City of Belleair Beach, Florida



Annual Comprehensive Financial Report

Fiscal Year Ended September 30, 2023

City of Belleair Beach, Florida

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2023

Prepared by the Department of Finance

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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CITY OF BELLEAIR BEACH, FLORIDA

BELLEAIR BEACH, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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April 29, 2024

To the Honorable Mayor and City Council Members
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 1,641 in 2023. 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. 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. As described in Management's Discussion and Analysis, and the notes to the financial statements, this debt is accounted for in the Stormwater Fund and Capital Projects Fund based on the projects undertaken in those funds.

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,

Kyle Riefler
City Manager

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

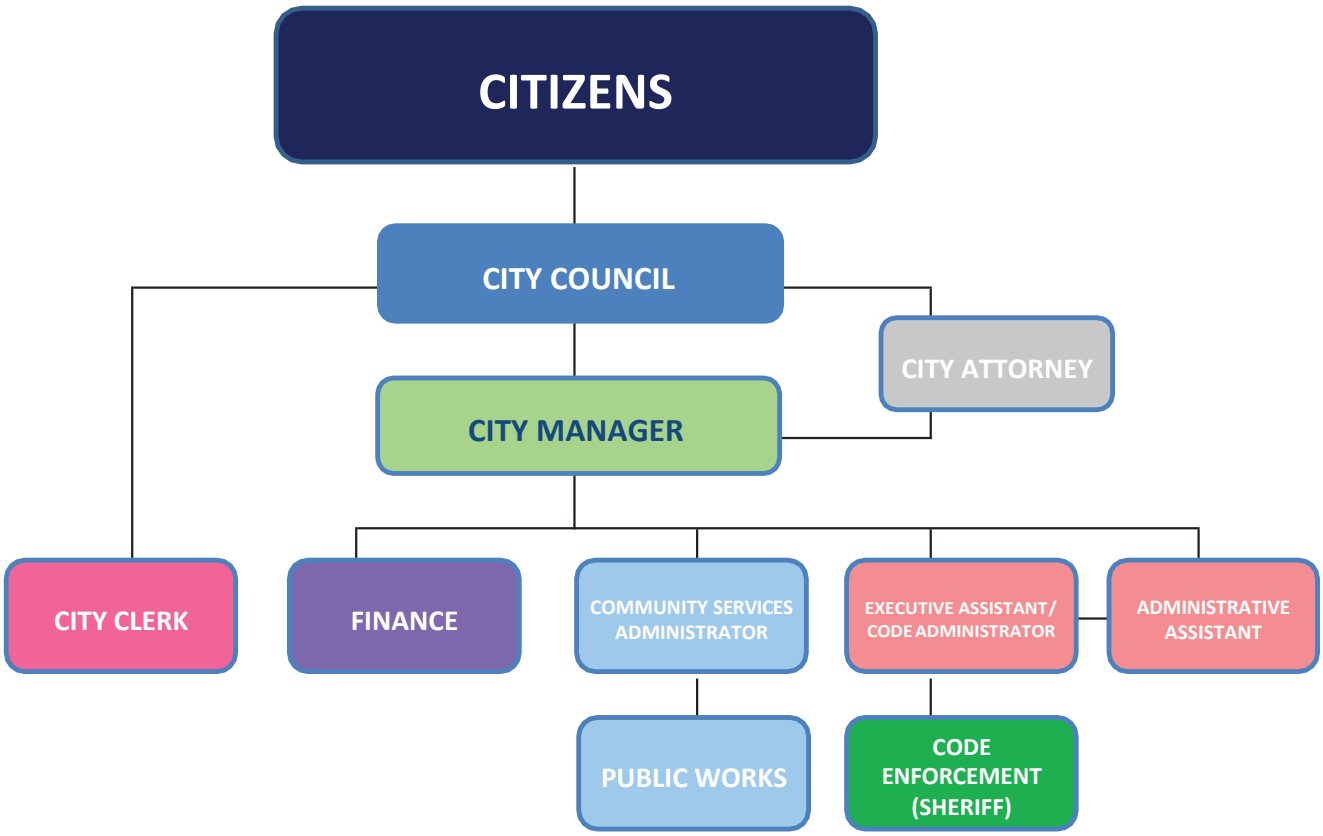
September 30, 2022

Christopher P. Morrill

Executive Director/CEO

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Organizational Chart



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City of Belleair Beach, Florida

