

# *City of Bushnell*

## Comprehensive Annual Financial Report

Fiscal Year Ended  
September 30, 2000

*"Committed to the Quality of Life"*

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE  
CITY OF BUSHNELL, FLORIDA  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2000**

**PREPARED BY OFFICE OF CITY CLERK**

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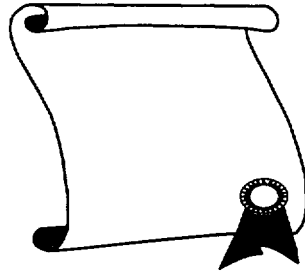
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## **INTRODUCTORY SECTION**

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## **CITY COUNCIL ELECTED OFFICIALS**

Mayor	Joseph P. Strickland Jr.
Vice Mayor	Ron Morris
Councilman	Billy K. Williams
Councilman	Dale Swain
Councilman	Warren Maddox
City Clerk	N. Joy Coleman

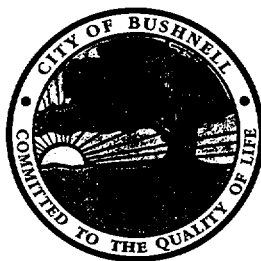
## **APPOINTED OFFICIALS**

City Manager	Vince Ruano
Public Safety Director	George (Eddie) Lovett
Utilities Superintendent	Herschel Stone
Director of Public Works	Ronnie Pitts

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# CITY OF BUSHNELL

219 N. Market Street  
P.O. Box 115



Bushnell, Florida 33513  
(352) 793-2591  
Fax (352) 793-2711

February 5, 2001

## **To the citizens of The City of Bushnell:**

The comprehensive annual financial report of the City of Bushnell for the fiscal year ended September 30, 2000, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the city. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the city. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

### **FINANCIAL STATEMENT PRESENTATION**

The comprehensive annual financial report is presented in three sections. Introductory, Financial, Statistical. The *Introductory Section* includes this transmittal letter, the city's organizational chart and a list of principle officials. The *Financial Section* includes the general-purpose financial statements, combining fund, individual fund & account group financial statements and schedules and the auditors report on the financial statements and schedules. The *Statistical Section* includes selected financial & demographic information.

### **THE REPORTING ENTITY AND ITS SERVICES**

This report includes all funds and account groups of the city. The City of Bushnell provides a full range of general governmental services and activities. These services include police, fire and code enforcement; administrative and financial services; planning, zoning and development review; maintenance of highways, streets & drainage; library, recreation and special events. In addition to general government activities, the governing body exercises authority over special revenues and enterprise funds. Special revenue funds are maintained for the purpose of grant administration and for the perpetual maintenance of the Bushnell Evergreen Cemetery. Enterprise funds consist of electric, water, waste water and sanitation funds. These funds maintain their own set of accounts on a full accrual basis.

## **ECONOMIC CONDITION AND OUTLOOK**

Bushnell is the County Seat of Sumter County, reported by the University of Florida Bureau of Economic and Business research as " The fastest growing County in the State of Florida in 1998 and 1999". Situated just 50 miles north of Tampa and 50 miles west of Orlando, Bushnell is strategically located between Interstate 75 and the Florida Turnpike. Our location provides easy transportation access to both of these metropolitan areas.

Easily accessible from many areas and being the County Seat in rural Sumter County makes Bushnell's market area much larger than it's corporate limits. Independent market studies suggest that the population within the market area affected by the City of Bushnell could exceed 50,000 people. In addition to this significant number, traffic studies conducted by the Sumter County Road & Bridge Department indicate average daily traffic counts of 17,000 cars on Main St. (CR 475) as measured just north of Belt St. These statistics are mentioned only to illustrate the much larger market forces affecting this small community on a daily basis.

Within the utility service area, which comprises mostly the incorporated city limits and some small areas in the unincorporated Sumter County, the City of Bushnell services a total of 984 metered customers, 217 of which are commercial customers. Bushnell exhibits steady growth in its commercial sector. Most recently, permits have been issued for the development of a 390 unit RV Park, a furniture store, a drug store and a service station/fast food restaurant and a shopping center. Continued community growth and development is expected along Main St. north, and SR 48 west corridor to the I - 75 interchange. The SR 48 and I - 75 interchange still has a number of commercial undeveloped parcels of varying size; currently, the city serves only potable water and sanitation services to this area.

Based on current trends and projections, it's anticipated that the interchange area will have the most impact on the commercial sector of the City of Bushnell. As such, it will present the city with significant challenges in order to preserve the highest level of service.

## **CURRENT YEAR PROJECTS**

During the fiscal year 00', the City of Bushnell completed, some major construction projects, and made several purchases of Capital equipment, all in order to improve on the service delivery or the economic environment for its citizens. The following will highlight some of these major initiatives taken by the city during the fiscal 00':

### *Kenny Dixon Sports Complex*

During fiscal year 2000 the City of Bushnell conducted major improvements to the Kenny Dixon Sports Complex which included a picnic pavilion with bathrooms on the southwest corner of the park. Adjacent to these structures, approximately \$60,000 worth of playground equipment was erected and a new parking area was paved on the east side of the park. This brings the master plan for the Sports Complex to approximately 95% complete.

### *City Hall Electronic Equipment*

During the fiscal year 2000 the City of Bushnell upgraded its computer system by replacing the old PC Network with a new Citrix Medaframe system operating on Windows 2000 platform. This system shall provide expansion capabilities for many years to come. It is also anticipated that various departments not housed in City Hall will also have access to this system in the near future. This system provides individual internet access and email to all employees. The cost for this system was approximately \$40,000.

### Electric and Water System Expansions

The City of Bushnell continues to expand and upgrade its utility systems on an ongoing annual basis. Expansions have been made not only to serve new customers but to improve reliability of the systems. During fiscal year 2000 the last step of upgrading Florida Street was completed for the electric utilities.

## **MAJOR INITIATIVES/FUTURE PROJECT**

A number of major initiatives for the city are being considered by the city government. Some initiatives are in more advanced stages than others. This section will highlight briefly, the future major initiatives as follows:

### Waste Water System:

In 1996, the Bushnell City Council commissioned a study committee consisting of 13 citizens to explore the feasibility and desirability of a citywide waste water system. The study committee's final recommendation to the governing body was to proceed with the development of the system providing it is determined that the system could be economically feasible. Since that time, the City of Bushnell has been found eligible for funding through the Rural Utility Services (R.U.S.) a program of the US Department of Agriculture (U.S.D.A).

In addition, the State of Florida, through a legislative appropriation, has earmarked \$700,000.00 to initiate the project. The project is still estimated at a total project cost of \$ 5.5 million dollars with the R.U.S. providing financing in the amount of \$ 4.8 million.

This project was officially started by the City's acceptance of a ceremonial check from USDA officials during the July 12, 1999 "Water 2000 Celebration", a presidential initiative ceremony, held at the Bushnell Community Center. Construction for this project is scheduled to start in May of 2001 with a commercial operation schedule date of June 2002.

### West Side Drainage Improvements

A grant application was submitted to the Florida Department of Community Affairs for the purpose of providing neighborhood improvements/flood protection on the Southwest area of the city. This grant request was in the amount of \$550,000 and provides for the enlargement, connection, and outfall of four ponds in the area. The South West Florida Water Management District has agreed to contribute an additional \$275,000 towards this project for the purpose of enhancing flood protection and water quality, bringing the total project cost to \$875,000.

### Electric Distribution

It has been the city's intention, to upgrade the electric distribution system to a more efficient and reliable single voltage system. Currently, the city's system is split. Roughly half of the system carries a voltage of 13 kV and the remaining carries 4 kV.

Through a continued effort of upgrading the system it is anticipated that within the next five years, the entire system will be functioning at a 13 kV level. This conversion process has been and is expected to continue to be performed strictly in house with municipal crews.

### Department Focus:

Management has selected to highlight the Public Works Department for fiscal year 2000. This department has experienced the highest growth of personnel over the past several years. The Public Works Department is responsible for the operation and maintenance of the traffic circulation system and streets of the City, the maintenance and operation of all recreational facilities, and the collection and disposal of all solid waste.

During the fiscal year 2000 the department relocated to a new facility of a 20-acre parcel on the southeast section of town, providing for expansion capabilities well into the future. The department's construction crew successfully completed the installation of two multipurpose playground equipment, one for ages 2-5 and one for ages 5-12, and both are color coordinated.

In addition to that construction project, numerous linear feet of both roadways and sidewalks were improved during the fiscal year 2000. As stated early in this section the West Side Drainage Improvement will come under the planning and maintenance responsibility of this department. It is intended that this project will enhance flood protection and water quality and will be designed to provide an aesthetical pleasing environment. In the future this project will also provide recreation and environmental education.

## **ACCOUNTING SYSTEM, INTERNAL ACCOUNTING CONTROLS, AND BUDGETARY CONTROL**

Management of the City of Bushnell is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the city are protected from loss, theft and misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; (2) the valuation of costs and benefits requires estimates and judgments by management.

### Budgeting Controls:

The City of Bushnell maintains budgetary controls; the objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the general fund, special revenue funds and enterprise funds are included in the annual budget. A five-year capital expenditure plan is reviewed every year and incorporated into the budget. The level of budgetary control is established by section 7.04 "Budget Adoption" of the Bushnell City Charter which establishes the fund as the level of budgetary control.

As demonstrated by the statements and schedules included in the financial section of this report, the City of Bushnell continues to meet its responsibility for sound financial management.

General Government Functions. The following schedule presents a summary of general fund revenues for the fiscal year ended September 30, 2000.

<b><u>Revenues and other funding sources</u></b>	<b><u>2000 Amount</u></b>	<b><u>Percent of Total</u></b>
Ad Valorem	\$94,776	6%
Local Option Gas Tax	\$382,444	25%
Utility Taxes	\$265,384	18%
Franchise Fees	\$74,443	5%
License & Permits	\$10,120	1%
Intergovernmental	\$214,346	14%
Charges for Services	\$43,373	3%
Fines & Forfeitures	\$28,262	2%
Transfer In	\$290,100	20%
Miscellaneous	\$98,563	6%
<b>Total Revenues:</b>	<b>\$1,501,810</b>	

It is evident by the table above that the General Fund derives the vast majority of its revenue from outside sources; such as, local option gas tax, utility taxes, or transfers from enterprise funds. The larger sources of Intergovernmental funds are; state revenue sharing, cigarette tax, local government sales surtax, and state sales tax. Intergovernmental transfers are derived from electric, water & sanitation with a make up of 20% of the revenues to general fund.

Other large self-generated revenue sources for the General Fund are the utility tax & franchise fees. Currently a 10% utility tax is charged on all services that are provided within the municipal limits, excluding telecommunications, which are calculated at a municipal rate of 7%. Franchise fees are also remitted by companies providing services within the municipal limits, at varying percentage of gross sales.

It is notable that the ad valorem taxes are fairly insignificant to the city as a revenue source. The city has rolled back its ad valorem tax levy since 1981.

The following schedule presents a summary of general fund expenditures for the fiscal year ended September 30, 2000:

<u>Expenditures</u>	<u>2000 Amount</u>	<u>Percent of Total</u>
Legislative	\$28,006	2%
Administrative	\$312,076	20%
Legal	\$23,232	2%
Police	\$368,116	24%
Fire	\$94,890	6%
Code Compliance	\$42,182	3%
Streets	\$332,562	22%
Industrial Development	\$15,000	1%
Cemetery	\$10,433	1%
Library	\$69,550	5%
Parks & Recreation	\$193,501	12%
Special Events	\$33,000	2%
<b>Total Expenditures/Expenses:</b>	<b>\$ 1,522,548</b>	

The table above shows that the expenditures within the Police & Street departments are fairly significant in comparison to the other expenditures. The expenditures for the special events include the annual fall festival and the yearly summer youth program. The library expenditure continues to increase from previous years due to the growth and increase of programs available to the citizens.

*Enterprise Operation:*

Electric: The City of Bushnell has owned and operated it's own electric services since the 1920's. The electric department has been a continued source of revenues for the General fund of the city. The city's electric distribution system is one of the smallest found in the state of Florida, with an average customer base of approximately 1,015 electric customers and a service territory of 1 ½ square miles.

<b><u>REVENUES:</u></b>	<b><u>2000 Amount</u></b>	<b><u>Percent of Total</u></b>
Electric Sales:	\$1,902,809	92%
Miscellaneous:	\$158,489	8%
<b>TOTAL REVENUES:</b>	<b>\$2,061,298</b>	
<b><u>EXPENDITURES/EXPENSES:</u></b>		
Operations & Maintenance:	\$1,547,435	87%
Interest & Debt Service:	\$1,416	1%
Transfers (out):	\$230,000	12%
<b>TOTAL EXPENDITURES/EXPENSES:</b>	<b>\$1,778,851</b>	

Water: City of Bushnell water system consists of two well fields with a combined rated capacity of 4.8 million gallons per day. Currently, the city's average daily flow is only 11% of maximum rated capacity. The city services customers within and out of its municipal territory, with an average customer base of 730 residential and 248 commercial customers.

<b><u>REVENUES:</u></b>	<b><u>2000 Amount</u></b>	<b><u>Percent of Total</u></b>
Water Sales:	\$418,205	94%
Miscellaneous:	\$27,548	6%
<b>TOTAL REVENUES:</b>	<b>\$445,753</b>	
<b><u>EXPENDITURES/EXPENSES:</u></b>		
Operations & Maintenance:	\$304,635	86%
Interest & Debt Service:	\$11,294	3%
Transfers (out):	\$40,100	11%
<b>TOTAL EXPENDITURES/EXPENSES:</b>	<b>\$356,029</b>	

Sanitation: The City provides sanitation services to customers by residential curbside pick up and commercial rear-loading containers on a twice a week basis. Disposal takes place at the Sumter County recycling and composting facility. Sanitation service is provided only to customers inside the City limits. The sanitation customer base for fiscal year 2000 is 736 residential and 177 commercial.

<b><u>REVENUES:</u></b>	<b><u>2000 Amount</u></b>	<b><u>Percent of Total</u></b>
Sanitation Sales:	\$284,241	97%
Miscellaneous:	\$8,697	3%
<b>TOTAL REVENUES:</b>	<b>\$292,938</b>	
<b><u>EXPENDITURES/EXPENSES:</u></b>		
Operations & Maintenance:	\$321,861	99%
Interest & Debt Service:		
Transfers (out):	\$2,686	1%
<b>TOTAL EXPENDITURES/EXPENSES:</b>	<b>\$324,547</b>	

*Special Revenues:*

The Bushnell Evergreen Cemetery: The Cemetery fund is a fund created for the purpose of operating and maintaining the Bushnell Evergreen Cemetery. Under Section 9-1 through 9-26 in Chapter 9 of the Code of Ordinance's, the city is required to fund the maintenance on a perpetual basis for the Cemetery.

<b><u>REVENUES:</u></b>	<b><u>2000 Amount</u></b>	<b><u>Percent of Total</u></b>
Lot Sales & Contributions:	\$28,175	55%
Miscellaneous:	\$23,274	45%
<b>TOTAL REVENUES:</b>	<b>\$50,354</b>	
<b><u>EXPENDITURES/EXPENSES:</u></b>		
Operations & Maintenance:	\$24,431	100%
<b>TOTAL EXPENDITURES/EXPENSES:</b>	<b>\$24,431</b>	

*Pension Plan & Trust Fund Operations:*

The City of Bushnell provides its employees with retirement benefits. Employees hired after January 1, 1996 are on the Regular Employees Pension Plan (REPP). Police Officers hired after January 1, 1996 were placed on the Police Officers Pension Plan (POPP). The POPP is a Chapter 185 plan which entitles the City to the .85% insurance premium tax on real estate. Both plans are defined benefit plans, with similar benefits as offered by the Florida Retirement System (FRS). The REPP is currently contributed to at 9.6%. The POPP is currently

contributed to at 22.1% with a 1% contribution from the employee. Contributions are calculated on the employee's salary.

The City of Bushnell offers a deferred compensation plan defined by the IRS as a 457 B. Participation within this plan is voluntary. Participating employees currently receive a 10% match from the city on money deposited into the plan. The investments within this plan are self directed by the employee and maintained by the Nationwide Retirement Solutions Inc., formerly the Public Employee Benefit Service Corporation.

#### *Debt Administration:*

All funds of the City of Bushnell have significantly low levels of debt. The 1976 Bond Series of the City combined Water & Electric System was defeased two years ahead of schedule in October 1997 which significantly decreased debt service within these respective funds.

The electric and water departments have participated in a pooled loan program with Florida Municipal Power Agency. This program enabled the City of Bushnell to finance certain improvements in the electric & water systems. This program offers a variable interest rate, which is monitored by staff on an ongoing basis with the program consistently yielding favorable interest rates.

All other debts of the City are secured through local lending institutions and are usually for short-term fixed interest rate.

#### *Cash Management:*

Cash accounts during the year 2000 were invested in demand deposits, certificates of deposit, and pooled investments. The pension trust fund's investments were within certificates of deposits and mutual funds. The average yield on investments, except for the pension trust fund, was 6.0%. The pension trust fund achieved a yield rate of 5.0% for the same period. The city earned interest revenue of \$115,129 on all investments for the year ended September 30, 1999.

The city's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held either by the city, its agent or financial institution's trust department in the government's name.

#### *Risk Management:*

The City of Bushnell participates in a managed care program for workers' compensation. This program provides the city with a system that controls fraud and routes medical services. By participating within this managed care program, a premium credit was provided by the carrier. In addition, various risk control techniques, including employee accident prevention training, are ongoing programs intended to minimize accident-related losses. Coverage is currently maintained for workers' compensation claims through the Florida League of Cities.

