

**City of Belleair Beach  
Audit Committee Meeting  
Tuesday, April 16, 2024, at 5:00pm**

**Public Meeting Notice  
Agenda**

Call to Order  
Roll Call

1. Approval of the Agenda
2. Approval of the July 12, 2023 Audit Committee Meeting Minutes
3. Review and Accept the DRAFT Annual Comprehensive Financial Report (ACFR) for Fiscal Year ended September 30, 2023
4. Request for Proposals for Certified Public Accountants to provide Audit Services and Establish Factors to Use for the Evaluation of Proposals
5. General Business.

Adjournment.

Any person who decides to appeal any decision of this Meeting with respect to any matter considered at this meeting will need a record of the proceedings and for such purposes may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The law does not require verbatim minutes transcribed, therefore, the applicant must make the necessary arrangements with a private reporter or private reporting firm and bear the resulting expense. Any person with a disability requiring reasonable accommodation in order to participate in this meeting should call 727-595-4646 or fax a written request to 727-593-1409.

Renee Rose, CMC  
City Clerk

Select Year: 2023 ▼ Go

## The 2023 Florida Statutes (including Special Session C)

[Title XIV](#)  
TAXATION AND  
FINANCE

[Chapter 218](#)  
FINANCIAL MATTERS PERTAINING TO POLITICAL  
SUBDIVISIONS

[View Entire  
Chapter](#)

### **218.391 Auditor selection procedures.—**

(1) Each local governmental entity, district school board, charter school, or charter technical career center, prior to entering into a written contract pursuant to subsection (7), except as provided in subsection (8), shall use auditor selection procedures when selecting an auditor to conduct the annual financial audit required in s. [218.39](#).

(2) The governing body of a county, municipality, special district, district school board, charter school, or charter technical career center shall establish an auditor selection committee.

(a) The auditor selection committee for a county must, at a minimum, consist of each of the county officers elected pursuant to the county charter or s. 1(d), Art. VIII of the State Constitution or their respective designees and one member of the board of county commissioners or its designee.

(b) The auditor selection committee for a municipality, special district, district school board, charter school, or charter technical career center must consist of at least three members. One member of the auditor selection committee must be a member of the governing body of an entity specified in this paragraph, who shall serve as the chair of the committee.

(c) An employee, a chief executive officer, or a chief financial officer of the county, municipality, special district, district school board, charter school, or charter technical career center may not serve as a member of an auditor selection committee established under this subsection; however, an employee, a chief executive officer, or a chief financial officer of the county, municipality, special district, district school board, charter school, or charter technical career center may serve in an advisory capacity.

(d) The primary purpose of the auditor selection committee is to assist the governing body in selecting an auditor to conduct the annual financial audit required in s. [218.39](#); however, the committee may serve other audit oversight purposes as determined by the entity's governing body. The public may not be excluded from the proceedings under this section.

(3) The auditor selection committee shall:

(a) Establish factors to use for the evaluation of audit services to be provided by a certified public accounting firm duly licensed under chapter 473 and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy. Such factors shall include, but are not limited to, ability of personnel, experience, ability to furnish the required services, and such other factors as may be determined by the committee to be applicable to its particular requirements.

(b) Publicly announce requests for proposals. Public announcements must include, at a minimum, a brief description of the audit and indicate how interested firms can apply for consideration.

(c) Provide interested firms with a request for proposal. The request for proposal shall include information on how proposals are to be evaluated and such other information the committee determines is necessary for the firm to prepare a proposal.

(d) Evaluate proposals provided by qualified firms. If compensation is one of the factors established pursuant to paragraph (a), it shall not be the sole or predominant factor used to evaluate proposals.

(e) Rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to paragraph (a). If

fewer than three firms respond to the request for proposal, the committee shall recommend such firms as it deems to be the most highly qualified.

(4) The governing body shall inquire of qualified firms as to the basis of compensation, select one of the firms recommended by the auditor selection committee, and negotiate a contract, using one of the following methods:

(a) If compensation is not one of the factors established pursuant to paragraph (3)(a) and not used to evaluate firms pursuant to paragraph (3)(e), the governing body shall negotiate a contract with the firm ranked first. If the governing body is unable to negotiate a satisfactory contract with that firm, negotiations with that firm shall be formally terminated, and the governing body shall then undertake negotiations with the second-ranked firm. Failing accord with the second-ranked firm, negotiations shall then be terminated with that firm and undertaken with the third-ranked firm. Negotiations with the other ranked firms shall be undertaken in the same manner. The governing body, in negotiating with firms, may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time.

(b) If compensation is one of the factors established pursuant to paragraph (3)(a) and used in the evaluation of proposals pursuant to paragraph (3)(d), the governing body shall select the highest-ranked qualified firm or must document in its public records the reason for not selecting the highest-ranked qualified firm.

(c) The governing body may select a firm recommended by the audit committee and negotiate a contract with one of the recommended firms using an appropriate alternative negotiation method for which compensation is not the sole or predominant factor used to select the firm.

(d) In negotiations with firms under this section, the governing body may allow a designee to conduct negotiations on its behalf.

(5) The method used by the governing body to select a firm recommended by the audit committee and negotiate a contract with such firm must ensure that the agreed-upon compensation is reasonable to satisfy the requirements of s. 218.39 and the needs of the governing body.

(6) If the governing body is unable to negotiate a satisfactory contract with any of the recommended firms, the committee shall recommend additional firms, and negotiations shall continue in accordance with this section until an agreement is reached.

(7) Every procurement of audit services shall be evidenced by a written contract embodying all provisions and conditions of the procurement of such services. For purposes of this section, an engagement letter signed and executed by both parties shall constitute a written contract. The written contract shall, at a minimum, include the following:

(a) A provision specifying the services to be provided and fees or other compensation for such services.

(b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract.

(c) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed.

(8) Written contracts entered into pursuant to subsection (7) may be renewed. Such renewals may be done without the use of the auditor selection procedures provided in this section. Renewal of a contract shall be in writing.

(9) If the entity fails to select the auditor in accordance with the requirements of subsections (3)-(6), the entity must again perform the auditor selection process in accordance with this section to select an auditor to conduct audits for subsequent fiscal years.

**History.**—s. 65, ch. 2001-266; s. 1, ch. 2005-32; s. 15, ch. 2019-15.

**City of Belleair Beach  
Audit Committee Meeting  
Wednesday, July 12, 2023, at 5:00pm**

**Minutes**

**Call to Order**

Audit Committee Chair Ron Ciganek called the meeting to order at 5:00pm.

**Roll Call**

**Committee Members:**

Ron Ciganek

Mark Goldman

John Handzuk

Robert Risberg was unable to attend

Thomas Elliot attended via Zoom

Jody Shirley – City Councilmember

Tim Holic – Alternate Member

Dr. Brian G. Dillard - Alternate Member was unable to attend

**City Staff:**

City Manager Kyle Riefler

**1. Approval of the Agenda.**

**MOTION** was made by Jody Shirley and seconded by Mark Goldman to approve the Agenda.

**MOTION passed 5-0.**

**2. Approval of the May 3, 2023, Audit Committee Meeting Minutes.**

**MOTION** was made by Jody Shirley and seconded by Mark Goldman to approve the May 3, 2023, Audit Committee Minutes.

**MOTION passed 5-0.**

**Audit Committee Meeting  
Wednesday, July 12, 2023, at 5:00pm**

**3. Review of DRAFT FY 2023-2024 Budget.**

Chair Ron Ciganek turned the meeting over to City Manager Riefler.

City Manager Riefler:

- Reviewed the budget and millage rate
- Recommended that the City keep the current millage rate of 2.0394% for the FY2023-2024 budget
- Advised the need for the administrative assistant position to be full time – there was no objection
- Advised the need for one additional maintenance worker II – the committee agreed

The remainder of the budget was reviewed.

The Committee complimented City Manager Riefler for his work preparing the budget.

**MOTION** was made by John Handzuk and seconded by Jody Shirley to adopt the budget as presented.

**MOTION passed 5-0.**

**MOTION** was made by John Handzuk and seconded by Jody Shirley to retain the current millage rate of 2.0394%.

**MOTION passed 5-0.**

**4. General Business.**

None.

**ADJOURN**

**MOTION** was made by Mark Goldman and seconded by John Handzuk to adjourn at 6:15pm.

**MOTION passed 5-0.**

\_\_\_\_\_  
Date Approved

APPROVED: \_\_\_\_\_  
Ron Ciganek, Chair

ATTEST \_\_\_\_\_  
John Handzuk, Secretary

# City of Belleair Beach, Florida



## Annual Comprehensive Financial Report

Fiscal Year Ended September 30, 2023



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City of Belleair Beach, Florida

Annual Comprehensive Financial Report  
For the Fiscal Year Ended September 30, 2023

Prepared by the Department of Finance

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## I. INTRODUCTORY SECTION



**CITY OF BELLEAIR BEACH, FLORIDA**  
**BELLEAIR BEACH, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2023**  
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**BELLEAIR BEACH, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2023**

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**CITY OF BELLEAIR BEACH, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2023**

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April XX, 2024

To the Honorable Mayor, City Council Members  
and Citizens of City of Belleair Beach, Florida

State law (section 218.32, Florida Statutes, as amended) requires that all general-purpose local governments publish within nine months after the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted, in the United States of America, auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Belleair Beach, Florida (the City) for the fiscal year ended September 30, 2023.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Saltmarsh, Cleveland and Gund, P.A. a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2023, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2023 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

## **Profile of the Government**

The City of Belleair Beach, Florida was incorporated in 1950 and was chartered pursuant to Chapter 166 Florida Statutes, with a Mayor form of government. An amendment to the charter effective March 10, 2004 adopted the council-manager form of government. The City currently occupies a land area of eight tenths of a square mile and serves an estimated population of 1,643 in 2022. The City is empowered to levy property tax on both real and personal properties located within its boundaries but is unique because it does not have any commercial businesses located within the City limits (by City Charter), therefore it has no commercial tax base.

Policy-making and legislative authority are vested in a governing council consisting of the Mayor and six other members. The City Council is responsible, among other things, for passing ordinances and resolutions, adopting the budget, appointing committees and hiring the government's City Manager, City Clerk and attorney. The City Manager is the chief executive officer of the City and is responsible for carrying out the policies and ordinances/resolutions and directives of the City Council. Among other things, the City Manager will direct and supervise the administration of all departments of the City, except as provided by Charter, attend all council meetings and submit to the City Council a proposed annual budget in a timely manner each year. The Council is elected on a non-partisan basis. In even-numbered years, four council members, including the Mayor, shall be elected for a three-year term and three council members shall be elected to a three-year term in the odd-numbered years. The Mayor and council members are elected at large.

The City maintains the streets, parks and other infrastructure. Police protection is provided by the Pinellas County Sheriff's Office effective June 1, 2007 per referendum approved by citizens in March 2007. The City's recreational facilities include parks and playgrounds, beaches, tennis courts, basketball court and library services in conjunction with the Pinellas County Public Library Cooperative. The City also has marina slips available to residents. Stormwater improvements are accounted for in a separate fund beginning in fiscal year 2021. The Marina and Stormwater Enterprise Funds are included in this report.

## **Local Economy**

The City of Belleair Beach is a residential community in a region experiencing increasing property values. The City has a healthy property tax base, other non-state derived revenue sources, and reserve funds available that will help to offset the short-term impacts of any decreased funding and considers inflationary impacts when making future budgetary projections.

In the Tampa Bay area, the unemployment rate of 3.2% in September 2023 was notably higher than the rate of 2.5% reported in 2022, as the impact of employment losses and declines in other areas of the economy have been felt close to home.

The region (which includes the City and the surrounding unincorporated area within Pinellas county) has a population base of approximately one million people, with three surrounding counties playing a vital role in the region's economy.

## **Operational, Internal and Budgetary Control**

### Operational Control:

Operational policies are continually monitored to assure that specific tasks are carried out effectively and efficiently and that results are consistent with the City's expectations. As tasks are undertaken, the City evaluates deviations and makes necessary adjustments. A workplace safety program is in place to provide for employee accident prevention training, thus minimizing accident-related losses as well as lowering premiums. Specialized training is also undertaken for specific areas of concern. The City is insured through the Florida Municipal Insurance Trust program for general and professional liability, automobile, property and workers' compensation insurance.

### Internal Control:

Effective internal accounting control is a major emphasis in the City's accounting system. The City seeks to provide reasonable assurance that assets are safeguarded and that financial records are reliable for preparing financial statements and maintaining accountability. The annual budget serves as the foundation for the City's financial planning and control. Budgets are maintained at the departmental level and changes are approved by the City Manager.

### Budgetary Control:

The budget is prepared using conservative assumptions of revenue and moderate expenditure growth. Department heads submit to the City Manager their budget requests during April and May of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to City Council for review in June. Budget workshops that are open to the public are held in June and July. The Council is required to hold two public hearings on the proposed budget and to adopt a final budget by no later than September 30th, the close of the City's fiscal year. The appropriated budget is prepared by fund and departmental details. Department heads may request transfers of appropriations within a department through a budget transfer request by the City Manager and City Treasurer provided that the total budget within a fund is not changed. However, if the total amount of budget appropriations within a fund is changed, a resolution authorizing a budget amendment is required to be approved by Council. Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page 23 and the Capital Projects Fund is on page 53 as part of the basic financial statements for the governmental funds. For the Marina Fund, budget-to-actual comparisons are presented on page 54. Cash temporarily idle during the year was primarily invested in money market funds and certificates of deposit with Truist Bank and Bank United. The City's surplus cash needed in the short term is invested with the State Board of Administration - Florida Prime, to maximize earnings. Additional information on the City's cash and investments can be found at Note 3 to the financial statements.

## **Strategic Planning and Initiatives**

Every fiscal decision is carefully evaluated so the City can make informed and responsible choices to determine our priorities against ever-changing economic, environmental, and political circumstances. These principles align with the City's mission and vision from the City's Strategic Plan:

- Create a high level of resident satisfaction by focusing on a beautiful, friendly, safe, well-managed waterfront community.
- To be a premier gulf coast, residential community by creating a high level of resident satisfaction, ultimately increasing the demand for living in Belleair Beach and subsequently increasing property values.



The City of Belleair Beach has long-range plans for infrastructure improvements (streets, drainage and bridges), upgrades to parks and recreation facilities (purchase of equipment, docks, boat ramp and seawall repairs). The budget for the upcoming fiscal year ending September 30, 2024 has provided approximately \$6,028,070 for capital improvement projects impacting facilities, parks, recreation and infrastructure. Street resurfacing, valley curb repair and replacements, utility undergrounding, park renovations and upgrades, dock replacements, and stormwater improvement projects are scheduled throughout Belleair Beach during the upcoming years.

The Community Center overlooks the Intracoastal Waterway and generates rental income from weddings, parties, meetings, and fitness programs. The City believes that the Community Center enhances services to citizens, improves the aesthetics of the City and provides for a structurally and environmentally sound City Hall. The City received the proceeds of a tax-exempt bank loan in fiscal year 2006 with Truist Bank for \$3.0 million to fund the project. Per the loan agreement, quarterly principal and interest payments have been regularly made.

Based on the guidelines from the United States Treasury, the City is considered a “Non-Entitlement Unit” and was thereby the recipient of \$802,868 in funding from the Coronavirus State and Local Fiscal Recovery Funds, part of the American Rescue Plan, during fiscal years 2021 and 2022. The City utilized these funds on stormwater improvements and fully expended the funds prior to the end of fiscal year 2023.

During fiscal year 2023, the City issued debt totaling \$2,120,000 through South State Bank to accelerate stormwater improvements, including valley curb replacements and street resurfacing.

### Acknowledgments

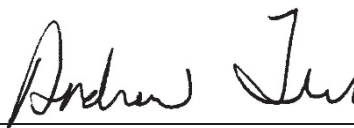
The preparation of this report would not have been possible without the efficient and dedicated services of the staff of the Finance and Administration departments. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the Council members for their support and for maintaining the highest standards of professionalism in the management of the City of Belleair Beach, Florida’s finances.

Respectfully submitted,



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Kyle Riefler  
City Manager



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Andrew Tess, CPA  
City Treasurer



Government Finance Officers Association

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

Presented to

**City of Belleair Beach  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

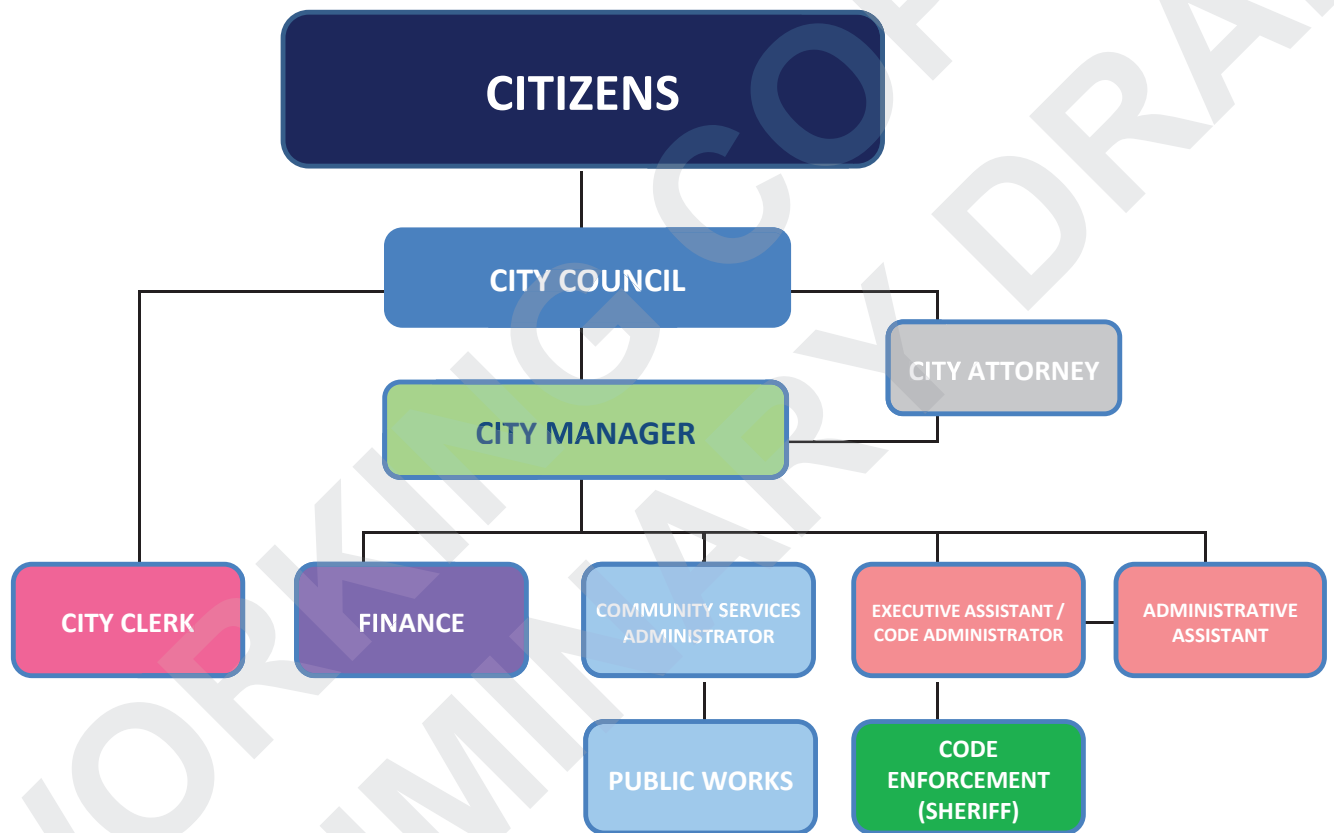
*Christopher P. Morrell*

Executive Director/CEO





# Organizational Chart



# City of Belleair Beach, Florida

## Listing of City Officials

Fiscal Year 2023

### Elected Officials:

Mayor	Dave Gattis
Vice-Mayor	Jody Shirley
Council Member	Frank Bankard
Council Member	Leslie Notaro
Council Member	Lloyd Roberts
Council Member	Belinda Livingstone
Council Member	Mike Zabel

### Appointed Officials:

City Attorney	Randy Mora
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### Chartered Officers:

City Manager	Kyle Riefler
City Treasurer	Andrew Tess
City Clerk	Patricia Gentry

## II. FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, City Council Members  
and the Citizens of City of Belleair Beach, Florida

### Report on the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the respective budgetary comparison for the General Fund of the City of Belleair Beach, Florida (the City) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the respective budgetary comparison for the General Fund of the City as of and for the year ended September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

Honorable Mayor, City Council Members  
and the Citizens of City of Belleair Beach, Florida

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-15 and budgetary comparison information on page 23 be presented to supplement the basic financial statements.

Honorable Mayor, City Council Members  
and the Citizens of City of Belleair Beach, Florida

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

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information which comprises the introductory section, individual fund financial statements, schedules of capital assets, and statistical section, are presented for purposes of additional analysis but do not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April XX, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Tampa, Florida  
April XX, 2024

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**CITY OF BELLEAIR BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023**

As management of the City of Belleair Beach, (the City) we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which is on pages i-iv of this report.

**FINANCIAL HIGHLIGHTS**

- Total assets exceeded liabilities by \$20,447,148, representing the overall net position. Of this amount, \$9,536,913 is unrestricted.
- The assets of the City's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$17,594,939 (net position). Of this amount, \$7,481,889 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- At September 30, 2023, the City's governmental funds reported an ending fund balance of \$7,593,362, which represents an increase of \$1,509,104 or 24.8% in comparison with the prior year. The City was able to achieve this sizable increase due to grant funding recognized and new debt proceeds received.
- As illustrated by the Statement of Revenue, Expenditures and Changes in Fund Balance on page 21, the Capital Projects Fund had an increase in fund balance of \$1,335,396 for fiscal year 2023 resulting from grant funding recognized and transfers received from the General Fund.
- At September 30, 2023, the unassigned fund balance of the General Fund (not restricted, committed or assigned to any specific purpose) was \$4,480,181 or 218.1% of total General Fund expenditures of \$2,054,003.
- Governmental fund revenues increased by \$1,985,574, or 58.6% from the prior fiscal year. The City experienced higher revenue from almost all sources in addition to significant grant funding recognized in 2023.
- For the City's business-type activities, assets exceeded liabilities by \$2,852,909 (net position), with \$2,055,023 as unrestricted.
- The business-type activities operating revenue increased by \$793,538 or 304.2% overall as compared with the prior year. There was an increase in net position of business-type activities of \$745,529 that was comprised of \$742,670 from the Stormwater Fund and \$2,859 from the Marina Fund.



**CITY OF BELLEAIR BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2023**  
**(Continued)**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Belleair Beach's basic financial statements. The City of Belleair Beach's basic financial statements are comprised of three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

The Statement of Net Position presents information on the City's assets and liabilities, with the difference between them reported as "Net Position." The focus of the Statement of Net Position is the "Unrestricted Net Position" which is designed to be similar to a corporate entity's presentation of "bottom-line" results for the City's activities. This statement combines and consolidates the governmental funds' current financial resources (short-term, spendable resources) with capital assets and long-term obligations. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during fiscal year 2023. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, roads and streets, sanitation, and parks and recreation. The business-type activities of the City include marina slip rentals where the fees for the service typically cover the cost of operations including depreciation and a fund to account for stormwater improvements.