Council-Manager Form of Government

City Council:

Dave Gattis,
Mayor

Jody Shirley, Vice-Mayor

Frank Bankard, Council Member

Leslie Notaro, Council Member

Lloyd Roberts, Council Member

Belinda Livingstone, Council Member

Mike Zabel, Council Member

Chartered Officers:

City Manager: Kyle Riefler

City Treasurer: Andrew Tess

City Clerk: Patricia Gentry

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

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 and City Council Members
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.

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.

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 29, 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.

Saltmarsh Cleaveland & Gund

Tampa, Florida
April 29, 2024

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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, $9,536,912 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 intergovernmental 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 intergovernmental funding recognized and transfers received from the General Fund. The City received $1,909,712 in intergovernmental funding in the Capital Projects Fund, with $1,675,011 as a reimbursement from Pinellas County for the cost of undergrounding utilities in the City.
- 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 $2,852,209 (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 as a result of recognizing revenue from the SLFRF/ARPA funding, and $2,859 from the Marina Fund.

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 signification 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.

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.

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 $20,447,148 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 $9,536,912 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.

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

STATEMENT OF NET POSITION
AS OF SEPTEMBER 30

	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	$ 19,709,232	$ 17,413,338	$ 4,612,416	$ 2,142,457	$ 24,321,648	$ 19,555,795
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	2,114,293	2,631,382	1,760,207	35,777	3,874,500	2,667,159
Net position:						
Net investment in capital assets	10,113,050	8,789,772	797,186	1,648,774	10,910,236	10,438,546
Unrestricted	7,481,889	5,992,184	2,055,023	457,906	9,536,912	6,450,090
Total net position	17,594,939	14,781,956	2,852,209	2,106,680	20,447,148	16,888,636
Total liabilities and net position	$ 19,709,232	$ 17,413,338	$ 4,612,416	$ 2,142,457	$ 24,321,648	$ 19,555,795

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
Revenues:						
Program revenues:						
Charges for services	$ 1,011,490	$ 1,048,799	$ 250,788	$ 260,409	$ 1,262,278	$ 1,309,208
Operating grants and contributions	8,580	9,931	-	-	8,580	9,931
Capital grants and contributions	1,675,011	-	802,868	-	2,477,879	-
General revenues:						
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	178,966	77,126	746	455	179,712	77,581
Total revenues	5,368,624	3,391,020	1,054,402	260,864	6,423,026	3,651,884
Expenses:						
Governmental activities:						
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
Business-type activities:						
Marina	-	-	75,959	72,397	75,959	72,397
Stormwater	-	-	232,914	180,345	232,914	180,345
Total expenses	2,555,641	2,404,909	308,873	252,742	2,864,514	2,657,651
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	-	-
Change in net position	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	$ 17,594,939	$ 14,781,956	$ 2,852,209	$ 2,106,680	$ 20,447,148	$ 16,888,636

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 of 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 $206,863. 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. $24,550 has been classified as "non-spendable" (so it cannot be converted into cash) that designates an amount for prepaid items and assigned fund balance of $1,150,750. The total fund balance represents 287.3% of total General Fund expenditures for 2023.

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 of the end of fiscal year 2023, the City's proprietary funds reported combined ending net position balances of $2,852,209. This total combines the Stormwater fund, whose net position equates to $2,483,664, and the Marina fund's net position of $368,545. 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.

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 $10,910,236 (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.

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	$ 11,936,276	$ 2,543,429	$ 14,479,705

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.

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.