## OTHER INFORMATION

### *Independent Audit:*

State statutes require an annual audit by independent certified public accountants. The accounting firms of Shumacker, Johnston & Ross P.A. and Linda L. Thigpen P.A. were selected by the City of Bushnell's to complete this year's audit. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules are included in the financial section of the report.

### *Awards:*

*Safety Award:* The City has received numerous electric safety awards. The first safety award was presented to the City by the Florida Municipal Electric Agency to the Utility Department for recognition of a perfect safety record without reports of accidents. The City has received this award for 14 consecutive years.

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

*Outstanding Rural Community:* The State of Florida issued its first annual Outstanding Rural Community Award of the Year to the City of Bushnell. This award highlights one rural community with population under 8,000 for a project that significantly impacts the community's quality of life. In 1992, the City of Bushnell submitted the Kenny Dixon Sports Complex as the project for this award.

### *Acknowledgments:*

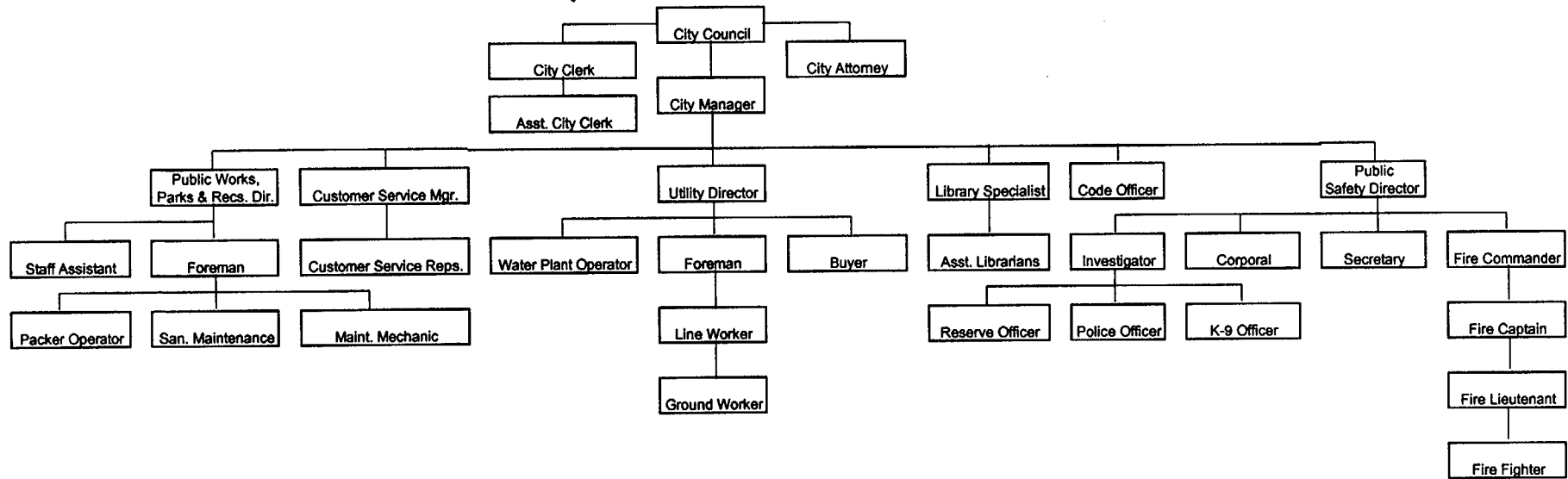
The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Administrative Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We should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

Sincerely,

Joy Coleman,  
City Clerk/Finance Director

Vince Ruano,  
City Manager

City of Bushnell  
Organizational Chart



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## **FINANCIAL SECTION**

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**Shumacker, Johnston & Ross, PA**

**Certified Public Accountants**

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Robert E. Johnston, CPA  
W. Chet Ross, CPA

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**INDEPENDENT AUDITOR'S REPORT**

January 31, 2001

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

We have audited the accompanying general-purpose financial statements and the combining and individual fund and account group financial statements of the City of Bushnell, Florida as of September 30, 2000, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the City of Bushnell's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

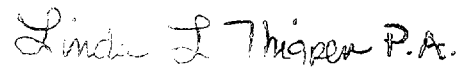
In our opinion, the general-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the City of Bushnell, Florida as of September 30, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining and individual fund and account group financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Bushnell, Florida as of September 30, 2000 and the results of operations of such funds and the cash flows of individual proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2001 on our consideration of the City of Bushnell's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole and on the combining and individual fund and account group financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole. The accompanying information listed under Statistical Section in the table of contents is presented for the purpose of additional analysis and is not a required part of the financial statements of the City of Bushnell, Florida. Such information has not been subjected to the auditing procedures applied in the audit of the general-purpose, combining and individual fund and account group financial statements, and, accordingly, we express no opinion on it.



Shumacker, Johnston & Ross, PA



Linda L. Thigpen, PA

## **GENERAL-PURPOSE FINANCIAL STATEMENTS**

### **(Combined Statements - Overview)**

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**These basic financial statements provide a summary overview of the financial position of all funds and account groups as well as the operating results of all funds. They also serve as an introduction to the more detailed statements and schedules that follow in the next subsection.**

CITY OF BUSHNELL, FLORIDA  
COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 2000  
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1999)

Exhibit 1  
(Page 1 of 2)

	GOVERNMENTAL FUND TYPES		PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	ENTERPRISE	PENSION TRUST	GENERAL FIXED ASSETS	GENERAL LONG TERM DEBT	2000	1999
<u>ASSETS AND OTHER DEBITS</u>								
Assets:								
Cash	\$ 325,125	\$ 430,797	\$ 1,959,488	\$ 16,058	\$ -	\$ -	\$ 2,731,468	\$ 2,726,223
Investments	-	-	-	120,874	-	-	120,874	24,191
Receivables:								
Taxes	48,059	-	-	-	-	-	48,059	69,604
Other Receivables	90	-	-	-	-	-	90	20
Accounts (Net of allowance for uncollectibles - \$2000)	-	-	354,150	-	-	-	354,150	352,356
Deferred Debit	-	-	61,200	-	-	-	61,200	-
Due from Other Governments	94,398	-	57,135	-	-	-	151,533	73,557
Due from Other Funds	748	-	5,717	-	-	-	6,465	10,183
Advances to Other Funds	250,000	-	-	-	-	-	250,000	-
Inventories	-	-	204,827	-	-	-	204,827	182,664
Restricted Assets:								
Cash	-	-	200,951	-	-	-	200,951	174,278
Property and Equipment (Net, where applicable, of accumulated depreciation)	-	-	3,255,573	-	2,955,008	-	6,210,581	5,499,116
Other Assets	-	-	4,572	-	-	-	4,572	4,858
Other Debits:								
Amount to be Provided for Retirement of General Long- Term Debt	-	-	-	-	-	734,747	734,747	430,004
Total Assets and Other Debits	<u>\$ 718,420</u>	<u>\$ 430,797</u>	<u>\$ 6,103,613</u>	<u>\$ 136,932</u>	<u>\$2,955,008</u>	<u>\$ 734,747</u>	<u>\$11,079,517</u>	<u>\$ 9,547,054</u>

CITY OF BUSHNELL, FLORIDA  
COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 2000  
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1999)

Exhibit 1  
(Page 2 of 2)

	GOVERNMENTAL FUND TYPES		PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	ENTERPRISE	PENSION TRUST	GENERAL FIXED ASSETS	GENERAL LONG TERM DEBT	2000	1999
<u>LIABILITIES AND FUND EQUITY</u>								
Liabilities:								
Accounts Payable	\$ 45,718	\$ 2,043	\$ 173,041	\$ -	\$ -	\$ -	\$ 220,802	\$ 188,163
Other Accrued Liabilities	21,796	-	32,195	-	-	-	53,991	87,941
Due to Other funds	1,921	345	3,795	403	-	-	6,464	10,183
Deferred Revenue/Deferred Credits	-	1,227	-	-	-	-	1,227	18,790
Deposits	1,300	2,925	-	-	-	-	4,225	3,449
Payable From Restricted Assets:								
Customer Deposits	-	-	93,888	-	-	-	93,888	83,838
CR-3 Decommissioning Deferred Credit	-	-	107,018	-	-	-	107,018	90,395
Notes Payable	-	-	362,970	-	-	664,081	1,027,051	698,988
Compensated Absences Payable	-	-	73,142	-	-	70,666	143,808	130,846
Advance From Other Fund	-	-	250,000	-	-	-	250,000	-
Total Liabilities	<u>70,735</u>	<u>6,540</u>	<u>1,096,049</u>	<u>403</u>	<u>-</u>	<u>734,747</u>	<u>1,908,474</u>	<u>1,312,593</u>
Equity and Other Credits:								
Contributed Capital	-	-	1,616,747	-	-	-	1,616,747	1,259,549
Investment in General Fixed Assets	-	-	-	-	2,955,008	-	2,955,008	2,659,633
Retained Earnings:								
Unreserved	-	-	3,390,817	-	-	-	3,390,817	3,054,146
Fund Balances:								
Reserved	5,515	424,257	-	136,529	-	-	566,301	512,452
Unreserved	642,170	-	-	-	-	-	642,170	748,681
Total Equity and Other Credits	<u>647,685</u>	<u>424,257</u>	<u>5,007,564</u>	<u>136,529</u>	<u>2,955,008</u>	<u>-</u>	<u>9,171,043</u>	<u>8,234,461</u>
Total Liabilities, Equity and Other Credits	<u>\$ 718,420</u>	<u>\$ 430,797</u>	<u>\$ 6,103,613</u>	<u>\$ 136,932</u>	<u>\$ 2,955,008</u>	<u>\$ 734,747</u>	<u>\$ 11,079,517</u>	<u>\$ 9,547,054</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES--ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

Exhibit 2

	GENERAL	SPECIAL REVENUE	TOTALS (MEMORANDUM ONLY)	
			2000	1999
Revenues:				
Taxes	\$ 752,375	\$ -	\$ 752,375	\$ 741,281
Licenses & Permits	10,120	-	10,120	5,093
Intergovernmental	279,018	-	279,018	264,442
Grant Revenue	46,546	3,773	50,319	6,840
Charges for Services	15,675	-	15,675	19,398
Fines & Forfeitures	28,262	-	28,262	39,109
Interest & Miscellaneous	79,715	38,948	118,663	104,625
Total Revenues	<u>1,211,711</u>	<u>42,721</u>	<u>1,254,432</u>	<u>1,180,788</u>
Expenditures:				
Current:				
General Government	363,274	-	363,274	306,366
Public Safety	505,189	-	505,189	440,907
Physical Environment	-	28,203	28,203	33,001
Transportation	325,582	-	325,582	431,133
Economic Environment	15,000	-	15,000	12,000
Culture & Recreation	329,453	-	329,453	264,934
Debt Service	63,078	-	63,078	43,069
Total Expenditures	<u>1,601,576</u>	<u>28,203</u>	<u>1,629,779</u>	<u>1,531,410</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(389,865)</u>	<u>14,518</u>	<u>(375,347)</u>	<u>(350,622)</u>
Other Financing Sources (Uses):				
Operating Transfers In	290,100	11,041	301,141	305,273
Operating Transfers Out	<u>(11,041)</u>	<u>-</u>	<u>(11,041)</u>	<u>(13,889)</u>
Total Other Financing Sources	<u>279,059</u>	<u>11,041</u>	<u>290,100</u>	<u>291,384</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>(110,806)</u>	<u>25,559</u>	<u>(85,247)</u>	<u>(59,238)</u>
Fund Balances, Beginning of Year	<u>758,491</u>	<u>398,698</u>	<u>1,157,189</u>	<u>1,216,427</u>
Fund Balances, End of Year	<u>\$ 647,685</u>	<u>\$ 424,257</u>	<u>\$ 1,071,942</u>	<u>\$ 1,157,189</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES--BUDGET AND ACTUAL -  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2000

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:						
Taxes	\$ 736,175	\$ 752,375	\$ 16,200	\$ -	\$ -	\$ -
Licenses and Permits	5,450	10,120	4,670	-	-	-
Intergovernmental	277,468	279,018	1,550	-	-	-
Grant Revenue	50,000	46,546	(3,454)	-	3,773	3,773
Charges for Services	18,850	15,675	(3,175)	-	-	-
Fines and Forfeits	31,387	28,262	(3,125)	-	-	-
Interest and Miscellaneous	54,184	79,715	25,531	35,500	38,948	3,448
Total Revenues	<u>1,173,514</u>	<u>1,211,711</u>	<u>38,197</u>	<u>35,500</u>	<u>42,721</u>	<u>7,221</u>
Expenditures:						
Current:						
General Government	379,535	384,028	(4,493)	-	-	-
Public Safety	501,821	505,189	(3,368)	-	-	-
Physical Environment	-	-	-	28,290	28,203	87
Transportation	350,496	367,906	(17,410)	-	-	-
Economic Environment	12,000	15,000	(3,000)	-	-	-
Culture and Recreation	345,347	329,453	15,894	-	-	-
Total Expenditures	<u>1,589,199</u>	<u>1,601,576</u>	<u>(12,377)</u>	<u>28,290</u>	<u>28,203</u>	<u>87</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(415,685)</u>	<u>(389,865)</u>	<u>25,820</u>	<u>7,210</u>	<u>14,518</u>	<u>7,308</u>
Other Financing Sources (Uses):						
Operating Transfers In	289,100	290,100	1,000	10,500	11,041	541
Operating Transfers Out	(12,500)	(11,041)	1,459	-	-	-
Total Other Financing Sources (Uses)	<u>276,600</u>	<u>279,059</u>	<u>2,459</u>	<u>10,500</u>	<u>11,041</u>	<u>541</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(139,085)</u>	<u>(110,806)</u>	<u>28,425</u>	<u>17,710</u>	<u>25,559</u>	<u>7,849</u>
Fund Balances, Beginning of Year	<u>545,153</u>	<u>758,491</u>	<u>213,338</u>	<u>398,698</u>	<u>398,698</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 406,068</u>	<u>\$ 647,685</u>	<u>\$ 241,763</u>	<u>\$ 416,408</u>	<u>\$ 424,257</u>	<u>\$ 7,849</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
 RETAINED EARNINGS—ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

Exhibit 4

		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	2000	1999
Operating Revenues:			
Charge for Services	\$ 2,702,521	\$ 2,702,521	\$ 2,514,345
Operating Expenses:			
Cost of Sales and Services	1,657,282	1,657,282	1,436,222
Administration	310,333	310,333	276,352
Depreciation	191,302	191,302	188,377
Total Operating Expenses	2,158,917	2,158,917	1,900,951
Operating Income	543,604	543,604	613,394
Non-Operating Revenues (Expenses):			
Interest Income	99,992	99,992	65,283
Interest Expense	(16,539)	(16,539)	(12,874)
Other Debt Service Costs	(286)	(286)	(1,895)
Total Non-Operating Revenues (Expenses)	83,167	83,167	50,514
Net Income Before Transfers	626,771	626,771	663,908
Transfers to Other Funds:			
Operating Transfers Out	(290,100)	(290,100)	(291,384)
Net Income	336,671	336,671	372,524
Retained Earnings, Beginning of Year	3,054,146	3,054,146	2,681,622
Retained Earnings, End of Year	\$ 3,390,817	\$ 3,390,817	\$ 3,054,146

The notes to the financial statements are an integral part of this statement.

