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COMPREHENSIVE ANNUAL FINANCIAL REPORT

*Fiscal Year Ending
September 30, 2019*

FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019**

CITY OF BELLEVIEW, FLORIDA

Prepared by: Marge Strausbaugh
Finance Director

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019
CITY OF BELLEVUE, FLORIDA**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018
CITY OF BELLEVUE, FLORIDA**

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INTRODUCTION



INTRODUCTION SECTION



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Belleview
Florida**

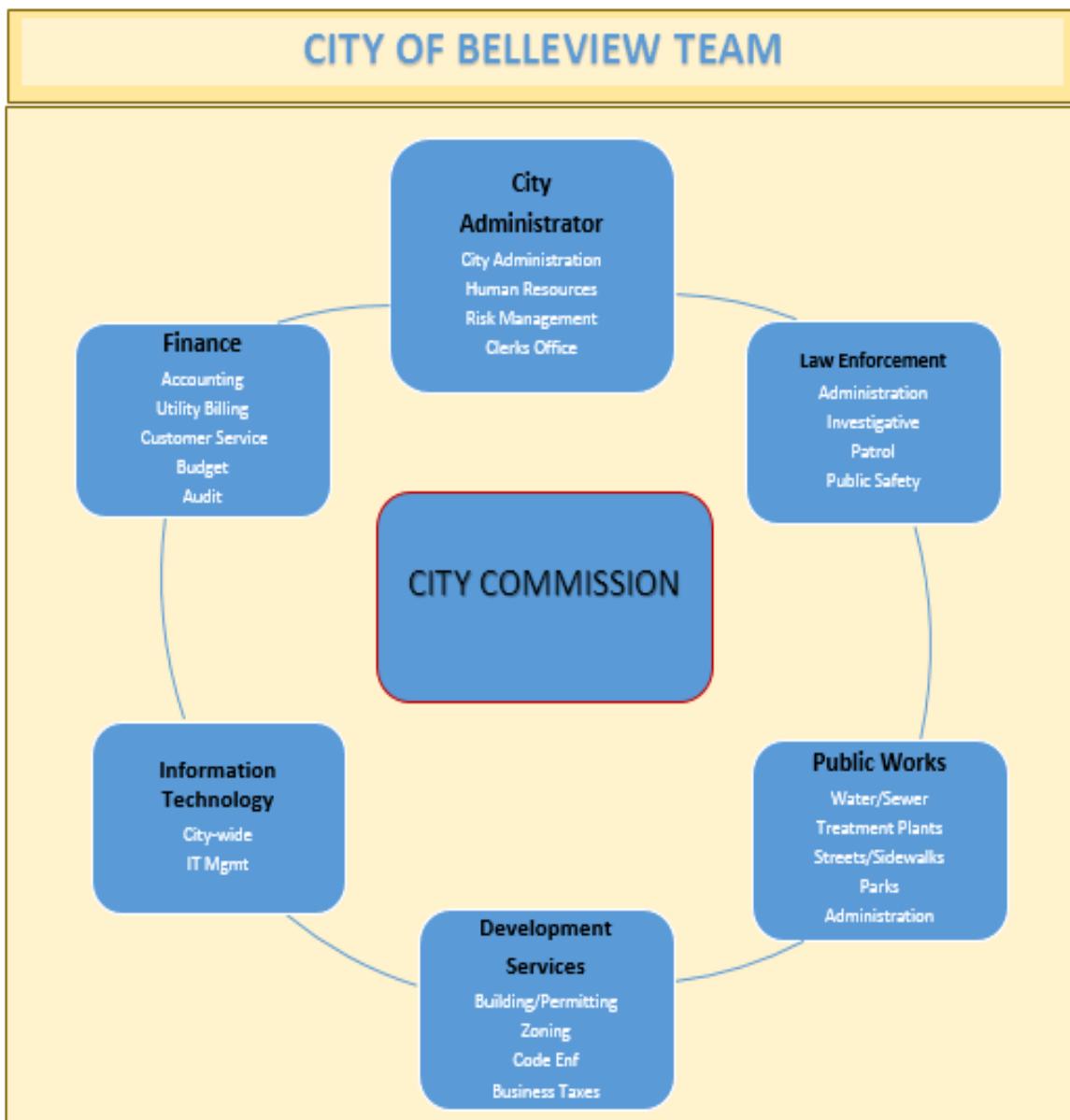
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Monill

Executive Director/CEO

CITY WIDE ORGANIZATIONAL CHART





CITY OF BELLEVIEW

5343 S.E. Abshier Boulevard · Belleview, Florida 34420
Telephone: (352) 245-7021 · Fax: (352) 245-6532
"City *With* Small Town Charm"

March 17, 2020

Honorable Mayor and City Commissioners
Citizens of the City of Belleview

It is a pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the City of Belleview, Florida for the fiscal year ended September 30, 2019. State law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report fulfills the requirements set forth in the Florida Statutes Chapter 166.241(4) and the Rules of the Florida Auditor General, Chapter 10.550.

Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the management of the City of Belleview has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse. It is additionally designed to compile sufficient reliable information for the preparation of the City of Belleview's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

Because the cost of internal controls should not outweigh their benefits, the City of Belleview'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. To the best of our belief and knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of the operation of the City of Belleview.

Financial Statement Presentation:

The comprehensive annual financial report is presented in four sections: Introductory, Financial, Statistical and Compliance. The Introductory Section contains the Table of Contents, this transmittal letter, the City's organization chart and a list of principle officials.

The *Financial Section* includes the Independent Certified Public Accountants Report on the City's Basic Financial Statement, Management's Discussion and Analysis (MD&A), Basic Financial Statements, Notes to Financial Statements, and the Required Supplementary Information.

MAYOR: Christine K. Dobkowski

COMMISSIONERS: Michael J. Goldman · Gary W. Ernst · Ronald T. Livsey · Robert "Bo" Smith

The Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview, and analysis of the basic financial statements. It also provides "financial highlights" and interprets the financial reports by analyzing trends and explaining changes, fluctuations and variances in the financial data. In addition the MD&A is intended to disclose any known significant events or decisions that affect the financial condition of the City. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Both of these items are written to aid Bellevue Citizens in understanding what the financial information included in the CAFR document means, what changes have occurred during the fiscal year and why they have changed from the previous fiscal year.

The Notes to Financial Statements in this section are necessary to understand the statements. The notes include a Summary of Significant Accounting Policies and other necessary disclosures relating to the financial position of the City.

The *Statistical Section* includes selected unaudited financial and demographic information designed to enhance the reader's understanding of the City's past and its future potential.

The *Compliance Section* includes information and reports not included in the previous sections. These include the external auditor's report on Internal Controls, Management Letter and grant information as required by the Comptroller General of the United States and OMB Circular A-133.

Profile of Bellevue:

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. Bellevue is located in south Marion County, approximately half way between the City of Ocala to the north and The Villages to the south. One of five municipalities, Bellevue is the second largest city in Marion County. The population and area of Bellevue have grown at a slow and steady pace. The April 1, 2019 Bureau of Economic and Business Research estimates cite the population at 5,268 residents and the most recent annexations show the area of the incorporated city limits has grown to 3.9 square miles.

Founded in the spring of 1884, Bellevue was officially incorporated May 4, 1885 by a special act of the legislature. Sixty-three of the 350 citizens elected the first Mayor. Bellevue, which means "beautiful view", was named for Belle, the daughter of John P. Pelot, who owned most of the land on which the city was founded. The streets, which were lined with beautiful oak trees, led to the City also being known as the "the City of Oaks". Bellevue has been able to maintain the ambience that creates our "City with Small Town Charm" coupled with the innovation required to operate a growing and progressive community.

The City is governed by a Commission form of government. The City Commission is comprised of a Mayor/Commissioner and four Commissioners. The Mayor/Commissioner is recognized as one of three executive officers of the City. The Mayor/Commissioner presides at all meetings of the City Commission, has the power to organize the Commission, subject to Commission approval, and performs such other duties consistent with the office. The Mayor/Commissioner may use the title in the execution of legal instruments and shall be recognized as the official head of the city by the courts for the purpose of serving civil processes; by the government in the exercise of military law; and for all ceremonial purposes. The Mayor/Commissioner does not have veto power, but does vote last in all votes of the Commission, thus being a potential tie-breaker.

The Commission is vested with all legislative powers including the power to pass ordinances – including zoning, adopt resolutions and approve contracts and the annual budget. The Commission also sets policies and oversees the general operations of the City. Each Commissioner may be assigned specific duties pertaining to each department of the City and if so be apprised of all matters affecting the department. The Commission currently meets the first and third Tuesday of each month, with workshops and special meetings scheduled as needed.

City elections are held only on even numbered years coinciding with the county, state and federal elections. This not only significantly decreases election costs, but also has the effect of higher voter turnout. The citizens elect the Mayor and Commissioners to a four year term. Candidates must declare if they are running for the Mayor's seat or a specifically numbered Commission seat.

The Charter has designated the Mayor, the City Administrator and the City Clerk as the Executive Officers of the City. The City Administrator, who is also the Administrative Head of the City, reports directly to the City Commission, while the City Clerk reports to the City Administrator. The Police Chief, also a Charter employee, is under the direction of the Mayor/Commissioner.

There are currently a total of five departments including the Police Department, Information Technology, Public Works, Finance, and Development Services. These five departments, in addition to the Administrator's Office, provide a full range of general governmental services including police protection and investigation, roads and streets, drainage, parks and recreation, planning and zoning, development review and permitting, licensing, code enforcement, and promotional events. All of the departments coordinate through the City Administrator in the administration of the daily affairs of the City.

Fire protection is provided through an interlocal agreement with Marion County with the residents paying the county assessment. Solid waste collection and building permitting are privatized, with individual contractual agreements. There is also a City-owned cemetery and mausoleum.

The City operates a water and sewer utility. Services are provided to not only those residences and businesses inside the City limits, but also to those within the 27 square mile area service area in south Marion County. The water and sewer utility includes potable water, wastewater collection and treatment, and reclaimed water production and distribution.

In addition to the governmental services provided to our citizens, the city has a number of internal services that are provided to staff and the elected officials. These include:

- Financial services of accounts payable and receivable, utility billing, payroll, budget preparation and monitoring, accounting and capital asset tracking
- Technology services support of hardware, software and website development
- Cash flow and debt management
- Fleet maintenance
- Risk management
- Human resources

Factors affecting the City's Financial Condition:

Local Economy:

The economy appears to be in recovery mode according to several indicators. The unemployment rate for the Ocala / Marion County area includes the City of Belleview. While the rate reached an

all-time adjusted high of 15.3% in January 2010, it has been steadily declining. According to the Bureau of Labor Statistics, the rate had dropped to 3.5% in September 2019. The Ocala Metropolitan Service Area credits the largest jump in job creation to the manufacturing industry.

Even though Belleview is slightly under four square miles in area, it is the residential and commercial hub in south Marion County. It is located on a major commercial corridor and intersected by six thoroughfares including Highways 441/301/27 running north and south together through the center of town, Highway 484 running west toward Interstate I-75, County Road 25 running east toward Ocklawaha and Baseline Road (County Road 35), running north and south on the east side of town.

Belleview's population has continued to increase consistently over the years, largely due to annexations and development of the annexed lands. Therefore, the number of building permits issued for both residential and commercial new construction and remodeling have also continued to rise correspondingly. The City Commission has been pro-active in preparing for *planned* growth for the provision of services for the businesses that choose to locate in the city.

Belleview may be nestled in the rolling hills of south Marion County and appear to be a sleepy little community, but it has much to offer. Most of the businesses in Belleview are the locally owned "mom and pop" establishments which lends to our "small town charm". The Commission has designated the business license tax funds to be used to support economic development. The City promotes the unique aspects of our city through various advertising outlets, community events and job fairs.

The Commission established the Downtown Belleview Community Redevelopment Area in 2013. This area encompasses a large portion of the commercial corridor running through Belleview as well as the scenic historical area surrounding the lake. The DBCRA Board recommended, and the City Commission approved, a master plan for the development of the Lake Lillian Park area. The purpose of the expanded plan is to create a focal point to draw large events, and thus more people, to the area. The plan also includes developing design standards, including economic development incentives, to convert the older historic homes into small businesses. The DBCRA is funded with a portion of the ad valorem taxes from both the City and the County.

The Hwy 441 corridor now has both water and sewer services making this busy corridor a prime attraction for commercial development. The City is offering incentives, such as fee waivers and impact fee reductions, for connection to our services and annexation into the City.

Within the city and our surrounding service area, there are three elementary schools, a middle school, a high school, several private schools, and a nursing college. There is also a library and the most active recreational park in Marion County. Passive recreation is provided at several small pocket parks inside the city limits, and one of the best hiking/biking trails in Florida is just minutes away. Surrounded by serene and beautiful rural ranch land, Belleview is not only a great place to start a business, but also a great place to live and raise a family.

Long Term Financial Planning:

Both the General Fund and the Water and Sewer fund develop a five year capital improvements plan that lists specific capital and construction projects. These projects are developed with either a committed funding source or with monies that have been saved over the course of several fiscal

years and assigned in the fund balance for that specific project. Following are projects completed in the 2019 fiscal year. These projects will enhance the City and surrounding area:

a. Buildings – Waste Water Treatment Plant Office and Lab:

Over the last several years the City has constructed a new Public Works Complex, Renovation and Addition to the Police Building and Renovation of City Hall. In 2019 the City began construction of a Waste Water Treatment Plant Office and Lab. This building will be completed in the 2020 fiscal year.

b. DBCRA - Park Development:

Lake Lillian Park:

The Master Plan includes clean-up of the old Public Works Complex and converting the building to a community center; purchase of an out-parcel in the park area and demolition of the existing house; demolition and relocation of the playground to be closer to the Splash Park; demolition of the Lion's Den building; repaving and widening of the walking trail and exercise path; event poles for event vendors; additional parking and restrooms; and finally, vintage lighting throughout park and along the Robinson Road entryway. This project will be funded over several years with CRA funds, Recreation Impact Fees, and Pennies for Parks donations. In the 2019 fiscal year, the City obtained through Marion County a Community Development Block Grant (CDBG) for \$300,000 to construct a Community Building from the old Public Works Complex building in Lake Lillian Park. This building construction will occur in the 2020 fiscal year.

Cherokee Park:

The CRA also includes Cherokee Park – a small neighborhood park that houses the Fred King Playground for children and the Cherokee Park Adult Recreation Center. Funds for clean-up of this park area, as well as the conversion of the building to a general community use center was completed in the current fiscal year. The Cherokee Park Community Center is becoming very popular for citizen use such as weddings and reunions along with other group and family gatherings. Future plans include renovation to this building.

c. Sidewalk Projects:

Pedestrian walkways that provide connectivity to the area parks, schools and shopping centers have always been important to Belleview and add to the “small town charm” of City. One such sidewalk is planned on SE 110 Street, connecting Hwy 441 to the Lake Lillian Park. This will be moved to the forefront once the right-of-way issues are resolved. The sidewalk will pass a retirement community, enabling the residents to walk to shopping or the park area.

Another priority sidewalk is planned for SE 102 Place, from Hwy 441 to SE 52 Court. This will link to the school bus pick up and drop off sites as well as a local route to shopping, thereby providing a safe pedestrian route for the children.

Tying into one or both of these projects is a proposed multi-use trail connecting the City of Belleview to the Cross Florida Greenway beginning at the Lake Lillian Park. Future plans for the project are detailed in the Belleview to the Cross Florida Greenway Trail Feasibility Study.

d. Street Projects:

The Public Works Department annually monitors the street conditions for consideration of paving, resurfacing and striping projects. These projects are funded with gas tax funds that have generally been saved over a several year period. To increase efficiency and save dollars, the Public Works Director will review the water and sewer infrastructure at the same time for possible repair and replacement needs.

e. Water and Sewer Utilities:

There are several projects in the works that will increase efficiency and improve services in Bellevue. The City has been installing electronic read water meter system throughout the City over the past several years. In addition to increasing staff efficiency and reporting capabilities for the billing process, this system will also be able to more accurately monitor usage and help in leak detection analysis for the citizen. To move the project forward and be able to contract a city-wide install, the City obtained a low interest (0.75%) loan/grant for \$960,000. Of that amount \$634,524 is forgiven leaving the amount of the loan at \$324,976. Those meters were installed in the 2018/2019 fiscal year.

The City is continuing the line replacement program for all of the old asbestos, galvanized and cast iron lines throughout the system. As this program has been on-going, there are only a few areas of the City left that need to be addressed.

The city obtained a Nutrient Loading Study grant for \$300,000. The majority of the study took place in the 2017/2018 fiscal year and was completed in the 2018/2019 fiscal year.

f. Transparency in Government:

The City has been diligent in not only safe-guarding the data in all of our programs and proactive in creating a more interactive website. Staff is continually striving to make improvements that will provide the public with not only quick and easy access to a variety of information but also the ability to process forms and requests on-line. City records, such as the minutes, resolutions and ordinances are reduced to a digital format for quick and easy search and retrieval and linked to the City's website for quick and ready access by the citizens. Citizens can sign up for meeting notifications and a variety of emergency alerts, including non-payment status notices.

The City has increased its use of social media by using Facebook on a consistent basis to broadcast items of interest to the public. Because of the expanded use of smart phones for a multitude of tasks, the city has also developed and released a mobile app which links to the website. This has taken a team of multi-talented users under the direction of the IT Director to implement and monitor the variety of programs required to stay current in the world of social media. Additionally, in the 2017/2018 fiscal year, the city installed an information electronic sign in front of City Hall. This sign will give citizens important information and emergency information. In 2019 the City increased its usage of this sign for public notices, including Hurricane information.

Key Management Practices:

Budget Preparation and Monitoring:

The City regularly reviews revenues and expenditures throughout the fiscal year. The city's financial software package makes it possible to issue monthly reports to the elected officials and post them on our website for the benefit of the citizens. It has also increased staff awareness of the budget and the need to quickly address any deviations that may require immediate action. Any unexpected shortfalls in revenues or emergency expenses are routinely taken to the Commission for consideration of the appropriate budget amendment. Budget preparation begins in early spring, with a review of current projects and a look ahead to anticipated needs. Operational and long term plans as well as the anticipated funding sources are discussed.

Purchasing Policy:

The Commission revised and expanded the purchasing policy to include sections further defining the purchase order process, professional service agreements, the FDLE purchasing requirements and conflicts of interest.

Fund Balance Policy:

The Fund Balance Policy was designed in accordance with GASB requirements. The fund balance reserves provide cash flow, offset economic downturns or revenue shortfalls, and provide funds for unforeseen emergencies or expenses and insure financial stability by maintaining prudent levels of resources.

In addition to the mandated restricted and committed accounts, the Commission has several assigned accounts that are used to plan for future projects. These accounts are reviewed on an annual basis for inclusion in the budget process or by a formal motion of the Commission to be reserved for future use. At the time of use, the funds are budgeted as a "fund balance forward" to offset the capital expense for the designated use.

Awards and Acknowledgements:

Independent Audit:

State statutes require an annual audit by independent certified public accountants. The accounting firm of Purvis Gray & Company, LLC completed this year's audit. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of the report.

Awards:

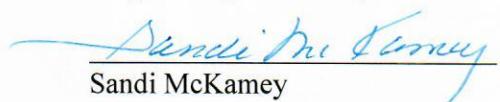
The City has been awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association of the United States and Canada (GFOA) for the eleventh year in a row for its Budget Manual prepared for the 2018/2019 fiscal year. In order to receive this award, which is valid for a period of one year only, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

The City has also received its tenth Government Finance Officers Association of the United States and Canada Certificate of Excellence in Financial Reporting for the fiscal year ending September 30, 2018 for its Comprehensive Annual Financial Report (CAFR). To receive this recognition, the CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

Acknowledgements:

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service and cooperation of a variety of staff from different departments. A special thanks to all of those who insure the accuracy of all of the City's financial records on a daily basis. Sincere appreciation is especially extended to the entire Finance Department who worked diligently to gather and compile information prior to the audit and the creation of this document. A special thank you to the Mayor and the Commission for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Sandi McKamey

City Administrator



Marge Strausbaugh
Finance Director



EXECUTIVE DIRECTORY

CITY COMMISSION

Christine K. Dobkowski

MAYOR

MICHAEL J. GOLDMAN GARY W. ERNST

Commissioner - Seat 1

Commissioner - Seat 2

RONALD T. LIVSEY

Commissioner - Seat 3

ROBERT "BO" SMITH

Commissioner - Seat 4

SANDI McKAMEY

City Administrator

TERRY HOLLAND

Police Chief

BRUCE PHILLIPS

Public Works Director

SHAWNA CHANCEY

Development Services Director

KEVIN TOWNE

Information Technology Director

MARGE STRAUSBAUGH

Finance Director



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belleview, Florida (the City) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implantation, 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion about the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando

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Members of American and Florida Institutes of Certified Public Accountants
An Independent Member of the BDO Alliance USA.

Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

INDEPENDENT AUDITOR'S REPORT

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2019, 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.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and the statistical section are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and it is also not a required part of the basic financial statements.

The schedule of expenditures of Federal awards is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedure, including comparing and reconciling such information or to the basic financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of Federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

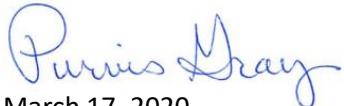
The introductory and statistical sections have not been subjected to the auditing procedures applied on the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 17, 2020, 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 accordance with the City's internal control over financial reporting and compliance.



March 17, 2020
Ocala, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Bellevue (the “City”), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal, the City’s financial statements and the other required supplemental information.

This discussion and analysis is designed to: (a) assist the reader in focusing on significant financial issues; (b) provide an overview of the City’s financial activity; (c) identify changes in the City’s financial position (its ability to address the next and subsequent year challenges); (d) identify any material deviation from the financial plan (the approved budget); and (e) identify individual fund issues or concerns. The information contained within this section should be considered only as a part of a greater whole.

