within the General Fund. These funds, per state statute, are dedicated to capital and infrastructure improvements and it was determined a Capital Projects fund was more appropriate to account for this grant. This new fund accounts for all road improvement expenditures, including receipt of this grant.
- Public Safety Charges for Services also exceed budget amounts due to the increase in number and magnitude of construction projects on City roadways. The costs associated with these services are fully paid for by the contractors.
- Conveyance Fees exceeded original budget estimates by approximately \$1.5 million. The city experienced a significant increase in residential and commercial sales and transfers of property. This trend was prevalent during 2021 as the demand for housing exploded as remote workers were seeking to purchase homes in more suburban or rural areas as opposed to living in surrounding cities such as New York or Boston.
- Investment earnings were lower than estimated during the budget process. Again, a trend noted as interest rates and the economy declined during the pandemic.

Appropriations:

Many departments throughout the fiscal year may require adjustments to their original appropriations as situations arise throughout the fiscal year and unanticipated expenditures occur. Per City Charter, departments cannot over expend their line items. Adjustments may occur throughout the year or at year-end. Over expenditures are covered by either transfers within the department line items or transfers from another departments' excess funds at year-end.

Large transfer or additional appropriation 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 within the Police and Fire Department budgets are typically caused by costs of overtime for unplanned local emergencies, private duty contracts, of which the cost is paid for by the third party contractor, and contractual replacement for sick or injured personnel within divisions as well as vacancies that occur through normal attrition and retirement.
- A \$31.6 million transfer from the General fund to the Internal Service Fund represents the combined City and Education appropriation for workers' compensation expenses and health benefit expenses.
- Overall Public Works had a number of transfers within the various divisions but did require some additional funds for Snow Removal operations primarily for overtime costs.
- Education – Education had approximately \$3.9 million in surplus funds at the end of the year primarily due to lower than anticipated special education and transportation costs as well as savings related to retirements. As allowed by state statutes the BOE requested use of these surplus funds and approximately \$2.4 million was reserved for future use and \$1.5 was appropriated for some capital expenditures they requested for various school improvements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the Governmental Activities had \$381 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 \$26.7 million, or 7.5%, over the prior year.

TABLE 4
CAPITAL ASSETS AT YEAR-END (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 18,646,256	\$ 18,564,974	\$ 2,752,140	\$ 2,752,140	\$ 21,398,396	\$ 21,317,114
Construction in progress	39,742,746	10,820,225	1,672,747	1,672,747	41,415,493	12,492,972
Buildings	166,969,393	171,610,772	15,614,562	16,122,194	182,583,955	187,732,966
Improvement other than buildings	(1,400,038)	(57,973)			(1,400,038)	(57,973)
Machinery and equipment	33,896,815	33,237,648	2,127,834	2,204,254	36,024,649	35,441,902
Infrastructure	123,136,273	120,104,659			123,136,273	120,104,659
Total	\$ 380,991,445	\$ 354,280,305	\$ 22,167,283	\$ 22,751,335	\$ 403,158,728	\$ 377,031,640

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

Construction in progress (CIP)

- Governmental Activities: There are a number of major projects in this category. Renovation of the Memorial Boulevard IntraDistrict Arts Magnet School was in progress and represents approximately 62% of the CIP total. Other significant projects include Page Park Pool renovations, Louisiana Avenue Bridge replacement, South Side School Mechanical improvements and Fire Headquarter renovations.

Buildings

- Governmental Activities: There were no significant additions to Buildings; the decrease in this category is all related to current year depreciation.

Machinery and Equipment

- Governmental Activities: No significant change in this category over the prior year.

Infrastructure

- Governmental Activities: There were a number of infrastructure projects completed during the year and various resurfacing of City streets.

The City's fiscal year 2020-2021 capital budget called for it to spend \$5.4 million for capital projects.

Fiscal Year 2021 Capital Budget	
<u>Department</u>	
Board of Education	\$1,504,000
Information Technology	150,000
Parks Department	1,360,000
Public Works	2,283,000
Sewer	100,000
Total All Departments	<u>\$5,397,000</u>
<u>Funding</u>	
Sale of Bonds	\$3,674,000
General Fund Cash	150,000
WPC CNR	100,000
Other Funds	1,003,000
LOCIP	470,000
Total All Funding	<u>\$5,397,000</u>

Some of the main highlights of these projects include:

- Improve various roads- cul-de-sacs, right of ways, storm drains and related pavement outlay
- Education department funding for smartboard replacement at various schools.
- Parks Department funding for restoration of Muzzy Field, including turf replacement.
- Funding for architectural and design for renovations to City Hall

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

Long-Term Debt

At June 30, 2021 the City had \$97 million in total bonded indebtedness versus \$104.4 million last year – a decrease of increase of \$7.4 million or 7.1% – as shown in Table 5. The City did not issue any debt during FY2021.

**TABLE 5
OUTSTANDING DEBT, AT YEAR-END**

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds (Backed by the City)	\$ 97,013,000	\$ 104,370,000	\$ 857,000	\$ 1,135,000	\$ 97,870,000	\$ 105,505,000

The City's general obligation bond ratings are Aa2 and AA+ respectfully from Moody's Investors Service and Standard and Poor's. Standard and Poor's (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. In October 2016 Fitch upgraded the rating to AAA.

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 the 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 8 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 2021-2022 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 decreased to 7.8% versus 10.6% a year ago. This compares with the State's unemployment rate of 6.8% (not seasonally adjusted) and the national rate of 5.9%. (Source: CT Department of Labor, 2020 Average and Bureau of Labor Statistics).

Economic indicators were taken into account when adopting the General Fund budget for 2021-2022. The 2021-2022 General Fund budget was adopted at \$209.6 million, an increase of \$4.5 million over the previous year's budget of approximately \$205.1 million. The property tax rate did not change and is currently 38.35. The City did receive notice that it was eligible for up to \$28 million in American Rescue Plan funds, both direct (\$17 million) and as a pass through from the State for the County share (\$11 million). A Task Force was created to oversee the allocation and plan for these funds and has been meeting on a regular basis. Many capital items the City had originally proposed in the FY2022 Capital Plan meet the eligibility requirements for ARPA funding. The Task Force will be evaluating all of these projects and look for projects that are transformational and address issues directly related to the pandemic.

If the FY2022 budget estimates are realized, the City's budgetary General Fund balance is expected to remain constant at June 30, 2021 levels, however surpluses in various revenue accounts are anticipated to be realized which will increase the City's unassigned fund balance. Residential Building Permits, Conveyance Tax fees, motor vehicle supplemental taxes and delinquent tax collections continue to exceed anticipated projections which will continue to be conservatively estimated for budget purposes to reflect current economic conditions.

While the City of Bristol completed the 2021 year with a surplus, the Board of Finance and City Council designated \$1.6 million to a mill rate stabilization reserve fund in anticipation of future increased debt service costs, operating costs, anticipation of decreased state revenues and continuation of a local senior tax relief program. In addition, \$0.75 million was allocated to future Economic Development opportunities.

As for the City's business-type activities marginal growth is expected (0.25-0.50%) to net position based on sales over the past three fiscal years. Expense increases will be primarily due to salaries and benefits while other expenses are expected to have a slight marginal increase. Also, expenses will increase for continued 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

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**CITY OF BRISTOL, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2021**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Bristol- Burlington Health District
Assets:				
Cash and cash equivalents	\$ 132,277,162	\$ 8,824,829	\$ 141,101,991	\$ 2,789,564
Investments	14,390,652		14,390,652	
Receivables, net	18,635,393	1,634,440	20,269,833	7,022
Supplies	62,429	298,572	361,001	
Other assets	2,439	8,228	10,667	
Net pension asset	277,985,465	12,707,324	290,692,789	
Capital assets:				
Assets not being depreciated	58,389,002	4,424,887	62,813,889	
Assets being depreciated, net	322,602,443	17,742,396	340,344,839	199,027
Total assets	<u>824,344,985</u>	<u>45,640,676</u>	<u>869,985,661</u>	<u>2,995,613</u>
Deferred Outflows of Resources:				
Deferred charge on refunding	1,125,332	35,221	1,160,553	
Deferred outflows related to pension	22,751,197	1,300,027	24,051,224	
Deferred outflows related to OPEB	9,167,829	537,961	9,705,790	
Total deferred outflows of resources	<u>33,044,358</u>	<u>1,873,209</u>	<u>34,917,567</u>	<u>-</u>
Liabilities:				
Accounts and other payables	13,397,862	487,505	13,885,367	22,774
Accrued liabilities	13,272,927	106,584	13,379,511	58,041
Accrued interest payable	1,098,972		1,098,972	
Other current liabilities		38,611	38,611	
Unearned revenue	14,926,671		14,926,671	121,619
Noncurrent liabilities:				
Due within one year	15,575,049	416,772	15,991,821	70,615
Due in more than one year	173,657,360	6,000,402	179,657,762	27,399
Total liabilities	<u>231,928,841</u>	<u>7,049,874</u>	<u>238,978,715</u>	<u>300,448</u>
Deferred Inflows of Resources:				
Deferred inflows related to pension	92,589,083	4,049,926	96,639,009	
Deferred inflows related to OPEB	2,313,081	80,013	2,393,094	
Total deferred inflows of resources	<u>94,902,164</u>	<u>4,129,939</u>	<u>99,032,103</u>	<u>-</u>
Net Position:				
Net investment in capital assets	285,801,914	20,241,478	306,043,392	199,027
Restricted for:				
Pensions	277,985,465	12,707,324	290,692,789	
Trust purposes:				
Nonexpendable	1,312,323		1,312,323	
Grants	6,860,619		6,860,619	
Debt Service	682,691		682,691	
Unrestricted	<u>(42,084,674)</u>	<u>3,385,270</u>	<u>(38,699,404)</u>	<u>2,496,138</u>
Total Net Position	<u>\$ 530,558,338</u>	<u>\$ 36,334,072</u>	<u>\$ 566,892,410</u>	<u>\$ 2,695,165</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, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position							Component Unit
	Program Revenues			Primary Government		Total	Bristol-Burlington Health District	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities			
Primary Government:								
Governmental activities:								
General government	\$ 2,999,490	\$ 3,559,006	\$ 3,049,588	\$ 3,609,104	\$ 3,609,104	\$ 3,609,104	\$	
Public safety	31,945,889	4,589,865	463,579	(26,892,445)	(26,892,445)	(26,892,445)		
Public works	28,034,440	8,670,685	150,588	(11,668,356)	(11,668,356)	(11,668,356)		
Health and welfare	8,138,461	86,873	1,010,115	(7,041,473)	(7,041,473)	(7,041,473)		
Libraries	3,533,549	14,948	217,858	(3,300,743)	(3,300,743)	(3,300,743)		
Parks and recreation	5,033,621	418,717	924,766	(3,690,138)	(3,690,138)	(3,690,138)		
Education	179,714,640	122,269	106,286,195	(58,538,935)	(58,538,935)	(58,538,935)		
Interest and fiscal charges	3,279,285			(3,279,285)	(3,279,285)	(3,279,285)		
Total governmental activities	262,679,375	17,462,363	112,102,689	(110,802,271)	(110,802,271)	(110,802,271)		
Business-type activities:								
Water	7,722,641	9,337,193		1,614,552	1,614,552	1,614,552		
Total Primary Government	\$ 270,402,016	\$ 26,799,556	\$ 112,102,689	\$ 1,614,552	\$ 1,614,552	\$ (109,187,719)		
Component Unit:								
Bristol-Burlington Health District	\$ 3,972,393	\$ 246,857	\$ 4,012,538	\$ -	\$ -	\$ -	\$	287,002
General revenues:								
Property taxes				155,837,150		155,837,150		
Grants and contributions not restricted to specific programs				663,766		663,766		
Unrestricted investment earnings (loss)				610,639	5,577	616,216		1,199
Gain on sale of capital assets				142,416		142,416		
Miscellaneous				36,137		36,137		
Total general revenues				157,290,108	5,577	157,295,685		1,199
Change in net position				46,487,837	1,620,129	48,107,966		288,201
Net Position at Beginning of Year, as Restated				484,070,501	34,713,943	518,784,444		2,406,964
Net Position at End of Year				\$ 530,558,338	\$ 36,334,072	\$ 566,892,410	\$	2,695,165

The accompanying notes are an integral part of the financial statements

CITY OF BRISTOL, CONNECTICUT
 BALANCE SHEET - GOVERNMENTAL FUNDS
 JUNE 30, 2021

	General	Debt Service Fund	Capital Projects	Special Education Grants	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 44,228,479	\$ 682,691	\$ 30,353,267	\$ 2,812,984	\$ 25,902,358	\$ 103,979,779
Investments	13,040,807				1,349,845	14,390,652
Receivables, net	4,392,298		10,967,642	1,383,170	1,811,025	18,554,135
Due from other funds	1,305,136			60,297	316,398	1,681,831
Other assets	2,259					2,259
Supplies					62,429	62,429
Total Assets	<u>\$ 62,968,979</u>	<u>\$ 682,691</u>	<u>\$ 41,320,909</u>	<u>\$ 4,256,451</u>	<u>\$ 29,442,055</u>	<u>\$ 138,671,085</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts and contracts payables	\$ 5,095,813	\$	\$ 5,934,679	\$ 321,576	\$ 905,502	\$ 12,257,570
Accrued liabilities	11,593,327			1,368,415	311,185	13,272,927
Due to other funds	33,226			2,473,613	771,046	3,277,885
Due to other governments	13,152			7,858		21,010
Unearned revenue	497,293		13,915,963	84,342	412,648	14,910,246
Total liabilities	<u>17,232,811</u>	<u>-</u>	<u>19,850,642</u>	<u>4,255,804</u>	<u>2,400,381</u>	<u>43,739,638</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	2,810,161					2,810,161
Unavailable revenue - sewer use					50,859	50,859
Unavailable revenue - sewer assessments					441,367	441,367
Unavailable revenue - grants			1,449,833			1,449,833
Total deferred inflows of resources	<u>2,810,161</u>	<u>-</u>	<u>1,449,833</u>	<u>-</u>	<u>492,226</u>	<u>4,752,220</u>
Fund balances:						
Nonspendable	2,259				1,374,752	1,377,011
Restricted		682,691		647	5,410,139	6,093,477
Committed	3,149,867		20,020,434		19,396,167	42,566,468
Assigned	8,431,919				368,390	8,800,309
Unassigned	31,341,962					31,341,962
Total fund balances	<u>42,926,007</u>	<u>682,691</u>	<u>20,020,434</u>	<u>647</u>	<u>26,549,448</u>	<u>90,179,227</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 62,968,979</u>	<u>\$ 682,691</u>	<u>\$ 41,320,909</u>	<u>\$ 4,256,451</u>	<u>\$ 29,442,055</u>	<u>\$ 138,671,085</u>

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CITY OF BRISTOL, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

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	\$ 90,179,227
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 757,856,312	
Less accumulated depreciation	<u>(376,864,867)</u>	
Net capital assets		380,991,445

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

Net pension asset	277,985,465
Property tax receivables greater than 60 days	1,507,903
Interest receivable on property taxes	1,302,258
Sewer assessments receivable	435,529
Sewer assessments interest receivable	5,838
Sewer usage receivable	50,859
Grants receivables	1,449,833
Deferred outflows related to pension	22,751,197
Deferred outflows related to OPEB	9,167,829

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.