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CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

Exhibit 5  
 (Page 1 of 2)

		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	2000	1999
Cash Flows From Operating Activities:			
Cash Received From Customers	\$ 2,715,081	\$ 2,715,081	\$ 2,583,180
Cash Paid to Employees	(464,852)	(464,852)	(266,256)
Cash Paid to Suppliers	(1,558,458)	(1,558,458)	(1,509,325)
Net Cash Provided By Operating Activities	691,771	691,771	807,599
Cash Flows From Noncapital Financing Activities:			
Operating Transfers Out to Other Funds	(290,100)	(290,100)	(291,384)
Deferred Credit CR-3 Decommissioning	16,623	16,623	7,466
Net Cash Used In Noncapital Financing Activities	(273,477)	(273,477)	(283,918)
Cash Flows From Capital and Related Financing Activities:			
Advance From Other Fund	250,000	250,000	-
Acquisition and Construction of Capital Assets	(607,393)	(607,393)	(291,670)
Principal Payments on Notes	(68,600)	(68,600)	(64,082)
Interest Paid	(13,749)	(13,749)	(12,874)
Contributed Capital	313,932	313,932	51,601
Proceeds of Note	90,000	90,000	-
Net Cash Used In Capital and Related Financing Activities	(35,810)	(35,810)	(317,025)
Cash Flows From Investing Activities:			
Interest Received	99,992	99,992	65,283
Net Increase in Cash and Cash Equivalents	482,476	482,476	271,939
Cash and Cash Equivalents, Beginning of Year	1,677,918	1,677,918	1,405,979
Cash and Cash Equivalents, End of Year	<u>\$ 2,160,394</u>	<u>\$ 2,160,394</u>	<u>\$ 1,677,918</u>
Presented in the accompanying Combined Balance Sheet as:			
Unrestricted Cash	\$ 1,959,488	1,959,488	\$ 1,503,685
Restricted Cash	200,906	200,906	174,233
Total Cash	<u>\$ 2,160,394</u>	<u>\$ 2,160,394</u>	<u>\$ 1,677,918</u>

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

Exhibit 5  
 (Page 2 of 2)

		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE	2000	1999
Reconciliation of Operating Income to Net			
Cash Provided by Operating Activities:			
Operating Income	\$ 543,604	\$ 543,604	\$ 613,394
Adjustments to reconcile operating income			
to net cash provided by operating activities:			
Depreciation	191,302	191,302	188,377
(Increase) Decrease in Accounts Receivable	(1,794)	(1,794)	51,947
(Increase) Decrease in Deferred Debits	(61,200)	(61,200)	-
(Increase) Decrease in Due From Other Funds	4,305	4,305	21,065
(Increase) Decrease in Inventories	(22,163)	(22,163)	(9,572)
Increase (Decrease) in Accounts Payable	25,249	25,249	(13,642)
Increase (Decrease) in Other Accrued Expenses	(10,146)	(10,146)	8,667
Increase (Decrease) in Due to Other Funds	-	-	(15,390)
Increase (Decrease) in Deferred Credit	(2,318)	(2,318)	(36,660)
Increase (Decrease) in Due From Other Governments	-	-	(13,868)
Increase (Decrease) in Compensated			
Absences Payable	14,882	14,882	3,590
Increase (Decrease) in Customer Deposits	10,050	10,050	9,691
Total Adjustments	148,167	148,167	194,205
Net Cash Provided by Operating			
Activities	\$ 691,771	\$ 691,771	\$ 807,599

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF CHANGES IN NET PLAN ASSETS  
 PENSION TRUST FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

Exhibit 6

	PENSION TRUST FUNDS		TOTALS	
	GENERAL	POLICE	(MEMORANDUM ONLY)	
	EMPLOYEES'	OFFICERS'		
	RETIREMENT	RETIREMENT	2000	1999
	FUND	FUND		
Additions:				
Contributions:				
Employer	\$ 21,963	\$ -	\$ 21,963	\$ 15,721
Employee	-	1,251	1,251	927
State	-	7,379	7,379	20,190
Miscellaneous	-	-	-	(3)
Total Contributions	21,963	8,630	30,593	36,835
Investment Income:				
Interest and Dividend Income	1,028	4,023	5,051	1,963
Net Appreciation (Depreciation) in Fair Value of Investments	(383)	(2,455)	(2,838)	(852)
Total Investment Income	645	1,568	2,213	1,111
Total Additions	22,608	10,198	32,806	37,946
Deductions:				
Termination Payments	-	176	176	-
Miscellaneous	-	43	43	-
Total Deductions	-	219	219	-
Net Increase	22,608	9,979	32,587	37,946
Net Assets Held in Trust for Pension Benefits:				
Beginning of Year	27,739	76,205	103,944	65,998
End of Year	\$ 50,347	\$ 86,184	\$ 136,531	\$ 103,944

The notes to the financial statements are an integral part of this statement.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Bushnell (the "City") is a political subdivision of the State of Florida located in Sumter County. The City operates under a council - manager form of government. The legislative branch of the City is composed of a four (4) member elected Council, and an elected mayor. The Mayor and City Council are governed by the City Charter by state and local laws and regulations. The Mayor and City Council are responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Manager. The City provide services to its residents in many areas, including public safety (police and fire), highways and streets, utilities, sanitation, culture and recreation, public improvements, and general administrative services.

The accompanying general purpose financial statements present the combined financial positions and results of operations of the various fund types and account groups and the cash flows of the proprietary fund types for all funds of the City.

The following policies of the City conform to generally accepted accounting principals as applicable to governments. The following is a summary of the significant policies.

**Reporting Entity**

The accompanying financial statements present the financial position, results of operations and cash flows of the applicable fund types and account groups governed by the Mayor and City Council of the City of Bushnell, Florida. The reporting entity for the City includes all functions of government for which the Mayor and City Council are considered to be financially accountable.

Based upon the application of the criteria as set forth in Government Accounting Standards Board Statement Number 14, *The Financial Reporting Entity*, there are no potential component units or related organizations of the City.

**Basis of Presentation**

The City maintains its accounting records in accordance with the principals and policies applicable to governmental units set forth by the Governmental Accounting Standards Board (GASB), as well as generally accepted accounting principals (GAAP) as promulgated by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board (FASB). The proprietary funds do not apply FASB statements and interpretations issued after November 30, 1989.

**Fund Accounting**

The accounting system and financial reports of the City are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fund and Account Group Categories**

The categories of funds and account groups of the City are summarized as follows:

Governmental fund types are those through which most government functions typically are financed. The acquisition, use, and balances of expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental type funds. Governmental funds used by the City are as follows:

- **General Fund** - To account for all financial resources which are not required to be accounted for in another fund.
- **Special Revenue Funds** - To account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Proprietary funds are used to account for the City's ongoing activities which are similar to those found in the private sector.

- **Enterprise Funds** - To account for activities that are operated in a manner similar to private businesses where the costs of providing goods and services are primarily recovered through user charges.

Fiduciary fund types are used to account for assets held in a trustee capacity for others.

- **Pension Trust Funds** - To account for the accumulation of resources to be used for retirement payments to employees.

Account groups record and control the City's general fixed assets and general long-term debt. The account groups are not funds and do not reflect available financial resources and related liabilities. The following account groups are maintained by the City:

- **General Fixed Assets** - To account for property and equipment not used in proprietary fund operations.
- **General Long-Term Debt** - To account for unmatured principal of long-term special obligation indebtedness, notes and capital leases payable, and compensated absences which are not the specific liability of a proprietary fund.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)**

**Measurement Focus**

Governmental fund types (general and special revenue) are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheets. Reported fund balance (net current assets) is considered a measure of "available, spendable, or appropriable resources." Governmental fund type operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Proprietary fund types are accounted for on a "cost of services" or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activity are included on its balance sheet to provide an indication of the economic net worth of the funds. The reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. The proprietary fund types operating statement presents increases (revenues) and decreases (expenses) in net total assets.

Fiduciary fund types are accounted for like proprietary funds.

**Basis of Accounting**

Governmental fund type revenues and expenditures are recognized on the modified accrual basis. This method recognizes revenues in the accounting period in which the fund liability is incurred (except unmatured interest on general long-term debt, which is recognized when due).

Governmental fund type revenues that are susceptible to accrual include utility service taxes, franchise fees, federal and state shared revenues, and reimbursements from grants for authorized expenditures through September 30.

Proprietary fund revenues and expenses are recognized on the accrual basis. Revenues are recorded when earned, and expenses are recorded when incurred.

Fiduciary funds of the City consist of pension trust funds which are accounted for on the accrual basis.

**Transfers**

Transfers are recognized in the accounting period in which the interfund receivable and payable arise. Transfers are made from the utility funds to finance operations of the general fund.

**Grants - Proprietary Funds**

Unrestricted grants, entitlements or shared revenues received are reported as nonoperating revenues. Such resources externally restricted for capital acquisitions or construction are reported as contributed capital. Operating expenses include depreciation on all depreciable fixed assets (including those financed by grants).

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (continued)**

**Cash and Cash Equivalents**

The City considers all demand deposits as well as all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

**Investments**

In all funds, except the pension trust funds, investments are stated at amortized cost. The investments of the pension trust funds are stated at fair value.

**Receivables**

Utility operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered after the last billing date and up to September 30 is estimated and accrued at year end.

**Inventories and Prepaid Items**

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

**Cost Reimbursements**

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

**Proprietary Fund Fixed Assets**

Proprietary fund fixed assets are recorded at historical cost. Donated fixed assets are recorded at fair market value on the date received. Depreciation is computed by the straight-line method over the estimated useful lives of the assets as follows:

	<u>Useful Lives</u>
<b>Electric Utility Fund</b>	
Buildings	32 Years
Improvements Other Than Buildings	25 to 40 Years
Machinery, Equipment and Vehicles	6 to 12 Years
Investment in Crystal River No. 3 Nuclear Plant	28 Years
<b>Water Utility Fund</b>	
Improvements Other Than Buildings	25 to 101 Years
Buildings	50 Years
Equipment	25 Years
<b>Sanitation Fund</b>	
Equipment	7 Years

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**General Fixed Assets**

General fixed assets purchased are recorded as expenditures in the governmental fund types at the time of purchase. Such assets are capitalized at cost in the general fixed assets account groups. The City's policy is not to capitalize public domain fixed assets such as streets, right-of-ways, sidewalks, drainage systems and similar assets. Donated fixed assets are valued at their estimated fair market value at the time of acquisition. Depreciation is not provided on general fixed assets.

**Bond Discounts and Issuance Cost**

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

**Compensated Absences**

Accumulated unpaid vacation and sick pay benefit amounts are accrued in the period they are earned in proprietary funds (using the accrual basis of accounting). Such amounts are accrued in governmental funds (General Fund) to the extent of the amount left unpaid at the end of the reporting period that would normally be liquidated with expendable and available financial resources. The remainder of the liability is reported in the General Long-Term Debt Account Group.

The policy as of September 30, 2000 is to vest up to a maximum accumulation of 1,040 hours of sick leave. Upon voluntary termination, 50% of the accumulated hours are paid to the employee (75% for long-term employees with twenty or more years of full-time service). The City accrues 100% of unpaid vacation pay and 50% of accumulated unpaid sick pay at the employee's current pay rate.

**Encumbrances**

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

**Deferred Revenues**

Deferred revenues include amounts collected before the revenue recognition criteria are met and receivables which, under the modified accrual basis of accounting, are measurable but not yet available. The deferred revenues will be recognized as revenue in the fiscal year they are earned or become available. The deferred items consist primarily of grant revenues, over collected electric power cost adjustments, and for monies collected for use in future decommissioning of the Crystal River No. 3 Nuclear Power Plant.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Reserves**

Fund balances are reserved as follows:

**General Fund**

Reserved for Drug Interdiction	<u>\$ 5,515</u>
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**Special Revenue Funds**

Reserved for Perpetual Care - Cemetery	<u>\$ 424,257</u>
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**Pension Trust Funds**

Reserved for Pension Benefits	<u>\$ 136,529</u>
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**Budgeting**

The City's procedures in preparing and adopting the annual budget are as follows:

- The City Manager is responsible for preparing a proposed operating budget for all governmental funds and proprietary funds for the upcoming year prior to September 30, that includes estimated revenues, proposed expenditures, and other financing sources and uses.
- Public hearings are held to obtain taxpayer comments and suggestions. The budget is enacted through passage of a resolution.
- The City Manager is authorized to transfer budgeted amounts within any fund, but may not revise total fund expenditures without the approval of City Council. The budgetary data presented is in agreement with the originally adopted budget as amended by the City Council.
- Formal budgetary integration is employed as a management control device during the year for substantially all funds. Budgets are adopted on a basis consistent with generally accepted accounting principals, except that the provision for depreciation expense is not included in the budget of the proprietary funds. Total budgeted appropriations within a governmental fund type may not be exceeded legally. Appropriations lapse at the end of the year. Budget data, when presented in the general-purpose financial statements is prepared on the same basis of accounting as that prescribed for the fund. A 1999 annual operating budget was not prepared for the Pension Trust Funds.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

During the year, the City made supplemental budget appropriations which increased or decreased the budgets as indicated below:

<b><u>Governmental Funds</u></b>	<b><u>Original Adopted</u></b>	<b><u>Final Amended</u></b>	<b><u>Increase (Decrease)</u></b>
General Fund	\$1,614,341	\$1,601,699	\$ (12,642)
Special Revenue Funds	<u>46,000</u>	<u>46,000</u>	<u>-</u>
<b>Total Governmental Funds</b>	<b><u>\$1,660,341</u></b>	<b><u>\$1,647,699</u></b>	<b><u>\$ (12,642)</u></b>

<b><u>Proprietary Funds</u></b>	<b><u>Original Adopted</u></b>	<b><u>Final Amended</u></b>	<b><u>Increase (Decrease)</u></b>
Enterprise Funds	<u>\$2,692,226</u>	<u>\$2,650,151</u>	<u>\$ (42,075)</u>
<b>Total Proprietary Funds</b>	<b><u>\$2,692,226</u></b>	<b><u>\$2,650,151</u></b>	<b><u>\$ (42,075)</u></b>

**Water Line Extension Charges**

Water line extension charges are made to customers to cover the full cost of the addition. Such charges are recorded as an equity contribution. Costs of the extension are reported as property and equipment and depreciated over the estimated useful life of the asset.

**Fund Equity**

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

**Total Columns on Combined Statements**

Total columns on the combined statements are captioned "Totals (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Comparative Data**

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand. Minor reclassifications of 1999 amounts have been made to enhance comparison to 2000.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property Taxes**

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method statewide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2000 was 1.899 mills.

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

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

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

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

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

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

**NOTE 2 DEPOSITS AND INVESTMENTS**

**Deposits**

At September 30, 2000, the carrying amount of the City's cash deposits was \$2,932,419 and the bank balance was \$3,016,404. All cash deposits were held in qualified public depositories and were covered by federal depository insurance or by the Florida Security for Public Deposits Act (the Act); Chapter 280 of the Florida Statutes. The Act established a multiple financial institution collateral pool with the ability to assess member institutions to satisfy the claims of governmental entities if any member financial institution fails. This ability to assess provides protection which is similar to depository insurance.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 2 DEPOSITS AND INVESTMENTS (continued)**

**Investments**

Florida Statutes authorize the investment of funds in certificates of deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the United States Government, instruments guaranteed by the United States Government, and money market funds registered with the Securities Exchange Commission. Investments may also include repurchase agreements collateralized by U.S. Treasury Securities and Market-to-Market, and deposits with the State Board of Administration pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act. The City is further authorized to invest in securities of, or other interests in, any open-ended or close-ended management type investment company or investment trust registered under the Investment Company Act of 1940, 15 United States Code. Revenue bond covenants also restrict the type and maturities of investments in bond-related funds.

Assets of the General Employee's Pension Trust Fund and Police Officer's Pension Trust Fund may be invested in accordance with Florida Statutes as previously described.

Certain City investments, such as investment pools managed by other governments, cannot be categorized because the City's investments are not evidenced by specific, identifiable investment securities. Section 218.407, Florida Statutes, authorizes the City to participate in the State Board of Administration investment pool located in Tallahassee, Florida. The State Board of Administration deposits are maintained in an investment pool which invests primarily in commercial paper, repurchase agreements, bankers acceptance notes, and U.S. Government obligations.

Level of credit risk assigned to the investments and their level of risk exposure at September 30, 2000, were typical of these items held during the fiscal year then ended.

Governmental investments are generally required to be categorized as either: (1) insured or registered for which the securities are held by the City or its agent in the City's name; (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the City's name; or (3) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent, but not in the City's name. Throughout the fiscal year the City invested only in types of investments as listed below:

<u>Investment Description</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Fair Value</u>
Pension Trust Fund Investments:				
Corporate Stocks	\$ -	\$ 120,874	\$ -	\$ 120,874
Total Investments	<u>\$ -</u>	<u>\$ 120,874</u>	<u>\$ -</u>	<u>\$ 120,874</u>

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

**NOTE 3 RESTRICTED ASSETS**

**Nuclear Decommissioning**

The Florida Public Service Commission requires utilities to set aside monies to pay the estimated future cost of dismantling or decommissioning nuclear power plants. The City has set aside such monies in the custody account with a third party trustee.

**Customer Deposits**

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

**NOTE 4 PROPERTY, PLANT AND EQUIPMENT**

**Changes in General Fixed Assets**

The following is a summary of changes in general fixed assets during the fiscal year:

	Balance October 1 1999	Additions	Deletions and Transfers	Balance September 30 2000
Land	\$ 486,370	\$ -	\$ -	\$ 486,370
Buildings	672,934	32,391	-	705,325
Improvement Other Than Buildings	508,691	30,536	-	539,227
Machinery and Equipment	991,638	232,448	-	1,224,086
Total	<u>\$2,659,633</u>	<u>\$ 295,375</u>	<u>\$ -</u>	<u>\$ 2,955,008</u>

The following is a summary of the Proprietary Fund Type plant, property and equipment at September 30, 2000:

	Electric Utility Fund	Water Utility Fund	Waste Water Fund	Sanitation Fund	Totals
Land	\$ 2,300	\$ 18,090	\$ -	\$ -	\$ 20,390
Buildings	230,544	439,541	-	-	670,085
Improvements Other Than Buildings	1,903,780	1,187,846	-	-	3,091,626
Machinery and Equipment	337,103	528,717	-	315,009	1,180,829
Construction in Progress	-	-	390,318	-	390,318
Total	2,473,727	2,174,194	390,318	315,009	5,353,248
Less: Accumulated Depreciation	(1,098,195)	(795,266)	-	(204,214)	(2,097,675)
Net	<u>\$ 1,375,532</u>	<u>\$ 1,378,928</u>	<u>\$ 390,318</u>	<u>\$ 110,795</u>	<u>\$ 3,255,573</u>

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

**NOTE 5 ENTERPRISE FUNDS LONG-TERM LIABILITIES**

The following is a summary of all long-term liabilities of the Enterprise Funds at September 30, 2000.

- **Florida Municipal Power Agency (FMPA) - Initial Pooled Loan Project**  
The City has entered into a financing agreement with the FMPA. Interest is payable at a variable rate (currently 3.40% plus a 0.60% administration fee). Final maturity is July 1, 2011. \$ 261,000
  - **Sanitation Fund Note Payable - SunTrust Bank**  
During 2000, the City borrowed \$90,000 from SunTrust to finance the purchase of a sanitation truck. The loan is payable in semi-annual installments of principal in the amount of \$11,500 plus interest at 5.97% per annum, with final maturity on June 1, 2004. 90,000
  - **Water Fund Note Payable - AmSouth Bank of Florida**  
During 1995, the City borrowed \$150,000 from AmSouthBank of Florida to finance construction of 5,800 feet of water main extension along State Road 48. This note is payable in monthly installments of \$1,664 including interest at 5.98% per annum, with final maturity on May 2, 2001. 11,970
- \$ 362,970**

The following represents the debt service requirements to maturity of all the City's Enterprise Funds as of September 30, 2000 including future interest payments.