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BASIC FINANCIAL STATEMENTS

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

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
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
Prepaid items	24,550	3,271	27,821
Total current assets	7,772,956	2,068,987	9,841,943
Non-Current Assets:			
Capital assets			
Non-depreciable	1,426,738	-	1,426,738
Depreciable	10,509,538	2,543,429	13,052,967
Total non-current assets	11,936,276	2,543,429	14,479,705
Total Assets	$ 19,709,232	$ 4,612,416	$ 24,321,648
LIABILITIES			
Current Liabilities:			
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	455,230	163,886	619,116
Noncurrent Liabilities:			
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	1,659,063	1,596,321	3,255,384
Total liabilities	2,114,293	1,760,207	3,874,500
NET POSITION			
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	17,594,939	2,852,209	20,447,148
Total Liabilities and Net Position	$ 19,709,232	$ 4,612,416	$ 24,321,648

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		
					Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions:							
Governmental:							
General government	$ 853,131	$ 140,696	$ 7,400	$ 1,675,011	$ 969,976	$ -	$ 969,976
Public safety	597,437	48,843	-	-	(548,594)	-	(548,594)
Physical environment	980,880	821,562	1,180	-	(158,138)	-	(158,138)
Culture and recreation	61,928	389	-	-	(61,539)	-	(61,539)
Debt service interest	62,265	-	-	-	(62,265)	-	(62,265)
Total governmental activities	2,555,641	1,011,490	8,580	1,675,011	139,440	-	139,440
Business-type:							
Marina	75,959	78,072	-	-	-	2,113	2,113
Stormwater	232,914	172,716	-	802,868	-	742,670	742,670
Total business-type activities	308,873	250,788	-	802,868	-	744,783	744,783
Total primary government	$ 2,864,514	$ 1,262,278	$ 8,580	$ 2,477,879	$ 139,440	$ 744,783	$ 884,223
General Revenues:							
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
Infrastructure 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					13,811	-	13,811
Total general revenues					2,673,543	746	2,674,289
Change in net position					2,812,983	745,529	3,558,512
Net position at beginning of year					14,781,956	2,106,680	16,888,636
Net position at end of year					$ 17,594,939	$ 2,852,209	$ 20,447,148

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
ASSETS			
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
Total Assets	$ 5,735,592	$ 2,037,364	$ 7,772,956
LIABILITIES			
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
FUND BALANCES			
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
Total Liabilities and Fund Balances	$ 5,735,592	$ 2,037,364	$ 7,772,956

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

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

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
Revenues:			
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	555,554	-	555,554
Fines and fees	149,244	-	149,244
Licenses and permits	189,102	-	189,102
Interest on investments	163,544	9,581	173,125
Miscellaneous	13,811	-	13,811
Total revenues	3,339,711	2,036,883	5,376,594
Expenditures:			
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	2,054,003	2,195,087	4,249,090
Excess (deficiency) of revenues over (under) expenditures	1,285,708	(158,204)	1,127,504
Other Financing Sources (Uses):			
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)	(1,112,000)	1,493,600	381,600
Net change in fund balances	173,708	1,335,396	1,509,104
Fund Balances:			
Beginning of year	5,481,773	602,485	6,084,258
End of year	$ 5,655,481	$ 1,937,881	$ 7,593,362

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

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

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)
Revenues:				
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	487,025	487,025	555,554	68,529
Fines and fees	11,300	11,300	149,244	137,944
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	13,811	7,311
Total revenues	2,804,100	2,804,100	3,339,711	535,611
Expenditures:				
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 and recreation	18,200	99,200	98,220	980
Total expenditures	2,178,570	2,244,570	2,054,003	190,567
Excess of revenues over expenditures	625,530	559,530	1,285,708	726,178
Other Financing Sources (Uses):				
Transfers out	(963,310)	(1,112,000)	(1,112,000)	-
Total other financing uses	(963,310)	(1,112,000)	(1,112,000)	-
Appropriation of Fund Balance	337,780	552,470	-	(552,470)
Net change in fund balance	$ -	$ -	173,708	$ 173,708
Fund Balance:				
Beginning of year			5,481,773	
End of year			$ 5,655,481	