The government-wide financial statements include the City itself (known as the primary government), the marina slip rental operation, and the stormwater fund. Although legally separated for reporting purposes, these activities function as a department of the City for all practical purposes and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 17 - 18 of this report.

**CITY OF BELLEAIR BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023  
(Continued)**

## **FUNDS**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Belleair Beach, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds. The City does not present any fiduciary funds since the City is not responsible for any trustee responsibilities that would be reported in a fiduciary fund financial statement.

The basic governmental fund financial statements can be found on pages 19-23 of this report and the proprietary fund financial statements can be found on pages 24- 27.

The City adopts an annual budget for all funds and budgetary comparison statements have been provided to demonstrate compliance with these budgets.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, as mentioned previously, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains two governmental funds, and both are considered major funds. The governmental fund statements are presented on pages 19-23 and provide a Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balance, and the budgetary comparison for the General Fund.

### **Proprietary Funds**

The City of Belleair Beach maintains two proprietary funds. One enterprise fund is used to account for the Marina Fund activities and the other is used to report the costs of stormwater improvements throughout the City. Enterprise and proprietary funds are used to report the same functions and the same type of information as the government-wide financial statements but are referred to as business-type activities. The City's proprietary fund financial statements provide separate information for the Marina Fund and the Stormwater Funds. The basic proprietary fund financial statements can be found on pages 24-27 of this report. The budgetary comparison report for the Marina Fund is on page 54 and on page 55 for the Stormwater Fund.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2023**  
**(Continued)**

**NOTES TO FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-52 of this report.

**INFRASTRUCTURE ASSETS**

Due to the small size of the City and infrastructure assets valued less than \$10 million, the City has elected to only record and depreciate infrastructure going forward. Historically, a government's largest group of assets (infrastructure: roads, bridges, sidewalks, curbs, underground pipes, unless associated with a utility, etc.) have not been reported or depreciated in the City's financial statements. The statements require that these assets be valued and recorded within the "Governmental" columns of the government-wide statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve as a useful indicator of a government's financial conditions over time. In the case of the City of Belleair Beach, total assets exceeded total liabilities by \$20,447,149 at the close of fiscal year ended September 30, 2023. For more detailed information, see the full Statement of Net Position on page 17.

At September 30, 2023, a considerable portion of the City's net position is invested in capital assets (e.g., land, buildings, equipment, marina docks and stormwater infrastructure) at 44.9% of total assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related outstanding debt used to acquire those capital assets, (for example, the Community Center loan) it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. A large part of the City's assets (35.4%) reflects the investment in cash, cash equivalents and other investments. This is affected by the implementation of the City's investment policy that has emphasis on first: safety of principal, second: liquidity or readily available for conversion into cash in order to finance the City's operating cash flow requirements, and the third criteria: yield or earnings.

As of September 30, 2023, there are no significant external restrictions on how the City's resources may be used. The balance of unrestricted net position of \$9,536,913 or 46.6% of total net position may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the fiscal year ending September 30, 2023, the City reports positive balances in all the categories of net position for the government as a whole, as well as for the governmental and business-type activities. The same situation held true for the prior fiscal year.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2023**  
**(Continued)**

The following table reflects the condensed Statement of Net Position compared to the prior year.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 7,772,956	\$ 6,955,019	\$ 2,068,987	\$ 470,563	\$ 9,841,943	\$ 7,425,582
Capital assets	11,936,276	10,458,319	2,543,429	1,671,894	14,479,705	12,130,213
Total assets	<u>\$ 19,709,232</u>	<u>\$ 17,413,338</u>	<u>\$ 4,612,416</u>	<u>\$ 2,142,457</u>	<u>\$ 24,321,648</u>	<u>\$ 19,555,795</u>
Current liabilities	\$ 455,230	\$ 1,075,267	\$ 163,886	\$ 27,933	\$ 619,116	\$ 1,103,200
Non-current liabilities	1,659,063	1,556,115	1,596,321	7,844	3,255,384	1,563,959
Total liabilities	<u>2,114,293</u>	<u>2,631,382</u>	<u>1,760,207</u>	<u>35,777</u>	<u>3,874,500</u>	<u>2,667,159</u>
Net position:						
Net investment in capital assets	10,113,050	8,789,772	797,186	1,648,774	10,910,236	10,438,546
Restricted	-	802,868	-	-	-	802,868
Unrestricted	7,481,889	5,189,316	2,055,023	457,906	9,536,912	5,647,222
Total net position	<u>17,594,939</u>	<u>14,781,956</u>	<u>2,852,209</u>	<u>2,106,680</u>	<u>20,447,148</u>	<u>16,888,636</u>
Total liabilities and net position	<u>\$ 19,709,232</u>	<u>\$ 17,413,338</u>	<u>\$ 4,612,416</u>	<u>\$ 2,142,457</u>	<u>\$ 24,321,648</u>	<u>\$ 19,555,795</u>

**CITY OF BELLEAIR BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2023**  
**(Continued)**

**Statement of Activities**

The following schedule compares the revenues and expenses for the current and previous fiscal year.

**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED SEPTEMBER 30**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 984,703	\$ 1,048,799	\$ 250,788	\$ 260,409	\$ 1,235,491	\$ 1,309,208
Operating grants and contributions	1,683,591	9,931	802,868	-	2,486,459	9,931
<b>General revenues:</b>						
Property taxes	1,433,411	1,260,856	-	-	1,433,411	1,260,856
Franchise fees	195,479	195,749	-	-	195,479	195,749
Utility taxes	317,255	298,950	-	-	317,255	298,950
Other taxes and fees	548,432	499,609	-	-	548,432	499,609
Miscellaneous	205,753	77,126	746	455	206,499	77,581
<b>Total revenues</b>	<u>5,368,624</u>	<u>3,391,020</u>	<u>1,054,402</u>	<u>260,864</u>	<u>6,423,026</u>	<u>3,651,884</u>
<b>Expenses:</b>						
<b>Governmental activities:</b>						
General government	853,131	812,867	-	-	853,131	812,867
Public safety	597,437	569,810	-	-	597,437	569,810
Physical Environment	980,880	891,758	-	-	980,880	891,758
Culture and recreation	61,928	54,363	-	-	61,928	54,363
Interest on long-term debt	62,265	76,111	-	-	62,265	76,111
<b>Business-type activities:</b>						
Marina	-	-	75,959	72,397	75,959	72,397
Stormwater	-	-	232,914	180,345	232,914	180,345
<b>Total expenses</b>	<u>2,555,641</u>	<u>2,404,909</u>	<u>308,873</u>	<u>252,742</u>	<u>2,864,514</u>	<u>2,657,651</u>
Change in net position before transfers	2,812,983	986,111	745,529	8,122	3,558,512	994,233
Transfers	-	(25,000)	-	25,000	-	-
<b>Change in net position</b>	2,812,983	961,111	745,529	33,122	3,558,512	994,233
Net position, beginning of year	14,781,956	13,820,845	2,106,680	2,073,558	16,888,636	15,894,403
Net Position, end of year	<u>\$ 17,594,939</u>	<u>\$ 14,781,956</u>	<u>\$ 2,852,209</u>	<u>\$ 2,106,680</u>	<u>\$ 20,447,148</u>	<u>\$ 16,888,636</u>

**CITY OF BELLEAIR BEACH, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2023**  
**(Continued)**

**Governmental Activities**

Governmental Activities increased the City's net position by \$2,812,983 compared to the prior year's increase of \$961,111. This fiscal year's increase accounts for 16.0% of the governmental activities total net position at year-end of \$17,594,939. The overall increase in the net position of the governmental activities is largely due to reimbursements from Pinellas County for capital improvements.

**Governmental Funds**

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

At the end of fiscal year 2023, the City's governmental funds reported combined ending fund balances of \$7,593,362, an increase of \$1,509,104, in comparison with the prior year when the net change was an increase of \$1,061,079. Government-wide expenses increased by \$206,862. Increased expenditures were incurred across almost all current functions. Further analysis of the activity within the governmental funds can be found in the following sections.

General Fund

The General Fund is the chief operating fund of the City. The City was fortunate to experience higher property values and related ad valorem revenue, received greater state-derived revenue as tourism continues to resume in Florida, earned higher charges for services resulting, in part, from the accrual of substantial code enforcement violations, and benefited from more interest earned on investments. Total expenditures increased by \$146,182 compared to the prior year, with the largest increase resulting from capital outlay expenditures. There is a separate discussion below regarding the specific capital asset additions. The City also received a total of \$802,868, from the Coronavirus State and Local Fiscal Recovery Funds that was recognized during fiscal year 2023.

At the end of fiscal year 2023, the unassigned fund balance of the General Fund, which has not been restricted, committed or assigned to specific purposes, was \$4,480,181. This is available for spending at the City's discretion.

The remainder of the General Fund balance of \$1,175,300 is not available for new spending and has been classified as "non-spendable" (so it cannot be converted into cash) that designates an amount for prepaid items totaling \$24,550, and encumbrances of \$1,150,750. The total fund balance represents 287.3% of total General Fund expenditures for 2023.



**CITY OF BELLEAIR BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023  
(Continued)**

General Fund Budgetary Highlights

During the fiscal year ended September 30, 2023, the significant variances between the final amended budget and the actual results are shown below:

- Revenues were higher than budgeted amount by \$535,611 with all line items exceeding the budgeted amounts.
- Expenditures were lower than budgeted amount by \$190,567 due to lower expenditures in all functions.

Capital Projects Fund

The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities other than those financed by proprietary funds. This is also used for non-recurring capital expenditures with an estimated useful life of at least ten years and/or a minimum cost of \$1,000 in order to avoid distortion of financial trend information in the other funds.

At the end of fiscal year 2023, the fund balance of the Capital Projects Fund was \$1,937,881 and is considered "committed" since those funds have been earmarked for expenditures in the Capital Projects budget set forth in the City's Capital Improvement Plan. This represents a significant increase from \$602,485 at the end of fiscal year 2022. The majority of the increase is due to transfers from the General Fund to cover capital outlay expenditures and debt proceeds received.

***Business-Type Activities***

**Proprietary Funds**

The City's proprietary fund-level statements provide the same type of information found in the government-wide financial statements, but in more detail. At the end of fiscal year 2023, the City's proprietary funds reported combined ending net position balances of \$2,106,680. This total combines the Stormwater fund, whose net position equates to \$1,740,994, and the Marina fund's net position of \$365,686. Further analysis of the activity within the proprietary funds can be found in the following sections.

Marina Fund

Unrestricted net position of the Marina fund at the end of the year amounted to \$339,990 for fiscal year 2023 compared to \$334,563 in fiscal year 2022.

Marina fund activities increased the City's net position by \$2,859 compared to the prior year's increase of \$10,862. People flocking to the beach has continued to generate record setting parking fees for the City. For fiscal year 2023, the City-owned marina generated \$2,113 in net operating income from \$78,072 in parking fees and marina slip rental revenue.

**CITY OF BELLEAIR BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023  
(Continued)**

Stormwater Fund

Through an Ordinance approved on July 6, 2020, a stormwater utility fee was created to help pay for the costs of addressing stormwater issues within the City. Beginning in fiscal year 2021, the City established the new fund, the Stormwater Fund. Property owners within the City are assessed a stormwater fee on their monthly bills from Pinellas County Utilities to help cover the cost of these improvements.

In the first year of operation, the Stormwater fund was the recipient of a transfer of stormwater infrastructure that had previously been accounted for in the Capital Projects fund prior to the establishment of the Stormwater fund. An allocation of 15% of the Public Works' department personnel service costs is reported in this fund.

Unrestricted net position of the Stormwater fund at the end of the year amounted to \$1,715,033 for fiscal year 2023 compared to \$123,343 in fiscal year 2022. Stormwater fund activities increased the City's net position by \$742,670, compared to the prior year's increase of \$22,260.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023 amounts to \$14,479,705 (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, improvements other than building, equipment, infrastructure, marina docks and security fence, and stormwater system. The net increase of the City's capital assets for the current fiscal year was \$1,477,957 for governmental activities and \$871,535 for the business-type activities.

During fiscal year 2023, the City invested in boat ramp and seawall improvements, undergrounding projects, buoys, playground equipment, stormwater improvements, drainage improvements, and various equipment.



**CITY OF BELLEAIR BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023  
(Continued)**

**SUMMARY OF CAPITAL ASSETS  
AS OF SEPTEMBER 30, 2023**

	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,426,738	\$ -	\$ 1,426,738
Buildings	4,225,071	-	4,225,071
Improvements other than buildings	8,831,301	3,467,480	12,298,781
Equipment	1,312,135	-	1,312,135
Accumulated depreciation	(3,858,969)	(924,051)	(4,783,020)
Total	<u>\$ 11,936,276</u>	<u>\$ 2,543,429</u>	<u>\$ 14,479,705</u>

Additional information on the City's capital assets can be found on pages 44-45 of this report.

### **Long-Term Debt**

#### Governmental Activities

Construction of the City's City Hall and Community Center was completed in November 2009 at a cost of \$3.927 million. Funding sources consisted of a \$3 million bank loan, infrastructure sales tax (Penny for Pinellas) and contributions from the General Fund. The interest rate is a variable rate that is currently at 4.52121% annually and is payable quarterly effective October 2006. The loan principal balance as of September 30, 2023 is \$320,000. The Capital Projects Fund makes the debt payments for principal and interest on this loan.

During fiscal year 2018, the City issued revenue bonds, series 2018A, 2018B, and 2018C to fund the cost of underground utilities in the Bellevue Estates Island neighborhood. A special non-ad valorem assessment has been imposed on the impacted residents and this revenue is pledged for the bond payments. The special assessment will be assessed on the households each year for 20 years, beginning with 2018. The outstanding principal balance as of September 30, 2023 is \$1,121,626. The Capital Projects Fund makes the debt payments for principal and interest on these bonds.

During fiscal year 2023, the City issued Capital Improvement Note Series 2023 to fund the cost of street resurfacing capital improvements. The outstanding principal balance as of September 30, 2023 is \$381,600. The Capital Projects Fund makes the debt payments for principal and interest on this note.

The balances of the loan and revenue bonds are currently reported on the Statement of Net Position under governmental activities.

Compensated absences in the amount of \$46,449 are also reported on the Statement of Net Position as a current liability and \$43,841 as a noncurrent liability.

**CITY OF BELLEAIR BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2023  
(Continued)**

Business-Type Activities

On September 25, 2020 the issuance of a new Stormwater Utility System Revenue Note, Series 2020, was validated by the Circuit Court of Pinellas County to be issued in the amount of \$45,000 through South State Bank. The proceeds were used to finance the up-front costs of the stormwater system enhancements. The term of the note is 3 years at an interest rate of 3.75% payable quarterly. The loan principal balance as of September 30, 2023 is \$7,843.

During fiscal year 2023, the City issued Capital Improvement Note Series 2023 to fund the cost of stormwater system capital improvements. The outstanding principal balance as of September 30, 2023 is \$1,738,400. The Stormwater Fund makes the debt payments for principal and interest on this note.

Additional information on the City's long-term debt activity can be found in Note 9 on pages 46- 49 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely on property taxes and a limited array of other taxes (sales, gasoline, utility services, etc.) and fees (franchise, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and nonrecurring grants from the State, federal government and other grantor agencies. The level of taxes, fees, and charges for service determined by the Florida legislature will have a bearing on the amount of funding the City receives annually.

- The unemployment rate for Pinellas County at September 30, 2023 was 3.2% which was higher than the 2022 rate of 2.5%.
- Inflationary trends in the region compare favorably to the national trends and property values are on the rise in the City of Belleair Beach, which is entirely a residential community.
- Amendment I, approved by voters in January 2008 had a negative impact on Ad Valorem Tax revenues. Amendment I created an additional Homestead tax exemption of \$25,000 doubling regular homestead tax exemption to \$50,000, allowed "portability of save our homes cap" and eliminated some tangible personal property from the tax rolls.
- All of the above-mentioned factors were considered in preparing the City of Belleair Beach's budget for the 2023-2024 fiscal year.

**REQUESTS FOR INFORMATION**

This financial report is designed to present users with a general overview of the City's finances to all those interested in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the City's Finance Officer at 444 Causeway Boulevard, Belleair Beach, Florida 33786 or email: [finance@cityofbelleairbeach.com](mailto:finance@cityofbelleairbeach.com).

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**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 3,245,513	\$ 2,065,340	\$ 5,310,853
Investments	3,291,676	-	3,291,676
Receivables, net	1,211,217	376	1,211,593
Due from other governments			-
Prepaid items	24,550	3,271	27,821
Total current assets	<u>7,772,956</u>	<u>2,068,987</u>	<u>9,841,943</u>
<b>Non-Current Assets:</b>			
Capital assets			
Non-depreciable	1,426,738	-	1,426,738
Depreciable	10,509,538	2,543,429	13,052,967
Total non-current assets	<u>11,936,276</u>	<u>2,543,429</u>	<u>14,479,705</u>
<b>Total Assets</b>	<u>\$ 19,709,232</u>	<u>\$ 4,612,416</u>	<u>\$ 24,321,648</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 166,208	\$ 7,975	\$ 174,183
Accrued liabilities	12,946	-	12,946
Accrued interest	21,183	-	21,183
Unearned revenue	440	5,989	6,429
Compensated absences	46,449	-	46,449
Notes payable	120,000	-	120,000
Revenue bonds payable	88,004	149,922	237,926
Total current liabilities	<u>455,230</u>	<u>163,886</u>	<u>619,116</u>
<b>Noncurrent Liabilities:</b>			
Compensated absences	43,841	-	43,841
Notes payable	200,000	-	200,000
Revenue bonds payable	1,415,222	1,596,321	3,011,543
Total noncurrent liabilities	<u>1,659,063</u>	<u>1,596,321</u>	<u>3,255,384</u>
Total liabilities	<u>2,114,293</u>	<u>1,760,207</u>	<u>3,874,500</u>
<b>NET POSITION</b>			
Net investment in capital assets	10,113,050	797,186	10,910,236
Unrestricted	7,481,889	2,055,023	9,536,912
Total net position	<u>17,594,939</u>	<u>2,852,209</u>	<u>20,447,148</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 19,709,232</u>	<u>\$ 4,612,416</u>	<u>\$ 24,321,648</u>

The accompanying notes are an integral  
part of these financial statements.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities	
<b>Functions:</b>						
<b>Governmental:</b>						
General government	\$ 853,131	\$ 140,696	\$ 1,682,411	\$ 969,976	\$ -	\$ 969,976
Public safety	597,437	48,843	-	(548,594)	-	(548,594)
Physical environment	980,880	794,775	1,180	(184,925)	-	(184,925)
Culture and recreation	61,928	389	-	(61,539)	-	(61,539)
Debt service interest	62,265	-	-	(62,265)	-	(62,265)
Total governmental activities	<u>2,555,641</u>	<u>984,703</u>	<u>1,683,591</u>	<u>112,653</u>	<u>-</u>	<u>112,653</u>
<b>Business-type:</b>						
Marina	75,959	78,072	-	-	2,113	2,113
Stormwater	232,914	172,716	802,868	-	742,670	742,670
Total business-type activities	<u>308,873</u>	<u>250,788</u>	<u>802,868</u>	<u>-</u>	<u>744,783</u>	<u>744,783</u>
Total primary government	<u>\$ 2,864,514</u>	<u>\$ 1,235,491</u>	<u>\$ 2,486,459</u>	<u>\$ 112,653</u>	<u>\$ 744,783</u>	<u>\$ 857,436</u>
<b>General Revenues:</b>						
Property taxes				1,433,411	-	1,433,411
Franchise taxes				195,479	-	195,479
Utility service taxes				317,255	-	317,255
Intergovernmental, unrestricted						
State revenue sharing				54,618	-	54,618
Half-cent sales tax				137,712	-	137,712
Local option gas tax				21,519	-	21,519
Local option sales tax				234,701	-	234,701
Communication tax				99,882	-	99,882
Loss on disposal of capital assets				(7,970)	-	(7,970)
Unrestricted investment earnings				173,125	746	173,871
Miscellaneous				40,598	-	40,598
Total general revenues				<u>2,700,330</u>	<u>746</u>	<u>2,701,076</u>
Change in net position				<u>2,812,983</u>	<u>745,529</u>	<u>3,558,512</u>
Net position at beginning of year				<u>14,781,956</u>	<u>2,106,680</u>	<u>16,888,636</u>
Net position at end of year				<u>\$ 17,594,939</u>	<u>\$ 2,852,209</u>	<u>\$ 20,447,148</u>

The accompanying notes are an integral  
part of these financial statements.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2023**

	General	Capital Projects	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,078,552	\$ 1,166,961	\$ 3,245,513
Investments	3,168,120	123,556	3,291,676
Receivables, net	464,370	746,847	1,211,217
Prepaid items	24,550	-	24,550
<b>Total Assets</b>	<b>\$ 5,735,592</b>	<b>\$ 2,037,364</b>	<b>\$ 7,772,956</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 66,725	\$ 99,483	\$ 166,208
Accrued liabilities	12,946	-	12,946
Unearned revenue	440	-	440
Total liabilities	80,111	99,483	179,594
<b>FUND BALANCES</b>			
Non-spendable			
Prepaid items	24,550	-	24,550
Committed			
Capital projects	-	1,937,881	1,937,881
Assigned			
Capital projects	1,150,750	-	1,150,750
Unassigned	4,480,181	-	4,480,181
Total fund balances	5,655,481	1,937,881	7,593,362
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,735,592</b>	<b>\$ 2,037,364</b>	<b>\$ 7,772,956</b>

The accompanying notes are an integral  
part of these financial statements.

**CITY OF BELLEAIR BEACH, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET TO THE  
STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023**

**Fund Balances - Total Governmental Funds**

\$ 7,593,362

Amounts reported for *governmental activities* in the statement of net position are different because:

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

Governmental non-depreciable assets	1,426,738	
Governmental depreciable assets	14,368,507	
Less accumulated depreciation	(3,858,969)	11,936,276

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.

Notes payable	(320,000)	
Revenue bonds payable	(1,503,226)	
Accrued interest	(21,183)	
Compensated absences	(90,290)	(1,934,699)

**Total Net Position - Governmental Activities**

\$ 17,594,939

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	General	Capital Projects	Total Governmental Funds
<b>Revenues:</b>			
Taxes:			
Ad valorem	\$ 1,433,411	\$ -	\$ 1,433,411
Franchise	195,479	-	195,479
Utility	317,255	-	317,255
Intergovernmental	322,311	1,909,712	2,232,023
Assessments	-	117,590	117,590
Charges for services	648,029	-	648,029
Fines	29,982	-	29,982
Licenses and permits	189,102	-	189,102
Interest on investments	163,544	9,581	173,125
Miscellaneous	40,598	-	40,598
Total revenues	<u>3,339,711</u>	<u>2,036,883</u>	<u>5,376,594</u>
<b>Expenditures:</b>			
Current			
General government	709,585	5,692	715,277
Public safety	590,286	-	590,286
Physical environment	641,138	616	641,754
Culture and recreation	12,164	-	12,164
Capital outlay	100,830	1,898,561	1,999,391
Debt service			
Principal	-	226,921	226,921
Interest	-	63,297	63,297
Total expenditures	<u>2,054,003</u>	<u>2,195,087</u>	<u>4,249,090</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,285,708</u>	<u>(158,204)</u>	<u>1,127,504</u>
<b>Other Financing</b>			
<b>Sources (Uses):</b>			
Proceeds from issuance of debt	-	381,600	381,600
Transfers in	-	1,112,000	1,112,000
Transfers out	(1,112,000)	-	(1,112,000)
Total other financing sources (uses)	<u>(1,112,000)</u>	<u>1,493,600</u>	<u>381,600</u>
Net change in fund balances	173,708	1,335,396	1,509,104
<b>Fund Balances:</b>			
Beginning of year	<u>5,481,773</u>	<u>602,485</u>	<u>6,084,258</u>
End of year	<u>\$ 5,655,481</u>	<u>\$ 1,937,881</u>	<u>\$ 7,593,362</u>

The accompanying notes are an integral  
part of these financial statements.



