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FLORIDA



Belleview Police Department - 2018 (construction completed)

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

*Fiscal Year Ending
September 30, 2018*

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2018**

CITY OF BELLEVIEW, FLORIDA

Prepared by: Marge Strausbaugh
Finance Director

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

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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018
CITY OF BELLEVIEW, 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**

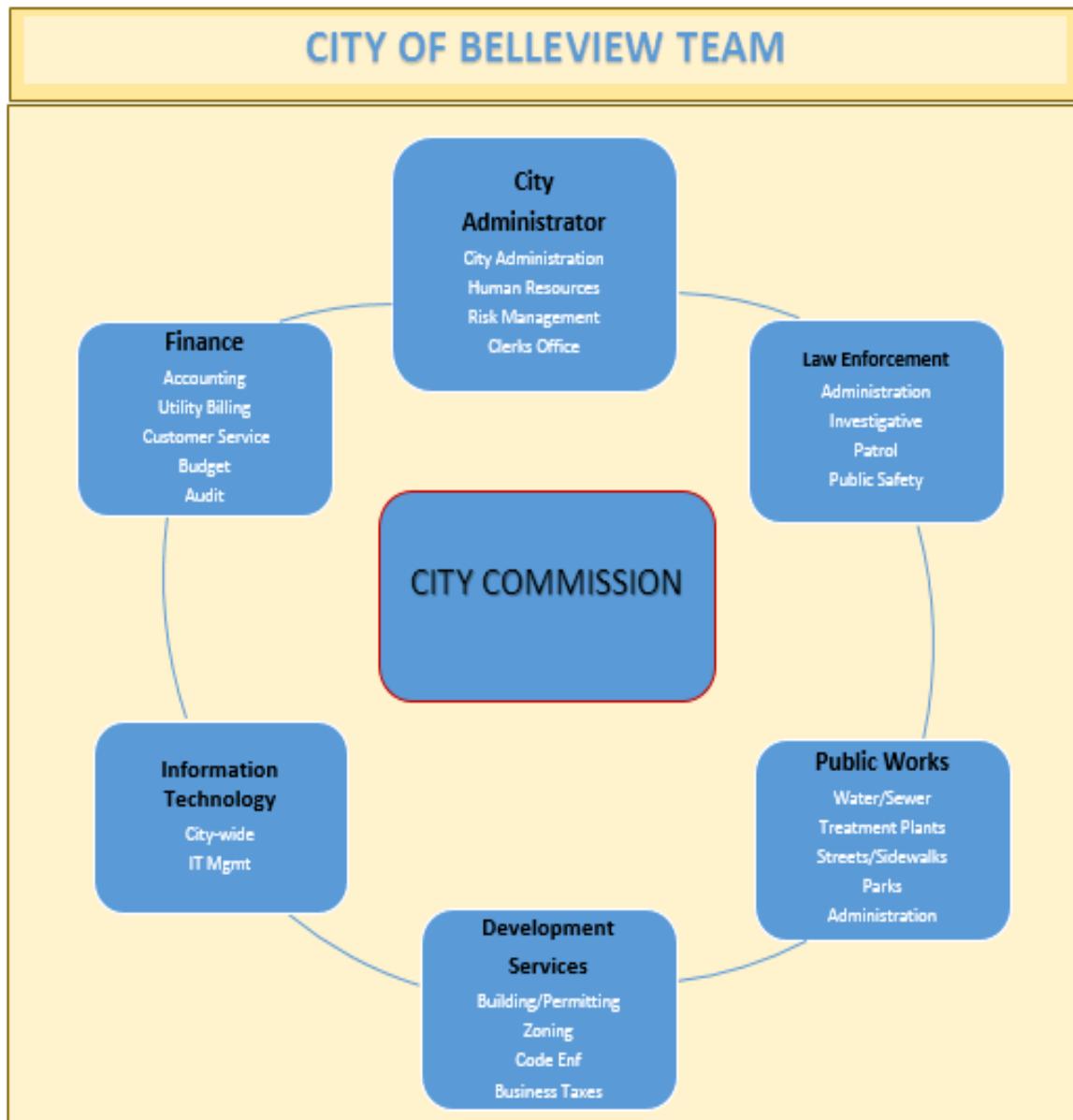
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Monell

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 18, 2019

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, 2018. 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.

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 Belleview:

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. Belleview 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, Belleview is the second largest city in Marion County. The population and area of Belleview have grown at a slow and steady pace. The April 1, 2018 Bureau of Economic and Business Research estimates cite the population at 5,152 residents and the most recent annexations show the area of the incorporated city limits has grown to 3.76 square miles.

Founded in the spring of 1884, Belleview was officially incorporated May 4, 1885 by a special act of the legislature. Sixty-three of the 350 citizens elected the first Mayor. Belleview, 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". Belleview 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 3.6% in September 2018. 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 2018 fiscal year. These projects will enhance the City and surrounding area:

a. Buildings – City Hall and the Police Department:

The current City Hall and Police Department buildings were constructed or renovated in 1995 and were overdue for upgrade or expansion. Funds were set aside during the construction of the Dennis Monroe Public Works Complex for the renovation of the City Hall building. Plans for the Police Department expansion and renovation were slated to be funded with the local option sales surtax approved by voters in 2016. The surtax is specifically set aside for public safety and capital road projects. Construction and design plans were developed in the 2017 fiscal year, with construction on both projects completed in the 2017/2018 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. During 2017/2018 fiscal year, the Lions Club building was demolished.

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 begun in the current fiscal year. The shuffleboard court removal was delayed until the next fiscal year to accommodate improvements needed to update the community center. The Cherokee Park Community Center is becoming very popular for citizen use such as weddings and reunions along with other group and family gatherings.

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 sponsored by the Ocala / Marion County TPO. Pending funding, the project could begin within a couple of years.

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. A resurfacing project was completed in the 2017/2018 fiscal year budget.

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 will be installed in the 2018/2019 fiscal year at which time the city will then have all electronic read meters.

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 grant funding for a design and permitting for the South 132 Street water and sewer project. The design was completed in the 2017/2018 fiscal year. Installation will be pending funding.

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

In the 2017/2018 fiscal year the City began design for a new Waste Water Treatment Plan Office and lab.

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.

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 tenth year in a row for its Budget Manual prepared for the 2017/2018 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 ninth Government Finance Officers Association of the United States and Canada Certificate of Excellence in Financial Reporting for the fiscal year ending September 30, 2017 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
Sandi McKamey
City Administrator

Marge Strausbaugh
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 AUDITORS' REPORT

Honorable Mayor and City Commissioners
City of Bellevue
Bellevue, Florida

Report on the Financial Statements

We have audited the accompanying 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 Bellevue, Florida (the City) as of and for the year ended September 30, 2018, 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.

Auditors' 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 auditors' 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.

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, discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2018, 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.

Certified Public Accountants

P.O. Box 141270 • 222 N.E 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461

Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872

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MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

Honorable Mayor and City Commissioners
City of Bellevue
Bellevue, Florida

INDEPENDENT AUDITORS' REPORT
(Concluded)

Other Matters

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2018, the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension* (OPEB). Our Opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and OPEB 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 GASB, 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 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 18, 2019, 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.

Purvis, Gray and Company, LLP

March 18, 2019
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, 2018. 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 \$20,464,580.
- Of this amount, \$2,865,101 (*unrestricted net position*) may be used to meet the governments ongoing obligations to citizen and creditors.
- The City’s total net position increased by \$1,209,836, with business-type activities experiencing an *increase* of \$433,377 and Governmental activities experiencing an *increase* of \$732,459.
- At the close of the current fiscal year, the City’s governmental funds reported an ending fund balance of \$2,424,794, a *decrease* of \$2,286,464 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the general fund was \$2,424,794. Of that amount, \$1,802,026 was non-spendable, restricted, committed, or assigned and \$622,768 was unassigned with that amount of unassigned dollars comprising approximately 25.7% of total general fund balance.
- The City created the Bellevue Downtown Community Redevelopment Area (CRA) in 2013. Fund Balance at September 30, 2018 was \$24,110. The CRA assisted the City with improvements to Lake Lillian Park that included demolition of an old building in the 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 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).

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

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.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

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 29-60 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 61-69 of this report.

Government-Wide Financial Analysis

CITY OF BELLEVUE'S NET POSITION

	Governmental Activities		Business-type Activities		Total		Component Unit	
	2018	2017	2018	2017	2018	2017	2018	2017
Current and other Assets	2,960,113	5,216,816	4,417,085	4,458,532	7,377,198	9,675,348	0	1,760
Capital Assets	7,121,900	4,513,877	13,568,298	13,229,736	20,690,198	17,743,613	0	486
Total Assets	10,082,013	9,730,693	17,985,383	17,688,268	28,067,396	27,418,961	0	2,246
Deferred Outflows							0	
Related to Pensions/OBEB	165,245	238,364	1,193	0	166,438	249,451	0	
	10,247,258	9,969,057	17,986,576	17,688,268	28,233,834	8,142,369	0	2,246
Long-term liabilities								
outstanding	3,159,394	3,224,175	3,490,347	3,803,102	6,649,741	7,027,277		
Other liabilities	511,209	1,001,860	388,917	339,930	900,126	1,341,790	0	1,416
Total Liabilities	3,670,603	4,226,035	3,879,264	4,143,032	7,549,867	8,369,067	0	1,416
Deferred Inflows								
Related to Pensions	219,387	381,845	0		219,387	381,845	0	0
	3,889,990	4,607,880	3,879,264	4,143,032	7,769,254	8,750,912	0	0
Net Position								
Invested in capital assets, net of related debt	4,743,449	1,734,709	10,775,408	10,316,261	15,518,857	12,050,970		
Restricted	753,501	2,667,481	1,327,121	2,153,537	2,080,622	4,821,018		
Unrestricted	860,318	958,987	2,004,783	1,075,438	2,865,101	2,034,425	0	830
Total Net Position	6,357,268	5,361,177	14,107,312	13,545,236	20,464,580	18,906,413	0	830

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 \$20,464,580 at the close of the most recent fiscal year.

By far, the largest portion of the City's net position, \$15,518,857 or 78.8%, 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 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.

A portion of the City's net position \$2,080,622 or 10.3% represents resources that are subject to external restrictions on their use. The remaining balance of unrestricted net position, 2,865,101, or 14% 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

During the current fiscal year, the government's net position *increased* by \$1,209,836.