17,900,102

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	(104,462,072)
Unamortized premium on general obligation bonds	(5,178,555)
Net OPEB liability	(58,804,845)
Interest payable on bonds and notes	(1,098,972)
Capital Leases	(47,725)
Compensated absences	(8,501,245)
Landfill post closure care	(1,298,901)
Deferred charges on refunding	1,125,332
Deferred inflows related to pension	(92,589,083)
Deferred inflows related to OPEB	<u>(2,313,081)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 530,558,338</u>
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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, 2021

	General	Debt Service Fund	Capital Projects	Special Education Grants	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes and assessments	\$ 154,418,034	\$	\$ 17,903	\$	\$ 81,369	\$ 154,517,306
Interest and lien fees on delinquent taxes and assessments	1,059,144					1,059,144
Licenses, permit and fees	2,819,556				1,294,342	4,113,898
Intergovernmental	68,763,004		20,631,181	15,496,666	5,613,891	110,504,742
Charges for services	5,310,325				8,064,287	13,374,612
Income on investments	288,671	1,454	10,945		292,265	593,335
Miscellaneous	148,065		123,603		1,429,145	1,700,813
Total revenues	<u>232,806,799</u>	<u>1,454</u>	<u>20,783,632</u>	<u>15,496,666</u>	<u>16,775,299</u>	<u>285,863,850</u>
Expenditures:						
Current:						
General government	8,045,863				2,129,314	10,175,177
Public safety	35,092,257				982,014	36,074,271
Public works	12,772,610				8,327,038	21,099,648
Health and welfare	6,527,853				1,695,172	8,223,025
Libraries	2,956,275				91,590	3,047,865
Parks and recreation	4,193,169				437,612	4,630,781
Education	142,044,697			15,215,410	4,705,866	161,965,973
Capital outlay			43,334,995			43,334,995
Debt service:						
Principal retirement		7,357,000	672,660			8,029,660
Interest and fiscal charges		3,770,262	156,291			3,926,553
Total expenditures	<u>211,632,724</u>	<u>11,127,262</u>	<u>44,163,946</u>	<u>15,215,410</u>	<u>18,368,606</u>	<u>300,507,948</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>21,174,075</u>	<u>(11,125,808)</u>	<u>(23,380,314)</u>	<u>281,256</u>	<u>(1,593,307)</u>	<u>(14,644,098)</u>
Other Financing Sources (Uses):						
Transfers in	18,316	10,240,500	3,987,515		6,893,327	21,139,658
Transfers out	<u>(19,422,145)</u>		<u>-</u>	<u>(281,232)</u>	<u>(1,436,281)</u>	<u>(21,139,658)</u>
Total other financing sources (uses)	<u>(19,403,829)</u>	<u>10,240,500</u>	<u>3,987,515</u>	<u>(281,232)</u>	<u>5,457,046</u>	<u>-</u>
Net Change in Fund Balance	1,770,246	(885,308)	(19,392,799)	24	3,863,739	(14,644,098)
Fund Balance at Beginning of Year, as Restated	<u>41,155,761</u>	<u>1,567,999</u>	<u>39,413,233</u>	<u>623</u>	<u>22,685,709</u>	<u>104,823,325</u>
Fund Balance at End of Year	<u>\$ 42,926,007</u>	<u>\$ 682,691</u>	<u>\$ 20,020,434</u>	<u>\$ 647</u>	<u>\$ 26,549,448</u>	<u>\$ 90,179,227</u>

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**CITY OF BRISTOL, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

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)	\$ (14,644,098)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	42,944,778
Depreciation expense	(16,175,064)

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.	(58,574)
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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	155,350
Property tax interest and lien revenue - accrual basis change	105,550
Sewer assessment receivable - accrual basis change	(3,377)
Sewer assessment interest receivable - accrual change	(852)
Sewer usage receivable - accrual basis change	(22,118)
Grants receivable	1,449,833
Net pension asset	131,123,801
Deferred outflows related to pension	(23,024,434)
Deferred outflows related to OPEB	(364,224)

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, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items and are amortized in the statement of activities. This amount is the net effect of these discounts and similar items when debt is first issued, whereas these amounts are deferred differences in the treatment of long-term debt and related items.

Bond and notes principal payments	8,029,661
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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:

Net OPEB liability	1,013,068
Capital Leases	46,062
Compensated absences	248,208
Amortization of bond premiums	758,173
Landfill post closure care	(9,621)
Accrued interest	119,879
Amortization of deferred charge on refunding	(276,847)
Deferred inflows related to pension	(88,628,793)
Deferred inflows related to OPEB	(456,955)

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.	<u>4,158,431</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 46,487,837</u>
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The accompanying notes are an integral part of the financial statements

**CITY OF BRISTOL, CONNECTICUT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2021**

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Assets:		
Current assets:		
Cash and cash equivalents	\$ 8,824,829	\$ 28,297,383
Receivables, net	1,634,440	81,258
Due from other funds		1,596,054
Supplies	298,572	
Other assets	8,228	180
Total current assets	<u>10,766,069</u>	<u>29,974,875</u>
Noncurrent assets:		
Net pension asset	12,707,324	
Capital assets:		
Assets not being depreciated	4,424,887	
Assets being depreciated, net	17,742,396	
Total noncurrent assets	<u>34,874,607</u>	<u>-</u>
Total assets	<u>45,640,676</u>	<u>29,974,875</u>
Deferred Outflows of Resources:		
Deferred charge on refunding	35,221	
Deferred outflows related to pension	1,300,027	
Deferred outflows related to OPEB	537,961	
Total deferred outflows of resources	<u>1,873,209</u>	<u>-</u>
Liabilities:		
Current liabilities:		
Accounts and other payables	487,505	1,119,282
Payroll liabilities	106,584	
Customer deposits	38,611	
Unearned revenues		16,425
Compensated absences - current	76,983	
Bonds payable - current	279,000	
Notes payable - current	60,789	
Unpaid claims - current		4,767,262
Total current liabilities	<u>1,049,472</u>	<u>5,902,969</u>
Noncurrent liabilities:		
Compensated absences	392,278	
Bonds payable	657,506	
Notes payable	963,731	
Net OPEB liability	3,986,887	
Unpaid claims		6,171,804
Total noncurrent liabilities	<u>6,000,402</u>	<u>6,171,804</u>
Total liabilities	<u>7,049,874</u>	<u>12,074,773</u>
Deferred Inflows of Resources:		
Deferred inflows related to pension	4,049,926	
Deferred inflows related to OPEE	80,013	
Total deferred inflows of resources	<u>4,129,939</u>	<u>-</u>
Net Position:		
Net investment in capital assets	20,241,478	
Restricted for pensions	12,707,324	
Unrestricted	3,385,270	17,900,102
Total Net Position	<u>\$ 36,334,072</u>	<u>\$ 17,900,102</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, 2021**

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Operating revenues:		
Charges for services	\$ 8,890,611	\$ 43,238,358
Contributions		44,595
Miscellaneous	446,582	110,868
Total operating revenues	<u>9,337,193</u>	<u>43,393,821</u>
Operating expenses:		
Source of supply	300,506	
Pumping	292,338	
Purification	1,167,708	
Transmission and distribution	1,150,958	
Customer accounts, administrative and general	3,029,193	
Depreciation	1,161,936	
Taxes other than income taxes	574,569	
Insurance claims, premiums and fees		39,252,696
Total operating expenses	<u>7,677,208</u>	<u>39,252,696</u>
Operating income (loss)	<u>1,659,985</u>	<u>4,141,125</u>
Nonoperating revenues (expenses):		
Income on investments	5,577	17,306
Interest expense	(63,708)	
Amortization of debt discount and expense	18,275	
Total nonoperating revenues (expenses)	<u>(39,856)</u>	<u>17,306</u>
Change in Net Position	1,620,129	4,158,431
Net Position at Beginning of Year	<u>34,713,943</u>	<u>13,741,671</u>
Net Position at End of Year	<u>\$ 36,334,072</u>	<u>\$ 17,900,102</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, 2021**

	Business-Type Activities Water Enterprise Fund	Governmental Activities Internal Service Fund
Cash Flows from Operating Activities:		
Cash received from charges for services and contributions	\$ 9,334,580	\$ 43,384,896
Cash received from other operating revenue		640,582
Cash paid to employees	(3,447,412)	
Cash paid to suppliers	(4,096,933)	
Cash payment for claims paid		(39,821,465)
Deposits received from customers	(18,746)	
Cash received for interfund services provided		(586,549)
Net cash provided by (used in) operating activities	<u>1,771,489</u>	<u>3,617,464</u>
Cash Flows from Capital Financing Activities:		
Purchase of capital assets/utility plant	(581,084)	
Principal payments on bonds and notes	(337,587)	
Interest payments and issuance costs	(63,708)	
Net cash provided by (used in) capital and related financing activities	<u>(982,379)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Income on investments	<u>5,577</u>	<u>17,306</u>
Net Increase (Decrease) in Cash and Cash Equivalents	794,687	3,634,770
Cash and Cash Equivalents at Beginning of Year	<u>8,030,142</u>	<u>24,662,613</u>
Cash and Cash Equivalents at End of Year	<u>\$ 8,824,829</u>	<u>\$ 28,297,383</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ <u>1,659,985</u>	\$ <u>4,141,125</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	1,161,936	
Loss on disposal of assets	3,200	
(Increase) decrease in accounts receivable	(2,613)	146,538
(Increase) decrease in supplies	(83,873)	
(Increase) decrease in other assets	(3)	482,069
(Increase) decrease in net pension assets	(5,728,871)	
(Increase) decrease in deferred outflows related to pension	990,422	
(Increase) decrease in deferred outflows related to OPEB	143,509	
(Increase) decrease in due from other funds		(586,549)
Increase (decrease) in accounts payable	(102,563)	358,315
Increase (decrease) in unearned revenues		3,050
Increase (decrease) in accrued liabilities	12,955	
Increase (decrease) in accrued compensated absences	2,119	
Increase (decrease) in unpaid claims		(927,084)
Increase (decrease) in customer deposits	(18,746)	
Increase (decrease) in net OPEB liability	(226,025)	
Increase (decrease) in deferred inflows related to pension	3,880,044	
Increase (decrease) in deferred inflows related to OPEB	80,013	
Total adjustments	<u>111,504</u>	<u>(523,661)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,771,489</u>	<u>\$ 3,617,464</u>

The accompanying notes are an integral part of the financial statements

**CITY OF BRISTOL, CONNECTICUT
 FIDUCIARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2021**

	Pension and OPEB Trust Funds
	<u> </u>
Assets:	
Cash and cash equivalents	\$ <u>9,869,344</u>
Investments, at fair value:	
Certificates of deposit	197,246,961
U.S. government securities	8,612,709
U.S. government agencies	9,864,983
Corporate bonds	14,508,521
Mutual funds	65,994,906
Common stock	291,095,875
Alternative Investments	<u>229,534,742</u>
Total investments	<u>816,858,697</u>
Total assets	<u>826,728,041</u>
Net Position:	
Restricted for pension benefits	807,524,800
Restricted for OPEB benefits	<u>19,203,241</u>
Total Net Position	<u>\$ 826,728,041</u>

The accompanying notes are an integral part of the financial statements

**CITY OF BRISTOL, CONNECTICUT
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN NET POSITION
 PENSION TRUST FUNDS AND OPEB TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021**

	Pension and OPEB Trust Funds
	<u> </u>
Additions:	
Contributions:	
Employer	\$ 7,818,237
Plan members	<u>3,214,118</u>
Total contributions	<u>11,032,355</u>
Investment income:	
Net appreciation in fair value of investments	203,842,611
Interest and dividends	<u>5,534,359</u>
Total	209,376,970
Less investment expense	<u>(12,284,642)</u>
Total investment income	<u>197,092,328</u>
Total additions	<u>208,124,683</u>
Deductions:	
Benefits	35,286,456
Administration	<u>412,090</u>
Total deductions	<u>35,698,546</u>
Net Change	172,426,137
Net Position at Beginning of Year	<u>654,301,904</u>
Net Position at End of Year	<u>\$ 826,728,041</u>

The accompanying notes are an integral part of the financial statements

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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 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.

GAAP require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board (GASB) Codification Section 2100 have been considered and have resulted in the inclusion of one discretely presented component unit and fiduciary component unit as detailed below.

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 eighty seven percent (87%) 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.

Fiduciary Component Units

The City has established one single-employer Public Retirement Systems (PERS) plan and one postretirement health care benefits (OPEB) plan to provide retirement benefits and postretirement health care benefits primary to employees and their beneficiaries. The City performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

The financial statements of the fiduciary component unit are reported as Pension and OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component unit.

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 fund 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. 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 tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenues are considered available if they are collected within 180 days 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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 *Special Education Grant Fund* is used to account for U.S. Department of Education, State Department of Education and local grants related to education.

The City reports the following major proprietary fund:

- The *Water 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 and OPEB Trust Funds* account for the activities of the City Pension and Other Postemployment Benefits (OPEB) Plans, which accumulate resources for pension and OPEB benefit payments to qualified City employees.

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.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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 is 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."

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 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.

Accounts receivables, property tax receivables and notes receivable for the primary government are reported net of allowance for doubtful accounts of \$431,001. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history and an assessment of the creditor's ability to pay.

F. Supplies 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.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

G. Net Pension Asset

The net pension asset is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension asset is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. The investments in the calculation of the net pension liability are measured at fair value.

H. 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 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, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at estimated acquisition 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

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs, and net difference between projected and actual earnings. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports a deferred inflow of resources related to pension and OPEB in the government-wide statement of net position and proprietary funds statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner. The governmental funds report unavailable revenues from several sources: property taxes, special assessments and sewer use. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. 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.

Compensated absences to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for the amounts that have become due.

K. 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 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. Bond issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

L. Net OPEB Liability

The net OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total OPEB liability), net of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

M. Fund Equity

Equity in the government-wide financial statements, proprietary fund financial statements and discretely presented component unit 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. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- *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 other 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* - This represents 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.

N. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date the financial statements were available to be issued, which date is February 25, 2022.

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 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. Revisions in excess of \$5,000 require Board of Finance and City Council approval. All budget revisions must be approved. Additional appropriations in the amount of approximately \$8,562,000 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 GAAP since they do not constitute expenditures or liabilities. Encumbrances do not impact the classification of fund balance.

**CITY OF BRISTOL, CONNECTICUT
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Also, the City has reported on-behalf payments made by the state of Connecticut into the teachers' retirement system for Pension and OPEB Plans 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). This investment pool is 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 City'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.

**CITY OF BRISTOL, CONNECTICUT
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Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$106,223,905 of the City's bank balance of \$108,936,280 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 95,407,619
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>10,816,286</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 106,223,905</u>

At June 30, 2021, the entire amount of the component unit's deposits were included as part of pooled cash with the City's cash accounts. Responsibility for custodial credit risk of deposits for the component unit rests with the City.