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

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
Operating Revenues:			
Intergovernmental	$ 802,868	$ -	$ 802,868
Charges for services			
General government	-	78,072	78,072
Utilities	172,716	-	172,716
Total charges for services	975,584	78,072	1,053,656
Operating Expenses:			
Personnel services	33,475	-	33,475
Contractual services	16,455	-	16,455
Administration and insurance	-	66,603	66,603
Repairs and maintenance	28,563	4,407	32,970
Professional fees	28,393	-	28,393
Office and utilities	-	2,382	2,382
Depreciation	125,375	2,567	127,942
Total operating expenses	232,261	75,959	308,220
Operating income	743,323	2,113	745,436
Non-Operating Revenue (Expenses):			
Investment earnings	-	746	746
Interest expense	(653)	-	(653)
Total non-operating revenue (expenses)	(653)	746	93
Change in net position	742,670	2,859	745,529
Net position at beginning of year	1,740,994	365,686	2,106,680
Net position at end of year	$ 2,483,664	$ 368,545	$ 2,852,209

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
Cash Flows from Operating Activities:			
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)
Net cash provided by operating activities	869,337	4,195	873,532
Cash Flows from Capital and Related Financing Activities:			
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)
Net cash provided by capital and related financing activities	722,993	-	722,993
Cash Flows from Investing Activities:			
Interest income	-	746	746
Net Change in Cash and Cash Equivalents	1,592,330	4,941	1,597,271
Cash and Cash Equivalents - Beginning of the Year	125,317	342,752	468,069
Cash and Cash Equivalents - End of the Year	$ 1,717,647	$ 347,693	$ 2,065,340

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
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
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
Net Cash Provided By Operating Activities	$ 869,337	$ 4,195	$ 873,532

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

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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.

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.

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.

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 investment policy is to maintain funds in investments which yield the highest possible efficiency and return within the limitations established by Chapter 166.261, Florida Statutes. 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.

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.

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.

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.

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.

	Years
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.

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).

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 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.

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, *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 Statement No. 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.

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.

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.

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 City's financial statements for the year ended September 30, 2023.

G. Subsequent Events

Management has evaluated subsequent events through April 29, 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.

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits:

At year-end, the carrying amount of the City's deposits was $5,310,753 and the bank balance was $5,419,373. 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 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	Hierachy Level
Florida State Board of Administration Local Government Surplus Funds Trust 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.

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.

NOTE 4 - RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

Receivables at September 30, 2023, were as follows:

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

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
Governmental Activities				
Capital assets not being depreciated				
Land	$ 1,426,738	$ -	$ -	$ 1,426,738
Total capital assets not being depreciated	1,426,738	-	-	1,426,738
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	12,440,893	1,999,391	(71,777)	14,368,507
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	(3,409,312)	(513,464)	63,807	(3,858,969)
Total capital assets being depreciated, net	9,031,581	1,485,927	(7,970)	10,509,538
Governmental Activities, net	$ 10,458,319	$ 1,485,927	$ (7,970)	$ 11,936,276
Business-Type Activities				
Capital assets being depreciated				
Improvements other than buildings	$ 2,478,728	999,477	(10,725)	$ 3,467,480
Total capital assets being depreciated	2,478,728	999,477	(10,725)	3,467,480
Less accumulated depreciation				
Improvements other than buildings	(806,834)	(127,942)	10,725	(924,051)
Total accumulated depreciation	(806,834)	(127,942)	10,725	(924,051)
Business-Type Activities, net	$ 1,671,894	$ 871,535	$ -	$ 2,543,429

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	49,764
Total depreciation expense - governmental activities	$ 513,464
Business-type activites:	
Marina	$ 2,567
Stormwater	125,375
Total depreciation expense- business- type activities	$ 127,942

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 made the required contributions totaling $34,147 representing 10% of participants' salary.

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
Governmental activities:					
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	$ 1,738,406	$ 405,912	$ (230,802)	$ 1,913,516	$ 254,453
Business-type activities:					
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	$ 23,120	$ 1,738,400	$ (15,277)	$ 1,746,243	$ 149,922

NOTE 9 - NON-CURRENT LIABILITIES (Continued)

Description of Long-Term Debt and Other Liabilities Outstanding

	Current	Non-Current	Total
Governmental Activities			
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 Bellair 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 Bellair 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 Bellair 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
Total Governmental Activities	$ 254,453	$ 1,659,063	$ 1,913,516