Financial Highlights

- The assets of the City exceeded its liabilities (net position) at the close of the most recent fiscal year by \$21,454,672.
- Of this amount \$3,215,385 (*unrestricted net position*) may be used to meet the governments ongoing obligations to citizen and creditors.
- The City’s total net position *increased* by \$993,807, with business-type activities experiencing an *increase* of \$123,240 and Governmental activities experiencing an *increase* of \$870,567.
- At the close of the current fiscal year, the City’s governmental funds reported an ending fund balance of \$2,933,045, an *increase* of \$484,141 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the general fund was \$2,933,045. Of that amount \$2,182,148 was non spendable, restricted, committed or assigned and \$750,897 was unassigned with that amount of unassigned dollars comprising approximately 25.6% of total general fund balance.
- The City created the Bellevue Downtown Community Redevelopment Area (CRA) in 2013. Fund Balance at September 30, 2019 was \$103,488. To date the CRA has assisted the City with improvements to Lake Lillian Park that included demolition of an old building in the park and purchase of property adjacent to Lake Lillian Park and demolition of a blighted house. This property is now part of the Lake Lillian Park.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements are comprised of three components: (1) governmental-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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 similar to a private-sector business.

The *statement of net position* presents information on all of the City’s assets and liabilities, with the difference between the two reported as net position. 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 City’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 the 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 of a significant portion of its costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, physical environment, transportation, and culture and recreation. The business-type activities of the City include the water and sewer utility.

The government-wide financial statements can be found on pages 16-17 of this report.

Fund financial statements. 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, 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 three categories: governmental funds, enterprise funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, 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. Such information may be useful in evaluating a government's *near-term* financing requirements.

Because the focus of governmental funds is narrower than that of the governmental-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the City's *near-term* financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains one major governmental fund. The City adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The governmental fund financial statements are presented on pages 18-21 of this report.

Proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations.

Enterprise fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The water and sewer utility fund is considered a major fund of the City. The basic enterprise fund financial statements can be found on pages 22-26 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 27-28 of this report.

Notes to the financial statements. The notes to the financial statements 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 29-56 of this report.

Other information. In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 57-65 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$21,454,672 at the close of the most recent fiscal year.

CITY OF BELLEVUE'S NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other Assets						
Capital Assets	3,244,014	2,960,113	4,104,780	4,417,085	7,348,794	7,377,198
Total Assets	10,227,409	10,082,013	17,646,548	17,985,383	27,873,957	28,067,396
Deferred Outflows						
Related to Pensions/OBEB	167,808	230,602	1,786	1,193	169,594	231,795
	10,395,217	10,312,615	17,648,334	17,986,576	28,043,551	28,299,191
Long-term liabilities						
outstanding	2,690,415	3,159,394	2,936,413	3,490,347	5,626,828	6,649,741
Other liabilities	299,514	511,210	481,369	388,917	780,883	900,127
Total Liabilities	2,989,929	3,670,604	3,417,782	3,879,264	6,407,711	7,549,868
Deferred Inflows						
Related to Pensions	181,168	284,743	0	0	181,168	284,743
	3,171,097	3,955,347	3,417,782	3,879,264	6,588,879	7,834,611
Net Position						
Invested in capital assets, net of related debt	5,084,165	4,743,449	10,643,372	10,775,408	15,727,537	15,518,857
Restricted	1,103,121	753,501	1,408,629	1,327,121	2,511,750	2,080,622
Unrestricted	1,036,834	860,318	2,178,551	2,004,783	3,215,385	2,865,101
Total Net Position	7,224,120	6,357,268	14,230,552	14,107,312	21,454,672	20,464,580

By far, the largest portion of the City's net position, \$15,727,537 or 73.3%, reflect its investment in capital assets (e.g., land, building, improvements, infrastructure and equipment), less any related debt issued to acquire those assets that is still outstanding. In addition, the City uses these capital assets to provide services to citizens; therefore, the assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

A portion of the City's net position \$2,511,750 or 11.7% represents resources that are subject to external restrictions on their use. The remaining balance of unrestricted net position, \$3,215,385 or 15% may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the governmental as a whole, as well as for its separate governmental and business-type activities.

During the current fiscal year, the government's net position *increased* by \$993,807.

Governmental activities *increased* the City's net position by \$870,567 of the overall increase to net position. Business-type activities experienced an *increase* in net position of \$123,240. Key elements of these changes are as follows:

CITY OF BELLEVUE'S CHANGES IN NET POSITION

	Governmental		Business-type		Total	
	Activities		Activities			
	2019	2018	2019	2018		
Revenues:						
Program Revenues:						
Charges for Service	1,308,010	1,181,189	2,999,741	2,640,730	4,307,751	
Operating grants and contributions	210,354				210,354	
Capital grants and contributions	81,102	725	1,281,408	939,737	1,362,510	
General Revenues:						
Property Taxes	1,123,721	1,061,467			1,123,721	
Other Taxes	1,278,210	1,197,063			1,278,210	
Other Revenues	842,400	810,959	32,689	18,455	875,089	
Total revenues	\$4,843,797	\$4,251,403	\$4,313,838	\$3,598,922	\$ 9,157,635	
					\$ 7,850,325	
Expenses:						
General government	2,006,670	1,810,880			2,006,670	
Public safety	1,615,436	1,388,362			1,615,436	
Physical Environment	334,853	314,806			334,853	
Transportation	631,331	648,044			631,331	
Culture/Recreation	192,851	185,024			192,851	
Interest on Long Term Debt	64,125	80,074			64,125	
Economic Development Council						
Water utility			3,318,562	2,214,843	3,318,562	
Total expenses	\$ 4,845,266	\$ 4,427,190	\$ 3,318,562	\$ 2,214,843	\$ 8,163,828	
					\$ 6,642,033	
Increase (Decrease) in net position before transfers	(1,469)	(175,787)	995,276	1,384,079	993,807	
Gain on sale of Cap Assets				1,544	1,544	
Transfers	872,036	908,246	(872,036)	(908,246)	-	
Increase (Decrease) in net position	870,567	732,459	123,240	477,377	993,807	
Net Position Beginning (Restated)	6,353,553	5,624,809	14,107,312	13,629,935	20,460,865	
Net Position Ending	7,224,120	6,357,268	14,230,552	14,107,312	21,454,672	
					20,464,580	



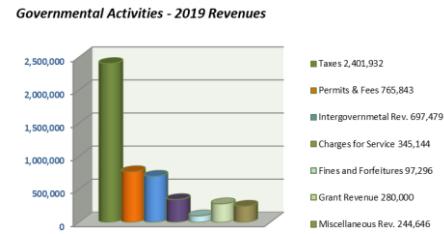
Overall, total revenues had an *increase* of \$1,307,310. Property Taxes *increased* by \$62,254. Without the millage rate changing for the 2019 fiscal year from the previous fiscal year, this shows that property value is increasing and not declining as seen during the previous recession years. Additionally, new growth is occurring that increases property taxes as property is revitalized.

MANAGEMENT'S DISCUSSION AND ANALYSIS

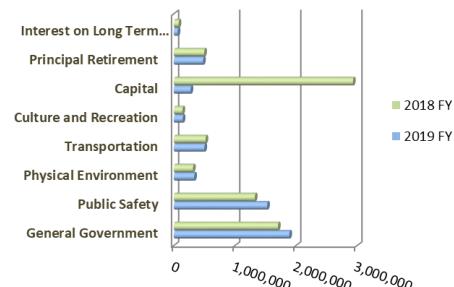
- Charges for service in 2019 *increased* in the Governmental Activities by \$126,821 or 10.7%. The increase in charges for service is due for the most part to the increase in building permits, predominately new residential. Charges for services *increased* in the Business-type Activities by \$359,011 or 13.6%. The City performed a water/sewer rate study in the 2018 fiscal year and approved a five year plan. This included 5% rate increases for 2019 and 2020 with a CPI cost of living increase each year following 2020.
- In the Business-type activities, grant revenue was *increased* in 2019 from 2018. The \$1,281,408 in Capital grants and contributions, was reimbursement from State DEP grants along with City Impact Fees for capital projects. This increase of 26.7% from the previous year was contributed to the meter replacement project in which all meters were replaced with electronic meters.
- The grant receipts in the Governmental activities in 2019 were \$291,456 of which \$210,354 was reimbursement from FEMA from Hurricane Irma. The remainder \$81,102 was Police grants that included equipment purchases and a vehicle purchase.
- Overall, total expenses *increased* by \$1,518,803. This left the City with \$686,278 less dollars expensed than revenue dollars received.
- General government expenses *increased* in 2019 by \$418,076 or 9.44%. This increase in expenses is correlated to increasing operational costs to maintain essential services along with increased building inspections.
- Public Safety expenses *increased* in 2019 by \$227,074 or 16.4%. This was due to reserves being maintained to pay off future debt for construction of the new Police building.

Transportation expenses *decreased* in 2019 by \$16,713 or 2.6%.

- Culture and Recreation expenses *increased* in 2019 by \$7,827 or 4.2 %.
- Physical environment (this includes Garbage) expenses *increased* in 2019 by \$20,047 or 6.4%. This slight increase demonstrates that the number of houses are increasing.
- Interest on Long Term Debt *decreased* by \$15,949 or 19.9%. This is due the discontinuance of vehicle leasing program.



Expense Comparison 2018 -2019

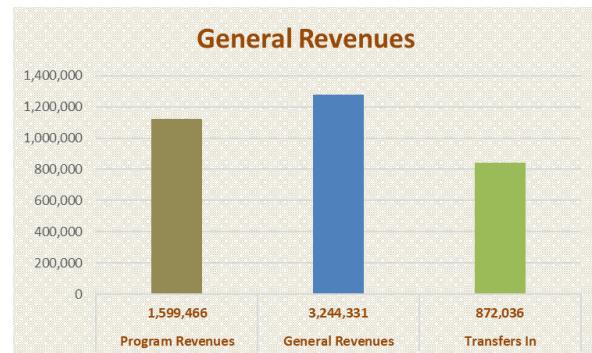


MANAGEMENT'S DISCUSSION AND ANALYSIS

The following charts compares expenses with program revenues for the City's **governmental** activities:

Program Revenues are comprised of:

• Charges for Service	\$1,308,010
• Capital Grants & Contributions	<u>291,456</u>
	\$1,599,466



General Revenues are comprised of:

• Property Taxes	\$1,123,721
• Other Taxes	1,278,211
• Other Revenues	<u>842,400</u>
	\$3,244,332

Transfers In are comprised of:

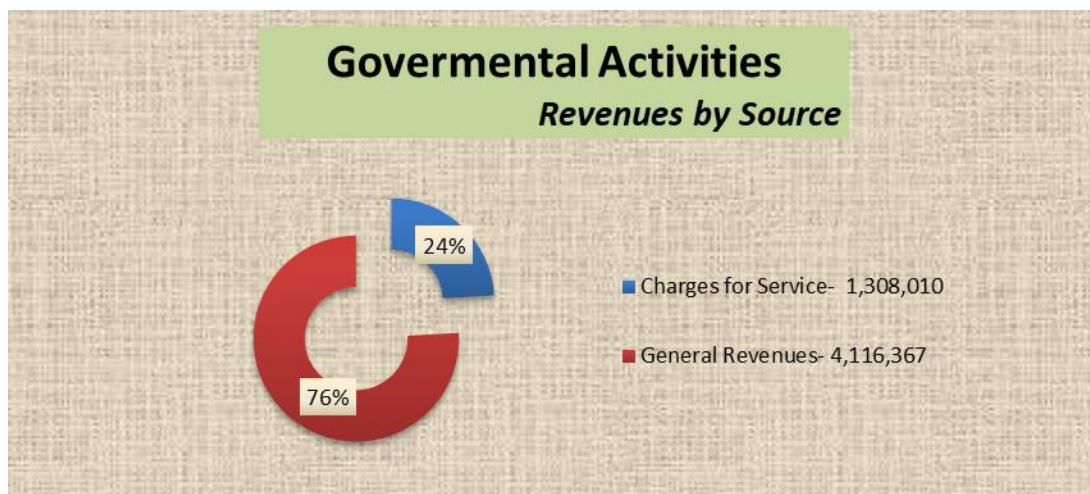
• Transfers In	\$872,036
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Total Revenue	\$5,715,834
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Note: Transfers in Revenue comes from Water/Sewer to pay for expenses that are covered by the General Government. Examples: use of buildings, debt payments, use of staffing & related services, IT shared costs and other shared miscellaneous expenses.

Revenues by Source - Governmental Activities (before transfers in)

In Governmental Activities revenue sources consist of Charges for Service and General Revenues that are made up of grants, taxes and other revenues and taxes.



Note: Total expenses in the Governmental Activities were \$4,845,266. This is \$1,469 less expense than revenues.

Business-type activities increased the City's net position by \$477,377, an *increase of \$123,240* from the 2018 fiscal year. Key elements of the increase (comparing last year to this year) are as follows:

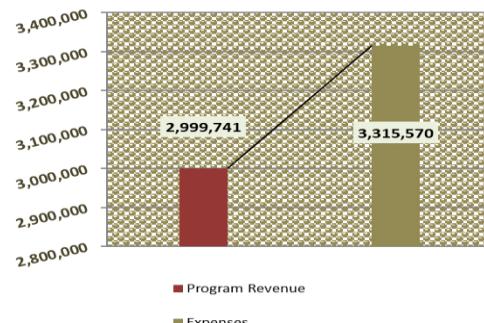
MANAGEMENT'S DISCUSSION AND ANALYSIS

- Revenues *increased* by \$714,916 or 19.9% in 2019 from the 2018 fiscal year. Capital and Operating grants that included funds for the meter replacement project *increased* by \$341,671. Charges for Service *increased* by \$359,011 due to a 5% rate increase.
- Total expenses *increased* by \$1,100,727 or 33.1% in 2019 from the 2018 fiscal year. This was due to a total meter replacement project that received a large amount of funding from a State grant.
- Of that total expense, transfers to the General Fund *decreased* by \$36,210 or 7.3% in 2019 fiscal year mainly due to personnel reductions.

Expenses and Program Revenues- Business-type Activities

(prior to transfers out)

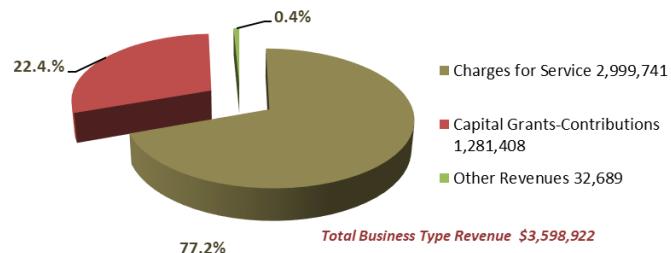
2019 Business Type Comparison



Revenues by Source- Business-type Activities

Business-type Activities

2019 Business Type Revenues



The key factor in the City's Business-type *increase* is the increase in business-type grants and contributions.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

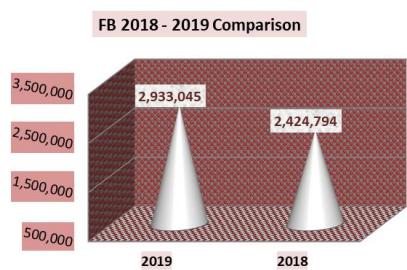
Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure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

Special Revenue Funds-CRA. Under the Governmental Funds is a Special Revenue Fund-CRA. The City uses

MANAGEMENT'S DISCUSSION AND ANALYSIS

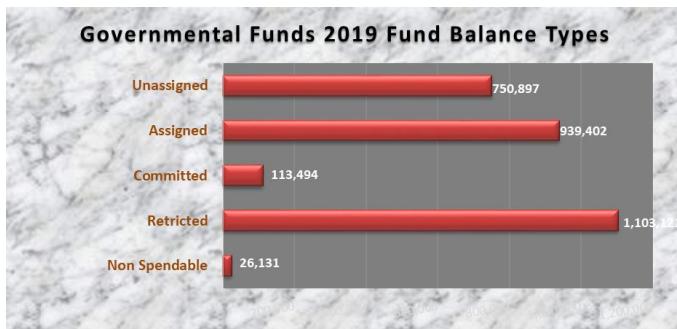
this fund to track the *Bellevue Downtown Community Redevelopment Area* activities. Revenues are derived from tax increments for property value above the 2013 base year levels paid into the CRA from Marion County and the City of Bellevue. Currently the CRA is using these funds for land purchases and projects for this redevelopment area, where these funds are restricted to be spent. At the end of the 2019 fiscal year, the CRA Fund Balance was \$103,488.

Fund Balance-The General Fund is the chief operating fund for the City. The City reorganized its fund balance allocations to more correctly align with the intent of each project designation via a Fund Balance Resolution that has the City reviewing Fund Balance allocations at budget time of each fiscal year. The budget correlates back to the Fund Balance allocations for a more transparent look at how the City reserves or "saves" money for needed City projects.



At the end of the 2019 fiscal year, the City's Governmental funds reported a total ending fund balance of \$2,933,045, an *increase* of \$508,251 in comparison with the 2018 fiscal year ending balance of \$2,424,794. At the end of the 2019 fiscal year, the *unassigned fund balance* of the General Fund was \$750,897. The *unassigned fund balance* amount is 25.6% of the total fund balance and is available for spending at the City's discretion. At the end of the 2019 fiscal year, the combined *non-spendable, committed, assigned and restricted fund balances* of the General Fund was \$2,182,148. These fund balance accounts are not available for new spending as a result of meeting the criteria that places the funds into their individual fund balance categories.

As a measure of the General Fund's liquidity, it may be useful to compare the non-spendable, restricted, committed, and assigned balances to the unassigned balance.



Proprietary funds. The City's proprietary funds (*water and sewer utilities*) provide essentially the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Utility fund at the end of the year amounted to \$2,178,551, an *increase* of \$173,768. This increase was the result of unrestricting funds for Capital Projects. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Government Budgetary Highlights

Although the economic fluctuations are still evident and make it more difficult to forecast, Bellevue is seeing an increase in commercial building along with potential for more local jobs and income. Extending utility lines will greatly encourage this essential type of growth to Bellevue's tax base. Additionally, a new extension of the sewer system south which was funded by grants obtained from DEP and Marion County will develop and extend Bellevue's southern commercial 441 corridor. While the City is cautious in its optimism, level economic conditions are imperative for confidence in forecasting.

Budgeted Revenues:

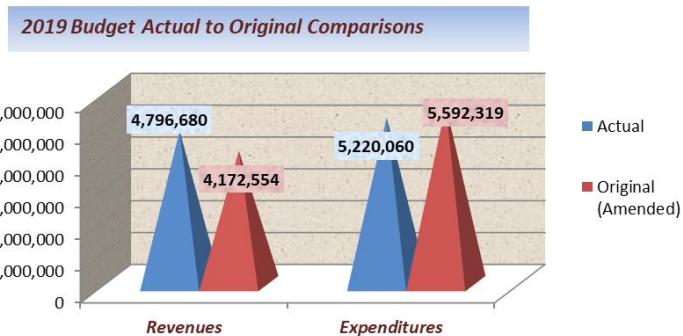
Bellevue saw continued commercial and residential construction occur in the 2019 fiscal year. Property values and subsequently the corresponding taxable values increased in 2019. The difference in property taxes between 2019 and 2018 was a combination of increases in property value and new construction growth. The City maintained its previous millage rate of 5.0000 for its base property tax.

In 2019 the General Government saw an *increase* in actual revenues of \$536,524 in excess of what was originally budgeted and amended. The increase in actual revenues was mainly due to increased tax revenue.

Budgeted Expenditures:

Expenditures for the General Fund were under the original amended budget by \$601,132, primarily a result of spending oversight.

In 2019 the General Fund saw an excess of expenditures over revenues of \$423,380. In other words, the City took in less revenues than what it spent. (The transfer in from the Water/Sewer Fund is not included in these revenue totals.) Once those transfer in revenues are added there is a total of \$404,763 of revenues *over* expenditures.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Asset and Debt Administration

	Government Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land and Improvements	\$ 1,545,911	\$ 1,545,911	\$ 192,115	\$ 192,115	\$ 1,738,026	\$ 1,738,026
Buildings	3,819,761	2,112,797			3,819,761	2,112,797
Imprv other than Bldgs	795,869	824,358			795,869	824,358
Buildings & Improvements			18,116,310	18,069,952	18,116,310	18,069,952
Infrastructure	2,192,551	2,192,551	4,874,232	2,073,183	7,066,783	4,265,734
Vehicles/Accessories	773,337	685,466			773,337	685,466
Machinery,Furniture,Equipmen	901,161	806,319	562,275	595,333	1,463,436	1,401,652
Intangible Assets	147,744	147,744	58,868	58,868	206,612	206,612
Construction in Progress	158,260	1,792,617	352,453	2,758,530	510,713	4,551,147
Total Capital Assets	\$ 10,334,594	\$ 10,107,763	\$ 24,156,253	\$ 23,747,981	\$ 34,490,847	\$ 33,855,744
Capital Assets, Net	\$ 6,983,395	\$ 7,121,900	\$ 13,541,768	\$ 13,568,296	\$ 20,525,163	\$ 20,690,196

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2019 is \$20,525,163 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, furniture and equipment, and vehicles.

The *decrease* in the City's total capital assets (net of accumulated depreciation) was \$165,033. The government activities *decreased* \$138,505 and the business-type activities *decreased* \$26,528, both of which occurred because disposal of items was greater in the 2019 fiscal year.

There were no major capital asset construction events during the current fiscal year.

City of Bellevue's Capital Asset:

Additional information on the City's capital assets can be found in Note 3 on pages 42-43 of this report.

City of Bellevue's Outstanding Debt - Revenue Bonds and Loans.

Debt

At the end of the current fiscal year the City had no bonded debt outstanding having paid off the 1977 Farmers' Home/USDA bond and refinancing the 1986 and 1988 Farmers' Home/USDA combined bond debt with Community Bank & Trust (in 2014). This reduced the debt time remaining by seven years and reduced the loan interest by 39%.

