

City of Bristol, Connecticut

Federal and State Compliance Reports
Fiscal Year Ended June 30, 2017

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RSM US LLP

**Report on Compliance for its Major Federal Program; Report on
Internal Control Over Compliance; and Report on Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

Independent Auditor's Report

To the City Council and Board of Finance
City of Bristol, Connecticut

Report on Compliance for its Major Federal Program

We have audited the City of Bristol, Connecticut's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes 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 audit provides a reasonable basis for our opinion on compliance for its major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on its Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bristol, Connecticut, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Bristol, Connecticut's basic financial statements. We issued our report thereon dated December 27, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

RSM US LLP

New Haven, Connecticut
December 27, 2017

City of Bristol, Connecticut

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Federal Grantor Pass-Through Grantor Program or Cluster Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Passed through the State of Connecticut			
Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	12060-SDE64370-20508	\$ 326,000
National School Lunch Program	10.555	12060-SDE64370-20560	1,695,742
Special Milk Program for Children	10.556	12060-SDE64370-20500	1,868
Summer EBT Children Demo Prog	10.579	12060-SDE64351-26130	1,349
Total Child Nutrition Cluster			<u>2,024,959</u>
Total U.S. Department of Agriculture			<u>2,024,959</u>
U.S. Department of Education			
Passed through the State of Connecticut			
Department of Education:			
Adult Education	84.002	12060-SDE64370-20784-2017	<u>105,000</u>
Tier I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2018	1,566,535
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2017	290,561
Total Title I, Part A Cluster			<u>1,857,096</u>
Special Education Cluster:			
Special Education - Grants to States	84.027	12060-SDE64370-20977-2017	693,209
Special Education - Grants to States	84.027	12060-SDE64370-20977-2018	1,148,101
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2017	58,372
Total Special Education Cluster			<u>1,899,682</u>
Career and Technical Education - Basic Grants to States	84.048	12060-SDE64370-20742-2016	<u>107,425</u>
Education of Homeless Children and Youth	84.196	12060-SDE64370-20770-2015	<u>11,909</u>
English Language Acquisition Grants	84.365	12060-SDE64370-20868-2017	<u>53,391</u>
Immigrant and Youth Education Program	84.365	12060-SDE64370-20868-2017	20,609
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2015	165,470
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2016	20,621
			<u>186,091</u>
Total U.S. Department of Education			<u>4,241,203</u>

(Continued)

City of Bristol, Connecticut

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2017

Federal Grantor Pass-Through Grantor Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Identifying Number	Federal Expenditures
Environmental Protection Agency			
Passed through the State of Connecticut			
Department of Energy and Environmental Protection:			
Capitalization Grants for Drinking Water State			
Revolving Funds (Note 4)	66.468	21018-DPH48770-42319	\$ 732,197
Passed through the State of Connecticut			
Department of Energy and Environmental Protection:			
Brownfield Remediation & Development			
	66.818	12060-ECD46260-35533	<u>94,107</u>
Total Environmental Protection Agency			<u>826,304</u>
United States Department of Homeland Security			
Passed through the State of Connecticut			
Department of Emergency Services and Public Protection:			
Hazard Mitigation Grant (HMGP)			
	97.039	12060-DPS32990-22278	299,679
CERT Civil Preparedness Grant			
	97.042	12060-DPS32160-21881	13,744
FEMA Public Assistance			
	97.036	12060-DPS32990-22520	<u>61,137</u>
Subtotal Department of Homeland Security			<u>374,560</u>
Direct Program:			
Assistance to Firefighters Grant			
	97.044	N/A	<u>13,004</u>
Total United States Department of Homeland Security			<u>387,564</u>
United States Department of Housing and Urban Development			
Direct Program:			
Community Development Block Grant/Entitlement			
	14.218	N/A	<u>514,983</u>
United States Department of Justice			
Direct Program:			
Bulletproof Vest Partnership Program			
	16.607	N/A	<u>28,800</u>
Equitable Sharing Program			
	16.922	N/A	<u>94,411</u>
DEA Overtime			
	16.922	N/A	<u>36,526</u>
Total United States Department of Justice			<u>159,737</u>

City of Bristol, Connecticut

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2017

Federal Grantor Pass-Through Grantor Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor's Identifying Number	Federal Expenditures
United States Department of Transportation			
Passed through the State of Connecticut			
Department of Transportation:			
Highway Planning and Construction	20.205	12062-DOT57124-22108	\$ 18,999
Distracted Driving High Visibility Enforcement	20.614	12062-DOT57513-22600	22,354
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091	<u>102,295</u>
Total United States Department of Transportation			<u>143,648</u>
United States Department of Health and Human Services			
Passed through the State of Connecticut			
Office of Early Childhood:			
Social Services Block Grant	93.667	12060-OEC64841-22668	49,923
Direct Grant:			
Drug Free Communities Support Program	93.276	N/A	<u>56,293</u>
Total United States Department of Health and Human Services			<u>106,216</u>
Total Federal Awards Expended			<u>\$ 8,404,614</u>

See notes to schedule of expenditures of federal awards.