Business-Type Activities	Current	Non-Current	Total
Revenue Bonds			
$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 through 2033; 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
Total Business-Type Activities	$ 149,922	$ 1,596,321	$ 1,746,243

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
	$ 320,000	$ 16,276	$ 654,086	$ 209,581	$ 103,525	$ 42,356

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
	$ 364,015	$ 116,580	$ 381,600	$ 93,295	$ 1,823,226	$ 478,088

NOTE 9 - NON-CURRENT LIABILITIES (Continued)

Business-Type Activities

Years Ending September 30,	Series 2020 Stormwater Revenue Note Principal	Series 2020 Stormwater Revenue Note Interest	Series 2023 Revenue Note Principal	Series 2023 Revenue Note 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
	$ 7,843	$ 121	$ 1,738,400	$ 425,010

NOTE 10 - INTERFUND TRANSFERS

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

Transfers Out	Transfers In	Amount
General Fund	Capital Projects Fund	$ 1,112,000

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		5,518
Total	$	16,596
Maximum annual payment	$	1,267.70
Maximum payment term		20 years

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		4,500
Total	$	21,096
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.

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)
Revenues:				
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	1,214,570	2,149,481	2,036,883	(112,598)
Expenditures:				
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	1,599,745	3,643,081	2,195,087	1,447,994
Excess (deficiency) of revenues over (under) expenditures	(385,175)	(1,493,600)	(158,204)	1,335,396
Other Financing Sources (Uses):				
Transfers in	385,175	1,112,000	1,112,000	-
Proceeds from issuance of debt	-	381,600	381,600	-
Total other financing sources	385,175	1,493,600	1,493,600	-
Net change in fund balance	$ -	$ -	1,335,396	$ 1,335,396
Fund Balance:				
Beginning of year			602,485	
End of year			$ 1,937,881	

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)
Operating Revenues:				
Charges for services	$ 88,060	$ 77,560	$ 78,072	$ 512
Operating Expenses:				
Administration and insurance	66,810	66,810	66,603	207
Repairs and maintenance	3,000	3,000	4,407	(1,407)
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	13,313
Non-Operating Revenues (Expenses):				
Investment earnings	700	700	746	46
Income (Loss) Before Transfers	-	(10,500)	2,859	13,359
Transfers:				
Transfers in	-	10,500	-	(10,500)
Change in net position	$ -	$ -	2,859	$ 2,859
Net Position:				
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)
Operating Revenues:				
Intergovernmental	$ -	$ 802,868	$ 802,868	$ -
Charges for services	175,000	140,000	172,716	32,716
	175,000	942,868	975,584	32,716
Operating Expenses:				
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	737,205	3,992,781	232,261	3,760,520
Operating income (loss)	(562,205)	(3,049,913)	743,323	3,793,236
Non-Operating Revenues (Expenses):				
Debt proceeds	-	1,738,400	-	(1,738,400)
Debt service - principal	(15,275)	(15,275)	-	15,275
Interest expense	(655)	(655)	(653)	2
	(15,930)	1,722,470	(653)	(1,723,123)
Income (Loss) Before Transfers	(578,135)	(1,327,443)	742,670	2,070,113
Transfers:				
Transfers in	578,135	-	-	-
Appropriation of Fund Balance	-	1,327,443	-	(1,327,443)
Change in net position	$ -	$ -	742,670	$ 742,670
Net Position:				
Beginning of year			1,740,994	
End of year			$ 2,483,664	

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
General Government:					
Control:					
Administrative	$ 14,512,382	$ 1,426,738	$ 4,225,071	$ 8,831,301	$ 29,272
Executive	24,003	-	-	-	24,003
Legislative	43,368	-	-	-	43,368
Total general government	14,579,753	1,426,738	4,225,071	8,831,301	96,643
Public works	131,238	-	-	-	131,238
Recreation	1,084,254	-	-	-	1,084,254
Total Governmental Funds Capital Assets	$ 15,795,245	$ 1,426,738	$ 4,225,071	$ 8,831,301	$ 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
General Government:					
Control:					
Administrative	$ 12,584,131	$ 1,426,738	$ 4,225,071	$ 6,903,050	$ 29,272
Executive	24,003	-	-	-	24,003
Legislative	43,368	-	-	-	43,368
Total general government	12,651,502	1,426,738	4,225,071	6,903,050	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	$ 6,903,050	$ 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
General Government:				
Control:				
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

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.