Year Ending 9/30	Electric Utility Fund	Water Utility Fund		Sanitation Fund	Total
	FMPA Loan	FMPA Loan	AmSouth Bank Note	SunTrust Certificate	
2001	\$ 31,130	\$ 27,014	\$ 12,220	\$ 28,970	\$ 99,334
2002	-	22,287	-	26,657	48,944
2003	-	21,769	-	25,284	47,053
2004	-	26,251	-	21,910	48,161
2005	-	25,560	-	-	25,560
2006	-	24,869	-	-	24,869
2007	-	24,179	-	-	24,179
2008	-	28,488	-	-	28,488
2009	-	27,625	-	-	27,625
2010	-	26,761	-	-	26,761
2011	-	26,898	-	-	26,898
	31,130	281,701	12,220	102,821	427,872
Less:					
Amounts Representing Interest	(557)	(51,274)	(250)	(12,821)	(64,902)
Current Principal Portion	(30,573)	(19,427)	(11,970)	(23,000)	(84,970)
Long-Term Debt	\$ -	\$ 211,000	\$ -	\$ 67,000	\$ 278,000

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 5 ENTERPRISE FUNDS LONG-TERM LIABILITIES (continued)**

**Crystal River III Decommissioning Trust Fund**

Federal law requires that an external trust fund be created to accumulate amounts to pay the future plant decommissioning. The City contributes to a common trust fund, maintained by FMPA, for all its members that own a portion of the Crystal River III Nuclear Generating Unit. As of September 30, 2000 the City has a balance in the trust fund of \$107,018.

**Crystal River III Nuclear Decommission Cost Payable**

The City is responsible for its share of the future costs to decommission the Crystal River III Nuclear Generating Unit. The City is accruing this cost over the expected useful life of the plant. A summary of the activity in the liability account is as follows:

Balance, September 30, 1999	\$ 90,395
2000 Accrual	16,623
Balance, September 30, 2000	<u>\$ 107,018</u>

**NOTE 6 GENERAL LONG-TERM DEBT**

**Bank Note Payable - Community National Bank**

On August 25, 1998, the City borrowed \$290,000 from the Community National Bank of Pasco County, for the purpose of financing the construction of the City's new public works building. The loan is collateralized by a first lien on 50% of the annual local option gas tax revenue, with a minimum annual collateral of \$90,000.

The loan is payable in semi-annual principal payments of \$14,500 plus accrued interest at 4.88% beginning June 1, 1999, and is due December 1, 2008. Annual debt service requirements for the loan are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 29,000	\$ 11,795	\$ 40,795
2002	29,000	10,365	39,365
2003	29,000	8,935	37,935
2004	29,000	7,506	36,506
2005	29,000	6,076	35,076
2006	29,000	4,647	33,647
2007	29,000	3,217	32,217
2008	29,000	1,787	30,787
2009	<u>14,500</u>	<u>357</u>	<u>14,857</u>
	<u>\$ 246,500</u>	<u>\$ 54,685</u>	<u>\$ 301,185</u>

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

**NOTE 6 GENERAL LONG-TERM DEBT (continued)**

**Bank Note Payable - Community National Bank**

On July 15, 1994, the City borrowed \$150,000 from Community National Bank of Pasco County, payable in monthly payments of \$1,597, including interest at 5.00%, beginning August 15, 1994. The loan is due July 15, 2004 and is unsecured. Remaining annual debt service requirements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 16,227	\$ 2,931	\$ 19,158
2002	17,057	2,101	19,158
2003	17,930	1,228	19,158
2004	<u>13,696</u>	<u>292</u>	<u>13,988</u>
	<u>\$ 64,910</u>	<u>\$ 6,552</u>	<u>\$ 71,462</u>

The following is a schedule of changes in General Long-Term Debt for the year ended September 30, 2000.

	<u>Balances</u> <u>10/01/99</u>	<u>Additions</u>	<u>Principal</u> <u>Reductions</u>	<u>Balances</u> <u>9/30/00</u>
Community National Bank	\$ 275,500	\$ -	\$ (29,000)	\$ 246,500
Community National Bank	81,918	-	(17,008)	64,910
Compensated Absences	<u>72,586</u>	<u>-</u>	<u>(1,920)</u>	<u>70,666</u>
	<u>\$ 430,004</u>	<u>\$ -</u>	<u>\$ (47,928)</u>	<u>\$ 382,076</u>

**NOTE 7 CONTRIBUTED CAPITAL**

The changes in the City's contributed capital accounts for its Enterprise (Proprietary) Funds were as follows:

	<u>Electric</u> <u>Utility</u> <u>Fund</u>	<u>Water</u> <u>Utility</u> <u>Fund</u>	<u>Waste</u> <u>Water</u> <u>Fund</u>	<u>Sanitation</u> <u>Fund</u>	<u>Totals</u>
Balance October 1	\$176,874	\$ 1,002,847	\$ 50,379	\$ 29,449	\$ 1,259,549
Additions:					
Capital Contribution from Customers	-	13,507	-	-	13,507
Capital Contribution from State of Florida	-	-	343,692	-	343,692
Adjustments	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
Balance, September 30	<u>\$176,873</u>	<u>\$1,016,354</u>	<u>\$394,071</u>	<u>\$29,449</u>	<u>\$1,616,747</u>

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 8 ELECTRIC POWER AGREEMENTS**

**Crystal River Power Unit No. 3 Participation Agreement**

The City is a participant in an agreement with Florida Power Corporation, which was entered into on July 31, 1975. Under terms of the agreement, the City acquired a 0.0388% ownership interest and generation entitlement share in the nuclear steam electric generating unit. Participants are entitled to energy output of the unit based upon their respective generation entitlement share.

Florida Power Corporation has been appointed by the participants to act as their agent and has sole authority to manage, control, maintain and operate the unit. Operating costs of the unit, in general, are shared in proportion to each generation entitlement share on a monthly basis. Common and external facilities of the generating unit are solely owned by Florida Power Corporation, and participants share in the operating and maintenance expenses of such facilities in proportion to their generation entitlement share.

The participation agreement provides for reversion of the ownership interest of the unit to Florida Power Corporation on August 1, 2050, or upon retirement from service, whichever occurs first. The book value of the investment included in utility plant in service on September 30, 2000, was \$380,168.

**Florida Municipal Power Agency (FMPA)**

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

FMPA is a nonprofit, joint action agency formed pursuant to Florida Statutes Chapter 163, Parts I and II ("The Interlocal Act" and "The Joint Power Act"). FMPA has authority to undertake joint power supply projects and to issue tax-exempt bonds or other obligations to finance or refinance the costs of such projects.

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

The City has elected to participate in the "All Requirements Project", which supplies all the City's power requirements. The agreement will remain in effect until October 1, 2025, with optional successive five-year renewal periods. Power rates charged to the City by FMPA are subject to a majority vote of the Board of Directors of FMPA. In addition, the City has elected participation in the "Pooled Loan Project" in which FMPA issues debt, then loans the money to individual systems to finance utility related projects.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS**

**Florida State Retirement System**

All full-time employees of the City hired prior to January 1, 1996, participate in the Florida State Retirement System (the System). This system was created by the Florida Legislature and is a cost-sharing, multiple-employer defined benefit public retirement plan available to governmental units within the State of Florida. The System issued a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Florida Retirement System, Division of Retirement, 2639-C North Monroe Street, Tallahassee, Florida 32399-1560, or by calling (850) 488-5706.

All full-time employees of the City hired prior to January 1, 1996 are eligible to participate in the System. Special risk employees who retire at or after age 55, with ten years of creditable service; and all other employees who retire at or after age 62, with ten years of creditable service; are entitled to a retirement benefit, payable monthly for life, equal to the product of 1) average monthly compensation in the highest five years of creditable service; 2) creditable service during the appropriate period; and 3) the appropriate benefit percentage. Benefits fully vest on reaching ten years of service. Vested employees may retire after ten years of creditable service and receive reduced retirement benefits. The System also provides death benefits, disability benefits and annual cost-of-living adjustments. Benefits are established by Florida Statute.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers, such as the City, are required to contribute 10.15% of the compensation for regular members, 21.16% for special risk, and 12.13% for senior management through 6/30/00. Beginning 7/01/00, the required contribution rate is changed to 9.15%, 20.29% and 11.13% of the members gross compensation for regular members, special risk and senior management, respectfully. The City's contributions to the System for the years ended September 30, 2000, 1999, 1998, and 1997 are as follows:

<u>Year</u>	<u>Amount</u>
2000	\$ 68,564
1999	\$ 87,620
1998	\$102,925
1997	\$113,744

**Florida State Retirement System Opt-Out**

In December 1995, the City Council approved opting out of the Florida State Retirement System effective with all new employees hired after January 1, 1996. City employees covered under the System at December 31, 1995 will continue to participate in the State System, and the City will continue to make contributions on their behalf.

**Pension Trust Funds**

• **Plan Description**

In January 1996, the City adopted two separate single-employer pension plans, one for police officers, and a general employees' retirement plan that covers substantially all full-time City

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS (continued)**

employees employed after January 1, 1996, pursuant to the City's opt-out of the Florida Retirement System. These plans are maintained as pension trust funds and included as a part of the City's reporting entity. City ordinance and state law requires contributions to be determined by actuarial studies every three years. Both plans had actuarial studies performed on a pro forma basis immediately prior to plan adoption, but not since then. Stand-alone financial reports are not issued.

The general employees' retirement plan covers all full-time employees, except for police officers. The plan is noncontributory, and the City provides the full contribution to fund the plan. The annual pension cost related to the plan includes amortization. Over a thirty-year period, of a prior service cost established October 13, 1995.

The police officers' retirement plan covers all full-time police officers. The plan is contributory and requires participants to contribute 1% of their salary to the plan. The City provides the balance of contributions required after the participants' contributions. In addition, state funds collected under Florida Statutes Chapter 175 and 185 are contributed to the plan. The pension cost of the Police Officers' Retirement Plan includes the amortization, over a thirty-year period, of prior service costs established October 13, 1995.

Substantially all full-time city employees hired on or after January 1, 1996 are eligible to participate in their respective plans. Benefits vest after ten years of credited service for all employees.

- **Annual Pension Cost**

The Board of Trustees of each Plan establishes, and may amend, the contribution requirements of plan members and the City. The City's annual pension cost for the current year and related information for each plan is shown below:

	<u>General Employees'</u>	<u>Police Officers'</u>
Contribution rates:		
Employer	9.60%	23.10%
Employee	-	1.0%
Annual pension cost	\$ 9,719	\$ 14,940
City Contributions made:		
City	21,963	-
Employees	-	1,275
State Premium Tax Refund	-	7,379
Total	<u>\$ 21,963</u>	<u>\$ 8,654</u>

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS (continued)**

Actuarial valuation date	1/1/96
Actuarial cost method	Aggregate
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases ( * )	6.0%
( * ) Includes inflation at	3.0%
Post Retirement COLA	3.0%

• **3-Year Trend Information**

Three year trend information for the plan follows:

Plan	Fiscal Year Ending	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
General Employees'	9/30/00	\$ 9,719	226%	\$ -
	9/30/99	9,719	100%	-
	9/30/98	7,743	100%	-
Police Officers'	9/30/00	\$ 14,940	58%	\$ 6,286
	9/30/99	14,940	141%	-
	9/30/98	8,965	399%	-

• **Funding Progress**

The City has had one actuarial valuation of the funding progress as follows:

Actuarial Valuation Date	Actuarial Value of Assets ( a )	Actuarial Accrued Liability (AAL) Entry Age ( b )	Unfunded AAL (UAAL) c=(b-a)	Funded Ratio d=(a/b)	Covered Payroll ( c )	UAAL as a% of Covered Payroll f=[(b-a)/c]
General Employees' 10/1/98	\$12,061	\$ 12,061	\$ -	100.00%	\$101,222	0.00%
Police Officers' 10/1/98	\$53,556	\$ 53,556	\$ -	100.00%	\$ 67,470	0.00%

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 9 EMPLOYEE RETIREMENT SYSTEMS (continued)**

• **Contributions - Employer and Other**

A six year schedule of contributions from the employer and other contributing entities follows:

Year Ended September 30	Annual Required Contribution	City's Contribution	State's Contribution	Percentage Contributed
General Employees				
2000	\$ 9,719	\$ 21,963	\$ -	225.98%
1999	9,719	15,721	-	161.75%
1998	7,743	7,743	-	100.00%
1997	3,303	3,303	-	100.00%
1996	879	879	-	100.00%
1995	-	-	-	-
Police Officers'				
2000	\$ 14,940	\$ 1,275	\$ 7,379	57.93%
1999	14,940	-	20,190	135.14%
1998	8,965	8,965	26,773	398.64%
1997	5,577	5,577	8,421	251.00%
1996	2,315	2,315	-	100.00%
1995	-	-	-	-

**NOTE 10 RETIREMENT BENEFITS**

The City allows retired employees to participate in the City's health insurance plan. These retirees are responsible for their premium payments. There were no retirees participating in the City's health insurance plan as of 9/30/00.

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

**NOTE 11 OTHER DISCLOSURES**

**A. Segment Information for Enterprise Funds**

The City operates three enterprise funds which provide electric, water, and sanitation services. Segment information for the year ended September 30, 2000, is as follows:

	Electric Utility Fund	Water Utility Fund	Waste Water Fund	Sanitation Fund	Total Enterprise Funds
Operating Revenues	\$ 1,982,195	\$ 434,564	\$ 568	\$ 285,194	\$ 2,702,521
Depreciation Expense	112,186	61,982	-	17,134	191,302
Operating Income (Loss)	434,759	118,638	(13,015)	3,222	543,604
Operating Transfers (Out)	(230,000)	(40,100)	-	(20,000)	(290,100)
Net Income (Loss)	281,446	76,605	(9,659)	(11,721)	336,671
Current Capital Contributions	-	13,507	343,692	-	357,199
Plant, Property and Equipment Additions	148,594	23,724	337,594	97,481	607,393
Deletions, net of accumulated depreciation	-	-	-	-	-
Total Assets	3,332,047	1,808,344	636,839	326,383	6,103,613
Net Working Capital (Deficit)	-	-	-	-	-
Other Long-Term Liabilities					
Payable from Operating Revenue	-	211,000	-	67,000	278,000
Total Fund Equity	2,895,080	1,523,106	384,412	204,966	5,007,564
Total Retained Earnings (Deficit)	2,718,207	506,752	(9,659)	175,517	3,390,817

**B. Interfund Receivables and Payables**

Interfund receivables and payables at September 30, 2000 are as follows:

	Interfund Receivable	Interfund Payables
General Fund	\$ 748	\$ 1,921
Water Utility Fund	750	3,795
Electric Utility Fund	4,451	-
Sanitation Fund	516	-
Police Officers Retirement Fund	-	403
CDBG Fund	-	346
Total Interfund Receivables and Payables	<u>\$ 6,465</u>	<u>\$ 6,465</u>

**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 11 OTHER DISCLOSURES (continued)**

**C. Interfund Transfers**

Interfund transfers at September 30, 2000 are as follow:

	Interfund Transfers In	Interfund Transfers Out
General Fund	\$290,100	\$ 11,041
Electric Utility Fund	-	230,000
Water Utility Fund	-	40,100
Sanitation Fund	-	20,000
Cemetery Fund	11,041	-
<b>Total Interfund Transfers</b>	<u><u>\$301,141</u></u>	<u><u>\$ 301,141</u></u>

**D. Allowances For Doubtful Accounts**

Allowances for doubtful accounts at September 30, 2000 are as follows:

Electric Utility Fund	\$ 1,000
Water Utility Fund	500
Sanitation Fund	<u>500</u>
<b>Total Allowances for Doubtful Accounts</b>	<u><u>\$ 2,000</u></u>

**E. Excess of Operating Expenses Over Budgeted Operating Expenses in Individual Funds**

Excess of operating expenses over appropriations in individual funds are as follows at September 30, 2000:

	Budget	Actual	Operating Expenses (in Excess) of Budgeted Operating Expenses
General Fund	\$1,588,799	\$1,601,430	\$ ( 12,631)
Waste Water Fund	2,250	3,583	( 11,333)
Water Utility	262,418	315,926	( 53,508)
Sanitation Fund	268,727	281,972	( 13,245)
Electric Fund	1,438,521	1,547,436	(108,915)

**F. Deficit retained earnings/fund balances of individual funds at September 30, 2000:**

Wastewater Fund - Retained Earnings (Deficit)	<u><u>\$ ( 9,659 )</u></u>
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**CITY OF BUSHNELL, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2000**

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**NOTE 12 RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City transfers risk of loss through the purchase of commercial insurance from the Florida League of Cities, Inc. and independent agencies. Insurance against losses are provided for the following types of risk:

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

The City's coverage for workers' compensation is under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to date of the City's experience for this type of risk.

There have been no significant reductions in insurance coverage during fiscal year 2000. Settled claims have not exceeded the commercial excess coverages in any of the past three years.

**NOTE 13 CONTINGENCIES**

**Grants**

Amounts received or receivable from grantor agencies are subject to audits and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the City. In the opinion of management, any such adjustments would not be significant.

**Wastewater Treatment Facility**

The United States Department of Agriculture-Rural Development ("USDA") approved a loan and grant to the City for its wastewater project. The amount of the grant is \$2,000,000, and the loan amount is \$2,800,000. The loan is at a 4.75% interest rate and is repayable over a period not exceeding 40 years from the date of the loan closing.