**CITY OF BELLEAIR BEACH, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES TO THE**  
**STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

**Net change in fund balances - governmental funds** \$ 1,509,104

Amounts reported for *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of those assets is depreciated over their estimated lives. The net effect of various miscellaneous transactions involving capital assets, including disposal, which decrease net position, are not reported in the governmental funds.

Expenditures for capital assets	1,999,391	
Loss on disposal of capital assets	(7,970)	
Depreciation expense	(513,464)	
		1,477,957

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Debt principal payments	226,921	
Proceeds from issuance of debt	(381,600)	
Change in accrued interest	1,032	
		(153,647)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in compensated absences		(20,431)

**Change in net position - governmental activities** \$ 2,812,983

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>				
Taxes:				
Ad valorem	\$ 1,429,590	\$ 1,429,590	\$ 1,433,411	\$ 3,821
Franchise	190,000	190,000	195,479	5,479
Utility	293,800	293,800	317,255	23,455
Intergovernmental	219,385	219,385	322,311	102,926
Charges for services	488,325	488,325	648,029	159,704
Fines	10,000	10,000	29,982	19,982
Licenses and permits	156,500	156,500	189,102	32,602
Interest on investments	10,000	10,000	163,544	153,544
Miscellaneous	6,500	6,500	40,598	34,098
Total revenues	<u>2,804,100</u>	<u>2,804,100</u>	<u>3,339,711</u>	<u>535,611</u>
<b>Expenditures:</b>				
City Clerk	116,095	116,095	111,289	4,806
Mayor and Council	30,085	30,085	21,334	8,751
City Manager	191,780	191,780	148,056	43,724
Finance	86,170	86,170	85,120	1,050
Information Technology	23,300	21,300	16,704	4,596
Non-Departmental	359,470	359,470	328,922	30,548
Law Enforcement	559,120	559,120	549,120	10,000
Code Enforcement	57,580	57,580	41,166	16,414
Sanitation	335,485	335,485	335,228	257
Public Works	401,285	388,285	318,844	69,441
Parks & Recreation	18,200	99,200	98,220	980
Total expenditures	<u>2,178,570</u>	<u>2,244,570</u>	<u>2,054,003</u>	<u>190,567</u>
Excess of revenues over expenditures	<u>625,530</u>	<u>559,530</u>	<u>1,285,708</u>	<u>726,178</u>
<b>Other Financing Sources (Uses):</b>				
Transfers out	<u>(963,310)</u>	<u>(1,112,000)</u>	<u>(1,112,000)</u>	<u>-</u>
Total other financing uses	<u>(963,310)</u>	<u>(1,112,000)</u>	<u>(1,112,000)</u>	<u>-</u>
<b>Appropriation of Fund Balance</b>	<u>337,780</u>	<u>552,470</u>	<u>-</u>	<u>(552,470)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>173,708</u>	<u>\$ 173,708</u>
<b>Fund Balance:</b>				
Beginning of year			<u>5,481,773</u>	
End of year			<u>\$ 5,655,481</u>	

The accompanying notes are an integral  
part of these financial statements.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

	Stormwater Fund	Marina Fund	Total Proprietary Funds
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 1,717,647	\$ 347,693	\$ 2,065,340
Receivables, net	-	376	376
Prepaid expenses	-	3,271	3,271
Total current assets	<u>1,717,647</u>	<u>351,340</u>	<u>2,068,987</u>
<b>Non-Current Assets:</b>			
Capital assets, net			
Improvements other than building	<u>2,514,874</u>	<u>28,555</u>	<u>2,543,429</u>
<b>Total Assets</b>	<u><u>\$ 4,232,521</u></u>	<u><u>\$ 379,895</u></u>	<u><u>\$ 4,612,416</u></u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 2,614	\$ 373	\$ 2,987
Customer deposits	-	4,988	4,988
Deferred revenue	-	5,989	5,989
Notes payable	<u>149,922</u>	<u>-</u>	<u>149,922</u>
Total current liabilities	<u>152,536</u>	<u>11,350</u>	<u>163,886</u>
<b>Non-Current Liabilities:</b>			
Notes payable	<u>1,596,321</u>	<u>-</u>	<u>1,596,321</u>
Total liabilities	<u>1,748,857</u>	<u>11,350</u>	<u>1,760,207</u>
<b>NET POSITION</b>			
Net investment in capital assets	768,631	28,555	797,186
Unrestricted	<u>1,715,033</u>	<u>339,990</u>	<u>2,055,023</u>
Total net position	<u>2,483,664</u>	<u>368,545</u>	<u>2,852,209</u>
<b>Total Liabilities and Net Position</b>	<u><u>\$ 4,232,521</u></u>	<u><u>\$ 379,895</u></u>	<u><u>\$ 4,612,416</u></u>

The accompanying notes are an integral  
part of these financial statements.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET POSITION - PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Stormwater Fund	Marina Fund	Proprietary Funds
<b>Operating Revenues:</b>			
Intergovernmental	\$ 802,868	\$ -	\$ 802,868
Charges for services			
General government	-	78,072	78,072
Utilities	172,716	-	172,716
Total charges for services	<u>975,584</u>	<u>78,072</u>	<u>1,053,656</u>
<b>Operating Expenses:</b>			
Personnel services	33,475	-	33,475
Contractual services	16,455	-	16,455
Supplies	-	71,010	71,010
Repairs and maintenance	28,563	-	28,563
Professional fees	28,393	-	28,393
Office and utilities	-	2,382	2,382
Depreciation	125,375	2,567	127,942
Total operating expenses	<u>232,261</u>	<u>75,959</u>	<u>308,220</u>
Operating income	<u>743,323</u>	<u>2,113</u>	<u>745,436</u>
<b>Non-Operating Revenue (Expenses):</b>			
Investment earnings	-	746	746
Interest expense	(653)	-	(653)
Total non-operating revenue (expenses)	<u>(653)</u>	<u>746</u>	<u>93</u>
Change in net position	742,670	2,859	745,529
Net position at beginning of year	<u>1,740,994</u>	<u>365,686</u>	<u>2,106,680</u>
Net position at end of year	<u><u>\$ 2,483,664</u></u>	<u><u>\$ 368,545</u></u>	<u><u>\$ 2,852,209</u></u>

The accompanying notes are an integral  
part of these financial statements.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Stormwater Fund	Marina Fund	Total Proprietary Funds
<b>Cash Flows from Operating Activities:</b>			
Receipts from customers and users	\$ 975,584	\$ 77,696	\$ 1,053,280
Payments to employees	(33,475)	-	(33,475)
Payments to suppliers and providers	(72,772)	(73,501)	(146,273)
	<u>869,337</u>	<u>4,195</u>	<u>873,532</u>
<b>Net cash provided by operating activities</b>			
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from issuance of revenue note	1,738,400	-	1,738,400
Acquisition and construction of capital assets	(999,477)	-	(999,477)
Principal paid on bonds payable	(15,277)	-	(15,277)
Interest paid on long-term debt	(653)	-	(653)
	<u>722,993</u>	<u>-</u>	<u>722,993</u>
<b>Net cash provided by capital and related financing activities</b>			
<b>Cash Flows from Investing Activities:</b>			
Interest income	-	746	746
	<u>-</u>	<u>746</u>	<u>746</u>
<b>Net Change in Cash and Cash Equivalents</b>	1,592,330	4,941	1,597,271
<b>Cash and Cash Equivalents - Beginning of the Year</b>	<u>125,317</u>	<u>342,752</u>	<u>468,069</u>
<b>Cash and Cash Equivalents - End of the Year</b>	<u><u>\$ 1,717,647</u></u>	<u><u>\$ 347,693</u></u>	<u><u>\$ 2,065,340</u></u>

The accompanying notes are an integral  
part of these financial statements.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2023**  
**(Continued)**

	Stormwater Fund	Marina Fund	Total Proprietary Funds
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>			
Operating income	\$ 743,323	\$ 2,113	\$ 745,436
Adjustments to reconcile operating income to net cash provided by operating activities -			
Depreciation	125,375	2,567	127,942
Changes in operating assets and liabilities:			
Receivables	-	(376)	(376)
Prepaid expenses	-	(777)	(777)
Accounts payable	639	(35)	604
Customer deposits	-	(72)	(72)
Deferred revenue	-	775	775
Total adjustments	126,014	2,082	128,096
<b>Net Cash Provided By Operating Activities</b>	<b>\$ 869,337</b>	<b>\$ 4,195</b>	<b>\$ 873,532</b>

The accompanying notes are an integral  
part of these financial statements.

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**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Belleair Beach (City) maintains its accounting records in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**A. Reporting Entity**

The City is a political subdivision of the State of Florida, located in Pinellas County in the west central portion of the State. The City was incorporated in 1950. The original Charter was revised in 1959. This revised Charter was recorded on May 18, 1959, in the Municipal Charter Book IV. The Charter was revised in 1968 and again in 2004. The amended Charter (effective as of March 10, 2004) adopted the council-manager form of government. The City is approximately .484 square miles in area. The City is a full-service municipality providing its citizens with a full complement of municipal services. In addition, the City owns and operates enterprise activities for the marina and stormwater system.

In evaluating how to define the City of Belleair Beach, Florida (the primary government), for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*.

This governmental accounting standard requires that this financial statement present the City of Belleair Beach (the primary government) and its component units, if applicable. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria: the primary government is accountable for the potential component unit (i.e., the primary government appoints the voting majority of its board) and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government.

The City has no component units as of September 30, 2023.

**B. Government-Wide and Fund Financial Statements**

The City has adopted the provisions of GASB Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.



**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Government-Wide and Fund Financial Statements (continued)**

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and the individual enterprise fund are reported as separate columns in the fund financial statements.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, governmental activities column, a reconciliation is presented on the same page or the page following each statement, which briefly explains the adjustments necessary to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

**C. Measurement Focus and Basis of Accounting**

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

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

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

The City reports the following major funds:

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

The Capital Projects Fund is a governmental fund that accumulates resources for the construction of capital projects.

The Marina Fund accounts for the assets, operations and maintenance of the City-owned marina.

The Stormwater Fund accounts for the assets, operations and maintenance of the City-owned Stormwater operations.

Private-sector standards of accounting and financial reporting are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish *operating* revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Marina Fund are charges to customers for sales and services. The principal operating revenues of the Stormwater Fund are assessments collected from the County. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**CITY OF BELLEAIR BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**

**Cash and Cash Equivalents**

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

**Deposits and Investments**

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

The City's investment policy is to maintain funds in investments which yield the highest possible efficiency and return within the limitations established by Florida Statutes, Chapter 166.261. Provisions of those statutes authorize the City to invest in:

- a) Florida State Board of Administration Local Government Pooled Investment Fund.
- b) Bonds, notes or other obligations of the United States or for which the credit of the United States is pledged for the payment thereof.
- c) Interest-bearing time deposits, savings accounts or collective investment funds in banks or savings and loan associations organized under the laws of the United States.
- d) Obligations of the federal farm credit banks and the Federal Home Loan Mortgage Corporation.
- e) Obligations of the Federal National Mortgage Association and the Government National Mortgage Association

Investments in fixed income securities are stated at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**CITY OF BELLEAIR BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023  
CITY OF BELLEAIR BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**  
(Continued)

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All tax, accounts and intergovernmental receivables are shown net of an allowance for uncollectibles. Trade accounts receivables in excess of 180 days, if any, compromise the trade accounts receivable allowance for uncollectible including those for the Enterprise Funds.

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 tax levy of the City is established by the City Council prior to October 1 of each year and the Pinellas County Property Appraiser incorporates the City’s millages into the total tax levy, which includes the Pinellas County School Board tax requirements. The City is permitted by state law to levy taxes up to ten mills of assessed valuation, exclusive of taxes levied for the payment of bonds. The millage rate assessed by the City was 2.0394.

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 State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All 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.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**  
(Continued)

**Receivables and Payables (Continued)**

Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on property. After sale, tax certificates bear interest at 18% per year or at 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.

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

Because of the Pinellas County Tax Collector's Office efficient system for selling tax certificates and remitting the proceeds to the City any delinquent or uncollected property taxes at year end are immaterial. The City's tax calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date:	April 1, succeeding year

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the date of acquisition.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

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

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**  
(Continued)

**Capital Assets (Continued)**

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred, if any, during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives.

	<u>Years</u>
Buildings	45-55
Building improvements	20-30
Infrastructure	45-55
Machinery and equipment	5-15

**Deferred Outflows and Inflows of Resources**

The City has implemented the provisions of GASB Statement Nos. 63 and 65. Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, provides financial reporting guidance for deferred outflows and inflows of resources, originally introduced and defined in GASB Concepts Statement No. 4, *Elements of Financial Statements*, as an acquisition or consumption, respectively, of net assets applicable to a future reporting period. Further, Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. Statement No. 65, *Items Previously Reported As Assets and Liabilities*, reclassifies and recognizes certain items that were formerly reported as assets and liabilities as one of the four financial statement elements, (1) deferred outflows of resources, (2) outflows of resources, (3) deferred inflows of resources, and (4) inflows of resources. Concepts Statement No. 4 requires that deferred outflows and deferred inflows be recognized only in those instances specifically identified in GASB pronouncements. Statement No. 65 provides that guidance.

The City reports increases and decreases in net position that relate to future periods as deferred inflows of resources and deferred outflows of resources, respectively, in a separate section of the statement of net position.

As of September 30, 2023, the City did not report any deferred inflows or deferred outflows of resources.



**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**  
(Continued)

**Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused annual leave and sick pay benefits. Regular and full-time employees earn annual leave and sick leave after three months of employment.

Annual leave is earned based on years of continuous and credible service as follows:

Total Years of Service	Days Per Year
1	5
2 to 4	10
5 to 10	15
10 years and over	20

A maximum amount of annual leave an employee may have to their credit at any time is forty days.

An employee who has served six months or more and who terminates employment with the City is paid for any unused annual leave accumulated to the time of termination up to the maximum. This is provided that a two-week written notice is given.

Sick leave for regular full-time employees is earned at the rate of eight hours for each month of service (at the completion of three months of continuous service) and may be accrued with no maximum. Upon termination, the employee is entitled to a lump-sum payment for accrued unused sick leave (up to a maximum of 720 hours).

**CITY OF BELLEAIR BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**  
(Continued)

**Compensated Absences (Continued)**

Upon termination, providing that the employee has given the department head no less than two weeks prior written notice, the following amount of sick pay leave will be received:

Years of Service	% of Accrued Hours (With Maximum of 720 Hours)
Less than 10 years	25%
10 years or more	100%

Vested or accumulated annual leave and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. No expenditure is reported for these amounts. Vested or accumulated annual leave and sick leave of the proprietary fund is recorded as an expense and liability of those funds as the benefits accrue to employees.

All annual leave and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured.

**Unearned Revenue**

Unearned revenue recorded in the General Fund represents advanced grant payments and prepaid business registrations that are for the next fiscal year.

**Assessments**

Assessments recorded in the Capital Projects Fund are to fund the cost of capital improvements and essential services providing a special benefit to real property of certain residents of the City.

Future assessments are recorded as accounts receivable and unearned revenue in the Statement of Net Position.



**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances  
(Continued)

**Non-Current Liabilities**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

**Classification of Net Position**

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net Investment in Capital Assets - is intended to reflect the portion of net position which is associated with non-liquid, capital assets, net of related debt.
- Restricted Net Position - are liquid assets, generated from revenues and net bond proceeds, which are not accessible for general use because of third-party (statutory, bond covenant or granting agency) limitations.
- Unrestricted Net Position - represents unrestricted liquid assets.

**Classification of Fund Balance**

GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are comprised of the following:

- Nonspendable - established to report items that are not expected to be converted to cash such as inventory and prepaid items; items not currently in cash form such as the long-term amount of loans and notes receivable as well as property acquired for resale; and items legally or contractually required to be maintained intact such as the corpus (or principal) of a permanent fund.

**CITY OF BELLEAIR BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**  
(Continued)

**Classification of Fund Balance (Continued)**

- Restricted - includes represents the amount that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), service/contractual agreement, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. This may be budgeted and reported in either the General Fund or the Capital Projects Fund. Reserved fund balances indicate those portions of fund balances that are legally segregated for a specific use or not available for appropriation or expenditure.
- Committed - includes fund balance amounts that can be used only for the specific purposes that are internally imposed by a formal action (a Resolution) of the government's highest level of decision making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action (a Resolution) that imposed the constraint initially. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations. Commitment may be made for such purposes as, (a) major maintenance and repair projects; (b) meeting future obligations resulting from a natural disaster; (c) accumulating resources pursuant to stabilization arrangements; (d) establishing reserves for disasters; and/or (e) for setting aside amounts for specific projects.
- Assigned - includes amounts intended to be used by the government for specific purposes. The City Council by formal vote (or management designee via Council action) has the authority authorized to assign fund balance to a specific purpose. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that the resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Assigned may or may not be appropriated for expenditures during the budget process and in the subsequent year depending on the timing of the project/reserve for which it was assigned. This reflects management's (City Manager, Committee or Department Head) intended use of resources and does not need further action by City Council.

Resolution 2008-04 was approved by the City Council to establish a reserved amount with the intention of utilizing these resources for emergencies arising from catastrophic events such as hurricanes or other natural disasters.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balances**  
(Continued)

**Classification of Fund Balance (Continued)**

- *Unassigned* - includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification with the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

**Minimum Level of Unassigned Fund Balance**

Unassigned fund balance is the residual classification for the General Fund and represents fund balance that has not been restricted, committed or assigned to specific purposes within the general fund.

If, after the annual audit, prior committed or assigned fund balance causes the unassigned fund balance to fall below 20% of general fund operating expenditures, the City Manager will so advise City Council in order for the necessary action to be taken to restore the unassigned fund balance to at least 20% of General Fund operating expenditures.

The City Manager and Finance Officer will prepare and submit a plan for committed and/or assigned fund balance reduction, expenditure reduction and/or revenue increase to City Council. The City shall take action necessary to restore the unassigned fund balance to acceptable levels within two years.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

E. Estimates

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

F. Recent Accounting Pronouncements

GASB Statement No. 96, "Subscription-Based Information Technology Arrangements", provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset an intangible asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, "Leases", as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The standard had no impact on the Authority's financial statements for the year ended September 30, 2023.

G. Subsequent Events

Management has evaluated subsequent events through April XX, 2024, which is the date the financial statements were available to be issued.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and the enterprise fund and are controlled on a fund and department level. On or before May 31 of each year, all departments of the City submit requests for appropriation to the Finance Officer so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. All annual appropriations lapse at fiscal year-end.

The proposed budget is presented by the City Manager to the City Council for review in July. The City Council holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Finance Officer or the revenue estimates must be changed by an affirmative vote of a majority of the City Council.

Expenditures may not legally exceed budgeted appropriations at the departmental level. During the year there were no supplementary appropriations.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 3 - DEPOSITS AND INVESTMENTS**

*Deposits:*

At year-end, the carrying amount of the City's deposits was \$1,717,646 and the bank balance was \$1,739,982. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Security for Public Deposits Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default.

*Fair Value Measurements:*

The City categorizes its fair value of investments within the fair value hierarchy established by generally accepted accounting principles pursuant to GASB Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable input, and Level 3 are significant unobservable inputs.

Investments that are not evidenced by securities that exist in physical or book-entry form include investments in open-ended mutual funds and pools managed by other governments.

The following table presents assets carried at fair value at September 30, 2023:

	Fair Value	Overall Credit Rating	Rating Agency	Hierarchy Level
Florida State Board of Administration Local Government Pooled Investment Fund (Florida Prime)	\$ 3,291,676	AAAM	S&P	1

*Interest Rate Risk:*

The City manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The City limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure benchmarks such as the Lehman Brothers Aggregate Bond Index.



**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**

*Credit Risk:*

Consistent with Chapter 218, Florida Statutes, the City's investment guidelines limit its fixed income investments to a quality rating of 'A' or equivalent as rated by one or more recognized bond rating service at the time of purchase. Fixed income investments which are downgraded to 'BAA' or equivalent must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments which are downgraded below 'BAA' shall be liquidated immediately.

The City has adopted a written investment policy in accordance with Section 218.145, Florida Statutes. That statute is intended to minimize interest rate and credit risk by directing the City to invest only in authorized investments summarized as follows:

- a) The Local Government Surplus Funds Trust Fund or any Intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in s. 163.01.
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- c) Interest-bearing time deposits or savings accounts in qualified public depositories as defined in s. 280.02.
- d) Direct obligations of the United States Treasury.
- e) Federal agencies and instrumentalities.
- f) Securities of, or other interests in, any open-end or closed-end management- type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

The Local Government Surplus Funds Trust Fund (Florida PRIME) is an investment pool administered by the Florida State Board of Administration that is governed by Chapters 215 and 218, Florida Statutes, and Chapter 19-7 of the Florida Administrative Code. A three-member Board of Trustees governs the State Board of Administration and is made up of the State's Governor as chairman, Chief Financial Officer, and Attorney General. This Board is empowered by Florida law to invest funds at the request of local governments. They delegate authority to the Executive Director and Chief Investment Officer to carry out the strategic direction of the organization. Florida PRIME provides eligible participants a cost-effective investment vehicle for their surplus funds. Its investment strategy emphasizes, in order of importance, safety, liquidity and competitive yield. Florida PRIME is managed by an industry leader in professional money management, maintains conservative investment policies, a Standard & Poor's AAA(m) rating, has enhanced transparency, and extensive governance oversight. The Florida PRIME is treated as "2a-7 like" pool in accordance with GASB Statements Number 31 and Number 59 and is valued using the pooled- share price (amortized cost), which approximates fair value. The Florida PRIME funds may be withdrawn upon demand. Investment income is recognized as earned and is allocated to participants of the Fund based on their equity participation.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 4 - RECEIVABLES AND DUE FROM OTHER GOVERNMENTS**

Receivables at September 30, 2023, were as follows:

	Governmental Activities		Business Type Activities		Total Primary Government
	General	Capital Projects	Marina Fund	Stormwater Fund	
Accounts	\$ 334,958	\$ -	\$ 376	\$ -	\$ 335,334
Utilities	55,925	-	-	-	55,925
Other	73,487	746,847	-	-	820,334
	<u>\$ 464,370</u>	<u>\$ 746,847</u>	<u>\$ 376</u>	<u>\$ -</u>	<u>\$ 1,211,593</u>

Accounts receivable for the General Fund includes \$282,053 from a resident of the City for code violations for failure to meet construction schedule timelines ordered by Special Master on May 19, 2021. The City has no intention to forgive these fines and believes the balance will be fully collectible. Therefore, the City has not recorded an allowance as of September 30, 2023.