At the end of the current fiscal year, the City had loans payable of \$2,868,679 and notes payable of \$1,852,265 along with lease debt of \$44,965 (Police Vehicles and Radios). The loans payable represent water and sewer utility system debt, both secured by specified revenue sources. The notes payable are also secured by specified revenue sources in General Government for purchase of the Public Works Complex land, the construction of the Public Works Complex, the renovation of City Hall and the renovation and addition constructions to the Police Department building.

Governmental Activities. On March 7, 2007, the City entered into a Land Acquisition note, Series 2007 with SunTrust Bank for \$1,246,000 at an interest rate of 4.02% to purchase approximately 27 acres of land on Highway 484 for future governmental use. In March 2009 this note was extended for two years with \$200,000 reduction in principal and an interest rate of 3.79%, due March 31, 2011. In March 2011 the City paid off the note with SunTrust Bank and refinanced this note with Center State Bank for a lower amount of \$937,874, with a fixed five year interest rate of 2.98%. However, a new fixed interest

MANAGEMENT'S DISCUSSION AND ANALYSIS

rate for years 6-10 was to be recalculated after year five with a \$131,563 balloon payment due at the end of the ten year term. The City established a new loan with Community Bank & Trust of Florida in 2016, paid off the Center State note and combined the remaining amount due for the land with an additional amount to address a portion of construction of the new Public Works Complex and other future capital needs, such as the renovation of City Hall. The new CBT capital loan is a \$1,500,000 loan for 10 years at a fixed interest rate of 3.41%. The development of this property and construction of the new Public Works Complex was completed by the end of the 2016 fiscal year. In 2018 the renovation of City Hall construction project was completed using the rest of the CBT capital loan.

In 2018, the Police Department discontinued their leasing of vehicles and applied for a USDA grant to purchase new vehicles in the 2019 fiscal year. All remaining leased Police vehicles will be paid off in 2021. A three year lease program covering 2018 – 2020 fiscal years for Police radios was included in the 2019 lease activities.

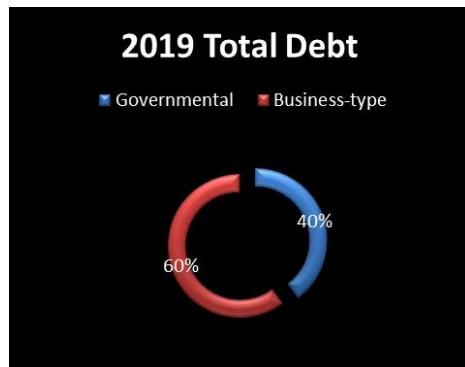
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Leases	44,965	91,691	-	-	44,965	91,691
Loans Payable	-	-	2,868,679	3,402,131	2,868,679	3,402,131
Note Payable	1,852,265	2,286,760	-	-	1,852,265	2,286,760
Total Notes & Loans	\$ 1,897,230	\$ 2,378,451	\$ 2,868,679	\$ 3,402,131	\$ 4,765,909	\$ 5,780,582

In 2017 the City obtained a 1.5 million dollar - five year loan at an interest rate of 2.250% for the Police Department building construction. This project is actually funded through the four year Local Option Sales Tax which begin distribution in the 2017 fiscal year. The Local Option Sales Tax proceeds will pay off the loan annually and the remainder of the loan by the end of this five year loan. In the 2018 fiscal year the loan funds were used for the renovation/addition construction of the Belleview Police Department building.

Business-Type Activities. The City also had a low interest loan with Community Bank & Trust of Florida equal to the principal owed on the last three Farmers' Home/USDA utility construction bonds. This was paid off in the 2019 fiscal year.

The City had four low interest rate state revolving loans through the Department of Environmental Protection. The loan that was issued in 2003 was for sewer upgrades and expansion. The Highway 441 North and South Water Extension projects that were also funded by state revolving loans and grants with construction completed in the 2012 fiscal year. All of the loans are secured with water and sewer system user revenues.

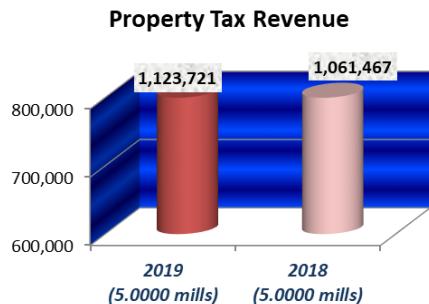
Additional information on the City's long-term debt can be found in Note 4 on pages 43-45 of this report.



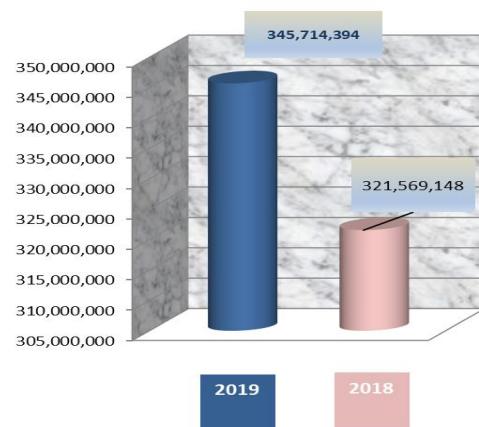
MANAGEMENT'S DISCUSSION AND ANALYSIS

Property Tax: The tax base for the City is composed of real property, personal property and centrally assessed property. The taxable value of such property *increased* from the previous year by 6.98% in 2019. The assessed value increased from \$321,569,148 in 2018 to \$345,714,394 in 2019.

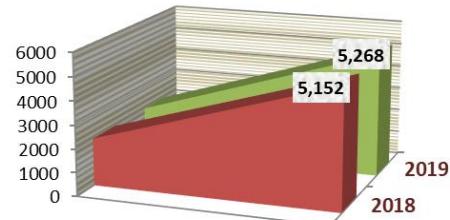
The General Fund property tax millage remained the same as it was in 2018 at 5.0000 in the 2019 fiscal year. This millage rate generated \$1,061,467 in 2018 and \$1,123,721 in 2019.



Property Tax Value



Population Changes: The City's population increased from 5,152 in 2018 to 5,268 in 2019.



FINANCIAL CONTACT:

This financial report is designed to provide a general overview of the City of Belleview, Florida's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Finance Department, Finance Director, City of Belleview, 5343 SE Abshier Blvd, Belleview, Florida 34420. You can also access the City's website at www.belleviewfl.org.

BASIC FINANCIAL STATEMENTS

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 2,883,615	\$ 3,561,086	\$ 6,444,701
Accounts Receivable, Net	124,091	335,888	459,979
Due from Other Governments	210,177	176,992	387,169
Inventories	4,623	22,947	27,570
Prepaid Expenses	21,508	7,867	29,375
Capital Assets, Non-Depreciable	1,704,171	544,568	2,248,739
Capital Assets Depreciable, Net	5,279,224	12,997,200	18,276,424
Total Assets	10,227,409	17,646,548	27,873,957
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions and OPEB	167,808	1,786	169,594
Total Assets and Deferred Outflows	10,395,217	17,648,334	28,043,551
Liabilities			
Accounts Payable	87,288	132,345	219,633
Other Accrued Liabilities	115,033	23,778	138,811
Retainage Payable	-	29,717	29,717
Unearned Revenue	86,668	-	86,668
Customer Deposits	-	279,302	279,302
Accrued Interest Payable	-	16,227	16,227
Due to Other Funds	10,525	-	10,525
Non-Current Liabilities:			
Due Within One Year	553,740	132,154	685,894
Due in More Than One Year	2,136,675	2,804,259	4,940,934
Total Liabilities	2,989,929	3,417,782	6,407,711
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	181,168	-	181,168
Total Liabilities and Deferred Inflows	3,171,097	3,417,782	6,588,879
Net Position			
Net Investment in Capital Assets	5,084,165	10,643,372	15,727,537
Restricted for:			
Debt Service	-	65,398	65,398
Capital Projects	883,716	1,343,231	2,226,947
Parks and Recreation	64,805	-	64,805
Law Enforcement	42,193	-	42,193
Cemetery Perpetual Care	112,407	-	112,407
Unrestricted	1,036,834	2,178,551	3,215,385
Total Net Position	\$ 7,224,120	\$ 14,230,552	\$ 21,454,672

See accompanying notes.

CITY OF BELLEVUE, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Program Revenues			Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-Type Activities
Governmental Activities						
General Government	\$ 2,006,670	\$ 765,843	\$ -	\$ 81,102	\$ (1,159,725)	\$ -
Public Safety	1,615,436	152,162	-	-	(1,463,274)	-
Physical Environment	334,853	345,144	210,354	-	220,645	-
Transportation	631,331	-	-	-	(631,331)	-
Culture and Recreation	192,851	44,861	-	-	(147,990)	-
Interest on Long-Term Debt	64,125	-	-	-	(64,125)	-
Total Governmental Activities	4,845,266	1,308,010	210,354	81,102	(3,245,800)	-
Business-Type Activities						
Water and Sewer Utility	3,318,562	2,999,741	-	1,281,408	-	962,587
Total Business-Type Activities	3,318,562	2,999,741	-	1,281,408	-	962,587
Total Primary Government	\$ 8,163,828	\$ 4,307,751	\$ 210,354	\$ 1,362,510	(3,245,800)	962,587
General Revenues						
Taxes:						
Property Taxes				1,123,721	-	1,123,721
Public Service Taxes				329,250	-	329,250
Local Option Sales Tax				659,364	-	659,364
Gas Tax				256,103	-	256,103
Business Tax				33,493	-	33,493
State-Shared Revenues (Unrestricted)				697,478	-	697,478
Investment Income				26,020	32,689	58,709
Miscellaneous				118,902	-	118,902
Transfers, Net				872,036	(872,036)	-
Total General Revenues and Transfers				4,116,367	(839,347)	3,277,020
Change in Net Position						
Net Position, Beginning of Year				870,567	123,240	993,807
Net Position, End of Year				6,353,553	14,107,312	20,460,865
				\$ 7,224,120	\$ 14,230,552	\$ 21,454,672

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	General Fund	Special Revenue Fund - CRA	Governmental Funds	Total
Assets				
Cash and Cash Equivalents	\$ 2,780,127	\$ 103,488	\$ 2,883,615	
Accounts Receivable	124,091	-	124,091	
Due from Other Governments	210,178	-	210,178	
Due from Other Funds				-
Inventory	4,623	-	4,623	
Prepaid Items	21,508	-	21,508	
Total Assets	3,140,527	103,488	3,244,015	
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	87,287	-	87,287	
Due to Other Funds	10,525	-	10,525	
Other Accrued Liabilities	115,033	-	115,033	
Unearned Revenue	86,669	-	86,669	
Total Liabilities	299,514	-	299,514	
Deferred Inflows of Resources				
Unavailable Revenue - FEMA	11,456	-	11,456	
Total Deferred Inflow of Resources	11,456	-	11,456	
Fund Balances				
Non-Spendable:				
Inventory	4,623	-	4,623	
Prepaid Items	21,508	-	21,508	
Restricted for:				
Police Education	-	-	-	
Cemetery Perpetual Care	112,407	-	112,407	
Gas Tax	367,738	-	367,738	
One Cent Sales Tax	412,490	-	412,490	
Police Department Construction Loan				-
Police Automation	41,136	-	41,136	
Evidence Room Money	1,057	-	1,057	
Parks Impact Fees	64,805	-	64,805	
Community Redevelopment	-	103,488	103,488	
Committed to:				
Mausoleum Maintenance	18,800	-	18,800	
Cemetery Perpetual Care - Interest	2,573	-	2,573	
Economic Development	83,593	-	83,593	
False Alarms	6,528	-	6,528	
Assigned for:				
Emergency Reserves	500,000	-	500,000	
Cash Flow	383,457	-	383,457	
Insurance Claims Reserve	18,000	-	18,000	
Pennies for Parks	512	-	512	
Code Enforcement	37,433	-	37,433	
Technology				-
Integrated System Software				-
CBT Loan - Capital Project				-
Unassigned	752,897	-	752,897	
Total Fund Balances	2,829,557	103,488	2,933,045	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,140,527	\$ 103,488	\$ 3,244,015	

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2019

Total Fund Balances of Governmental Funds	\$ 2,933,045
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 funds. The cost of the assets is \$10,334,594 and the accumulated depreciation is \$3,351,199.	6,983,395
Hurricane Irma Funds were recorded as a receivable and deferred inflow at the fund level as funds were not received within 60 days after year-end. At the government-wide level this was recorded as a receivable and revenue due to the economic resource measurement focus.	11,456
Deferred Outflows and Inflows of Resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred Outflows and Inflows of Resources at year-end consist of:	
Deferred Outflows Related to Pensions and OPEB	\$ 167,808
Deferred Inflows Related to Pensions	<u>(181,168)</u>
	(13,360)
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:	
Net Pension Liability	(332,270)
OPEB Liability	(141,565)
Notes Payable	(1,852,265)
Leases Payable	(46,966)
Compensated Absences	<u>(317,350)</u>
	<u>(2,690,416)</u>
Total Net Position of Governmental Activities	<u>\$ 7,224,120</u>

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General Fund	Special Revenue Fund - CRA	Total Governmental Funds
Revenues			
Taxes	\$ 2,366,993	\$ 34,939	\$ 2,401,932
Permits and Fees	765,843	-	765,843
Intergovernmental Revenue	697,479	-	697,479
Charges for Service	345,144	-	345,144
Fines and Forfeitures	97,296	-	97,296
Grant Revenue	280,000	-	280,000
Miscellaneous Revenue	243,925	721	244,646
Total Revenues	4,796,680	35,660	4,832,340
Expenditures			
Current:			
General Government	1,891,264	175	1,891,439
Public Safety	1,528,219	-	1,528,219
Physical Environment	334,394	-	334,394
Transportation	501,360	-	501,360
Culture and Recreation	146,307	-	146,307
Capital Outlay	275,173	-	275,173
Debt Service:			
Principal Retirement	479,218	-	479,218
Interest	64,125	-	64,125
(Total Expenditures)	(5,220,060)	(175)	(5,220,235)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(423,380)	35,485	(387,895)
Other Financing Sources/(Uses)			
Transfer in	895,643	43,893	939,536
Transfer (out)	(67,500)	-	(67,500)
Total Other Financing Sources/(Uses)	828,143	43,893	872,036
Net Change in Fund Balances	404,763	79,378	484,141
Fund Balances, Beginning of Year	2,424,794	24,110	2,448,904
Fund Balances, End of Year	\$ 2,829,557	\$ 103,488	\$ 2,933,045

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Net Change in Fund Balances - Total Governmental Funds \$ 484,141

**Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:**

Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$275,171 were less than depreciation expense of (\$413,490) in the current period.

(138,503)

Hurricane Irma funds were recorded as a receivable and deferred revenue at the fund level as funds were not received within 60 days after year-end. At the government-wide level this was recorded as a receivable and revenue due to the economic resource measurement focus.

11,456

Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the statement of activities, the amount contributed to defined benefit pension plans reduces future net pension liability:

Net Effect of Adjustments to Pension Expense 27,137

The issuance of long-term debt (e.g. Notes, Leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The following are the effects of these differences in the treatment of long-term debt:

Principal Payments on Notes Payable	\$ 434,495	
Principal Payments on Capital Leases	44,726	479,221

Some expenses reported in the government-wide statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds:

Compensated Absences - Net	10,860	
Increase in OPEB Obligations	(3,745)	7,115

Change in Net Position of Governmental Activities	\$ 870,567	
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See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2019

	Business-Type Activities
	Water and Sewer Utility Fund
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 1,856,928
Restricted Cash Available for Current Liabilities	422,309
Receivables:	
Customers (Net of Allowance for Uncollectible Accounts of \$20,000)	237,613
Due From Other Governments	176,992
Other Receivables	98,275
Inventories	22,947
Prepaid Expense	7,867
Total Current Assets	2,822,931
Non-Current Assets	
Restricted Cash:	
Customer Deposits	279,302
Water Development	655,514
Sewer Development	687,717
State Revolving Loan Sinking	55,222
State Revolving Loan Reserve (Current Portion)	26,403 (422,309)
Total Restricted Cash	1,281,849
Capital Assets:	
Land	192,115
Building and Improvements	22,990,541
Machinery and Equipment	562,275
Intangible Assets	58,868
Construction in Progress (Accumulated Depreciation)	352,453 (10,614,484)
Total Capital Assets - Cost Less Depreciation	13,541,768
Total Non-Current Assets	14,823,617
Total Assets	17,646,548
Deferred Outflow of Resources	
Deferred Outflow OPEB	1,786
Total Assets and Deferred Outflow of Resources	\$ 17,648,334

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2019
(Concluded)

	Business-Type Activities
	Water and Sewer Utility Fund
Liabilities	
Current Liabilities	
Accounts Payable	\$ 132,345
Accrued Expenses	23,778
Retainage Payable	29,717
Current Portion of Compensated Absences	5,374
Total Current Liabilities	<u>191,214</u>
Current Liabilities (Payable from Restricted Assets)	
Customer Deposits	279,302
Current Portion of State Revolving Loans	126,780
Accrued Interest on Long-Term Liabilities	16,227
Total Current Liabilities (Payable from Restricted Assets)	<u>422,309</u>
Total Current Liabilities	<u>613,523</u>
Long-Term Liabilities	
State Revolving Loans Payable	2,741,899
OPEB Liability	40,863
Compensated Absences	21,497
Total Long-Term Liabilities	<u>2,804,259</u>
Total Liabilities	<u>3,417,782</u>
Net Position	
Net Investment in Capital Assets	10,643,372
Restricted for Debt Service	65,398
Restricted for Capital Projects	1,343,231
Unrestricted	2,178,551
Total Net Position	<u>\$ 14,230,552</u>

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities
	Water and Sewer Utility Fund
Operating Revenues	
Charges for Services	<u>\$ 2,999,741</u>
Operating Expenses	
Personnel Expenses	642,611
Operating Expenses	1,963,395
Depreciation and Amortization	643,087
(Total Operating Expenses)	<u>(3,249,093)</u>
Operating Income (Loss)	<u>(249,352)</u>
Non-Operating Revenues (Expenses)	
Interest Income	32,689
Interest Expense	(66,477)
Loss on Disposal of Capital Assets	(2,992)
Total Non-Operating Revenues (Expenses)	<u>(36,780)</u>
Income Before Capital Contributions and Transfers	<u>(286,132)</u>
Capital Contributions and Transfers	
Capital Contributions - Impact Fees	614,031
Capital Grant Revenues	667,377
Transfers (out)	(872,036)
Total Contributions and Transfers	<u>409,372</u>
Change in Net Position	123,240
Net Position, Beginning of Year	<u>14,107,312</u>
Net Position, End of Year	<u>\$ 14,230,552</u>

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities
	Water and Sewer Utility Fund
Cash Flows from Operating Activities	
Receipts from Customers, Including	
Cash Deposits	\$ 3,071,401
Payments to Suppliers and Service Providers	(1,868,550)
Payments to Employees for Salaries and Benefits	(664,894)
Net Cash Provided by Operating Activities	537,957
Cash Flows from Noncapital Financing Activities	
Transfers to Other Funds	(872,036)
Net Cash (Used in) Non-Capital Financing Activities	(872,036)
Cash Flows from Capital and Related Financing Activities	
Activities	
Capital Contributions from Customers	614,031
Capital Asset Acquisitions	(614,453)
Capital Grant Revenues	667,377
Proceeds from the Sale of Assets	
Principal Paid on Capital Debt	(66,114)
Interest Paid on Capital Debt	(533,452)
Net Cash Provided by Capital and Related Financing Activities	67,389
Cash Flows from Investing Activities	
Interest Income	32,689
Net Cash Provided by Investing Activities	32,689
Net Increase (Decrease) in Cash and Cash Equivalents	(234,001)
Cash and Cash Equivalents, Beginning of Year	3,795,087
Cash and Cash Equivalents, End of Year	\$ 3,561,086

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
SEPTEMBER 30, 2019
(Concluded)

Business-Type Activities
Water and
Sewer Utility
Fund

Shown in the Financial Statements as

Cash and Cash Equivalents	\$ 1,856,928
Restricted Cash and Cash Equivalents	1,704,158
Total	<u>\$ 3,561,086</u>

Reconciliation of Operating Income to Net Cash

Provided by (Used in) Operating Activities

Operating Income	\$ (249,352)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)	
Operating Activities:	
Depreciation and Amortization	643,087
Changes in Assets - Decrease (Increase) and	
Liabilities - Increase (Decrease):	
Accounts and Grants Receivable, Net	(22,390)
Inventories	22,566
Prepaid Expense	2,104
Due From Other Governments	76,025
Accounts Payable	70,175
Accrued Expenses	(1,207)
OPEB Liability	2,359
Customer Deposits	18,025
Compensated Absences	(23,435)
Total Adjustments	787,309
Net Cash Provided by Operating Activities	<u>\$ 537,957</u>

See accompanying notes.

CITY OF BELLEVUE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2019

	General Employees' Fund	Police Officers' Retirement Fund	Pension Trust Funds
Assets			
Cash, Cash Equivalents, and Investments:			
Short-Term Investments	\$ 8,916	\$ 185,707	\$ 194,623
Money Market	436,262	-	436,262
Mutual Funds - Fixed Income	111,237	1,695,856	1,807,093
Mutual Funds - Equity	235,222	2,036,524	2,271,746
Mutual Funds - Guaranteed Lifetime Income Fund	77,290	-	77,290
Mutual Funds - Fund of Funds	585,722	-	585,722
Mutual Funds - Allocation	10,506	-	10,506
Loans Receivable	140,052	-	140,052
Due from General Fund	-	10,525	10,525
Interest Receivable	-	3,256	3,256
Total Assets	<u>1,605,207</u>	<u>3,931,868</u>	<u>5,537,075</u>
Net Position			
Net Position Restricted for Pensions	<u>\$ 1,605,207</u>	<u>\$ 3,931,868</u>	<u>\$ 5,537,075</u>

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General Employees' Retirement Fund	Police Officers' Retirement Fund	Pension Trust Funds
Additions			
Contributions:			
Employer	\$ 122,902	\$ 106,933	\$ 229,835
State	-	48,064	48,064
Employee	-	32,981	32,981
Rollover	41,057	-	41,057
Total Contributions	<u>163,959</u>	<u>187,978</u>	<u>351,937</u>
Investment Earnings	<u>45,161</u>	<u>179,831</u>	<u>224,992</u>
Total Additions	<u>209,120</u>	<u>367,809</u>	<u>576,929</u>
Deductions			
Pension Benefit Payments and Refunds	288,405	189,836	478,241
General and Administrative	2,439	35,627	38,066
(Total Deductions)	<u>(290,844)</u>	<u>(225,463)</u>	<u>(516,307)</u>
Net Increase	<u>(81,724)</u>	<u>142,346</u>	<u>60,622</u>
Net Position Restricted for Pensions, Beginning of the Year	<u>1,686,931</u>	<u>3,789,522</u>	<u>5,476,453</u>
Net Position Restricted for Pensions, End of Year	<u>\$ 1,605,207</u>	<u>\$ 3,931,868</u>	<u>\$ 5,537,075</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA

Note 1 - Description of Funds and Summary of Significant Accounting Policies

The financial statements of the City of Belleview, Florida (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Significant City accounting policies are described below:

Reporting Entity

The City is a political subdivision of the State of Florida located in Marion County, Florida. The City was established in 1885, under the legal authority of the Laws of Florida 3638. The City operates under a mayor-commissioner form of government. The legislative branch of the City is composed of a four-member elected City Commission and an elected mayor. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Commission's appointed the City Clerk.