In addition, the City and Sumter County, Florida ("the County") entered into an inter local agreement whereby the County will contribute approximately \$1,000,000 to the capital cost of the system at a rate of \$56,000 per year.

The total cost of the wastewater project is estimated to be \$6,500,000.

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**COMBINING, INDIVIDUAL FUND, AND ACCOUNT  
GROUP STATEMENTS AND SCHEDULES**

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## **GENERAL FUND**

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The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund receives a greater variety and number of taxes than any other fund. The City of Bushnell, Florida General Fund directly services general long term debt.

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
SEPTEMBER 30, 2000 AND 1999

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	<u>2000</u>	<u>1999</u>
<u>ASSETS</u>		
Cash	\$ 325,125	\$ 741,773
Utility Taxes and Franchise Fees Receivable	48,059	69,604
Due From Other Governments	94,398	59,689
Due From Other Funds	748	-
Advance to Wastewater Fund	250,000	-
Other Receivables	<u>90</u>	<u>20</u>
Total Assets	<u>\$ 718,420</u>	<u>\$ 871,086</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 45,718	\$ 40,371
Other Accrued Liabilities	21,796	48,390
Due to Other Funds	1,921	6,388
Deferred Revenue - Library	-	16,472
Deposits	<u>1,300</u>	<u>974</u>
Total Liabilities	<u>70,735</u>	<u>112,595</u>
Fund Balance:		
Reserved for Drug Interdiction	5,515	9,810
Fund Balance--Unreserved	<u>642,170</u>	<u>748,681</u>
Total Fund Balance	<u>647,685</u>	<u>758,491</u>
Total Liability and Fund Balance	<u>\$ 718,420</u>	<u>\$ 871,086</u>

The notes to the financial statements are an integral part of this statement

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
FOR THE YEARS ENDED SEPTEMBER 30, 2000 AND 1999

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	2000	1999
Revenues:		
Taxes	\$ 752,375	\$ 741,281
Licenses and Permits	10,120	5,093
Intergovernmental	279,018	264,442
Grant Revenue	46,546	6,840
Charges for Services	15,675	19,398
Fines and Forfeitures	28,262	39,109
Interest and Miscellaneous	79,715	68,036
Total Revenues	<u>1,211,711</u>	<u>1,144,199</u>
Expenditures:		
Current:		
General Government	363,274	306,366
Public Safety	505,189	440,907
Transportation	325,582	431,133
Economic Environment	15,000	12,000
Culture and Recreation	329,453	264,934
Debt Service:		
Principal	45,663	27,923
Interest	17,415	15,146
Total Expenditures	<u>1,601,576</u>	<u>1,498,409</u>
Deficiency of Revenues Under Expenditures	<u>(389,865)</u>	<u>(354,210)</u>
Other Financing Sources (Uses):		
Operating Transfers In:		
Electric Utility Fund	230,000	232,116
Water Utility Fund	40,100	40,100
Sanitation Fund	20,000	19,168
Operating Transfers Out:		
Cemetery Fund	(11,041)	(13,889)
Total Other Financing Sources	<u>279,059</u>	<u>277,495</u>
Deficiency of Revenues and Other Financing Sources Under Expenditures	(110,806)	(76,715)
Fund Balance, Beginning of Year	<u>758,491</u>	<u>835,206</u>
Fund Balance, End of Year	<u>\$ 647,685</u>	<u>\$ 758,491</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
SCHEDULE OF REVENUES  
BUDGET AND ACTUAL

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FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
Taxes:				
Ad Valorem Taxes	\$ 98,762	\$ 94,776	\$ (3,986)	\$ 95,341
Local Government Infrastructure Surtax	113,394	119,415	6,021	125,850
Local Option Gas Tax	189,618	198,358	8,740	198,703
Franchise Fees:				
Telephone	2,520	3,146	626	2,790
Electric	52,669	50,192	(2,477)	49,144
Cable TV	19,370	21,105	1,735	15,238
Utility Service Taxes:				
Telephone	86,535	92,216	5,681	84,551
Gas	11,282	15,984	4,702	12,709
Electric	59,930	54,002	(5,928)	53,197
City Utility Tax	102,095	103,181	1,086	103,758
Total Taxes	736,175	752,375	16,200	741,281
Licenses and Permits:				
Occupational Licenses	5,050	5,082	32	4,643
Building Permits	400	5,038	4,638	450
Total Licenses and Permits	5,450	10,120	4,670	5,093
Intergovernmental:				
Two-Cent Cigarette Tax	18,430	15,178	(3,252)	18,341
State Revenue Sharing	51,489	61,800	10,311	55,044
Mobile Home Licenses	6,440	7,281	841	6,096
Alcoholic Beverage License	1,253	1,197	(56)	1,380
Half-Cent Sales Tax	70,609	72,951	2,342	73,676
County Fire Fee	65,044	55,420	(9,624)	65,044
County Occupational Licenses	2,475	2,647	172	2,275
Sumter County Gas Tax	31,603	34,158	2,555	32,790
County Library Assistance	10,125	8,386	(1,739)	-
County Recreation Assistance	20,000	20,000	-	9,796
Total Intergovernmental	277,468	279,018	1,550	264,442

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
SCHEDULE OF REVENUES  
BUDGET AND ACTUAL

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FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
Grant Revenue:				
Federal Law Enforcement Grant	\$ -	\$ 1,546	\$ 1,546	\$ 1,841
FRDAP Grant	50,000	45,000	(5,000)	-
DEP Grant	-	-	-	4,999
Total Grant Revenue	50,000	46,546	(3,454)	6,840
Charges for Services:				
Mowing Fees	1,750	1,542	(208)	3,204
Fall Festival	9,000	6,921	(2,079)	7,404
Summer Youth Program	8,100	7,212	(888)	8,790
Total Charges for Services	18,850	15,675	(3,175)	19,398
Fines and Forfeitures:				
Fines and Forfeitures	30,624	27,730	(2,894)	38,311
Police Education	763	532	(231)	798
Total Fines and Forfeitures	31,387	28,262	(3,125)	39,109
Miscellaneous:				
Interest Earned	27,121	35,429	8,308	35,211
Rent - Community Building	3,905	6,025	2,120	2,800
Rent - Tower Space	5,400	5,202	(198)	5,778
Miscellaneous	17,758	33,059	15,301	24,247
Total Miscellaneous	54,184	79,715	25,531	68,036
TOTAL REVENUES	\$ 1,173,514	\$ 1,211,711	\$ 38,197	\$ 1,144,199

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL

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FOR THE YEAR ENDED SEPTEMBER 30, 2000

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
GENERAL GOVERNMENT:				
Legislative:				
Personnel Expenses	\$ 18,000	\$ 18,000	\$ -	\$ 18,000
Operating Expenses	5,556	5,556	-	4,667
Grants and Aids	4,450	4,450	-	3,150
Total Legislative	28,006	28,006	-	25,817
Financial and Administrative				
Personnel Expenses	173,688	175,358	(1,670)	171,170
Operating Expenses	78,468	78,465	3	68,758
Capital Outlay	55,000	58,213	(3,213)	14,374
Total Financial and Administrative	307,156	312,036	(4,880)	254,302
Legal Counsel:				
Operating Expense	23,390	23,232	158	26,247
TOTAL GENERAL GOVERNMENT	358,552	363,274	(4,722)	306,366
PUBLIC SAFETY:				
Police Department:				
Personnel Expenses	300,452	297,304	3,148	263,297
Operating Expenses	54,693	57,718	(3,025)	55,116
Capital Outlay	13,094	13,094	-	43,974
Total Police Department	368,239	368,116	123	362,387
Fire Department:				
Personnel Expenses	24,786	38,833	(14,047)	9,576
Operating Expenses	24,905	23,072	1,833	23,487
Capital Outlay	40,800	32,985	7,815	7,720
Total Fire Department	90,491	94,890	(4,399)	40,783
Building Department:				
Personnel Expenses	34,900	35,074	(174)	32,726
Operating Expenses	8,191	7,109	1,082	5,011
Total Building Department	43,091	42,183	908	37,737
TOTAL PUBLIC SAFETY	501,821	505,189	(3,368)	440,907

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL

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(Page 2 of 2)

FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
TRANSPORTATION:				
Road and Street Department:				
Personnel Expenses	\$ 94,781	\$ 118,395	\$ (23,614)	\$ 95,536
Operating Expenses	160,324	160,625	(301)	144,578
Capital Outlay	53,300	46,562	6,738	191,019
TOTAL TRANSPORTATION	308,405	325,582	(17,177)	431,133
ECONOMIC ENVIRONMENT:				
Grants and Aid	12,000	15,000	(3,000)	12,000
CULTURE AND RECREATION:				
Library:				
Personnel Expenses	40,397	42,613	(2,216)	33,385
Operating Expenses	14,066	10,232	3,834	14,959
Capital Outlay	20,280	16,705	3,575	2,970
Total Library	74,743	69,550	5,193	51,314
Parks and Recreation:				
Personnel Expenses	66,120	60,815	5,305	49,997
Operating Expenses	49,007	46,539	2,468	44,365
Capital Outlay	120,132	119,548	584	87,862
Total Parks and Recreation	235,259	226,902	8,357	182,224
Special Events and Other Services:				
Operating Expenses	35,345	33,001	2,344	31,396
TOTAL CULTURE AND RECREATION	345,347	329,453	15,894	264,934
DEBT SERVICE				
Principal Retirement				
Note	16,944	16,663	281	13,423
Public Works Note	29,000	29,000	-	14,500
	45,944	45,663	281	27,923
Interest and Fiscal Charges				
Note	4,039	4,091	(52)	4,139
Public Works Note	13,091	13,324	(233)	11,007
	17,130	17,415	(285)	15,146
TOTAL DEBT SERVICE	63,074	63,078	(4)	43,069
TOTAL EXPENDITURES	\$ 1,589,199	\$ 1,601,576	\$ (12,377)	\$ 1,498,409

The notes to the financial statements are an integral part of this statement.

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## **SPECIAL REVENUE FUNDS**

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Special Revenue Funds account for revenues from specific taxes or other earmarked revenue sources which, by law are designated to finance particular functions or activities of government. The City has the following Special Revenue Funds:

**Evergreen Cemetery Fund** - To account for the proceeds and expenditures generated to maintain the City's cemetery.

**Community Development Block Grant (CDBG) Fund** - To account for the receipts awarded and expenditures made in compliance with grant requirements to develop the City's downtown area.

CITY OF BUSHNELL, FLORIDA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2000

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(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1999)

	EVERGREEN CEMETERY	CDBG GRANT	TOTALS	
			2000	1999
<u>ASSETS</u>				
Current Assets:				
Cash	\$ 427,182	\$ 3,615	\$ 430,797	\$ 401,173
 TOTAL ASSETS	<u>\$ 427,182</u>	<u>\$ 3,615</u>	<u>\$ 430,797</u>	<u>\$ 401,173</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ -	\$ 2,043	\$ 2,043	\$ -
Due to General Fund	-	345	345	-
Deferred Revenue	-	1,227	1,227	-
Deposits	2,925	-	2,925	2,475
 Total Liabilities	<u>2,925</u>	<u>3,615</u>	<u>6,540</u>	<u>2,475</u>
 Fund Balances:				
Reserved: Perpetual Care	424,257	-	424,257	398,698
 TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 427,182</u>	<u>\$ 3,615</u>	<u>\$ 430,797</u>	<u>\$ 401,173</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

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	EVERGREEN CEMETERY	CDBG GRANT	TOTALS	
			2000	1999
Revenues:				
Contributions	\$ 6,169	\$ -	\$ 6,169	\$ 6,097
Sale of Cemetery Lots	9,300	-	9,300	11,225
Interest	23,274	-	23,274	18,968
Memorials and Gifts	205	-	205	299
Grant Revenue	-	3,773	3,773	-
Total Revenues	<u>38,948</u>	<u>3,773</u>	<u>42,721</u>	<u>36,589</u>
Expenditures:				
Operating Expenditures	24,230	-	24,230	27,601
Capital Outlay	<u>200</u>	<u>3,773</u>	<u>3,973</u>	<u>5,400</u>
Total Expenditures	<u>24,430</u>	<u>3,773</u>	<u>28,203</u>	<u>33,001</u>
Excess of Revenues over Expenditures	14,518	-	14,518	3,588
Other Financing Sources:				
Operating Transfers In	<u>11,041</u>	<u>-</u>	<u>11,041</u>	<u>13,889</u>
Excess of Revenues and Other Financing Sources Over Expenditures	25,559	-	25,559	17,477
Fund Balances, Beginning of Year	<u>398,698</u>	<u>-</u>	<u>398,698</u>	<u>381,221</u>
Fund Balances, End of Year	<u>\$ 424,257</u>	<u>\$ -</u>	<u>\$ 424,257</u>	<u>\$ 398,698</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
EVERGREEN CEMETERY FUND

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STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE: (UNFAVORABLE)	ACTUAL
Revenues:				
Contributions	\$ 6,500	\$ 6,169	\$ (331)	\$ 6,097
Sale of Cemetery Lots	6,000	9,300	3,300	11,225
Interest	20,500	23,274	2,774	18,968
Memorials and Gifts	500	205	(295)	299
Total Revenues	33,500	38,948	5,448	36,589
Expenditures:				
Operating Expenses	27,690	24,230	3,460	27,601
Capital Outlay	600	200	400	5,400
Total Expenditures	28,290	24,430	3,860	33,001
Excess of Revenues Over Expenditures	5,210	14,518	9,308	3,588
Other Financing Sources:				
Operating Transfers In	12,500	11,041	(1,459)	13,889
Excess of Revenues and Other Financing Sources Over Expenditures	17,710	25,559	7,849	17,477
Fund Balance, Beginning of Year	398,698	398,698	-	381,221
Fund Balance, End of Year	\$ 416,408	\$ 424,257	\$ 7,849	\$ 398,698

The notes to the financial statements are an integral part of this statement

CITY OF BUSHNELL, FLORIDA  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

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	2000		VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL
	BUDGET	ACTUAL		
Revenues:				
Grant Revenues	\$ -	\$ 3,773	\$ 3,773	\$ -
Total Revenues	-	3,773	3,773	-
Expenditures:				
Capital Outlay	-	3,773	(3,773)	-
Total Expenditures	-	3,773	(3,773)	-
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

The notes to the financial statements are an integral part of this statement.

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## **ENTERPRISE FUNDS**

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Enterprise Funds account for operations (a) that are financed and operated in manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Certain administrative expenses are paid by the General Fund.

CITY OF BUSHNELL, FLORIDA  
COMBINING BALANCE SHEET  
ALL ENTERPRISE FUNDS  
SEPTEMBER 30, 2000

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(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1999)

ASSETS	ELECTRIC UTILITY FUND	WATER UTILITY FUND	WASTE WATER FUND	SANITATION FUND	TOTALS	
					2000	1999
Current Assets:						
Cash and Cash Equivalents	\$ 1,245,989	\$ 346,938	\$ 189,386	\$ 177,175	\$ 1,959,488	\$ 1,503,685
Customer Accounts Receivable, net of allowance for uncollectibles	282,291	33,962	-	37,897	354,150	352,356
Deferred Debit	61,200	-	-	-	61,200	-
Due From Other Funds	4,451	750	-	516	5,717	10,022
Due From Other Governments	-	-	57,135	-	57,135	13,868
Inventories, at Cost	161,633	43,194	-	-	204,827	182,664
Total Current Assets	1,755,564	424,844	246,521	215,588	2,642,517	2,062,595
Restricted Assets:						
Cash and Cash Equivalents:						
CR-3 Nuclear Decommissioning	107,018	-	-	-	107,018	90,395
Customer Deposits	93,888	-	-	-	93,888	83,838
Other	45	-	-	-	45	45
Total Restricted Assets	200,951	-	-	-	200,951	174,278
Property and Equipment:						
Utility Plant in Service	2,473,727	2,174,194	-	315,009	4,962,930	4,717,906
Construction In Progress	-	-	390,318	-	390,318	52,724
Accumulated Depreciation	(1,098,195)	(795,266)	-	(204,214)	(2,097,675)	(1,931,147)
Total Property and Equipment - (Cost Less Depreciation)	1,375,532	1,378,928	390,318	110,795	3,255,573	2,839,483
Other Assets:						
Loan Cost (Net)	-	4,572	-	-	4,572	4,858
Total Other Assets	-	4,572	-	-	4,572	4,858
TOTAL ASSETS	\$ 3,332,047	\$ 1,808,344	\$ 636,839	\$ 326,383	\$ 6,103,613	\$ 5,081,214

CITY OF BUSHNELL, FLORIDA  
COMBINING BALANCE SHEET  
ALL ENTERPRISE FUNDS  
SEPTEMBER 30, 2000

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(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1999)