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, 2021, the cash equivalent amounted to \$85,574,014. 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	AAAm
MultiBank	*
Northern Capital Securities	*
Fidelity	*
* Not Rated	

State of Connecticut Short-Term Investment Fund is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There are no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Cash, cash equivalents, and investments are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and cash equivalents	\$ 141,101,991
Investments	<u>14,390,652</u>
Total statement of net position	<u>155,492,643</u>
Fiduciary funds:	
Cash and cash equivalents	9,869,344
Investments	<u>816,858,697</u>
Total fiduciary funds	<u>826,728,041</u>
Total Cash, Cash Equivalents, and Investments	<u>\$ 982,220,684</u>

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

B. Investments

Investments as of June 30, 2021 in all funds are as follows:

	Fair Value	Investment Maturities (Years)		
		Less Than 1	1-10	More Than 10
Investment by fair value level:				
Certificate of Deposit*	\$ 8,439,326 *	\$ 2,273,543	\$ 6,165,783	\$
State of CT GO Bonds	300,468		300,468	
U.S. Government Securities	12,016,556		12,016,556	
U.S. Government Agencies	8,666,489		909,952	7,756,537
Corporate Bonds	16,864,205		12,811,568	4,052,637
Total	46,287,044	\$ 2,273,543	\$ 32,204,327	\$ 11,809,174
Other investments:				
Common stock	381,230,092			
Mutual funds	113,108,316			
Alternative investments	290,623,897			
Total Investments	\$ 831,249,349			

*Subject to coverage by federal depository insurance and collateralization.

Average rating for of investments in debt securities at June 30, 2021 is as follows:

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies	State of CT Bonds	Certificate of Deposit	Total
Aaa	\$	\$ 9,369,202	\$ 250,820	\$	\$	\$ 9,620,022
Aa1		1,083,638	-			1,083,638
Aa2		1,164,504	270,974			1,435,478
Aa3	813,456	155,063	-	300,468		1,268,987
A1	368,412	244,149	358,753			971,314
A2	2,017,443		-			2,017,443
A3	1,857,465		-			1,857,465
Baa1	2,255,766		-			2,255,766
Baa2	2,501,745		-			2,501,745
Baa3	3,035,315		-			3,035,315
Ba1	1,982,678		-			1,982,678
Ba2	753,805		-			753,805
Ba3	385,173		-			385,173
B1	231,022		370,394			601,416
B2	484,325					484,325
B3	177,600					177,600
Unrated			7,415,548		8,439,326	15,854,874
	\$ 16,864,205	\$ 12,016,556	\$ 8,666,489	\$ 300,468	\$ 8,439,326	\$ 46,287,044

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. 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 5% 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, 2021, 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.

The City's individual investments in fixed income securities, equities, U.S. treasury securities, domestic corporate bonds, foreign bonds, and U.S. government agency securities are uninsured and registered securities held by a counterparty, or by its trust department or agent that are in the City's pension and OPEB plans. The City's other investments are held in alternative investments because they are evidenced by contracts rather than by securities, are not subject to custodial credit risk determination.

C. Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The City has the following recurring fair value measurements as of June 30, 2021:

**CITY OF BRISTOL, CONNECTICUT
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Investment Type	June 30, 2021	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Government Securities	\$ 12,016,556	\$ 12,016,556	\$	\$
U.S. Government Agencies	8,666,489	8,666,489		
State of CT GO Bonds	300,468	300,468		
Corporate Bonds	16,864,205	16,864,205		
Common Stock	381,230,092	381,230,092		
Mutual Funds	113,108,316	113,108,316		
Total investments by fair market value level	532,186,126	<u>\$ 532,186,126</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at net asset value (NAV):				
Alternative Investments	290,623,897			
Total investments measured at fair value	822,810,023			
Certificate of Deposits	8,439,326			
Total Investments	<u>\$ 831,249,349</u>			

Debt and equity securities, classified in Level 1 of the fair value hierarchy, are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using consensus pricing.

The Pension and OPEB Trust Funds allow for investments in certain alternative investments. Alternative investments may include private equity partnerships; infrastructure limited partnerships, hedge and absolute return funds for which there may be no ready market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a ready market for the securities existed.

NAV per share (or its equivalent) are considered "alternative investments" and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. The City values these investments based on the partnerships' audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions.

**CITY OF BRISTOL, CONNECTICUT
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The following table summarizes all investments recorded using NAV as a practical expedient to fair value:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Alternative Investments	\$ 68,489,055	\$ 82,705,656	N/A	N/A
Alternative Investments	130,642,000		Quarterly	30-60 days
Alternative Investments	71,865,761		Quarterly	95-185 days
Alternative Investments	19,211,720		Annual	60 days
Alternative Investments	<u>415,361</u>		Monthly	185 days
	<u>\$ 290,623,897</u>			

Private equity funds include limited partnership funds. These investments can never be redeemed with funds. Instead, the nature of the investments in this type is that distributions are received through liquidation of the underlying assets of the fund capital. As of June 30, 2021, it is probable that all of the investments in this type will be sold at an amount different from NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Therefore, the fair values of the investments in this type have been determined using recent observation transaction information for similar investments and nonbinding bids received from potential buys of the investments.

Real estate funds include real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalents) of the Plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated. Because it is not probable that any individual investments will be sold, the fair value of each individual investments has been determined using the NAV per share (or its equivalents) of the Plan's ownership interest in partners' capital.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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>Special Education Grants</u>	<u>Water Enterprise Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:						
Taxes	\$ 2,582,732	\$	\$	\$	\$	\$ 2,582,732
Interest	1,302,258					1,302,258
Accounts	735,083	114,778		1,690,938	381,004	2,921,803
Special assessments				64,503	441,367	505,870
Intergovernmental	<u>82,225</u>	<u>10,852,864</u>	<u>1,383,170</u>	<u>1,690,938</u>	<u>1,069,912</u>	<u>13,388,171</u>
Gross receivables	4,702,298	10,967,642	1,383,170	1,755,441	1,892,283	20,700,834
Less allowance for uncollectibles	<u>310,000</u>			<u>121,001</u>		<u>431,001</u>
Net Total Receivables	<u>\$ 4,392,298</u>	<u>\$ 10,967,642</u>	<u>\$ 1,383,170</u>	<u>\$ 1,634,440</u>	<u>\$ 1,892,283</u>	<u>\$ 20,269,833</u>

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

General Fund:	
Uncollectibles related to taxes receivable	\$ 300,000
Uncollectibles related to accounts receivable	10,000
Water Enterprise Fund:	
Uncollectibles related to accounts receivable	<u>121,001</u>
Total Uncollectibles of the Current Fiscal Year	<u>\$ 431,001</u>

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

5. CAPITAL ASSETS

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

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 18,564,974	\$ 81,282	\$ -	\$ -	\$ 18,646,256
Construction in progress	10,820,225	32,583,542	-	(3,661,021)	39,742,746
Total capital assets not being depreciated	<u>29,385,199</u>	<u>32,664,824</u>	<u>-</u>	<u>(3,661,021)</u>	<u>58,389,002</u>
Capital assets being depreciated:					
Buildings	316,841,655	347,738	-	2,201,179	319,390,572
Improvements other than buildings	16,990,864	442,394	-	-	17,433,258
Machinery and equipment	91,785,587	4,954,707	(2,041,298)	193,408	94,892,404
Infrastructure	264,775,075	4,535,115	(2,825,548)	1,266,434	267,751,076
Total capital assets being depreciated	<u>690,393,181</u>	<u>10,279,954</u>	<u>(4,866,846)</u>	<u>3,661,021</u>	<u>699,467,310</u>
Less accumulated depreciation for:					
Buildings	(145,230,883)	(7,190,296)	-	-	(152,421,179)
Improvements other than buildings	(17,048,837)	(1,784,459)	-	-	(18,833,296)
Machinery and equipment	(58,547,939)	(4,441,241)	1,993,591	-	(60,995,589)
Infrastructure	(144,670,416)	(2,759,068)	2,814,681	-	(144,614,803)
Total accumulated depreciation	<u>(365,498,075)</u>	<u>(16,175,064)</u>	<u>4,808,272</u>	<u>-</u>	<u>(376,864,867)</u>
Total capital assets being depreciated, net	<u>324,895,106</u>	<u>(5,895,110)</u>	<u>(58,574)</u>	<u>3,661,021</u>	<u>322,602,443</u>
Governmental Activities Capital Assets, Net	<u>\$ 354,280,305</u>	<u>\$ 26,769,714</u>	<u>\$ (58,574)</u>	<u>\$ -</u>	<u>\$ 380,991,445</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 2,752,140	\$ -	\$ -	\$ -	\$ 2,752,140
Construction in progress	1,672,747	-	-	-	1,672,747
Total capital assets not being depreciated	<u>4,424,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,424,887</u>
Capital assets being depreciated:					
Buildings and system	39,246,910	311,608	-	-	39,558,518
Machinery and equipment	7,209,703	269,476	(40,080)	-	7,439,099
Total capital assets being depreciated	<u>46,456,613</u>	<u>581,084</u>	<u>(40,080)</u>	<u>-</u>	<u>46,997,617</u>
Less accumulated depreciation for:					
Buildings and system	(23,124,716)	(819,240)	-	-	(23,943,956)
Machinery and equipment	(5,005,449)	(342,696)	36,880	-	(5,311,265)
Total accumulated depreciation	<u>(28,130,165)</u>	<u>(1,161,936)</u>	<u>36,880</u>	<u>-</u>	<u>(29,255,221)</u>
Total capital assets being depreciated, net	<u>18,326,448</u>	<u>(580,852)</u>	<u>(3,200)</u>	<u>-</u>	<u>17,742,396</u>
Business-Type Activities Capital Assets, Net	<u>\$ 22,751,335</u>	<u>\$ (580,852)</u>	<u>\$ (3,200)</u>	<u>\$ -</u>	<u>\$ 22,167,283</u>

**CITY OF BRISTOL, CONNECTICUT
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 323,316
Public safety	1,800,144
Public works	6,742,925
Libraries	534,970
Parks and recreation	458,076
Education	<u>6,315,633</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u>16,175,064</u>
 Business-Type Activities	
Water	\$ <u>1,161,936</u>

Construction Commitments

The City has several active construction projects as of June 30, 2021. The following is a summary of capital projects as of June 30, 2021:

	<u>Project Authorization (in thousands)</u>	<u>Cumulative Expenditures (in thousands)</u>	<u>Remaining Balance (in thousands)</u>
Schools	\$ 79,531	\$ 70,866	\$ 8,665
Streets, bridges and building improvements	63,018	53,866	9,152
Capital and nonrecurring	<u>64,270</u>	<u>54,786</u>	<u>9,484</u>
 Total	 \$ <u>206,819</u>	 \$ <u>179,518</u>	 \$ <u>27,301</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, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Furniture and equipment	\$ 406,036	\$ 31,534	\$ (6,426)	\$ 431,144
Less accumulated depreciation				
Furniture and equipment	<u>(209,318)</u>	<u>(29,225)</u>	<u>6,426</u>	<u>(232,117)</u>
 District Capital Assets, Net	 \$ <u>196,718</u>	 \$ <u>2,309</u>	 \$ <u>-</u>	 \$ <u>199,027</u>

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2021, interfund receivables and payables were comprised of the following:

Receivable Fund	Payable Fund		
General Fund	Nonmajor Governmental Funds	\$	743,975
General Fund	Special Education Grants Fund		561,161
Special Education Grants Fund	Nonmajor Governmental Funds		27,071
Special Education Grants Fund	General Fund		33,226
Nonmajor Governmental Funds	Special Education Grants Fund		316,398
Internal Service	Special Education Grants Fund		<u>1,596,054</u>
 Total		 \$	 <u><u>3,277,885</u></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:

	Transfers In					Total Transfers Out
	General Fund	Debt Service Fund	Capital Projects	Special Education Grants	Nonmajor Govern- mental	
Transfers out:						
General Fund	\$	\$ 10,100,000	\$ 2,710,050	\$	\$ 6,612,095	\$ 19,422,145
Capital Projects						-
Special Education Grant					281,232	281,232
Nonmajor Governmental Funds	<u>18,316</u>	<u>140,500</u>	<u>1,277,465</u>			<u>1,436,281</u>
Total Transfers In	<u>\$ 18,316</u>	<u>\$ 10,240,500</u>	<u>\$ 3,987,515</u>	<u>\$ -</u>	<u>\$ 6,893,327</u>	<u>\$ 21,139,658</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.

**CITY OF BRISTOL, CONNECTICUT
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7. LEASES

Operating Leases

The City leases computers under noncancelable operating leases. Total costs for such leases were \$876,432 for the year ended June 30, 2021. The future minimum lease payments for these leases are as follows:

Year Ending June 30	
2022	\$ 590,117
2023	360,968
2024	172,767
2025	<u>41,198</u>
	<u>\$ 1,165,050</u>

8. LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and notes payable:					
General obligation bonds	\$ 104,370,000	\$	\$ 7,357,000	\$ 97,013,000	\$ 8,521,000
Premium on general obligation bonds	5,936,728		758,173	5,178,555	
Notes payable	8,121,733		672,661	7,449,072	510,650
Total bonds and notes payable	<u>118,428,461</u>		<u>8,787,834</u>	<u>109,640,627</u>	<u>9,031,650</u>
Capital Leases	93,787		46,062	47,725	47,725
Compensated absences	8,749,453	86,162	334,370	8,501,245	1,668,412
Landfill postclosure care	1,289,280	69,621	60,000	1,298,901	60,000
Net OPEB liability	59,817,913		1,013,068	58,804,845	
Unpaid claims	11,866,150	39,252,696	40,179,780	10,939,066	4,767,262
Total Governmental Activities Long-Term Liabilities	<u>\$ 200,245,044</u>	<u>\$ 39,408,479</u>	<u>\$ 50,421,114</u>	<u>\$ 189,232,409</u>	<u>\$ 15,575,049</u>

**CITY OF BRISTOL, CONNECTICUT
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JUNE 30, 2021**

Business-Type Activities:

Bonds and notes payable:					
General obligation bonds	\$ 1,135,000	\$	\$ 278,000	\$ 857,000	\$ 279,000
Premium on general obligation bonds	119,258		39,752	79,506	
Notes payable	1,084,107		59,587	1,024,520	60,789
Total bonds payable and notes payable	<u>2,338,365</u>		<u>377,339</u>	<u>1,961,026</u>	<u>339,789</u>
Compensated absences	467,142	88,957	86,838	469,261	76,983
Net OPEB liability	<u>4,212,912</u>		<u>226,025</u>	<u>3,986,887</u>	
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 7,018,419</u>	<u>\$ 88,957</u>	<u>\$ 690,202</u>	<u>\$ 6,417,174</u>	<u>\$ 416,772</u>
Component Unit:					
Compensated Absences	<u>\$ 100,534</u>	<u>\$ 64,592</u>	<u>\$ 67,112</u>	<u>\$ 98,014</u>	<u>\$ 70,615</u>

For the governmental activities, compensated absences, landfill post closure and OPEB liabilities are generally liquidated by the General Fund.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