The City's major operations include water and sewer utilities, as well as public safety (police), road and street maintenance, recreation, and general administration services.

The accompanying financial statements present the financial position, results of operations, and cash flows of the applicable fund types and account groups governed by the City Commission of the City in accordance with governmental accounting standards. The reporting entity for the City (the primary government) contained no separate legal entities (component units) for which the City Commission has financial accountability. Financial accountability is present if the City Commission appoints a voting majority of a component unit's governing body and has the ability to impose its will on that organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City.

Downtown Belleview Community Redevelopment Agency

The Downtown Belleview Community Redevelopment Agency (CRA) was created on June 18, 2013, to revitalize the historical area of Belleview. The statutory life of this community redevelopment agency is 30 years unless extended and mutually agreed on by all parties. The governing body is the City Commission and they retain the corporate powers of this agency, since the City is able to impose its will on the CRA and there is a potential for specific financial benefits or burdens on the City.

The CRA fund was established in 2015 and received its initial incremental tax revenues. Separate financial statements are not issued for this agency.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effect of inter-fund activity, if any, has been removed from the financial 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. 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

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

or segment. Indirect expenses are allocated automatically and certain indirect costs are included in program expenses reported for individual functions and activities. 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, proprietary funds, and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Governmental funds and proprietary funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as 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 revenue 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.

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. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

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.

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and 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 government.

■ Government Fund

- 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 **Special Revenue Fund**—Community Redevelopment Agency was established in 2013. Incremental tax revenues received are restricted to redevelopment and rehabilitation of areas established in the redevelopment trust fund.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

■ **Proprietary Fund**

Proprietary funds are used to account for a government's ongoing activities, which are similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

The City reports the following major proprietary fund:

- **Water and Sewer Utility Fund** accounts for the fiscal activity of providing water and wastewater services to residential and commercial customers.
- **Fiduciary Fund**
 - The **Pension Trust Funds** account for the activities of the City's General Employees' and Police Officers' Retirement Funds, which accumulate resources for pension benefit payments for qualified retiring employees. They are excluded from the government-wide financial statements because they are fiduciary in nature and do not represent resources available to the government for operations.

Summary of Significant Accounting Policies

The City conforms all significant accounting policies to GAAP applicable to governmental units. The following is a summary of the more significant principles and practices used in the preparation of these financial statements:

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds charge customers for sales and services. Operating expenses for the 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 non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to generally use restricted resources first, and then unrestricted resources, as they are needed for their intended purposes; however, this decision is frequently made on a case-by-case basis based upon facts and circumstances. Revenues of the enterprise funds are recognized on the basis of services rendered. Billing cycles of the enterprise funds that overlap September 30 are prorated based upon meter reading dates.

Budgets and Budgetary Accounting

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

- The City Commission is responsible for preparing a proposed operating budget for the upcoming year prior to September 30 that includes estimated revenues, proposed expenditures, and other financing sources and uses.
- Public hearings are held to obtain taxpayer comments and suggestions. The budget is enacted through passage of a resolution.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

- The City Clerk is authorized to transfer budgeted amounts within any fund, but may not revise total fund expenditures without the approval of the City Commission. The budgetary data presented is in agreement with the originally adopted budget as amended by the City Commission.
- Formal budgetary integration is employed as a management control device during the year for all funds. Budgets are adopted on a basis consistent with GAAP, except that the provision for depreciation expense is not included in the budget of the proprietary funds. Total budgetary appropriations within a governmental fund type may not be exceeded legally. Appropriations lapse at the end of the year. Encumbrance accounting is not used. Budget data, when presented in the basic financial statements, is prepared on the same basis of accounting as that prescribed for the fund. An annual operating budget was prepared for all funds, except for the fiduciary fund. Annual budgets are adopted on a basis consistent with GAAP for all governmental funds.

During the year, the City made supplemental budget appropriations, which increased or decreased the budgets as necessary.

Cash and Cash Equivalents

Cash includes cash on hand, demand deposits with banks, and money market funds. The City's pooled cash account is considered to be a cash equivalent since each fund can effectively deposit or withdraw funds at any time without prior notice or penalty. The deposits and investments of the pension trust funds are held separately from those of other City funds.

For the purpose of the statement of cash flows, the City considers all cash and cash equivalents held by the pooled cash system to be included in the statement.

Transfers

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

Investments

The City's investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The method of measuring the fair value of investments uses the fair value hierarchy as defined by GASB.

Capital Grants and Contributions

Accounts receivable from other governments include amounts due from grantors. Program and capital grants for general capital assets are recorded as receivables and revenues at the time reimbursable costs are incurred. Revenues received in advance of costs being incurred are deferred.

Due from Other Governments

Due from other governments represents amounts due from the federal, state, or local government, State of Florida, or Marion County for shared revenues or costs. The amount is considered collectible within sixty days of fiscal year-end.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Receivables

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

Inventory

Inventories of supplies held by the business-type activities are priced at cost using the first-in, first-out (FIFO) method of accounting. Inventories are recorded as assets when purchased and charged to operating when used.

Prepaid Items

Certain payments made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant and 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. Property, plant and equipment with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are also capitalized. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Software is recorded as intangible assets and amortized on a three-year life.

Capital asset purchases are recorded as capital outlay expenditures in the fund level governmental funds in the year of acquisition.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 Years
Machinery, Equipment, Vehicles, and Intangibles	3 - 10 Years
Water Distribution System	40 Years
Pumping Station/Water Tank	10 - 40 Years
Sewer System	20 - 40 Years
Infrastructure	40 Years

Proprietary fund expenditures for repairs and maintenance are expenses when incurred. Additions, major renewals, and replacements, which increase the useful lives of the assets, are capitalized. Software is recorded as intangible assets and amortized on a three-year life.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify as

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

deferred outflows of resources on its government-wide and proprietary statement of net position, the deferred outflows for OPEB and deferred outflows for pension. The deferred outflows for OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Statements No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The deferred outflow for OPEB and pensions will be recognized as pension expense or a reduction of the net OPEB or pension liabilities in future reporting periods.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has one type of deferred inflows on its government-wide statement, the deferred inflows related for pensions. The deferred inflows for pensions are an aggregate of items related to pensions as calculated under the same principles as the deferred outflows for pensions. Both will be recognized as a reduction to pension expense in future reporting periods. The City also reports deferred inflows of resources on applicable governmental fund statements that represent revenues, which are measurable but not available, in accordance with the modified basis of accounting. These deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. The deferred inflows or resources represent grant funds.

Compensated Absences

In governmental fund financial statements, the amount of compensated absences associated with employee vacations that are recorded as expenditures represent the amounts paid during the year plus the amount accrued at year-end that would normally be liquidated with available spendable resources. Only the amount of the compensated absences liability that has matured (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement) that would normally be liquidated with current expendable available resources in the next fiscal year is recorded in the fund financial statements of the governmental fund. In the government-wide financial statements the governmental fund compensated absences are recorded and split between the current and non-current portions.

In proprietary funds, the amount of compensated absences associated with employee vacations that are recorded as expenses represent the amounts paid during the year and accrued at year-end. The entire liability for compensated absences of these funds is reflected in the respective financial statements split between the current and non-current portion.

The City's personnel policies allow general employees to accumulate a maximum of 240 hours of vacation leave and 1,040 hours of sick leave. Upon termination, employees are paid for their accrued vacation leave and 30% of their accrued sick leave after five years of service, or 50% after ten years of service. Police officers have the same accrual policy as general employees.

The City also has a compensatory time policy under which non-exempt employees accrue compensatory time at a rate of one and one-half times the amount of overtime worked, up to a maximum of 40 hours within a six-month period. Special detail work by police officers is excluded from compensatory time.

Encumbrances

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

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Unearned Revenue

Unearned revenues include amounts collected before the revenue recognition criteria are met and receivables which, under the modified accrual basis of accounting, are measurable but not yet available.

Fund Balance Classification

The City has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength to the spending constraints:

- **Non-Spendable Fund Balance**—Amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- **Restricted Fund Balance**—Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance**—Amounts constrained to specific purposes by the City Commission as a body of City officials with the only authority to bind and constrain funds. To be constrained as committed funds, the City Commission must adopt the binding constraint via a City Ordinance, the highest level action that can establish, modify, or rescind a fund balance commitment constraint.
- **Assigned Fund Balance**—The City's fund balance policy dictates the amounts that the City intends to use for a specific purpose. Intent can be expressed by the City Commissioners or by an official or body to which the City Commission delegates authority. Assigned fund balances include set-asides for future projects that are not included in the restricted or committed classifications, technology and equipment replacement, insurance reserves, and reserves for emergencies that are not classified as restricted or committed.
- **Unassigned Fund Balance**—Amounts that are available for any purpose. Positive amounts are only reported in the General Fund.

Sometimes the government will fund outlays for a particular purpose for both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be utilized about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Proprietary and Fiduciary Fund Types

Reserves of the proprietary fund and pension trust funds are used to indicate a segregation of a portion of net position equal to the current assets that are restricted for meeting various covenants as may be specified and defined in the revenue bond indenture and City ordinance. Usage of the reserves includes the following:

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CITY OF BELLEVUE, FLORIDA

■ Water and Sewer Development Charges

By ordinance, the City has established user development charges for all new connections to the City's water or sewer system. The use of these proceeds is restricted by the ordinance to system expansion and construction of new facilities and other similar needs. Water and sewer development charges are recorded as capital contributions when received.

■ Revenue Bond Sinking and Reserve

As more fully described in Note 4, City bond issues require that certain debt service and debt service reserve accounts be set aside for the payment of bond interest and principal.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City levied a rate of 5.0000 in 2018/2019 tax roll.

The tax levy of the City is established by the City Commission prior to October 1 of each year, and the Marion County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements.

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

All taxes are levied on November 1 of each year or as soon thereafter, as the assessment roll is certified and delivered to the County 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. Taxes paid in March are without discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 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. Unsold certificates are held by the County.

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

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the City Police Defined Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net

NOTES TO FINANCIAL STATEMENTS
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position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The governmental fund has been used in prior years to liquidate the net pension obligation and net OPEB.

On-Behalf Payments for Fringe Benefits

The City receives on-behalf payments from State of Florida to be used for Police Officers' Retirement Plan Contributions. For the fiscal year ended September 30, 2019, the on-behalf payments to the City totaled \$48,064 for the Police Retirement Plan. Such payments are recorded as intergovernmental revenue and public safety expenditures.

New GASB Statement Implemented

In fiscal year 2019, the City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placement*. The primary objective of this Statement is to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placement.

Note 2 - Cash and Cash Equivalents and Investments

Custodial Credit Risk-Deposits and Money Market Account

All cash deposits of the City are entirely insured either by the federal public depository insurance corporation (FDIC) or via banks' participation as qualified public depositories pursuant to the Florida Statutes, Chapter 280, *Security for Public Deposits Act* and, therefore, not subject to custodial credit risk. The City is required to verify that monies are invested in "qualified public depositories" as defined in Florida Statutes, Section 280.02.

Cash equivalents consist of amounts placed on deposit with Community Bank & Trust of Florida in the Premier Business Prime Money Market Account. Subsequent to year-end, this bank was acquired by a Credit Union and the funds were transferred to a bank that qualified as a Public Depository Bank.

The City's cash and cash equivalents, investments, and required disclosures for the year ended September 30, 2019, are as follows:

<u>Type</u>	<u>Fair Value</u>
Cash on Hand	\$ 1,800
Cash on Deposit	519,592
Premier Business Prime Money Market Fund	<u>5,923,309</u>
Total	\$ 6,444,701

Investments

Florida Statutes (218.415) authorizes municipalities to invest excess funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the United States Government, United States Government Instrumentalities, Local Government Surplus Funds Trust Fund, and mutual funds investing in United States Government Securities. Investments may also include repurchase agreements collateralized by United States Treasury Securities and Market-to-Market, and

NOTES TO FINANCIAL STATEMENTS
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deposit with the State Board of Administration pool (SBA), or any intergovernmental investment pool authorized pursuant to the *Florida Interlocal Cooperation Act*. The City is further authorized to invest in securities of, or other interests in, any open-ended or close-ended management-type investment company or investment trust registered under the *Investment Company Act of 1940*, 15 United States Code.

Pension Plan Investments

The City reports two pension funds in the accompanying financial statements. Each fund has a separate Governing Board of Trustees, a separate investment policy, and differing investment restrictions/risks. Consequently, each is disclosed separately below. The Police Officers' retirement system is a Defined Benefit Plan and the General Employees' retirement plan is a Defined Contribution Plan. All investments at year-end were in compliance with the respective plan investment policies.

Police Officers' Retirement Fund

Investment Policy - Authorized Investments: The Board of Trustees of the Police Officers' Retirement Fund is authorized to invest in:

- Time, savings, and money market accounts of a national bank, a state bank, or savings and loan association insured by the FDIC provided the amount deposited does not exceed the insured amount, and the cash instruments have a quality rating of at least Standard & Poor's A1 or Moody's P1.
- Obligations issued by the United States or obligations guaranteed as to principal and interest by the United States government or by an Agency of the United States government excluding real estate.
- Bonds or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or District of Columbia, the corporation is listed on one or more of the recognized national exchanges or on the National Market System of the NASDAQ stock market.
- Equity investment (common stock, convertible bonds, and preferred stock) in a corporation listed on one or more of the recognized national exchanges or on the NASDAQ stock market such that not more than 5% of the plan's assets shall be invested in the common stock of any one issuing company.
- Commingled (and mutual funds) stock, bonds, and money market funds whose investments are restricted to securities meeting the criteria.

The City's Police Officers' Retirement Fund investments and required disclosures for the year ended September 30, 2019, are as follows:

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CITY OF BELLEVUE, FLORIDA

Investment Type	Fair Value	Credit Ratings	Weighted Average Maturity
Short-Term Investments:			
Federated U.S. Treasury Cash Reserves Fund	\$ 185,707	Aaa-mf	44 days
Mutual Funds - Fixed Income:			
SPDR Barclays High Yield:			
Bd ETF	408,953	Aaa-Not Rated	4.93 years
Vanguard High-Yield Corporate Fund	127,996	Baa2-Not Rated	3.6 Years
Vanguard Intermediate Term Bond Index	521,456	Aaa-Baa	7.3 years
Vanguard Interim Term Investment Grade Fund	516,282	Aaa-Not Rated	5.7 years
Vanguard Short-Term Corporate Bond Fund	121,170	Aaa-Baa	2.9 years
Mutual Funds - Equity:			
Fidelity Large Cap Growth Index Fund	559,296	N/A	N/A
Fidelity Large Cap Value Index Fund	256,393	N/A	N/A
Vanguard Mid Cap Investment	225,910	N/A	N/A
Fidelity Mid Cap Index Fund	415,455	N/A	N/A
Vanguard Small-Cap Value ETF	222,395	N/A	N/A
American Funds Europacific Growth R6	357,074	N/A	N/A
Total Investments	<u>\$ 3,918,087</u>		

Investments, including derivative instruments that are not holding derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of the reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Police Officers' Retirement Plan Investments are as follows at September 30, 2019:

	Fair Value Measurements Using:			
	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Federated U.S. Treasury				
Cash Reserves Fund	\$ 185,707	\$ 185,707	\$ -	\$ -
SPDR Barclays High Yield: Bd ETF	408,953	408,953	-	-
Vanguard Value ETF	-	-	-	-
Vanguard Intermediate Term Bond Index	521,456	521,456	-	-
Vanguard Interim Term Investment Grade Fd	516,282	516,282	-	-
Vanguard Short-Term Corp Bond Fund	121,170	121,170	-	-
Vanguard High - Yield Corporate Fund	127,996	127,996	-	-
Vanguard Equity Income Fund				
Vanguard Small Cap Value	222,395	222,395	-	-
Vanguard Mid Cap Investment	225,910	225,910	-	-
Vanguard Growth	-	-	-	-
Vanguard Value	-	-	-	-
Fidelity Large Cap Growth Cap Index Fund	559,296	559,296	-	-
Fidelity Large Cap Value Index Fund	256,393	256,393	-	-
Fidelity Mid Cap Index Fund	415,455	415,455	-	-
American Funds Europacific Grwth-R6	357,074	357,074	-	-
	<u>\$ 3,918,087</u>	<u>\$ 3,918,087</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB requires or permits in the statement of net position at the end of the reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are valued based on matrix pricing techniques.

Custodial Credit Risk

Custodial Credit Risk is required to be disclosed if investments held by the local government are uninsured, unregistered, and held by either the counter-party or the counter-party's trust department or agent, but not in the government's name.

Investments through the Police Officers' Retirement Fund are evidenced by mutual and money market funds. They are not subject to custodial credit risk because the funds are not evidenced by securities that exist in physical or book-entry form. The City's investment is the mutual or money market fund, not the underlying security.

Credit Risk

Credit risk exists when there is a possibility the issuer or other counter-party to an investment may be unable to fulfill its obligations. State law provides that the retirement plan fixed income securities must have a quality rating of "A" or equivalent as rated by one or more recognized bond rating services at the time of purchase. Fixed income investments which are downgraded to "Baa" or equivalent rating must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments that are downgraded below a "Baa" rating are to be liquidated immediately.

Concentration Risk

In addition to describing the credit risk of investments in the portfolio, the City is required to disclose the concentration of credit risk with a single issuer. If 5% or more of the total assets of the portfolio are invested with one issuer, a footnote disclosure will be required. Investments issued or explicitly guaranteed by the United States government and investments in mutual funds or pools are excluded from the concentration of credit risk disclosure requirements.

The City's investments in mutual funds are excluded from the concentration of credit risk disclosure requirements.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. Interest rate risk disclosures are required for all debt investments as well as investments in mutual funds, external investment pools, and other pooled investments.

Both pension plans' interest rate risk is measured using the weighted average maturity method (WAM). The WAM method expresses investment time horizons, the time when investments become due and payable-in years or months, weighted to reflect the dollar size of individual investments.

Foreign Currency Risk

The City's investments are not exposed to this risk.

The City has no formal investment policy but adheres to the Florida Statutes as required.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

General Employees' Retirement Fund

■ Deposits

The General Employees' Retirement Fund is a defined contribution plan and all contributions are self-directed by the plan participants (including the non-vested portion) to their investment choices. There is no un-invested cash with ICMA-RC (International City/County Management Association Retirement Corporation) the Administrator of the plan.

■ Investments

Investment Policy-Authorized Investments: The plan participants to the General Employees' Retirement System may elect to allocate investments among a variety of mutual funds, money market funds, and fixed return funds.