**NOTE 5 - CHANGES IN CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 1,426,738	\$ -	\$ -	\$ 1,426,738
Total capital assets not being depreciated	<u>1,426,738</u>	<u>-</u>	<u>-</u>	<u>1,426,738</u>
Capital assets being depreciated				
Buildings and improvements	4,225,071	-	-	4,225,071
Improvements other than buildings	6,903,050	1,950,356	(22,105)	8,831,301
Machinery and equipment	1,312,772	49,035	(49,672)	1,312,135
Total capital assets being depreciated	<u>12,440,893</u>	<u>1,999,391</u>	<u>(71,777)</u>	<u>14,368,507</u>
Less accumulated depreciation				
Buildings and improvements	(1,157,112)	(97,160)	-	(1,254,272)
Improvements other than buildings	(1,849,313)	(339,126)	19,804	(2,168,635)
Machinery and equipment	(402,887)	(77,178)	44,003	(436,062)
Total accumulated depreciation	<u>(3,409,312)</u>	<u>(513,464)</u>	<u>63,807</u>	<u>(3,858,969)</u>
Total capital assets being depreciated, net	<u>9,031,581</u>	<u>1,485,927</u>	<u>(7,970)</u>	<u>10,509,538</u>
<b>Governmental Activities, net</b>	<u>\$ 10,458,319</u>	<u>\$ 1,485,927</u>	<u>\$ (7,970)</u>	<u>\$ 11,936,276</u>
<b>Business-Type Activities</b>				
Capital assets being depreciated				
Improvements other than buildings	\$ 2,478,728	999,477	(10,725)	\$ 3,467,480
Total capital assets being depreciated	<u>2,478,728</u>	<u>999,477</u>	<u>(10,725)</u>	<u>3,467,480</u>
Less accumulated depreciation				
Improvements other than buildings	(806,834)	(127,942)	10,725	(924,051)
Total accumulated depreciation	<u>(806,834)</u>	<u>(127,942)</u>	<u>10,725</u>	<u>(924,051)</u>
<b>Business-Type Activities, net</b>	<u>\$ 1,671,894</u>	<u>\$ 871,535</u>	<u>\$ -</u>	<u>\$ 2,543,429</u>

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 5 - CHANGES IN CAPITAL ASSETS (Continued)**

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

**Governmental Activities**

General government	\$ 124,574
Physical environment	339,126
Culture and recreation	<u>49,764</u>
Total depreciation expense - governmental activities	<u><u>\$ 513,464</u></u>

**Business-type activities:**

Marina	\$ 2,567
Stormwater	<u>125,375</u>
Total depreciation expense- business- type activities	<u><u>\$ 127,942</u></u>

**NOTE 6 - DEFINED CONTRIBUTION PENSION PLAN**

The City provides retirement benefits for all of its full-time employees through a defined contribution 401(a) plan administered by the Florida League of Cities, Inc. under their prototype Profit-Sharing Plan and Trust Agreement. At September 30, 2023 there were nine plan members. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after ninety days of employment. The Plan requires the City contribute ten percent of their compensation. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous service. City contributions for, and interest forfeited by, employees who leave employment before five years of service are used to reduce the City's current-period contribution requirement. Plan provisions and contribution requirements are established and may be amended by the City Council.

The City's total payroll in the fiscal year was \$393,735. The City's contributions were calculated using the participants' salary amount of \$394,908. The City made the required contributions totaling \$34,147 representing 10% of participants' salary.



**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 7 - DEFERRED COMPENSATION PLAN**

The City maintains a deferred compensation plan (plan) under the provisions of Section 457 of the Internal Revenue Code, as amended. This law stipulates that all assets and income of the plan must be held in trust for the exclusive benefit of the Plan participants and their beneficiaries. The City's plan is administered by the Florida League of Cities, Inc. and provides the plan participants with the option to invest in thirteen different registered investment funds (mutual funds). Although the City is the Trustee of the plan, the City has no administrative involvement and performs no investing function for the plan and has not therefore, reported the plan in this financial report.

**NOTE 8 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees; and natural disasters. To mitigate those risks, the City continues to carry commercial insurance for risks of loss including health, life, building and contents, employee bonds, mobile property, flood, windstorm and employee accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The City has not had any significant coverage reductions under these policies in the last three fiscal years.

**NOTE 9 - NON-CURRENT LIABILITIES**

**Changes in Non-Current Liabilities**

The following is a summary of changes in long-term debt and other non-current liabilities of the City:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Suntrust Loan- Series 2005	\$ 480,000	\$ -	\$ (160,000)	\$ 320,000	\$ 120,000
Series 2018A Revenue Bonds	694,200	-	(40,114)	654,086	33,357
Series 2018B Revenue Bonds	108,200	-	(4,675)	103,525	4,896
Series 2018C Revenue Bonds	386,147	-	(22,132)	364,015	18,563
Series 2023 Revenue Note	-	381,600	-	381,600	31,188
Compensated absences	69,859	24,312	(3,881)	90,290	46,449
Total governmental activities, long term debt and other liabilities	<u>\$ 1,738,406</u>	<u>\$ 405,912</u>	<u>\$ (230,802)</u>	<u>\$ 1,913,516</u>	<u>\$ 254,453</u>
<b>Business-type activities:</b>					
Stormwater Revenue Note- Series 2020	\$ 23,120	\$ -	\$ (15,277)	\$ 7,843	\$ 7,843
Series 2023 Revenue Note	-	1,738,400	-	1,738,400	142,079
Total business-type activities, long term debt and other liabilities	<u>\$ 23,120</u>	<u>\$ 1,738,400</u>	<u>\$ (15,277)</u>	<u>\$ 1,746,243</u>	<u>\$ 149,922</u>

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 9 - NON-CURRENT LIABILITIES (Continued)**

**Description of Long-Term Debt and Other Liabilities Outstanding**

	Current	Non-Current	Total
<b>Governmental Activities</b>			
Compensated absences	\$ 46,449	\$ 43,841	\$ 90,290
\$3,000,000, City of Belleair Beach Revenue Note, Series 2005, due in quarterly installments of \$40,000 through 2025; interest payable at 4.52%. Secured by pledged non-ad valorem revenues of the City. Proceeds used to acquire land and construct the City Hall.	120,000	200,000	320,000
\$981,017, City of Belleair Beach, Florida Revenue Bonds Series 2018A; due in annual installments of \$72,055 to \$117,050 through 2038; interest payable at 3.65%. Secured by revenues of the City. Proceeds used to finance utility undergrounding capital project.	33,357	620,729	654,086
\$256,191, City of Belleair Beach, Florida Revenue Bonds Series 2018B; due in annual installments of \$12,956 to \$20,372 through 2038; interest payable at 4.62%. Secured by revenues of the City. Proceeds used to finance utility undergrounding capital project.	4,896	98,629	103,525
\$512,367, City of Belleair Beach, Florida Revenue Bonds Series 2018C; due in annual installments of \$40,018 to \$65,006 through 2038; interest payable at 3.65%. Secured by revenues of the City. Proceeds used to finance utility undergrounding capital project.	18,563	345,452	364,015
\$381,600, City of Belleair Beach, Florida Capital Improvement Note, Series 2023 due in annual installments of \$31,188 to \$45,980 through 2033; interest payable at 4.36%. Secured by revenues of the City. Proceeds used to finance street resurfacing capital improvements.	31,188	350,412	381,600
<b>Total Governmental Activities</b>	<u>\$ 254,453</u>	<u>\$ 1,659,063</u>	<u>\$ 1,913,516</u>
<b>Business-Type Activities</b>			
<b>Revenue Bonds</b>			
\$45,000, City of Belleair Beach, Florida, Stormwater Utility System Revenue Note, Series 2020; due in annual installments of \$15,930 through 2024; interest payable at 3.75%. Secured by net revenues of the City. Proceeds used to fund the acquisition and installation of capital improvements for the City.	\$ 7,843	\$ -	\$ 7,843
\$1,738,400, City of Belleair Beach, Florida, Capital Improvement Note, Series 2023; due in annual installments of \$142,079 to \$209,467; interest payable at 4.36%. Secured by revenues of the City. Proceeds used to finance stormwater system capital improvements.	142,079	1,596,321	1,738,400
<b>Total Business-Type Activities</b>	<u>\$ 149,922</u>	<u>\$ 1,596,321</u>	<u>\$ 1,746,243</u>

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 9 - NON-CURRENT LIABILITIES (Continued)**

**Annual Requirements to Amortize Debt Outstanding**

The annual requirements to amortize all debt outstanding as of September 30, 2023, are as follows:

Years Ending September 30,	Series 2005 Revenue Note		Series 2018A Revenue Bond		Series 2018B Revenue Bond	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 120,000	\$ 9,494	\$ 33,357	\$ 24,151	\$ 4,896	\$ 4,783
2025	160,000	6,330	34,596	22,919	5,128	4,557
2026	40,000	452	35,883	21,642	5,370	4,320
2027	-	-	37,217	20,317	5,624	4,072
2028	-	-	38,600	18,942	5,890	3,812
2029-2033	-	-	215,628	72,245	33,902	14,710
2034-2038	-	-	258,805	29,365	42,715	6,102
	<u>\$ 320,000</u>	<u>\$ 16,276</u>	<u>\$ 654,086</u>	<u>\$ 209,581</u>	<u>\$ 103,525</u>	<u>\$ 42,356</u>

Years Ending September 30,	Series 2018C Revenue Bond		Series 2023 Revenue Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 18,563	\$ 13,434	\$ 31,188	\$ 16,301	\$ 208,004	\$ 68,163
2025	19,254	12,749	32,563	14,927	251,541	61,482
2026	19,971	12,038	33,998	13,492	135,222	51,944
2027	20,711	11,301	35,496	11,993	99,048	47,683
2028	21,482	10,537	37,061	10,429	103,033	43,720
2029-2033	120,001	40,186	211,294	26,153	580,825	153,294
2034-2038	144,033	16,335	-	-	445,553	51,802
	<u>\$ 364,015</u>	<u>\$ 116,580</u>	<u>\$ 381,600</u>	<u>\$ 93,295</u>	<u>\$ 1,823,226</u>	<u>\$ 478,088</u>

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 9 - NON-CURRENT LIABILITIES (Continued)**

**Business-Type Activities**

Years Ending September 30,	Series 2020		Series 2023	
	Stormwater Revenue Note		Revenue Note	
	Principal	Interest	Principal	Interest
2024	\$ 7,843	\$ 121	\$ 142,079	\$ 74,262
2025	-	-	148,341	68,000
2026	-	-	154,879	61,462
2027	-	-	161,705	54,636
2028	-	-	168,833	47,508
2029-2033	-	-	962,563	119,142
	<u>\$ 7,843</u>	<u>\$ 121</u>	<u>\$ 1,738,400</u>	<u>\$ 425,010</u>

**NOTE 10 - INTERFUND TRANSFERS**

The composition of interfund transfers at September 30, 2023 is as follows:

Transfers Out	Transfers In	Amount
General Fund	Stormwater Fund	<u>\$ 1,112,000</u>

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 11 - ASSESSMENTS**

The property owners of Bellevue Estates Island (BEI) were asked to sign a petition to City Council regarding the imposition of special assessments for fund utility undergrounding.

The special assessment area consists of a total of 115 properties. The cost of the utility undergrounding will be repaid as a non-ad valorem special assessment imposed against each property. The property owners may voluntarily prepay the special assessment, in full, at any time. Special assessments which are not prepaid will be collected in annual installments on the property tax bill mailed by the county tax collector each November, over a period not to exceed 20 years. Collection of annual installments began November 2018. The special assessment will be secured by a lien against the property in case of default.

The original assessments were imposed by City Resolution No. 2018-03 adopted by City Council on March 5, 2018. In July 2018, the City received binding construction cost estimates for the project which are higher than the estimates used to calculate the original assessments resulting in the need for additional assessment funding in order to pay for the project.

The Supplemental Assessment will be in addition to the Original Assessments imposed in March 2018. An additional \$640,000 in revenue will be collected through the Special Assessments. The City Council adopted Resolution No. 2018-16 to impose the Special Assessments on August 16, 2018.

Annual installments include annual interest of 3.65% plus annual collection and administration cost incurred by the City each year. The annual assessment revenue was \$117,590 for the year ended September 30, 2023.

There are two categories of property owners in Bellevue Estates Island. The first category chose to have the undergrounding done on their property prior to the City's undergrounding project. The properties in this category have a low annual assessment because they do not have to pay for any onsite improvements since they already had their utilities undergrounded. The annual assessment is as follows:

Rate of Assessment per dwelling unit	\$ 11,078
Rate of supplemental assessment per dwelling unit	<u>5,518</u>
Total	<u>\$ 16,596</u>
Maximum annual payment	\$ 1,267.70
Maximum payment term	20 years

**CITY OF BELLEAIR BEACH, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**NOTE 11 - ASSESSMENTS (Continued)**

The second category of homeowners did not previously have the utilities from the poles to their homes underground prior to the City's undergrounding project. These properties pay a higher annual assessment that includes their proportionate share of the improvements on their property. The annual assessment is as follows:

Rate of Assessment per dwelling unit	\$ 11,078
Rate of supplemental assessment per dwelling unit	5,518
Onsite improvements	<u>4,500</u>
Total	<u>\$ 21,096</u>
Maximum annual payment	\$ 1,611.70
Maximum payment term	20 years

**NOTE 12 - POST-EMPLOYMENT HEALTH CARE BENEFITS**

GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go-basis. The effect is the recognition of an actuarially determined expense when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefits.

Postemployment health care benefits are made available to the City's terminated employees in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Under COBRA, the City is required to offer an election to deceased or terminated participants, their spouses or dependents, to continue coverage in the health plan provided by the City. The cost of coverage which the City may charge the participant may not exceed 102% of the applicable premium.

Employees who retire from the City of Belleair Beach (City), and eligible dependents and survivors, are eligible to continue to participate in the City's health insurance programs at the "blended" employee group rate which is determined annually by the City and approved by the City Council. Retirees have 31 days to elect to enroll in the City's health insurance plan in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. As of September 30, 2023, there were no eligible retirees and dependents participating in the City's health program.

The City provides no funding for any portion of the premiums after retirement. However, the City recognizes that there may be an "implicit subsidy" arising as a result of the blended rate premium when retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund as an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

**CITY OF BELLEAIR BEACH, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023**

**NOTE 12 - POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)**

As of September 30, 2023, the current health care premiums for the City's health plan are already age adjusted. Therefore, the contributions of the retirees and the age adjusted premiums would be equal. According to the actuary, this would create a liability of \$0.

It is important to note that if the City switches to a group plan with blended premiums or decides to pay for retirees healthcare benefits in the future, then this liability will no longer be \$0, and a full actuarial valuation will need to be performed.

**NOTE 13 - COMMITMENTS AND CONTINGENCIES**

*Grant Receipts:*

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

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>				
Intergovernmental	\$ 1,100,425	\$ 2,035,336	\$ 1,909,712	\$ (125,624)
Assessments	112,145	112,145	117,590	5,445
Interest on investments	2,000	2,000	9,581	7,581
Total revenues	<u>1,214,570</u>	<u>2,149,481</u>	<u>2,036,883</u>	<u>(112,598)</u>
<b>Expenditures:</b>				
Current				
General government	-	6,233	5,692	541
Physical environment	1,000	1,000	616	384
Capital outlay	1,315,675	3,342,078	1,898,561	1,443,517
Debt service				
Principal	216,682	227,382	226,921	461
Interest	66,388	66,388	63,297	3,091
Total expenditures	<u>1,599,745</u>	<u>3,643,081</u>	<u>2,195,087</u>	<u>1,447,994</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(385,175)</u>	<u>(1,493,600)</u>	<u>(158,204)</u>	<u>1,335,396</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	385,175	1,112,000	1,112,000	-
Proceeds from issuance of debt	-	381,600	381,600	-
Total other financing sources	<u>385,175</u>	<u>1,493,600</u>	<u>1,493,600</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,335,396	<u>\$ 1,335,396</u>
<b>Fund Balance:</b>				
Beginning of year			<u>602,485</u>	
End of year			<u>\$ 1,937,881</u>	



**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION - BUDGET AND ACTUAL - MARINA FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Operating Revenues:</b>				
Charges for services	\$ 88,060	\$ 77,560	\$ 78,072	\$ 512
<b>Operating Expenses:</b>				
Supplies	69,810	69,810	71,010	(1,200)
Office and utilities	16,000	16,000	2,382	13,618
Depreciation	2,950	2,950	2,567	383
Total operating expenses	88,760	88,760	75,959	12,801
Operating income (loss)	(700)	(11,200)	2,113	(12,289)
<b>Non-Operating Revenues (Expenses):</b>				
Investment earnings	700	700	746	46
<b>Income (Loss) Before Transfers</b>	-	(10,500)	2,859	(12,243)
<b>Transfers:</b>				
Transfers in	-	10,500	746	46
Change in net position	\$ -	\$ -	2,859	\$ (12,243)
<b>Net Position:</b>				
Beginning of year			365,686	
End of year			\$ 368,545	

**CITY OF BELLEAIR BEACH, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION - BUDGET AND ACTUAL - STORMWATER FUND**  
**YEAR ENDED SEPTEMBER 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Operating Revenues:</b>				
Intergovernmental	\$ -	\$ 802,868	\$ 802,868	\$ -
Charges for services	175,000	140,000	172,716	32,716
	<u>175,000</u>	<u>942,868</u>	<u>975,584</u>	<u>32,716</u>
<b>Operating Expenses:</b>				
Personnel services	33,475	33,475	33,475	-
Contractual services	41,050	41,050	16,455	24,595
Repairs and maintenance	30,000	30,000	28,563	1,437
Professional fees	-	28,393	28,393	-
Capital outlay	548,680	3,775,863	-	3,775,863
Depreciation	84,000	84,000	125,375	(41,375)
Total operating expenses	<u>737,205</u>	<u>3,992,781</u>	<u>232,261</u>	<u>3,760,520</u>
Operating income (loss)	<u>(562,205)</u>	<u>(3,049,913)</u>	<u>743,323</u>	<u>(3,727,804)</u>
<b>Non-Operating Revenues (Expenses):</b>				
Debt proceeds	-	1,738,400	-	1,738,400
Debt service - principal	(15,275)	(15,275)	-	(15,275)
Interest expense	(655)	(655)	(653)	(2)
	<u>(15,930)</u>	<u>1,722,470</u>	<u>(653)</u>	<u>1,723,123</u>
<b>Income (Loss) Before Transfers</b>	<u>(578,135)</u>	<u>(1,327,443)</u>	<u>742,670</u>	<u>(2,004,681)</u>
<b>Transfers:</b>				
Transfers in	<u>578,135</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Appropriation of Fund Balance</b>	<u>-</u>	<u>1,327,443</u>	<u>-</u>	<u>(1,327,443)</u>
Change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>742,670</u>	<u>\$ (3,332,124)</u>
<b>Net Position:</b>				
Beginning of year			<u>1,740,994</u>	
End of year			<u>\$ 2,483,664</u>	

**CITY OF BELLEAIR BEACH, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULES BY FUNCTION AND ACTIVITY**  
**SEPTEMBER 30, 2023 AND 2022**

	2023			
	Total	Land	Buildings	Improvements Other Than Buildings
				Equipment
<b>General Government:</b>				
<b>Control:</b>				
Administrative	\$ 14,512,382	\$ 1,426,738	\$ 4,225,071	\$ 8,831,301
Executive	24,003	-	-	-
Legislative	43,368	-	-	-
Total general government	14,579,753	1,426,738	4,225,071	8,831,301
Public works	131,238	-	-	-
Recreation	1,084,254	-	-	-
Total Governmental Funds	\$ 15,795,245	\$ 1,426,738	\$ 4,225,071	\$ 8,831,301
Capital Assets				\$ 1,312,135

**CITY OF BELLEAIR BEACH, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULES BY FUNCTION AND ACTIVITY**  
**SEPTEMBER 30, 2023 AND 2022**  
**(Continued)**

	2022			
	Total	Land	Buildings	Improvements Other Than Buildings
				Equipment
<b>General Government:</b>				
<b>Control:</b>				
Administrative	\$ 12,584,131	\$ 1,426,738	\$ 4,225,071	\$ 29,272
Executive	24,003	-	-	24,003
Legislative	43,368	-	-	43,368
Total general government	12,651,502	1,426,738	4,225,071	96,643
Public works	118,614	-	-	118,614
Recreation	1,097,515	-	-	1,097,515
Total Governmental Funds				
Capital Assets	\$ 13,867,631	\$ 1,426,738	\$ 4,225,071	\$ 1,312,772

**CITY OF BELLEAIR BEACH, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**YEAR ENDED SEPTEMBER 30, 2023**

Function and Activity	Governmental Fund Capital Assets Beginning	Additions	Deductions	Governmental Fund Capital Assets Ending
<b>General Government:</b>				
<b>Control:</b>				
Administrative	\$ 12,584,131	\$ 1,950,356	\$ 22,105	\$ 14,512,382
Executive	24,003	-	-	24,003
Legislative	43,368	-	-	43,368
Total general government	12,651,502	1,950,356	22,105	14,579,753
Public works	118,614	12,624	-	131,238
Recreation	1,097,515	36,411	49,672	1,084,254
Total Governmental Funds				
Capital Assets	\$ 13,867,631	\$ 1,999,391	\$ 71,777	\$ 15,795,245

### III. STATISTICAL SECTION

**CITY OF BELLEAIR BEACH, FLORIDA  
STATISTICAL SECTION**

This part of the City of Belleair Beach, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

**Contents**

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**Financial Trends**

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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

**Revenue Capacity**

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These schedules contain information to help the reader assess the government's most significant local revenue source, the property

**Debt Capacity**

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These schedules present information to help the reader assess the affordability of government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

**Demographic and Economic Information**

78

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

**Operating Information**

82

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

**CITY OF BELLEAIR BEACH, FLORIDA  
COMPONENTS OF NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Schedule 1**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 10,113,050	\$ 8,789,772	\$ 8,890,667	\$ 9,397,531	\$ 9,027,101	\$ 5,613,438	\$ 6,203,405	\$ 5,859,020	\$ 5,564,233	\$ 4,819,447
Restricted	-	802,868	-	-	-	-	-	-	-	-
Unrestricted	7,481,889	5,189,316	4,930,178	5,371,313	5,316,313	6,696,559	5,027,157	4,964,934	4,788,500	4,590,761
Total governmental activities	\$ 17,594,939	\$ 14,781,956	\$ 13,820,845	\$ 14,768,844	\$ 14,343,414	\$ 12,309,997	\$ 11,230,562	\$ 10,823,954	\$ 10,352,733	\$ 9,410,208
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 797,186	\$ 1,648,774	\$ 1,693,878	\$ 36,673	\$ 39,624	\$ 42,489	\$ 46,549	\$ 48,977	\$ 37,683	\$ 25,831
Unrestricted	2,055,023	457,906	379,680	295,029	263,343	254,455	240,676	224,516	221,210	207,954
Total business-type activities	\$ 2,852,209	\$ 2,106,680	\$ 2,073,558	\$ 331,702	\$ 302,967	\$ 296,944	\$ 287,225	\$ 273,493	\$ 258,893	\$ 233,785
<b>Primary government:</b>										
Net investment in capital assets	\$ 10,910,236	\$ 10,438,546	\$ 10,584,545	\$ 9,434,204	\$ 9,066,725	\$ 5,655,927	\$ 6,249,954	\$ 5,907,997	\$ 5,601,916	\$ 4,845,278
Restricted	-	802,868	-	-	-	-	-	-	-	-
Unrestricted	9,536,912	5,647,222	5,309,858	5,666,342	5,579,656	6,951,014	5,267,833	5,189,450	5,009,710	4,798,715
Total primary government	\$ 20,447,148	\$ 16,888,636	\$ 15,894,403	\$ 15,100,546	\$ 14,646,381	\$ 12,606,941	\$ 11,517,787	\$ 11,097,447	\$ 10,611,626	\$ 9,643,993