Governmental activities *increased* the City's net position by \$732,459 of the overall increase to net position. Business-type activities experienced an *increase* in net position of \$477,377. Key elements of these changes are as follows:

CITY OF BELLEVIEWS CHANGES IN NET POSITION

	Governmental		Business-type		Component			
	Activities		Activities		Total		Unit	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues:								
Program Revenues:								
Charges for Service	\$ 1,181,189	\$ 1,063,715	\$ 2,640,730	\$ 2,553,277	\$ 3,821,919	\$ 3,616,992		
Operating grants and contributions								
Capital grants and contributions	725	9,087	939,737	741,609	940,462	750,696		15,515
General Revenues:								
Property Taxes	1,061,467	915,145			1,061,467	915,145		
Other Taxes	1,197,063	998,331			1,197,063	998,331		
Other Revenues	810,959	746,894	18,455	13,281	829,414	760,175		
Total revenues	\$ 4,251,403	\$ 3,733,172	\$ 3,598,922	\$ 3,308,167	\$ 7,850,325	\$ 7,041,339	0	\$ 15,515
Expenses:								
General government	1,810,880	1,670,211			1,810,880	1,670,211		
Public safety	1,388,362	1,385,048			1,388,362	1,385,048		
Physical Environment	314,806	302,635			314,806	302,635		
Transportation	648,044	600,902			648,044	600,902		
Culture/Recreation	185,024	176,091			185,024	176,091		
Interest on Long Term Debt	80,074	73,339			80,074	73,339		
Economic Development Council								
Water utility			2,214,843	2,286,485	2,214,843	2,286,485		23,388
Total expenses	\$ 4,427,190	\$ 4,208,226	\$ 2,214,843	\$ 2,286,485	\$ 6,642,033	\$ 6,494,711		\$ 23,388
Increase (Decrease) in net position before transfers	(175,787)	(475,054)	1,384,079	1,021,682	1,208,292	546,628		
Gain on sale of Cap Assets			1,544	(167,398)	1,544	(167,398)		
Transfers	908,246	895,234	(908,246)	(895,234)	-	-		
Increase (Decrease) in net position	732,459	420,180	477,377	(40,950)	1,209,836	379,230	(830)	(7,873)
Net Position Beginning (Restated)	5,624,809	4,940,997	13,629,935	13,586,186	19,254,744	18,527,183	830	8,703
Net Position Ending	\$ 6,357,268	\$ 5,361,177	\$ 14,107,312	\$ 13,545,236	\$ 20,464,580	\$ 18,906,413	0	\$ 830

2017-2018 Revenue Comparison

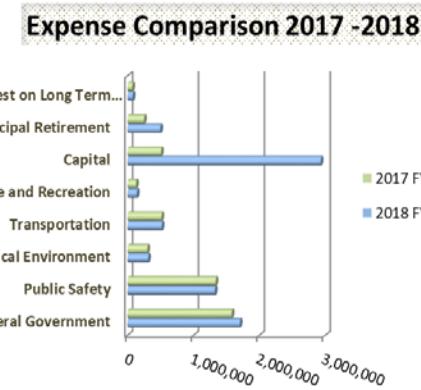
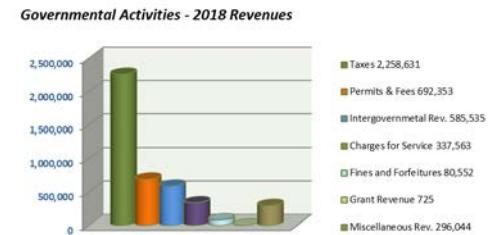


Overall, total revenues had an *increase* of \$808,986. Property Taxes *increased* by \$146,322. Without the millage rate changing for the 2018 fiscal year from the previous fiscal year, this shows that property value is increasing and not declining as seen during the previous recession years. Additionally, new growth is occurring that increases property taxes as property is revitalized.

Component Unit. The City's financials include a Component Unit. The Component Unit relates to the Bellevue Economic & Development Council (BEDC). The City contributed funds to assist the BEDC in costs and incentives to promote economic development. The Council reported budget and expenditure activity to the Bellevue Commission and a Bellevue Commissioner sat on the BEDC Council. The BEDC was dissolved at the end of the 2018 fiscal year. The City going forward will incorporate these objectives under the City Commission and City Administrator's oversight. The Component Unit financials are included for disclosure purposes and are not factored into total revenues, expenditures and other activity that contribute to the City's ending net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

- Charges for service in 2018 *increased* in the Governmental Activities by \$117,474 or 11%. 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 \$87,453 or 3.4%. 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 2018 from 2017. The \$939,737 in Capital grants and contributions was reimbursement from State DEP grants along with City Impact Fees for capital projects.
- The only grant receipts in the Governmental activities in 2018 were \$725 in Police grants that included equipment purchases.
- Overall, total expenses *increased* slightly by \$147,322. This left the City with \$175,787 less dollars expensed than revenue dollars received.
- General government expenses *increased* in 2018 by \$218,964 or 5.2%. This increase in expenses is correlated to increasing operational costs to maintain essential services along with increased building inspections.
- Public Safety expenses *increased* in 2018 by \$3,314 or .2%.
- Transportation expenses *increased* in 2018 by \$47,142 or 7.8%. This is due to higher costs in street maintenance related expenses.
- Culture and Recreation expenses *increased* in 2018 by \$8,933 or 5.1 %.
- Physical environment (this includes Garbage) expenses *increased* in 2018 by \$12,171 or 4%. This slight increase demonstrates that the number of houses are increasing.
- Interest on Long Term Debt *increased* by \$6,735 or 9.2%. This is due to a full year of payments on a capital loan to fund the Police Department Building construction. This additional loan will be paid back in five years with Local Option Sales Tax money that is designated for Public Safety and Transportation.



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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

Program Revenues are comprised of:

• Charges for Service	\$1,181,189
• Capital Grants & Contributions	<u>725</u>
	\$1,181,914

General Revenues are comprised of:

• Property Taxes	\$1,061,467
• Other Taxes	1,197,063
• Other Revenues	<u>810,959</u>
	\$3,069,489



Transfers In are comprised of:

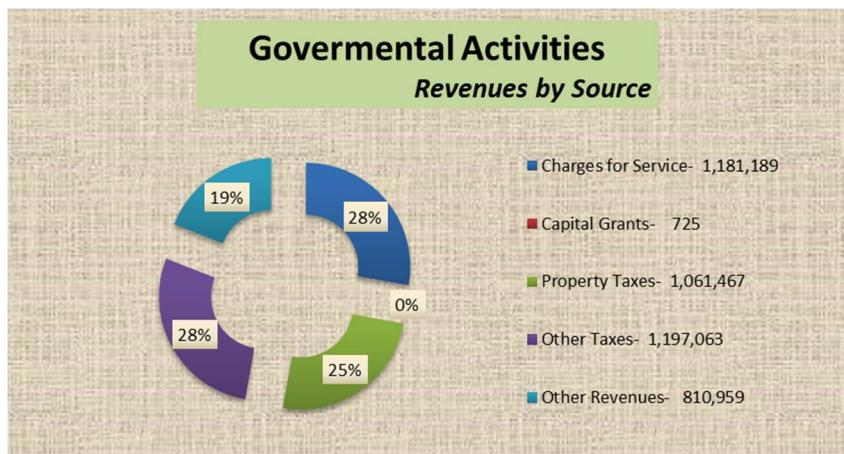
• Transfers In	\$908,246
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Total Revenue \$5,159,649

Note: Transfer 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 were diverse with very limited revenues obtained in 2018 from grant and grant projects.



Note: Total expenses in the Governmental Activities were \$4,427,190. This is \$175,787 less expense than revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

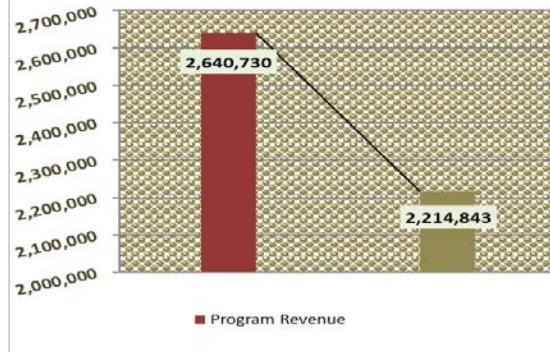
Business-type activities increased the City's net position by \$477,377, an *increase* from 2017 fiscal year, which was a decrease of \$40,950. Key elements of the increase (comparing last year to this year) are as follows:

- Revenues *increased* by \$290,755 or 8.8% in 2018 from the 2017 fiscal year. Capital and Operating grants and contributions *increased* by \$198,128 due to grant studies and construction projects. Charges for Service *increased* by \$87,453.
- Total expenses *decreased* by \$55,630 or 1.8% in 2018 from the 2017 fiscal year.
- Of that total expense, transfers to the General Fund *increased* by 13,012 or 1.5% in 2018 fiscal year mainly due to normal operational increases that include personnel and IT expenses incurred.

Expenses and Program Revenues- Business-type Activities

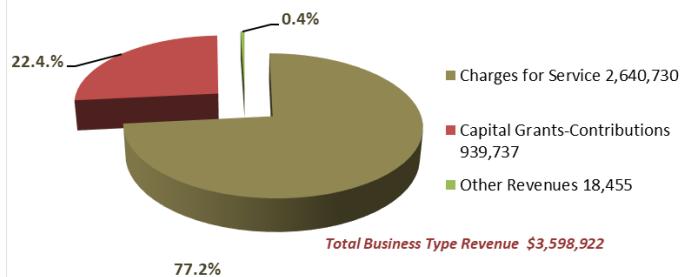
(prior to transfers out)

2018 Business Type Comparison



Revenues by Source- Business-type Activities

2018 Business Type Revenues



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

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Financial Analysis of the City's Funds

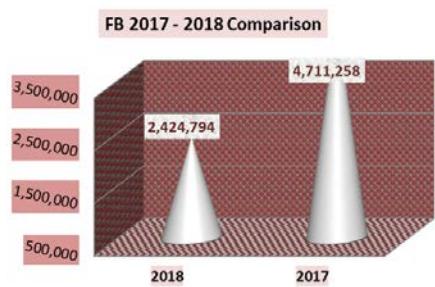
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

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 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 2018 fiscal year, the CRA Fund Balance was \$24,110.

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 money for needed City projects.

	2018 Fund Balance	2017 Fund Balance
Non Spendable	97,147	48,842
Restricted	729,391	2,667,481
Committed	127,266	121,235
Assigned	848,222	1,417,098
Unassigned	622,768	456,602
	2,424,794	4,711,258



At the end of the 2018 fiscal year, the City's Governmental funds reported a total ending fund balance of \$2,424,794, a *decrease* of \$2,286,464 in comparison with the 2017 fiscal year ending balance of \$4,711,258. At the end of the 2018 fiscal year, the *unassigned fund balance* of the General Fund was \$622,768. The *unassigned fund balance* amount is 14.73% of the total fund balance and is available for spending at the City's discretion. At the end of the 2018 fiscal year, the combined *non-spendable, committed, assigned, and restricted fund balances* of the General Fund was \$1,802,026. 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. The change in these funds was mainly due to spending the reserved funds for the Police Department Construction.

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.



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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 \$2,004,783, an *increase* of \$929,345. 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.

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:

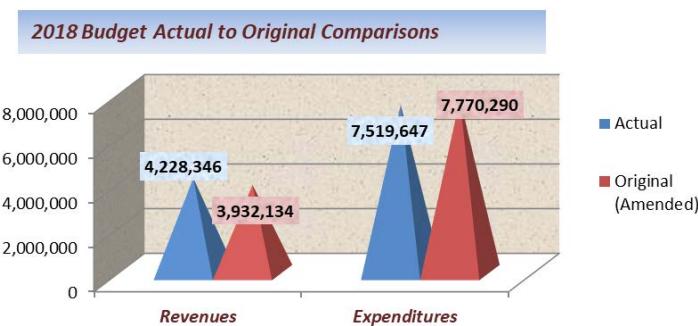
Bellevue saw continued commercial construction occur in the 2018 fiscal year. Property values and subsequently the corresponding taxable values increased in 2018. The difference in property taxes between 2018 and 2017 was a combination of increases in property value and new construction growth. The City maintained its previous millage rate of 5.0000 for its base property tax.

In 2018, the General Government saw an *increase* in actual revenues of \$296,212 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 \$250,643, primarily a result of spending oversight.

In 2018, the General Fund saw an excess of expenditures over revenues of \$3,291,301. 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). This was due to the large Police Department building construction project, the City Hall renovation project, and the street improvement project. Funds used for to pay for these projects were saved in reserves and those are not considered revenue.



MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Capital Asset and Debt Administration

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2018 is \$20,690,196 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, furniture and equipment, and vehicles.

	Government Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land and Improvements	\$ 1,545,911	\$ 1,514,461	\$ 192,115	\$ 192,115	\$ 1,738,026	\$ 1,706,576
Buildings	2,112,797	1,549,041			2,112,797	1,549,041
Imprv other than Bldgs	824,358	665,160			824,358	665,160
Buildings & Improvements			18,069,952	17,592,215	18,069,952	17,592,215
Infrastructure	2,192,551	1,798,842	2,073,183	2,073,183	4,265,734	3,872,025
Vehicles/Accessories	685,466	699,595			685,466	699,595
Machinery,Furniture,Equip:	806,319	718,185	595,333	501,101	1,401,652	1,219,286
Intangible Assets	147,744	147,744	58,868	58,868	206,612	206,612
Construction in Progress	1,792,617	173,822	2,758,530	2,395,613	4,551,147	2,569,435
Total Capital Assets	\$ 10,107,763	\$ 7,266,850	\$ 23,747,981	\$ 22,813,095	\$ 33,855,744	\$ 30,079,945
Capital Assets, Net	\$ 7,121,900	\$ 4,513,877	\$ 13,568,296	\$ 13,229,736	\$ 20,690,196	\$ 17,743,613

The *increase* in the City's total capital assets (net of accumulated depreciation) was \$2,946,583. The government activities *increased* \$2,608,023 and the business-type activities *increased* \$338,560, both of which were due mainly to new construction.