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Financial Trends 60

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 70

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

Debt Capacity 75

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 79

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 83

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
Governmental activities:										
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
Unrestricted	7,481,889	5,992,184	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
Business-type activities:										
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
Primary government:										
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
Unrestricted	9,536,912	6,450,090	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

Schedule 2

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
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
Program Revenues:										
Government activities -										
Charges for services	$ 1,011,490	$ 1,048,799	$ 856,195	$ 735,917	$ 1,097,291	$ 522,831	$ 483,299	$ 444,068	$ 422,884	$ 408,474
Operating grants and contributions	8,580	9,931	130,832	24,914	106,864	4,836	1,166	1,189	1,200	1,201
Capital grants and contributions	1,675,011	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	2,695,081	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	-	-	-	-	-	-	-
Capital 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 progam revenues	$ 3,748,737	$ 1,319,139	$ 1,233,356	$ 843,661	$ 1,270,171	$ 593,512	$ 547,215	$ 505,194	$ 481,619	$ 458,630
Net Program (Expense) / Revenue:										
Governmental activities	$ 139,440	$ (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	$ 884,223	$ (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

Schedule 2

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues and Other Changes in Net Position:										
Governmental activities -										
Property taxes	$ 1,433,411	$ 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	5,841	49,854	7,459	10,888	25,452	8,956	35,900	25,267	10,140	4,349
Total revenues	2,673,543	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	2,673,543	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	$ 2,674,289	$ 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
Change in Net Position:										
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

Schedule 3

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
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	821,562	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 government charges	1,011,490	1,048,799	856,195	605,606	558,497	522,831	483,299	444,068	422,884	408,474
Business-Type Activities:										
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	$ 1,262,278	$ 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

Schedule 4

CITY OF BELLEAIR BEACH, FLORIDA
GENERAL GOVERNMENTAL REVENUES BY SOURCE [1]
LAST TEN FISCAL YEARS
UNAUDITED

Year	Taxes	Licenses and Permits	Intergovern-mental	Charges for Services	Assessments	Fines and Fees	Interest	Miscellaneous	Total
2023	$ 1,946,145	$ 189,102	$ 2,232,023	$ 555,554	$ 117,590	$ 149,244	$ 173,125	$ 13,811	$ 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

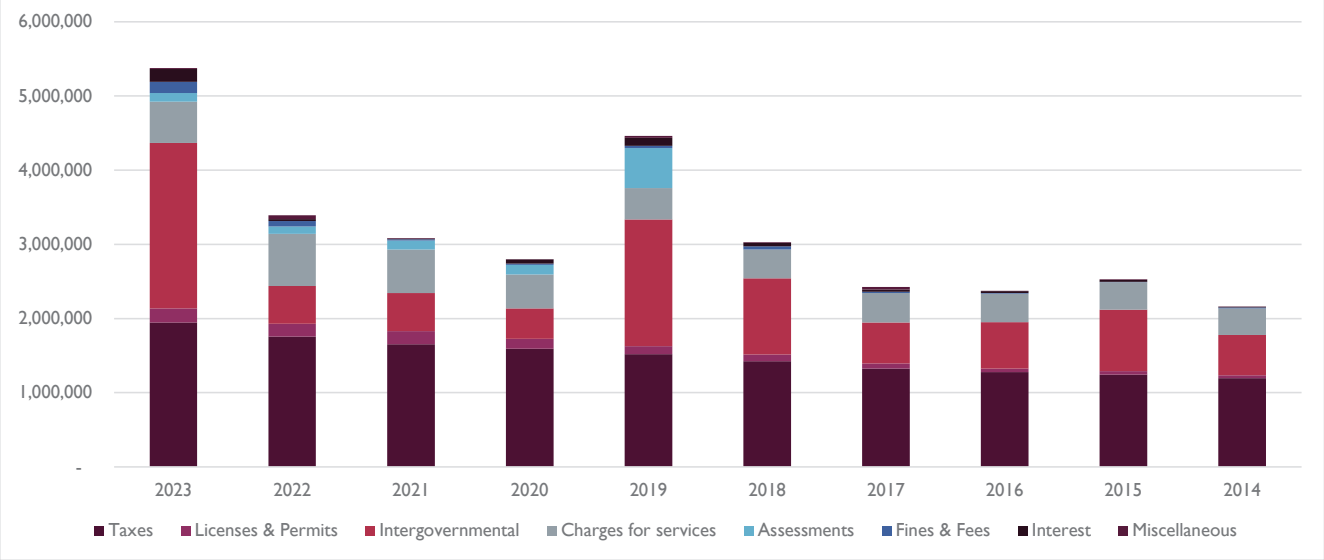
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE [1]