The City's General Employees' Retirement Fund Investments and required disclosures for the year ended September 30, 2019, are as follows:

Investment Name	Investment Type	Fair Value	% of Plan	Credit Ratings	WAM	Fair Value Level
Vantage Trust PLUS Fund	Mutual Funds - Fixed Income	\$ 436,262	29.78%	AA	4.01	1
Vantage Trust Cash Management	Short-Term Investments (MM)	8,916	0.61%	AAAm	24 Days	1
Vantage Point Core Bond Index	Mutual Funds - Fixed Income	31,681	2.16%	AA	7.62	1
Western Asset Core Plus Bond I	Mutual Funds - Fixed Income	60,602	4.14%	BBB	12.70	1
Vantage Point Inflation Focused T	Mutual Funds - Fixed Income	11,014	0.75%	AA	8.64	1
PIMCO High Yield Admin	Mutual Funds - Fixed Income	7,940	0.54%	**	4.57	1
Vantagepoint Milestone 2010	Mutual Funds - Fund of Funds	94,139	6.43%	BBB	6.60	1
Vantagepoint Milestone 2015	Mutual Funds - Fund of Funds	168,078	11.47%	BBB	6.66	1
Vantagepoint Milestone 2020	Mutual Funds - Fund of Funds	55,063	3.76%	BBB	6.47	1
Vantagepoint Milestone 2030	Mutual Funds - Fund of Funds	76,203	5.20%	BBB	6.10	1
Vantagepoint Milestone 2035	Mutual Funds - Fund of Funds	53,151	3.63%	BBB	5.89	1
Vantagepoint Milestone 2040	Mutual Funds - Fund of Funds	14,741	1.01%	BBB	5.67	1
Vantagepoint Milestone 2045	Mutual Funds - Fund of Funds	977	0.07%	BBB	5.20	1
Vantagepoint Milestone 2050	Mutual Funds - Fund of Funds	24,015	1.64%	BBB	4.81	1
Vantagepoint Milestone 2055	Mutual Funds - Fund of Funds	2,058	0.14%	BBB	4.75	1
Vantagepoint Model Portfolio LT Growth	Mutual Funds - Fund of Funds	97,277	6.64%	BBB	6.28	1
VT Puritan	Mutual Funds - Allocation	10,506	0.72%	N/A	N/A	1
Vantagepoint Equity Income	Mutual Funds - Equity	1,604	0.11%	N/A	N/A	1
Vantagepoint 500 Stock Index I	Mutual Funds - Equity	40,349	2.75%	N/A	N/A	1
Vantagepoint Growth & Income	Mutual Funds - Equity	9,638	0.66%	N/A	N/A	1
VT Parnassus Core Equity Fund	Mutual Funds - Equity	14,526	0.99%	N/A	N/A	1
VT Contrafund	Mutual Funds - Equity	11,685	0.80%	N/A	N/A	1
VT Invesco Diversified Dividend Fund	Mutual Funds - Equity	5,690	0.39%	N/A	N/A	1
Victory Sycamore Established Value Fund	Mutual Funds - Equity	27,874	1.90%	N/A	N/A	1
Vantagepoint Aggressive Opp	Mutual Funds - Equity	6,774	0.46%	N/A	N/A	1
VT AMG TimesSquare Mid Cap Growth Fund	Mutual Funds - Equity	2,099	0.14%	N/A	N/A	1
Vantagepoint Discovery	Mutual Funds - Equity	21,404	1.46%	N/A	N/A	1
Vantagepoint Md/Sm Co Inx	Mutual Funds - Equity	11,777	0.80%	N/A	N/A	1
Nuveen Real Estate Secs	Mutual Funds - Equity	8,816	0.60%	N/A	N/A	1
VT ClearBridge International Value Fund	Mutual Funds - Equity	9,213	0.63%	N/A	N/A	1
Vantagepoint Overseas Equity Index I	Mutual Funds - Equity	63,773	4.35%	N/A	N/A	1
VT Retirement Income Advantage Fund	Mutual Funds- Guaranteed Lifetime Income	77,310	5.28%	N/A	N/A	1
		<u>\$ 1,465,155</u>	<u>100.00%</u>			

** Due to a change in the position at the Financial Industry Regulatory Authority (FINRA) on the use of the average credit quality statistics and credit quality ratings, beginning April 7, 2010, PIMCO has discontinued use of average credit quality portfolio statistic along with quality table representations on all US based "marketing" materials.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Note 3 - Capital Assets

Capital asset activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital Assets Not Being Depreciated:					
Land	\$ 1,545,911	\$ -	\$ -	\$ -	\$ 1,545,911
Construction in Progress	1,792,617	108,369	(1,779,230)	36,504	158,260
Total Capital Assets Not Being Depreciated	<u>3,338,528</u>	<u>108,369</u>	<u>(1,779,230)</u>	<u>36,504</u>	<u>1,704,171</u>
Capital Assets Being Depreciated:					
Buildings	2,112,797	1,706,964	-	-	3,819,761
Improvements Other than Buildings	824,358	8,015	-	(36,504)	795,869
Infrastructure	2,192,551	-	-	-	2,192,551
Vehicles and Accessories	685,466	107,926	(20,055)	-	773,337
Furniture and Equipment	806,319	123,127	(28,285)	-	901,161
Intangibles - Software	147,744	-	-	-	147,744
Total Capital Assets Being Depreciated	<u>6,769,235</u>	<u>1,946,032</u>	<u>(48,340)</u>	<u>(36,504)</u>	<u>8,630,423</u>
Less Accumulated Depreciation:					
Buildings	(734,177)	(103,005)	-	-	(837,182)
Improvements Other than Buildings	(429,478)	(32,025)	-	-	(461,503)
Infrastructure	(709,313)	(108,220)	-	-	(817,533)
Vehicles and Accessories	(487,585)	(72,467)	20,055	-	(539,997)
Furniture and Fixtures	(526,752)	(71,656)	28,099	-	(570,309)
Intangibles - Software	(98,558)	(26,117)	-	-	(124,675)
Total Accumulated Depreciation	<u>(2,985,863)</u>	<u>(413,490)</u>	<u>48,154</u>	<u>-</u>	<u>(3,351,199)</u>
Total Capital Assets Being Depreciated, Net	<u>3,783,372</u>	<u>1,532,542</u>	<u>(186)</u>	<u>(36,504)</u>	<u>5,279,224</u>
Governmental Activities Capital Assets, Net	<u>7,121,900</u>	<u>1,640,911</u>	<u>(1,779,416)</u>	<u>-</u>	<u>6,983,395</u>
Business-Type Activities					
Capital Assets Not Being Depreciated:					
Land	192,115	-	-	-	192,115
Construction in Progress	2,758,530	571,295	(2,977,372)	-	352,453
Total Capital Assets Not Being Depreciated	<u>2,950,645</u>	<u>571,295</u>	<u>(2,977,372)</u>	<u>-</u>	<u>544,568</u>
Capital Assets Being Depreciated:					
Buildings and Improvements	18,069,943	216,323	(169,956)	-	18,116,310
Infrastructure	2,073,183	2,801,049	-	-	4,874,232
Machinery and Equipment	595,333	8,617	(41,675)	-	562,275
Intangibles - Software	58,868	-	-	-	58,868
Total Capital Assets Being Depreciated	<u>20,797,327</u>	<u>3,025,989</u>	<u>(211,631)</u>	<u>-</u>	<u>23,611,685</u>
Less Accumulated Depreciation:					
Buildings and Improvements	(9,547,418)	(489,133)	169,566	-	(9,866,985)
Infrastructure	(155,490)	(117,983)	-	-	(273,473)
Equipment	(443,135)	(5,045)	-	-	(448,180)
Intangibles - Software	(33,642)	(30,926)	38,721	-	(25,847)
Total Accumulated Depreciation	<u>(10,179,685)</u>	<u>(643,087)</u>	<u>208,287</u>	<u>-</u>	<u>(10,614,485)</u>
Total Capital Assets Being Depreciated, Net	<u>10,617,642</u>	<u>2,382,902</u>	<u>(3,344)</u>	<u>-</u>	<u>12,997,200</u>
Total Business-Type Activities, Net	<u>\$ 13,568,287</u>	<u>\$ 2,954,197</u>	<u>\$ (2,980,716)</u>	<u>\$ -</u>	<u>\$ 13,541,768</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

	Ending Balance
Depreciation Expense -	
Governmental Activities	\$ 118,059
General Government and Administration	118,029
Public Safety	459
Physical Environment	130,350
Transportation	46,593
Culture and Recreation	<u>\$ 413,490</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 413,490</u>
Depreciation Expense - Business-type Activities	
Water and Sewer System	<u>\$ 643,087</u>

Note 4 - Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Note Payable:					
Note Payable - CBT Capital 2016, Direct Borrowing	\$ 1,194,765	\$ -	\$ (138,560)	\$ 1,056,205	\$ 143,309
Note Payable - CBT Capital 2017, Direct Borrowing	<u>1,091,995</u>	<u>-</u>	<u>(295,935)</u>	<u>796,060</u>	<u>302,131</u>
Total Notes Payable	<u>2,286,760</u>	<u>-</u>	<u>(434,495)</u>	<u>1,852,265</u>	<u>445,440</u>
Capital Lease Obligations: (Direct Borrowing)					
Capital Lease Obligation	1,541	-	(1,541)	-	-
Capital Lease Obligation	10,660	-	(5,363)	5,297	5,297
Capital Lease Obligation	13,403	-	(5,224)	8,179	6,044
Motorola 800 MHz Lease	66,087	-	(32,598)	33,489	33,489
Total Capital Lease Obligations	<u>91,691</u>	<u>-</u>	<u>(44,726)</u>	<u>46,965</u>	<u>44,830</u>
Other Liabilities:					
Net Pension Liability	314,911	17,359	-	332,270	-
OPEB Liability	137,820	3,745	-	141,565	-
Compensated Absences	328,212	276,951	(287,813)	317,350	63,470
Total Governmental Activities	<u>\$ 3,159,394</u>	<u>\$ 298,055</u>	<u>\$ (767,034)</u>	<u>\$ 2,690,415</u>	<u>\$ 553,740</u>
Business-Type Activities					
Loans Payable:					
Community Bank and Trust					
2013 Loan, Direct Borrowing	\$ 631,380	\$ -	\$ (631,380)	\$ -	\$ -
State Revolving Loan - Waste					
Water Treatment Plant, Direct Borrowing					
State Revolving Loan - S. Water	2,314,832	-	(96,671)	2,218,161	96,671
Main Extension, Direct Borrowing					
State Revolving Loan - N. Water	73,309	-	(5,043)	68,266	5,043
Main Extension, Direct Borrowing					
State Revolving Loan - Meter Project,					
Direct Borrowing *	382,610	-	(26,254)	356,356	25,066
Direct Borrowing *	-	225,896	-	225,896	-
Total Loans Payable	<u>3,402,131</u>	<u>225,896</u>	<u>(759,348)</u>	<u>2,868,679</u>	<u>126,780</u>
Other Liabilities:					
OPEB Liability	37,910	2,953	-	40,863	-
Compensated Absences	50,306	36,091	(59,526)	26,871	5,374
Total Other Liabilities	<u>88,216</u>	<u>39,044</u>	<u>(59,526)</u>	<u>67,734</u>	<u>5,374</u>
Total Business-Type Activities	<u>\$ 3,490,347</u>	<u>\$ 264,940</u>	<u>\$ (818,874)</u>	<u>\$ 2,936,413</u>	<u>\$ 132,154</u>

* Information regarding the amortization of this loan has not yet been made available.

■ State Revolving Sinking Fund

In accordance with terms of the loan covenants, the City records monthly amounts into separate accounts to fund upcoming principal and interest payments on the bonds. Such cash and investments are reflected in the financial statements as restricted assets.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

■ **State Revolving Loan Reserves**

In addition to debt service deposit requirements above, loan agreements require reserve accounts to be used only to pay principal and interest in the event the monies in the sinking account are insufficient. All reserve requirements for State Revolving Loans are funded in accordance with the agreements.

The following is a schedule of loans, notes, and lease agreements outstanding as of September 30, 2019:

Type	Purpose of Issue	Amount Issued	Amount Outstanding	Rates
Governmental-Type Activities				
Note Payable - CBT Capital 2016, Direct Borrowing	Payoff 2014 Loan and Construction Project	\$ 1,500,000	\$ 1,056,205	3.410%
Note Payable - CBT Capital 2017, Direct Borrowing	Renovate Police Department	1,500,000	796,060	2.250%
Capital Lease (Charger - 15), Direct Borrowing	Police Vehicles	21,982	5,297	6.48%
Capital Lease (Ford Pickup - 15), Direct Borrowing	Police Vehicles	25,225	8,179	7.00%
Motorola 800 MHz Lease, Direct Borrowing	Radios	97,819	33,489	2.73%
Business-Type Activities				
Loans and Notes Payable:				
State Revolving Loan, Direct Borrowing	Utility System Expansion	3,194,737	2,218,161	1.81/1.86%
State Revolving Loan, Direct Borrowing	Utility System Expansion	554,663	68,266	2.61%
State Revolving Loan, Direct Borrowing	Utility System Expansion	107,230	356,356	2.57%
State Revolving Loan, Direct Borrowing	Meter Project	225,896	225,896	0.74%

Debt service to maturity for the City's Community Bank and Trust Capital note payable obligation is as follows:

City's Community Bank and Trust Capital Note Payable
Direct Borrowings

Due September	Principal	Total Interest	Total Requirements
2020	\$ 143,309	\$ 34,354	\$ 177,663
2021	148,439	29,224	177,663
2022	153,654	24,004	177,658
2023	159,091	18,612	177,703
2024	164,601	13,062	177,663
2025-2029	287,111	1,517	288,628
Total	\$ 1,056,205	\$ 120,773	\$ 1,176,978

Debt service to maturity for the City's Community Bank and Trust Capital PD Loan is as follows:

City's Community Bank and Trust Capital PD Loan
Direct Borrowings

Due September	Principal	Total Interest	Total Requirements
2020	\$ 302,130	\$ 15,014	\$ 317,144
2021	309,095	8,036	317,131
2022	184,835	1,401	186,236
Total	\$ 796,060	\$ 24,451	\$ 820,511

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Interest costs incurred for the governmental-type activities amounted to \$64,126.

State Revolving Loan Fund has maturity dates and debt service requirements as follows:

Due September	Loans from Direct Borrowings			Interest		Total Requirements
	State Revolving Loan 2003	State Revolving Loan ARRA	State Revolving Companion Loan	Total All Series		
2020	\$ 98,463	\$ 5,172	\$ 26,944	\$ 51,316	\$ 181,895	
2021	100,287	5,307	27,653	48,649	181,896	
2022	102,146	5,445	28,379	45,927	181,897	
2023	104,039	5,585	29,125	43,148	181,897	
2024	105,966	5,729	29,890	40,309	181,894	
2025-2029	560,030	30,947	161,648	167,039	919,664	
2030-2034	613,884	10,081	52,717	136,262	812,944	
2035-2039	533,346	-	-	33,978	567,324	
Total	\$ 2,218,161	\$ 68,266	\$ 356,356	\$ 566,628	\$ 3,209,411	

Note 5 - Leases

Capital Lease—The City enters into lease agreements for financing the acquisition of police vehicles and radios. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Asset	Governmental Activities
Vehicles and Accessories	\$ 50,812
(Accumulated Depreciation)	<u>(45,694)</u>
Total	\$ 5,118

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019, are as follows:

Year Ending September 30,	Governmental Activities
2020	\$ 12,003
2021	<u>2,015</u>
Total Minimum Lease Payments	14,018
(Less: Amount Representing Interest)	<u>(542)</u>
Present Value of Minimum Lease Payments	\$ 13,476

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Note 6 - Pledged Revenue

The City has pledged certain revenues to repay bonds and notes outstanding as of September 30, 2019. The following table reports the revenues pledged for each debt issue, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue, which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2019:

Description of Bonds	Pledged Revenue	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
Business-Type Activities						
State Revolving Loans	Net System Revenues (1)	\$ 393,735	\$ 181,895	46.20%	\$ 3,209,411	2038

(1) Net System Revenues are defined as gross revenues less operating expenses, not including depreciation, and debt service payments.

Note 7 - Inter-Fund Transfers and Due To/Due From

Inter-Fund Transfers

Inter-fund transfers at September 30, 2019, are as follows:

Transfer In		
General Fund	\$	872,036
CRA Fund		43,893
	<u>\$</u>	<u>915,929</u>
Transfer (Out)		
General Fund	\$	43,893
Water Sewer Fund		872,036
	<u>\$</u>	<u>915,929</u>

Funds were transferred from the General Fund to the CRA for their portion of the property taxes. The Water Sewer Fund transferred funds to the General Fund to cover their portion of general and administrative costs, including finance, human resources, and information technology.

Note 8 - Receivables

Business-type activities receivables are composed entirely of amounts due from customers.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA**

Note 9 - Payables

Payables in the governmental activities are composed entirely of amounts due to vendors. Business-type activities payables are composed entirely of amounts due to vendors.

Note 10 - Segment Information for Water and Sewer Proprietary Fund

The City operates only one proprietary fund for water and sewer operations. Segment information is available in the basic financial statements and notes to the financial statements.

Note 11 - Concentration of Credit Risk

Customer receivables are comprised of uncollateralized utility billings from residential and commercial customers in and around the Belleview, Florida area.

Note 12 - Pension Plans

Plan Descriptions

The City contributes, on behalf of general employees, to a single-employer defined contribution plan administered by the ICMA-RA. The City also contributes, on behalf of police officers of the City, a single-employer defined benefit plan. These plans are maintained as a separate pension trust fund and are included as part of the City's reporting entity. City ordinance and state law require contributions to be determined by actuarial study at least every three years for the Police Officers' Defined Benefit Plan. Stand-alone financial reports are not issued.

General Employees' Defined Contribution Plan

After terminating its previous defined benefit plan effective October 1, 1995, the City created a new defined contribution plan covering all eligible general employees of the City. In terminating the previous defined benefit plan, the City's actuary calculated the present value of vested accrued benefits, which were transferred to the new defined contribution plan with the remaining unearned plan assets returned to the City.

Prior to October 1, 2007, the City contributed 7.5% of the employees' salary, with a 5-10 year vesting period. Employees had to be full-time and have 90 days of service to be eligible.

The Plan was revised October 1, 2007. Employees must now be full-time and have 6 months of service to be eligible. The revised vesting schedule was changed to a shorter vesting period of 3-7 years. Additionally, starting in October, for every 1% that an employee sets aside in their (457) Deferred Compensation plan, the City also matched an additional .5% up to a maximum of an additional 2.5%. The match amounts are deposited into the employees' 401(a) defined contribution account. The employees' pension savings now have the potential of totaling 15% of their salary.

Forfeitures are used to offset current contribution by the City. The normal retirement date is the first day of the month coinciding with the participant's sixtieth birthday.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

The vesting schedule, based on the number of years of service, is as follows:

Greater Than 6 Months but Less Than 3 Years	0%
3 Years	20%
4 Years	40%
5 Years	60%
6 Years	80%
7 or More Years	100%

At termination, participants may choose the anniversary date or immediate distributions based on the balance of the participant's account as of the prior year's valuation. Transfers or rollovers from qualified plans are allowed and hardship distributions are permitted.

At September 30, 2019, there were 30 active members of the Plan.

For the year ended September 30, 2019, the City contributed \$122,902 to the Plan. There were no forfeitures utilized during the year.

Beginning in 2011, the City passed a resolution to permit loans to eligible participants in accordance with the plan documents.

Police Officers' Defined Benefit Plan

■ **Plan Description**

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a) Two Commission Appointees
- b) Two Members of the Department Elected by the Membership
- c) Fifth Member Elected by the Other Four and Appointed by the Commission

Full-time employees who are classified as full-time sworn police officers shall participate in the Plan as a condition of employment.

Plan Membership as of October 1, 2018:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	5
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	3
Active Plan Members	<u>13</u>
Total Number of Participants	<u>21</u>

Benefits Provided

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Eligibility: Earlier of Age 60, age 55 and 10 years of Credited Service, or age 52 and 25 years of Credited Service

Benefit: 3.0% of Average Final Compensation times Credited Service.

**NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA**

Early Retirement:

Eligibility: Age 50 and 10 years of Credited Service

Benefit: Accrued benefit, reduced 3% per year.

Vesting:

Schedule: 100% after 10 years of Credited Service

Benefit Amount: Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability:

Eligibility: Service Incurred: Covered from Date of Employment

Non-Service Incurred: 10 years of Credited Service

Benefit: Benefit accrued to date of disability but less than 42% of Average Final Compensation (Service Incurred).

Pre-Retirement Death Benefits:

Vested: Monthly accrued benefit payable to designated beneficiary for 10 years at Member's Retirement Date.

Non-Vested: Refund of accumulated contributions without interest.

Supplemental Benefit: Chapter 185 Accounts:

Premium taxes monies received pursuant to Chapter 185, Florida Statutes, in excess of the 1997 Base Amount will be allocated to individual Member share accounts based on years of Credited Service effective September 30, 1999, and ended September 30, 2007.

■ Contributions

Member Contributions: 5.0% of Salary

City and State Contributions: Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Part VII of Chapter 112, Florida Statutes.

Net Pension Liability

The measurement date is September 30, 2019.

The measurement period for the pension expense is October 1, 2018 to September 30, 2019.

The reporting period is October 1, 2018 through September 30, 2019.

The Sponsor's Net Pension Liability was measured as of September 30, 2019. The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

■ Actuarial Assumptions

The total pension liability was determined by actuarial valuation as of October 1, 2018, updated to September 30, 2019, using the following actuarial assumptions applied to all measurement periods:

Inflation	2.70%
Salary Increases	Service Based
Discount Rate	7.5%
Investment Rate of Return	7.5%

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Mortality Rate Healthy Inactive Lives: Females: RP-2000 Generational, 100% Annuitant White Collar, Scale BB. Male: RP-2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB.

Mortality Rate Healthy Active Lives: Females: RP-2000 Generational, 100% Combined Healthy White Color, Scale BB. Male: RP-2000 Generational, 10% Combined Healthy White Collar/90% Combined Healthy Blue Collar, Scale BB.

Mortality Rate Disabled Lives: Female: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale. Male: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

The most recent actuarial experience study used to review the other significant assumptions was dated August 23, 2017.

The long-term expected rate of return on pension plan investments was determined using the building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

For 2019, the inflation rate assumption of the investment advisor was 2.40%.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the pension plans' target asset allocation as of September 30, 2019, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	40.0%	7.30%
International Equity	10.0%	2.7%
Bonds	30.0%	3.6%
High Yield Bonds	5.0%	5.7%
Convertibles	10.0%	6.3%
Cash	5.0%	0.60%
Total	100%	

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

■ **Investments**

Investment Policy

The following was the Board's adopted asset allocation policy as of September 30, 2019:

<u>Asset Class</u>	<u>Asset Allocation</u>
Domestic Equity	40.0%
International Equity	10.0%
Bonds	30.0%
High Yield Bonds	5.0%
Convertibles	10.0%
Cash	5.0%
Total	100%

Concentrations

The Plan did not hold investments in any one organization that represents 5% or one of the Plan's Fiduciary Net Position.

Rate of Return

For the year ended September 30, 2019, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 4.62%.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that the Plan member contributions will be made at the current contribution rate and the sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Pension Plan's fiduciary net positions were projected to be available to make all projected future benefit payments of current Pension Plan members. Therefore, the long-term expected rate of return on Pension Plan investments was applied to all periods of projected benefit payments to determine the total Pension Plan liability.

■ **Deferred Retirement Option Program**

Eligibility: Satisfaction of Normal Retirement Requirements

Participation: Not to Exceed 60 Months

Rate of Return: At Member's Election

(1) Actual net rate of investment return (total return net of brokerage commissions, management fees, and transaction costs) credited each fiscal quarter.

(2) 6.5% per annum compounded monthly. Members may elect to change form of return one time.