Major capital asset construction events during the current fiscal year included the following:

- Renovation and addition to the Police Department Building that doubled the size of that building.
- Renovation of City Hall
- Street paving
- Upgraded construction of a new Head works/Bar Screen system for the Waste Water Treatment Plant

City of Bellevue's Capital Asset:

Additional information on the City's capital assets can be found in Note 3 on pages 43-44 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 \$3,402,131 and notes payable of \$2,286,760 along with lease debt of \$91,691 (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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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 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 2017 – 2019 fiscal years for Police radios was included in the 2018 lease activities.

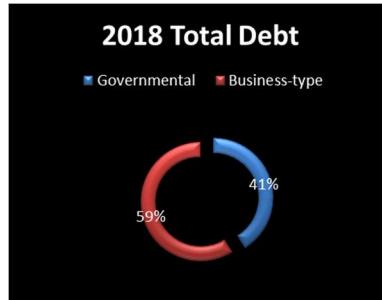
In 2017, the City obtained a 1.5 million dollar - five-year loan at an interest rate of 2.250% for the Police Department building construction. This project is actually funded through the four year Local Option Sales Tax which begin distribution in the 2017 fiscal year. The Local Option Sales Tax proceeds 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 Bellevue Police Department building.

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Leases	\$ 91,691	\$ 45,490	\$ -	\$ -	\$ 91,691	\$ 45,490
Loans Payable	0	0	3,402,131	3,632,770	3,402,131	3,632,770
Note Payable	2,286,760	2,733,678	0	0	2,286,760	2,733,678
Total Notes & Loans	\$ 2,378,451	\$ 2,779,168	\$ 3,402,131	\$ 3,632,770	\$ 5,780,582	\$ 6,411,938

Business-Type Activities. The City also has 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.

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 44-46 of this report.



MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

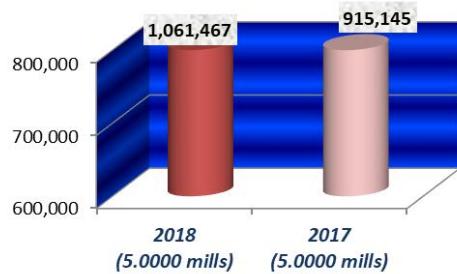
Property Tax: The tax base for the City is composed of real property, personal property and centrally assessed property. The taxable value of such property *increased* from the previous year by 15.82% in 2018. The assessed value increased from \$270,696,968 in 2017 to \$321,569,148 in 2018.

Property Tax Value

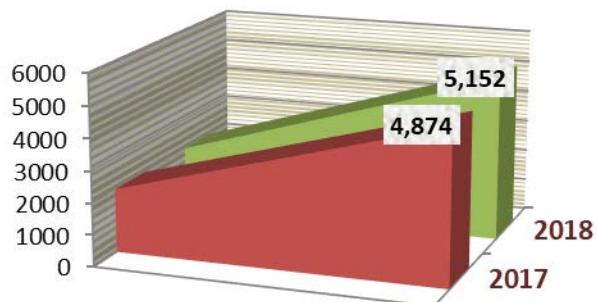


The General Fund property tax millage remained the same as it was in 2017 at 5.0000 in the 2018 fiscal year. This millage rate generated \$915,145 in 2017 and \$1,061,467 in 2018.

Property Tax Revenue



Population Changes: The City's population increased from 4,874 in 2017 to 5,152 in 2018.



MANAGEMENT'S DISCUSSION AND ANALYSIS
(Concluded)

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, 2018

	Governmental Activities	Business- type Activities	Total	Component Unit
Assets				
Cash and Cash Equivalents	\$ 2,517,898	\$ 3,795,087	\$ 6,312,985	\$ -
Accounts Receivable, Net	162,514	313,497	476,011	-
Due from Other Governments	182,554	253,017	435,571	-
Inventories	2,855	45,513	48,368	-
Prepaid Expenses	94,292	9,971	104,263	-
Capital Assets, Nondepreciable	3,338,528	2,950,645	6,289,173	-
Capital Assets Depreciable, Net	3,783,372	10,617,653	14,401,025	-
Total Assets	10,082,013	17,985,383	28,067,396	-
Deferred Outflows of Resources				
Deferred Outflows Related to Pensions and OPEB	165,245	1,193	166,438	-
Total Assets and Deferred Outflows	10,247,258	17,986,576	28,233,834	-
Liabilities				
Accounts Payable	328,170	62,170	390,340	-
Other Accrued Liabilities	90,435	24,985	115,420	-
Retainage Payable	-	24,258	24,258	-
Unearned Revenue	92,604	-	92,604	-
Customer Deposits	-	261,277	261,277	-
Accrued Interest Payable	-	16,227	16,227	-
Noncurrent Liabilities:				
Due Within One Year	543,998	243,264	787,262	-
Due in More Than One Year	2,615,396	3,247,083	5,862,479	-
Total Liabilities	3,670,603	3,879,264	7,549,867	-
Deferred Inflows of Resources				
Deferred Inflows Related to Pensions	219,387	-	219,387	-
Total Liabilities and Deferred Inflows	3,889,990	3,879,264	7,769,254	-
Net Position				
Net Investment in Capital Assets	4,743,449	10,775,408	15,518,857	-
Restricted for:				
Debt Service	-	65,374	65,374	-
Capital Projects	495,865	1,261,747	1,757,612	-
Parks and Recreation	79,576	-	79,576	-
Law Enforcement	70,868	-	70,868	-
Cemetery Perpetual Care	107,192	-	107,192	-
Unrestricted	860,318	2,004,783	2,865,101	-
Total Net Position	\$ 6,357,268	\$ 14,107,312	\$ 20,464,580	\$ -

See accompanying notes.

CITY OF BELLEVUE, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Functions/Programs	Program Revenues			Net (Expense) Revenue and Change in Net Position			Component Unit	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government				
		Expenses			Governmental Activities	Business-type Activities	Total		
Governmental Activities									
General Government	\$ 1,810,880	\$ 692,353	\$ -	\$ -	\$ (1,118,527)	\$ -	\$ (1,118,527)	\$ -	
Public Safety	1,388,362	93,795	-	725	(1,293,842)	-	(1,293,842)	-	
Physical Environment	314,806	337,563	-	-	22,757	-	22,757	-	
Transportation	648,044	-	-	-	(648,044)	-	(648,044)	-	
Culture and Recreation	185,024	57,478	-	-	(127,546)	-	(127,546)	-	
Interest on Long-term Debt	80,073	-	-	-	(80,073)	-	(80,073)	-	
Total Governmental Activities	4,427,189	1,181,189	-	725	(3,245,275)	-	(3,245,275)	-	
Business-type Activities									
Water and Sewer Utility	2,214,843	2,640,730	-	939,737	-	1,365,624	1,365,624	-	
Total Business-type Activities	2,214,843	2,640,730	-	939,737	-	1,365,624	1,365,624	-	
Total Primary Government	\$ 6,642,032	\$ 3,821,919	\$ -	\$ 940,462	(3,245,275)	1,365,624	(1,879,651)	-	
Component Unit									
Economic Development Council	\$ 19,777	\$ -	\$ 18,947	\$ -	-	-	-	(830)	
General Revenues									
Taxes:									
Property Taxes				1,061,467	-	1,061,467	-	-	
Public Service Taxes				314,124	-	314,124	-	-	
Local Option Sales Tax				625,432	-	625,432	-	-	
Gas Tax				225,661	-	225,661	-	-	
Business Tax				31,846	-	31,846	-	-	
State-shared Revenues (Unrestricted)				585,536	-	585,536	-	-	
Investment Income				13,918	18,455	32,373	-	-	
Gain on Sale of Capital Assets				-	1,544	1,544	-	-	
Miscellaneous				211,504	-	211,504	-	-	
Transfers, Net				908,246	(908,246)	-	-	-	
Total General Revenues and Transfers				3,977,734	(888,247)	3,089,487	-	-	
Change in Net Position									
Net Position, Beginning of Year, Restated				732,459	477,377	1,209,836	(830)	-	
Net Position, End of Year				\$ 6,357,268	\$ 14,107,312	\$ 20,464,580	\$ -	-	

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	General Fund	Special Revenue Fund - CRA	Total Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 2,493,788	\$ 24,110	\$ 2,517,898
Accounts Receivable	162,514	-	162,514
Due from Other Governments	182,555	-	182,555
Inventory	2,855	-	2,855
Prepaid Items	94,292	-	94,292
Total Assets	2,936,004	24,110	2,960,114
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	328,170	-	328,170
Other Accrued Liabilities	90,435	-	90,435
Unearned Revenue	92,605	-	92,605
Total Liabilities	511,210	-	511,210
Fund Balances			
Nonspendable:			
Inventory	2,855	-	2,855
Prepaid Items	94,292	-	94,292
Restricted for:			
Cemetery Perpetual Care	107,192	-	107,192
Gas Tax	323,365	-	323,365
One Cent Sales Tax	132,801	-	132,801
Police Automation	69,811	-	69,811
Evidence Room Money	1,057	-	1,057
Parks Impact Fees	79,576	-	79,576
Community Center	15,589	-	15,589
Community Redevelopment	-	24,110	24,110
Committed to:			
Mausoleum Maintenance	18,800	-	18,800
Cemetery Perpetual Care - Interest	2,573	-	2,573
Economic Development	83,593	-	83,593
False Alarms	22,300	-	22,300
Assigned for:			
Emergency Reserves	500,000	-	500,000
Cash Flow	233,457	-	233,457
Sports Complex	53,335	-	53,335
Insurance Claims Reserve	18,000	-	18,000
Pennies for Parks	447	-	447
Code Enforcement	42,983	-	42,983
Unassigned	622,768	-	622,768
Total Fund Balances	2,424,794	24,110	2,448,904
Total Liabilities and Fund Balances	\$ 2,936,004	\$ 24,110	\$ 2,960,114

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, 2018

Total Fund Balances of Governmental Funds	\$ 2,448,904
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 \$10,107,763 and the accumulated depreciation is \$2,985,863.	7,121,900
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	\$ 165,245
Deferred Inflows Related to Pensions	<u>(219,387)</u>
	(54,142)
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	(314,911)
OPEB Liability	(137,820)
Notes Payable	(2,286,760)
Leases Payable	(91,691)
Compensated Absences	<u>(328,212)</u>
	<u>(3,159,394)</u>
Total Net Position of Governmental Activities	<u><u>\$ 6,357,268</u></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, 2018

	General Fund	Special Revenue Fund - CRA	Total Governmental Funds
Revenues			
Taxes	\$ 2,235,845	\$ 22,786	\$ 2,258,631
Permits and Fees	692,353	-	692,353
Intergovernmental Revenue	585,535	-	585,535
Charges for Service	337,563	-	337,563
Fines and Forfeitures	80,552	-	80,552
Grant Revenue	725	-	725
Miscellaneous Revenue	295,773	271	296,044
Total Revenues	4,228,346	23,057	4,251,403
Expenditures			
Current:			
General Government	1,704,996	175	1,705,171
Public Safety	1,326,479	-	1,326,479
Physical Environment	314,348	-	314,348
Transportation	520,502	-	520,502
Culture and Recreation	142,597	-	142,597
Capital Outlay	2,932,116	-	2,932,116
Debt Service :			
Principal Retirement	498,536	-	498,536
Interest	80,073	-	80,073
(Total Expenditures)	(7,519,647)	(175)	(7,519,822)
(Deficiency)/Excess of Revenues (Under)/Over Expenditures	(3,291,301)	22,882	(3,268,419)
Other Financing Sources/(Uses)			
Capital Lease Acquisition	97,819	-	97,819
Transfer in	938,583	28,625	967,208
Transfer (out)	(28,625)	(30,337)	(58,962)
Total Other Financing Sources/(Uses)	1,007,777	(1,712)	1,006,065
Net Change in Fund Balances	(2,283,524)	21,170	(2,262,354)
Fund Balances, Beginning of Year	4,708,318	2,940	4,711,258
Fund Balances, End of Year	\$ 2,424,794	\$ 24,110	\$ 2,448,904

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, 2018

Net Change in Fund Balances - Total Governmental Funds \$ (2,262,354)

**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 \$2,932,116 were more than depreciation expense of (\$324,093) in the current period.