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

Schedule 5

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



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
General Fund:										
Nonspendable	$ 24,550	$ 8,226	$ 27,430	$ 21,718	$ 10,225	$ 8,069	$ 7,741	$ 9,767	$ 10,763	$ 17,176
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	4,346,297	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
All other governmental funds:										
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

Schedule 7

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
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	555,554	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 and fees	149,244	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	13,811	49,854	10,089	6,846	25,452	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
Expenditures:										
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
Other Financing Sources (Uses):										
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

Schedule 8

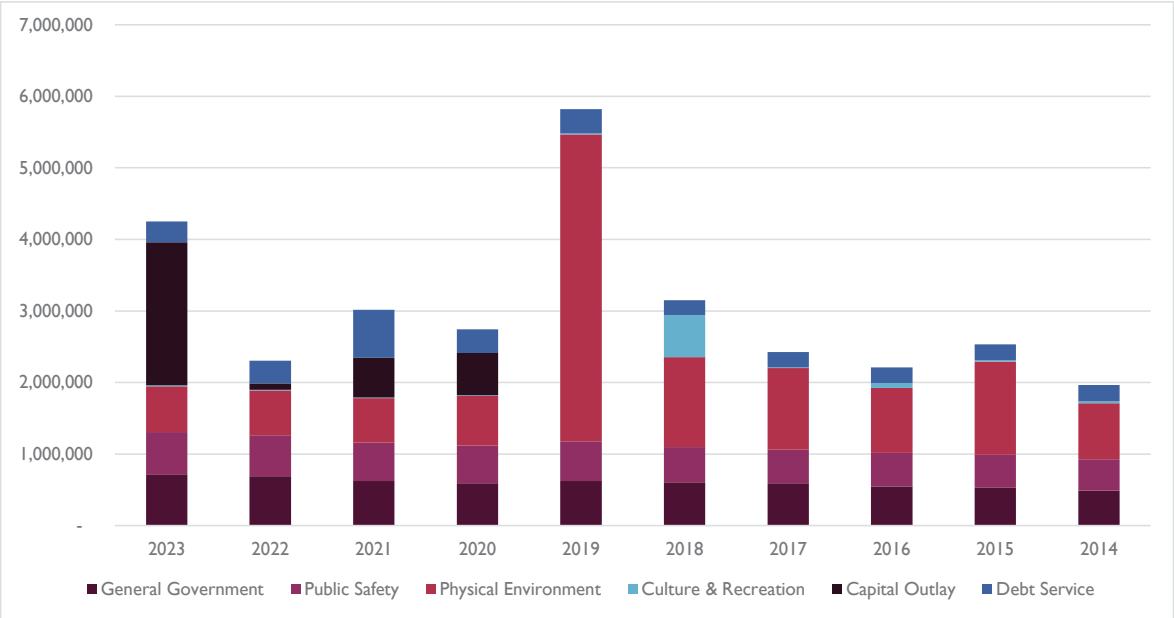
CITY OF BELLEAIR BEACH, FLORIDA
GENERAL GOVERNMENTAL EXPENDITURES BY SOURCE [1]
LAST TEN FISCAL YEARS
UNAUDITED

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.