The Deferred Retirement Option Program (DROP) balance, as of September 30, 2019, is \$0.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

■ **Net Pension Liability of the Sponsor**

The components of the net pension liability of the sponsor on September 30, 2019, were as follows:

Total Pension Liability	\$ 4,257,937
Plan Fiduciary Net Position	<u>(3,925,667)</u>
Sponsor's Net Pension Liability	<u><u>\$ 322,270</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.20%

Schedule of Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2018	\$ 4,094,785	\$ 3,779,874	\$ 314,911
Changes for a Year:			
Service Cost	86,319	-	86,319
Interest	306,540	-	306,540
Share Plan Allocation	-	-	-
Differences between Expected and Actual Experience	(41,892)	-	(41,892)
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Contributions - Employer	-	106,933	(106,933)
Contributions - State	-	48,064	(48,064)
Contributions - Employee	-	32,981	(32,981)
Net Investment Income	-	172,612	(172,612)
Benefit Payments, Including Refunds of Employee Contributions	(187,815)	(187,815)	-
Administrative Expense	-	(26,982)	26,982
Net Changes	<u>163,152</u>	<u>145,793</u>	<u>17,359</u>
Balance at September 30, 2019	<u>\$ 4,257,937</u>	<u>\$ 3,925,667</u>	<u>\$ 322,270</u>

Sensitivity of the Net Pension Liability to Changes in the Single Discount Rate Assumption:

	1% Decrease 6.50%	Current Discount Rate - 7.50%	1% Increase 8.50%
Sponsor's Net Pension Liability	\$ 821,531	\$ 332,270	\$ (74,118)

For the year ended September 30, 2019, the City recognized a pension expense of \$127,860. On September 30, 2019, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 43,323	\$ 181,168
Changes of Assumptions	55,408	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	69,077	-
Total	<u>\$ 167,808</u>	<u>\$ 181,168</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year Ended September 30	Amount
2020	(31,822)
2021	(30,902)
2022	31,933
2023	24,413
2024	(6,982)
Total	\$ (13,360)

The following is a summarized schedule of the general and police pension plan assets and changes in the net position of the plans:

Schedule of Pension Plan Net Assets as of September 30, 2019

	General Employees' Retirement Fund	Police Officers' Retirement Fund	Total
Assets			
Cash and Cash Equivalents	\$ 8,916	\$ 185,707	\$ 194,623
Investments	1,456,239	3,732,380	5,188,619
Due From General Fund	-	10,525	10,525
Loans Receivable	140,052	-	140,052
Interest Receivable	-	3,256	3,256
Total Assets	\$ 1,605,207	\$ 3,931,868	\$ 5,537,075
Net Assets			
Net Position			
Restricted for Pensions	\$ 1,605,207	\$ 3,931,868	\$ 5,537,075
Additions			
Contributions:			
Employer	\$ 122,902	\$ 106,933	\$ 229,835
State	-	48,064	48,064
Employee	-	32,981	32,981
Rollover	41,057	-	41,057
Total Contributions	163,959	187,978	351,937
Net Investment Income	45,161	179,831	224,992
Total Additions	209,120	367,809	576,929
Deductions			
Pension Benefit Payments and			
Refunds	288,405	189,836	478,241
General and Administrative	2,439	35,627	38,066
Total Deductions	(290,844)	(225,463)	(516,307)
Net Increase (Decrease)	(81,724)	142,346	60,622
Net Position Restricted for Pensions			
Beginning of Year	1,686,931	3,789,522	5,476,453
End of Year	\$ 1,605,207	\$ 3,931,868	\$ 5,537,075

**NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA**

Note 13 - Contingencies and Construction Commitments

Grants and Loans

Under the terms of Federal and state grants and loans, periodic audits are required and certain costs may be questioned as not allowable as expenditures under the terms of the grants, which could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will not be material.

Note 14 - Risk Management

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

- Workers' Compensation and Employer's Liability

Insurance against losses are provided through Risk Management Association for the following types of risk:

- General and Automobile Liability
- Real and Personal Property Damage
- Public Officials' Liability
- Accidental Death and Dismemberment

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

Any settlement amounts have not exceeded insurance coverage in the past three years.

Note 15 - State Financial Assistance

During the fiscal year, the City did not expend greater than \$750,000 in state financial assistance awards; therefore, an audit in accordance with Chapter 10.550, *Rules of the Auditor General* was not required.

Note 16 - OPEB

Plan Description—The City administers a single-employer defined benefit health care plan (the Plan) that provides medical insurance to its employees and their eligible dependents. In accordance with Section 112.0801, of the Florida Statutes, because the City provides a medical plan to active employees of the City and their eligible dependents, the City is also required to provide retirees with the opportunity to participate in this Plan. Benefit provisions for the Plan are established by the City Commission and may be amended by the City Commission. These retirees are completely responsible for payment of their insurance premiums and the City does not contribute toward this payment. However, the City subsidizes the premium rates paid by retirees by allowing them to participate in the Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. Medicare eligible retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The City does not issue stand-alone financial statements for the Plan.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Plan Membership as of September 30, 2017:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	-
Inactive Plan Members entitled to But Not yet Receiving Benefits	-
Active Plan Members	49

Benefits Provided – The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All employees of the City are eligible to receive postemployment health care benefits. All retirees and dependent coverage is at the expense of the retiree. Medicare coverage is assumed to become primary upon attainment of age 65.

Total OPEB Liability

The measurement date is September 30, 2018.

The measurement period for the OPEB expense was October 1, 2017 to September 30, 2018.

The reporting period is October 1, 2018 through September 30, 2019.

The Sponsor's Total OPEB Liability was measured as of September 30, 2018.

Actuarial Assumptions:

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2017, using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	4.18%
Initial Trend Rate	8.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	56

For all lives, mortality rates were RP-2000 Combined Healthy Mortality Tables projected to the valuation date using Projection Scale AA.

Discount Rate:

Given the City's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 4.18%. The high quality municipal bond rate was based on the week closest by not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.

OPEB Expense:

For the year ended September 30, 2019, the Sponsor will recognize OPEB Expense of \$12,021.

Deferred Outflows

For the year ended September 30, 2019, deferred outflows related to OPEB consist of \$7,972 for benefits paid subsequent to the measurement date.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA

Changes in Total OPEB Liability

	Increase and (Decrease) Total OPEB
Reporting Period Ending September 30, 2018	\$ 175,730
Changes for a Year:	
Service Cost	16,927
Interest	6,917
Differences Between Expected and Actual Experience	-
Changes of Assumptions	(11,823)
Changes in Benefit Terms	-
Benefit Payments	-
Administrative Expense	(5,324)
Other Changes	-
Net Changes	6,697
Reporting Period Ending September 30, 2019	\$ 182,427

Changes of assumptions reflect a change in the discount rate from 3.64% from the reporting period ended September 30, 2018, to 4.18% for the reporting period ended September 30, 2019.

Sensitivity of the Total OPEB Liability to changes in the Discount Rate:

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

	1% Decrease 3.18%	Current Discount Rate - 4.18%	1% Increase 5.18%
Total OPEB Liability (Asset)	\$ 205,238	\$ 182,427	\$ 163,173

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates:

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

	Healthcare Costs		
	1% Decrease 3.00% - 7.50%	Trend Rates 4.00% - 8.50%	1% Increase 5.00% - 9.50%
Total OPEB Liability (Asset)	\$ 159,734	\$ 182,427	\$ 209,813

REQUIRED SUPPLEMENTARY INFORMATION

The following supplementary schedules present trend information regarding the retirement plans for the City's general employees, police officers, Other Post Retirement Benefits, and major fund budgetary comparison schedules. This information is necessary for a fair presentation in conformity with GAAP. The basis for budgetary comparisons shown is the same as GAAP.

CITY OF BELLEVIEW, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes				
Ad Valorem	\$ 1,065,863	\$ 1,065,863	\$ 1,088,782	\$ 22,919
Local Option Gas Tax	245,454	245,454	256,104	10,650
Discretionary Sales Surtax	565,000	565,000	659,364	94,364
Utility Tax:				
Electric	166,855	166,855	172,595	5,740
Communications Services and Business Taxes	190,900	190,900	190,148	(752)
Total Taxes	2,234,072	2,234,072	2,366,993	132,921
Permits and Fees				
Franchise Fees	458,996	458,996	517,265	58,269
Building Permits	139,645	184,645	248,578	63,933
Total Permits and Fees	598,641	643,641	765,843	122,202
Intergovernmental Revenue				
Half-Cent Sales Tax	340,000	340,000	365,938	25,938
Insurance Premium Tax - Police	42,000	42,000	48,064	6,064
State Revenue Sharing	175,000	175,000	192,020	17,020
Mobile Home Licenses	11,000	11,000	8,737	(2,263)
Alcoholic Beverage Licenses	6,500	6,500	7,457	957
State Revenue for Lighting	-	-	75,263	75,263
Total Intergovernmental Revenue	574,500	574,500	697,479	122,979
Grants				
Local Law Enforcement Grant		8,602	8,602	-
USDA Police Department Vehicle Grant	50,000	50,000	50,000	-
Local Grant	-	30,000	22,500	(7,500)
Department of Transportation Beautification Grant	152,000	152,000	-	(152,000)
Disaster Grants - Public Assistance - Presidentially Declared Disasters	-	-	198,898	198,898
Total Grants	202,000	240,602	280,000	39,398
Charges for Services				
Garbage/Solid Waste/Recycling	308,926	308,926	335,914	26,988
Mowing	100	100	-	(100)
Zoning Fees	3,500	3,500	4,110	610
Drainage Review	4,100	4,100	5,120	1,020
Total Charges for Services	316,626	316,626	345,144	28,518
Fines and Forfeitures				
Court Fines	45,400	45,400	58,019	12,619
Vehicle Impoundment	2,200	2,200	7,260	5,060
Police False Alarms	3,000	3,000	5,800	2,800
Investigation and Restitution	2,500	2,500	4,103	1,603
Other Revenue	7,900	19,900	22,114	2,214
Total Fines and Forfeitures	61,000	73,000	97,296	24,296
Miscellaneous Revenue				
Investment Earnings	8,170	8,170	25,298	17,128
Cemetery Lots	8,000	8,000	26,925	18,925
Recreation Impact Fees	30,000	30,000	44,861	14,861
Other	139,545	131,545	146,841	15,296
Total Miscellaneous Revenue	185,715	177,715	243,925	66,210
Total Revenues	\$ 4,172,554	\$ 4,260,156	\$ 4,796,680	\$ 536,524

CITY OF BELLEVIEW, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Continued)

	Original Budget	Final Budget	Actual	Variance
Expenditures				
General Government				
Legislative:				
Personnel Services	\$ 91,748	\$ 91,748	\$ 75,640	\$ 16,108
Operating Expenses	19,810	69,810	74,435	(4,625)
Total Legislative	<u>111,558</u>	<u>161,558</u>	<u>150,075</u>	<u>11,483</u>
Executive:				
Operating Expenses	122,000	134,750	131,973	2,777
Total Executive	<u>122,000</u>	<u>134,750</u>	<u>131,973</u>	<u>2,777</u>
Finance and Administrative:				
Personnel Services	845,254	846,254	862,815	(16,561)
Operating Expenses	83,835	95,835	92,680	3,155
Debt Service - Principal	133,838	133,838	138,560	(4,722)
Debt Service - Interest	43,825	43,825	39,103	4,722
Total Finance and Administrative	<u>1,106,752</u>	<u>1,119,752</u>	<u>1,133,158</u>	<u>(13,406)</u>
Comprehensive Planning:				
Personnel Services	189,941	189,941	192,688	(2,747)
Operating Expenses	125,900	170,900	163,176	7,724
Total Comprehensive Planning	<u>315,841</u>	<u>360,841</u>	<u>355,864</u>	<u>4,977</u>
Information Technology:				
Personnel Services	115,421	115,421	117,462	(2,041)
Operating Expenses	133,495	187,345	180,395	6,950
Capital Outlay	103,500	70,171	30,810	39,361
Total Information Technology	<u>352,416</u>	<u>372,937</u>	<u>328,667</u>	<u>44,270</u>
Total General Government	<u>2,008,567</u>	<u>2,149,838</u>	<u>2,099,737</u>	<u>50,101</u>
Public Safety				
Law Enforcement:				
Personnel Services	1,276,860	1,275,860	1,290,948	(15,088)
Operating Expenses	167,875	276,477	237,271	39,206
Reserve for Future Use - Sales Tax	182,881	182,881	-	182,881
Capital Outlay	174,400	124,400	103,463	20,937
Debt Service - Principal	306,167	306,167	340,658	(34,491)
Debt Service - Interest	23,599	23,599	25,022	(1,423)
Total Public Safety	<u>2,131,782</u>	<u>2,189,384</u>	<u>1,997,362</u>	<u>192,022</u>
Physical Environment				
Garbage/Solid Waste/Recycling:				
Operating Expenses	308,932	308,932	328,259	(19,327)
Cemetery:				
Operating Expenses	6,500	6,500	6,135	365
Total Physical Environment	<u>315,432</u>	<u>315,432</u>	<u>334,394</u>	<u>(18,962)</u>
Transportation				
Roads and Streets:				
Personnel Services	309,851	309,851	299,479	10,372
Operating Expenses	199,245	216,245	201,881	14,364
Capital Outlay	254,000	237,000	40,546	196,454
Total Transportation	<u>763,096</u>	<u>763,096</u>	<u>541,906</u>	<u>221,190</u>

CITY OF BELLEVIEW, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Concluded)

	Original Budget	Final Budget	Actual	Variance
Expenditures (Concluded)				
Culture and Recreation				
Parks and Recreation:				
Personnel Services	\$ 51,017	\$ 51,017	\$ 45,716	\$ 5,301
Operating Expenses	90,175	120,175	100,591	19,584
Capital Outlay	232,250	232,250	100,354	131,896
Total Culture and Recreation	373,442	403,442	246,661	156,781
(Total Expenditures)	(5,592,319)	(5,821,192)	(5,220,060)	601,132
(Deficiency) of Revenues (Under) Expenditures	(1,419,765)	(1,561,036)	(423,380)	1,137,656
Other Financing Sources				
Transfers in	1,075,004	1,083,340	895,643	(187,697)
Transfers (out)	(105,496)	(105,496)	(67,500)	37,996
Total Other Financing Sources	969,508	977,844	828,143	(149,701)
Net Change in Fund Balances	(450,257)	(583,192)	404,763	987,955
Fund Balance, Beginning of Year	450,257	583,192	2,424,794	1,841,602
Fund Balance, End of Year	\$ -	\$ -	\$ 2,829,557	\$ 2,829,557

CITY OF BELLEVIEW
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - CRA
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes				
Ad Valorem	\$ 27,130	\$ 27,130	\$ 34,939	\$ 7,809
Total Taxes	<u>27,130</u>	<u>27,130</u>	<u>34,939</u>	<u>7,809</u>
Miscellaneous Revenue				
Investment Earnings	160	160	721	561
Total Miscellaneous Revenue	<u>160</u>	<u>160</u>	<u>721</u>	<u>561</u>
Total Revenues	<u>27,290</u>	<u>27,290</u>	<u>35,660</u>	<u>8,370</u>
Expenditures				
Other Uses	175	175	175	-
(Total Expenditures)	<u>(175)</u>	<u>(175)</u>	<u>(175)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>27,115</u>	<u>27,115</u>	<u>35,485</u>	<u>8,370</u>
Other Financing Sources				
Transfers in	35,326	35,326	43,893	8,567
Transfers (out)	(62,441)	(62,441)	-	62,441
Total Other Financing Sources	<u>(27,115)</u>	<u>(27,115)</u>	<u>43,893</u>	<u>71,008</u>
Net Change in Fund Balances	-	-	79,378	79,378
Fund Balance, Beginning of Year	-	-	24,110	24,110
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,488</u>	<u>\$ 103,488</u>

CITY OF BELLEVUE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
POLICE OFFICERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Total Pension Liability						
Service Cost	\$ 86,319	\$ 84,154	\$ 96,358	\$ 100,889	\$ 96,058	\$ 84,044
Interest	306,540	287,696	305,113	301,989	290,472	277,418
Differences Between Expected and Actual Experience	(41,892)	56,520	(247,488)	(141,785)	33,859	-
Changes of Assumptions	-	-	57,557	97,155	-	-
Benefit Payments, Including Refunds of Employee Contributions	(187,815)	(170,752)	(429,912)	(196,913)	(356,299)	(53,783)
Net Change in Total Pension Liability	163,152	257,618	(218,372)	161,335	64,090	307,679
Total Pension Liability, Beginning of Year	4,094,785	3,837,167	4,055,539	3,894,204	3,830,114	3,522,435
Total Pension Liability, End of Year (a)	\$ 4,257,937	\$ 4,094,785	\$ 3,837,167	\$ 4,055,539	\$ 3,894,204	\$ 3,830,114
Plan Fiduciary Net Position						
Contributions - Employer	\$ 106,933	\$ 96,340	\$ 119,318	\$ 144,693	\$ 153,180	\$ 146,979
Contributions - State	48,064	44,587	42,005	39,999	37,571	40,668
Contributions - Employee	32,981	29,150	28,530	27,612	26,237	22,645
Net Investment Income	172,612	229,560	347,464	282,001	(19,359)	263,861
Benefit Payments, Including Refunds of Employee Contributions	(187,815)	(170,752)	(429,912)	(196,913)	(356,299)	(53,783)
Administrative Expense	(26,982)	(22,973)	(27,330)	(22,283)	(21,434)	(13,641)
Net Change in Plan Fiduciary Net Position	145,793	205,912	80,075	275,109	(180,104)	406,729
Plan Fiduciary Net Position, Beginning of Year	3,779,874	3,573,962	3,493,887	3,218,778	3,398,882	2,992,153
Plan Fiduciary Net Position, End of Year (b)	\$ 3,925,667	\$ 3,779,874	\$ 3,573,962	\$ 3,493,887	\$ 3,218,778	\$ 3,398,882
Net Pension Liability, Ending (a) - (b)	\$ 332,270	\$ 314,911	\$ 263,205	\$ 561,652	\$ 675,426	\$ 431,232
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.20%	92.31%	93.14%	86.15%	82.66%	88.74%
Covered Payroll**	\$ 659,626	\$ 587,814	\$ 570,589	\$ 566,539	\$ 661,659	\$ 453,254
Net Pension Liability as a Percentage of Covered Payroll	50.37%	53.57%	46.13%	99.14%	102.08%	95.14%

Notes to the Schedule:

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2014 forward.

** The Covered Payroll numbers shown are in compliance with GASB Statement No. 82, except for the September 30, 2015, measurement period, which includes DROP payroll.

Changes of Assumption:

For measurement date September 30, 2017, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed from those in the July 1, 2015 FRS valuation report, to those used in the July 1, 2016 FRS valuation report. As a result of the Experience Study dated August 23, 2017, the Board approved the following assumption changes:

1. Reduce the investment return assumption from 7.75% to 7.50% per year, net of investment related expenses.
2. Change the assumed rate of individual salary increases from a flat 6.0% per year to an assumption of 10.0% during the first year of employment, 6.5% for each of the next 4 years of employment, and 5.0% per year after that.
3. Reduce the expected rates of Early Retirement from 5.0% to 3.0% for each member eligible for Early Retirement and eliminate the assumption that all Members who are eligible for Normal Retirement on the valuation date will work one more year.
4. Change the expected rates of non-retirement terminations from an age-based table to an assumption of 10.0% per year during the first five years of employment, 7.0% per year during the next 5 years of employment, 5.0% per year for the next 10 years of employment, and 2% each year after 20 years of employment.

For measurement date September 30, 2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.70%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

CITY OF BELLEVUE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS*

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Actuarially Determined Contribution	\$ 160,289	\$ 136,960	\$ 159,765	\$ 184,692	\$ 190,751	\$ 187,647
Contributions in Relation to the Actuarially Determined Contributions	(154,997)	(140,927)	(161,323)	(184,692)	(190,751)	(187,647)
Contribution Deficiency (Excess)	<u>\$ 5,292</u>	<u>\$ (3,967)</u>	<u>\$ (1,558)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll**	\$ 659,626	\$ 587,814	\$ 570,589	\$ 566,539	\$ 661,659	\$ 453,254
Contributions as a Percentage of Covered Payroll	23.50%	23.97%	28.27%	32.60%	28.83%	41.40%

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2014 forward.

**The Covered Payroll numbers shown are in compliance with GASB Statement No. 82, except for the September 30, 2015, measurement period, which includes DROP payroll.

Notes to Schedule

Valuation Date: October 1, 2017

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Funding Method: Entry Age Normal Actuarial Cost Method.

Amortization Method: Level Percentage of Pay, Closed.

Remaining Amortization

Period: 25 Years (as of 10/01/2016).

Mortality: *Healthy Lives:*

Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB

Male: RP2000 Generational, 10% Combined Healthy White Collar/90% Combined Healthy Blue Collar, Scale BB.

Healthy Inactive Lives:

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB

Disabled Lives:

Female: 60% RP2000 Disabled Female set forward two years/ 40% Annuitant White Collar with no setback, no projection scale.

Male: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

The assumed rates of mortality were mandated by Chapter 2015-157, Laws of Florida. The law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the June 1, 2016 FRS actuarial valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

Interest Rate: 7.50% per year compounded annually, net of investment related expenses.

This is supported by the target asset class allocation of the trust and the expected long-term return by asset class.

CITY OF BELLEVUE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS*
(Concluded)

Methods and Assumptions Used to Determine Contribution Rates (*Concluded*):

Retirement Age: This is the earlier of: 1) age 52 and 25 years of service, 2) age 55 and 10 years of service, or 3) age 60.
 The assumption was developed from August 23, 2017, Actuarial Experience Study.

Early Retirement: Commencing with the members eligibility for Early Retirement (Age 50 with 10 years of Service), members are assumed to retire with an immediate subsidized benefit at the rate of 3.00% per year. This assumption was developed from an August 23, 2017, Actuarial Experience Study.

Disability Rates: See table below. It is assumed that 75% of disabilities are service related.

Termination Rates:	Years of Service	Expected Rate of Termination
	< 5 Years	10.0%
	5 to 9 Years	7.0%
	10 to 19 Years	5.0%
	20 or More Years	2.0%

The current rates of termination resulted from an August 23, 2017, Experience Study.