SOURCE: City of Belleair Beach Finance Department



**CITY OF BELLEAIR BEACH, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 2**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Expenses:</b>										
Governmental activities -										
General government	\$ 853,131	\$ 812,867	\$ 743,107	\$ 698,293	\$ 708,107	\$ 813,544	\$ 387,746	\$ 467,329	\$ 684,320	\$ 488,624
Public safety	597,437	569,810	535,629	523,617	554,535	492,171	469,979	470,532	454,371	438,853
Physical environment	980,880	891,758	882,166	1,011,544	1,004,159	561,055	1,086,669	882,622	682,547	803,110
Culture and recreation	61,928	54,363	54,879	45,225	44,267	31,612	23,050	44,156	15,582	43,711
Debt service interest	62,265	76,111	94,305	102,163	116,578	53,330	51,386	57,507	63,306	69,258
Total government activities	2,555,641	2,404,909	2,310,086	2,380,842	2,427,646	1,951,712	2,018,830	1,922,146	1,900,126	1,843,556
Business-type activities -										
Marina	75,959	72,397	56,502	55,836	62,487	57,794	49,985	46,109	33,034	47,190
Stormwater	232,914	180,345	169,446	-	-	-	-	-	-	-
Total business-type activities	308,873	252,742	225,948	55,836	62,487	57,794	49,985	46,109	33,034	47,190
Total primary government expenses	\$ 2,864,514	\$ 2,657,651	\$ 2,536,034	\$ 2,436,678	\$ 2,490,133	\$ 2,009,506	\$ 2,068,815	\$ 1,968,255	\$ 1,933,160	\$ 1,890,746
<b>Program Revenues:</b>										
Government activities -										
Charges for services	\$ 984,703	\$ 1,048,799	\$ 856,195	\$ 735,917	\$ 1,097,291	\$ 522,831	\$ 483,299	\$ 444,068	\$ 422,884	\$ 408,474
Operating grants and contributions	1,683,591	9,931	130,832	24,914	106,864	4,836	1,166	1,189	1,200	1,201
Total governmental activities program revenues	2,668,294	1,058,730	987,027	760,831	1,204,155	527,667	484,465	445,257	424,084	409,675
Business-type activities -										
Charges for services -										
Marina	78,072	82,804	78,950	82,830	66,016	65,845	62,750	59,937	57,535	48,955
Stormwater	172,716	177,605	167,379	-	-	-	-	-	-	-
Operating grants and contributions -										
Stormwater	802,868	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	1,053,656	260,409	246,329	82,830	66,016	65,845	62,750	59,937	57,535	48,955
Total primary government program revenues	\$ 3,721,950	\$ 1,319,139	\$ 1,233,356	\$ 843,661	\$ 1,270,171	\$ 593,512	\$ 547,215	\$ 505,194	\$ 481,619	\$ 458,630
<b>Net Program (Expense) / Revenue:</b>										
Governmental activities	\$ 112,653	\$ (1,346,179)	\$ (1,323,059)	\$ (1,620,011)	\$ (1,223,491)	\$ (1,424,045)	\$ (1,534,365)	\$ (1,476,889)	\$ (1,476,042)	\$ (1,433,881)
Business-type activities	744,783	7,667	20,381	26,994	3,529	8,051	12,765	13,828	24,501	1,765
Total primary government program net (expense) / revenue	\$ 857,436	\$ (1,338,512)	\$ (1,302,678)	\$ (1,593,017)	\$ (1,219,962)	\$ (1,415,994)	\$ (1,521,600)	\$ (1,463,061)	\$ (1,451,541)	\$ (1,432,116)

SOURCE: City of Belleair Beach Finance Department

**CITY OF BELLEAIR BEACH, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**  
**(Continued)**

**Schedule 2**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Revenues and Other Changes</b>										
<b>in Net Position:</b>										
Governmental activities -										
Property taxes	\$ #####	\$ 1,260,856	\$ 1,170,878	\$ 1,117,077	\$ 1,068,618	\$ 1,014,430	\$ 926,891	\$ 883,698	\$ 843,286	\$ 783,665
Franchise taxes	195,479	195,749	187,045	188,420	183,563	165,829	157,015	156,936	167,080	168,469
Sales taxes	317,255	366,446	310,256	269,750	276,874	274,629	261,390	262,590	244,972	227,014
Other taxes	493,814	379,214	367,966	360,414	1,550,055	945,416	486,692	553,302	772,722	521,486
State revenue sharing	54,618	52,899	45,588	44,303	44,806	44,529	44,257	44,022	43,889	39,733
Investment earnings	173,125	27,272	6,669	54,689	107,440	49,691	28,828	22,295	22,952	9,162
Miscellaneous	32,628	49,854	7,459	10,888	25,452	8,956	35,900	25,267	10,140	4,349
Total revenues	2,700,330	2,332,290	2,095,861	2,045,541	3,256,808	2,503,480	1,940,973	1,948,110	2,105,041	1,753,878
Transfers	-	(25,000)	(1,720,801)	-	-	-	-	-	-	-
Total government activities	2,700,330	2,307,290	375,060	2,045,541	3,256,808	2,503,480	1,940,973	1,948,110	2,105,041	1,753,878
Business-type activities -										
Investment earnings	746	455	674	1,741	2,494	1,668	967	772	607	553
Total revenues	746	455	674	1,741	2,494	1,668	967	772	607	553
Transfers	-	25,000	1,720,801	-	-	-	-	-	-	-
Total business-type activities	746	25,455	1,721,475	1,741	2,494	1,668	967	772	607	553
Total primary government	\$ 2,701,076	\$ 2,332,745	\$ 2,096,535	\$ 2,047,282	\$ 3,259,302	\$ 2,505,148	\$ 1,941,940	\$ 1,948,882	\$ 2,105,648	\$ 1,754,431
<b>Change in Net Position:</b>										
Government activities	\$ 2,812,983	\$ 961,111	\$ (947,999)	\$ 425,530	\$ 2,033,317	\$ 1,079,435	\$ 406,608	\$ 471,221	\$ 628,999	\$ 319,997
Business-type activities	745,529	33,122	1,741,856	28,735	6,023	9,719	13,732	14,600	25,108	2,318
Total primary government	\$ 3,558,512	\$ 994,233	\$ 793,857	\$ 454,265	\$ 2,039,340	\$ 1,089,154	\$ 420,340	\$ 485,821	\$ 654,107	\$ 322,315

SOURCE: City of Belleair Beach Finance Department

**CITY OF BELLEAIR BEACH, FLORIDA**  
**CHARGES FOR SERVICES BY FUNCTION AND PROGRAM**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 3**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Governmental Activities:</b>										
General government	\$ 140,696	\$ 134,400	\$ 99,657	\$ 49,544	\$ 44,378	\$ 51,164	\$ 55,071	\$ 64,065	\$ 63,989	\$ 55,712
Public safety	48,843	90,352	28,759	27,892	35,617	53,443	24,826	18,245	12,632	17,857
Physical environment	794,775	823,805	725,764	527,756	477,632	417,794	402,367	360,959	346,095	334,599
Culture and recreation	389	242	2,015	414	870	430	1,035	799	168	306
Total governmental charges	984,703	1,048,799	856,195	605,606	558,497	522,831	483,299	444,068	422,884	408,474
<b>Business-Type Activities:</b>										
Marina	78,072	82,804	78,950	82,830	66,016	65,845	62,750	59,937	57,535	58,955
Stormwater	172,716	177,605	167,379	-	-	-	-	-	-	-
Total business-type charges	250,788	260,409	246,329	82,830	66,016	65,845	62,750	59,937	57,535	58,955
Total primary government	\$ 1,235,491	\$ 1,309,208	\$ 1,102,524	\$ 688,436	\$ 624,513	\$ 588,676	\$ 546,049	\$ 504,005	\$ 480,419	\$ 467,429

SOURCE: City of Belleair Beach Finance Department

**CITY OF BELLEAIR BEACH, FLORIDA**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE <sup>(1)</sup>**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 4**

Year	Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Assessments	Fines and Forfeitures	Interest	Miscellaneous	Total
2023	\$ 1,946,145	\$ 189,102	\$ 2,232,023	\$ 648,029	\$ 117,590	\$ 29,982	\$ 173,125	\$ 40,598	\$ 5,376,594
2022	\$ 1,755,555	\$ 172,314	\$ 509,540	\$ 705,051	\$ 99,433	\$ 72,001	\$ 27,272	\$ 49,854	\$ 3,391,020
2021	\$ 1,652,537	\$ 179,776	\$ 560,028	\$ 539,653	\$ 119,454	\$ 17,312	\$ 6,669	\$ 10,089	\$ 3,085,518
2020	\$ 1,593,578	\$ 132,580	\$ 411,300	\$ 457,157	\$ 130,311	\$ 15,869	\$ 54,689	\$ 6,846	\$ 2,802,330
2019	\$ 1,519,216	\$ 106,938	\$ 1,711,564	\$ 419,857	\$ 538,794	\$ 31,702	\$ 107,440	\$ 25,452	\$ 4,460,963
2018	\$ 1,424,880	\$ 91,232	\$ 1,024,789	\$ 389,800	\$ -	\$ 41,799	\$ 49,691	\$ 8,956	\$ 3,031,147
2017	\$ 1,324,141	\$ 70,010	\$ 553,270	\$ 396,751	\$ -	\$ 16,538	\$ 28,828	\$ 35,900	\$ 2,425,438
2016	\$ 1,278,269	\$ 49,127	\$ 623,468	\$ 383,086	\$ -	\$ 11,855	\$ 22,295	\$ 5,345	\$ 2,373,445
2015	\$ 1,242,786	\$ 46,514	\$ 830,363	\$ 368,649	\$ -	\$ 7,721	\$ 22,952	\$ 10,140	\$ 2,529,125
2014	\$ 1,196,656	\$ 38,711	\$ 544,912	\$ 356,950	\$ -	\$ 12,813	\$ 9,162	\$ 4,349	\$ 2,163,553

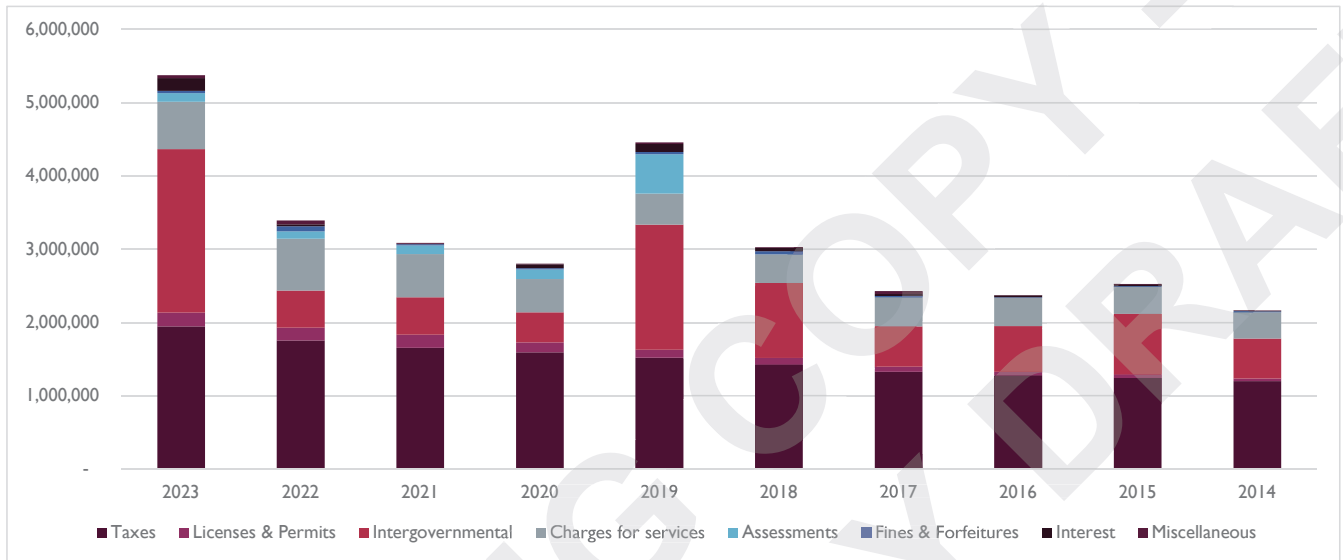
**GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE <sup>(1)</sup>**

Year	Property Taxes	Franchise Taxes	Utility Taxes	Total
2023	\$ 1,433,411	\$ 195,479	\$ 317,255	\$ 1,946,145
2022	\$ 1,260,856	\$ 195,749	\$ 298,950	\$ 1,755,555
2021	\$ 1,170,878	\$ 187,045	\$ 294,614	\$ 1,652,537
2020	\$ 1,117,077	\$ 188,420	\$ 288,081	\$ 1,593,578
2019	\$ 1,068,618	\$ 183,563	\$ 267,035	\$ 1,519,216
2018	\$ 1,014,430	\$ 165,829	\$ 244,621	\$ 1,424,880
2017	\$ 926,891	\$ 157,015	\$ 240,235	\$ 1,324,141
2016	\$ 883,698	\$ 156,936	\$ 237,635	\$ 1,278,269
2015	\$ 843,286	\$ 167,080	\$ 232,420	\$ 1,242,786
2014	\$ 783,665	\$ 168,469	\$ 244,522	\$ 1,196,656

(1) Includes General Fund and Capital Projects Fund

**CITY OF BELLEAIR BEACH, FLORIDA  
GENERAL GOVERNMENTAL REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED**

Schedule 5



**CITY OF BELLEAIR BEACH, FLORIDA  
COMPONENTS OF FUND BALANCE  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Schedule 6**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Fund:</b>										
Nonspendable	\$ 24,550	\$ 8,226	\$ 27,430	\$ 21,718	\$ 10,225	\$ 8,069	\$ 7,741	\$ 9,767	\$ 10,763	\$ 17,176
Restricted	-	802,868	-	-	-	-	-	-	-	-
Assigned	1,150,750	1,127,250	1,090,250	1,104,000	1,000,000	1,000,000	840,000	840,000	840,000	840,000
Unassigned	4,480,181	3,543,429	3,241,604	3,041,366	2,623,947	2,253,167	2,844,738	3,193,880	3,161,321	3,129,744
Total general fund	\$ 5,655,481	\$ 5,481,773	\$ 4,359,284	\$ 4,167,084	\$ 3,634,172	\$ 3,261,236	\$ 3,692,479	\$ 4,043,647	\$ 4,012,084	\$ 3,986,920
<b>All other governmental funds:</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	1,937,881	602,485	663,895	1,255,216	1,724,616	3,497,113	1,358,689	1,005,960	873,480	902,075
Total all other governmental funds	\$ 1,937,881	\$ 602,485	\$ 663,895	\$ 1,295,216	\$ 1,764,616	\$ 3,497,113	\$ 1,358,689	\$ 1,005,960	\$ 873,480	\$ 902,075

SOURCE: City of Belleair Beach Finance Department

**CITY OF BELLEAIR BEACH, FLORIDA**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 7**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues:</b>										
Taxes	\$ 1,946,145	\$ 1,755,555	\$ 1,652,537	\$ 1,593,578	\$ 1,519,216	\$ 1,424,880	\$ 1,324,141	\$ 1,278,269	\$ 1,242,786	\$ 1,196,656
Licenses and permits	189,102	172,314	179,776	132,580	106,938	91,232	70,010	49,127	46,514	38,711
Intergovernmental	2,232,023	509,540	560,028	411,300	1,711,564	1,024,789	553,270	623,468	830,363	544,912
Charges for services	648,029	705,051	539,653	457,157	419,857	389,800	396,751	383,086	368,649	356,950
Assessments	117,590	99,433	119,454	130,311	538,794	-	-	-	-	-
Fines	29,982	72,001	17,312	15,869	31,702	41,799	16,538	11,855	7,721	12,813
Interest on investments	173,125	27,272	6,669	54,689	107,440	49,691	28,828	22,295	22,952	9,162
Miscellaneous	40,598	49,854	10,089	6,846	25,432	8,956	35,900	5,345	10,140	4,349
Total revenues	5,376,594	3,391,020	3,085,518	2,802,330	4,460,963	3,031,147	2,425,438	2,373,445	2,529,125	2,163,553
<b>Expenditures:</b>										
General government	715,277	689,653	624,472	593,860	624,436	605,378	592,627	545,877	535,415	489,456
Public safety	590,286	570,964	533,885	523,617	554,535	492,171	469,979	470,532	454,371	438,765
Physical environment	641,754	630,300	621,922	697,403	4,286,830	1,826,924	1,137,155	907,660	1,302,460	780,482
Culture and recreation	12,164	7,470	8,889	7,635	15,936	13,714	11,292	66,557	15,582	26,658
Capital outlay	1,999,391	88,304	557,968	589,272	-	-	-	-	-	-
Debt service -										
Principal	226,921	244,508	572,429	224,091	236,491	160,000	160,000	160,000	160,000	160,000
Interest	63,297	73,742	97,274	106,982	102,296	51,845	52,824	58,776	64,728	70,680
Total expenditures	4,249,090	2,304,941	3,016,839	2,742,860	5,820,524	3,150,032	2,423,877	2,209,402	2,532,556	1,966,041
Excess (deficiency) of revenue over (under) expenditures	1,127,504	1,086,079	68,679	59,470	(1,359,561)	(118,885)	1,561	164,043	(3,431)	197,512
<b>Other Financing Sources (Uses):</b>										
Proceeds from issuance of debt	381,600	-	-	-	-	1,826,066	-	-	-	-
Proceeds from sale of capital assets	-	-	4,700	4,042	-	-	-	-	-	-
Transfers in	1,112,000	-	550,000	-	-	-	-	-	-	-
Transfers out	(1,112,000)	(25,000)	(1,022,500)	-	-	-	-	-	-	-
Total other financing sources (uses)	381,600	(25,000)	(467,800)	4,042	-	1,826,066	-	-	-	-
Net change in fund balance	\$ 1,509,104	\$ 1,061,079	\$ (399,121)	\$ 63,512	\$ (1,359,561)	\$ 1,707,181	\$ 1,561	\$ 164,043	\$ (3,431)	\$ 197,512
Debt service as a percentage of noncapital expenditures	13%	14%	27%	15%	6%	7%	9%	10%	9%	12%

SOURCE: City of Belleair Beach Finance Department



**CITY OF BELLEAIR BEACH, FLORIDA**  
**GENERAL GOVERNMENTAL EXPENDITURES BY SOURCE <sup>(1)</sup>**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

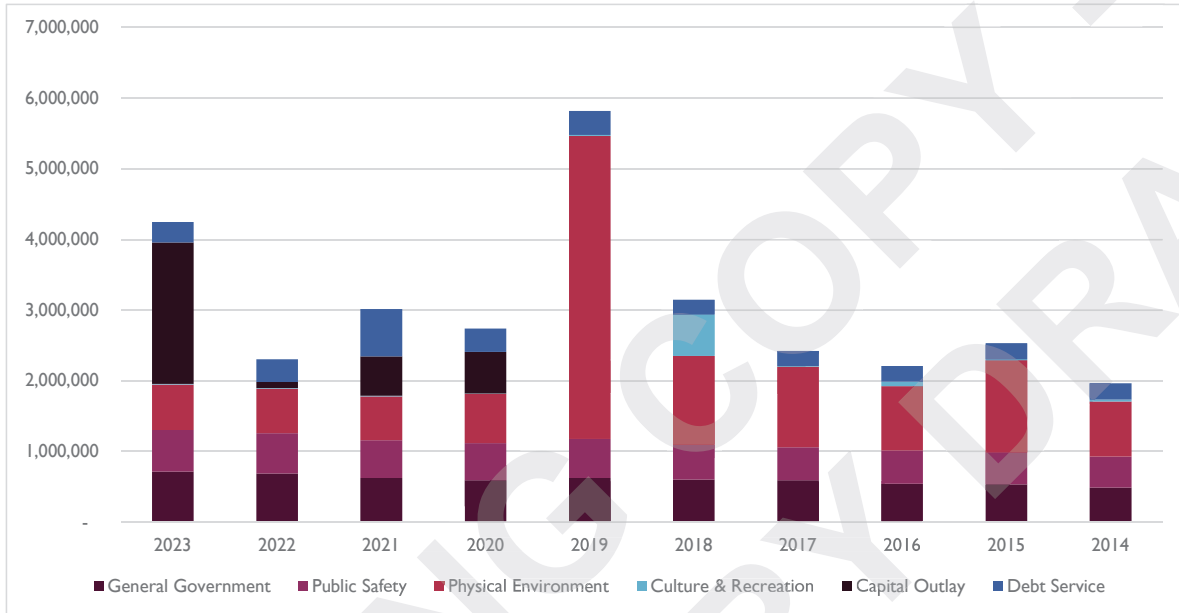
Schedule 8

Year	General Government	Public Safety	Physical Environment	Culture and Recreation	Capital Outlay	Debt Service	Total
2023	\$ 715,277	\$ 590,286	\$ 641,754	\$ 12,164	\$ 1,999,391	\$ 290,218	\$ 4,249,090
2022	\$ 689,653	\$ 570,964	\$ 630,300	\$ 7,470	\$ 88,304	\$ 318,250	\$ 2,304,941
2021	\$ 624,472	\$ 533,885	\$ 621,922	\$ 8,889	\$ 557,968	\$ 669,703	\$ 3,016,839
2020	\$ 593,860	\$ 523,617	\$ 697,403	\$ 7,635	\$ 589,272	\$ 331,073	\$ 2,742,860
2019	\$ 624,436	\$ 554,535	\$ 4,286,830	\$ 15,936	\$ -	\$ 338,787	\$ 5,820,524
2018	\$ 605,378	\$ 492,171	\$ 1,257,165	\$ 583,473	\$ -	\$ 211,845	\$ 3,150,032
2017	\$ 592,627	\$ 469,979	\$ 1,137,155	\$ 11,292	\$ -	\$ 212,824	\$ 2,423,877
2016	\$ 545,877	\$ 470,532	\$ 907,660	\$ 66,557	\$ -	\$ 218,776	\$ 2,209,402
2015	\$ 535,415	\$ 454,371	\$ 1,302,460	\$ 15,582	\$ -	\$ 224,728	\$ 2,532,556
2014	\$ 489,456	\$ 438,765	\$ 780,482	\$ 26,658	\$ -	\$ 230,680	\$ 1,966,041

(1) Includes general fund and capital projects fund.