City of Bristol, Connecticut

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Bristol, Connecticut (the City) under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a select portion of the operations of the City of Bristol, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the City.

Note 2. Summary of Significant Accounting Principles

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Non Cash Awards

The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$121,936 represents the market value of such commodities used during the period. This amount is included in the Child Nutrition Cluster.

Note 4. Drinking Water Loan Balance

The federal drinking water loans are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance in drinking water loans at June 30, 2017 is \$732,197.

Note 5. Indirect Cost Recovery

The City of Bristol, Connecticut, did not recover its indirect costs using the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance.

Note 6. Hazard Mitigation Grants

The amounts recorded in Hazard Mitigation Grants CFDA 97.039 relate to expenditures that were incurred during fiscal years 2013 through 2016. The award was approved in fiscal year 2013 and eligible expenditures were submitted during that period. The amount reported in the current year of \$299,679 represents payments for expenditures incurred in prior years.

Note 7. Subrecipients

The City of Bristol, Connecticut did not provide any federal funds to subrecipients for the year ended June 30, 2017.

City of Bristol, Connecticut

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2017**

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for major programs: unmodified

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516 (a) Yes No

Identification of Major Programs

CFDA Numbers	Name of Federal Program or Cluster
84.270/84.173	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs \$750,000

Auditee qualified as low-risk auditee? Yes No

II. Financial Statement Findings

No matters were reported.

III. Federal Award Findings and Questioned Costs

No matters were reported.

City of Bristol, Connecticut

**Summary of Prior Year Audit Findings
For the Year Ended June 30, 2017**

There were no findings in the prior year.

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

Independent Auditor's Report

To the City Council and Board of Finance
City of Bristol, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bristol, Connecticut (the City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Bristol, Connecticut's basic financial statements, and have issued our report thereon dated December 27, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

RSM US LLP

New Haven, Connecticut
December 27, 2017

Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

Independent Auditor's Report

To the City Council and Board of Finance
City of Bristol, Connecticut

Report on Compliance for Each Major State Program

We have audited the City of Bristol, Connecticut's (the City) compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the City's major state programs for the year ended June 30, 2017. The City's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes 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 audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major State Program

In our opinion, the City of Bristol, Connecticut complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bristol, Connecticut, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Bristol, Connecticut's basic financial statements. We issued our report thereon dated December 27, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

RSM US LLP

New Haven, Connecticut
December 27, 2017

City of Bristol, Connecticut

Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2017

State Grantor Pass-Through Grantor Program Title	State Grant Program Core-CT Number	Expenditures
Department of Education		
Family Resource Centers	11000-SDE64370-16110	\$ 309,000
Youth Services Bureau - Enhancement	11000-SDE64370-16201	7,550
Child Nutrition State Matching Grant	11000-SDE64370-16211	35,141
Health Foods Initiative	11000-SDE64370-16212	71,237
Adult Education	11000-SDE64370-17030	310,980
Health Services	11000-SDE64370-17034	220,418
Educational Cost Sharing - Alliance District Funding	11000-SDE64370-17041-82164	3,279,121
Bilingual Education	11000-SDE64370-17042	14,172
Interdistrict Cooperative Grant	11000-SDE64370-17045	68,826
School Breakfast	11000-SDE64370-17046	34,703
Youth Services Bureau	11000-SDE64370-17052	40,816
Regional Vocational-Tech School Grant	11000-SDE64344-12519	3,701
Early Childhood Minor Capital	12052-SDE64370-43540	35,502
Total Department of Education		<u>4,431,167</u>
Office of Early Childhood		
Child Day Care (CDC)	11000-OEC64841-16274	268,737
School Readiness	11000-OEC64845-17101	2,797,373
School Readiness Quality Enhancement	11000-OEC64845-17097	25,024
Total Office of Early Childhood		<u>3,091,134</u>
Department of Energy and Environmental Protection		
Clean Water Fund	21014-DEP43720-40001	4,153,007
Total Department of Energy and Environmental Protection		<u>4,153,007</u>
Connecticut State Library		
Environmental Settlements	12060-DEP43930-35169	553
ConnectiCard Payments	11000-CSL66051-17010	2,708
Historic Documents Preservation Grants	12060-CSL66094-35150	5,000
Total Connecticut State Library		<u>8,261</u>
Judicial Branch of the State of Connecticut		
Non-budgeted Operating Appropriations	34001-JUD95162-40001	18,543
Total Judicial Branch of the State of Connecticut		<u>18,543</u>
Office of Policy and Management		
Payment in Lieu of Taxes (PILOT) on Private Colleges and General Hospitals	11000-OPM20600-17006	392,185

(Continued)

City of Bristol, Connecticut

Schedule of Expenditures of State Financial Assistance (Continued)
For the Year Ended June 30, 2017