Schedule 9

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



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

Schedule 12

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

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

(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 Taxable Value	Percentage	Taxpayer	Total 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 [1] 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

Schedule 15

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

	Governmental Activities			Business-Type Activities				
Fiscal Year	General Obligation Bonds	Revenue Loan/Bonds	Capital Leases	General Obligation Bonds	Revenue Loan/Bonds	Capital Leases	Total Primary Government	Per Capita
2023	$ -	$ 1,823,226	$ -	$ -	$ 1,746,243	$ -	$ 3,569,469	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 [1]	Total Outstanding Per Capita [2]
2023	$ 3,569,469	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.

Schedule 17

CITY OF BELLEAIR BEACH, FLORIDA
COMPUTATON 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 [1]		
		Principal	Interest	Coverage
		$ 226,921	$ 63,297	100%
General Fund				
Franchise fees	$ 195,479			
Public service tax	317,255			
Intergovernmental	322,311			
Charges for services	555,554			
Fines and fees	149,244			
Licenses and permits	189,102			
Interest on investments	163,544			
Miscellaneous	13,811			
	1,906,300			
Capital Projects Fund				
Intergovernmental	1,675,011			
Infrastructure sales tax	234,701			
Interest on investments	9,581			
	1,919,293			
	$ 3,825,593			

(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

Fiscal Year	(1) Population	(2) Personal Income (amounts expressed in thoudands)	(3) Per Capita Personal Income	(4) Median Age	(5) School Enrollment	(6) 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

Schedule 20

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

	2023			2014	
Employer	Employees	Rank	Employer	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 **Schedule 21**
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
UNAUDITED

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

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	1,641	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
Public Safety *										
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	1,333	1,580	1,279	835	1,404	1,471	756	796	724	422
Culture and Recreation:										
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
Marina										
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
Public Safety										
Police stations *	0	0	0	0	0	0	0	0	0	0
Highways and Streets:										
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
Culture and Recreation										
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.

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 29, 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.

Saltmarsh Cleaveland & Gund

Tampa, Florida
April 29, 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 29, 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 29, 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 noted the following control deficiencies.

During testing over the City's disbursements, it was noted 6 out of the 15 vendors tested that were issued material payments during the fiscal year were not registered with E-Verify. The City entered into a contract with one vendor which explicitly listed terms related to E-Verify. This vendor does not appear to be enrolled in E-Verify and is not registered as an active entity on the Florida Department of State website (sunbiz.org).

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

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.

Saltmarsh Cleaveland & Gund

Tampa, Florida
April 29, 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 withs 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.

Saltmarsh Cleaveland & Gund

Tampa, Florida
April 29, 2024

July 10, 2024

Auditor General
State of Florida
401 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

To Whom it May Concern:

This letter serves as the City's response to the auditor's comments in the 2023 ACFR as requested pursuant to Section 11.45(7)(b), Florida Statutes.

The City of Belleair Beach piggybacked on a neighboring municipality's contract for the undergrounding of utilities. The contract terms included a vendor requirement to register through the E-Verify system. Between the time of the piggybacked contract's creation and the time the auditors examined this vendor as part of the fiscal year 2023 audit of the City of Belleair Beach, the company had changed their name from an "LLC" to an "Inc." and were not appropriately registered in the E-Verify system as such. The checks issued by the City of Belleair Beach were written to the vendor under the "LLC" name instead of "Inc." and this was considered an exception to the auditors' testing, even though the piggybacked contract listed them as an "LLC." The auditors also cited the vendor as not being registered as an active entity on the Florida Department of State website (sunbiz.org). Although the name change was properly recorded and verified on sunbiz.org, the fact that the City issued checks to the LLC and that LLC was no longer active upon the conversion to Inc., the auditors reported this situation as a finding under "Additional Matters" in the Management Letter. The City maintains that the change from LLC to Inc. and resulting lack of E-Verify registration should not negatively impact the perception of the City's internal control structure. However, the City will now independently verify the E-Verify status of vendors in any contracts that require the vendor to register.

Further, the auditors reported that they tested additional vendors' registration in the E-Verify system. The City did not have explicit requirements for those vendors to do so as a condition of doing business with the City and the auditors did not report whether or not they determined that those vendors were, in fact, required to register based on their own business structures.

Best Regards,

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