**CITY OF BELLEAIR BEACH, FLORIDA  
GENERAL GOVERNMENTAL EXPENDITURES BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Schedule 9**



**CITY OF BELLEAIR BEACH, FLORIDA**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Schedule 10

Year	Real Property	Personal Property	Total Assessed Value	Exemptions	Assessed Value of Operations	Total Direct Tax Rate
2023	\$ 728,312,390	\$ 2,042,663	\$ 730,355,053	\$ 404,305,750	\$ 1,134,660,803	2.0394
2022	\$ 638,093,942	\$ 2,023,443	\$ 640,117,385	\$ 238,970,572	\$ 879,087,957	2.0394
2021	\$ 592,261,368	\$ 1,971,273	\$ 594,232,641	\$ 172,559,265	\$ 766,791,906	2.0394
2020	\$ 564,693,910	\$ 1,948,272	\$ 566,642,182	\$ 181,008,334	\$ 747,650,516	2.0394
2019	\$ 540,493,808	\$ 1,848,540	\$ 542,342,348	\$ 182,548,030	\$ 724,890,378	2.0394
2018	\$ 510,863,592	\$ 1,931,873	\$ 512,795,465	\$ 169,797,907	\$ 682,593,372	2.0394
2017	\$ 475,752,224	\$ 1,816,732	\$ 477,568,956	\$ 156,051,630	\$ 633,620,586	2.0394
2016	\$ 446,072,813	\$ 1,868,800	\$ 447,941,613	\$ 151,562,391	\$ 599,504,004	2.0394
2015	\$ 419,789,096	\$ 2,019,477	\$ 421,808,573	\$ 157,845,919	\$ 579,654,492	2.0394
2014	\$ 394,583,151	\$ 1,940,046	\$ 396,523,197	\$ 79,546,569	\$ 476,069,766	2.0394

SOURCE: Pinellas County Property Appraiser

**CITY OF BELLEAIR BEACH, FLORIDA**  
**PROPERTY TAX RATES PER \$1,000 OF TAXABLE VALUE -**  
**ALL DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 11**

Fiscal Year	City	Pinellas County General Fund	Pinellas County Health Department	Pinellas County Planning Council	Pinellas County School Board	Emergency Medical Services	Fire District	Southwest Florida Water Management District	Juvenile Welfare Board	Total
2023	2.0394	4.7398	0.0713	0.0210	5.9380	0.8418	0.6700	0.2043	0.8250	15.3506
2022	2.0394	4.7398	0.0790	0.0210	5.9630	0.8775	-	0.2260	0.8508	14.7965
2021	2.0394	5.1302	0.0790	0.0150	6.3250	0.9158	-	0.2535	0.8981	15.6560
2020	2.0394	5.2755	0.0835	0.0150	6.4270	0.9158	-	0.2669	0.8981	15.9212
2019	2.0394	5.2755	0.0835	0.0150	6.5840	0.9158	-	0.2801	0.8981	16.0914
2018	2.0394	5.2133	0.0622	0.0150	6.8105	0.9158	-	0.2955	0.8981	16.2498
2017	2.0394	5.2133	0.0622	0.0150	7.0925	0.9158	-	0.3131	0.8981	16.5494
2016	2.0394	5.2133	0.0622	0.0150	7.3802	0.9158	-	0.3317	0.8981	16.8557
2015	2.0394	5.2133	0.0622	0.0160	7.8322	0.9158	-	0.3488	0.8981	17.3258
2014	2.0394	5.2133	0.0622	0.0160	7.9032	0.9158	-	0.3658	0.8981	17.4138

SOURCE: Pinellas County Tax Collector

**CITY OF BELLEAIR BEACH, FLORIDA**  
**ASSESSED VALUATIONS, MILLAGE AND TAXES LEVIED AND COLLECTED**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 12**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>City millage levied</b>	2.0394	2.0394	2.0394	2.0394	2.0394	2.0394	2.0394	2.0394	2.0394	2.0394
<b>Total valuation</b>	\$ 476,069,766	\$ 580,291,128	\$ 599,504,004	\$ 633,620,586	\$ 682,593,372	\$ 724,890,378	\$ 747,650,516	\$ 766,791,906	\$ 879,087,957	\$ 1,134,660,803
<b>Real estate exemptions</b>										
Government exemptions	\$ 9,578,326	\$ 10,260,480	\$ 11,113,631	\$ 11,811,011	\$ 12,611,161	\$ 13,326,715	\$ 14,651,314	\$ 15,119,057	\$ 16,621,372	\$ 17,927,222
Assessment differentials <sup>(3)</sup>	38,911,319	115,815,715	108,990,187	113,277,158	125,399,330	137,227,909	133,745,766	124,536,381	188,164,387	351,635,956
Individual or homestead exemptions	31,056,924	31,769,724	31,458,573	30,963,461	31,787,416	31,993,406	32,611,254	32,903,827	34,184,813	34,742,572
Total exemptions and adjustments	79,546,569	157,845,919	151,562,391	156,051,630	169,797,907	\$ 182,548,030	181,008,334	172,559,265	238,970,572	404,305,750
Total valuation	\$ 396,523,197	\$ 422,445,209	\$ 447,941,613	\$ 477,568,956	\$ 512,795,465	\$ 542,342,348	\$ 566,642,182	\$ 594,232,641	\$ 640,117,385	\$ 730,355,053
<b>Total taxes levied</b>	\$ 810,195	\$ 860,681	\$ 914,383	\$ 975,678	\$ 1,046,825	\$ 1,106,053	\$ 1,155,678	\$ 1,212,819	\$ 1,305,455	\$ 1,489,486
<b>Less adjustments and discounts</b>	(26,607)	(30,088)	(31,647)	(33,467)	(36,307)	(37,606)	(39,293)	(41,236)	(1,478)	(326)
Net taxes levied	\$ 783,588	\$ 830,593	\$ 882,736	\$ 942,211	\$ 1,010,518	\$ 1,068,447	\$ 1,116,385	\$ 1,171,583	\$ 1,303,977	\$ 1,489,160
Net collected <sup>(1) (2)</sup>	\$ 783,665	\$ 843,286	\$ 883,698	\$ 926,891	\$ 1,014,430	\$ 1,068,618	\$ 1,117,077	\$ 1,170,878	\$ 1,260,856	\$ 1,433,411

(1) Florida Statutes provide for a discount of up to four percent for early payment of ad valorem taxes.  
All unpaid taxes become delinquent on April 1, and are sold at auction on June 1 or each year as tax certificates.  
The City, after all tax certificates are sold, has fully collected all ad valorem revenues.

(2) Net collected includes penalties or late payments.

(3) Florida Statutes (F.S. 193.155) provide for a three percent maximum increase in annual taxable property values.

SOURCE: Pinellas County Tax Collector

**CITY OF BELLEAIR BEACH, FLORIDA**  
**PRINCIPAL TAXPAYERS**  
**2023 AND NINE YEARS AGO**  
**UNAUDITED**

Schedule 13

Fiscal Year 2023			Fiscal Year 2014		
Taxpayer	Total		Taxpayer	Total	
	Taxable Value	Percentage		Taxable Value	Percentage
Alanik Properties LLC	\$ 7,511,680	0.66%	Marion, Joel G	\$ 5,561,557	1.17%
7S Investments LLC	6,007,403	0.53%	Saint Antonio's Investment LLC	3,210,681	0.67%
Marion, Lisa TRE	5,958,661	0.53%	Arfman, Dale C	1,900,494	0.40%
Klein, William H	4,285,607	0.38%	Steslicki, Sarah L	1,890,683	0.40%
Lester, Wilson JR	3,388,010	0.30%	Brinton, Anthony	1,833,366	0.39%
Snider, Mark S	3,354,832	0.30%	Prescott, Douglas	1,831,819	0.38%
Panasyuk, Anatoliy	3,324,586	0.29%	Gagnon, Karen	1,792,707	0.38%
Belleair Beach 17 Land Trust	3,199,313	0.28%	G & G Suncoast Development LLC	1,757,935	0.37%
33786 LLC	2,837,382	0.25%	Emanuel, James M	1,715,385	0.36%
Bayway Florida Hotel LLC	2,753,536	0.24%	Ewing, Owen C	1,615,324	0.34%
Total of Principal Taxpayers	42,621,010	3.76%	Total of Principal Taxpayers	23,109,951	4.85%
Total All Other Taxpayers	1,092,039,793	96.24%	Total All Other Taxpayers	452,959,915	95.15%
Total Taxable Value	\$ 1,134,660,803	100.00%	Total Taxable Value	\$ 476,069,866	100.00%

Data represents taxpayers in Pinellas County since there are no commercial businesses within Belleair Beach City limits  
SOURCE: Pinellas County Property Appraiser

**CITY OF BELLEAIR BEACH, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 14**

Year	Total Assessed Valuation	Amount of Taxable Assessed Valuation	Levy	Collection Within the Fiscal Year of Levy		Collections to Date	
				Amount	Percentage <sup>(1)</sup> of Levy	Amount	Percentage of Levy
2023	\$ 1,134,660,803	\$ 730,355,053	\$ 1,489,160	\$ 1,433,411	96%	\$ 1,433,411	96%
2022	\$ 879,087,957	\$ 640,117,385	\$ 1,303,977	\$ 1,260,856	97%	\$ 1,260,856	97%
2021	\$ 766,791,906	\$ 594,232,641	\$ 1,212,819	\$ 1,170,878	97%	\$ 1,170,878	97%
2020	\$ 747,650,516	\$ 566,642,182	\$ 1,155,678	\$ 1,117,077	97%	\$ 1,117,077	97%
2019	\$ 724,890,378	\$ 542,342,348	\$ 1,106,053	\$ 1,068,618	97%	\$ 1,068,618	97%
2018	\$ 682,593,372	\$ 512,795,465	\$ 1,046,825	\$ 1,014,430	97%	\$ 1,014,430	97%
2017	\$ 633,620,586	\$ 477,568,956	\$ 975,678	\$ 926,891	95%	\$ 926,891	95%
2016	\$ 599,504,004	\$ 447,941,613	\$ 914,383	\$ 879,447	96%	\$ 883,698	97%
2015	\$ 579,654,492	\$ 421,808,573	\$ 860,681	\$ 831,259	97%	\$ 843,286	98%
2014	\$ 476,069,766	\$ 396,523,197	\$ 810,195	\$ 783,588	97%	\$ 783,665	97%

(1) Florida Statutes provide for a discount of up to four percent for early payment of ad valorem taxes.

All unpaid taxes become delinquent on April 1, and are sold at auction on June 1 of each year as tax certificates.

The City, after all tax certificates are sold, has fully collected all ad valorem tax revenues.

SOURCE: Pinellas County Tax Collector Office



**CITY OF BELLEAIR BEACH, FLORIDA  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Schedule 15**

Fiscal Year	Governmental Activities				Business-Type Activities				Total	
	General		Capital		General		Capital			
	Obligation	Revenue	Leases		Obligation	Revenue	Leases			
	Bonds	Loan/Bonds			Bonds	Loan/Bonds			Primary	Per Capita
2023	\$ -	\$ 1,823,266	\$ -		\$ -	\$ 1,746,243	\$ -		\$ 3,569,509	2,175
2022	\$ -	\$ 1,668,547	\$ -		\$ -	\$ 23,120	\$ -		\$ 1,691,667	1,030
2021	\$ -	\$ 1,913,055	\$ -		\$ -	\$ 37,845	\$ -		\$ 1,950,900	1,195
2020	\$ -	\$ 2,525,484	\$ -		\$ -	\$ -	\$ -		\$ 2,525,484	1,554
2019	\$ -	\$ 2,749,575	\$ -		\$ -	\$ -	\$ -		\$ 2,749,575	1,804
2018	\$ -	\$ 2,986,066	\$ -		\$ -	\$ -	\$ -		\$ 2,986,066	1,962
2017	\$ -	\$ 1,320,000	\$ -		\$ -	\$ -	\$ -		\$ 1,320,000	888
2016	\$ -	\$ 1,480,000	\$ -		\$ -	\$ -	\$ -		\$ 1,480,000	920
2015	\$ -	\$ 1,640,000	\$ -		\$ -	\$ -	\$ -		\$ 1,640,000	1,140
2014	\$ -	\$ 1,800,000	\$ -		\$ -	\$ -	\$ -		\$ 1,800,000	1,164

SOURCE: City of Belleair Beach Finance Department

**CITY OF BELLEAIR BEACH, FLORIDA**  
**RATIO OF GENERAL REVENUE AND DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Schedule 16

Fiscal Year	General Revenue Debt	Percentage of Estimated Actual Taxable Value of Property <sup>(1)</sup>	Total Outstanding Per Capita <sup>(2)</sup>
2023	\$ 3,569,509	0.49%	\$ 2,175
2022	\$ 1,691,667	0.26%	\$ 1,030
2021	\$ 1,950,900	0.33%	\$ 1,195
2020	\$ 2,525,484	0.45%	\$ 1,554
2019	\$ 2,749,575	0.51%	\$ 1,804
2018	\$ 2,986,066	0.58%	\$ 1,962
2017	\$ 1,320,000	0.28%	\$ 888
2016	\$ 1,480,000	0.33%	\$ 920
2015	\$ 1,640,000	0.39%	\$ 1,140
2014	\$ 1,800,000	0.45%	\$ 1,164

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

**CITY OF BELLEAIR BEACH, FLORIDA**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT -**  
**GENERAL OBLIGATIONS**  
**UNAUDITED**

	General Revenue Taxable Value	Debt Outstanding	Percentage of Estimated Percentage Applicable	Estimated Share of Overlapping Debt
City Taxable Value	\$ 1,134,660,803			
County Taxable Value	\$ 186,057,231,999			
Overlapping debt:				
Capital leases		\$ 31,298,003		
Pinellas County SBITAs		4,188,234		
Pinellas County Notes Outstanding		2,099,669		
Total overlapping debt		\$ 37,585,906	0.61%	\$ 229,216
City direct debt		\$ 1,823,226	100%	1,823,226
Total direct and overlapping debt				\$ 2,052,442

SOURCE: Pinellas County

**CITY OF BELLEAIR BEACH, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**UNAUDITED**

**Schedule 18**

	Revenue Loan Pledged Revenues Non-Ad Valorem Revenue	Debt Service <sup>(1)</sup>		
		Principal	Interest	Coverage
		\$ 226,921	\$ 63,297	100%
<u>General Fund</u>				
Franchise fees	\$ 195,479			
Public service tax	317,255			
Intergovernmental	2,232,023			
Charges for services	648,029			
Fines	29,982			
Licenses and permits	189,102			
Interest on investments	173,125			
Miscellaneous	40,598			
	<u>3,825,593</u>			
<u>Capital Projects Fund</u>				
Infrastructure Sales Tax	234,701			
	<u>\$ 4,060,294</u>			

(1) Interest expense was for the full Fiscal Year 2023 and is accounted for in the Capital Projects Fund

**CITY OF BELLEAIR BEACH, FLORIDA**  
**MISCELLANEOUS DEMOGRAPHICAL STATISTICS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

**Schedule 19**

	(1)		(2)		(3)		(4)		(5)		(6)
Fiscal Year	Population		Personal Income (amounts expressed in thoudands)		Per Capita Personal Income		Median Age		School Enrollment		Unemployment Rate
2023	1,641	\$	128,750	\$	92,321		60.1		N/A		3.20%
2022	1,643	\$	105,156	\$	78,155		57.5		N/A		2.50%
2021	1,633	\$	102,226	\$	78,896		61.6		N/A		3.90%
2020	1,625	\$	105,316	\$	72,690		61.1		N/A		5.70%
2019	1,524	\$	106,778	\$	75,739		61.0		N/A		2.90%
2018	1,522	\$	94,031	\$	67,363		60.7		N/A		2.90%
2017	1,487	\$	91,810	\$	65,436		60.0		N/A		3.30%
2016	1,609	\$	91,250	\$	63,047		56.8		N/A		4.60%
2015	1,439	\$	87,426	\$	56,243		59.5		228		5.00%
2014	1,547	\$	83,433	\$	55,454		59.0		148		5.80%

**SOURCE:**

- (1) University of Florida, Bureau of Economic & Business Research  
(2) to (5) Pinellas County Economic Development Research  
(6) U.S. Department of Labor Bureau of Statistics for the Tampa / St. Pete / Clearwater Metro Area

**CITY OF BELLEAIR BEACH, FLORIDA**  
**PRINCIPAL EMPLOYERS**  
**2023 AND NINE YEARS AGO**  
**UNAUDITED**

Schedule 20

Employer	2023		2014		
	Employees	Rank	Employees	Rank	
Raymond James	4,000+	1	Nielsen Media Research	3,500+	1
Home Shopping Network	2,000+	2	Times Publishing Corp.	3,100+	2
Tech Data Corp.	2,000+	3	Raymond James	2,800+	3
Spectrum	2,000+	4	Morton Plant Hospital	2,400+	4
Fidelity Information Services	1,500+	5	Raytheon	2,200	5
The Nielsen Company	1,500+	6	All Children's Health Systems	2,000	6
Jabil Circuit, Inc.	1,500+	7	Bayfront Medical Center, Inc.	2,000	7
Honeywell Aerospace	1,500+	8	Progress Energy, Florida	1,950	8
Valpak	1,500+	9	Tech Data Corp.	1,800	9
Superior Uniform Group	1,000+	10	Home Shopping Network	1,600	10

Data represents employers in Pinellas County since there are no commercial businesses within Belleair Beach City limits  
Source: Pinellas County Economic Development Research

CITY OF BELLEAIR BEACH, FLORIDA  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Schedule 21

**Full-time employees on City Payroll  
as of September 30,**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government	4	3	3	3	4	5	4	4	4	4
Public Works	4	2	3	3	3	3	2	3	3	3
Police*	0	0	0	0	0	0	0	0	0	0
Total general government	8	5	6	6	7	8	6	7	7	7

\*The City contracts with the Pinellas County Sheriff for police protection, which became effective in fiscal year 2007.  
SOURCE: City employment records



**CITY OF BELLEAIR BEACH, FLORIDA  
MISCELLANEOUS STATISTICAL DATA  
UNAUDITED**

**Schedule 22**

Date of Incorporation 1950  
Form of Government City Council / City Manager  
Number of Employees 5  
Paved Streets 7.25 miles  
Law Enforcement Pinellas County Sheriff's Office effective June 1, 2007  
Resident Utilities: Duke Energy - electricity  
Pinellas County Utilities - water, reclaimed water, sewer  
Waste Management - garbage and recycling  
Clearwater Gas - gas

**Recreation Facilities:**

Parks 11 and access to additional 3  
Playgrounds 1  
Beaches 4,500 feet  
Tennis 2 courts  
Basketball Court 1 court  
Marina 19 boat slips  
Boat Ramp 1  
Fishing Docks 5

**Population and Source:**

Year	Population	Source
2023	1,659	University of Florida, Bureau of Economic & Business Research
2022	1,643	University of Florida, Bureau of Economic & Business Research
2021	1,633	University of Florida, Bureau of Economic & Business Research
2020	1,625	University of Florida, Bureau of Economic & Business Research
2019	1,524	U.S. Census Bureau
2018	1,522	U.S. Census Bureau
2017	1,497	www.esri demographic estimates
2016	1,609	fact finder US Census Bureau
2015	1,439	www.esri demographic estimates
2015	1,439	www.esri demographic estimates
2014	1,547	www.esri demographic estimates
2013	1,544	U.S. Census Bureau
2012	1,558	University of Florida
2011	1,563	University of Florida
2010	1,608	University of Florida
2000	1,633	historical City data
1990	2,070	historical City data
1980	1643	historical City data
1970	952	historical City data
1960	563	historical City data

**CITY OF BELLEAIR BEACH, FLORIDA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Schedule 23**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Public Safety *</b>										
Police Arrest	89	99	58	74	31	66	63	38	51	56
Parking violations	551	339	14	301	30	265	240	245	174	227
Traffic violations	289	364	170	136	207	254	164	137	148	176
Warning citations	1333	1,580	1,279	835	1,404	1,471	756	796	724	422
<b>Culture and Recreation:</b>										
Beach parking permits & parking decals issued **	864	852	839	772	890	884	760	733	825	629
Library card reimbursements ***	43	42	58	48	93	120	101	108	105	115
<b>Marina</b>										
Boat Slips ****	19	19	19	19	19	19	19	19	19	20

\* Effective June 1, 2007 law enforcement was contracted out to the Pinellas County Sheriff's Office.

\*\* Includes beach parking permits for owners, renters, and marina slip renters

\*\*\* The City of Belleair Beach offers payment for residents' library cards by reimbursement to the resident.

\*\*\*\* Slips 19 and 20 were combined in 2014 to make a larger slip

**CITY OF BELLEAIR BEACH, FLORIDA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Schedule 24**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Public Safety</b>										
Police stations *	0	0	0	0	0	0	0	0	0	0
<b>Highways and Streets:</b>										
Bridges	2	2	2	2	2	2	2	2	2	2
Street (miles)	8	8	8	8	8	8	8	8	8	8
Curb (miles)	16	16	16	16	16	16	16	16	16	16
Intersection traffic signal - Gulf Blvd / Causeway	1	1	1	1	1	1	1	1	1	1
Pedestrian beacons / crosswalks	5	5	5	5	5	5	5	5	5	5
<b>Culture and Recreation</b>										
Cul de Sacs	8	8	8	8	8	8	8	8	8	8
Docks	5	5	5	5	5	5	5	5	5	5
Park acreage	5	5	5	5	5	5	5	5	5	5
Parks **	11	11	11	11	11	11	11	11	11	11
Tennis Courts	2	2	2	2	2	2	2	2	2	2

\* Effective June 1, 2007 law enforcement service was contracted out to the Pinellas County Sheriff's Office

\*\* City of Belleair Beach residents are allowed access to additional 3 parks at Belleair Shore and 1 at Bayside Park. These parks are maintained by the City of Belleair Beach.

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#### IV. COMPLIANCE SECTION

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

To the Honorable Mayor, City Council Members  
City of Belleair Beach, Florida

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

**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.

Honorable Mayor, City Council Members  
City of Belleair Beach, Florida

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

Tampa, Florida  
April XX, 2024

## MANAGEMENT LETTER

To the Honorable Mayor, City Council Members  
City of Belleair Beach, Florida

### Report on the Financial Statements

We have audited the financial statements of the City of Belleair Beach, Florida, (the City) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April XX, 2024.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated April XX, 2024, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made on internal control and compliance issues during the preceding annual financial audit.



Honorable Mayor, City Council Members  
City of Belleair Beach, Florida

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The official title and legal authority for the City of Belleair Beach, Florida has been disclosed in Note 1 to the financial statements.

### **Financial Condition and Management**

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such communications.

### **Additional Matters**

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

### **Purpose of this Letter**

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

Tampa, Florida  
April XX, 2024

**INDEPENDENT ACCOUNTANT'S REPORT  
ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES**

Honorable Mayor, City Council Members  
City of Belleair Beach, Florida

We have examined the City of Belleair Beach, Florida's (the City's) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation 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 procedures as we considered necessary in the circumstances. We believe that our examination provided 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, the City of Belleair Beach, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

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

Tampa, Florida  
April XX, 2024



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## **CITY OF BELLEAIR BEACH, FLORIDA**

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### **REQUEST FOR PROPOSALS: PROFESSIONAL AUDITING SERVICES RFP # 24-01**

City of Belleair Beach, Florida  
444 Causeway Boulevard  
Belleair Beach, FL 33786

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Subject: Independent Audit Services

RFP Issue Date: Friday, April 19, 2024

Proposal Deadline: Friday, May 31, 2024  
2:00 P.M.