	ELECTRIC UTILITY FUND	WATER UTILITY FUND	WASTE WATER FUND	SANITATION FUND	TOTALS	
					2000	1999
<u>LIABILITIES AND FUND EQUITY</u>						
Current Liabilities:						
Accounts Payable	\$ 145,924	\$ 11,757	\$ 2,427	\$ 12,933	\$ 173,041	\$ 147,792
Other Accrued Expenses	24,372	2,900	-	1,097	28,369	38,515
Due to Other Funds	-	3,795	-	-	3,795	3,795
Deferred Credit	-	-	-	-	-	2,318
Current Portion of Notes Payable	30,573	31,397	-	23,000	84,970	66,930
Compensated Absences Payable	35,065	23,377	-	14,700	73,142	58,260
Accrued Interest	127	1,012	-	2,687	3,826	1,036
53 Total Current Liabilities	<u>236,061</u>	<u>74,238</u>	<u>2,427</u>	<u>54,417</u>	<u>367,143</u>	<u>318,646</u>
Current Liabilities (Payable From Restricted Assets):						
Customer Deposits	<u>93,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,888</u>	<u>83,838</u>
Total Current Liabilities (Payable From Restricted Assets)	<u>93,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,888</u>	<u>\$ 83,838</u>
Long Term Liabilities:						
Deferred Credit - CR-3 Decommissioning	107,018	-	-	-	107,018	90,395
Note Payable	-	-	-	67,000	67,000	13,639
Note Payable - Florida Municipal Power Agency	-	211,000	-	-	211,000	261,001
Advance From Other Fund	-	-	250,000	-	250,000	-
Total Long Term Liabilities	<u>107,018</u>	<u>211,000</u>	<u>250,000</u>	<u>67,000</u>	<u>635,018</u>	<u>365,035</u>
Total Liabilities	<u>436,967</u>	<u>285,238</u>	<u>252,427</u>	<u>121,417</u>	<u>1,096,049</u>	<u>767,519</u>

Continued on next page

CITY OF BUSHNELL, FLORIDA  
 COMBINING BALANCE SHEET  
 ALL ENTERPRISE FUNDS  
 SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1999)

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	ELECTRIC UTILITY FUND	WATER UTILITY FUND	WASTE WATER FUND	SANITATION FUND	TOTALS	
					2000	1999
<u>LIABILITIES AND FUND EQUITY</u> (continued)						
Fund Equity:						
Contributed Capital	\$ 176,873	\$ 1,016,354	\$ 394,071	\$ 29,449	\$ 1,616,747	\$ 1,259,549
Retained Earnings (Deficit):						
Unreserved	<u>2,718,207</u>	<u>506,752</u>	<u>(9,659)</u>	<u>175,517</u>	<u>3,390,817</u>	<u>3,054,146</u>
Total Fund Equity	<u>2,895,080</u>	<u>1,523,106</u>	<u>384,412</u>	<u>204,966</u>	<u>5,007,564</u>	<u>4,313,695</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 3,332,047</u>	<u>\$ 1,808,344</u>	<u>\$ 636,839</u>	<u>\$ 326,383</u>	<u>\$ 6,103,613</u>	<u>\$ 5,081,214</u>

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The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
 CHANGES IN RETAINED EARNINGS  
 ALL ENTERPRISE FUNDS  
 \* FOR THE YEAR ENDED SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

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	ELECTRIC UTILITY FUND	WATER UTILITY FUND	WASTE WATER FUND	SANITATION FUND	TOTALS	
					2000	1999
Operating Revenues:						
Charge for Sales and Services	\$ 1,982,195	\$ 434,564	\$ -	\$ 285,194	\$ 2,701,953	\$ 2,514,345
Miscellaneous Revenues	-	-	568	-	568	-
Total Operating Revenues	1,982,195	434,564	568	285,194	2,702,521	2,514,345
Operating Expenses:						
Cost of Sales and Services	1,292,675	142,963	-	221,644	1,657,282	1,436,222
Administration	142,575	110,981	13,583	43,194	310,333	276,352
Depreciation	112,186	61,982	-	17,134	191,302	188,377
Total Operating Expenses	1,547,436	315,926	13,583	281,972	2,158,917	1,900,951
Operating Income (Loss)	434,759	118,638	(13,015)	3,222	543,604	613,394
Non-Operating Revenues (Expense):						
Interest Income	78,104	10,788	3,356	7,744	99,992	65,283
Interest Expense	(1,417)	(12,435)	-	(2,687)	(16,539)	(12,874)
Other Debt Service Costs	-	(286)	-	-	(286)	(1,895)
Total Non-Operating Revenues (Expense)	76,687	(1,933)	3,356	5,057	83,167	50,514
Net Income (Loss) Before Transfers	511,446	116,705	(9,659)	8,279	626,771	663,908
Operating Transfers Out	(230,000)	(40,100)	-	(20,000)	(290,100)	(291,384)
Net Income (Loss)	281,446	76,605	(9,659)	(11,721)	336,671	372,524
Retained Earnings, Beginning of Year	2,436,761	430,147	-	187,238	3,054,146	2,681,622
Retained Earnings (Deficit), End of Year	\$ 2,718,207	\$ 506,752	\$ (9,659)	\$ 175,517	\$ 3,390,817	\$ 3,054,146

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
ALL ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

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	ELECTRIC UTILITY FUND	WATER UTILITY FUND	WASTE WATER FUND	SANITATION FUND	TOTALS	
					2000	1999
Cash Flows From Operating Activities:						
Cash Received from Customers	\$ 1,994,284	\$ 440,213	\$ 568	\$ 280,016	\$ 2,715,081	\$ 2,583,180
Cash (Paid to) Employees	(191,616)	(176,722)	-	(96,514)	(464,852)	(266,256)
Cash (Paid to) Suppliers	(1,284,660)	(87,093)	(27,369)	(159,336)	(1,558,458)	(1,509,325)
Net Cash Provided by (Used in) Operating Activities	518,008	176,398	(26,801)	24,166	691,771	807,599
Cash Flows From Noncapital Financing Activities:						
Operating Transfers Out to Other Funds	(230,000)	(40,100)	-	(20,000)	(290,100)	(291,384)
Deferred Credit CR-3 Decommissioning	16,623	-	-	-	16,623	7,466
Net Cash Provided by (Used In) Non-Capital Financing Activities	(213,377)	(40,100)	-	(20,000)	(273,477)	(283,918)
Cash Flows From Capital and Related Financing Activities:						
Advance From Other Fund	-	-	250,000	-	250,000	-
Acquisition and Construction of Capital Assets	(148,594)	(23,724)	(337,594)	(97,481)	(607,393)	(291,670)
Principal Payments - Notes	(30,572)	(38,028)	-	-	(68,600)	(64,082)
Interest Paid - Notes	(1,494)	(12,255)	-	-	(13,749)	(12,874)
Contributed Capital	-	13,507	300,425	-	313,932	51,601
Proceeds of Note Payable	-	-	-	90,000	90,000	-
Net Cash (Used In) Capital and Related Financing Activities	(180,660)	(60,500)	212,831	(7,481)	(35,810)	(317,025)
Cash Flows From Investing Activities:						
Interest Received	78,104	10,788	3,356	7,744	99,992	65,283
Net Increase in Cash and Cash Equivalents	202,075	86,586	189,386	4,429	482,476	271,939
Cash and Cash Equivalents, Beginning of Year	1,244,820	260,352	-	172,746	1,677,918	1,405,979
Cash and Cash Equivalents, End of Year	\$ 1,446,895	\$ 346,938	\$ 189,386	\$ 177,175	\$ 2,160,394	\$ 1,677,918
Presented in the accompanying Balance Sheet as:						
Unrestricted Cash	\$ 1,245,989	\$ 346,938	\$ 189,386	\$ 177,175	\$ 1,959,488	\$ 1,503,685
Restricted Cash	200,906	-	-	-	200,906	174,233
Total Cash	\$ 1,446,895	\$ 346,938	\$ 189,386	\$ 177,175	\$ 2,160,394	\$ 1,677,918

CITY OF BUSHNELL, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 ALL ENTERPRISE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2000  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

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	ELECTRIC UTILITY FUND	WATER UTILITY FUND	WASTE WATER FUND	SANITATION FUND	TOTALS	
					2000	1999
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating Income (Loss)	\$ 434,759	\$ 118,638	\$ (13,015)	\$ 3,222	\$ 543,604	\$ 613,394
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	112,186	61,982	-	17,134	191,302	188,377
(Increase) Decrease in Accounts Receivable	(2,792)	6,029	-	(5,031)	(1,794)	51,947
(Increase) Decrease in Deferred Debits	(61,200)	-	-	-	(61,200)	-
(Increase) Decrease in Due From Other Funds	4,831	(380)	-	(146)	4,305	21,065
(Increase) Decrease in Due From Other Governments	-	-	-	-	-	(13,868)
(Increase) Decrease in Inventories	(14,948)	(7,215)	-	-	(22,163)	(9,572)
Increase (Decrease) in Accounts Payable	34,817	2,164	(13,786)	2,054	25,249	(13,642)
Increase (Decrease) in Other Accrued Expenses	(1,469)	(6,170)	-	(2,507)	(10,146)	8,667
Increase (Decrease) in Due to Other Funds	-	-	-	-	-	(15,390)
Increase (Decrease) in Deferred Credit	(2,318)	-	-	-	(2,318)	(36,660)
Increase (Decrease) in Compensated Absences Payable	4,092	1,350	-	9,440	14,882	3,590
Increase (Decrease) in Customer Deposits	10,050	-	-	-	10,050	9,691
Total Adjustments	83,249	57,760	(13,786)	20,944	148,167	194,205
Net Cash Provided by Operating Activities	\$ 518,008	\$ 176,398	\$ (26,801)	\$ 24,166	\$ 691,771	\$ 807,599

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - BUDGET AND ACTUAL  
ELECTRIC UTILITY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

C - 4

	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
Operating Revenues:				
Residential Electric Sales	\$ 632,314	\$ 659,411	\$ 27,097	\$ 613,636
Commercial Demand Sales	624,211	610,698	(13,513)	544,285
Commercial Non-demand Sales	592,972	618,881	25,909	574,761
Private Area Light Sales	13,584	13,819	235	12,920
Miscellaneous	18,100	79,386	61,286	78,528
Total Operating Revenues	1,881,181	1,982,195	101,014	1,824,130
Operating Expenses:				
Demand and Energy Charge	1,053,423	1,075,660	(22,237)	963,111
CR-3 Operations and Maintenance	82,385	63,126	19,259	70,013
Salaries	161,520	148,533	12,987	112,291
Employee Benefits	43,355	45,706	(2,351)	36,883
Professional Services	31,273	38,469	(7,196)	30,537
Operating Supplies	10,500	2,332	8,168	6,256
Other Current Charges	56,065	61,424	(5,359)	48,447
Depreciation	-	112,186	(112,186)	107,625
Total Operating Expenses	1,438,521	1,547,436	(108,915)	1,375,163
Operating Income	442,660	434,759	(7,901)	448,967
Non-Operating Revenues (Expenses):				
Interest Income	43,500	78,104	34,604	50,698
Interest Expense	(1,544)	(1,417)	127	(2,375)
Other Debt Service Costs	-	-	-	(1,609)
Total Non-Operating Revenues (Expenses)	41,956	76,687	34,731	46,714
Net Income Before Transfers	484,616	511,446	26,830	495,681
Transfers to Other Funds:				
Operating Transfers Out	(230,000)	(230,000)	-	(232,116)
Net Income	\$ 254,616	281,446	\$ 26,830	263,565
Retained Earnings, Beginning of Year		2,436,761		2,173,196
Retained Earnings, End of Year		\$ 2,718,207		\$ 2,436,761

The notes to the financial statements are an integral part of this statement

CITY OF BUSHNELL, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - BUDGET AND ACTUAL  
WATER UTILITY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

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	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
Operating Revenues:				
Residential Water Sales	\$ 144,054	\$ 145,930	\$ 1,876	\$ 143,909
Commercial Water Sales	186,545	183,063	(3,482)	187,430
Penalties and Reconnections	18,974	25,162	6,188	20,266
Water Connection Fees	1,912	6,187	4,275	2,977
Capacity Reservation Charges	57,500	43,266	(14,234)	38,260
Miscellaneous	18,500	30,956	12,456	32,079
Total Operating Revenues	427,485	434,564	7,079	424,921
Operating Expenses:				
Salaries	144,126	128,228	15,898	97,110
Employee Benefits	38,718	43,674	(4,956)	35,329
Professional Services	21,110	20,169	941	23,717
Operating Supplies	14,800	21,002	(6,202)	2,065
Other Current Charges	43,664	40,871	2,793	52,638
Depreciation	-	61,982	(61,982)	63,491
Total Operating Expenses	262,418	315,926	(53,508)	274,350
Operating Income	165,067	118,638	(46,429)	150,571
Non-Operating Revenues (Expenses):				
Interest Income	7,500	10,788	3,288	8,896
Interest Expense	(11,095)	(12,435)	(1,340)	(10,499)
Other Debt Service Costs	-	(286)	(286)	(286)
Total Non-Operating Revenues (Expenses)	(3,595)	(1,933)	1,662	(1,889)
Net Income Before Transfers	161,472	116,705	(44,767)	148,682
Transfers to Other Funds:				
Operating Transfers Out	(40,100)	(40,100)	-	(40,100)
Net Income	\$ 121,372	76,605	\$ (44,767)	108,582
Retained Earnings, Beginning of Year		430,147		321,565
Retained Earnings, End of Year		\$ 506,752		\$ 430,147

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - BUDGET AND ACTUAL  
WASTE WATER UTILITY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2000

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	2000		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
Operating Revenues:			
Miscellaneous	\$ -	\$ 568	\$ 568
Total Operating Revenues	-	568	568
Operating Expenses:			
Professional Services	2,250	10,944	(8,694)
Other Current Charges	-	2,639	(2,639)
Total Operating Expenses	2,250	13,583	(11,333)
Operating Loss	(2,250)	(13,015)	(10,765)
Non-Operating Revenues (Expenses)			
Interest Income	-	3,356	(3,356)
Net Loss	<u>\$ (2,250)</u>	<u>(9,659)</u>	<u>\$ (7,409)</u>
Retained Earnings, Beginning of Year		-	
Retained Earnings (Deficit), End of Year		<u>\$ (9,659)</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - BUDGET AND ACTUAL  
SANITATION FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2000  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1999)

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	2000		VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL
	BUDGET	ACTUAL		
Operating Revenues:				
Residential Garbage	\$ 123,620	\$ 119,742	\$ (3,878)	\$ 119,087
Commercial Garbage	145,575	158,009	12,434	143,766
Miscellaneous	2,050	7,443	5,393	2,441
Total Operating Revenue	271,245	285,194	13,949	265,294
Operating Expense:				
Salaries	70,825	71,664	(839)	57,985
Employee Benefits	27,764	31,784	(4,020)	24,105
Professional Services	4,450	4,002	448	2,468
Operating Supplies	6,474	8,557	(2,083)	6,839
Other Current Charges	16,699	16,322	377	20,040
Depreciation	-	17,134	(17,134)	17,261
Landfill	142,515	132,509	10,006	122,740
Total Operating Expenses	268,727	281,972	(13,245)	251,438
Operating Income	2,518	3,222	704	13,856
Non-Operating Revenues (Expenses):				
Interest Income	4,800	7,744	2,944	5,689
Interest Expense	(3,490)	(2,687)	803	-
Total Non-Operating Revenues (Expenses)	1,310	5,057	3,747	5,689
Net Income Before Transfers	3,828	8,279	4,451	19,545
Transfers to Other Funds:				
Operating Transfers Out	(19,000)	(20,000)	(1,000)	(19,168)
Net Income (Loss)	\$ (15,172)	(11,721)	\$ 3,451	377
Retained Earnings, Beginning of Year		187,238		186,861
Retained Earnings, End of Year		\$ 175,517		\$ 187,238

The notes to the financial statements are an integral part of this statement.

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## FIDUCIARY FUNDS

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These funds account for assets held by a governmental unit in a trustee capacity or as agent for individual, private organizations, other governmental units and/or other funds.

**General Employees' Retirement Fund** - To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future and also the administrative costs of the system. Resources are contributed by the general and enterprise funds at amounts determined by triennial actuarial studies.

**Police Officers' Retirement Fund** - To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future and also the administrative costs of the system. Resources are contributed by the state and plan participants, with additional funds needed to meet actuarially determined amounts provided by the general fund.

CITY OF BUSHNELL, FLORIDA  
FIDUCIARY FUND TYPES  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2000

D - 1

(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1999)

	PENSION TRUST FUNDS		TOTALS	
	GENERAL	POLICE		
	EMPLOYEES' RETIREMENT FUND	OFFICERS' RETIREMENT FUND	2000	1999
<u>ASSETS</u>				
Cash	\$ 3,448	\$ 12,610	\$ 16,058	\$ 79,592
Investments	46,898	73,976	120,874	24,191
Due From Other Funds	-	-	-	161
Total Assets	<u>\$ 50,346</u>	<u>\$ 86,586</u>	<u>\$ 136,932</u>	<u>\$ 103,944</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Due to other Funds	\$ -	\$ 403	\$ 403	\$ -
Total Liabilities	-	403	403	-
Fund Balance:				
Reserved for Pension Benefits	50,346	86,183	136,529	103,944
Total Liabilities and Fund Balance	<u>\$ 50,346</u>	<u>\$ 86,586</u>	<u>\$ 136,932</u>	<u>\$ 103,944</u>

The notes to the financial statements are an integral part of this statement.

## **GENERAL FIXED ASSET ACCOUNT GROUP**

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To account for fixed assets other than those accounted for in proprietary and similar trust funds.