General Obligation Bonds

General obligation bonds as of June 30, 2021 were comprised of the following:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2021
General City Bonds:					
General improvement:					
2012 Refunding	08/11/11	07/15/22	3.00-5.00	15,589,000	\$ 2,479,000
2015 Refunding	11/17/15	10/15/24	3.00-5.00	4,126,000	2,046,000
2017 Issue	05/30/17	05/15/35	2.00-5.00	17,739,000	14,600,000
2017 Refunding	11/09/17	08/01/30	3.00-5.00	5,437,000	4,441,000
2018 Issue - Series A	10/25/18	10/15/38	2.50-5.00	18,094,096	16,818,000
2018 Issue - Series B	10/25/18	10/15/38	3.65-4.05	7,900,000	7,320,000
2019 Issue	10/29/19	08/01/39	2.13-5.00	5,375,000	5,375,000
Total general improvement bonds					<u>53,079,000</u>
School:					
2012 Refunding	08/11/11	07/15/22	3.00-5.00	6,234,000	1,391,000
2015 Refunding	11/17/15	10/15/24	3.00-5.00	2,991,000	99,000
2017 Issue	05/30/17	05/15/35	2.00-5.00	3,391,000	2,795,000
2017 Refunding	11/09/17	08/01/30	3.00-5.00	16,094,000	13,151,000
2018 Issue - Series A	10/25/18	10/15/38	2.50-5.00	4,280,904	3,975,000
2019 Issue	10/29/19	08/01/39	2.13-5.00	19,625,000	19,625,000
Total school bonds					<u>41,036,000</u>
Sewers:					
2017 Refunding	11/09/17	08/01/30	3.00-5.00	3,401,000	2,781,000
2018 Issue - Series A	10/25/18	10/15/38	2.50-5.00	125,000	117,000
Total sewer bonds					<u>2,898,000</u>
Total governmental activities					<u>97,013,000</u>
Water Department:					
Enterprise Fund Bonds:					
Water 2012 Refunding	08/11/11	07/15/22	3.00-5.00	2,112,000	445,000
Water 2017 Refunding	11/09/17	08/01/30	3.00-5.00	503,000	412,000
Total Business-Type Activities					<u>857,000</u>
Total Bonded Indebtedness					<u>\$ 97,870,000</u>

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

General obligation 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, 2021 are as follows:

	General Obligation Bonds					
	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 8,521,000	\$ 3,400,235	\$ 279,000	\$ 29,845	\$ 8,800,000	\$ 3,430,080
2023	7,575,000	3,033,545	245,000	19,310	7,820,000	3,052,855
2024	6,520,000	2,698,906	40,000	13,550	6,560,000	2,712,456
2025	6,689,000	2,389,607	41,000	11,525	6,730,000	2,401,132
2026	6,228,000	2,139,782	42,000	9,450	6,270,000	2,149,232
2027-2031	31,340,000	7,346,207	210,000	21,000	31,550,000	7,367,207
2032-2036	19,835,000	3,128,509	-	-	19,835,000	3,128,509
2037-2040	10,305,000	569,010	-	-	10,305,000	569,010
Total	\$ 97,013,000	\$ 24,705,801	\$ 857,000	\$ 104,680	\$ 97,870,000	\$ 24,810,481

Notes Payable

The City has 10 state of Connecticut Clean Water Fund serial notes outstanding. These notes were issued to finance improvements to the sewer plant, pump stations and the water distribution infrastructure. A schedule of notes payable at June 30, 2021 is presented below:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2020
Governmental Activities:					
Capital Projects Fund:					
Clean Water Fund Note 504-C	12/31/03	12/31/22	2.00	\$ 1,488,000	\$ 132,142
Clean Water Fund Note 562-C	11/30/04	11/30/23	2.00	694,000	98,321
Clean Water Fund Note 464-C	05/31/06	03/31/26	2.00	470,000	129,687
Clean Water Fund Note 622-CSL	01/01/16	01/31/35	2.00	631,833	451,657
Clean Water Fund Note 640-DC	03/03/16	08/31/38	2.00	7,530,046	6,637,265
Total Governmental Activities					7,449,072
Business-Type Activities:					
Water Fund:					
Water 2014 Note	12/31/14	12/31/33	2.00	501,000	333,002
Water 2015 Note	09/30/15	03/31/35	2.00	344,155	248,639
Water 2019 Note	10/16/18	01/31/39	2.00	497,096	442,879
Total Business-Type Activities					1,024,520
Total Notes Payable					\$ 8,473,592

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The annual debt service requirements of notes payable are as follows:

	Notes Payable					
	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 510,650	\$ 144,317	\$ 60,789	\$ 19,936	\$ 571,439	\$ 164,253
2023	476,021	134,197	62,016	18,708	538,037	152,905
2024	415,790	125,350	63,268	17,457	479,058	142,807
2025	406,541	117,219	64,546	16,179	471,087	133,398
2026	407,575	109,026	65,848	14,877	473,423	123,903
2026-2030	2,051,501	424,089	349,723	53,901	2,401,224	477,990
2031-2035	2,212,513	209,245	283,120	19,306	2,495,633	228,551
2036-2040	968,481	21,942	75,210	2,021	1,043,691	23,963
Total	\$ 7,449,072	\$ 1,285,385	\$ 1,024,520	\$ 162,385	\$ 8,473,592	\$ 1,447,770

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 341,142,750	\$ 66,480,818	\$ 274,661,932
Schools	682,285,500	55,106,448	627,179,052
Sewers	568,571,250	11,090,239	557,481,011
Urban renewal	492,761,750		492,761,750
Pension deficit	454,857,000		454,857,000

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1,061,333,000.

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	\$ 19,220,599
Schools	53,264,261
Sewers	<u>743,167</u>
	<u>\$ 73,228,027</u>

Additionally, net indebtedness is reduced by state of Connecticut grant commitments in the amount of \$45,012,594.

Water system related debt of \$1,881,520 has been excluded from the calculation.

**CITY OF BRISTOL, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

Capital Leases

The City is the lessee of certain vehicles under capital leases expiring in 2022. Future minimum lease payments consist of the following as of June 30, 2021:

<u>Year Ending June 30</u>	
2022	\$ 49,443
Less amount representing interest	<u>(1,718)</u>
Total	<u>\$ 47,725</u>

The original cost and accumulated depreciation at June 30, 2021 of assets acquired under capital leases are as follows:

Assets:	
Machinery and equipment	\$ 143,226
Less accumulated depreciation	<u>(23,871)</u>
Total	<u>\$ 119,355</u>

9. LANDFILL CLOSURE

The City closed its municipal solid waste landfill in 2002. Prior to this the City closed its metal hydroxide landfill cell in 1986. The City is currently operating its landfill under a CT DEEP landfill stewardship permit.

Solid waste landfill closure and post closure care requirements have been established by the State of Connecticut Department of Energy and Environmental Protection and the Federal Environmental and Protections Agency. The projected costs of this post closure period are \$1,298,901 as of June 30, 2021. These projected costs could be impacted future inflation and regulations. The costs associated with monitoring and maintaining the landfill area during the post closure period are the responsibility of the City.

**CITY OF BRISTOL, CONNECTICUT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021**

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, Express Scripts 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 \$10,939,066 reported in the Internal Service Fund at June 30, 2021 is based on GASB 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:

	<u>Liability July 1,</u>		<u>Claims and Changes In Estimates</u>		<u>Claim Payment</u>		<u>Liability June 30,</u>
2019-2020	\$ 10,935,955	\$	39,625,779	\$	38,695,584	\$	11,866,150
2020-2021	11,866,150		39,252,696		40,179,780		10,939,066

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

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

11. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2021 are as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Special Education Grants</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:						
Nonspendable:						
Inventory	\$	\$	\$	\$	\$ 62,429	\$ 62,429
Prepays	2,259					2,259
Trust purpose					1,312,323	1,312,323
Restricted for:						
Grants				647	5,410,139	5,410,786
Debt service		682,691				682,691
Committed to:						
Landfill closure	649,867					649,867
Compensated absences	2,500,000					2,500,000
School renovations			5,923,893			5,923,893
Capital improvements			533,705			533,705
Capital and nonrecurring			3,389,038			3,389,038
Capital and nonrecurring WPCA			7,733,986			7,733,986
Road improvements			2,439,455			2,439,455
Coronavirus Recovery			357			357
Equipment					8,173,376	8,173,376
Education					1,259,532	1,259,532
Manross Memorial Library					1,073,604	1,073,604
Sewer					7,241,742	7,241,742
Solid waste disposal					317,902	317,902
Community development					66,954	66,954
Pine Lake challenge course					49,470	49,470
Transfer station					369,771	369,771
Open space					4,085	4,085
Energy efficiency					23,614	23,614
Centre Mall					522,015	522,015
Senior citizens					182,922	182,922
Trust purpose					111,180	111,180
Assigned to:						
General government - carryover	823,492				368,390	1,191,882
Mill rate stabilization fund	7,158,117					7,158,117
General government encumbrances	737					737
Public safety encumbrances	57,733					57,733
Public works encumbrances	283,408					283,408
Education encumbrances	102,515					102,515
Miscellaneous encumbrances	5,917					5,917
Unassigned	31,341,962					31,341,962
Total Fund Balances	\$ 42,926,007	\$ 682,691	\$ 20,020,434	\$ 647	\$ 26,549,448	\$ 90,179,227

Major encumbrances are reported in the assigned fund balance of the General Fund of \$450,310, in the committed fund balance of the Capital Projects Fund of \$44,103,096, and committed and restricted fund balance for Nonmajor Governmental Funds of \$1,143,321.

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, 2021, the City is of the opinion that such reimbursements in respect of disallowed expenditures, if any, will not be significant.

13. OTHER POSTEMPLOYMENT BENEFITS

City Plan

A. Plan Description

The City provides certain health care 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, 2020, plan membership consisted of the following:

	Retiree Healthcare Plan
Active plan members	1,519
Retired members	<u>567</u>
Total Participants	<u><u>2,086</u></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.

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 actuarially determined contribution of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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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.

C. Investments

Investment Policy

The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the Investment Committee. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan.

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 22.32%, an increase from a rate of -0.44% in the prior year. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net OPEB Liability of the City

For the year ended June 30, 2021, the City recognized a net OPEB Liability of \$62,791,732, of which \$58,804,845 was reported in the governmental activities and \$3,986,887 in the business-type activities. The City's net OPEB liability was measured as of June 30, 2021. The components of the net OPEB liability of the City at June 30, 2021 were as follows:

Total OPEB liability	\$	81,994,973
Plan fiduciary net position		<u>19,203,241</u>
Net OPEB Liability	\$	<u>62,791,732</u>
Plan fiduciary net position as a percentage of the total OPEB liability		23.42%

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

Actuarial Assumptions

The total OPEB liability at June 30, 2021 was determined by an actuarial valuation as of July 1, 2020, rolled forward to June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.70%
Salary increases	Varies by group
Discount rate	7.00%
Expected return on assets	7.00%
Healthcare cost trend rates	5.10% to 4.20% over 53 years
Mortality rates	PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP- 2019 Ultimate scale. The PubT-2010 Contingent Survivor Table projected generationally per the MP- 2019 Ultimate scale and set forward 1 year for both males and females is used for survivors and beneficiaries. This assumption includes a margin for improvements in longevity beyond the valuation date. Prior: For healthy retirees and beneficiaries, the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80 projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. All Others: RP-2000 Mortality Table for Employees and Healthy Annuitants with generational projection per Scale BB. This assumption includes a margin for mortality improvements beyond the valuation date.

Each of the assumptions used in this valuation (except for BOE Certified) was set based on a formal study of the pension plan's experience for the period July 1, 2011 through June 30, 2015.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The arithmetic long-term expected real rate of return is 7.00%. The target allocation for each major asset as of June 30, 2021 is summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Cash	10.88 %	-0.07 %
U.S. Core Fixed Income	2.34	1.36
U.S. Short Bonds	2.32	0.61
U.S. Interm Bonds	7.87	0.97
U.S. Long Bonds	2.57	2.74
U.S. High Yield Bonds	2.29	4.07
U.S. Large Caps	14.79	4.55
U.S. Small Caps	5.58	6.17
U.S. Small & Mid Caps	0.96	5.84
U.S. Mid Caps	1.70	5.09
U.S. Large Growth	7.37	4.89
U.S. Large Value	6.03	4.89
Non-U.S. Equity	0.32	6.50
Foreign Developed Equity	15.36	6.35
Emerging Markets Equity	5.93	8.40
Private Real Estate Property	1.24	3.85
Private Equity	0.25	9.55
Commodities	0.76	2.91
Hedge FOF Diversified	11.44	1.92
	100.00 %	

E. Discount Rate

The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that the City’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

F. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of July 1, 2020	\$ 78,122,256	\$ 14,091,431	\$ 64,030,825
Changes for the year:			
Service cost	2,506,027		2,506,027
Interest on total OPEB liability	5,419,700		5,419,700
Effect of plan changes			-
Differences between expected and actual experience	2,160,599		2,160,599
Effect of assumptions changes or inputs	304,628		304,628
Employer contributions		7,818,237	(7,818,237)
Member contributions		600,849	(600,849)
Net investment income		3,235,041	(3,235,041)
Benefit payments	(6,518,237)	(6,518,237)	-
Administrative expenses		(24,080)	24,080
Net changes	<u>3,872,717</u>	<u>5,111,810</u>	<u>(1,239,093)</u>
Balances as of June 30, 2021	<u>\$ 81,994,973</u>	<u>\$ 19,203,241</u>	<u>\$ 62,791,732</u>

G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB Liability	\$ <u>69,043,365</u>	\$ <u>62,791,732</u>	\$ <u>56,938,933</u>

H. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease (4.10%) Decreasing to 3.20%	Healthcare Cost Trend Rates (5.10%) Decreasing to 4.20%	1% Increase (6.10%) Decreasing to 5.20%
Net OPEB Liability	\$ <u>55,180,767</u>	\$ <u>62,791,732</u>	\$ <u>71,316,628</u>

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the City recognized OPEB expense of \$7,623,845, of which \$7,145,702 was reported in the governmental activities and \$478,143 in the business-type activities. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,734,187	\$ 1,319,981	\$ 159,671	\$ 71,847	\$ 1,893,858	\$ 1,391,828
Changes of assumptions or other inputs	7,433,642	-	378,290	-	7,811,932	-
Net difference between projected and actual earnings on OPEB plan investments	-	993,100	-	8,166	-	1,001,266
Total	<u>\$ 9,167,829</u>	<u>\$ 2,313,081</u>	<u>\$ 537,961</u>	<u>\$ 80,013</u>	<u>\$ 9,705,790</u>	<u>\$ 2,393,094</u>

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

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
2022	\$ 1,200,894	\$ 126,282	\$ 1,327,176
2023	1,148,171	126,282	1,274,453
2024	1,099,995	126,282	1,226,277
2025	929,629	98,027	1,027,656
2026	1,473,378	(9,171)	1,464,207
Thereafter	1,002,681	(9,754)	992,927

Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

A. Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at state schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other postemployment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the state statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

B. Benefit Provisions

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

C. Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, state employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

D. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the state of Connecticut are approved, amended and certified by the state Teachers' Retirement Board and appropriated by the General Assembly. The state contributions are not currently actuarially funded. The state appropriates from the General Fund one-third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

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For the year ended June 30, 2021, the amount of “on-behalf” contributions made by the state was \$395,979 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers’ pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the City was as follows:

City’s proportionate share of the net OPEB liability	\$	-
State’s proportionate share of the net OPEB liability associated with the City		<u>38,153,599</u>
Total	\$	<u>38,153,599</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2021, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2021, the City recognized OPEB expense and revenue of \$1,762,406 in Exhibit II.

F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health care costs trend rate	5.125% for 2020, decreasing to an ultimate Rate of 4.50% by 2023
Salary increases	3.00-6.50%, including inflation
Investment rate of return	2.21%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2021

**CITY OF BRISTOL, CONNECTICUT
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Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.42%).

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.21% down from 3.50% in the prior year. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%; employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. Annual state contributions were assumed to be equal to the most recent five-year average of State contributions to the fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination.

H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

The City's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

I. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued state of Connecticut Annual Comprehensive Financial Report at www.ct.gov.