2,608,023

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 33,920

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:

Capital Lease	\$ (97,819)
Principal Payments on Notes Payable	446,918
Principal Payments on Capital Leases	<u>51,618</u>
	400,717

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	(43,825)
Increase in OPEB Obligations	<u>(4,022)</u>
	(47,847)

Change in Net Position of Governmental Activities \$ 732,459

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2018

	Business-type Activities
	Water and Sewer Utility Fund
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 1,556,963
Restricted Cash Available for Current Liabilities	509,514
Receivables:	
Customers (Net of Allowance for Uncollectible Accounts of \$20,000)	232,657
Due From Other Governments	253,017
Other Receivables	80,840
Inventories	45,513
Prepaid Expense	9,971
Total Current Assets	<u>2,688,475</u>
Noncurrent Assets	
Restricted Cash:	
Customer Deposits	261,277
Water Development	485,230
Sewer Development	776,517
Note Payable Reserve	633,499
State Revolving Loan Sinking	55,198
State Revolving Loan Reserve (�urrent Portion)	26,403
Total Restricted Cash	<u>(509,514)</u>
	<u>1,728,610</u>
Capital Assets:	
Land	192,115
Building and Improvements	20,143,135
Machinery and Equipment	58,869
Intangible Assets	595,333
Construction in Progress	2,758,530
(Accumulated Depreciation)	<u>(10,179,684)</u>
Total Capital Assets - Cost Less Depreciation	<u>13,568,298</u>
Total Noncurrent Assets	<u>15,296,908</u>
Total Assets	<u>17,985,383</u>
Deferred Outflow of Resources	
Deferred Outflow OPEB	<u>1,193</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 17,986,576</u>

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2018
(Concluded)

	Business-type Activities
	Water and Sewer Utility Fund
Liabilities	
Current Liabilities	
Accounts Payable	\$ 62,170
Accrued Expenses	24,985
Retainage Payable	24,258
Current Portion of Compensated Absences	10,061
Current Portion of OPEB Liability	1,193
Total Current Liabilities	<u>122,667</u>
Current Liabilities (Payable from Restricted Assets)	
Customer Deposits	261,277
Current Portion of Note Payable	105,230
Current Portion of State Revolving Loans	126,780
Accrued Interest on Long-term Liabilities	16,227
Total Current Liabilities (Payable from Restricted Assets)	<u>509,514</u>
Total Current Liabilities	<u>632,181</u>
Long-term Liabilities	
Notes Payable	526,150
State Revolving Loans Payable	2,643,971
OPEB Liability	36,717
Compensated Absences	40,245
Total Long-term Liabilities	<u>3,247,083</u>
Total Liabilities	<u>3,879,264</u>
Net Position	
Net Investment in Capital Assets	10,775,408
Restricted for Debt Service	65,374
Restricted for Capital Projects	1,261,747
Unrestricted	2,004,783
Total Net Position	<u>\$ 14,107,312</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, 2018

	Business-type Activities
	Water and Sewer Utility Fund
Operating Revenues	
Charges for Services	<u>\$ 2,640,730</u>
Operating Expenses	
Personnel Expenses	662,814
Operating Expenses	885,869
Depreciation and Amortization	598,326
(Total Operating Expenses)	<u>(2,147,009)</u>
Operating Income	<u>493,721</u>
Nonoperating Revenues (Expenses)	
Interest Income	18,455
Interest Expense	(67,834)
Gain on Sales of Capital Assets	1,544
Total Nonoperating Revenues (Expenses)	<u>(47,835)</u>
Income Before Capital Contributions and Transfers	<u>445,886</u>
Capital Contributions and Transfers	
Capital Contributions - Impact Fees	521,582
Capital Grant Revenues	418,155
Transfers (out)	(908,246)
Total Contributions and Transfers	<u>31,491</u>
Change in Net Position	<u>477,377</u>
Net Position, Beginning of Year, Restated	<u>13,629,935</u>
Net Position, End of Year	<u>\$ 14,107,312</u>

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
SEPTEMBER 30, 2018

	Business-type Activities
	Water and Sewer Utility Fund
Cash Flows from Operating Activities	
Receipts from Customers, Including	
Cash Deposits	\$ 2,364,737
Payments to Suppliers and Service Providers	(866,186)
Payments to Employees for Salaries and Benefits	(738,781)
Net Cash Provided by Operating Activities	759,770
Cash Flows from Noncapital Financing Activities	
Transfers to Other Funds	(908,246)
Net Cash (Used in) Noncapital Financing Activities	(908,246)
Cash Flows from Capital and Related Financing Activities	
Capital Contributions from Customers	521,582
Capital Asset Acquisitions	(933,903)
Capital Grant Revenues	418,155
Proceeds from the Sale of Assets	1,544
Principal Paid on Capital Debt	(230,639)
Interest Paid on Capital Debt	(67,836)
Net Cash Provided by Capital and Related Financing Activities	(291,097)
Cash Flows from Investing Activities	
Interest Income	18,455
Net Cash Provided by Investing Activities	18,455
Net Increase (Decrease) in Cash and Cash Equivalents	(421,118)
Cash and Cash Equivalents, Beginning of Year	4,216,205
Cash and Cash Equivalents, End of Year	\$ 3,795,087

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
SEPTEMBER 30, 2018
(Concluded)

	Business-type Activities
	Water and Sewer Utility Fund
<u>Shown in the Financial Statements as</u>	
Cash and Cash Equivalents	\$ 1,556,963
Restricted Cash and Cash Equivalents	2,238,124
Total	<u>\$ 3,795,087</u>

**Reconciliation of Operating Income to Net Cash
Provided by (Used in) Operating Activities**

Operating Income	\$ 493,721
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)	
Operating Activities:	
Depreciation and Amortization	598,326
Changes in Assets - Decrease (Increase) and	
Liabilities - Increase (Decrease):	
Accounts and Grants Receivable, Net	(37,320)
Inventories	(1,069)
Prepaid Expense	(4,760)
Due From Other Governments	(253,017)
Accounts Payable	25,512
Accrued Expenses	6,148
OPEB Liability	(82,214)
Customer Deposits	14,344
Compensated Absences	99
Total Adjustments	266,049
Net Cash Provided by Operating Activities	<u>\$ 759,770</u>

See accompanying notes.

CITY OF BELLEVIEW, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2018

	Pension Trust Funds
Assets	
Cash, Cash Equivalents, and Investments:	
Short-term Investments	\$ 151,505
Money Market	438,616
Mutual Funds - Fixed Income	1,710,062
Mutual Funds - Equity	2,271,004
Mutual Funds - Guaranteed Lifetime Income Fund	77,254
Mutual Funds - Fund of Funds	667,989
Mutual Funds - Allocation	15,188
Loans Receivable	144,835
Total Assets	<u>5,476,453</u>
Net Position	
Net Position Held in Trust for Pension Benefits	<u>\$ 5,476,453</u>

See accompanying notes.

CITY OF BELLEVUE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 223,470
State	44,619
Employee	29,703
Total Contributions	<u>297,792</u>
Investment Earnings	<u>326,913</u>
Total Additions	<u>624,705</u>
Deductions	
Pension Benefit Payments and Refunds	285,407
General and Administrative	41,724
(Total Deductions)	<u>(327,131)</u>
Net Increase	<u>297,574</u>
Net Position Held in Trust for Pension Benefits, Beginning of the Year	<u>5,178,879</u>
Net Position Held in Trust for Pension Benefits, End of Year	<u>\$ 5,476,453</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 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.

Belleview Economic Development Council (the BEDC)

The BEDC was created on November 12, 2012, to serve the citizens and taxpayers of the City by increasing the purchasing power and opportunities for gainful employment through offerings of encouragement and assistance to new and existing businesses. The BEDC was primarily funded by the City and governed by a Board of Directors who either serve as City Commissioners or were appointed by the City Commission. The BEDC is included as a discretely presented component unit in the accompanying government-wide financial statements of the City. The BEDC ceased operations and the corporation was dissolved as of September 30, 2018.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

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 nonfiduciary activities of the primary government. The effect of interfund activity, if any, has been removed from the financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues and 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 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

Fund Financial Statements (Concluded)

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

■ **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:

- The **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 generally accepted accounting principles 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 nonoperating 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 nonoperating revenues and expenses.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Summary of Significant Accounting Policies (Continued)

Proprietary Funds (Concluded)

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.
- 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 generally accepted accounting principles, 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 generally accepted accounting principles 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Summary of Significant Accounting Policies (Continued)

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.

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 \$500 and estimated useful lives of over one year are recorded as capital assets. During the fiscal year ended September 30, 2011, the Commission voted to approve the increase for the capitalization threshold to \$3,000. 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Summary of Significant Accounting Policies (Continued)

Capital Assets (Concluded)

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.

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 noncurrent 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 noncurrent 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 nonexempt 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 BELLEVIEW, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Summary of Significant Accounting Policies (Continued)

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:

- **Nonspendable 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Summary of Significant Accounting Policies (Concluded)

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:

■ 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 2017/2018 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Concluded)

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 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 other postemployment benefit obligation.

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, 2018, the on-behalf payments to the City totaled \$44,586 for the Police Retirement Plan. Such payments are recorded as intergovernmental revenue and public safety expenditures.

Adoption of New Accounting Standards

During 2018, the City adopted GASB Statement No. 75 (Statement No. 75) *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB). The scope of Statement No. 75 addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. Statement No. 75 establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. Statement No. 75 replaces the requirements of Statement No. 45.

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.

The City's cash and cash equivalents, investments, and required disclosures for the year ended September 30, 2018, are as follows:

<u>Type</u>	<u>Fair Value</u>
Cash on Hand	\$ 1,800
Cash on Deposit	368,891
Premier Business Prime Money Market Fund	5,942,294
Total	\$ 6,312,985

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 2 - Cash and Cash Equivalents and Investments (Continued)

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 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 Federal Deposit Insurance Corporation 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 2 - Cash and Cash Equivalents and Investments (Continued)

Police Officers' Retirement Fund (Continued)

The City's Police Officers' Retirement Fund investments and required disclosures for the year ended September 30, 2018, are as follows:

Investment Type	Fair Value	Credit Ratings	Weighted Average Maturity
Short-term Investments:			
Federated U.S. Treasury Cash Reserves Fund	\$ 121,527	AAAm	42days
Mutual Funds - Fixed Income:			
SPDR Barclays High Yield:			
Bd ETF	420,570	AAA-Not Rated	8.82 years
Vanguard High-Yield Corporate Fund	125,388	Baa2-Not Rated	6.30 years
Vanguard Intermediate Term Bond Index	477,198	Aaa-Baa	7.2 years
Vanguard Interim Term Investment Grade Fd	480,871	Aaa-Not Rated	5.9 years
Vanguard Short-term Corporate Bond Fund	116,849	Aaa-Baa	2.9 years
Mutual Funds - Equity:			
Vanguard Equity Income Fund	235,033	N/A	N/A
Vanguard Small Cap Value	240,535	N/A	N/A
Vanguard Mid Cap Investment	411,296	N/A	N/A
Vanguard Growth	546,731	N/A	N/A
Vanguard Value	249,030	N/A	N/A
American Funds Europacific Growth R6	<u>364,494</u>	N/A	N/A
Total Investments	<u><u>\$ 3,789,522</u></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, 2018:

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 2 - Cash and Cash Equivalents and Investments (Continued)

Police Officers' Retirement Fund (Concluded)

	Fair Value Measurements Using:			
	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Federated U.S. Treasury				
Cash Reserves Fund	\$ 121,527	\$ 121,527	\$ -	\$ -
Vanguard Value ETF	420,570	420,570	-	-
Vanguard Intermediate Term Bond Index	477,198	477,198	-	-
Vanguard Interim Term Investment Grade Fd	480,871	480,871	-	-
Vanguard Short-term Corp Bond Fund	116,849	116,849	-	-
Vanguard High - Yield Corporate Fund	125,388	125,388	-	-
Vanguard Equity Income Fund	235,033	235,033	-	-
Vanguard Small Cap Value	240,535	240,535	-	-
Vanguard Mid Cap Investment	411,296	411,296	-	-
Vanguard Growth	546,731	546,731	-	-
Vanguard Value	249,030	249,030	-	-
American Funds Europacific Grwth-R6	364,494	364,494	-	-
	<hr/> <u>\$ 3,789,522</u>	<hr/> <u>\$ 3,789,522</u>	<hr/> <u>\$ -</u>	<hr/> <u>\$ -</u>

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 counterparty or the counterparty'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 counterparty 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 2 - Cash and Cash Equivalents and Investments *(Continued)*

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.