State Grantor Pass-Through Grantor Program Title	State Grant Program Core-CT Number	Expenditures
Office of Policy and Management (Continued)		
Reimbursement of Property Taxes - Disability Exemption	11000-OPM20600-17011	\$ 13,451
Property Tax Relief for Veterans	11000-OPM20600-17024	29,117
Payment in Lieu of Taxes (PILOT) on Exempt Property of Manufacturing Facilities in Distressed Municipalities	11000-OPM20600-17016	124,866
Property Tax Relief for Elderly and Totally Disabled Homeowners	11000-OPM20600-17018	334,198
Property Tax Relief for Elderly Homeowners - Freeze Program	11000-OPM20600-17021	3,334
Local Capital Improvement Program	12050-OPM20600-40254	693,642
Municipal Grants-In-Aid	12052-OPM20600-43587	2,486,925
Total Office of Policy and Management		<u>4,077,718</u>
Department of Emergency Services and Public Protection		
Telecommunications Fund	12060-DPS32181-35190	140,972
State Assets Forfeiture Revolving Fund	12060-DPS32155-35142	9,178
Total Department of Emergency Services and Public Protection		<u>150,150</u>
Department of Social Services		
Medicaid	11000-DSS60000-16020	241,414
Department of Transportation		
Town Aid Road Grants	12052-DOT57131-43455	663,933
Bus Operations	12001-DOT57931-12175	57,275
Total Department of Transportation		<u>721,208</u>
Department of Consumer Protection		
Bingo Payments	34003-DCP39930-42350	410
Off Track Betting	34004-DCP39930-40001	51,643
Total Department of Consumer Protection		<u>52,053</u>
Department of Administrative Services		
Alliance District General Improvements	12052-DAS27635-43651	1,691,206
Total State Financial Assistance Before Exempt Programs		<u>18,635,861</u>
Exempt Programs		
Office of Policy and Management		
Grants to Towns	12009-OPM20600-17005	565,082
Municipal Revenue Sharing	12002-OPM20600-17102	1,276,119
Total Office of Policy and Management		<u>1,841,201</u>

(Continued)

City of Bristol, Connecticut

Schedule of Expenditures of State Financial Assistance (Continued)
For the Year Ended June 30, 2017

State Grantor Pass-Through Grantor Program Title	State Grant Program Core-CT Number	Expenditures
Department of Education		
Educational Cost Sharing	11000-SDE64370-17041-82010	\$ 41,420,177
Excess Costs Student Based and Equity	11000-SDE64370-17047	<u>4,335,411</u>
Total Department of Education		<u>45,755,588</u>
Department of Administrative Services		
School Construction Grants	13010-DAS27636-40901	<u>2,546,931</u>
Total Exempt Programs		<u>50,143,720</u>
Total State Financial Assistance		<u>\$ 68,779,581</u>

See notes to schedule of state financial assistance

City of Bristol, Connecticut

**Notes to Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2017**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes state grant activity of the City of Bristol, Connecticut, under programs of the State of Connecticut for the fiscal year ended June 30, 2017. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. Because the Schedule presents only a select portion of the operations of the City of Bristol, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the City.

Note 2. Summary of Significant Accounting Principles

The accounting policies of the City of Bristol, Connecticut conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies relating to the aforementioned grant programs.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of accounting: The expenditures reported on the Schedule of Expenditures of State Financial Assistance, are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

Note 3. Loan Programs

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the Schedule shall include loans and loan activities. The following is a summary of the various loan program activity for the year ended June 30, 2017:

Department of Energy and Environmental Protection:

Clean Water Funds:

Outstanding balance, beginning of year	\$ 4,594,703
Issued	4,153,009
Repayments	(324,749)
Balance - end of year	<u>\$ 8,422,963</u>

City of Bristol, Connecticut

**Schedule of State Single Audit Compliance Findings and Questioned Costs
For the Year Ended June 30, 2017**

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified.

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
 - Significant deficiency(ies) identified? _____ Yes X None reported
- Noncompliance material to financial statements noted? _____ Yes X No

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: unmodified.

- Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? _____ Yes X No

The following schedule reflects the major programs included in the State Single Audit.

State Grantor and Program	State Core-CT Number	Expenditures
Department of Education		
Educational Cost Sharing - Alliance District Funding	11000-SDE64370-17041-82164	\$ 3,279,121
Family Resource Centers	11000-SDE64370-16110	309,000
Office of Policy and Management		
Municipal Grants-In-Aid	12052-OPM20600-43587	\$ 2,486,925
Department of Administrative Services		
Alliance District General Improvements	12052-DAS27635-43651	\$ 1,691,206
Office of Early Childhood		
School Readiness	11000-OEC64845-17101	\$ 2,797,373
• Dollar threshold used to distinguish between Type A and Type B Programs		<u>\$ 372,717</u>

City of Bristol, Connecticut

**Schedule of State Single Audit Compliance Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2017**

II. Financial Statement Findings

No matters were reported.

III. Findings and Questioned Costs for State Financial Assistance

No matters were reported.

City of Bristol, Connecticut

**Summary of Prior Year Audit Findings
For the Year Ended June 30, 2017**

There are no prior audit findings related to state programs.