**CITY OF BRISTOL, CONNECTICUT
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The City of Bristol Employees division covers all full-time employees (except fire, police and teachers). 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 and can retire if their contributions remain in the fund upon termination and they reach normal retirement when their age plus years of service is equal to 80 with a minimum age of 55. The retirement benefit for life is 2.40% of average annual pay times the number of completed years of service. If an employee leaves employment or dies before meeting vesting requirements, accumulated employee contributions and interest are refunded.

Recently negotiated contracts provide for a modified benefit formula for new hires. The effective date of this provision varies by contract. Employees who retire at normal retirement receive a retirement benefit for life of 2.0% but in no event shall the total amount of the pension benefit exceed 72% of base pay. City employees hired after the applicable effective date per union contract contribute 7% of base pay on a pre-tax basis.

Firefighters' division covers all members of the Fire Department and 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 $\frac{1}{4}$ of an employee's unused sick leave paid out at the time of retirement). Benefit payments are adjusted annually to reflect salary increases granted to active employees in their bargaining group which 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.

Police division covers all members of the Police Department and 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. The pension benefit formula is 70% of a member's compensation (base pay). Base pay shall include 40% of an employee's unused sick leave paid out at the time of retirement if applicable, 25% for retirees prior to July 1, 2018.

Police retirees also receive automatic postretirement increases on retiree pensions. The pension is adjusted by 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 2.50% increase per year for retirees after July 1, 2018 and 2.25% for retirees prior to that date. 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

Financial statements are prepared using the accrual basis of accounting for the three defined benefit pension plans. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. Administrative costs of the plans are paid from pension fund resources.

C. Contributions

Employees covered under the City of Bristol Employees Division are required to contribute 6% of pay. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions and interest are refunded. Depending on union contract, new hires contribute 7% effective July 1, 2018. Of the 6% (7% for new hires) 1.5% (1.75% for new hires) of City employee contributions are diverted to the City's OPEB Trust Fund if there is no City required contribution to the pension plan.

Fire employees are required to contribute 4% of their base pay to the PERS. After 25 years of service, employee contributions cease. Employees shall be fully vested after 10 years of continuous service. If an employee leaves employment or dies before meeting the vesting requirements, accumulated employee contributions are refunded. Of the 4% contributions, 1% is diverted to the City's OPEB Trust Fund.

Police employees are required to contribute 6% of their base pay to the PERS. Employees hired after March 10, 2020 contribute 7% of base pay. Contribution to OPEB is 25% of their contribution. 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.

The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. For the year ended June 30, 2021, the City was not required to make a contribution for the current fiscal year. Benefits and employee contributions are fixed by contract and may be amended by union negotiations.

D. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board. It is the policy of the Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

**CITY OF BRISTOL, CONNECTICUT
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Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 30.90% an increase from prior year rate of 1.89%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability (Asset) of the City

For the year ended June 30, 2021, the City recognized a net pension asset of \$290,692,789, of which \$277,985,465 was reported in the governmental activities and \$12,707,324 in the business-type activities. The components of the net pension liability (asset) of the City at June 30, 2021 were as follows:

Total pension liability	\$ 516,832,011
Plan fiduciary net position	<u>807,524,800</u>
 Net Pension Liability (Asset)	 \$ <u><u>(290,692,789)</u></u>
 Plan fiduciary net position as a percentage of the total pension liability	 156.25%

F. Changes in the Net Pension Liability (Asset)

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a)-(b)</u>
Balances as of July 1, 2020	\$ <u>486,370,356</u>	\$ <u>640,210,473</u>	\$ <u>(153,840,117)</u>
Changes for the year:			
Service cost	10,510,065		10,510,065
Interest on total pension liability	34,274,749		34,274,749
Effect of plan changes	1,187,130		1,187,130
Effect of economic/demographic gains or losses	1,502,734		1,502,734
Effect of assumption changes or inputs	11,755,196		11,755,196
Member contributions		2,613,269	(2,613,269)
Net investment income (loss)		193,857,287	(193,857,287)
Benefit payments	(28,768,219)	(28,768,219)	-
Administrative expenses		(388,010)	388,010
Net changes	<u>30,461,655</u>	<u>167,314,327</u>	<u>(136,852,672)</u>
Balances as of June 30, 2021	\$ <u><u>516,832,011</u></u>	\$ <u><u>807,524,800</u></u>	\$ <u><u>(290,692,789)</u></u>

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	July 1, 2020
Measurement date	June 30, 2021
Inflation	2.70%
Salary increases including inflation	3.25%
Actuarial cost method	Entry age normal

RP-2000 Mortality Table for Employees and Healthy Annuitants, with generational projection per Scale BB.

The actuarial assumptions that determined the total pension liability as of June 30, 2021 were based on the results of an actuarial experience study for the period July 1, 2011 - June 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The following was the Board's adopted asset allocation policy and the best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Cash	3.98%	-0.07%
U.S. Large Core Fixed Income	15.93%	1.36%
U.S. High Yield Bonds	4.21%	4.07%
U.S. Small & Mid Caps	6.53%	5.84%
U.S. Large Growth	18.27%	4.89%
U.S. Large Value	14.50%	4.89%
Non-U.S. Equity	2.17%	6.50%
Foreign Developed Equity	6.70%	6.35%
Emerging Markets Equity	2.47%	8.40%
Private Real Estate Property	8.45%	3.85%
Private Equity	1.72%	9.55%
Commodities	5.18%	2.91%
Hedge FOF Diversified	9.89%	1.92%
Total	<u>100.0%</u>	

**CITY OF BRISTOL, CONNECTICUT
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Discount Rate

The discount rate used to measure the total pension liability was 7.00% down from 7.10% in the prior year. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the net pension asset of the City’s Pension Plans, calculated using the current discount rate, as well as what the City’s Pension Plans net pension asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease to 6.00%</u>	<u>Current Discount Rate 7.00%</u>	<u>1% Increase to 8.00%</u>
Net Pension Asset	\$ <u>(227,447,319)</u>	\$ <u>(290,692,789)</u>	\$ <u>(343,230,320)</u>

As of June 30, 2021, deferred outflows of resources and deferred inflows of resources related to pensions are reported as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,259,067	\$ 1,560,213	\$ 644,785	\$ 114,529	\$ 3,903,852	\$ 1,674,742
Changes of assumptions or other inputs	19,492,130	132,676	655,242		20,147,372	132,676
Net difference between projected and actual earnings	<u>-</u>	<u>90,896,194</u>	<u></u>	<u>3,935,397</u>	<u></u>	<u>94,831,591</u>
Total	\$ <u>22,751,197</u>	\$ <u>92,589,083</u>	\$ <u>1,300,027</u>	\$ <u>4,049,926</u>	\$ <u>24,051,224</u>	\$ <u>96,639,009</u>

For the year ended June 30, 2021, the City recognized pension expense of \$(20,328,979), of which \$(19,470,574) was reported in the governmental activities and \$(858,405) in the business-type activities.

**CITY OF BRISTOL, CONNECTICUT
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
2022	\$ (14,034,794)	\$ (625,524)	\$ (14,660,318)
2023	(12,220,883)	(509,620)	(12,730,503)
2024	(17,115,086)	(648,441)	(17,763,527)
2025	(26,398,757)	(1,034,680)	(27,433,437)
2026	(68,366)	68,366	-

Combining Schedule of Pension and OPEB Plans Net Position

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 6,135,953	\$ 3,733,391	\$ 9,869,344
Investments	801,388,847	15,469,850	816,858,697
Accounts receivable			
Total Assets	<u>807,524,800</u>	<u>19,203,241</u>	<u>826,728,041</u>
NET POSITION			
Restricted for pension benefits	807,524,800		807,524,800
Restricted for OPEB benefits		<u>19,203,241</u>	<u>19,203,241</u>
Total Net Position	<u>\$ 807,524,800</u>	<u>\$ 19,203,241</u>	<u>\$ 826,728,041</u>

**CITY OF BRISTOL, CONNECTICUT
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Combining Schedule of Pension and OPEB Plans Changes in Plan Net Position

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 2,613,269	\$ 7,818,237	\$ 7,818,237
Plan members	<u>2,613,269</u>	<u>600,849</u>	<u>3,214,118</u>
Total contributions	<u>2,613,269</u>	<u>8,419,086</u>	<u>11,032,355</u>
Investment income:			
Net appreciation (depreciation) in fair value of investments	200,700,506	3,142,105	203,842,611
Interest and dividends	<u>5,369,505</u>	<u>164,854</u>	<u>5,534,359</u>
	206,070,011	3,306,959	209,376,970
Less investment expense	<u>(12,212,724)</u>	<u>(71,918)</u>	<u>(12,284,642)</u>
Net investment income (loss)	<u>193,857,287</u>	<u>3,235,041</u>	<u>197,092,328</u>
Total additions	<u>196,470,556</u>	<u>11,654,127</u>	<u>208,124,683</u>
Deductions:			
Benefits	28,768,219	6,518,237	35,286,456
Administration	<u>388,010</u>	<u>24,080</u>	<u>412,090</u>
Total deductions	<u>29,156,229</u>	<u>6,542,317</u>	<u>35,698,546</u>
Net Change	167,314,327	5,111,810	172,426,137
Net Position at Beginning of Year	<u>640,210,473</u>	<u>14,091,431</u>	<u>654,301,904</u>
Net Position at End of Year	\$ <u>807,524,800</u>	\$ <u>19,203,241</u>	\$ <u>826,728,041</u>

Connecticut Teachers Retirement System - Pension

A. Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the state statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

B. Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of Credited Service (maximum benefit is 75% of average annual salary during the three years of highest salary).

Early Retirement

Employees are eligible after 25 years of Credited Service including 20 years of Connecticut service, or age 55 with 20 years of Credited Service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of Credited Service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times Credited Service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

C. Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the state of Connecticut are approved, amended and certified by the state Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the state of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the state was \$16,407,871 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

**CITY OF BRISTOL, CONNECTICUT
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D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the City		<u>255,806,837</u>
Total	\$	<u><u>255,806,837</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2021, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2021, the City recognized pension expense and revenue of \$36,643,116 in Exhibit II.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	3.00-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

Cost-of-Living Allowance

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

**CITY OF BRISTOL, CONNECTICUT
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For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the state of Connecticut Treasurer's Office are summarized in the following table:

<u>Asset Class</u>	<u>Expected Return</u>		<u>Target Allocation</u>	
Domestic Equity Fund	5.60	%	20.00	%
Developed Market Intl. Stock Fund	6.00		11.00	
Emerging Market Intl. Stock Fund	7.90		9.00	
Core Fixed Income Fund	2.10		16.00	
Inflation Linked Bond Fund	1.10		5.00	
Emerging Market Debt Fund	2.70		5.00	
High Yield Bond Fund	4.00		6.00	
Real Estate Fund	4.50		10.00	
Private Equity	7.30		10.00	
Alternative Investments	2.90		7.00	
Liquidity Fund	0.40		1.00	
Total			<u>100.00</u>	%

F. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that state contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The City's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the state of Connecticut.

H. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan.

15. TAX ABATEMENTS

The City provides tax abatements through the Connecticut-sponsored Enterprise Zone Program and Urban Jobs Program, as well as through a locally administered Enterprise Zone Program for projects that fall within the state-designated Enterprise Zone area but which do not qualify for the state-sponsored Connecticut Enterprise Zone Program. In addition, the City exercises powers authorized under the City and Town Development Act and Connecticut General Statutes Section 12-65b to provide tax abatements for extraordinary projects or for projects that do not qualify for established programs.

The state-sponsored Connecticut Enterprise Zone Program and the Urban Jobs Program provide real property tax abatements to encourage economic development. Both programs offer the opportunity for the City to receive partial reimbursement of the abated taxes via the state of Connecticut. The Connecticut Enterprise Zone Program and Urban Jobs Program are made possible by the City of Bristol's designation as a "Targeted Investment Community" or "Distressed Municipality" under Connecticut General Statutes Section 32-71. In 2021, the City of Bristol lost its designation as a "Distressed Municipality" but will maintain such status for a period of five years. This will allow the City to continue to offer the state-sponsored Enterprise Zone and Urban Jobs programs during this period. The Connecticut Enterprise Zone Program is available to certain businesses undertaking major renovation projects within the state-designated Enterprise Zone that encompasses much of downtown Bristol. Eligible businesses include manufacturers, warehouse distributors and certain designated service-related businesses. The Urban Jobs Program is available outside geographic boundaries of the Enterprise Zone to manufacturers or distributors. The property tax abatement is for a five-year period and takes effect with the start of the first full assessment year following issuance of a "Certificate of Eligibility". For the fiscal year ended June 30, 2021, taxes abated through the Connecticut Enterprise Zone Program totaled \$13,151 and taxes abated under the Urban Jobs Program totaled approximately \$318,670. There are no provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients under these program.

The City-Sponsored Enterprise Zone Program is for projects within the state-designated Enterprise Zone area in which the applicant need not be a manufacturer, warehouse distributor, or eligible service-related business. This is a local program, with no reimbursement from the state of Connecticut. To be eligible, commercial property must be improved to the extent of \$175,000 or greater. Program benefits are structured as a seven-year abatement of qualifying real and personal property improvements according to the following schedule: 100% (Year 1), 100% (Year 2), 50% (Year 3), 40% (Year 4), 30% (Year 5), 20% (Year 6), and 10% (Year 7). For the fiscal year ended June 30, 2021, taxes abated through this program totaled approximately \$304,553.

By the powers authorized under the City and Town Development Act and Connecticut General Statutes 12-65b, for period July 1, 2020, to June 30, 2021, the City abated approximately \$825,409 in real property taxes.

**CITY OF BRISTOL, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

16. RESTATEMENT

The City previously reported the activities of the Senior Citizens Activity Fund and School Activity Fund as fiduciary funds. As a result of implementation of GASB No. 84, *Fiduciary Activities*, as of July 1, 2020, the City reported the activities of those funds as special revenue funds. Accordingly, the City restated the beginning fund balance/net position as follows:

	Governmental Activities Net Position	Nonmajor Governmental Funds Fund Balance
	<u> </u>	<u> </u>
Balance as previously reported June 30, 2020	\$ 483,180,225	\$ 103,933,049
Adjustment		
Senior Citizens Activity Fund reported as special revenue fund	153,868	153,868
Schools Activity Fund reported as special revenue fund	<u>736,408</u>	<u>736,408</u>
Balance as restated at July 1, 2020	\$ <u>484,070,501</u>	\$ <u>104,823,325</u>

17. GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS

The GASB has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the City’s financial statements:

GASB Statement 87, *Leases*

This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

The objectives of this statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The requirements of this statement should be applied prospectively.

GASB Statement 92, *Omnibus 2020*

The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements.