Salary Increases:	Service	Current Assumption
	< 1 Year	10.0%
	1 - 4 Years	6.5%
	5+ Years	5.0%

Payroll Growth: None

Funding Method: Entry Age Normal Actuarial Cost Method

Amortization Method: Level Percentage of Pay, Closed

Remaining Amortization Period: 24 Years (as of 10/1/2017)

Asset Valuation Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Return Value. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Disability Rate Table:	% Becoming Disabled During	
	Age	the Year
	20	0.03%
	30	0.04%
	40	0.07%
	50	0.18%

CITY OF BELLEVIEW, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
POLICE OFFICERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Annual Money-Weighted Rate of Return Net of Investment Expense	4.62%	6.46%	10.05%	8.89%	-0.57%	8.75%

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2014 forward.

CITY OF BELLEVUE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB
LIABILITY AND THE RELATED RATIOS
LAST 10 FISCAL YEARS *
(UNAUDITED)

	September 30, 2019	September 30, 2018	September 30, 2017
Reporting Period Ending	September 30, 2019	September 30, 2018	September 30, 2017
Measurement Date	September 30, 2018	September 30, 2017	
Total OPEB Liability			
Service Cost	\$ 16,927	\$ 17,838	
Interest	6,917	5,685	
Changes of Assumptions	(11,823)	(13,303)	
Benefit Payments	(5,324)	(4,907)	
Net Change in Total OPEB Liability	6,697	5,313	
Total OPEB Liability - Beginning	<u>175,730</u>	<u>175,730</u>	
Total OPEB Liability - Ending	<u>\$ 182,427</u>	<u>\$ 181,043</u>	
 Covered Payroll	 \$ 2,225,602	 \$ 2,118,360	
Total OPEB Liability as a Percentage of Covered Payroll	8.20%	8.30%	

Note to Schedule:

Covered Payroll. Covered payroll is projected to the end of the fiscal year based on actual payroll as of the valuation date and applicable salary increase assumptions.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2019:	4.18%
Fiscal Year Ending September 30, 2018:	3.64%
Fiscal Year Ending September 30, 2017:	3.06%

* GASB Statement No. 75 was adopted for the 2018 Fiscal Year and the 10-year trend information will be developed from that date forward.



STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Bellevue's comprehensive annual 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 government's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	66
Revenue Capacity <i>These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.</i>	72
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	76
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place and to help make comparisons over time with other governments.</i>	80
Operating Information <i>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.</i>	82

CITY OF BELLEVUE, FLORIDA
NET POSITION BY COMPONENT
(ACCRUAL BASIS OF ACCOUNTING)
LAST TEN YEARS FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net Investment in										
Capital Assets	\$ 3,138,362	\$ 3,222,396	\$ 3,169,608	\$ 3,406,922	\$ 3,563,418	\$ 3,488,325	\$ 2,719,479	\$ 1,734,709	\$ 4,743,449	\$ 5,084,165
Restricted	666,278	1,034,357	1,235,876	1,256,577	1,578,053	1,817,051	1,142,746	2,667,481	753,501	1,103,121
Unrestricted	1,556,861	1,268,431	1,371,399	1,477,101	1,240,800	637,720	1,078,772	958,987	860,318	1,036,834
Total Governmental Activities, Net Position	\$ 5,361,501	\$ 5,525,184	\$ 5,776,883	\$ 6,140,600	\$ 6,382,271	\$ 5,943,096	\$ 4,940,997	\$ 5,361,177	\$ 6,357,268	\$ 7,224,120
Business-Type Activities										
Net Investment in										
Capital Assets	\$ 4,014,428	\$ 3,719,519	\$ 3,508,745	\$ 3,199,672	\$ 2,851,303	\$ 4,276,988	\$ 9,591,993	\$ 10,316,263	\$ 10,775,408	\$ 10,643,372
Restricted	3,500,224	3,555,554	3,613,587	3,908,508	4,992,568	4,787,734	2,731,890	2,153,537	1,327,121	1,408,629
Unrestricted	2,910,200	3,214,251	3,346,328	3,227,281	2,305,880	1,767,076	1,262,303	1,075,436	2,004,783	2,178,551
Total Business-Type Activities, Net Position	\$ 10,424,852	\$ 10,489,324	\$ 10,468,660	\$ 10,335,461	\$ 10,149,751	\$ 10,831,798	\$ 13,586,186	\$ 13,545,236	\$ 14,107,312	\$ 14,230,552
Primary Government										
Net Investment in										
Capital Assets	\$ 7,152,790	\$ 6,941,915	\$ 6,678,353	\$ 6,606,595	\$ 6,414,721	\$ 7,765,313	\$ 12,311,472	\$ 12,050,972	\$ 15,518,857	\$ 15,727,537
Restricted	4,166,502	4,589,911	4,849,463	5,165,085	6,570,621	6,604,785	3,874,636	4,821,018	2,080,622	2,511,750
Unrestricted	4,467,061	4,482,682	4,717,727	4,704,381	3,546,680	2,404,796	2,341,075	2,034,423	2,865,101	3,215,385
Total Primary Government, Net Position	\$ 15,786,353	\$ 16,014,508	\$ 16,245,543	\$ 16,476,061	\$ 16,532,022	\$ 16,774,894	\$ 18,527,183	\$ 18,906,413	\$ 20,464,580	\$ 21,454,672

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Information Source:

Audited Financial Reports

CITY OF BELLEVIEW, FLORIDA
CHANGES IN NET POSITION
(ACCRAUL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities:										
General Government	\$ 992,562	\$ 907,405	\$ 951,325	\$ 1,070,023	\$ 1,098,875	\$ 1,382,682	\$ 1,595,709	\$ 1,670,211	\$ 1,810,880	\$ 2,006,670
Public Safety	1,344,003	1,132,829	1,129,178	1,137,773	1,307,737	1,360,523	1,339,914	1,385,048	1,388,362	1,615,436
Physical Environment	338,341	333,101	290,076	276,152	282,878	293,179	298,382	302,635	314,806	334,853
Transportation	561,891	448,803	508,517	444,270	503,924	450,274	461,073	600,902	648,044	631,331
Culture and Recreation	333,476	308,855	234,755	149,675	165,182	175,145	166,175	176,091	185,024	192,851
Interest on Long-Term Debt	43,791	40,325	31,050	31,569	27,313	25,412	42,221	73,339	80,073	64,125
Total Governmental Activities Expenses	<u>3,614,064</u>	<u>3,171,318</u>	<u>3,144,901</u>	<u>3,109,462</u>	<u>3,385,909</u>	<u>3,687,215</u>	<u>3,903,474</u>	<u>4,208,226</u>	<u>4,427,189</u>	<u>4,845,266</u>
Business-Type Activities:										
Water/Sewer Utility	2,052,196	2,063,415	2,081,151	2,157,283	2,100,185	2,077,990	2,063,965	2,286,485	2,214,843	3,318,562
Total Business-Type Activities Expenses	<u>2,052,196</u>	<u>2,063,415</u>	<u>2,081,151</u>	<u>2,157,283</u>	<u>2,100,185</u>	<u>2,077,990</u>	<u>2,063,965</u>	<u>2,286,485</u>	<u>2,214,843</u>	<u>3,318,562</u>
Total Primary Government Expenses	<u>\$ 5,666,260</u>	<u>\$ 5,234,733</u>	<u>\$ 5,226,052</u>	<u>\$ 5,266,745</u>	<u>\$ 4,200,370</u>	<u>\$ 5,765,205</u>	<u>\$ 5,967,439</u>	<u>\$ 6,494,711</u>	<u>\$ 6,642,032</u>	<u>\$ 8,163,828</u>
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government (1)	\$ 573,278	\$ 531,256	\$ 567,398	\$ 552,621	\$ 580,220	\$ 678,618	\$ 623,709	\$ 623,361	\$ 692,353	\$ 765,843
Culture and Recreation	38,277	60,043	63,401	4,733	2,052	-	-	42,692	57,478	44,861
Other Activities	426,570	397,928	344,160	363,755	388,310	398,496	390,543	397,662	431,358	497,306
Operating Grants and Contributions	2,315	-	-	-	-	-	-	-	-	210,354
Capital Grants and Contributions	272,531	81,192	2,005	1,490	27,129	11,102	12,133	9,087	725	81,102
Total Governmental Activities	<u>1,312,971</u>	<u>1,070,419</u>	<u>976,964</u>	<u>922,599</u>	<u>997,711</u>	<u>1,088,216</u>	<u>1,026,385</u>	<u>1,072,802</u>	<u>1,181,914</u>	<u>1,599,466</u>
Business-Type Activities:										
Water/Sewer Utility	2,052,450	2,109,117	2,075,032	2,109,242	2,155,226	2,403,679	2,557,669	2,553,277	3,821,919	2,999,741
Operating Grants and Contributions	693	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	869,852	193,076	188,439	177,070	234,837	886,089	1,841,195	741,609	939,737	1,281,408
Total Business-Type Activities	<u>2,922,995</u>	<u>2,302,193</u>	<u>2,263,471</u>	<u>2,286,312</u>	<u>2,390,063</u>	<u>3,289,768</u>	<u>4,398,864</u>	<u>3,294,886</u>	<u>4,761,656</u>	<u>4,281,149</u>
Total Primary Government Program Revenues	<u>\$ 4,235,966</u>	<u>\$ 3,372,612</u>	<u>\$ 3,240,435</u>	<u>\$ 3,208,911</u>	<u>\$ 3,387,774</u>	<u>\$ 4,377,984</u>	<u>\$ 5,425,249</u>	<u>\$ 4,367,688</u>	<u>\$ 5,943,570</u>	<u>\$ 5,880,615</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (2,301,093)	\$ (2,100,899)	\$ (2,167,937)	\$ (2,186,863)	\$ (2,388,198)	\$ (2,598,999)	\$ (2,877,089)	\$ (3,135,424)	\$ (3,245,275)	\$ (3,245,800)
Business-Type Activities	870,799	238,778	182,320	129,029	289,878	1,211,778	2,334,899	1,008,401	2,546,813	962,587
Total Primary Government Net Expense	<u>\$ (1,430,294)</u>	<u>\$ (1,862,121)</u>	<u>\$ (1,985,617)</u>	<u>\$ (2,057,834)</u>	<u>\$ (2,098,320)</u>	<u>\$ (1,387,221)</u>	<u>\$ (542,190)</u>	<u>\$ (2,127,023)</u>	<u>\$ (698,462)</u>	<u>\$ (2,283,213)</u>

CITY OF BELLEVIEW, FLORIDA
CHANGES IN NET POSITION
(ACCRAUL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(Concluded)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes										
in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 671,321	\$ 662,585	\$ 750,858	\$ 710,692	\$ 707,275	\$ 746,682	\$ 879,090	\$ 915,145	\$ 1,061,467	\$ 1,123,721
Franchise Taxes (1)	-	-	-	-	-	-	-	-	-	-
Public Service Taxes	359,575	351,519	355,751	362,426	339,368	329,005	335,400	331,190	314,124	329,250
Local Option Sales Tax	-	-	-	-	-	-	-	389,497	625,432	659,364
Other Taxes	549,390	573,020	569,028	543,103	446,951	392,882	344,299	277,644	257,507	289,596
State-Shared Revenues (Unrestricted)	391,836	393,364	426,082	448,106	527,431	542,257	551,926	604,687	585,536	697,478
Investment Earnings	15,850	19,763	13,233	12,621	9,326	8,315	8,931	9,515	32,373	26,020
Gain/(Loss) on Capital Asset	-	(2,879)	-	28,820	-	-	-	-	-	-
Miscellaneous	114,257	72,810	74,960	158,064	94,279	130,255	161,132	132,692	211,504	118,902
Transfers	430,827	194,400	229,725	286,748	352,497	462,179	(405,788)	895,234	908,246	872,036
Total Governmental Activities	2,533,056	2,264,582	2,419,637	2,550,580	2,477,127	2,611,575	1,874,990	3,555,604	3,996,189	4,116,367
Business-Type Activities:										
Investment Earnings	51,311	46,204	26,741	24,520	20,221	17,490	12,890	13,281	18,455	32,689
Gain/(Loss) on Capital Asset	-	(26,110)	-	-	-	5,245	811	(167,398)	1,544	(2,992)
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	(430,827)	(194,400)	(229,725)	(286,748)	(352,497)	(462,179)	405,788	(895,234)	(908,246)	(872,036)
Total Business-Type Activities	(379,516)	(174,306)	(202,984)	(262,228)	(332,276)	(439,444)	419,489	(1,049,351)	(888,247)	(842,339)
Total Primary Government	2,153,540	2,090,276	2,216,653	2,288,352	2,144,851	2,172,131	2,294,479	2,506,253	3,107,942	3,274,028
Change in Net Assets										
Governmental Activities	231,963	163,683	251,700	363,717	88,929	12,576	(1,002,099)	420,180	750,914	870,567
Business-Type Activities	491,283	64,472	(20,664)	(133,199)	(42,398)	772,334	2,754,388	(40,950)	1,658,566	120,248
Total Primary Government	\$ 723,246	\$ 228,155	\$ 231,036	\$ 230,518	\$ 46,531	\$ 784,910	\$ 1,752,289	\$ 379,230	\$ 2,409,480	\$ 990,815

(1) State retitled License and Permit category to Fees and Permits. Franchise Fees were reclassified under Fees and Permits

beginning 2008, and business license tax was reclassified to Tax category.

Franchise Fees were categorized as Taxes for 2004 through 2007. In 2008 Franchise Fees were moved to General Government Program

Revenues.

Information Source:

Audited Financial Reports

CITY OF BELLEVUE, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING

Fiscal Year	Property Taxes	Franchise Fees (1)	Public Service Taxes	Gas Tax	Business Tax (1)	Local Option Sales Tax	Total Taxes
2010	671,321	-	359,575	503,612	45,778	-	1,580,286
2011	662,585	-	351,519	532,376	40,644	-	1,587,124
2012	750,858	-	355,751	524,367	44,661	-	1,675,637
2013	710,692	-	362,425	500,699	42,482	-	1,616,298
2014	707,275	-	339,368	405,861	41,090	-	1,493,594
2015	746,682	-	329,005	356,340	36,542	-	1,468,569
2016	879,090	-	335,400	256,104	40,591	-	1,511,185
2017	915,145	-	331,190	244,917	32,727	389,497	1,913,476
2018	1,061,467	-	314,124	225,661	31,846	625,432	2,258,530
2019	1,123,721	-	329,250	256,103	33,493	659,364	2,401,931

Information Source:
Audited Financial Reports

(1) State retitled License and Permit category to Fees and Permits. Franchise Fees were reclassified under Fees and Permits beginning 2008 and business license tax was reclassified to Tax category.

CITY OF BELLEVUE, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Non-Spendable	\$ 30,761	\$ 45,136	\$ 18,427	\$ 66,995	\$ 101,690	\$ 54,420	\$ 134,888	\$ 48,842	\$ 97,147	\$ 26,131
Restricted	720,832	1,034,357	1,235,876	1,241,484	1,578,053	1,803,911	1,132,811	2,664,541	729,391	#REF!
Committed	51,374	71,669	72,947	22,605	58,218	64,652	98,666	121,235	127,266	111,494
Assigned	135,645	245,222	256,481	1,309,494	1,128,294	1,076,298	1,495,576	1,417,098	848,222	939,402
Unassigned	1,715,766	1,426,767	1,565,380	493,440	530,723	457,714	416,214	456,602	622,768	752,897
Total General Fund	\$ 2,654,378	\$ 2,823,151	\$ 3,149,111	\$ 3,134,018	\$ 3,396,978	\$ 3,456,995	\$ 3,278,155	\$ 4,708,318	\$ 2,424,794	#REF!
CRA Fund										
Restricted	N/A	N/A	N/A	N/A	N/A	\$ 13,140	\$ 9,935	\$ 2,940	\$ 24,110	\$ 103,488
Total CRA Fund						\$ 13,140	\$ 9,935	\$ 2,940	\$ 24,110	\$ 103,488

Information Source:

Audited Financial Reports

CITY OF BELLEVUE, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 1,580,286	\$ 1,587,123	\$ 1,675,637	\$ 1,616,222	\$ 1,493,594	\$ 1,461,449	\$ 1,550,029	\$ 1,913,206	\$ 2,258,631	\$ 2,401,932
Licenses and Permits	562,075	515,132	544,157	552,621	580,221	685,728	632,470	623,632	692,353	765,843
Intergovernmental	391,836	393,364	426,082	448,106	527,431	542,257	551,927	604,686	585,535	697,479
Grant Revenues	274,846	81,192	2,005	1,490	1,305	11,102	313,530	318,221	725	280,000
Charges for Services	376,700	407,913	372,634	305,878	335,224	314,058	77,012	77,765	337,563	345,144
Fines and Forfeitures	86,144	52,681	52,620	62,608	55,138	85,402	16,947	10,764	80,552	97,296
Investment Earnings	15,850	19,763	13,233	12,621	9,326	8,315	8,848	9,426	13,646	26,019
Miscellaneous	119,204	86,310	79,258	158,069	120,101	129,302	156,402	175,473	282,398	218,627
Total Revenues	3,406,941	3,143,478	3,165,626	3,157,615	3,122,340	3,237,613	3,307,165	3,733,173	4,251,403	4,832,340
Expenditures										
General Government	863,384	821,422	902,373	1,025,413	1,041,889	1,335,193	1,428,985	1,581,587	1,705,171	1,891,439
Public Safety	1,150,197	1,009,223	1,053,071	1,093,376	1,251,937	1,327,246	1,252,680	1,338,597	1,326,479	1,528,219
Physical Environment	336,188	331,627	288,326	275,296	282,219	292,721	297,924	302,177	314,348	334,394
Transportation	453,437	366,447	376,957	359,210	414,407	378,602	376,431	516,816	520,502	501,360
Culture and Recreation	279,333	265,901	197,774	113,108	130,794	139,406	120,826	130,181	142,597	146,307
Capital Outlay	363,695	154,096	179,342	392,342	159,019	78,581	356,613	510,272	2,932,116	275,173
Debt Service:										
Principal	49,775	1,093,014	65,994	70,510	78,373	96,680	733,329	252,270	498,536	479,218
Interest	43,791	40,325	27,885	28,402	27,313	25,412	42,221	73,339	80,073	64,125
Issue Costs	-	9,500	-	-	-	-	-	-	-	-
Total Expenditures	3,539,800	4,091,555	3,091,722	3,357,657	3,385,951	3,673,841	4,609,009	4,705,239	7,519,822	5,220,235
Excess of Revenues (Under) Expenditures	(132,859)	(948,077)	73,904	(200,042)	(263,611)	(436,228)	(1,301,844)	(972,066)	(3,268,419)	(387,895)
Other Financing Sources (Uses)										
Issuance of Note Payable	-	-	-	-	755,397	-	-	-	-	-
Debt Refinancing	-	900,000	-	-	(755,397)	-	1,500,000	1,500,000	97,819	-
Capital Lease	12,565	22,450	22,331	47,295	24,980	47,206	25,587	-	-	-
Transfers (out)	-	-	-	-	-	-	(1,176,669)	(53,124)	(58,962)	939,536
Transfers in	430,827	194,400	229,725	286,748	352,497	462,179	770,881	948,358	967,208	(67,500)
Total Other Financing Sources (Uses)	443,392	1,116,850	252,056	334,043	377,477	509,385	1,119,799	2,395,234	1,006,065	872,036
Net Change in Fund Balances	\$ 310,533	\$ 168,773	\$ 325,960	\$ 134,001	\$ 113,866	\$ 73,157	\$ (182,045)	\$ 1,423,168	\$ (2,262,354)	\$ 484,141

Debt Service as a Percentage of Non-Capital Expenditures

2.95% 28.85% 3.22% 3.34% 3.28% 3.40% 18.24% 7.76% 12.61% 10.99%

Information Source:

Audited Financial Reports

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

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Centrally Assessed Property Value (1)	Total Taxable Assessed Value (2)	Total Direct Tax Rate
2010	\$ 206,651,702	\$ 25,909,480	\$ 195,165	\$ 232,756,347	2.9544
2011	181,240,233	24,104,914	199,830	205,544,977	3.3472
2012	169,836,217	28,527,444	213,502	198,577,163	3.9912
2013	181,340,796	27,734,256	263,049	209,338,101	3.9912
2014	181,441,210	28,133,020	259,729	209,833,959	3.9912
2015	192,066,747	28,143,106	269,908	220,479,761	3.9912
2016	258,795,413	27,954,672	293,877	287,043,962	4.500
2017	270,696,968	28,143,266	307,915	299,148,149	5.000
2018	294,458,683	26,789,035	321,430	321,569,148	5.000
2019	318,903,934	26,501,698	308,762	345,714,394	5.000

Information Source:

Marion County Property Appraiser

Notes:

Property is reassessed each year by the Marion County Property Appraiser. Property is assessed at 100% of actual value. Tax rates are per \$1,000 of assessed valuation.

(1) Railroad systems are assessed by the State of Florida

CITY OF BELLEVIEW, FLORIDA
PROPERTY TAX RATES DIRECT AND OVERLAPPING
LAST TEN FISCAL YEARS

Fiscal Year	City of Belleview Total & Operating Millage	Overlapping Rates				Total Direct and Overlapping Rates
		Marion County Total & Operating Millage	EMS MSTU Total & Operating Millage	School District Total & Operating Millage	SJRWMD District Total & Operating Millage	
2010	2.9544	3.8900	0.8300	7.498	0.4158	15.5882
2011	3.3472	3.9000	0.8300	7.478	0.4158	15.9710
2012	3.9912	3.8900	0.8300	7.487	0.3313	16.5295
2013	3.9912	3.1900	0.7700	7.671	0.3313	15.9535
2014	3.9912	3.1900	0.7700	7.339	0.3283	15.6185
2015	3.9912	3.1900	0.7700	7.298	0.3164	15.5656
2016	4.5000	3.1900	0.7700	7.9020	0.2885	16.6505
2017	5.0000	3.3300	0.7700	7.5600	0.2724	16.9324
2018	5.0000	3.3300	0.7700	7.3190	0.2562	16.6752
2019	5.0000	3.4500	1.1100	7.1840	0.2414	16.9854

Information Source:

Marion County Property Appraiser

Notes:

MSTU is an abbreviation for Municipal Service Taxing Unit.