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 nonvested 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 2 - Cash and Cash Equivalents and Investments (Concluded)

General Employees' Retirement Fund (Concluded)

■ Investments (Concluded)

The City's General Employees' Retirement Fund Investments and required disclosures for the year September 30, 2018, 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	\$ 438,616	28.44%	AA	4.62	1
Vantage Trust Cash Management	Short-term Investments (MM)	29,978	1.94%	AAAm	36 Days	1
Vantage Point Core Bond Index	Mutual Funds - Fixed Income	19,870	1.29%	AA	7.96	1
Western Asset Core Plus Bond I	Mutual Funds - Fixed Income	54,986	3.57%	BBB	10.28	1
Vantage Point Inflation Focused T	Mutual Funds - Fixed Income	9,926	0.64%	AA	8.56	1
PIMCO High Yield Admin	Mutual Funds - Fixed Income	4,403	0.29%	**	5.75	1
Vantagepoint MS Retirement Income	Mutual Funds - Fund of Funds	77,254	5.01%	BBB	5.72	1
Vantagepoint Milestone 2010	Mutual Funds - Fund of Funds	178,691	11.59%	BBB	5.75	1
Vantagepoint Milestone 2015	Mutual Funds - Fund of Funds	152,153	9.87%	BBB	5.88	1
Vantagepoint Milestone 2020	Mutual Funds - Fund of Funds	62,352	4.04%	BBB	5.72	1
Vantagepoint Milestone 2030	Mutual Funds - Fund of Funds	64,269	4.17%	BBB	5.26	1
Vantagepoint Milestone 2035	Mutual Funds - Fund of Funds	36,960	2.40%	BBB	5.17	1
Vantagepoint Milestone 2040	Mutual Funds - Fund of Funds	12,038	0.78%	BBB	5.33	1
Vantagepoint Milestone 2045	Mutual Funds - Fund of Funds	991	0.06%	BBB	4.82	1
Vantagepoint Milestone 2050	Mutual Funds - Fund of Funds	21,234	1.38%	BBB	4.60	1
Vantagepoint Milestone 2055	Mutual Funds - Fund of Funds	843	0.05%	BBB	4.59	1
Vantagepoint MP Cons Growth R1	Mutual Funds - Allocation	995	0.06%	BBB	4.91	1
Vantagepoint MP Trad Growth R1	Mutual Funds - Allocation	2,098	0.14%	BBB	5.28	1
Fidelity Puritan	Mutual Funds - Allocation	15,188	0.98%	N/A	N/A	1
Vantagepoint Port Global Eq Gr	Mutual Funds - Equity	135,376	8.78%	N/A	N/A	1
Vantagepoint Equity Income	Mutual Funds - Equity	9,389	0.61%	N/A	N/A	1
Vantagepoint MFS Value	Mutual Funds - Equity	423	0.03%	N/A	N/A	1
Vantagepoint 500 Stock Index I	Mutual Funds - Equity	29,600	1.92%	N/A	N/A	1
Vantagepoint Growth & Income	Mutual Funds - Equity	32,761	2.12%	N/A	N/A	1
VT Contrafund	Mutual Funds - Equity	14,119	0.92%	N/A	N/A	1
Victory Sycamore Established Value Fund	Mutual Funds - Equity	18,493	1.20%	N/A	N/A	1
Vantagepoint Aggressive Opp	Mutual Funds - Equity	1,196	0.08%	N/A	N/A	1
VT Contrafund	Mutual Funds - Equity	11,208	0.73%	N/A	N/A	1
Vantagepoint Discovery	Mutual Funds - Equity	15,049	0.98%	N/A	N/A	1
Vantagepoint Md/Sm Co Inx	Mutual Funds - Equity	25,587	1.66%	N/A	N/A	1
Vantagepoint International	Mutual Funds - Equity	6,758	0.44%	N/A	N/A	1
Nuveen Real Estate Secs	Mutual Funds - Equity	15,541	1.01%	N/A	N/A	1
Vantagepoint Overseas Equity Index I	Mutual Funds - Equity	43,751	2.84%	N/A	N/A	1
		\$ 1,542,096	100.00%			

** Due to a change in the position at the Financial Industry Regulatory Authority (FINRA) on the use of the average credit quality statistic 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 BELLEVIEW, FLORIDA
(Continued)

Note 3 - Capital Assets

Capital asset activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital Assets Not Being Depreciated:					
Land	\$ 1,514,461	\$ 31,450	\$ -	\$ -	\$ 1,545,911
Construction in Progress	173,822	2,612,764	(993,969)		1,792,617
Total Capital Assets Not Being Depreciated	1,688,283	2,644,214	(993,969)		3,338,528
Capital Assets Being Depreciated:					
Buildings	1,549,041	563,756	-	-	2,112,797
Improvements Other than Buildings	665,160	159,198	-	-	824,358
Infrastructure	1,798,842	393,709	-	-	2,192,551
Vehicles and Accessories	699,595	52,074	(66,203)	-	685,466
Furniture and Equipment	718,185	113,134	(25,000)	-	806,319
Intangibles - Software	147,744	-	-	-	147,744
Total Capital Assets Being Depreciated	5,578,567	1,281,871	(91,203)	-	6,769,235
Less Accumulated Depreciation:					
Buildings	(702,895)	(31,282)	-	-	(734,177)
Improvements Other than Buildings	(399,668)	(29,810)	-	-	(429,478)
Infrastructure	(601,093)	(108,220)	-	-	(709,313)
Vehicles and Accessories	(486,649)	(27,747)	-	-	(514,396)
Furniture and Fixtures	(491,857)	(59,895)	25,000	-	(526,752)
Intangibles - Software	(70,811)	(67,139)	66,203	-	(71,747)
Total Accumulated Depreciation	(2,752,973)	(324,093)	91,203	-	(2,985,863)
Total Capital Assets Being Depreciated, Net	2,825,594	957,778	-	-	3,783,372
Governmental Activities Capital Assets, Net					
	<u>4,513,877</u>	<u>3,601,992</u>	<u>(993,969)</u>	<u>-</u>	<u>7,121,900</u>
Business-type Activities					
Capital Assets Not Being Depreciated:					
Land	192,115	-	-	-	192,115
Construction in Progress	2,395,613	783,309	(420,392)	-	2,758,530
Total Capital Assets Not Being Depreciated	2,587,728	783,309	(420,392)	-	2,950,645
Capital Assets Being Depreciated:					
Buildings and Improvements	17,592,215	477,737	-	-	18,069,952
Infrastructure	2,073,183	-	-	-	2,073,183
Machinery and Equipment	501,101	96,232	(2,000)	-	595,333
Intangibles - Software	58,868	-	-	-	58,868
Total Capital Assets Being Depreciated	20,225,367	573,969	(2,000)	-	20,797,336
Less Accumulated Depreciation:					
Buildings and Improvements	(9,040,835)	(506,583)	-	-	(9,547,418)
Infrastructure	(103,660)	(51,830)	-	-	(155,490)
Equipment	(410,267)	(34,868)	2,000	-	(443,135)
Intangibles - Software	(28,597)	(5,045)	-	-	(33,642)
Total Accumulated Depreciation	(9,583,359)	(598,326)	2,000	-	(10,179,685)
Total Capital Assets Being Depreciated, Net	10,642,008	(24,357)	-	-	10,617,651
Total Business-type Activities, Net	\$ 13,229,736	\$ 758,952	\$ (420,392)	\$ -	\$ 13,568,296

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 3 - Capital Assets (Concluded)

	Ending Balance
Depreciation Expense -	
Governmental Activities	
General Government and Administration	\$ 85,338
Public Safety	71,204
Physical Environment	458
Transportation	125,050
Culture and Recreation	42,043
Total Depreciation Expense - Governmental Activities	\$ 324,093
Depreciation Expense - Business-type Activities	
Water and Sewer System	\$ 598,326

Note 4 - Long-term Liabilities

Long-term liability activity for the year ended September 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Note Payable:					
Note Payable - CBT Capital 2016	\$ 1,328,615	\$ -	\$ (133,850)	\$ 1,194,765	\$ 138,539
Note Payable - CBT Capital 2017	1,405,063	-	(313,068)	1,091,995	295,884
Total Notes Payable	2,733,678	-	(446,918)	2,286,760	434,423
Capital Lease Obligations:					
Capital Lease Obligation	4,038	-	(4,038)	-	-
Capital Lease Obligation	7,451	-	(5,910)	1,541	1,028
Capital Lease Obligation	15,680	-	(5,020)	10,660	4,512
Capital Lease Obligation	18,321	-	(4,918)	13,403	5,304
Motorola 800 MHz Lease	-	97,819	(31,732)	66,087	32,598
Total Capital Lease Obligations	45,490	97,819	(51,618)	91,691	43,442
Other Liabilities:					
Net Pension Liability	263,205	51,706	-	314,911	491
OPEB Liability, as restated	133,798	4,022	-	137,820	-
Compensated Absences	284,388	248,918	(205,094)	328,212	65,642
Total Governmental Activities	\$ 3,460,559	\$ 402,465	\$ (703,630)	\$ 3,159,394	\$ 543,998
Business-type Activities					
Loans Payable:					
Community Bank and Trust					
2013 Loan	\$ 736,610	\$ -	\$ (105,230)	\$ 631,380	\$ 105,230
State Revolving Loan - Waste					
Water Treatment Plant	2,409,744	-	(94,912)	2,314,832	96,671
State Revolving Loan - S. Water					
Main Extension	78,224	-	(4,915)	73,309	5,043
State Revolving Loan - N. Water					
Main Extension	408,192	-	(25,582)	382,610	25,066
Total Loans Payable	3,632,770	-	(230,639)	3,402,131	232,010
Other Liabilities:					
OPEB Liability, as restated	36,619	1,291	-	37,910	1,193
Compensated Absences	50,207	53,420	(53,321)	50,306	10,061
Total Other Liabilities	86,826	54,711	(53,321)	88,216	11,254
Total Business-type Activities	\$ 3,719,596	\$ 54,711	\$ (283,960)	\$ 3,490,347	\$ 243,264

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 4 - Long-term Liabilities (Continued)

■ **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.

■ **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, 2018:

Type	Purpose of Issue	Amount Issued	Amount Outstanding	Rates
Governmental-type Activities				
Note Payable - CBT Capital 2016	Payoff 2014 Loan and Construction Project	\$1,500,000	\$1,194,765	3.410%
Note Payable - CBT Capital 2017	Renovate Police Department	1,500,000	1,091,995	2.250%
Capital Lease (Black Explorer - 14)	Police Vehicles	24,980	1,541	6.50%
Capital Lease (Charger - 15)	Police Vehicles	21,982	10,660	6.48%
Capital Lease (Ford Pickup - 15)	Police Vehicles	25,225	13,403	7.00%
Motorola 800 MHz Lease	Radios	97,819	66,087	2.73%
Business-type Activities				
Loans and Notes Payable:				
State Revolving Loan	Utility System Expansion	3,194,737	2,314,832	1.81/1.86%
State Revolving Loan	Utility System Expansion	554,663	73,309	2.61%
State Revolving Loan	Utility System Expansion	107,230	382,610	2.57%
Community Bank and Trust 2013	Refunding of Bond Issues	1,062,300	631,380	Variable

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

Due September	Principal	Total Interest	Total Requirements
2019	\$ 138,539	\$ 39,124	\$ 177,663
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
2024-2028	451,733	21,822	473,555
Total	\$ 1,194,765	\$ 167,140	\$ 1,361,905

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

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 4 - Long-term Liabilities (Concluded)

<u>Due</u> <u>September</u>	<u>Principal</u>	<u>Total</u> <u>Interest</u>	<u>Total</u> <u>Requirements</u>
2019	\$ 295,322	\$ 21,835	\$ 317,157
2020	302,130	15,014	317,144
2021	309,095	8,036	317,131
2022	185,448	1,401	186,849
Total	\$ 1,091,995	\$ 46,286	\$ 1,138,281

Interest costs incurred for the governmental-type activities amounted to \$80,073.