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Required Supplementary Information

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CITY OF BRISTOL, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2021 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2020
(in thousands)

	2021					2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance Over (Under)	
Property taxes:						
Current Levy	\$ 150,731	\$ -	\$ 150,731	\$ 150,669	\$ (62)	\$ 147,481
Prior Levies	1,300	-	1,300	1,506	206	1,369
60-Day: GAAP	-	-	-	281	281	(23)
MV Supplemental	1,400	524	1,924	1,924	-	1,928
TIF District	-	-	-	38	38	-
Interest and Penalties	775	-	775	1,060	285	864
Total property taxes	<u>154,206</u>	<u>524</u>	<u>154,730</u>	<u>155,478</u>	<u>748</u>	<u>151,619</u>
Licenses, permits and fees:						
Assessor's Late Filing Fees	2	-	2	2	-	-
Delinquent Fees	1	-	1	-	(1)	-
Circuit Court Fines	4	-	4	-	(4)	2
Dog Penalties	1	-	1	-	(1)	-
Merchandising Licenses	-	-	-	-	-	1
Animal Licenses	8	-	8	7	(1)	6
Marriage Licenses	3	-	3	3	-	3
Fees	12	-	12	13	1	15
Liquor Permits	1	-	1	1	-	1
Notary Services	5	-	5	4	(1)	4
Burial Permits	4	-	4	5	1	5
Trade Names	1	-	1	1	-	1
Vital Statistics	120	-	120	131	11	125
Parking Violations	75	-	75	61	(14)	78
Alarm Fees	17	-	17	25	8	17
Police Report Fees	14	-	14	13	(1)	17
Bingo/Raffle Fees	12	-	12	5	(7)	8
Building Permits	1,200	698	1,898	2,082	184	1,444
PW Excavating Permits	14	-	14	8	(6)	8
Zoning Violations	2	-	2	-	(2)	-
Land Use Fees & Permits	18	-	18	26	8	28
Drop Box Fee	3	-	3	-	(3)	1
Library Fines	13	-	13	4	(9)	12
Total licenses, permits and fees	<u>1,530</u>	<u>698</u>	<u>2,228</u>	<u>2,391</u>	<u>163</u>	<u>1,776</u>
State and federal grants:						
State grants-in-aid:						
State Owned Property PILOT	48	-	48	48	-	48
Private Hospitals (PILOT)	381	-	381	381	-	381
Tax Relief Totally Disabled	12	-	12	14	2	14
Additional Tax Relief: Veterans	26	-	26	24	(2)	26
Enterprise Zone Reimbursement	145	-	145	244	99	66
Town Aid Road Transportation	-	-	-	-	-	662
Mashantucket Pequot Grant	400	-	400	400	-	400
Off-track Betting	50	-	50	-	(50)	2
Municipal Grant	-	-	-	-	-	3,710
Utilities Tax	100	-	100	111	11	109
Municipal Stabilization Grant	235	-	235	235	-	235
Demand Response	-	57	57	57	-	57
Youth Services Bureau	42	-	42	42	-	42
Juvenile Diversion Grant	-	-	-	-	-	15
E911 Subsidy Grant	134	-	134	155	21	139

(Continued on next page)

CITY OF BRISTOL, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021 WITH
COMPARATIVE ACTUAL AMOUNTS FOR 2020
(in thousands)

	2021					2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual	Variance Over (Under)	
Dispatch Training Grant	\$ 6	\$ -	\$ 6	\$ 2	\$ (4)	\$ -
School Readiness Grant/Quality Enhancement	-	2,947	2,947	2,911	(36)	2,882
Education Cost Sharing	41,657	-	41,657	41,539	(118)	41,394
Health Serv. PA 481/Private Sch Health Reimb.	150	-	150	232	82	216
COVID Grant	-	763	763	1,066	303	-
Housing Authority (FED- PILOT)	100	-	100	116	16	119
Civil Preparedness	14	2	16	-	(16)	-
Total state and federal grants	<u>43,500</u>	<u>3,769</u>	<u>47,269</u>	<u>47,577</u>	<u>308</u>	<u>50,517</u>
Charges for services:						
Copier Charges	62	-	62	62	-	63
Water Reimbursement Fees	1	-	1	10	9	6
Foreclosure Reimbursement Fees	10	-	10	-	(10)	-
Recording Fees	280	-	280	428	148	283
Real Estate Transfer Tax (Conveyance Tax)	825	1,042	1,867	1,868	1	1,043
Department of Aging Services	4	-	4	1	(3)	65
Public Safety Charges for Services	873	1,155	2,028	2,397	369	1,833
Animal Control Charges	3	-	3	1	(2)	3
Miscellaneous Charges for Services	6	-	6	6	-	22
Public Works Service and Maps	382	-	382	422	40	427
Recycling Permits	24	-	24	29	5	-
City Building Rentals	120	-	120	123	3	86
Patching Charges	-	29	29	29	-	25
Pool Revenue	204	-	204	133	(71)	158
Park Program	309	-	309	138	(171)	120
Total charges for services	<u>3,103</u>	<u>2,226</u>	<u>5,329</u>	<u>5,647</u>	<u>318</u>	<u>4,134</u>
Investment earnings:						
Interest-General Fund	550	-	550	258	(292)	1,222
Interest-Miscellaneous A/R	6	-	6	6	-	6
Total investment earnings	<u>556</u>	<u>-</u>	<u>556</u>	<u>264</u>	<u>(292)</u>	<u>1,228</u>
Sale of Property and Equipment	<u>75</u>	<u>-</u>	<u>75</u>	<u>142</u>	<u>67</u>	<u>61</u>
Other local revenue:						
Miscellaneous	52	-	52	189	137	115
Library Trust Funds	33	45	78	78	-	33
Park Trust Funds and Gifts	423	111	534	530	(4)	542
Total other local revenue	<u>508</u>	<u>156</u>	<u>664</u>	<u>797</u>	<u>133</u>	<u>690</u>
Transfers in:	<u>600</u>	<u>18</u>	<u>618</u>	<u>618</u>	<u>-</u>	<u>46</u>
Total Revenues and Other Financing Sources	\$ <u>204,078</u>	\$ <u>7,391</u>	\$ <u>211,469</u>	212,914	\$ <u>1,445</u>	\$ <u>210,071</u>
Budgetary revenues are different than GAAP revenues because:						
State of Connecticut on-behalf contributions for City teachers not budgeted:						
Pension				16,408		
OPEB				396		
The Board of Education does not budget for intergovernmental grants, which are credited against education expense for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes.				3,682		
Interest income for Mill Rate Stabilization Fund				25		
Transfer from Mill Rate Stabilization Fund, which does not meet the definition of a special revenue fund in accordance with GASB No. 54 and must be combined with the General fund				(600)		
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds - Exhibit IV				\$ <u>232,825</u>		

**CITY OF BRISTOL, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2020**
(in thousands)

	2021				Variance (Over) Under	2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
General Government						
City Council						
Personnel Services	\$ 61	\$	\$ 61	\$ 61	\$ -	\$ 61
Mayor's Office						
Personnel Services	192	1	193	189	4	192
Contractual Services	21	2	23	18	5	15
Supplies	2		2		2	6
Total mayor's office	215	3	218	207	11	213
Probate Court						
Contractual Services	35	(1)	34	34	-	34
Supplies	5		5	5	-	5
Capital Outlay		1	1	1	-	1
Total probate court	40	-	40	40	-	40
Registrar's of Voters						
Personnel Services	226	11	237	237	-	189
Contractual Services	38	(17)	21	9	12	18
Supplies	21	38	59	55	4	15
Total registrar's of voters	285	32	317	301	16	222
Assessor's						
Personnel Services	452	(7)	445	443	2	434
Contractual Services	38	2	40	32	8	24
Supplies	3		3	2	1	1
Total assessor's	493	(5)	488	477	11	459
Board of Assessment Appeals						
Personnel Services	6		6	5	1	5
Contractual Services			-		-	1
Supplies	1		1	1	-	-
Total board of assessment appeals	7	-	7	6	1	6
Tax Collector						
Personnel Services	305		305	301	4	289
Contractual Services	67		67	53	14	61
Supplies	1		1	1	-	1
Total tax collector	373	-	373	355	18	351
Purchasing						
Personnel Services	213		213	211	2	207
Contractual Services	9		9	7	2	6
Supplies			-		-	1
Total purchasing	222	-	222	218	4	214
Comptroller's Office						
Personnel Services	807		807	798	9	790
Contractual Services	15		15	10	5	13
Supplies	2		2	1	1	1
Other/Misc.						
Total comptroller's office	824	-	824	809	15	804
Treasurer						
Personnel Services	134		134	129	5	116
Contractual Services	9		9	7	2	8
Supplies			-		-	1
Other/Miscellaneous	5		5		5	-
Total treasurer	148	-	148	136	12	125

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**CITY OF BRISTOL, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2020**
(in thousands)

	2021				Variance (Over) Under	2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Information Systems						
Personnel Services	\$ 549	(7)	\$ 542	\$ 542	\$ -	\$ 527
Contractual Services	567		567	562	5	586
Supplies	8	7	15	15	-	33
Total information systems	<u>1,124</u>	<u>-</u>	<u>1,124</u>	<u>1,119</u>	<u>5</u>	<u>1,146</u>
Human Resources						
Personnel Services	346		346	346	-	335
Contractual Services	70	7	77	75	2	53
Purch. Prof. Services	7	6	13	13	-	8
Supplies	5		5	4	1	3
Total human resources	<u>428</u>	<u>13</u>	<u>441</u>	<u>438</u>	<u>3</u>	<u>399</u>
Corporation Counsel						
Personnel Services	449		449	444	5	436
Contractual Services	170	(54)	116	113	3	216
Supplies	17		17	13	4	13
Total corporation counsel	<u>636</u>	<u>(54)</u>	<u>582</u>	<u>570</u>	<u>12</u>	<u>665</u>
City Clerk						
Personnel Services	411	(10)	401	401	-	404
Contractual Services	71	(14)	57	49	8	56
Supplies	2		2	1	1	1
Total city clerk	<u>484</u>	<u>(24)</u>	<u>460</u>	<u>451</u>	<u>9</u>	<u>461</u>
Board of Finance						
Personnel Services	2		2	1	1	1
Contractual Services	84	1	85	85	-	64
Total board of finance	<u>86</u>	<u>1</u>	<u>87</u>	<u>86</u>	<u>1</u>	<u>65</u>
Aging Department						
Personnel Services	468	(1)	467	464	3	446
Contractual Services	192	6	198	190	8	222
Supplies	53		53	52	1	53
Capital Outlay			-	-	-	-
Total aging department	<u>713</u>	<u>5</u>	<u>718</u>	<u>706</u>	<u>12</u>	<u>721</u>
City Memberships						
Contractual Services	<u>80</u>	<u>(21)</u>	<u>59</u>	<u>58</u>	<u>1</u>	<u>76</u>
Community Promotions						
Contractual Services	15	(15)	-	-	-	50
Other/Miscellaneous	25	(1)	24	24	-	15
Total community promotions	<u>40</u>	<u>(16)</u>	<u>24</u>	<u>24</u>	<u>-</u>	<u>65</u>

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CITY OF BRISTOL, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2020
(in thousands)

	2021				Variance (Over) Under	2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Boards and Commissions						
Personnel Services	\$ 6		\$ 6	\$ 6	\$ -	\$ 6
Contractual Services			-		-	-
Total boards and commissions	<u>6</u>	<u>-</u>	<u>6</u>	<u>6</u>	<u>-</u>	<u>6</u>
Total general government	<u>6,265</u>	<u>(66)</u>	<u>6,199</u>	<u>6,068</u>	<u>131</u>	<u>6,099</u>
Public Safety						
Police Department						
Personnel Services	15,762	1,203	16,965	16,951	14	16,161
Contractual Services	477	22	499	455	44	423
Benefits	188	(13)	175	172	3	143
Supplies	314		314	312	2	291
Capital Outlay	38	50	88	86	2	26
Total police department	<u>16,779</u>	<u>1,262</u>	<u>18,041</u>	<u>17,976</u>	<u>65</u>	<u>17,044</u>
Fire Department						
Personnel Services	8,657	314	8,971	8,909	62	8,270
Contractual Services	273	10	283	277	6	214
Supplies	151	(7)	144	139	5	198
Capital Outlay	62	4	66	65	1	58
Total fire department	<u>9,143</u>	<u>321</u>	<u>9,464</u>	<u>9,390</u>	<u>74</u>	<u>8,740</u>
Animal Control						
Personnel Services	165	2	167	167	-	165
Contractual Services	9		9	6	3	8
Benefits	3		3	3		2
Supplies	5		5	5	-	5
Total animal control	<u>182</u>	<u>2</u>	<u>184</u>	<u>181</u>	<u>3</u>	<u>180</u>
Emergency Management						
Personnel Services	15		15	13	2	12
Contractual Services	4		4	2	2	4
Supplies	8	3	11	4	7	4
Capital Outlay			-		-	-
Total emergency management	<u>27</u>	<u>3</u>	<u>30</u>	<u>19</u>	<u>11</u>	<u>20</u>
Building Inspection						
Personnel Services	618	(48)	570	569	1	571
Contractual Services	13	1	14	8	6	10
Supplies	8	(1)	7	5	2	6
Capital Outlay			-			2
Total building inspection	<u>639</u>	<u>(48)</u>	<u>591</u>	<u>582</u>	<u>9</u>	<u>589</u>
Total public safety	<u>26,770</u>	<u>1,540</u>	<u>28,310</u>	<u>28,148</u>	<u>162</u>	<u>26,573</u>
Public Works						
Administration						
Personnel Services	371	1	372	372	-	349
Contractual Services	19	24	43	33	10	53
Supplies	2	1	3	3	-	12
Total administration	<u>392</u>	<u>26</u>	<u>418</u>	<u>408</u>	<u>10</u>	<u>414</u>
Engineering						
Personnel Services	836	(35)	801	794	7	721
Contractual Services	53		53	35	18	36
Supplies	6		6	6	-	6
Capital Outlay		9	9	9		
Total engineering	<u>895</u>	<u>(26)</u>	<u>869</u>	<u>844</u>	<u>25</u>	<u>763</u>

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**CITY OF BRISTOL, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2020**
(in thousands)

	2021				Variance (Over) Under	2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Land Use						
Personnel Services	\$ 240	(13)	\$ 227	\$ 210	\$ 17	\$ 203
Contractual Services	13	3	16	15	1	15
Supplies	1		1	1	-	1
Capital Outlay		1	1	1	-	
Total land use	<u>254</u>	<u>(9)</u>	<u>245</u>	<u>227</u>	<u>18</u>	<u>219</u>
Building Maintenance						
Personnel Services	584	(17)	567	566	1	559
Contractual Services	461	(12)	449	432	17	481
Supplies	115	18	133	123	10	93
Capital Outlay		12	12	10	2	1
Total building maintenance	<u>1,160</u>	<u>1</u>	<u>1,161</u>	<u>1,131</u>	<u>30</u>	<u>1,134</u>
Streets Division						
Personnel Services	1,938	(69)	1,869	1,869	-	1,775
Contractual Services	29	16	45	38	7	22
Supplies	155		155	134	21	127
Capital Outlay			-	-	-	-
Total streets division	<u>2,122</u>	<u>(53)</u>	<u>2,069</u>	<u>2,041</u>	<u>28</u>	<u>1,924</u>
Solid Waste Division						
Personnel Services	1,096	(30)	1,066	1,032	34	960
Contractual Services	45		45	30	15	42
Supplies	40	28	68	67	1	10
Total solid waste division	<u>1,181</u>	<u>(2)</u>	<u>1,179</u>	<u>1,129</u>	<u>50</u>	<u>1,012</u>
Fleet Maintenance						
Personnel Services	673	(20)	653	646	7	596
Contractual Services	418	(223)	195	185	10	359
Supplies	861	31	892	820	72	835
Capital Outlay		38	38	30		
Total fleet maintenance	<u>1,952</u>	<u>(174)</u>	<u>1,778</u>	<u>1,681</u>	<u>97</u>	<u>1,790</u>
Snow Removal						
Personnel Services	270	13	283	283	-	166
Contractual Services	309	(26)	283	260	23	157
Supplies	496	10	506	503	3	473
Capital Outlay		68	68	67		
Total snow removal	<u>1,075</u>	<u>65</u>	<u>1,140</u>	<u>1,113</u>	<u>27</u>	<u>796</u>
Major Road Improvements						
Personnel Services	22	10	32	32	-	27
Contractual Services			-	-	-	4,295
Total major road improvements	<u>22</u>	<u>10</u>	<u>32</u>	<u>32</u>	<u>-</u>	<u>4,322</u>
Railroad Maintenance						
Contractual Services	44	50	94	76	18	52
Other City Buildings						
Contractual Services	102	68	170	165	5	112
Supplies	2	2	4	4	-	
Total other city buildings	<u>104</u>	<u>70</u>	<u>174</u>	<u>169</u>	<u>5</u>	<u>112</u>
Perm Patch Utility Trenches						
Personnel Services		29	29	29	-	25
Fleet						
Supplies			-	-	-	38
Capital Outlay	818	78	896	896	-	882
Total fleet	<u>818</u>	<u>78</u>	<u>896</u>	<u>896</u>	<u>-</u>	<u>920</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, 2021 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2020**
(in thousands)