Proposal Submission: DemandStar only  
(<https://network.demandstar.com/>)  
RFP #24-01 Audit Services

## **INSTRUCTIONS AND GENERAL PROVISIONS**

The City of Belleair Beach, Florida (City) is seeking proposals from qualified firms of independent Certified Public Accountants to conduct an audit of the financial statements of the City for the fiscal years ending September 30, 2024, 2025, and 2026 with an option for two, one-year renewals.

### **Questions:**

All written questions should be submitted to [Kyle.Riefler@cityofbelleairbeach.com](mailto:Kyle.Riefler@cityofbelleairbeach.com), no later than Tuesday, May 14, 2024, and will be answered at the discretion of the City. Oral questions will not be answered.

### **Electronic Proposals:**

The City is accepting electronic submissions exclusively through DemandStar (<https://network.demandstar.com/>) until Friday, May 31, 2024, before 2:00 p.m. Proposals sent in any manner other than electronically through DemandStar will not be accepted. Hard copies, faxed proposals, and electronically submitted proposals sent directly to the City will not be accepted.

Complete proposals must be uploaded to DemandStar (<https://network.demandstar.com/>) prior to the deadline for submission. Proposers are responsible for taking all necessary steps to ensure that their proposal is uploaded before the due date and time. The City is not responsible for technology and/or any other issues that cause the proposal deadline to be missed.

### **Responses:**

All responses must be presented in the same order as specified in this bid. Supporting material may be provided. However, the City's decision will primarily be based upon an evaluation of the information specifically requested. The City reserves the right to accept or reject any proposals and to waive rejection for any minor irregularities and technicalities. There is no obligation on the part of the City to award the contract to the respondent with the lowest cost proposal. The City will award the contract for audit services to the firm that is most advantageous for, and in the best interest of, the City of Belleair Beach.

Proposals shall clearly indicate the legal name, address, and telephone number of the company, firm, partnership or individual. Proposals shall be signed, and the signer shall have the authority to bind the Proposer to the submitted proposal. All expenses for making proposals to the City are to be assumed by the Proposer. The City reserves the right to reject any or all proposals. The City reserves the right to award the contract to the next most qualified Proposer if the successful Proposer fails to execute a contract within two weeks after the award. The City reserves the right to terminate the contract at any time before the execution of such contract by all parties without any liability to the City.

### **Selection Process and Calendar:**

The selection process shall be as follows:

- The Audit Selection Committee shall rank and recommend in order of preference the firms deemed to be the most highly qualified to perform the required services. This determination shall be made based on the evaluation criteria set forth in this RFP.
- The City Council shall then select one of the firms.
- The City Council, or its designee, shall negotiate a contract with the highest-ranked qualified firm unless it documents in its public records the reason for not selecting the highest-ranked qualified firm.

Friday, April 19, 2024	Request for proposals issued
Friday, May 31, 2024	Proposal submission deadline and request for proposals opening – 2:00 p.m. at City Hall
Date to be determined	Audit Selection Committee Proposal Ranking
Date to be determined	Oral presentations by three (3) top-ranked firms if deemed necessary by the Audit Selection Committee
July 1, 2024	City Council awards contract for audit services

### **Evaluation Process:**

Proposals will be reviewed by an Auditor Selection Committee pursuant to § 218.391, Florida Statutes. One member of the City Council and members of the Citizens Advisory Committee will function as the Audit Selection Committee and the City Council shall be the final authority regarding the proposals. The resulting negotiated agreement for audit services shall be final. The City staff may use discretion to exchange information with proposers and any communication would be for clarification purposes only.

The criteria being used by the Audit Selection Committee to evaluate proposals include the following:

<b>Evaluation Criteria</b>	<b>Maximum Possible Points</b>
Qualifications, Experience, Expertise	45
Audit Approach, Ability to Furnish	30
References	15
Cost Proposal	10

**General Information:**

The City has been the recipient of the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for many years and plans to continue to pursue this distinction during the period of this agreement. The City has an ongoing contract with the firm Andrew Tess CPA, LLC to provide the necessary functions within the Finance department as an alternative to employing an in-house Finance Director. Andrew Tess or a designated representative will coordinate with the City's auditor each year and be the principal contact person(s). The City does not have an internal audit function. The accounting system currently being used by the City is QuickBooks.

Elected officials include the City's Mayor, Vice Mayor and five Council Members. The City adopted the Council-Manager form of government in fiscal year 2004.

The City's governmental funds include the General Fund and the Capital Projects Fund. The City maintains enterprise funds to account for the slip rentals in the City-owned Marina and a Stormwater Fund to account for the costs of stormwater improvements within the City.

A budget is prepared for all funds. The total budgeted expenditures for all City funds for fiscal year 2024 are approximately \$12.998 million, with a large portion of these expenditures (in excess of \$5 million) representing capital outlay projects for stormwater improvements, valley curb replacements, street resurfacing and undergrounding utilities. SLFRF / ARPA funding was fully expended during fiscal year 2023.

There are no commercial businesses within City limits. The City of Belleair Beach is eight tenths of a mile consisting of residential property only. Police protection is provided by the Pinellas County Sheriff and fire services are through Pinellas County. The City provides a defined contribution retirement plan and a deferred compensation plan to employees through the Florida League of Cities. No post-employment benefits other than COBRA are offered, and health insurance premiums are age-adjusted so there is no OPEB valuation currently required. Neither a Federal or State Single Audit has been performed historically and the City does not anticipate being subject to these provisions during the time of this contract. However, the scope of this agreement does stipulate that the necessary examinations pursuant to the Uniform Guidance and/or State Single Audit be included in case there are unforeseen changes in funding received during the years under examination.

**Scope of Work:**

The scope of the audit shall be in accordance with Generally Accepted Auditing Standards; Government Auditing Standards; all applicable Florida Statutes; all guidelines and requirements promulgated by the Office of the Auditor General and any other applicable federal, state and local laws, regulations, or professional guidance not specifically described above as well as any additional requirements which may be adopted by these organizations during the period of this contract.

In addition to the above, the selected firm shall be responsible for the following tasks:

- Preparation and finalization of a complete draft of the Annual Comprehensive Financial Report (ACFR), which is due by the second Friday of February following each year end and enables the audit presentation to be delivered at the March City Council meeting. This meeting is typically scheduled for the first Monday of the month.
- Preparation and submission of a completed report to allow for the timely submission for the GFOA certificate, which is currently due by March 31<sup>st</sup> following each year end.
- Preparation of a draft of the financial statements, related note disclosures, required and other supplementary information including incorporating any changes necessary to comply with comments received through the GFOA award program.
- Provision of any audit adjusting entries and supporting schedules to the City.

In addition to these tasks and the contents of this RFP solicitation, the selected Firm's services shall be subject to the following conditions:

- The Proposer shall not substitute the individuals identified as the engagement partner(s) in its response to this RFP without notifying the City Manager.
- The firm selected shall either submit progress reports or hold periodic meetings with appropriate City staff to provide assurance that the audit is on schedule.
- At the completion of each audit, an exit conference will be held with appropriate City staff to discuss any findings and recommendations.
- Auditors will assist the City in implementing and complying with any changes in reporting requirements remain in conformity with accounting principles generally accepted in the United States of America, Florida Statutes, and Rules of the Auditor General.
- Auditors shall conduct an examination of financial statements to express an opinion on the fairness of presentation of financial position, results of operations, and changes in financial position in conformity with generally accepted accounting principles and requirements of the State of Florida and other applicable laws, rules, and guidelines.
- Auditors shall conduct an examination of any additional activities necessary to establish compliance with the term "financial audit" as defined and used in Government Auditing Standards and any amendments thereto.
- Auditors shall utilize financial condition assessment procedures to assist in the detection of deteriorating financial conditions pursuant to Section 218.39(5), Florida Statutes. The auditor may use financial condition assessment procedures developed by the Auditor General or an alternative method. The financial condition assessment shall be done as of the fiscal year end. However, the auditor shall consider subsequent events, through the date of the audit report, that could significantly impact the local governmental entity's financial condition. This assessment is expected to be presented at the same time each ACFR is presented.
- The selected firm shall provide all required Independent Accountant / Auditor Reports in accordance with Government Auditing Standards, Florida Statutes and the Rules of the Auditor General.
- The selected firm shall provide a Management Letter as required by Florida Statutes and the Rules of the Auditor General, including all required disclosures.



- The selected firm shall provide a report on internal controls over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
- If applicable, provide a report on compliance with requirements applicable to each major Federal program and state financial assistance project and on internal control over compliance required by Title 2, U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General and the Florida Single Audit Act.
- If applicable, provide a schedule of findings and questioned costs as mandated by Title 2, U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the Florida Single Audit Act.
- If applicable, provide any other reports required by the Uniform Guidance and the Florida Single Audit Act.
- Workpapers are the property of the audit firm and shall be retained no less than five (5) years after the completion of this agreement.

### **Assistance to be Provided to the Auditors:**

- The City will ensure that the City Manager, Finance representative and other necessary employees will be made available to assist the auditors as needed.
- The City will coordinate with the auditors to provide accounting records and supporting documentation as deemed necessary to prepare the City's financial statements.
- The auditors will be provided with a reasonable workspace, computer access to examine transactions within the accounting software, photocopying facilities, and access to original and/or electronic documentation.
- The City will prepare the Letter of Transmittal, Management Discussion and Analysis, and portions of the Statistical Section. The City reserves the right to review a draft of the ACFR prior to presentation and/or distribution.
- The City will prepare and submit the Annual Financial Report to the Department of Financial Services, in accordance with Section 218.32, Florida Statutes but reserves the right to request the auditors' review ahead of the submission.

### **Proposal Requirements:**

#### **Eligibility:**

The following minimum requirements must be met:

1. The firm must have been established as a legal entity in the State of Florida and have performed continuous CPA services for a minimum of five (5) years.
2. Proposer meets the Government Auditing Standards independence requirements.
3. The CPA in charge of the audit has completed, within the immediately preceding two (2) years, at least twenty-four (24) hours of continuing professional education that directly relate to government auditing.
4. The firm adheres to the instructions, terms and conditions outlined in this RFP.

#### **Response Elements:**

Every response received by the City will be considered a public record pursuant to Chapter 119, Florida Statutes. All proposal documents submitted must be in PDF format. Pursuant to the Florida Electronic Signature Act, officers or authorized agents of Proposers are authorized to sign proposals electronically.

1. Title Page
2. Table of Contents
3. Profile of Firm
  - a. Affirmation that the elements described above under "eligibility" have been met.
  - b. Location of the office where the work will be done and the number of partners, managers, supervisors, and other professional staff employed at that office.
  - c. Describe the range of activities performed by the local office such as audit, accounting, tax and/or other consulting services.

- d. The firm must submit a copy of their most recent external quality control review report (peer review) and the firm successfully demonstrates a record of quality work.
4. Qualifications, Experience, Expertise
  - a. Identify the current partners, managers and/or supervisors that will work on the audit. Include any aspects of the audit that will be performed by specialists, other consultants, or subcontractors.
  - b. For any specialists, other consultants, or subcontractors, provide details regarding any applicable professional credentials.
  - c. For each partner or supervisor, provide the following information as applicable:
    - Formal education
    - Supplemental education
    - Experience in public accounting, private business or government
    - Experience in auditing governmental entities
    - Memberships to any organizations pertinent to governmental accounting or auditing
    - Professional recognition
  - d. Describe current and/or past local government auditing experience, including familiarity with obtaining the Certificate of Achievement for Excellence in Financial Reporting and Single Audits.
5. Audit Approach
  - a. Describe the overall audit approach including the method for ensuring that pending GASB pronouncements will be appropriately communicated to the City and subsequently audited.
  - b. Level of firm staff to be assigned to aspects of the audit work.
  - c. Type and extent of procedures used for analytical review, statistical sampling, and understanding internal controls.
  - d. Describe the firm's expectation of City staff regarding involvement in the audit.
6. References
  - a. Provide a minimum of three (3) references, preferably from other public entities within the State of Florida, for whom you have provided similar services.
    - Include the name of the entity, contact person's name, phone number and email address.
    - Type of services provided.
    - Dates of services provided.
7. Cost Proposal
  - a. Prepare annual pricing information relative to performing the audit engagement as described in this request for proposals. The total, all-inclusive price is to contain all direct and indirect costs. Prices should be determined for each year of the contract and proposed price increases for the possible extension periods.
  - b. Separate each annual audit fee to distinguish the price with and without a Single Audit.

8. Insurance Documentation and Representations

The auditor shall, at its own cost and expense, acquire and maintain (and cause any subcontractors, representatives, or agents to acquire and maintain) during the term with the City, sufficient insurance to adequately protect the respective interest of the parties.

The following appendices shall be signed and returned with each proposal.

- Appendix 1 – Minimum Insurance Requirements
- Appendix 2 – Hold Harmless Agreement
- Appendix 3 – Proposer's Representation and Certification Form

9. Neutrality in Evaluations

Pursuant to Florida Statutes § 287.05701(3), prospective Proposers are notified that the City will not request documentation of or consider a Proposer's social, political, or ideological interests when determining if the Proposer is a responsible vendor, nor will it give preference to a Proposer based on the Proposer's social, political, or ideological interests.

10. The successful Proposer will be required to execute an agreement with the City in the form set forth in Appendix 2 to this RFP.

## APPENDIX 1 - MINIMUM INSURANCE REQUIREMENTS

The successful Proposer shall, by the Effective Date of the Agreement, have and maintain the following types and levels of insurance:

Prior to commencing any services, Consultant shall provide proof of insurance coverage as required hereunder. Such insurance policy(s) shall be issued by the United States Treasury or insurance carriers approved and authorized to do business in the State of Florida, and who must have a rating of no less than "excellent" by A.M. Best or as mutually agreed upon by the City and Consultant. All such insurance policies may not be modified or terminated without the express written authorization of the City.

Type of Coverage	Amount of Coverage
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Professional liability/	\$1,000,000 per claim Errors and Omissions
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Commercial general liability	\$1, 000,000 per occurrence (Products/completed operations
------------------------------	--

Contractual, insurance broad form property,	
---	--

Independent Consultant, personal injury)	\$2,000,000 annual aggregate Automobile (owned, non-owned, & hired) \$ 1,000,000 single limits Worker's Compensation \$ Florida statutory limits
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The commercial general liability and excess liability policies will name the City as an additional insured on a primary, non-contributing basis and proof of all insurance coverage shall be furnished to the City by way of an endorsement to same or certificate of insurance prior to the provision of services. The certificates shall clearly indicate that Consultant has obtained insurance of the type, amount, and classification as required for strict compliance with this section. Failure to comply with the foregoing requirements shall not relieve Consultant of its liability and obligations under this Agreement.

Acknowledgement of Insurance Coverage:

Proposer's Firm Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## APPENDIX 2 - PROPOSER'S REPRESENTATION AND CERTIFICATION FORM

In submitting a Proposal, Proposer understands, represents, and certifies the following (if the Proposer cannot so certify to any of following, the Proposer shall submit with its Proposal a written explanation of why it cannot do so). If City finds, before or after award that Proposer was not truthful concerning any of the following, City shall have the right to terminate the award without liability and, at its discretion, to seek damages from Proposer, if damages result to City from such act, in any way whatsoever.

**Lobbying:** In accordance with Title 49 CFR Part 20, Proposer certifies that they have not paid any person or lobbied any person for influencing or attempting to influence any officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, an employee of a Member of Congress, the Legislature or a State Agency in connection with the awarding of a contract for the Project covered under this solicitation.

Initial \_\_\_\_\_

**Non-Segregated Facilities:** Proposer certifies that they do not maintain or provide, for their employees, any segregated facilities at any of their establishments and that they do not permit their employees to perform their services at any location, under their control, where segregated facilities are maintained. Proposer agrees that a breach of this certification is a violation of the Equal Opportunity Clause of any awarded Contract. As used in this certification, the term segregated facilities, means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directives or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason. The only exception to this is for the disabled when the demands for accessibility override (e.g. disabled parking).

Initial \_\_\_\_\_

**Public Entity Crime:** Proposer certifies that they are not subject to Section 287.133(2)(a) which specifies that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a Proposal on a contract to provide any goods or services to a public entity, may not submit a Proposal on a contract with a public entity for the construction or repair of a public building or public work, may not be awarded or perform work as a contractor, supplier, sub-contractor, or consultant under a contract with any public entity, and may not transact business with public entity in excess of the threshold amount provided in Section 287.017 of the Florida Statutes, for a Category Two, for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.

Initial \_\_\_\_\_

**Discriminatory Vendor:** Proposer certifies that they are not subject to Section 287.134 (2)(a) of the Florida Statutes which specifies that an entity or affiliate who has been placed on the discriminatory vendor list may not submit a Proposal on a contract to provide any goods or services to a public entity, may not submit a Proposal on a contract with a public entity for the construction or repair of a public building or public work, may not be awarded or perform work as a contractor, supplier, sub-contractor, or consultant under a contract with any public entity, and may not transact business with public entity.

Initial \_\_\_\_\_

**Compliance with Laws:** Proposer affirms that they will comply with all laws, regulations, executive orders, policies, guidelines, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of local, State and Federal agencies having jurisdiction and authority, to include, but not be limited to the following: Immigration and Nationalization Act; United States Occupational Safety and Health Act; Section 306 of the Clean Air Act (42 USC 1857(h); Section

508 of the Clean Water Act (33 USC 1368); Executive order 11738; Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000); Title VI of the Civil Rights Act of 1968 (42 U.S.C. 3601); Florida Civil Rights Act of 1992; Americans with Disabilities Act of 1990 (42 U.S.C. 12102); Federal Fair Labor Standards Act (29 U.S.C. 201); Age Discrimination Act of 1975 (42 U.S.C. 6101).

Initial \_\_\_\_\_

**Drug Free Workplace:** Proposer certifies that they have a Drug-Free Workplace Program that is in accordance with the Drug-Free Workplace Act of 1988.

Initial \_\_\_\_\_

**Non-Collusion:** Proposer being duly sworn, solemnly swears (or affirms) that neither they, nor any of its officers, partners, agents or employees have entered into any agreement, participated in any collusion, or otherwise taken any action which is in restraint of a free competitive solicitation in connection with any response or contract, and that Proposer intends to do the work with his own bona fide employees or sub-contractors and will not provide a response for the benefit of another consultant. By signing below, Proposer is certifying his status under penalty of perjury under the laws of the United States and the State of Florida. Furthermore, Proposer certifies that its affiliates, subsidiaries, directors, officers, and employees are not currently under investigation by any governmental authority and have not in the last ten (10) years been convicted or found liable for any act prohibited by law in any jurisdiction, involving conspiracy or collusion with respect to submitting a response on any public contract.

Initial \_\_\_\_\_

**Conflict of Interest:** Proposer certifies that they have not employed or retained any company or person, other than a bona fide employee working solely for the Proposer to solicit or secure an Award of this Contract and that the Proposer has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the Proposer, any fee, commission, percentage, gift or other consideration contingent upon or resulting from an Award or making of an Agreement. Furthermore, Proposer certifies that 1) they are submitting only one Proposal to this Invitation to Proposal and that they have no financial interest in other entities submitting Proposals to this Invitation to Proposal, 2) they, nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for the Services covered under this Invitation to Proposal, 3) no member of the Proposer's ownership, management or staff has a vested interest in any aspect of or department of City, 4) no member of the Proposer's ownership, management or staff is presently applying for employment with City or actively seeking an elected position with City, and 5) in the event that a conflict of interest is identified during the provision of Services under any Agreement with City, Proposer will immediately notify City of such in writing.

Initial \_\_\_\_\_

**Debarment:** Proposer certifies to the best of their knowledge and belief, that they and their principals (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any State or Federal department or agency; and (2) have not, within a three-year period preceding this Invitation to Proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records; making false statements; or receiving stolen property; and (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 2 of this certification; and (4) have not within a three-year period preceding this Invitation to Proposal had one or more public transactions (Federal, State or local) terminated for cause or default, and (5) will submit a revised Debarment Certification immediately if their status changes and will provide an explanation for the change in status.

If Proposer cannot certify that they are not debarred, they shall provide an explanation with this submittal. An explanation will not necessarily result in denial of participation in a contract.

Initial \_\_\_\_\_

**Convictions:** Proposer has fully informed City of all convictions of the firm, its affiliates (as defined in section 287.133(1) (a) of the Florida Statutes), and all directors, officers, and employees of the firm and its affiliates for violation of state or federal antitrust laws with respect to a public contract for violation of any state or federal law involving fraud, bribery, collusion, conspiracy or material misrepresentation with respect to a public contract. This includes disclosure of the names of current employees who were convicted of contract crimes while in the employ of another company.

Initial \_\_\_\_\_

**Prohibited Interests:** Proposer, and its sub-contractors at any tier, certify that they have not entered into any contract, sub-contract, or arrangement in connection with the project covered under this Invitation to Proposal, or of any property included or planned to be included in the project, in which any member, officer, of employee of the Proposer or its sub-contractors, during its tenure, or for two years thereafter, has any interest, direct or indirect.

Initial \_\_\_\_\_

**Equal Employment Opportunity:** Proposer shall not discriminate on the basis of race, color, sex, age, national origin, religion, and disability or handicap in accordance with the Provisions of: Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000 et seq.), Title VII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), Florida Civil Rights Act of 1992 (§ 760.10 et seq.), Title 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375, Title 49 CFR 23 and Title 49 CFR 26 for Disadvantaged Business Enterprises, Age Discrimination Act of 1975 (42 U.S.C. § 6101, et seq.), Title 49 CFR 21 and Title 49 CFR 23, Nondiscrimination on the basis of handicap, Title 49 CFR 27, Americans with Disabilities Act of 1990 (42 U.S.C. 12102, et. seq.), Federal Fair Labor Standards Act (29 U.S.C. § 201, et seq.), and any other Federal and State discrimination statutes.

Initial \_\_\_\_\_

Proposer certifies that they comply (or will comply) with the above statements concerning: Lobbying, Non-Segregated Facilities, Public Entity Crime, Conflict of Interest, Compliance With Laws, Discriminatory Vendor, Debarment, Non-Collusion, Prohibited Interests, Convictions, Drug Free Workplace, Equal Employment Opportunity, as noted on pages one through two.

**Failure to submit this executed statement as part of the Proposer's Proposal may make their Proposal nonresponsive and not eligible for award consideration.**

Acknowledgement of Proposer's Representation and Certification Form

Proposer's Firm Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**PROFESSIONAL SERVICES AGREEMENT**  
**(ANNUAL INDEPENDENT FINANCIAL AUDITING SERVICES)**

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered on this \_\_\_ day of \_\_\_\_\_, 2024 (the Effective Date), by and between the **City of Belleair Beach**, a Florida municipal corporation (“City”) and [Name of Company], a [insert legal form of company] authorized to do business in the State of Florida (“Consultant”), herein collectively referred to as “the Parties.”

**EXORDIAL CLAUSES**

**WHEREAS**, the City issued a Request for Proposal number RFP # 24-01 for Annual Independent Financial Auditing Services (the “RFP”) in accordance with Florida Statutes § 218.391 (Auditor selection procedures); and

**WHEREAS**, the necessary auditing services are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office’s (GAO) Government Auditing Standards, the provisions of the Federal Single Audit Act of 1996 and the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Nonprofits, and the Rules of the Auditor General of the State of Florida, as amended from time to time; and

**WHEREAS**, Consultant has provided the City with a written proposal in response to the RFP to provide the services as described and set out in the RFP; and

**WHEREAS**, the City desires to accept Consultant’s proposal in order for Consultant to render the services to the City as provided herein; and

**WHEREAS**, Consultant further warrants that it is experienced and capable of performing the services hereunder in a professional and competent manner; and

**WHEREAS**, the purpose of this Agreement is to set forth certain terms and conditions for the provision of services by Consultant to the City.