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE  
AS OF SEPTEMBER 30, 2000

E - 1

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	<u>2000</u>
GENERAL FIXED ASSETS:	
Land	\$ 486,370
Buildings	705,325
Improvements - Other Than Buildings	539,227
Equipment and Furniture	<u>1,224,086</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 2,955,008</u>
 INVESTMENT IN GENERAL FIXED ASSETS:	
General Fund Revenues	\$ 2,785,967
Federal Grants	4,739
State Grants	147,830
Donations	<u>16,472</u>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>\$ 2,955,008</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY  
FOR THE YEAR ENDED SEPTEMBER 30, 2000

E - 2

<u>FUNCTION AND ACTIVITY</u>	<u>GENERAL FIXED ASSETS 9/30/1999</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>GENERAL FIXED ASSETS 9/30/2000</u>
<b>GENERAL GOVERNMENT:</b>				
Financial and Administrative	\$ 375,821	\$ 58,213	\$ -	\$ 434,034
Legislative	2,873	-	-	2,873
<b>TOTAL GENERAL GOVERNMENT</b>	<b>378,694</b>	<b>58,213</b>	<b>-</b>	<b>436,907</b>
<b>PUBLIC SAFETY:</b>				
Law Enforcement	322,612	13,094	-	335,706
Fire Control	321,679	40,705	-	362,384
Protective Inspections	13,369	-	-	13,369
<b>TOTAL PUBLIC SAFETY</b>	<b>657,660</b>	<b>53,799</b>	<b>-</b>	<b>711,459</b>
<b>PHYSICAL ENVIRONMENT:</b>				
Cemetery	68,023	-	-	68,023
<b>TOTAL PHYSICAL ENVIRONMENT</b>	<b>68,023</b>	<b>-</b>	<b>-</b>	<b>68,023</b>
<b>TRANSPORTATION:</b>				
Road and Streets	576,249	47,111	-	623,360
<b>TOTAL TRANSPORTATION</b>	<b>576,249</b>	<b>47,111</b>	<b>-</b>	<b>623,360</b>
<b>CULTURE/RECREATION:</b>				
Library	10,192	16,705	-	26,897
Parks and Recreation	842,296	119,547	-	961,843
Special Facilities:				
Community Building	126,519	-	-	126,519
<b>TOTAL CULTURE/RECREATION</b>	<b>979,007</b>	<b>136,252</b>	<b>-</b>	<b>1,115,259</b>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$ 2,659,633</b>	<b>\$ 295,375</b>	<b>\$ -</b>	<b>\$ 2,955,008</b>

The notes to the financial statements are an integral part of this statement.

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY  
AS OF SEPTEMBER 30, 2000

E - 3

<u>FUNCTION AND ACTIVITY</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>EQUIPMENT AND FURNITURE</u>
GENERAL GOVERNMENT:					
Financial and	\$ 434,034	\$ 167,985	\$ 103,480	\$ 17,480	\$ 145,089
Administrative					
Legislative	<u>2,873</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,873</u>
TOTAL GENERAL GOVERNMENT	<u>436,907</u>	<u>167,985</u>	<u>103,480</u>	<u>17,480</u>	<u>147,962</u>
PUBLIC SAFETY:					
Law Enforcement	335,705	60,426	-	4,523	270,756
Fire Control	362,385	-	6,300	-	356,085
Protective Inspections	<u>13,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,369</u>
TOTAL PUBLIC SAFETY	<u>711,459</u>	<u>60,426</u>	<u>6,300</u>	<u>4,523</u>	<u>640,210</u>
PHYSICAL ENVIRONMENT:					
Cemetery	<u>68,023</u>	<u>68,023</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PHYSICAL ENVIRONMENT	<u>68,023</u>	<u>68,023</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSPORTATION:					
Roads and Streets	<u>623,360</u>	<u>14,250</u>	<u>313,135</u>	<u>33,596</u>	<u>262,379</u>
TOTAL TRANSPORTATION	<u>623,360</u>	<u>14,250</u>	<u>313,135</u>	<u>33,596</u>	<u>262,379</u>
CULTURE/RECREATION:					
Library	26,897	200	4,000	1,224	21,473
Parks and Recreation	961,843	157,922	169,455	482,404	152,062
Special Facilities:					
Community Building	<u>126,519</u>	<u>17,564</u>	<u>108,955</u>	<u>-</u>	<u>-</u>
TOTAL CULTURE/ RECREATION	<u>1,115,259</u>	<u>175,686</u>	<u>282,410</u>	<u>483,628</u>	<u>173,535</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 2,955,008</u>	<u>\$ 486,370</u>	<u>\$ 705,325</u>	<u>\$ 539,227</u>	<u>\$ 1,224,086</u>

The notes to the financial statements are an integral part of this statement.

## **STATISTICAL SECTION**

CITY OF BUSHNELL, FLORIDA  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN FISCAL YEARS

Table 1

Fiscal Year	General Government	Public Safety	Physical Environment	Transportation	Economic Environment	Culture and Recreation	Debt Service	Total
1991	\$ 210,592	\$ 369,639	\$ 16,336	\$ 149,615	\$ 11,000	\$ 290,801	\$ 26,485	\$ 1,074,468
1992	209,553	507,286	22,261	114,909	59,408	95,070	-	1,008,487
1993	208,491	417,381	28,749	132,729	333,512	173,512	-	1,294,374
1994	294,711	458,547	24,199	279,891	13,000	217,257	-	1,287,605
1995	280,284	425,897	20,534	214,868	12,000	134,779	-	1,088,362
1996	317,049	439,703	62,017	208,376	12,250	225,620	-	1,265,015
1997	279,604	469,726	258,109	201,520	13,000	289,541	-	1,511,500
1998	269,378	437,443	30,522	785,847	9,000	148,863	97,102	1,778,155
1999	306,366	440,907	33,001	431,133	12,000	264,934	43,069	1,531,410
2000	391,477	505,189	-	325,582	15,000	329,453	63,078	1,629,779

(1) Includes General and Special Revenue Funds.

CITY OF BUSHNELL, FLORIDA  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (A)  
LAST TEN FISCAL YEARS

Table 2

Fiscal Year	Taxes	License and Permits	Inter-Governmental	Charges For Services	Fines and Forfeitures	Interest and Miscellaneous	Total
1991	\$ 275,487	\$ 24,970	\$ 349,412	\$ 3,210	\$ 19,450	\$ 54,136	726,665
1992	293,004	14,987	406,743	2,250	50,271	55,683	822,938
1993	407,466	21,039	658,040	1,632	53,826	71,841	1,213,844
1994	469,928	23,748	364,562	1,752	44,038	75,812	979,840
1995	504,851	18,748	381,085	1,787	19,134	79,900	1,005,505
1996	536,217	21,940	506,840	750	37,014	150,006	1,252,767
1997	577,880	14,891	619,647	3,074	34,834	112,377	1,362,703
1998	708,234	25,446	507,413	5,388	23,348	113,954	1,383,783
1999	741,281	5,093	271,282	19,398	39,109	104,625	1,180,788
2000	752,375	10,120	329,337	15,675	28,262	118,663	1,254,432

(A) Includes General and Special Revenue Funds.

CITY OF BUSHNELL, FLORIDA  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS

Table 3

Fiscal Year	Property Taxes	Franchise Fees	Utility Taxes	Fuel Taxes	Sales Use and Gas Taxes	Total Taxes
1991	\$ 86,753	\$ 64,835	\$ 143,849	\$ 50	\$ -	\$ 295,487
1992	87,982	49,199	155,823	-	-	293,004
1993	180,046	52,061	175,359	-	-	407,466
1994	90,213	55,850	206,020	-	117,845	469,928
1995	92,993	55,796	224,986	-	131,076	504,851
1996	94,340	58,618	233,307	-	149,952	536,217
1997	96,703	70,562	263,724	-	146,891	577,880
1998	93,779	71,762	243,798	-	298,895	708,234
1999	95,341	67,172	254,215	-	324,553	741,281
2000	94,776	74,443	265,383	-	317,773	752,375

(1) Includes General and Special Revenue Funds.

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

Table 4

Fiscal Year	Total Tax Levy	Current Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
1991	\$ 90,013	\$ 86,753	96%	*	\$ 86,753	96%
1992	90,332	87,982	97%	*	87,982	97%
1993	93,469	87,871	94%	*	87,871	94%
1994	94,536	90,213	95%	*	90,213	95%
1995	97,083	92,993	96%	*	92,993	96%
1996	97,598	94,340	97%	*	94,340	97%
1997	99,741	96,703	97%	*	96,703	97%
1998	98,259	93,526	95%	253	93,779	95%
1999	97,660	94,744	97%	597	95,341	98%
2000	93,261	94,566	100%	210	94,776	100%

\* Information not available

CITY OF BUSHNELL, FLORIDA  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY  
 LAST TEN FISCAL YEARS

Table 5

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Value	Assessed Value	Estimated Actual Value	
1991	*	*	*	*	\$ 33,338,228	\$ 39,221,445	85%
1992	*	*	*	*	33,468,971	39,375,260	85%
1993	*	*	*	*	37,002,810	43,532,718	85%
1994	*	*	*	*	38,012,169	44,720,199	85%
1995	*	*	*	*	40,876,122	48,089,555	85%
1996	*	*	*	*	42,016,283	49,430,921	85%
1997	*	*	*	*	44,689,547	52,575,937	85%
1998	\$ 34,612,123	\$ 44,538,727	\$ 11,153,561	\$ 11,160,563	45,765,684	55,699,290	82%
1999	37,489,724	53,308,291	11,621,364	12,911,203	49,111,088	66,219,494	75%
2000	42,971,688	53,748,501	13,039,744	13,046,244	56,011,432	66,794,745	83%

\* Not Available

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

Table 6

Fiscal Year	Total City Millage	Total State & County Millage	Total
1991	2.700	19.48	22.180
1992	2.700	19.91	22.610
1993	2.530	19.95	22.470
1994	2.490	20.23	22.710
1995	2.380	20.09	22.460
1996	2.350	20.09	22.440
1997	2.180	20.14	22.330
1998	2.147	20.08	22.227
1999	1.997	20.02	22.017
2000	1.899	21.073	22.972

Information Source:  
City Millage Records  
Sumter County Property Appraiser

CITY OF BUSHNELL, FLORIDA  
PRINCIPAL TAXPAYERS  
SEPTEMBER 30, 2000

Table 7

Owner	Assessed Valuation	Percent of Total Assessed Valuation
1. Metal Industries	\$ 7,218,687	16.153%
2. Sumter Center	2,279,683	5.101%
3. Walmart, Inc.	1,369,643	3.065%
4. Bushnell Elderly Housing	918,215	2.055%
5. Bushnell R.R.H. Ltd.	824,139	1.844%
6. Windmeadows RRH, Ltd.	705,148	1.578%
7. Josephine Ramsey	584,403	1.308%
8. Spaude Family Partnership	619,355	1.386%
9. SunTrust Nature Coast	488,580	1.093%
10. Community National Bank	908,883	2.034%
	<u>\$ 15,916,736</u>	<u>35.617%</u>

Information Source:

Sumter County, Florida Property Appraiser's Office

CITY OF BUSHNELL, FLORIDA  
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
 GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES  
 LAST TEN FISCAL YEARS

Table 8

Fiscal Year	Principal	Interest	Total Debt Service	Total (1) General Expenditures	Ratio of Debt Service to Total General Expenditures
1991	\$ 21,174	\$ 5,311	\$ 26,485	\$ 1,074,468	2.46%
1992	26,774	13,469	40,243	1,008,487	3.99%
1993	31,549	14,220	45,769	1,294,374	3.54%
1994	91,128	8,940	100,068	1,287,605	7.77%
1995	23,723	14,640	38,363	1,088,362	3.52%
1996	23,527	13,172	36,700	1,265,015	2.90%
1997	25,813	12,483	38,296	1,511,500	2.53%
1998	86,526	10,576	97,102	1,778,155	5.46%
1999	27,923	15,146	43,069	1,531,410	2.81%
2000	46,008	16,978	62,986	1,629,779	3.86%

(1) Includes General and Special Revenue Funds

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF ELECTRIC UTILITY REVENUE DEBT COVERAGE  
LAST TEN FISCAL YEARS

Table 9

Fiscal Year	Operating Revenue	Operating Expenses	Net Operating Revenue Available for Debt Service	Debt Service Requirements			Debt Coverage Ratio
				Principal	Interest	Total	
1991	\$ 1,252,491	\$ 1,025,482	\$ 227,009	*	*	\$ 72,339	314%
1992	1,259,120	1,054,735	204,385	*	*	71,132	287%
1993	1,402,282	1,084,015	318,267	*	*	72,987	436%
1994	1,443,086	1,091,387	351,699	*	*	72,290	487%
1995	1,494,100	1,249,954	244,146	*	*	73,419	333%
1996	1,652,681	1,341,876	310,805	*	*	71,363	436%
1997	1,784,613	1,368,548	416,065	*	*	76,228	546%
1998	1,863,515	1,398,763	464,752	107,905	4,402	112,307	414%
1999	1,824,130	1,375,163	448,967	26,205	2,375	28,580	1571%
2000	1,982,195	1,547,436	434,759	30,572	1,417	31,989	136%

\* Not available.

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF WATER REVENUE DEBT COVERAGE  
LAST TEN YEARS

Table 10

Fiscal Year	Operating Revenue	Operating Expense	Net Operating Revenue		Debt Service Requirements			Debt Coverage Ratio
			Available for Debt Service		Principal	Interest	Total	
1991	\$ 186,302	\$ 190,456	\$ (4,154)		*	*	\$ 44,425	-9%
1992	251,573	187,524	64,049		*	*	40,830	157%
1993	274,478	192,355	82,123		*	*	43,007	191%
1994	280,391	199,304	81,087		*	*	41,111	197%
1995	285,767	220,368	65,399		*	*	38,828	168%
1996	366,672	236,155	130,517		*	*	56,762	230%
1997	333,100	233,147	99,953		*	*	56,952	176%
1998	371,517	278,354	93,163		28,222	15,000	43,222	215%
1999	424,921	274,350	150,571		37,877	10,499	48,376	311%
2000	434,564	315,926	118,638		19,428	12,435	31,863	372%

\* Not available.

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF SANITATION REVENUE DEBT COVERAGE  
LAST YEAR

Table 11

Fiscal Year	Operating Revenue	Operating Expense	Net Operating Revenue Available for Debt Service	Debt Service Requirements			Debt Coverage Ratio
				Principal	Interest	Total	
2000	\$285,194	\$281,972	\$3,222	\$ -	\$ 2,687	\$ 2,687	120%

CITY OF BUSHNELL, FLORIDA  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS

Table 12

Fiscal Year	Population	Per Capita Income	Median Age	School Enrollment	Unemployment Rate / Percent
1991	1,995	\$ 12,534	40.3	1,322	8.40%
1992	2,107	13,021	40.4	1,352	8.40%
1993	2,212	13,529	40.6	1,390	7.10%
1994	2,263	13,995	40.3	1,415	6.90%
1995	2,273	14,473	40.6	1,447	5.90%
1996	2,358	14,967	41.0	1,551	5.60%
1997	2,384	15,364	40.0	1,702	3.30%
1998	2,423	15,640	41.5	1,627	2.50%
1999	2,547	15,847	41.6	1,710	2.70%
2000	Not Available				

Information Source:  
Sumter County Development Council

CITY OF BUSHNELL, FLORIDA  
PROPERTY VALUES AND NEW CONSTRUCTION  
LAST TEN FISCAL YEARS

Table 13

Fiscal Year	New Construction Units	New Construction Estimated Value	Total Estimated Property Value
1991	54	\$ 2,324,266	\$ 29,221,445
1992	18	849,047	39,375,260
1993	27	1,155,429	43,532,718
1994	22	831,128	44,720,199
1995	24	1,024,398	48,089,555
1996	25	806,752	49,430,921
1997	13	528,244	52,575,937
1998	13	421,900	55,699,290
1999	11	1,177,184	55,698,064
2000	14	1,683,880	3,893,059

Information Source:  
City Building Department

CITY OF BUSHNELL, FLORIDA  
MISCELLANEOUS STATISTICS  
SEPTEMBER 30, 2000

Table 14

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Date of Incorporation	1911
Form of Government	Council - Manager
Area in Square Miles	1.95
Miles in Streets	18.1
Fire Protection:	Volunteer
Number of Stations	1
Number of Firefighters	18
Police Protection:	
Number of Stations	1
Number of Police Officers	9
Education:	1 High School 1 Elementary School
Municipal Water Department:	
Number of Consumers	951
Average Daily Consumption (gallons)	562,000
Miles of Water Mains	18
Municipal Electric Department:	
Number of Consumers	969
Average Daily Consumption (kwh usage)	59
Miles of Electric Lines	18.1
Sanitation Department:	
Average Number of Customers	749
Building Permits Issued	0
Recreation and Culture - Parks:	1 with 30 Acres 1 with 5 Acres
Employees	34
Information Source:	
City Records	

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CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF INSURANCE COVERAGE

Table 15

Page 1 of 2

CARRIER	TYPE OF COVERAGE	LIMITS OF COVERAGE
COREGIS INSURANCE CO.	GENERAL LIABILITY DEDUCTIBLE - NONE LAW ENFORCEMENT OPERATIONS PREMISES/OPERATIONS "INSURED" CONTRACTS HOST LIQUOR LAW LIABILITY BROAD FORM PROPERTY DAMAGE WATERCRAFT LIABILITY (UNDER 26') LIMITED WORLDWIDE COVERAGE ADD. PERSONS INSURED EXTENDED BODILY INJURY INCIDENTAL MEDICAL MALPRACTICE EMPLOYEES BENEFITS LIABILITY	BODILY INJURY AND PROPERTY DAMAGE \$100,00 PER PERSON \$200,000 PER OCCURRENCE EXCESS INJURY AND PROPERTY DAMAGE \$900,000 PER PERSON \$800,000 PER OCCURRENCE
FLORIDA LEAGUE OF CITIES FL MUNICIPAL INSURANCE TRUST FMIT #070	WORKER'S COMPENSATION	STATUTORY - STATE OF FLORIDA
HARTFORD LIFE INSURANCE CO.	ACCIDENTAL DEATH/DISEMBLEMENT	PRINCIPAL SUM ACCIDENT MEDICAL EXPENSE BENEFIT MAX. BENEFIT AMT - \$100 DEDUCTIBLE AMT - NONE
	DISABILITY	WEEKLY BENEFIT AMOUNT \$100 MAX. PAYMENT PERIOD 104 WEEKS
	ACCIDENT PARTIAL DISABILITY	SEE BENEFIT MAX. BENEFIT AMT - \$5,000
HARTFORD LIFE INSURANCE CO.	VOLUNTEER FIRE DEPARTMENT	ACCIDENTAL DEATH AND DISEMBLEMENT CATASTROPHIC LOSS BENEFIT - \$100,000
	ACCIDENT TOTAL DISABILITY BENEFIT	WEEKLY BENEFIT AMT. - \$250 MAX. PAYMENT PERIOD - 104 WEEKS