	2021				Variance (Over) Under	2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Line Painting						
Personnel Services	\$ 1		\$ 1	\$ 1	\$ 1	\$
Contractual Services	100		100	100	-	156
Supplies	1		1		1	1
Total line painting	<u>102</u>	<u>-</u>	<u>102</u>	<u>100</u>	<u>2</u>	<u>157</u>
Storm Water Maintenance						
Personnel Services		12	12	12	-	9
Contractual Services		6	6	6	-	1
		18	18	18	-	10
Street Lighting						
Contractual Services	<u>228</u>	<u>(17)</u>	<u>211</u>	<u>197</u>	<u>14</u>	<u>191</u>
Total public works	<u>10,349</u>	<u>66</u>	<u>10,415</u>	<u>10,091</u>	<u>324</u>	<u>13,841</u>
Health and Welfare						
Bristol-Burlington Health						
Contractual Services	<u>3,416</u>		<u>3,416</u>	<u>3,416</u>	<u>-</u>	<u>3,217</u>
Health/SS Outside Agencies						
Contractual Services	59		59	59	-	90
Other/Miscellaneous	13		13	13	-	13
Total health/SS outside agencies	<u>72</u>	<u>-</u>	<u>72</u>	<u>72</u>	<u>-</u>	<u>103</u>
Cemetery Upkeep						
Purch. Prof. Services	<u>79</u>		<u>79</u>	<u>79</u>	<u>-</u>	<u>79</u>
School Readiness Program						
Personnel Services		94	94	94	-	92
Contractual Service	<u>25</u>	<u>2,853</u>	<u>2,878</u>	<u>2,831</u>	<u>47</u>	<u>2,838</u>
Total school readiness program	<u>25</u>	<u>2,947</u>	<u>2,972</u>	<u>2,925</u>	<u>47</u>	<u>2,930</u>
Total health and welfare	<u>3,592</u>	<u>2,947</u>	<u>6,539</u>	<u>6,492</u>	<u>47</u>	<u>6,329</u>
Libraries						
Personnel Services	1,846	(88)	1,758	1,743	15	1,709
Contractual Services	321	9	330	315	15	295
Supplies	306	3	309	297	12	307
Total libraries	<u>2,473</u>	<u>(76)</u>	<u>2,397</u>	<u>2,355</u>	<u>42</u>	<u>2,311</u>
Parks, Recreation, Youth & Comm. Services						
Personnel Services	2,768	(174)	2,594	2,558	36	2,201
Contractual Services	599	86	685	560	125	471
Supplies	270	2	272	248	24	249
Capital Outlay	10	46	56	53	3	11
Other/Miscellaneous	64	(32)	32	32	-	46
General Insurance	48	10	58	58	-	44
	<u>3,759</u>	<u>(62)</u>	<u>3,697</u>	<u>3,509</u>	<u>188</u>	<u>3,022</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, 2021 WITH COMPARATIVE
ACTUAL AMOUNTS FOR 2020
(in thousands)**

	2021				Variance (Over) Under	2020 Actual
	Original Budget	Adjustments	Amended Budget	Actual		
Employee Benefits and Pension						
Retirement Benefits	\$	\$ 31	\$ 31	\$ 31	\$ -	\$
Employee Benefits	1,886	1,076	2,962	2,951	11	2,576
Other Post Employment Benefit	1,300		1,300	1,300	-	1,450
Total employee benefits and pension	<u>3,186</u>	<u>1,107</u>	<u>4,293</u>	<u>4,282</u>	<u>11</u>	<u>4,026</u>
General Insurance						
General City Insurance	<u>965</u>	<u>21</u>	<u>986</u>	<u>984</u>	<u>2</u>	<u>939</u>
Miscellaneous						
All Other Costs & Fees	<u>1,446</u>	<u>(986)</u>	<u>460</u>	<u>402</u>	<u>58</u>	<u>375</u>
Transfers to Other Funds						
Special Revenue	2,064	4,298	6,362	6,362	-	4,598
Mill Rate Stabilization Fund		1,600	1,600	1,600	-	2,000
Debt Service	10,100		10,100	10,100	-	9,850
Capital Projects	675	2,035	2,710	2,710	-	4,505
Sinking Fund	250		250	250	-	250
Internal Service	14,162	17,484	31,646	31,646	-	29,423
Total transfers to other funds	<u>27,251</u>	<u>25,417</u>	<u>52,668</u>	<u>52,668</u>	<u>-</u>	<u>50,626</u>
Board of Education						
General Control	2,019	1,433	3,452	2,471	981	2,368
Instruction	48,679	(1,636)	47,043	47,043	-	47,865
Transportation	4,686	(644)	4,042	4,042	-	3,985
Operation of Plant	7,138	(502)	6,636	6,635	1	6,755
Maintenance of Plant	2,891	75	2,966	2,966	-	2,536
Benefits & Fixed	19,944	(17,441)	2,503	2,503	-	2,692
Athletics & Student	2,142	(291)	1,851	1,851	-	1,778
Capital Outlay	2,135	(170)	1,965	1,965	-	1,919
Special Education	32,955	(2,703)	30,252	30,252	-	30,586
Tuition	982	18	1,000	999	1	1,007
Contractual Services			-	-	-	31
Supplies			-	-	-	49
Other/Miscellaneous	(4,549)	515	(4,034)	(4,033)	(1)	(3,665)
Total board of education	<u>119,022</u>	<u>(21,346)</u>	<u>97,676</u>	<u>96,694</u>	<u>982</u>	<u>97,906</u>
Total	<u>\$ 205,078</u>	<u>\$ 8,562</u>	<u>\$ 213,640</u>	211,693	<u>\$ 1,947</u>	<u>\$ 212,047</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf contributions for City teachers not budgeted:

Pension	16,408
OPEB	396

The Board of Education does not budget for intergovernmental grants, which are credited against education expense for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes.

3,682

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

476

Budgeted transfer to Mill Rate Stabilization Fund, which does not meet the definition of a special revenue fund in accordance with GASB No. 54 and must be combined with the General Fund

(1,600)

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

\$ 231,055

CITY OF BRISTOL, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OPEB PLAN
LAST FIVE FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:					
Service cost	\$ 2,506,027	\$ 2,340,950	\$ 1,900,749	\$ 1,954,699	\$ 1,821,714
Interest	5,419,700	5,332,920	4,668,876	4,614,833	4,434,274
Effect of plan changes			1,759,188		
Differences between expected and actual experience	2,160,599		(2,179,655)		851,289
Changes of assumptions	304,628		11,321,902	548,793	
Benefit payments	<u>(6,518,237)</u>	<u>(6,677,555)</u>	<u>(6,467,323)</u>	<u>(4,438,442)</u>	<u>(5,083,891)</u>
Net change in total OPEB liability	3,872,717	996,315	11,003,737	2,679,883	2,023,386
Total OPEB liability - beginning	<u>78,122,256</u>	<u>77,125,941</u>	<u>66,122,204</u>	<u>63,442,321</u>	<u>61,418,935</u>
Total OPEB liability - ending	<u>81,994,973</u>	<u>78,122,256</u>	<u>77,125,941</u>	<u>66,122,204</u>	<u>63,442,321</u>
Plan fiduciary net position:					
Contributions - employer	7,818,237	8,127,555	7,917,323	5,801,097	6,583,891
Contributions - member	600,849	436,072	390,715	56,308	54,072
Net investment income	3,235,041	(56,213)	540,355	380,520	445,223
Benefit payments	(6,518,237)	(6,677,555)	(6,467,323)	(4,438,442)	(5,083,891)
Administrative expense	<u>(24,080)</u>	<u>(45,885)</u>			
Net change in plan fiduciary net position	5,111,810	1,783,974	2,381,070	1,799,483	1,999,295
Plan fiduciary net position - beginning	<u>14,091,431</u>	<u>12,307,457</u>	<u>9,926,387</u>	<u>8,126,904</u>	<u>6,127,609</u>
Plan fiduciary net position - ending	<u>19,203,241</u>	<u>14,091,431</u>	<u>12,307,457</u>	<u>9,926,387</u>	<u>8,126,904</u>
Net OPEB Liability - Ending	<u>\$ 62,791,732</u>	<u>\$ 64,030,825</u>	<u>\$ 64,818,484</u>	<u>\$ 56,195,817</u>	<u>\$ 55,315,417</u>
Plan fiduciary net position as a percentage of the total OPEB liability	23.42%	18.04%	15.96%	15.01%	12.81%
Covered payroll	\$ 105,287,835	\$ 105,156,160	\$ 105,156,160	\$ 98,287,369	\$ 98,287,369
Net OPEB liability (asset) as a percentage of covered payroll	59.64%	60.89%	61.64%	57.18%	56.28%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF BRISTOL, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 OPEB PLAN
 LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 8,411,459	\$ 8,280,600	\$ 7,208,338	\$ 6,234,993	\$ 7,256,765	\$ 7,308,579	\$ 7,008,204	\$ 9,322,000	\$ 7,528,000	\$ 7,883,000
Contributions in relation to the actuarially determined contribution	7,818,237	8,127,555	7,917,323	5,801,097	6,583,891	3,961,206	3,156,480	4,446,594	4,456,576	4,756,449
Contribution Deficiency (Excess)	\$ 593,222	\$ 153,045	\$ (708,985)	\$ 433,896	\$ 672,874	\$ 3,347,373	\$ 3,851,724	\$ 4,875,406	\$ 3,071,424	\$ 3,126,551
Covered payroll	\$ 105,287,835	\$ 105,156,160	\$ 105,156,160	\$ 98,287,369	\$ 98,287,369	\$ 96,520,538	\$ 96,520,538	\$ 88,563,000	\$ 88,563,000	\$ 91,807,000
Contributions as a percentage of covered payroll	7.43%	7.73%	7.53%	5.90%	6.70%	4.10%	3.27%	5.02%	5.03%	5.18%

Notes to Schedule:

Valuation date July 1, 2020
 Measurement date June 30, 2021
 Valuation limiting Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal
 Amortization method Level dollar, closed
 Remaining amortization period 18 years
 Asset valuation method Market value
 Inflation 2.70%
 Salary increases Varies by group
 Investment rate of return 7.00%
 Cost of living adjustment N/A
 Retirement age Rates based on age
 Turnover Rates based on gender and length of service
 Mortality BOE Certified#: PubT-2010 Mortality table for Employees and Healthy Annuitants with generational projection of future improvements per the MP-2019 Ultimate scale.

Prior: BOE Certified#: For healthy retirees and beneficiaries, the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80 projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. This assumption includes a margin for mortality improvement beyond the valuation date.
 All Others: RP-2000 Mortality Table for Employees and Healthy Annuitants with generational projection per Scale BB. This assumption includes a margin for mortality improvements beyond the valuation date.

**CITY OF BRISTOL, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS - OPEB PLAN
 LAST FIVE FISCAL YEARS***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	23.22	-0.44%	4.92%	4.31%	6.83%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF BRISTOL, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST FOUR FISCAL YEARS*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>38,153,599</u>	<u>36,629,540</u>	<u>36,202,980</u>	<u>49,154,327</u>
Total	<u>\$ 38,153,599</u>	<u>\$ 36,629,540</u>	<u>\$ 36,202,980</u>	<u>\$ 49,154,327</u>
City's covered payroll	\$ 58,925,072	\$ 54,241,694	\$ 56,863,119	\$ 56,374,579
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	2.50%	2.08%	1.49%	1.79%

Notes to Schedule:

Changes in benefit terms

None

Changes of assumptions

Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2020 was updated to equal the Municipal Bond Index Rate as of June 30, 2020;

Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;

Long-term health care cost trend rates were updated;

The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated based on observed plan experience. Additionally, participants are no longer assumed to migrate from the Medicare Supplement Plan to the Medicare Advantage Plan after selecting The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019. The changes in assumptions are summarized below:

- Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%.

- Decrease payroll growth assumption from 3.25% to 3.00%.

- Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

Actuarial cost method

Entry age

Amortization method

Level percent of payroll over an open period

Remaining amortization period

30 years

Asset valuation method

Market value of assets

Investment rate of return

3.00%, net of investment related expense including price inflation

Price inflation

2.75%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

* The measurement date is one year earlier than the employer's reporting date

**CITY OF BRISTOL, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
CITY OF BRISTOL RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:								
Service cost	\$ 10,510,065	\$ 10,078,318	\$ 9,602,581	\$ 9,104,904	\$ 9,177,475	\$ 8,277,518	\$ 8,034,547	\$ 7,964,316
Interest on total pension liability	34,274,749	32,854,841	31,656,104	30,841,588	29,232,077	28,136,062	27,281,639	26,593,867
Effect of plan changes	1,187,130	(30,584)						
Effect of economic/demographic gains or losses	1,502,734	2,937,892	(178,621)	(5,688,780)	5,571,684	(2,130,022)	(4,305,301)	
Effect of assumption changes or inputs	11,755,196	8,072,260	7,471,588	7,044,151	6,729,043			
Benefit payments	(28,768,219)	(27,091,735)	(25,638,387)	(24,245,472)	(23,012,190)	(22,398,939)	(21,687,626)	(20,636,951)
Net change in total pension liability	30,461,655	26,820,992	22,913,265	17,056,391	27,698,089	11,884,619	9,323,259	13,921,232
Total pension liability - beginning	486,370,356	459,549,364	436,636,099	419,579,708	391,881,619	379,997,000	370,673,741	356,752,509
Total pension liability - ending	516,832,011	486,370,356	459,549,364	436,636,099	419,579,708	391,881,619	379,997,000	370,673,741
Plan fiduciary net position:								
Employer contributions				2,617,369	1,064,936	44,000	127,325	227,500
Member contributions	2,613,269	2,478,107	2,234,181	2,781,706	2,654,883	2,582,644	2,419,097	2,488,640
Net investment income (loss)	193,857,287	11,435,778	30,248,708	57,843,541	66,698,627	(9,656,082)	(4,242,226)	79,063,132
Benefit payments	(28,768,219)	(27,091,735)	(25,638,387)	(24,245,472)	(23,012,190)	(22,398,939)	(21,687,626)	(21,156,744)
Administrative expenses	(388,010)	(449,831)	(177,904)	(190,448)				
Net change in plan fiduciary net position	167,314,327	(13,627,681)	6,666,598	38,806,696	47,406,256	(29,428,377)	(23,383,430)	60,622,528
Plan fiduciary net position - beginning	640,210,473	653,838,154	647,171,556	608,364,860	560,958,604	590,386,981	613,770,411	553,147,883
Plan fiduciary net position - ending	807,524,800	640,210,473	653,838,154	647,171,556	608,364,860	560,958,604	590,386,981	613,770,411
Net Pension Asset - Ending	\$ (290,692,789)	\$ (153,840,117)	\$ (194,288,790)	\$ (210,535,457)	\$ (188,785,152)	\$ (169,076,985)	\$ (210,389,981)	\$ (243,096,670)
Plan fiduciary net position as a percentage of the total pension liability	156.25%	131.63%	142.28%	148.22%	144.99%	143.14%	155.37%	165.58%
Covered payroll	\$ 52,204,668	\$ 51,163,929	\$ 49,004,030	\$ 48,452,620	\$ 44,945,681	\$ 45,357,037	\$ 44,715,823	\$ 44,891,754
Net pension asset as a percentage of covered payroll	-556.83%	-300.68%	-396.48%	-434.52%	-420.03%	-372.77%	-470.50%	-541.52%
Notes to Schedule:								
Assumption Changes:								
Discount rate								