**NOW, THEREFORE**, in consideration of the premises and mutual covenants herein contained, the sufficiency of which is hereby acknowledged by the Parties, the City and Consultant agree as follows:

**SECTION 1: CONSULTANT’S SERVICES.** The Consultant shall provide independent financial auditing services to the City as more specifically described in RFP, which is incorporated by reference and made a part hereof. The City may request additional services as needed based upon mutual agreement between the Parties.

**SECTION 2: INDEPENDENT CONTRACTOR RELATIONSHIP.** No relationship of employer or employee is created by this Agreement, it being understood that Consultant will act hereunder as an independent contractor and none of Consultant’s, officers, directors, employees, independent contractors, representatives or agents performing services for Consultant pursuant to this Agreement shall have any claim under this Agreement or otherwise against the City for compensation of any kind under this Agreement. The relationship between the City and Consultant is that of independent contractors, and neither shall be considered a joint venturer, partner, employee, agent, representative or other relationship of the other for any purpose expressly or by implication.

**SECTION 3: TERM, TIME AND TERMINATION.**

- a. Term. Notwithstanding the actual date of execution by the Parties, the term of this

Agreement shall commence upon the Effective Date, and shall expire at 11:59 p.m. on September 30, 2027 unless earlier terminated as stated herein. Pursuant to Florida Statutes § 218.391(8), the Parties may elect to renew this Agreement for such additional term as the Parties may agree.

b. Time for Completion. Time is of the essence in the performance of services required under this Agreement. At all times Consultant shall carry out its duties and responsibilities as expeditiously as possible and in accordance with the project schedule as set forth in RFP.

c. Force Majeure. Neither Party hereto shall be liable for its failure to perform hereunder due to any circumstances beyond its reasonable control, such as acts of God, wars, riots, national emergencies, sabotage, strikes, labor disputes, pandemic events, accidents, and governmental laws, ordinances, rules, or regulations. The Consultant or City may suspend its performance under this Agreement as a result of a force majeure event without being in default of this Agreement, but upon the removal of such force majeure event, the Consultant or City shall resume its performance as soon as is reasonably possible. Upon the Consultant's request, the City shall consider the facts and extent of any failure to perform the services and, if the Consultant's failure to perform was without its or its sub-consultant's fault or negligence, the schedule and/or any other affected provision of this Agreement may be revised accordingly, subject to the City's rights to change, terminate, or stop any or all of the services at any time. No extension shall be made for delay occurring more than seven (7) days before a notice of delay or claim therefore is made in writing to the City. In the case of continuing cause of delay, only one (1) notice of delay or claim is necessary.

d. Termination without cause. Either Party may terminate this Agreement at any time with or without cause by giving not less than thirty (30) days written notice of termination.

e. Termination for cause. Either Party may terminate this Agreement at any time in the event that the other Party engages in any act or makes any omission constituting a material breach of any term or condition of this Agreement. The Party electing to terminate this Agreement for breach shall provide the other Party with written notice specifying the nature of the breach. The Party receiving the notice shall then have three (3) business days from the date of the notice in which to remedy the breach. If such corrective action is not taken within three (3) business days, then this Agreement shall terminate at the end of the three (3) business day period without further notice or demand.

f. Early Termination. If this Agreement is terminated before the completion of all services by either Party, the Consultant shall:

1. Stop services on the date and to the extent specified including without limitation services of any sub-consultants.
2. Transfer all work in progress, completed work, and other materials related to the terminated services to the City in the format acceptable to City.
3. Continue and complete all parts of the services that have not been terminated, to the extent permissible under applicable professional standards.

g. Effect of Termination. Termination of this Agreement shall not affect any rights, obligations, and liabilities of the Parties arising out of services provided prior to the date of termination. Notwithstanding the foregoing, the Parties acknowledge and agree that the City is a municipal corporation existing under the laws of the State of Florida, and as such, this Agreement (and all Exhibits hereto) are subject to budgeting and appropriation by the City of funds sufficient to pay the costs associated herewith in any fiscal year of the City. Notwithstanding anything in this Agreement to the contrary, in the event that no funds are appropriated or budgeted by the City's governing board in any fiscal year to pay the costs associated with the City's obligations under this Agreement, or in the event the funds budgeted or appropriated are, or are estimated by the City to be, insufficient to pay the costs associated with the City's obligations hereunder in any fiscal period, then the City will notify Consultant of such occurrence and either

the City or Consultant may terminate this Agreement by notifying the other in writing, which notice shall specify a date of termination no earlier than twenty-four (24) hours after giving of such notice. Termination in accordance with the preceding sentence shall be without penalty or expense to the City of any kind whatsoever; however, City shall pay Consultant for all services performed under this Agreement through the date of termination.

#### **SECTION 4: COMPENSATION.**

a. Payments. The City agrees to compensate Consultant in accordance with the Annual Fees (total all-inclusive maximum price) set forth in Consultant's fee schedule, attached hereto as **Exhibit "A"**. The City shall not reimburse Consultant for any additional costs incurred as a direct or indirect result of Consultant providing services to the City under this Agreement and not set forth in **Exhibit "A"**.

b. Invoices. Consultant shall render invoices to the City for services that have been rendered in conformity with this Agreement, the RFP and **Exhibit "A"**, and pursuant to Florida Statutes § 218.391(7)(b), invoices submitted must be in sufficient detail to demonstrate compliance with the terms of this Agreement, and shall specify the services performed and the time spent on such work. All reimbursable expenses shall also be clearly identified on the invoice with supporting documentation. Invoices will be reviewed for approval and if an invoice is not approved, the City will notify Consultant within ten (10) days of deficiencies in the invoice. Once the deficiencies are corrected and a new or amended invoice submitted, the City shall make payment within twenty (20) days. Invoices will normally be paid within thirty (30) days following the City's receipt of Consultant's invoice.

**SECTION 5: INDEMNIFICATION.** Consultant, its officers, employees and agents shall indemnify and hold harmless the City, including its officers and employees from liabilities, damages, losses, and costs, including but not limited to, reasonable attorney's fees (at the trial and appellate levels), to the extent caused by the negligence, of Consultant, its officers, directors, employees, representatives and agents employed or utilized by Consultant in the performance of the services under this Agreement. The City agrees to be responsible for its own negligence. In no event shall either Party be liable to the other for claims of punitive, consequential, special, or indirect damages. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the City or Consultant, nor shall this Agreement be construed as a waiver of sovereign immunity for the City beyond the waiver provided in Florida Statutes § 768.28.

**SECTION 6: COMPLIANCE AND DISQUALIFICATION.** Each of the Parties agrees to perform its responsibilities under this Agreement in conformance with all laws, regulations and administrative instructions that relate to the parties' performance of this Agreement.

**SECTION 7: PERSONNEL.** Consultant represents that it has or will secure at its own expense, all necessary personnel required to perform the services. Such personnel shall not be employees of or have any contractual relationship with the City. All of the services required hereunder shall be performed by Consultant or under its supervision, and all personnel engaged in performing the services shall be fully qualified and authorized or permitted under federal, state and local law to perform such services.

**SECTION 8: SUB-CONSULTANTS.** The City reserves the right to accept the use of a sub-consultant or to reject the selection of a particular sub-consultant and approve all qualifications of any sub-consultant in order to make a determination as to the capability of the sub-consultant to perform properly under this Agreement. All sub-consultants providing professional services to Consultant under this Agreement will also be required to provide their own insurance coverage identical to those contained in this Agreement. In the event a sub-consultant does not have insurance or does not meet the insurance limits as stated in this Agreement, Consultant shall indemnify and hold harmless the City for any claim in excess of the sub-consultant's insurance coverage, arising out of the negligent acts, errors or omissions of the sub-consultant.

**SECTION 9: FEDERAL AND STATE TAX.** The City is exempt from payment of Florida State Sales and Use Tax. Consultant is not authorized to use the City's Tax Exemption Number.

**SECTION 10: INSURANCE.** Prior to commencing any services, Consultant shall provide proof of insurance coverage as required hereunder. Such insurance policy(s) shall be issued by the United States Treasury or insurance carriers approved and authorized to do business in the State of Florida, and who must have a rating of no less than "excellent" by A.M. Best or as mutually agreed upon by the City and Consultant. All such insurance policies may not be modified or terminated without the express written authorization of the City.

<b><u>Type of Coverage</u></b>	<b><u>Amount of Coverage</u></b>
Professional liability/ Errors and Omissions	\$1,000,000 per claim
Commercial general liability (Products/completed operations Contractual, insurance broad form property, Independent Consultant, personal injury)	\$1, 000,000 per occurrence \$2,000,000 annual aggregate
Automobile (owned, non-owned, & hired)	\$ 1,000,000 single limits
Worker's Compensation	\$ Florida statutory limits

The commercial general liability and excess liability policies will name the City as an additional insured on a primary, non-contributing basis and proof of all insurance coverage shall be furnished to the City by way of an endorsement to same or certificate of insurance prior to the provision of services. The certificates shall clearly indicate that Consultant has obtained insurance of the type, amount, and classification as required for strict compliance with this section. Failure to comply with the foregoing requirements shall not relieve Consultant of its liability and obligations under this Agreement.

**SECTION 11: SUCCESSORS AND ASSIGNS.** The City and Consultant each binds itself and its partners, successors, executors, administrators, and assigns to the other Party of this Agreement and to the partners, successors, executors, administrators and assigns of such other Party, in respect to all covenants of this Agreement. Except as agreed in writing by all parties, this Agreement is not assignable.

**SECTION 12: DISPUTE RESOLUTION, LAW, VENUE AND REMEDIES.** All claims arising out of this agreement or its Agreement or its breach shall be submitted first to the Consultant's President (or other similarly-titled chief administrative officer) and the City Manager for informal resolution. Failing informal resolution, disputes related to the interpretation of or performance under the Agreement shall be submitted to a court. This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to interpret or enforce the Agreement will be filed in Pinellas County, Florida. No remedy herein conferred upon any Party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any Party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

**SECTION 13: WAIVER OF JURY TRIAL.** TO ENCOURAGE PROMPT AND EQUITABLE RESOLUTION OF ANY LITIGATION, EACH PARTY HEREBY WAIVES ITS RIGHTS TO A TRIAL BY JURY AND AGREE ANY LITIGATION RELATED TO THIS AGREEMENT SHALL BE RESOLVED BY A STATE OR FEDERAL JUDGE IN PINELLAS COUNTY, FLORIDA.

**SECTION 14: ACCESS AND AUDITS.** Consultant shall maintain adequate records to justify all payments made by the City under this Agreement for at least three (3) years after completion of this Agreement and

longer if required by applicable federal or state law. The City shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at Consultant's place of business. In no circumstances will Consultant be required to disclose any confidential or proprietary information regarding its products and service costs.

**SECTION 15: NONDISCRIMINATION.** Consultant warrants and represents that its policies and operations are compliant with all applicable state and federal anti-discrimination laws.

**SECTION 16: AUTHORITY TO PRACTICE.** Consultant hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business and provide the services required under this Agreement, and that it will at all times conduct its business and provide the services under this Agreement in a reputable manner. Proof of such licenses and approvals shall be submitted to the City upon request.

**SECTION 17: SEVERABILITY.** If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, to remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

**SECTION 18: PUBLIC ENTITY CRIMES.** Consultant acknowledges and agrees that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier or sub-contractor under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Florida Statutes § 287.017, for CATEGORY TWO, for a period of 36 months following the date of being placed on the convicted vendor list. The Consultant will advise the City immediately if it becomes aware of any violation of this statute.

**SECTION 19: NOTICE.** All notices required in this Agreement shall be sent by hand-delivery, certified mail (RRR), or by nationally recognized overnight courier, and if sent to the City shall be sent to:

City of Belleair Beach  
Attn: City Manager  
444 Causeway Blvd.  
Belleair Beach, FL 33786

and if sent to Consultant, shall be sent to:

[Vendor Name]  
Attn: [\*\*\*\*\*]  
[Address]  
[Address], FL [zip]

with a copy of any and all legal notices to:

[enter additional recipients as the Parties desire]

The foregoing names and addresses may be changed if such change is provided in writing to the other Party. Notice shall be deemed given upon the later of confirmed or acknowledge receipt or ten (10) days from posting.

**SECTION 20: ENTIRETY OF AGREEMENT.** The City and Consultant agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the Parties hereto.

**SECTION 21: WAIVER.** Failure of a Party to enforce or exercise any of its right(s) under this Agreement shall not be deemed a waiver of that Parties' right to enforce or exercise said right(s) at any time thereafter.

**SECTION 22: PREPARATION AND NON-EXCLUSIVE.** This Agreement shall not be construed more strongly against either Party regardless of who was more responsible for its preparation. This is a non-exclusive Agreement and the City reserves the right to contract with individuals or firms to provide the same or similar services.

**SECTION 23: MATERIALITY.** All provisions of the Agreement shall be deemed material. In the event Consultant fails to comply with any of the provisions contained in this Agreement or exhibits, amendments and addenda attached hereto, said failure shall be deemed a material breach of this Agreement and City may at its option provide notice to Consultant to terminate for cause.

**SECTION 24: NO THIRD-PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the Parties hereto, and no right, privilege, or cause of action shall by reason hereof accrue upon, to, or for the benefit of any third party. Nothing in this Agreement is intended or shall be construed to confer upon or give any person, corporation, partnership, trust, private entity, agency, or other governmental entity any right, privilege, remedy, or claim under or by reason of this Agreement or any provisions or conditions hereof.

**SECTION 25: NOTICE OF CLAIMS, SUITS AND REGULATORY VIOLATIONS.** Each Party will promptly notify the other of any complaint, claim, suit or cause of action threatened or commenced against it which arises out of or relates, in any manner, to the performance of this Agreement. Each Party agrees to cooperate with the other in any investigation either may conduct, the defense of any claim or suit in which either Party is named, and shall do nothing to impair or invalidate any applicable insurance coverage.

**SECTION 26: SURVIVABILITY.** Any provision of this Agreement which continuing or imposes an obligation extending beyond the term of this Agreement shall survive its expiration or earlier termination.

**SECTION 27: COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

**SECTION 28: IMMIGRATION COMPLIANCE; E-VERIFY.** Consultant acknowledges that it is responsible for complying with the provisions of the Immigration Reform and Control Act of 1986, U.S.C. § 1324, *et seq.*, and regulations relating thereto. Failure to comply with the above statutory provisions shall be considered a material breach and shall be grounds for immediate termination of this Agreement. The Consultant's employment of unauthorized aliens is a violation of § 274(e) of the Federal Immigration and Employment Act. The Consultant shall utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired during the term of this Agreement, and shall require the same verification procedure of any Subcontractors authorized by the City. Pursuant to Florida Statutes § 448.095(5), Consultant shall register with and use the E-Verify system to verify the work authorization status of all newly hired employees. Consultant's contract with the City cannot be renewed unless, at the time of renewal, Consultant certifies in writing to the City that it has registered with and uses the E-Verify system. If Consultant enters into a contract with a subcontractor, the subcontractor must provide the Consultant with an affidavit stating that the subcontractor does not employ, contract with, or subcontract with an unauthorized alien and Consultant shall maintain a copy of such affidavit for the duration of the contract. If

Consultant develops a good faith belief that any subcontractor with which it is contracting has knowingly violated Florida Statutes § 448.09(1) (making it unlawful for any person knowingly to employ, hire, recruit, or refer, either for herself or himself or on behalf of another, for private or public employment within the state, an alien who is not duly authorized to work by the immigration laws or the Attorney General of the United States) Consultant shall terminate the contract with the subcontractor. If the City develops a good faith belief that Consultant has knowingly violated Florida Statutes § 448.09(1) (making it unlawful for any person knowingly to employ, hire, recruit, or refer, either for herself or himself or on behalf of another, for private or public employment within the state, an alien who is not duly authorized to work by the immigration laws or the Attorney General of the United States) City shall terminate this contract. Pursuant to Florida Statutes § 448.095(5)(c)(3), termination under the above-circumstances is not a breach of contract and may not be considered as such.

**SECTION 29: AGREEMENT DOCUMENTS AND ORDER OF PRECEDENCE.** The agreement of the Parties consists of this Agreement, the City’s RFP, and the Consultant’s Proposal (which are incorporated herein by reference). The Parties agree to be bound by all the terms and conditions set forth in the aforementioned documents. To the extent that there exists a conflict between the terms and conditions of the aforementioned documents, this Agreement shall prevail over any other document. In the event a conflict exists between the RFP and the Proposal, the RFP shall prevail over the Proposal. Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

**SECTION 30: OWNERSHIP OF DELIVERABLES.** The deliverables, work product, calculations, supporting documents, or other work products which are listed as deliverables in this Agreement, the RFP, or the Proposal shall become the property of the City. Consultant may keep copies or samples thereof and shall have the right to use the same for its own purposes. The City accepts sole responsibility for the reuse of any such deliverables in a manner other than as initially intended or for any use of incomplete documents. For clarity, the Audit Documentation for this engagement is the property of Consultant and constitutes confidential information to the extent allowed by Florida law. The term “Audit Documentation” shall mean the confidential and proprietary records of Consultant’s audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by Consultant for the City under this Agreement, or any data, reports, analyses, workpapers or other documents belonging to the City and/or furnished to Consultant by the City.

**SECTION 31: REPRESENTATIONS AND BINDING AUTHORITY.** By signing this Agreement, on behalf of Consultant, the undersigned hereby represents to the City that he or she has the authority and full legal power to execute this Agreement and any and all documents necessary to effectuate and implement the terms of this Agreement on behalf of Consultant for whom he or she is signing and to bind and obligate such Party with respect to all provisions contained in this Agreement.

**SECTION 32: PUBLIC RECORDS.** Consultant shall comply with Florida’s Public Records Act, Chapter 119, Florida Statutes, and, if determined to be acting on behalf of the City as provided under section 119.011(2), Florida Statutes, specifically agrees to:

- (a) Keep and maintain public records required by the City to perform the service.
- (b) Upon request from the City’s custodian of public records or designee, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Agreement and following completion of this Agreement if Consultant does not transfer the records to the City.

(d) Upon completion of this Agreement, transfer, at no cost, to the City all public records in possession of Consultant or keep and maintain public records required by the City to perform the service. If Consultant transfers all public records to the City upon completion of the Agreement, Consultant shall destroy any duplicate public records that are exempt or confidential or exempt from public records disclosure requirements. If Consultant keeps and maintains public records upon completion of the Agreement, Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records or designee, in a format that is compatible with the information technology systems of the City.

**IF CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO CONSULTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT THE CITY OF BELLEAIR BEACH, ATTN: Renee Rose, City Clerk, 444 Causeway Blvd., Belleair Beach, Florida 33786.**

**SECTION 33: TRADE SECRET INFORMATION.**

(a) Florida law provides that trade secret information, as defined in Florida Statutes § 812.081(1)(c), is confidential and exempt from public records disclosure.

(b) Upon receipt of a response to a procurement solicitation, the City will not be aware that a bid, proposal, or other response contains such information. Therefore, bidders, proposers or other persons or entities responding to City solicitations must specifically and clearly identify all portions of their responses which are believed to be a trade secret, as defined by the law, and must, as to each such designation, provide the basis upon which the designated information is a trade secret. The mere designation of an entire submission as "confidential" will be insufficient to comply with this requirement. Absent some unusual justification, a bidder's or proposer's contract price shall not constitute a trade secret.

(c) While the City will, to the extent possible, cooperate in any court action Consultant may bring against any third-party requesting to inspect and copy portions of a response asserted to be a trade secret, if Consultant fails, prior to the submission of its materials to the City, to specifically and clearly designate information therein as a trade secret as defined by Florida law, and to provide the supporting explanation for the designation, the right to assert the exemption may be lost, and the information may be subject to inspection and copying as otherwise provided for under Florida's Public Records Act.

(d) In the event any record designated as a trade secret is requested under the Act, City staff will consult with the City's legal counsel and, if the City's legal counsel agrees with the designation, the City will assert the exemption and redact the relevant materials. If the City's legal counsel disagrees with the designation, City staff will inform the Consultant and Consultant may file an injunctive or declaratory judgment action and seek such emergency orders as desired to protect the information.

**SECTION 34: EXPORT ADMINISTRATION.** Each Party agrees to comply with all export laws and regulations of the United States ("Export Laws") to assure that no software deliverable, item, service, technical data or any direct product thereof arising out of or related to this Agreement is exported directly or indirectly (as a physical export or a deemed export) in violation of Export Laws.

**SECTION 35: SCRUTINIZED COMPANIES.**

(a) Consultant certifies it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List and are not engaged in a boycott of Israel. Pursuant to Florida Statutes § 287.135, the City may immediately terminate this Agreement if Consultant or any of its subcontractors are found to have submitted a false certification; or if Consultant or any of its subcontractors, are placed on the Scrutinized Companies



that Boycott Israel List or is engaged in the boycott of Israel during the term of this Agreement.

(b) If this Agreement is for one million dollars or more, Consultant certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan List, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged in business operations in Cuba or Syria as identified in Florida Statutes § 287.135. Pursuant to Florida Statutes § 287.135, the City may immediately terminate this Agreement at its sole option if Consultant, or any of its subcontractors are found to have submitted a false certification; or if Consultant or any of its subcontractors are placed on the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or are or have been engaged with business operations in Cuba or Syria during the term of this Agreement. Consultant agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.

(c) Consultant agrees that the certifications in this section shall be effective and relied upon by the City for the term of this Agreement, including any and all renewals.

(d) Consultant agrees that if it or any of its subcontractors' status changes in regards to any certification herein, Consultant shall immediately notify the City of the same.

As provided in Florida Statutes § 287.135(8), if federal law ceases to authorize the above-stated contracting prohibitions then they shall become inoperative.

**SECTION 35: LIQUIDATED DAMAGES.** Contractor recognizes that in light of statutory mandates surrounding municipal audits, time is of the essence in the Contract Documents and all obligations thereunder. If the Contractor fails to deliver any final, draft, interim report, audit, or other deliverable required by this Agreement (including all deadlines set forth in Florida law), the City shall be entitled to retain or recover from the Contractor, as liquidated damages and not as a penalty, the sum of \$100.00 per calendar day, commencing upon the first day following expiration of the relevant deadline and continuing until the actual date of successful completion and receipt by the City of the deliverable. The Contractor agrees that such liquidated damages will not constitute a penalty, but are instead calculated to be a reasonable estimate of damages the City will incur as a result of delayed completion of the work, including but not limited to, additional costs related to the need to retain supplemental emergency auditing services, loss of grant funding, or loss of state revenues or the incurring of state penalties due to missed statutory deadlines. The City may deduct liquidated damages as described in this paragraph from any unpaid amounts then or thereafter due the Contractor under this Agreement. Any liquidated damages not so deducted from any unpaid amounts due the Contractor shall be payable to the City at the demand of the City, together with interest from the date of the demand at the maximum statutory allowable rate.

**[Insert Consultant's Name]**

**City of Belleair Beach**

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City Manager

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Its: \_\_\_\_\_

**EXHIBIT “A”**

**(Fee Schedule)**