Information Source:  
City Insurance Records

CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF INSURANCE COVERAGE

Table 15  
(Page 2 of 2)

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CARRIER	TYPE OF COVERAGE	LIMITS OF COVERAGE
COREGIS INSURANCE CO.	AUTOMOBILE LIABILITY AND PHYSICAL DAMAGE  NUMBER OF CITY VEHICLES (26)	BODILY INJURY/PROPERTY DAMAGE \$100,000 PER PERSON \$200,000 PER OCCURRENCE  EXCESS BODILY INJURY /PROPERTY DAMAGE \$900,000 PER PERSON \$800,000 PER OCCURRENCE  PERSONAL INJURY PROTECTION - \$10,000 MEDICAL PAYMENTS - \$5,000 UNINSURED MOTORISTS - \$30,000 LIABILITY DEDUCTIBLE - NONE PHYSICAL DAMAGE COVERAGE - ACTUAL VALUE COMPREHENSIVE DEDUCTIBLE - \$250 COLLISION DEDUCTIBLE - \$250
COREGIS INSURANCE CO.	PUBLIC OFFICIALS LIABILITY	\$1,000,000 EACH LOSS \$1,000,000 AGGREGATE RETENTION - \$2500
COREGIS INSURANCE CO.	PROPERTY - BUILDING AND CONTENTS DEDUCTIBLE - \$250 ALL PERILS  COVERAGE EXTENSIONS: EXTRA EXPENSE ACCOUNTS RECEIVABLE EDP BLDG. ORD.  INLAND MARINE COVERAGE DEDUCTIBLE - \$250 ALL-RISK EXCL. FLOOD, QUAKE	BUILDINGS - \$2,046,167 CONTENTS - \$283,155  \$25,000 PER OCCURRENCE \$25,000 PER OCCURRENCE \$10,000 PER OCCURRENCE \$250,000 PER OCCURRENCE  CONTRACTORS EQUIPMENT - \$67,963 EDP EQUIPMENT - \$40,000 MISC. PROP. FLOATER - \$138,840

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## **REGULATORY AND COMPLIANCE SECTION**

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CITY OF BUSHNELL, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2000

FEDERAL AWARDS				
Federal Grantor/ Program Title	Federal CFDA Number	Federal Revenues	Federal Expenditures	Federal through State Receipts
U.S. Department of Agriculture: Rural Development - Wastewater Collection & Treatment System Grant (total grant \$2,000,000)	10.760	\$ -	\$ -	\$ -
Pass through the Florida Dept. of Community Affairs: Community Development Block Grant (total grant \$550,000) Contract #00DB-6B-05-70-02-N13	14.228	3,773	3,773	5,000
Local Law Enforcement Block Grant (total grant \$1,546) Contract #00-CJ-G3-05-70-02-057	16.592	1,546	1,546	1,546
Total Federal Awards		<u>\$ 5,319</u>	<u>\$ 5,319</u>	6,546

STATE OF FLORIDA PROGRAMS

State Agency/ Program Title	Project Number	State Receipts
State of Florida Dept. of Environmental Protection: Wastewater Management System Improvements (total grant \$700,000)	SP490	300,425
Florida Recreation Development Assistance Program - Kenny Dixon Sports Complex (Total Grant \$50,000)	F2173	-
Florida Recreation Development Assistance Program - Kenny Dixon Sports Complex (Total Grant \$100,000)	F1282	-
Total State Financial Assistance		<u>\$306,971</u>

NOTE: This schedule was prepared using the accrual basis of accounting for *Federal Revenues and Federal Expenditures*, and the cash basis for *Federal through State Receipts and State Receipts*.

(Single Audit not required)

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**Shumacker, Johnston & Ross, PA**

**Certified Public Accountants**

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Robert E. Johnston, CPA  
W. Chet Ross, CPA

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**LINDA L. THIGPEN, P.A.**  
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**INDEPENDENT AUDITORS REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

January 31, 2001

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

We have audited the general purpose financial statements of the City of Bushnell, Florida as of and for the year ended September 30, 2000, and have issued our report thereon dated January 31, 2001 included under the heading **INDEPENDENT AUDITORS' REPORT**.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

**Compliance**


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

**Internal Control Over Financial Reporting**

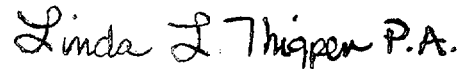
In planning and performing our audit, we considered the City of Bushnell's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a

relatively low level the risk that misstatements in the amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the City Council, management and Federal awarding agencies and pass-through entities. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Shumaker, Johnston & Ross, PA



Linda L. Thigpen, PA

**Shumacker, Johnston & Ross, PA**

**Certified Public Accountants**

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**INDEPENDENT AUDITORS' REPORT ON EXAMINATION  
OF MANAGEMENT'S ASSERTION ABOUT COMPLIANCE  
WITH SPECIFIED REQUIREMENTS**

January 31, 2001

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

We have examined management's assertion included in its representation letter dated January 31, 2001 that the City of Bushnell, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance for the year ended September 30, 2000. Management is responsible for the City of Bushnell, Florida's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, management's assertion that the City of Bushnell, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance during the year ended September 30, 2000 is fairly stated, in all material respects.

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

*Shumacker, Johnston & Ross, PA*  
Shumacker, Johnston & Ross, PA

*Linda L. Thigpen P.A.*  
Linda L. Thigpen, PA

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**MANAGEMENT LETTER**

January 31, 2001

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

We have audited the general purpose financial statements of the City of Bushnell, Florida as of and for the year ended September 30, 2000, and have issued our report thereon dated January 31, 2001. the following comments and recommendations are provided as required by Chapter 10.554, Rules of the Auditor General for the State of Florida.

- 1a. There were no inaccuracies, shortages, defalcations, fraud, and/or violations of laws, rules, regulations or contractual provisions reported in the preceding annual financial audit.
- 1b. The recommendations made in the preceding annual financial audit report have been satisfactorily addressed by the City, except for the following items:

**Evergreen Cemetery Fund**

The Evergreen Cemetery fund of the City is maintained and operated by a volunteer association that handles all financial functions of the fund. The volunteer association's treasurer alone keeps all records, approves payments, writes and signs checks, and receives the bank statements. In prior years, the annual audit has been the only time that the financial activity and records of the fund are received and analyzed by the City.

During 1998/99 year, the City began the process of obtaining some financial information on a quarterly basis. However, during the 99/00 year the Cemetery's records were received on an annual basis. Analytical procedures were not implemented before entering the Cemetery Treasurer's annual summary of accounts prior to entering City's General Ledger.

The bank reconciliations prepared by the Treasurer did not agree to the general ledger. Other data summarized by the Cemetery Treasurer did not reconcile to the original source documents. During the course of our audit we found checks of material amounts issued from the accounts with only one signature. The City's policy is to have two signatures on all checks.

We recommend that the City continue working with the volunteer association to perform a more in-depth financial review, system of internal control and perform a reconciliation of the bank statements on a monthly basis.

#### **Bank Reconciliations**

Our audit indicates that the City does not prepare accurate and timely bank reconciliations that agree to the general ledger. Since cash receipts are not integrated with the City's general ledger software package, reconciling the cash accounts would help insure that deposits and all other cash transactions are recorded in the proper accounting period.

Similarly, we would recommend that the City determine how to best integrate the cash receipts with the general ledger, instead of compiling the cash receipts externally on spread sheets and subsequently recording the receipts as one large entry to the general ledger. This integration would possibly save time, provide sufficient detail to financial statement users and provide a more appropriate internal audit trail.

We have been informed by the City staff that a cash receipts software program has been installed and is being tested by the City.

#### **Safeguarding Assets**

During the fiscal year ending September 30, 2000, we noted that penalties and interest were assessed by Federal authorities for late and insufficient payments of taxes. We would recommend that the City institute procedures for prevention of future occurrences of this nature.

2. The City is not and, during the fiscal year, has not been in a state of financial emergency as consequence of conditions described in Section 218.503(1), Florida Statutes.
3. The financial report filed with the Department of Banking and Finance pursuant to Section 218.32(1)(a), Florida Statutes is in agreement with the annual financial audit report for the year ended September 30, 2000.
4. The City is in compliance with Section 218.415 Florida Statutes regarding the investment of public funds.
5. This management letter is not for a Clerk of the Circuit Court (not applicable).

6. We have made the following recommendations to improve the City's present financial management, accounting procedures, and internal controls:

**Waste Water Fund FDEP Grant**

The City's request #4 to FDEP dated 11/27/2000 contained certain invoices for reimbursement that had previously been presented to FDEP in request #3 and had been received on 08/18/00 by the City.

Duplicate invoices are as follows:

<u>Date</u>	<u>Vendor</u>	<u>\$Amount</u>	<u>Invoice#</u>
05/31/00	H&B Consulting Engineers Inc.	35,792.20	500337E
05/31/00	H&B Consulting Engineers Inc.	14,720.00	500337A
04/28/00	H&B Consulting Engineers Inc.	22,013.60	400337A
04/28/00	H&B Consulting Engineers Inc.	<u>29,880.80</u>	400337E
	Total	<u>\$102,406.60</u>	

We recommend that review procedure and system of internal control be implemented for grant funding requests to reduce the possibility of this happening in the future.

**Cash Drawer**

During our cash receipt testing we discovered that cash received over the counter from customers, as documented on the City's cash receipts book, was more than the cash deposited for the days tested. The City's staff informed us that certain checks are cashed for the public to include payroll, government or state checks, provided that the check is substantially for paying the City's utility bills or other City invoices.

Conversely, our audit testing on other Cash receipts revealed that cash received over the counter from customers, as documented on the City's cash receipt book, was less than the cash deposited for the days tested. The City's staff did know why there were occurrences of this nature.

We recommend to the City's staff that a procedure be implemented to tie cash out each day and that checks that are cashed for customers be documented as part of this cash reconciling procedure.

7. The City is not, and during the fiscal year, was not experiencing deteriorating financial conditions which may cause a financial emergency described in Section 218.503(1), Florida Statutes. Accordingly, we have made no recommendations addressing

deteriorating financial conditions disclosed pursuant to Section 11.45(3)(a)8., Florida Statutes.

- 8a. We discovered the following violations of laws, rules, regulations or contractual provisions within the scope of the financial audit:

**Payroll Tax Compliance**

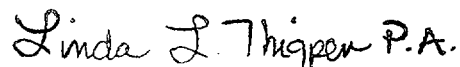
Payroll checks should be dated on Thursdays unless an employee requests to be paid early. During our audit we found payroll checks issued before the scheduled pay date of Thursday. Payroll tax returns prepared for periods of early pay releases were erroneously reported to the IRS with deposit liability dates of Thursday rather the date the checks were actually issued, or the date the City becomes liable for taxes. The City could be subject to penalties and interest on those payroll tax returns filed improperly.

- 8b. We did not discover any illegal or improper expenditures within the scope of the financial audit.
- 8c. 1. Accounting procedures appear to be proper and adequate, except for the recommendation for improving accounting procedures with regard to items mentioned in comment number 1b, 6 and 8a above.
2. Financial transactions were properly recorded, except as hereintofore mentioned in comment number 1b, 6, and 8a above.
3. We did not discover any other inaccuracies, irregularities, shortages or defalcations.
9. The name of the primary government is the City of Bushnell, Florida, created by charter under the legal authority of the laws of Florida 57-1205.

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



Shumacker, Johnston & Ross, PA



Linda L. Thigpen, PA

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# CITY OF BUSHNELL

219 N. Market Street  
P.O. Box 115



Bushnell, Florida 33513  
(352) 793-2591  
Fax (352) 793-2711

March 26, 2001

To: Honorable Mayor and Council Members  
From: Vince Ruano and Joy Coleman  
Re: Management response to the auditor's management letter

Honorable Council members;

This letter of explanation, or rebuttal, is being offered in accordance with the "Rules of the Auditor General" in particular, Chapter 10.500 thereof.

Specifically, this letter responds to Shumacker, Johnston, & Ross, PA and Linda Thigpen, PA "Management Letter" comments, dated January 31, 2001. In their report Shumacker, Johnston, & Ross, PA, and Linda Thigpen, PA made several recommendations for improvement in different areas of the City's accounting functions. The specific areas identified in their recommendations are as follows:

## *PRIOR YEAR RECOMMENDATIONS:*

- ❖ Evergreen Cemetery Fund
- ❖ Bank Reconciliation's
- ❖ Safeguarding Assets

## *CURRENT YEAR RECOMMENDATIONS:*

- ❖ Wastewater Fund FDEP Grant
- ❖ Cash Drawer

## *DISCOVERY*

- ❖ Payroll Tax Compliance

PAGE 2  
RESPONSE TO THE MANAGEMENT LETTER  
MARCH 26, 2001

The management of the city recognizes that several of the recommendations from the auditors are beneficial and achievable and the discovery was a mere oversight in payroll processing and reporting, therefore, this letter will be without rebuttal. Our comments will hence be restricted to explanatory comments, implementation plans for the above-identified areas.

*PRIOR YEAR RECOMMENDATIONS.:*

EVERGREEN CEMETERY FUND

Management agrees with the auditor's recommendation for the need of more in-depth financial review of the Bushnell Evergreen Cemetery financial activities by the city.

Traditionally, the Cemetery Board of Trustees and its treasurer have had total control and custody over certain city funds. The Council or management has had no oversight of these fund activities, except for monthly account activity reports received from the financial institution where these funds are held and an annual report received from the board treasurer.

During 2000 the city utilized the monthly account activity reports to record activity to the general ledger and to reconcile the cemetery fund's cash account. At year end, staff will compare the Board of Trustee's treasurers annual report to the general ledger activity, to provide assurance of the general ledger's accuracy.

BANK RECONCILIATION

On or about the 10<sup>th</sup> of each month the city receives bank statements from our local banking institution. These statements are reconciled to the general ledger within a week of receipt. During these reconciliation's certain immaterial deviations are noted, such as returned checks and/or accounts payable checks not drawn at the time of reconciliation to the general ledger. However, with these deviations are noted on the bank statement to successfully agree the bank balance to general ledger.

During this fiscal year the city did utilize an external spreadsheet, developed daily, for the manually posting of cash receipts to general ledger. Although this process was cumbersome, it did provide accuracy of the cash receipts daily posting to general ledger. Since October of 2000 staff has tested and implemented an integrated cash receipts program with the general ledger. This implementation has been successful will continue to be utilized.

PAGE 3  
RESPONSE TO THE MANAGEMENT LETTER  
MARCH 26, 2001

SAFEGUARDING ASSETS

As a result of the December 1, 1999 payroll period a dispute initiated between the IRS and the city over a claim of a late payroll tax deposit. In July of 2000 the IRS assessed penalties and interest on the payroll period in question. Staff continued to dispute this claim of late payment through numerous correspondence and phone conversations. After unsuccessfully disputing this incident the city made payment of penalty and interest assessed in January 2001.

*CURRENT YEAR RECOMMENDATIONS:*

WASTEWATER FUND FDEP GRANT

Duplicated invoices from the previous request in fact overstated the city's request #4 for FDEP funds. Upon recognition of this duplicate billing, staff contacted the FDEP administrator to discuss corrective actions. It was determined that an amended request would be submitted for processing.

Staff has developed a review procedure to ensure that duplication of invoices will not be submitted in the future.

CASH DRAWER

Staff balances all receipts, whether checks or currency, to the money drawer and the deposit on a daily basis. The auditor's recommend that we account for checks and currency separately. The current software application for utility billing cash receipts does not provide for electronic recording of checks and currency separately. Such accounting of amounts remitted would have to be processed manually. This process would be both cumbersome and time consuming. We feel this additional procedure recommended will not provide a cost benefit to the city, in that the accuracy of the deposit is already ascertained on daily basis.

PAGE 4  
RESPONSE TO THE MANAGEMENT LETTER  
MARCH 26, 2001

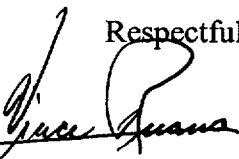
*DISCOVERY:*

PAYROLL TAX COMPLIANCE

The personnel policy of the city identifies the end of a payroll period as every other Monday at 7:00 a.m. The department heads delivers time sheets on Monday, for the prior two weeks, for processing by staff. The payroll process is completed by Tuesday or Wednesday with delivery of payroll checks on the following day. The payroll taxes due for the pay period are electronically transferred prior to the end of the payroll process. The payroll report 941, which is a quarterly summary of the payroll taxes, has traditionally been reported with a Thursday date to provide consistency and ease of reporting. For future reporting staff will submit the quarterly 941-payroll tax report with the actual date that payroll checks are dated and issued.

This letter along with the general-purpose financial statement for fiscal year ending September 30, 2001 will be filed with the public records of the City of Bushnell and the State of Florida Auditor General's Office.

Respectfully submitted,



Vince Ruano  
City Manager



Joy Coleman, CMC  
City Clerk/Finance Director

*City of Bushnell*  
*219 N Market St.*  
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*Phone (352) 793-2591 Fax (352) 793-2711*