Debt service to maturity on the City's Community Bank and Trust 2013 Note Payable is as follows:

<u>Due</u> <u>September</u>	<u>Principal</u>	<u>Total</u> <u>Interest</u>	<u>Total</u> <u>Requirements</u>
2019	\$ 105,230	\$ 8,839	\$ 114,069
2020	105,230	7,366	112,596
2021	105,230	5,893	111,123
2022	105,230	4,420	109,650
2023	105,230	2,946	108,176
2024-2025	105,230	0	105,230
Total	\$ 631,380	\$ 29,464	\$ 660,844

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

<u>Due</u> <u>September</u>	<u>Interest</u>			<u>Total</u> <u>Requirements</u>	
	<u>State Revolving</u> <u>Loan 2003</u>	<u>State Revolving</u> <u>Loan ARRA</u>	<u>State Revolving</u> <u>Companion Loan</u>		
2019	\$ 96,671	\$ 5,042	\$ 26,255	\$ 53,928	\$ 181,896
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
2024-2028	549,840	30,167	157,510	171,961	909,478
2029-2033	539,922	16,591	86,744	96,018	739,275
2034-2038	723,464	-	-	33,977	757,441
Total	\$ 2,314,832	\$ 73,309	\$ 382,610	\$ 544,924	\$ 3,315,675

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	\$ 170,612
(Accumulated Depreciation)	(62,899)
Total	\$ 107,713

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 5 - Leases (Concluded)

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2018, are as follows:

Year Ending September 30,	Governmental Activities	
2019	\$ 47,832	
2020	45,631	
2021	2,535	
Total Minimum Lease Payments	95,998	
(Less: Amount Representing Interest)	(4,307)	
Present Value of Minimum Lease Payments	\$ 91,691	

Note 6 - Pledged Revenue

The City has pledged certain revenues, to repay bonds and notes outstanding as of September 30, 2018. 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, 2018:

Description of Bonds	Pledged Revenue	Revenue Received	Principal			Outstanding Principal and Interest	Pledged Through
			and Interest Paid	Estimated Percentage Pledged	Pledged		
Governmental-type Activities							
Community Bank and Trust							
2017 Loan	One Percent						
Marion County							
Sales Tax	\$ 625,532	\$ 105,906	16.93%	\$ 1,138,281	\$ 1,138,281	2022	
Business-type Activities							
State Revolving Loans	Net System						
	Revenues (1)	\$ 1,092,047	\$ 182,204	16.68%	\$ 3,315,675	\$ 3,315,675	2038

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

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 7 - Interfund Transfers and Due To/Due From

Interfund Transfers

Interfund transfers at September 30, 2018, are as follows:

Transfer In

General Fund	\$ 938,583
CRA Fund	<u>28,625</u>
	<u>\$ 967,208</u>

Transfer (Out)

General Fund	\$ 28,625
Water Sewer Fund	908,246
CRA Fund	<u>30,337</u>
	<u>\$ (967,208)</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. The CRA transferred funds to the General Fund to assist with the purchase of property.

Note 8 - Receivables

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

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 Bellevue, 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 12 - Pension Plans (Continued)

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.

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, 2018, there were 32 active members of the Plan.

For the year ended September 30, 2018, the City contributed \$127,130 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:

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 12 - Pension Plans (Continued)

Police Officers' Defined Benefit Plan (Concluded)

■ **Plan Description (Concluded)**

Plan Administration (Concluded)

- 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 System as a condition of employment.

Plan Membership as of October 1, 2017:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	4
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	5
Active Plan Members	<u>12</u>
Total Number of Participants	<u><u>21</u></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.

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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 12 - Pension Plans *(Continued)*

Police Officers' Defined Benefit Plan *(Continued)*

■ 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, 2018.

The measurement period for the pension expense is October 1, 2017 to September 30, 2018.

The reporting period is October 1, 2017 through September 30, 2018.

The Sponsor's Net Pension Liability was measured as of September 30, 2018. 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, 2017, updated to September 30, 2018, 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%

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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 12 - Pension Plans (*Continued*)

Police Officers' Defined Benefit Plan (*Continued*)

Net Pension Liability (*Concluded*)

■ **Actuarial Assumptions (*Concluded*)**

For 2018, the inflation rate assumption of the investment advisor was 2.5%.

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, 2018, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	40.0%	8.1%
International Equity	10.0%	3.4%
Bonds	30.0%	3.6%
High Yield Bonds	5.0%	5.6%
TIPS	5.0%	2.7%
Convertibles	10.0%	6.7%
Total	100%	

■ **Investments**

Investment Policy

The following was the Board's adopted asset allocation policy as of September 30, 2018:

Asset Class	Asset Allocation
Domestic Equity	40.0%
International Equity	10.0%
Bonds	30.0%
High Yield Bonds	5.0%
TIPS	5.0%
Convertibles	10.0%
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, 2018, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was 6.46%.

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

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 12 - Pension Plans *(Continued)*

Police Officers' Defined Benefit Plan *(Continued)*

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 plans' fiduciary net positions were projected to be available to make all projected future benefit payments of current 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 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 DROP balance as of September 30, 2018, is \$0.

■ Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on September 30, 2018, were as follows:

Total Pension Liability	\$ 4,094,785
Plan Fiduciary Net Position	<u>(3,779.874)</u>
Sponsor's Net Pension Liability	<u>\$ 314,911</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.31%

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 12 - Pension Plans *(Continued)*

Police Officers' Defined Benefit Plan *(Continued)*

Discount Rate *(Continued)*

Schedule of Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2017	\$ 3,837,167	\$ 3,573,962	\$ 263,205
Changes for a Year:			
Service Cost	84,154	-	84,154
Interest	287,696	-	287,696
Share Plan Allocation	-	-	-
Differences between Expected and Actual Experience	56,520	-	56,520
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Contributions - Employer	-	96,340	(96,340)
Contributions - State	-	44,587	(44,587)
Contributions - Employee	-	29,150	(29,150)
Net Investment Income	-	229,560	(229,560)
Benefit Payments, including Refunds of			
Employee Contributions	(170,752)	(170,752)	-
Administrative Expense	-	(22,973)	22,973
Net Changes	<u>257,618</u>	<u>205,912</u>	<u>51,706</u>
Balance at September 30, 2018	<u>\$ 4,094,785</u>	<u>\$ 3,779,874</u>	<u>\$ 314,911</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	\$ 810,407	\$ 314,911	\$ (95,291)

For the year ended September 30, 2018, the City recognized a pension expense of \$107,007. On September 30, 2018, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 58,386	\$ 219,387
Changes of Assumptions	83,112	0
Net Difference Between		
Projected and Actual Earnings on Pension		
Plan Investments	20,033	0
Total	<u>\$ 161,531</u>	<u>\$ 219,387</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 12 - Pension Plans (Concluded)

Police Officers' Defined Benefit Plan (Concluded)

Discount Rate (Concluded)

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	Amount
September 30	
2019	\$ 8,494
2020	(46,815)
2021	(45,895)
2022	16,940
2023	9,420
Thereafter	0
Total	\$ (57,856)

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, 2018

	General Employees' Retirement Fund	Police Officers' Retirement Fund	Total
Assets			
Cash and Cash Equivalents	\$ 29,978	\$ 121,527	\$ 151,505
Investments	1,512,118	3,667,995	5,180,113
Loans Receivable	144,835	-	144,835
Total Assets	\$ 1,686,931	\$ 3,789,522	\$ 5,476,453
Net Assets			
Held in Trust for Pension Benefits	\$ 1,686,931	\$ 3,789,522	\$ 5,476,453
Additions			
Contributions:			
Employer	\$ 127,130	\$ 96,340	\$ 223,470
State	-	44,619	44,619
Employee	-	29,703	29,703
Total Contributions	127,130	170,662	297,792
Net Investment Income	70,922	255,991	326,913
Total Additions	198,052	426,653	624,705
Deductions			
Pension Benefit Payments and Refunds	114,655	170,752	285,407
General and Administrative	2,038	39,686	41,724
Total Deductions	(116,693)	(210,438)	(327,131)
Net Increase	81,359	216,215	297,574
Net Position Held in Trust for Benefits:			
Beginning of Year	1,605,572	3,573,307	5,178,879
End of Year	\$ 1,686,931	\$ 3,789,522	\$ 5,476,453

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

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.

In August 2018, the City signed an agreement with the Department of Environmental Protection for a State Revolving Fund financial assistance for the construction of the City's Distribution - Meter Replacement Project for a total funding of \$960,000. Of that, the estimated amount of Principal Forgiveness is \$634,524 and the estimated principal amount of the Loan to be repaid is \$325,975, which consists of \$325,476 to the City.

Hurricane Irma Related Expenses and Revenues

On September 4, 2017, Governor Rick Scott issued Executive Order Number 17-235, Emergency Management – Hurricane Irma. By virtue of issuing the Executive Order, the Governor declared a state of emergency for every county in the State of Florida. On September 10, 2017, Hurricane Irma made landfall in southwest Florida. The storm traveled up the State and entered the Bellevue area in the early morning hours of September 11, 2017. Bellevue sustained damages related to the storm, in most part, with debris, trees, and falling limbs. Expenses related to storm damage for Fiscal Year 2016-2017 have been accrued for actual expenses for Fiscal Year-end financial presentation. FEMA is expected to reimburse the City in Fiscal Year 2017-2018 for storm related damage if it meets the specific category for reimbursement at different percentages. Category A – Debris for the weeks of September 4th thru September 17th would receive a 75% cost share and for the weeks of September 18th through October 17th a cost share of 90% will be received. Category B – Emergency Protective Measure for the weeks of September 4th through October 3rd will receive 100% cost share for Force Account Labor Overtime. The State of Florida will share a 5% reimbursement on the remaining approved cost from FEMA.

Year Ended September 30, 2018	Actual/Estimated Expenses
Hurricane Irma clean-up and related expenses	\$179,929

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

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 14 - Risk Management (Concluded)

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 - Federal Awards and State Financial Assistance

During the fiscal year, the City did not expend greater than \$750,000 in federal awards or state financial assistance, therefore, an audit in accordance with the Uniform Guidance and the Florida *Single Audit Act* was not required.

Note 16 - Other Postemployment Benefits

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.

Plan Membership as of September 30, 2017:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	0
Inactive Plan Members entitled to But Not yet Receiving Benefits	0
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.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Continued)

Note 16 - Other Postemployment Benefits (Continued)

Total OPEB Liability

The measurement date is September 30, 2017.

The measurement period for the OPEB expense was October 1, 2016 to September 30, 2017.

The reporting period is October 1, 2017 through September 30, 2018.

The Sponsor's Total OPEB Liability was measured as of September 30, 2017.

The Sponsor's Total OPEB Liability for the City's ledger adjustment was measured as of September 30, 2016, using a discount rate of 3.06%. The Total OPEB Liability was "rolled back" from September 30, 2017, at 3.06%, thus producing no experience gain or loss for the period ending September 30, 2017.

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	3.64%
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 3.64%. 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, 2018, the Sponsor will recognize OPEB Expense of \$13,720.

Deferred Outflows

For the year ended September 30, 2018, deferred outflows related to OPEB consist of \$4,907 for benefits paid subsequent to the measurement date.