SJRWMD is an abbreviation for St. Johns River Water Management District.

CITY OF BELLEVIEW, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
SEPTEMBER 30, 2019

Taxpayer	2019			2009			Percentage of Total Taxable Assessed Value
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank		
Schreiber Co./Bellevue Assoc.	\$ 6,751,137	1	2.12%	\$ 10,400,209	1		4.01%
AEJ Bellevue Commons LLC	3,259,891	2	1.02%	3,920,703	3		1.51%
French Construction, Inc.	3,176,075	3	1.00%	2,186,963	6		0.84%
Embarq Florida, Inc./Sprint Florida, Inc.	2,910,121	4	0.91%	7,427,953	2		2.87%
Silver Oaks MHC, LLC	2,635,767	5	0.83%	1,954,733	7		0.75%
Crimi Michael, Jr., PA- CPA	2,044,694	6	0.64%	1,859,330	8		0.72%
Bellevue, LLC	1,995,426	7	0.63%	1,760,361	9		0.68%
Duke Energy	1,988,938	8	0.62%				
K & V Rose LLC	1,963,958	9	0.62%				
Bright House Networks, LLC	1,893,971	10	0.59%	3,619,528	4		1.40%
Ginsburg Dennis TR				2,854,855	5		1.10%
PNS Management Corp				1,514,368	10		0.58%
Total Assessed Value	<u>\$ 28,619,978</u>			<u>\$ 37,499,003</u>			
Total Assessed Property Value	\$ 318,903,934			\$ 259,168,210			

Information Source: Marion County Property Appraiser
 Bellevue Finance Department

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

Fiscal Year	Total Tax Levy	Current Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2010	\$ 687,646	\$ 662,733	96.4%	\$ 8,394	\$ 671,127	97.6%
2011	677,850	659,163	97.2%	3,422	662,585	97.7%
2012	775,932	748,045	96.4%	3,500	750,858	96.8%
2013	708,003	698,402	98.6%	4,000	702,402	99.2%
2014	712,289	695,811	97.7%	11,463	707,274	99.3%
2015	766,603	746,682	97.4%	3,691	750,373	97.9%
2016	879,090	863,711	98.3%	3,072	866,783	98.6%
2017	905,494	893,603	98.7%	6,076	899,679	99.4%
2018	1,030,926	1,009,098	97.9%	957	1,010,055	98.0%
2019	1,065,863	1,086,292	101.9%	2,490	1,088,782	102.2%

Information Source:

Marion County Tax Collector
 Marion County Property Appraiser
 Finance Department

CITY OF BELLEVIEW, FLORIDA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-type Activities		Total Government	Percentage of Personal Income (1)	Per Capita(1)
	Loans Payable	Capital Leases	Sewer/Water Bonds	Loans Payable			
2010	\$ 1,046,000	\$ 71,944	\$ 1,378,844	\$ 3,360,782	\$ 5,857,570	2.16%	1,453
2011	1,046,000	34,734	1,314,799	3,740,952	6,136,485	2.08%	1,544
2012	876,191	33,980	1,244,754	3,818,431	5,973,356	4.76%	1,330
2013	827,338	37,920	1,172,609	3,700,828	5,738,695	4.51%	1,258
2014	723,927	64,726	-	4,480,508	5,269,161	4.32%	1,206
2015	660,987	78,193	-	4,086,583	4,825,763	3.68%	1,043
2016	1,457,933	73,505	-	3,860,903	5,392,341	4.20%	1,165
2017	2,733,678	45,490	-	3,632,770	6,411,938	4.73%	1,317
2018	2,287,146	25,604	-	3,402,100	5,714,850	2.64%	1,109
2019	1,852,265	46,965	-	2,868,679	4,767,909	2.45%	905

Note:

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

Information Source:

City of Belleview/Marion County

(1) US Census Bureau has Per Capita income in 2019 is \$36,997 for Marion County.

Source of per capita income is US Census Bureau.

CITY OF BELLEVIEW, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (1)
AS OF SEPTEMBER 30, 2019
SCHEDULE 10

The City has no direct and overlapping debt.

**COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2017
CITY OF BELLEVIEW, FLORIDA**

**The Constitution of the State of Florida,
Florida Statute 200.181, Sets No Legal Debt Margin.**

CITY OF BELLEVIEW, FLORIDA
PLEDGED REVENUE COVERAGE - WATER AND SEWER
LAST TEN FISCAL YEARS

Fiscal Year	Water/Sewer Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Requirements			Debt Coverage Ratio
				Principal	Interest	Total	
2010	\$ 2,052,450	\$ 1,308,915	\$ 743,535	\$ 161,466	\$ 133,309	\$ 294,775	2.52%
2011	2,109,117	1,361,679	747,438	192,511	133,337	325,848	2.29%
2012	2,075,032	1,385,596	689,436	223,845	135,194	358,039	1.93%
2013	2,105,538	1,469,690	635,848	207,142	127,351	334,493	1.90%
2014	2,155,226	1,481,505	673,721	245,447	84,903	330,350	2.04%
2015	2,403,679	1,531,143	872,536	393,924	89,045	482,969	1.81%
2016	2,557,669	1,417,533	1,140,136	120,450	64,445	184,895	6.17%
2017	2,553,277	1,625,436	927,841	122,903	58,991	181,894	5.10%
2018	2,640,730	1,548,683	1,092,047	125,018	56,795	181,813	6.01%
2019	2,999,741	3,249,093	(249,352)	127,968	53,926	181,894	-1.37%

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Information Source:

Bellevue Audited Financial Reports
 Bellevue General Ledger

CITY OF BELLEVIEV, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	% of Bellevue to Marion County Population (2)	Per Capita Personal Income (3)	Personal Income (4)	School Enrollment (5)	Marion County Unemployment Rate (6)
2010	4,492	1.21%	31,237	140,316,604	498	14.6%
2011	4,492	1.21%	23,509	105,602,428	563	12.4%
2012	4,561	1.34%	23,909	109,048,949	561	9.80%
2013	4,562	1.36%	24,234	110,556,249	571	7.10%
2014	4,629	1.37%	27,990	129,565,710	576	6.80%
2015	4,746	1.39%	28,046	133,106,316	589	5.90%
2016	4,868	1.43%	33,901	165,030,068	586	5.70%
2017	4,874	1.39%	34,765	169,444,610	598	4.40%
2018	5,152	1.39%	35,942	185,173,184	596	4.40%
2019	5,268	1.46%	36,997	194,900,196	601	4.40%

Information Source:

City of Bellevue/Marion County

(1) DataUSA

(2) BEBR-applied Bellevue Population to Marion County

(3) FRED Economic Research for 2016

(4) The per capita figures are multiplied by the population to determine the personal income.

(5) www.ocala.com/news/

(6) FRED 2016

CITY OF BELLEVIEW, FLORIDA
PRINCIPAL EMPLOYERS
FOR THE YEAR ENDED SEPTEMBER 30, 2019 AND TEN YEARS AGO

Employer	Business	Fiscal Year 2019			Fiscal Year 2009		
		Employees	Percentage of Total City (1) Employment	Rank	Employees	Percentage of Total City (2) Employment	Rank
Publix Supermarkets	Retail Sales	120	6.48%	1	107	7.26%	1
Winn Dixie	Retail Sales	125	6.75%	2	90	6.11%	4
Belleview Elementary School	Education	100	5.40%	3	100	6.79%	3
Express Care	Medical	60	3.24%	4	105	7.13%	2
City of Belleview	Government	56	3.02%	5			
McDonalds	Restaurant	50	2.70%	6	57	3.87%	7
Mojos	Restaurant	50	2.70%	6	75	5.09%	6
Rose's Discount Store	Retail Sales	32	1.73%	7			
Zaxby's	Restaurant	30	1.62%	8	35	2.38%	10
Hardees	Restaurant	30	1.62%	8			
Pasta Faire	Restaurant	30	1.62%	8	42	2.85%	9
Family Doctors	Medical	26	1.40%		53	3.60%	8
Sweetbay	Retail Sales				76	5.16%	5
Burger King	Restaurant				35	2.38%	10
Total		709	38.27%		775	52.62%	
All Others		1,144	61.73%		698	47.39%	
Total Employment		1,853	100.00%		1,473	100.00%	

Note:

(1) Total City Employment calculated using % of Belleview population to Marion County, Florida.
 (2) 2010 information unavailable; therefore, using 2009.

Information Source:

City of Belleview
 DATA USA

CITY OF BELLEVIEW, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	10	9	10	14	14	15	15	15	15.5	15
Public Safety:										
Sworn Officers	15	13	11	12	12	13	13	13	14	14
Civilians	2	2	2	3	3	3	2.5	2.5	2.5	2.5
Public Works	21	19	18	14	14	15	16	17	18	18
Parks and Recreation	0	0	1	1	1	0	0	0	1	1
Total	<u>48</u>	<u>43</u>	<u>42</u>	<u>44</u>	<u>44</u>	<u>46</u>	<u>46.5</u>	<u>47.5</u>	<u>51</u>	<u>50.5</u>

Source: City of Belleview 2019 FY Budget Book (for 2013 - 2019)

CITY OF BELLEVIEW, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

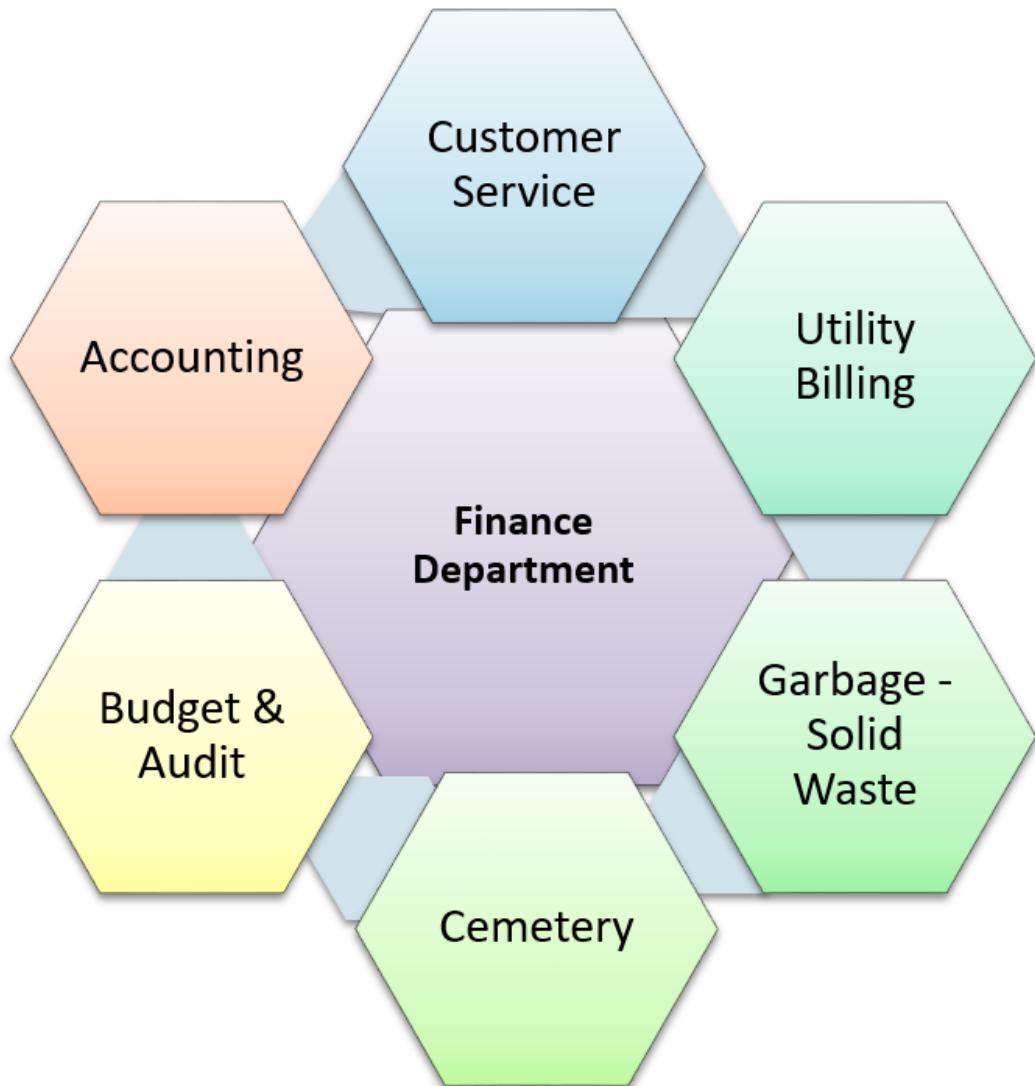
Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Area of City (square miles)	3.28	3.28	3.28	3.28	3.28	3.28	3.28	3.28	3.28	3.28
General Government:										
Number of Ordinances Submitted	18	14	11	11	18	15	14	17	24	27
Number of Resolutions Submitted	22	18	34	23	18	15	16	21	26	15
Number of Various Insurance Claims	15	6	18	2	2	1	7	6	11	7
Journal Entries Processed	41,700	41,500	43,583	41,333	52,280	18,230	13,817	12,500	13,000	13,000
Accounts Payable Checks Issued	1,820	2,000	1,747	2,016	1,970	1,836	1,690	1,350	1,300	1,493
Development Services:										
Building Permits Issued	430	425	400	420	388	316	325	316	285	209
Business Tax Receipts Issued	725	700	675	510	616	667	557	713	711	732
Code Inspections/Notices	225	205	175	250	262	150	153	150	185	218
Number of Site Plan Reviewed	22	20	17	15	10	23	20	17	3	9
Annexations Processed	5	3	3	2	2	1	0	1	0	0
Information Technology:										
Number of Computers Serviced	80	77	77	77	77	70	70	70	71	71
User Accounts Maintained	60	60	60	60	60	60	60	60	80	80
Number of Servers Serviced	34	14	14	14	14	16	16	16	16	16
Systems/Network Failures	0	0	0	0	0	0	0	0	0	0
Police:										
Calls Dispatched	25,000	23,231	22,300	13,129	20,180	19,159	18,875	21,574	23,000	22,405
Traffic Crash Reports	330	335	310	202	265	241	196	230	200	209
Calls Per Officer	2,100	2,320	1,313	1,313	2,242	2,129	2,097	2,222	2,091	2,037
Transportation:										
Paved Miles Maintained	26.81	26.81	26.81	26.81	26.81	26.81	26.81	26.81	26.81	26.81
Park Acreage Maintained (miles)	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69	31.69
Sidewalks Built or Repaired (miles)	4.83	4.83	4.83	4.83	4.83	4.83	4.83	4.83	4.83	1.20
Parks and Recreation:										
Number of Ball Fields Maintained	0	0	0	0	0	0	0	0	0	0
Facility Set-Ups Completed by Staff	5	5	5	5	5	5	5	5	5	5
Special Events Coordinated & Facilitated	7	7	7	7	7	7	7	9	9	4
Water and Wastewater:										
Wastewater Collections (millions)	148	145	143	141	141	135	135	131	122	128
Number of Customers	3,570	3,350	3,328	3,205	3,164	3,051	3,100	3,425	3,300	3,203
Gallons of Water Produced (in millions)	300	285	282	279	279	294	294	247	247	291

Source: City of Belleview Budget & Records

BS&A system

CITY OF BELLEVUE, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units	12	9	9	8	8	7	7	7	7	7
Transportation:										
Streets-Paved (miles)	26.81	26.81	26.81	26.81	26.81	26.81	26.81	26.81	26.81	26.81
Streets-Unpaved (miles)	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73
Culture and Recreation:										
Park Acreage	39.55	39.55	39.55	39.55	39.55	39.55	39.55	39.55	39.55	39.55
Parks	4	4	4	4	4	4	4	4	4	4
Water/Wastewater (W/WW):										
Water Mains (miles)	88	88	88	88	70	70	70	70	70	70
Hydrants	466	466	466	466	466	469	466	466	392	392
Lift Stations	35	35	35	35	35	35	35	34	32	32
WW Maximum Daily Capacity (millions of gallons)	0.76	0.76	0.76	0.76	0.58	0.58	0.58	0.58	0.58	0.58
W Maximum Daily Capacity (millions of gallons)	3.740	3.740	3.740	3.740	2.232	2.232	2.232	2.232	2.232	2.232
Sanitary Sewers (miles)	19.7	19.7	19.7	19.7	10	10	10	10	10	10
General Government:										
Square Footage of Buildings	44,203	44,203	40,163	40,163	24,073	24,073	24,073	24,073	24,073	24,073
City Vehicles - Non-Patrol	20	18	16	14	14	10	10	10	10	10



COMPLIANCE SECTION

**ADDITIONAL ELEMENTS OF REPORT PREPARED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS, RULES OF THE
AUDITOR GENERAL, STATE OF FLORIDA,*
AND THE UNIFORM GUIDANCE**

**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***

Honorable Mayor and City Commissioners
City of Belleview
Belleview, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Belleview, Florida (the City) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 17, 2020.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 weakness may exist that have not been identified.

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Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

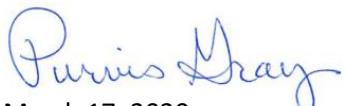
**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Compliance and Other Matters

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

Purpose of the 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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



March 17, 2020
Ocala, Florida

CITY OF BELLEVUE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Grant Number</u>	<u>CFDA Number</u>	<u>Program or Award Amount Expenses</u>
<u>FEDERAL AWARDS</u>			
U.S. Department of Agriculture			
Community Facilities Loans and Grants	3570-3	10.766	\$ 50,000
Department of Justice			
Passed through Florida Department of Law Enforcement			
Edward Byrnes Memorial Justice Assistance Grant Program	2019-JAGC-MARI-1-N2-007 2019-JAGC-MARI-1-N3-012	16.738 16.738	7,000 1,602
Department of Environmental Protection			
Passed Through Florida Department of Environmental Protection			
Capitalization Grants for Drinking Water	FS98452217-0	66.468	934,393
U.S. Department of Homeland Security			
Passed through State of Florida, Division of Emergency Management			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)		97.036	<u>210,354</u>
Total			<u>\$ 1,203,349</u>

Notes to the Schedule of Expenditures of Federal Awards:

Basis of Presentation

The accompanying schedule of Federal Awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance.

Indirect Cost Rate

The City has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

Honorable Mayor and City Commissioners
City of Bellevue
Bellevue, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Bellevue, Florida's (the City) compliance with the types of compliance requirements described in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the City's major Federal programs for the year ended September 30, 2019. The City's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the City's compliance.

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Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended September 30, 2019.

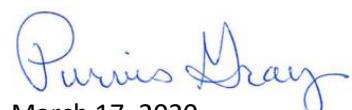
Report on Internal Control Over Compliance

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

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

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

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


March 17, 2020
Ocala, Florida

CITY OF BELLEVIEW, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Summary of Audit Results

Financial Statements

Type of Audit Report Issued: Unmodified

Internal Control over Financial Reporting:

Material weakness(es) identified? No
Significant deficiency(ies) identified? None Reported

Non-compliance material to financial statements noted?

No

Federal Awards

Internal Control over Major Programs:

Material weakness(es) identified? No
Significant deficiency(ies) identified? None Reported

Type of Audit Report Issued on Compliance for
Major Programs:

Unmodified

Any audit findings disclosed that are required to be
Reports in accordance with CFR 200.516(A)
Or Chapter 10.557 for Local Government Entities?

No

Identification of Major Programs:

Capitalization Grants for
Drinking Water; Federal
CFDA No. 66.468

Auditee Qualified as Low-Risk Auditee Pursuant to the Uniform Guidance?

No

Dollar Threshold Used to Distinguish Between
Type A and Type B Programs – Federal Programs:

\$750,000

Other Issues

A. No summary schedule of prior audit findings is required because there were no prior audit findings.

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES - INVESTMENTS OF PUBLIC FUNDS**

Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

We have examined the City of Belleview's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2019. City 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence is sufficient and appropriate to provide 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 complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2019.

The report is intended solely for the information and use of the Florida Auditor General, the City Commissioners of the City of Belleview, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



March 17, 2020
Ocala, Florida

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MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belleview, Florida (the City) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated March 17, 2020.

Auditor's Responsibility

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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); 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*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 17, 2020, 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 annual financial audit report. There were no prior year audit findings.

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. This information is included in Note 1 to the financial statements.

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Honorable Mayor and City Commissioners
City of Belleview
Belleview, Florida

MANAGEMENT LETTER

Financial Condition and Management

Sections 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 same.

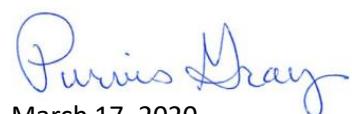
Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and the 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, the City Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than those specified parties.


March 17, 2020

Ocala, Florida



CITY OF BELLEVIEW

5343 S.E. Abshier Boulevard · Belleview, Florida 34420
Telephone: (352) 245-7021 · Fax: (352) 245-6532
"City With Small Town Charm"

AFFIDAVIT

STATE OF FLORIDA
COUNTY OF MARION

BEFORE ME, this day personally appeared Marge Strausbaugh, Finance Director and Chief Financial Officer for the City of Belleview, Florida who being duly sworn, deposes and says:

1. The City of Belleview is a political subdivision incorporated under the laws of the State of Florida.
2. The City of Belleview adopted Ordinance 2007-04 implementing Recreation Impact Fees on March 6, 2007.
3. The City of Belleview has complied with Florida Statutes, Section 163.31801, Parts (3) (a) through (d) when adopting its Ordinance.

Marge Strausbaugh
Finance Director
Chief Financial Officer

Sworn to (or affirmed) and subscribed before me this 27th day of February, 2020 by Marge Strausbaugh, Finance Director and Chief Financial Officer for the City of Belleview, Florida, who is personally known to me.

Notary Signature

Notary Seal/Stamp



MAYOR: Christine K. Dobkowski
COMMISSIONERS: Michael J. Goldman · Gary W. Ernst · Ronald T. Livsey · Robert J. Smith