7.00%; Prior: 7.10%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF BRISTOL, CONNECTICUT
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 CITY OF BRISTOL RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ 2,617,369	\$ 756,393	\$ 352,453	\$ 507,245	\$ 604,612	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	-	-	-	2,617,369	1,064,936	44,000	127,325	227,500	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ (308,543)	\$ 308,453	\$ 379,920	\$ 377,112	\$ -	\$ -
Covered payroll	\$ 52,204,668	\$ 51,163,929	\$ 49,004,030	\$ 48,452,620	\$ 44,945,681	\$ 45,357,037	\$ 44,715,823	\$ 44,891,754	\$ 44,638,648	\$ 44,359,243
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	5.40%	2.37%	0.10%	0.28%	0.51%	0.00%	0.00%

Notes to Schedule:

Valuation date: July 1, 2020
 Measurement date: June 30, 2021
 Valuation timing: Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age normal
 Amortization method: Level dollar, open
 Remaining amortization period: 20 years
 Asset valuation method: 4-years smoothed market, non-asymptotic, Corridor - 80% to 120% of market value
 Inflation: 2.70%
 Salary increases: Age graded salary growth with an ultimate rate of 3.25%
 Investment rate of return: 7.0%, Prior: 7.1%
 Cost of living adjustment: 7.10%
 Retirement age: Police: Pre-December 15, 2002 retirees: 3.25% per year; Post-December 15, 2002 retirees: 2.25% per year
 Turnover: Fire: Pre-July 1, 1999 retirees: 3.25% per year; July 1, 1999 to June 30, 2003 retirees: 2.50% per year
 Mortality: Post-June 30, 2003 retirees: 2.25% per year
 City: None
 Police and Fire: Rates based on age
 City: Rates based on age and service
 Rates based on age: Rates based on age
 Current: RP-2000 Mortality Table for Employees and Healthy Annuitants with generational projection per Scale BB.
 This assumption includes a margin for mortality improvements beyond the valuation date.
 Prior: RP-2000 Mortality Table for Employees and Healthy Annuitants, with generational projection 80%, phase-in from Scale AA to BB

**CITY OF BRISTOL, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
CITY OF BRISTOL RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return net of investment expense	30.90%	1.89%	4.71%	8.81%	12.06%	-2.47%	0.52%	15.44%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available

**CITY OF BRISTOL, CONNECTICUT
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS RETIREMENT PLAN
 LAST SEVEN FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City	255,806,837	234,871,528	181,099,594	190,973,158	201,478,144	152,907,734	141,332,557
Total	\$ 255,806,837	\$ 234,871,528	\$ 181,099,594	\$ 190,973,158	\$ 201,478,144	\$ 152,907,734	\$ 141,332,557
City's covered payroll	\$ 58,925,072	\$ 54,241,694	\$ 56,863,119	\$ 56,374,579	\$ 58,343,820	\$ 56,044,000	\$ 54,605,000
City's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule:
 Changes in benefit terms
 Changes of assumptions
 Actuarial cost method
 Amortization method
 Single equivalent amortization period
 Asset valuation method
 Inflation
 Salary increase
 Investment rate of return

Note: Measurement date is one year prior to report date

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

None
 The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019:
 - Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%.
 - Decrease payroll growth assumption from 3.25% to 3.00%.
 - Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
 Entry age
 Level percent of pay, closed
 30 years
 4-year smoothed market
 2.50%
 3.25%-6.50%, including inflation
 6.90%, net of investment related expense

Appendix B

Form of Opinion of Bond Counsel

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APPENDIX B – FORM OF OPINION OF BOND COUNSEL

March ___, 2022

City of Bristol
111 North Main Street
Bristol, CT 06010

We have acted as Bond Counsel in connection with the issuance by the City of Bristol, Connecticut (the “City”), of its \$_____ General Obligation Bonds, Issue of 2022 (the “Bonds”) dated March ___, 2022. In such capacity, we have examined a record of proceedings of the City authorizing the Bonds, a Tax Regulatory Agreement of the City dated March ___, 2022 (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Bonds are duly certified by U.S. Bank Trust Company, National Association, the Bonds will be valid and legally binding general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the City without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the City and was duly authorized by the City.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the City has made covenants and representations designed to assure compliance with such requirements of the Code. The City has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

In rendering the below opinions regarding the federal treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the City with the covenants set forth in the Agreement as to such tax matters.

In our opinion, under existing statutes and court decisions, (i) interest on the Bonds is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of calculating the federal alternative minimum tax. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Bonds, including the adoption of federal tax legislation, may affect the tax status of interest on the Bonds.

Respectfully,

PULLMAN & COMLEY, LLC

Appendix C

Form of Continuing Disclosure Agreement

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APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City will agree, pursuant to a Continuing Disclosure Agreement to be executed by the City substantially in the following form, to provide, or cause to be provided, (i) annual financial information and operating data, (ii) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement.

Continuing Disclosure Agreement

This Continuing Disclosure Agreement ("Agreement") is made as of March __, 2022 by the City of Bristol, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of \$ _____ General Obligation Bonds, Issue of 2022, dated as of March __, 2022 (the "Bonds"), for the benefit of the beneficial owners from time to time of the Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"Final Official Statement" means the official statement of the Issuer dated March __, 2022 prepared in connection with the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2022) as follows:

(i) Financial statements of the Issuer's general fund for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited

(ii) The following financial information and operating data to the extent not included in the financial statements described in (i) above:

(A) amounts of the net taxable grand list applicable to the fiscal year,

- (B) listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,
- (C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,
- (D) schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- (E) calculation of total direct debt and total net debt as of the close of the fiscal year,
- (F) total direct debt and total net debt of the Issuer per capita,
- (G) ratios of the total direct debt and total net debt of the Issuer to the Issuer's net taxable grand list,
- (H) statement of statutory debt limitation as of the close of the fiscal year, and
- (I) funding status of the pension benefit obligation.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided (the "Filing Due Date"). The Issuer's fiscal year currently ends on June 30. The Issuer reserves the right to provide unaudited financial statements if audited financial statements are not available as of the Filing Due Date, provided that the Issuer shall promptly provide audited financial statements when available.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

Section 3. Notice of Certain Events.

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

- (e) principal and interest payment delinquencies;
- (f) non-payment related defaults, if material;
- (g) unscheduled draws on debt service reserves reflecting financial difficulties;
- (h) unscheduled draws on credit enhancements reflecting financial difficulties;

- (i) substitution of credit or liquidity providers, or their failure to perform;
- (j) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;
- (k) modifications to rights of holders of the Bonds, if material;
- (l) Bond calls, if material, and tender offers;
- (m) Bond defeasances;
- (n) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (o) rating changes;
- (p) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (q) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (r) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (s) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and
- (t) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

Events (d) and (e). The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds, unless the Issuer applies for or participates in obtaining the enhancement.

Event (f). Event (f) is relevant only to the extent interest on the Bonds is excluded from gross income for federal income tax purposes.

Event (h). The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not *otherwise* contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Bonds will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Bonds to be redeemed as required under the terms of the Bonds, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Bond purchases.

Events (o) and (p). The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

Section 6. Termination.

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

Section 7. Enforcement.

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's Comptroller, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Comptroller is Bristol City Hall, 111 North Main Street, Bristol, Connecticut 06010.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

Section 8. Miscellaneous.

(u) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(v) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(w) This Agreement shall be governed by the laws of the State of Connecticut.

(x) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

(y) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

CITY OF BRISTOL, CONNECTICUT

By _____
JEFFREY J. CAGGIANO
Mayor

By _____
DIANE M. WALDRON
Agent of the Board of Finance

By _____
DIANE M. WALDRON
Comptroller

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Appendix D

Notice of Sale

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NOTICE OF SALE

**CITY OF BRISTOL, CONNECTICUT
\$25,500,000 GENERAL OBLIGATION BONDS, ISSUE OF 2022
BOOK-ENTRY-ONLY**

NOTICE IS GIVEN that ELECTRONIC BIDS solely via **PARITY**® will be received by the CITY OF BRISTOL, CONNECTICUT (the “Issuer”), until 11:30 A.M. (E.T.) on WEDNESDAY,

MARCH 16, 2022

(the “Sale Date”) for the purchase, when issued, of all (but not less than all) of the Issuer’s \$25,500,000 General Obligation Bonds, Issue of 2022, dated March 30, 2022 (the “Bonds”), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on March 15 in the principal amounts and in each of the years as follows:

<u>Maturity</u>	<u>Amount (\$)</u>	<u>Maturity</u>	<u>Amount (\$)</u>
2024	1,335,000	2034	1,345,000
2025	1,340,000	2035	1,345,000
2026	1,340,000	2036	1,345,000
2027	1,340,000	2037	1,345,000
2028	1,340,000	2038	1,345,000
2029	1,340,000	2039	1,345,000
2030	1,340,000	2040	1,345,000
2031	1,340,000	2041	1,345,000
2032	1,340,000	2042	1,345,000
2033	1,340,000		

The Bonds will bear interest commencing September 15, 2022 and semiannually thereafter on March 15 and September 15 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

Optional Redemption

The Bonds maturing on or before March 15, 2030 are not subject to redemption prior to maturity. The Bonds maturing March 15, 2031 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on or after March 15, 2030, either in whole or in part at any time, in such order of maturity and amount as the Issuer may determine, and by lot within a maturity, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
March 15, 2030 and thereafter	100.0%

Nature of Obligation

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

Bank Qualification

The Bonds SHALL NOT be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date. The record dates for the Bonds will be the last business day of February and August in each year.

Proposals

Each bid must be for the entire \$25,500,000 of the Bonds. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than three (3) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on *PARITY*® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost (“TIC”) to the Issuer, as described under “Basis of Award” below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest true interest cost (“TIC”) to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

CUSIP Numbers

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of Phoenix Advisors LLC to obtain CUSIP numbers for the Bonds prior to delivery, and Phoenix Advisors, LLC, will provide the CUSIP Service Bureau with the final details of the sale, including the identity of the winning bidder. The Issuer will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of Phoenix Advisors, LLC to obtain such numbers and to supply them to the Issuer in a timely manner. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

Electronic Proposals Bidding Procedure

Electronic bids for the purchase of the Bonds must be submitted through the facilities of **PARITY®**. Any prospective bidder must be a subscriber of i-Deal's BiDCOMP competitive bidding system. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 – email notice: parity@i-deal.com). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY®** is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds via **PARITY®**, the bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY®, the use of PARITY® facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

Disclaimer. Each of **PARITY®** prospective electronic bidders shall be solely responsible to make necessary arrangements to access **PARITY®** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor **PARITY®** shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or **PARITY®** shall be responsible for a bidder's failure to make a bid or for the proper

operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY®**. The Issuer is using **PARITY®** as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. The Issuer is not bound by any advice and determination of **PARITY®** to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY®** are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone **PARITY®** at (212) 849-5021. If any provision of this Notice shall conflict with information provided by **PARITY®**, this Notice shall control.

For the purpose of the electronic bidding process, the time maintained on **PARITY®** shall constitute the official time.

Certifying Agent, Registrar, Paying Agent and Transfer Agent

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

Delivery, Payment and Closing Requirements

At or prior to the delivery of the Bonds the purchaser shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel ("Bond Counsel") (see "Bond Counsel Opinion" below); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Issuer to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds.

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer ("FAST") on or about March 30, 2022 (the "Closing Date").

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer's costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or "Blue Sky" laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

Bond Counsel Opinion

The legality of the issue will be passed upon by Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Bonds are valid and binding obligations of the Issuer. If the Competitive Sale Rule (as defined below in the “Establishment of Issue Price” section) is met, Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Bonds deliver to it a completed “issue price” certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Bonds awarded to such bidder, as described below under “Establishment of Issue Price”.

Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: grybacki@pullcom.com and (2) the Municipal Advisor at Matthew Spoerndle, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 878-4945, E-mail: mspoerndle@muniadvisors.com (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Bonds, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

Notification of Contact Information of Winning Bidder. Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

Competitive Sale Rule. The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost (“TIC”), as set forth in this Notice of Sale.

Competitive Sale Rule Met. The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

Competitive Sale Rule Not Met. In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Bonds (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity of Bonds has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those

Maturities of the Bonds that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Bonds shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Bonds subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Bonds (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Bonds to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell unsold Bonds of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

Definitions. For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

Official Statement

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated March 9, 2022 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at <https://munihub.com>, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Matthew Spoerndle, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Telephone: (203) 878-4945, E-mail: mspoerndle@muniadvisors.com. The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official

Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

Continuing Disclosure Agreement

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix C. The purchaser’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

CITY OF BRISTOL, CONNECTICUT

JEFFREY J. CAGGIANO
Mayor

DIANE M. WALDRON
Agent of the Board of Finance

DIANE M. WALDRON
Comptroller

March 9, 2022

ATTACHMENT A

ISSUE PRICE CERTIFICATE

(If Competitive Sale Rule Met)

CITY OF BRISTOL, CONNECTICUT
\$ _____ GENERAL OBLIGATION BONDS, ISSUE OF 2022
Dated March 30, 2022

The undersigned, on behalf of [UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Due Authorization.*** The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. ***Purchase Price.*** The CITY OF BRISTOL, CONNECTICUT (the “Issuer”) sold to [SHORT NAME OF UNDERWRITER], for delivery on or about March 30, 2022, the Bonds at a price of par (\$ _____), plus an aggregate net premium of \$ _____ and less an underwriter’s discount of \$ _____, resulting in an aggregate net purchase price of \$ _____.

3. ***Reasonably Expected Initial Offering Price.***

(a) As of March 16, 2022 (the “Sale Date”), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **Schedule B** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. ***Defined Terms.***

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an

Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

5. ***Representations and Information.*** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (collectively, the “Code”). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of March 16, 2022.

[UNDERWRITER]

By: _____
Name:
Title:

Schedule A to Issue Price Certificate

<u>Maturity, March 15</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Price (\$, not Yield)</u>
2024	1,335,000		
2025	1,340,000		
2026	1,340,000		
2027	1,340,000		
2028	1,340,000		
2029	1,340,000		
2030	1,340,000		
2031	1,340,000		
2032	1,340,000		
2033	1,340,000		
2034	1,345,000		
2035	1,345,000		
2036	1,345,000		
2037	1,345,000		
2038	1,345,000		
2039	1,345,000		
2040	1,345,000		
2041	1,345,000		
2042	1,345,000		

Schedule B to Issue Price Certificate