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVUE, FLORIDA
(Continued)

Note 16 - Other Postemployment Benefits (Concluded)

Changes in Total OPEB Liability

	Increase and (Decrease) Total OPEB
Reporting Period Ending September 30, 2017	\$ 170,417
Changes for a Year:	
Service Cost	17,838
Interest	5,685
Differences Between Expected and Actual Experience	-
Changes of Assumptions	-
Changes in Benefit Terms	(13,303)
Benefit Payments	(4,907)
Administrative Expense	-
Other Changes	-
Net Changes	<u>5,313</u>
Reporting Period Ending September 30, 2018	<u>\$ 175,730</u>

Changes of assumptions reflect a change in the discount rate from 3.06% from the reporting period ending September 30, 2017, to 3.64% for the reporting period ended September 30, 2018.

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 2.64%	Current Discount Rate - 3.64%	1% Increase 4.64%
Total OPEB Liability (Asset)	\$ 199,625	\$ 175,730	\$ 155,861

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)	\$ 154,024	\$ 175,730	\$ 202,023

NOTES TO FINANCIAL STATEMENTS
CITY OF BELLEVIEW, FLORIDA
(Concluded)

Note 17 - New Pronouncement and Prior Period Adjustment

As described in Note 1, due to the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, this resulted in a restatement of beginning net position for governmental and proprietary funds. The components of the adjustments are as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
Net Position as Previously Reported	\$ 5,361,177	\$ 13,545,236
Adjustment for Statement No. 75	<u>263,632</u>	<u>84,699</u>
Net Position, Restated	<u><u>\$ 5,624,809</u></u>	<u><u>\$ 13,629,935</u></u>

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 generally accepted accounting principles. 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, 2018

	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes				
Ad Valorem	\$ 1,030,926	\$ 1,030,926	\$ 1,038,681	\$ 7,755
Local Option Gas Tax	245,454	245,454	225,661	(19,793)
Discretionary Sales Surtax	534,747	534,747	625,532	90,785
Utility Tax:				
Electric	153,875	153,875	164,285	10,410
Communications Services and Business Taxes	202,185	202,185	181,686	(20,499)
Total Taxes	2,167,187	2,167,187	2,235,845	68,658
Permits and Fees				
Franchise Fees	442,960	442,960	485,589	42,629
Building Permits	133,800	153,800	206,764	52,964
Total Permits and Fees	576,760	596,760	692,353	95,593
Intergovernmental Revenue				
Half-cent Sales Tax	338,448	338,448	347,304	8,856
Insurance Premium Tax - Police	-	-	44,586	44,586
State Revenue Sharing	173,434	173,434	177,163	3,729
Mobile Home Licenses	11,000	11,000	9,289	(1,711)
Alcoholic Beverage Licenses	6,500	6,500	7,193	693
State Revenue for Lighting	-	-	-	-
State Revenue for Traffic Signals	-	-	-	-
Total Intergovernmental Revenue	529,382	529,382	585,535	56,153
Grants				
Local Law Enforcement Grant	-	-	725	725
Total Grants	-	-	725	725
Charges for Services				
Garbage/Solid Waste/Recycling	299,613	299,613	319,164	19,551
Mowing	1,600	1,600	1,500	(100)
Zoning Fees	3,500	3,500	8,999	5,499
Drainage Review	4,600	4,600	7,900	3,300
Transportation Concurrency	-	-	-	-
Total Charges for Services	309,313	309,313	337,563	28,250
Fines and Forfeitures				
Court Fines	43,600	43,600	51,635	8,035
Vehicle Impoundment	4,500	4,500	3,641	(859)
Police False Alarms	3,500	3,500	4,000	500
Investigation and Restitution	2,500	2,500	3,110	610
Other Revenue	7,900	7,900	18,166	10,266
Total Fines and Forfeitures	62,000	62,000	80,552	18,552
Miscellaneous Revenue				
Investment Earnings	8,250	8,250	13,646	5,396
Cemetery Lots	6,400	6,400	55,500	49,100
Recreation Impact Fees	20,000	20,000	57,478	37,478
Other	222,842	232,842	169,149	(63,693)
Total Miscellaneous Revenue	257,492	267,492	295,773	28,281
Total Revenues	\$ 3,902,134	\$ 3,932,134	\$ 4,228,346	\$ 296,212

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, 2018
(Continued)

	Original Budget	Final Budget	Actual	Variance
Expenditures				
General Government				
Legislative:				
Personnel Services	\$ 87,514	\$ 87,514	\$ 73,190	\$ 14,324
Operating Expenses	46,350	46,350	33,071	13,279
Capital Outlay	453,000	554,393	554,392	1
Total Legislative	<u>586,864</u>	<u>688,257</u>	<u>660,653</u>	<u>27,604</u>
Executive:				
Operating Expenses	118,000	118,000	110,288	7,712
Total Executive	<u>118,000</u>	<u>118,000</u>	<u>110,288</u>	<u>7,712</u>
Finance and Administrative:				
Personnel Services	801,164	801,164	794,680	6,484
Operating Expenses	78,770	146,609	138,457	8,152
Capital Outlay	-	62,000	20,835	41,165
Debt Service - Principal	133,838	133,838	133,850	(12)
Debt Service - Interest	43,825	43,825	43,813	12
Total Finance and Administrative	<u>1,057,597</u>	<u>1,187,436</u>	<u>1,131,635</u>	<u>55,801</u>
Comprehensive Planning:				
Personnel Services	184,549	184,549	177,247	7,302
Operating Expenses	126,135	148,660	146,605	2,055
Capital Outlay	28,000	-	20,836	(20,836)
Total Comprehensive Planning	<u>338,684</u>	<u>333,209</u>	<u>344,688</u>	<u>(11,479)</u>
Information Technology:				
Personnel Services	111,513	111,513	111,090	423
Operating Expenses	115,687	115,687	120,368	(4,681)
Other Uses	36,500	36,500	-	36,500
Capital Outlay	25,000	25,000	-	25,000
Total Information Technology	<u>288,700</u>	<u>288,700</u>	<u>231,458</u>	<u>57,242</u>
Total General Government	<u>2,389,845</u>	<u>2,615,602</u>	<u>2,478,722</u>	<u>136,880</u>
Public Safety				
Law Enforcement:				
Personnel Services	1,138,673	1,145,723	1,148,222	(2,499)
Operating Expenses	275,753	172,221	178,257	(6,036)
Capital Outlay	1,626,000	1,847,129	1,871,252	(24,123)
Debt Service - Principal	306,704	306,704	364,685	(57,981)
Debt Service - Interest	31,402	31,402	36,261	(4,859)
Total Public Safety	<u>3,378,532</u>	<u>3,503,179</u>	<u>3,598,677</u>	<u>(95,498)</u>
Physical Environment				
Garbage/Solid Waste/Recycling:				
Operating Expenses	299,598	299,098	312,050	(12,952)
Cemetery:				
Operating Expenses	2,000	2,000	2,298	(298)
Total Physical Environment	<u>301,598</u>	<u>301,098</u>	<u>314,348</u>	<u>(13,250)</u>
Transportation				
Roads and Streets:				
Personnel Services	302,408	308,408	268,844	39,564
Operating Expenses	188,350	249,651	251,658	(2,007)
Capital Outlay	538,500	556,339	432,898	123,441
Total Transportation	<u>1,029,258</u>	<u>1,114,398</u>	<u>953,400</u>	<u>160,998</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, 2018
(Concluded)

	Original Budget	Final Budget	Actual	Variance
Expenditures (Concluded)				
Culture and Recreation				
Parks and Recreation:				
Personnel Services	\$ 67,712	\$ 67,712	\$ 43,157	\$ 24,555
Operating Expenses	94,810	107,836	99,440	8,396
Capital Outlay	73,491	60,465	31,903	28,562
Total Culture and Recreation	<u>236,013</u>	<u>236,013</u>	<u>174,500</u>	<u>61,513</u>
(Total Expenditures)	<u>(7,335,246)</u>	<u>(7,770,290)</u>	<u>(7,519,647)</u>	<u>250,643</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(3,433,112)</u>	<u>(3,838,156)</u>	<u>(3,291,301)</u>	<u>546,855</u>
Other Financing Sources				
Capital Lease	-	-	97,819	97,819
Transfers in	-	990,819	938,583	(52,236)
Transfers (out)	(49,171)	(45,050)	(28,625)	16,425
Total Other Financing Sources	<u>(49,171)</u>	<u>945,769</u>	<u>1,007,777</u>	<u>62,008</u>
Net Change in Fund Balances	<u>(3,482,283)</u>	<u>(2,892,387)</u>	<u>(2,283,524)</u>	<u>608,863</u>
Fund Balance, Beginning of Year	<u>3,482,283</u>	<u>2,892,387</u>	<u>4,708,318</u>	<u>1,815,931</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,424,794</u>	<u>\$ 2,424,794</u>

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, 2018

	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes				
Ad Valorem	\$ 22,019	\$ 22,019	\$ 22,786	\$ 767
Total Taxes	<u>22,019</u>	<u>22,019</u>	<u>22,786</u>	<u>767</u>
Miscellaneous Revenue				
Investment Earnings	14	14	271	257
Total Miscellaneous Revenue	<u>14</u>	<u>14</u>	<u>271</u>	<u>257</u>
Total Revenues	<u>22,033</u>	<u>22,033</u>	<u>23,057</u>	<u>1,024</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>21,858</u>	<u>21,858</u>	<u>22,882</u>	<u>1,024</u>
Other Financing Sources				
Transfers in	28,671	28,671	28,625	(46)
Transfers (out)	(50,529)	(50,529)	(30,337)	20,192
Total Other Financing Sources	<u>(21,858)</u>	<u>(21,858)</u>	<u>(1,712)</u>	<u>20,146</u>
Net Change in Fund Balances	-	-	21,170	21,170
Fund Balance, Beginning of Year	-	(4,509)	2,940	7,449
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (4,509)</u>	<u>\$ 24,110</u>	<u>\$ 28,619</u>

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

	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Total Pension Liability					
Service Cost	\$ 84,154	\$ 96,358	\$ 100,889	\$ 96,058	\$ 84,044
Interest	287,696	305,113	301,989	290,472	277,418
Differences Between Expected and Actual Experience	56,520	(247,488)	(141,785)	33,859	-
Changes of Assumptions	-	57,557	97,155	-	-
Benefit Payments, Including Refunds of Employee Contributions	(170,752)	(429,912)	(196,913)	(356,299)	(53,783)
Net Change in Total Pension Liability	257,618	(218,372)	161,335	64,090	307,679
Total Pension Liability, Beginning of Year	3,837,167	4,055,539	3,894,204	3,830,114	3,522,435
Total Pension Liability, End of Year (a)	\$ 4,094,785	\$ 3,837,167	\$ 4,055,539	\$ 3,894,204	\$ 3,830,114
Plan Fiduciary Net Position					
Contributions - Employer	\$ 96,340	\$ 119,318	\$ 144,693	\$ 153,180	\$ 146,979
Contributions - State	44,587	42,005	39,999	37,571	40,668
Contributions - Employee	29,150	28,530	27,612	26,237	22,645
Net Investment Income	229,560	347,464	282,001	(19,359)	263,861
Benefit Payments, Including Refunds of Employee Contributions	(170,752)	(429,912)	(196,913)	(356,299)	(53,783)
Administrative Expense	(22,973)	(27,330)	(22,283)	(21,434)	(13,641)
Net Change in Plan Fiduciary Net Position	205,912	80,075	275,109	(180,104)	406,729
Plan Fiduciary Net Position, Beginning of Year	3,573,962	3,493,887	3,218,778	3,398,882	2,992,153
Plan Fiduciary Net Position, End of Year (b)	\$ 3,779,874	\$ 3,573,962	\$ 3,493,887	\$ 3,218,778	\$ 3,398,882
Net Pension Liability, Ending (a) - (b)	\$ 314,911	\$ 263,205	\$ 561,652	\$ 675,426	\$ 431,232
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.31%	93.14%	86.15%	82.66%	88.74%
Covered Payroll**	\$ 587,814	\$ 570,589	\$ 566,539	\$ 661,659	\$ 453,254
Net Pension Liability as a Percentage of Covered Payroll	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 2013 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 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 BELLEVIEW, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS*

	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Actuarially Determined Contribution	\$ 136,960	\$ 159,765	\$ 184,692	\$ 190,751	\$ 187,647
Contributions in Relation to the Actuarially Determined Contributions	(140,927)	(161,323)	(184,692)	(190,751)	(187,647)
Contribution Deficiency (Excess)	<u>\$ (3,967)</u>	<u>\$ (1,558)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll**	\$ 587,814	\$ 570,589	\$ 566,539	\$ 661,659	\$ 453,254
Contributions as a Percentage of Covered Payroll	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 2013 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, 2016

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% 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, 2015 FRS actuarial valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

Interest Rate: 7.75% per year compounded annually, net of investment related expenses.

CITY OF BELLEVIEW, 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) continue employment for one additional year.
Early Retirement:	Age 50 with 10 years of service, members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Disability Rates:	See table on following page. It is assumed that 75% of disabilities are service. This assumption was developed from those used by other plans containing Florida municipal Police Officers.
Termination Rates:	See table on the following page.
Salary Increases:	Based on experience study 6.0% per year until the assumed retirement age. Projected salary is increased individually to account for non-regular compensation.
Inflation:	3.0% per year.
Interest Rate:	7.75% per year compounded annually, net of investment related expenses.
Payroll Growth:	None
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.

Termination and Disability Rate Table:

Age	% Termination During the Year	% Becoming Disabled During the Year
20	7.50%	0.03%
30	6.25%	0.04%
40	3.25%	0.07%
50	1.00%	0.18%

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

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

Reporting Period Ending September 30, 2018
Measurement Date September 30, 2017

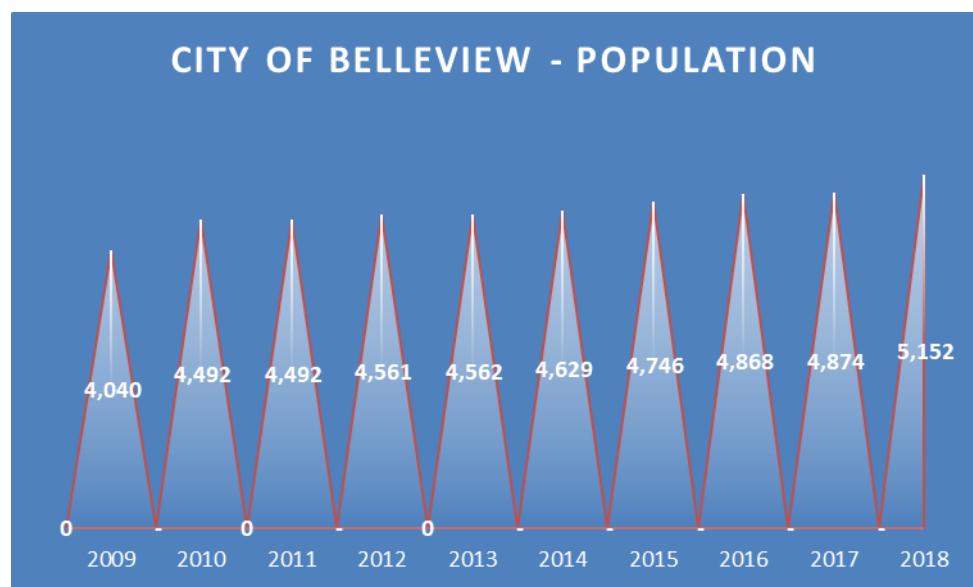
Total OPEB Liability		
Service Cost	\$ 17,838	
Interest	5,685	
Changes in Benefit Terms	-	
Differences Between Expected and Actual Experience	-	
Changes of Assumptions	(13,303)	
Benefit Payments	(4,907)	
Net Change in Total OPEB Liability	5,313	
Total OPEB Liability - Beginning	170,417	
Total OPEB Liability - Ending	\$ 175,730	
 Covered Payroll		\$ 2,118,360
Total OPEB Liability		8.20%

Notes to Schedule

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, 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.

<u>Contents</u>	<u>Page</u>
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>	70
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>	76
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>	80
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>	84
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>	86

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 2,987,164	\$ 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
Restricted	147,769	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
Unrestricted	1,994,605	1,556,861	1,268,431	1,371,399	1,477,101	1,240,800	637,720	1,078,772	958,987	860,318
Total Governmental Activities, Net Position	\$ 5,129,538	\$ 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
Business-type Activities										
Net Investment in Capital Assets	\$ 3,550,948	\$ 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
Restricted	3,368,822	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
Unrestricted	3,013,799	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
Total Business-type Activities, Net Position	\$ 9,933,569	\$ 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
Primary Government										
Net Investment in Capital Assets	\$ 6,538,112	\$ 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
Restricted	3,516,591	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
Unrestricted	5,008,404	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
Total Primary Government, Net Position	\$ 15,063,107	\$ 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

Information Source:

Audited Financial Reports

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
General Government	\$ 948,300	\$ 992,562	\$ 907,405	\$ 951,325	\$ 1,070,023	\$ 1,098,875	\$ 1,382,682	\$ 1,595,709	\$ 1,670,211	\$ 1,810,880
Public Safety	1,229,437	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
Physical Environment	333,606	338,341	333,101	290,076	276,152	282,878	293,179	298,382	302,635	314,806
Transportation	533,654	561,891	448,803	508,517	444,270	503,924	450,274	461,073	600,902	648,044
Culture and Recreation	337,933	333,476	308,855	234,755	149,675	165,182	175,145	166,175	176,091	185,024
Interest on Long-term Debt	- 43,791	40,325	31,050	31,569	27,313	25,412	42,221	73,339	80,073	
Total Governmental Activities Expenses	<u>3,382,930</u>	<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>
Business-type Activities:										
Water/Sewer Utility	2,060,770	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
Total Business-type Activities Expenses	<u>2,060,770</u>	<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>
Total Primary Government Expenses	<u>\$ 5,443,700</u>	<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>
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government (1)	\$ 539,806	\$ 573,278	\$ 531,256	\$ 567,398	\$ 552,621	\$ 580,220	\$ 678,618	\$ 623,709	\$ 623,361	\$ 692,353
Culture and Recreation	30,869	38,277	60,043	63,401	4,733	2,052	-	-	42,692	57,478
Other Activities	443,679	426,570	397,928	344,160	363,755	388,310	398,496	390,543	397,662	431,358
Operating Grants and Contributions	5,007	2,315	-	-	-	-	-	-	-	-
Capital Grants and Contributions	88,471	272,531	81,192	2,005	1,490	27,129	11,102	12,133	9,087	725
Total Governmental Activities	<u>1,107,832</u>	<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>
Business-type Activities:										
Water/Sewer Utility	2,025,279	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
Operating Grants and Contributions	-	693	-	-	-	-	-	-	-	-
Capital Grants and Contributions	348,746	869,852	193,076	188,439	177,070	234,837	886,089	1,841,195	741,609	939,737
Total Business-type Activities	<u>2,374,025</u>	<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>
Total Primary Government Program Revenues	<u>\$ 3,481,857</u>	<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>
Net (Expense)/Revenue										
Governmental Activities	\$ (2,275,098)	\$ (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)
Business-type Activities	313,255	870,799	238,778	182,320	129,029	289,878	1,211,778	2,334,899	1,008,401	2,546,813
Total Primary Government Net Expense	<u>\$ (1,961,843)</u>	<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>

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 724,547	\$ 671,321	\$ 662,585	\$ 750,858	\$ 710,692	\$ 707,275	\$ 746,682	\$ 879,090	\$ 915,145	\$ 1,061,467
Franchise Taxes (1)	-	-	-	-	-	-	-	-	-	-
Public Service Taxes	367,802	359,575	351,519	355,751	362,426	339,368	329,005	335,400	331,190	314,124
Local Option Sales Tax	-	-	-	-	-	-	-	-	389,497	625,432
Other Taxes	396,886	549,390	573,020	569,028	543,103	446,951	392,882	344,299	277,644	257,507
State-shared Revenues (Unrestricted)	396,575	391,836	393,364	426,082	448,106	527,431	542,257	551,926	604,687	585,536
Investment Earnings	11,638	15,850	19,763	13,233	12,621	9,326	8,315	8,931	9,515	32,373
Gain/(Loss) on Capital Asset	-	-	(2,879)	-	28,820	-	-	-	-	-
Miscellaneous	96,882	114,257	72,810	74,960	158,064	94,279	130,255	161,132	132,692	211,504
Transfers	164,553	430,827	194,400	229,725	286,748	352,497	462,179	(405,788)	895,234	908,246
Total Governmental Activities	2,158,883	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
Business-type Activities:										
Investment Earnings	34,376	51,311	46,204	26,741	24,520	20,221	17,490	12,890	13,281	18,455
Gain/(Loss) on Capital Asset	-	-	(26,110)	-	-	-	5,245	811	(167,398)	1,544
Miscellaneous	36,917	-	-	-	-	-	-	-	-	-
Transfers	(164,553)	(430,827)	(194,400)	(229,725)	(286,748)	(352,497)	(462,179)	405,788	(895,234)	(908,246)
Total Business-type Activities	(93,260)	(379,516)	(174,306)	(202,984)	(262,228)	(332,276)	(439,444)	419,489	(1,049,351)	(888,247)
Total Primary Government	2,065,623	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
Change in Net Assets										
Governmental Activities	(116,215)	231,963	163,683	251,700	363,717	88,929	12,576	(1,002,099)	420,180	750,914
Business-type Activities	219,995	491,283	64,472	(20,664)	(133,199)	(42,398)	772,334	2,754,388	(40,950)	1,658,566
Total Primary Government	\$ 103,780	\$ 723,246	\$ 228,155	\$ 231,036	\$ 230,518	\$ 46,531	\$ 784,910	\$ 1,752,289	\$ 379,230	\$ 2,409,480

(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 BELLEVIEW, 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
2009	\$ 724,547	\$ -	\$ 367,802	\$ 362,237	\$ 34,649	\$ -	\$ 1,489,235	
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	225,661	40,591	-	1,480,742	
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	

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable	\$ 36,242	\$ 30,761	\$ 45,136	\$ 18,427	\$ 66,995	\$ 101,690	\$ 54,420	\$ 134,888	\$ 48,842	\$ 97,147
Restricted	236,154	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
Committed	3,713	51,374	71,669	72,947	22,605	58,218	64,652	98,666	121,235	127,266
Assigned	127,228	135,645	245,222	256,481	1,309,494	1,128,294	1,076,298	1,495,576	1,417,098	848,222
Unassigned	1,942,847	1,715,766	1,426,767	1,565,380	493,440	530,723	457,714	416,214	456,602	622,768
Total General Fund	\$ 2,346,184	\$ 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
CRA Fund										
Restricted	N/A	N/A	N/A	N/A	N/A	N/A	\$ 13,140	\$ 9,935	\$ 2,940	\$ 24,110
Total CRA Fund							\$ 13,140	\$ 9,935	\$ 2,940	\$ 24,110

Information Source:

Audited Financial Reports

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 1,489,235	\$ 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
Licenses and Permits	523,024	562,075	515,132	544,157	552,621	580,221	685,728	632,470	623,632	692,353
Intergovernmental	396,575	391,836	393,364	426,082	448,106	527,431	542,257	551,927	604,686	585,535
Grant Revenues	93,478	274,846	81,192	2,005	1,490	1,305	11,102	313,530	318,221	337,563
Charges for Services	372,730	376,700	407,913	372,634	305,878	335,224	314,058	77,012	77,765	80,552
Fines	103,046	86,144	52,681	52,620	62,608	55,138	85,402	16,947	10,764	725
Investment Earnings	11,639	15,850	19,763	13,233	12,621	9,326	8,315	8,848	9,426	13,646
Miscellaneous	216,212	119,204	86,310	79,258	158,069	120,101	129,302	156,402	175,473	282,398
Total Revenues	3,205,939	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
Expenditures										
General Government	857,780	863,384	821,422	902,373	1,025,413	1,041,889	1,335,193	1,428,985	1,581,587	1,705,171
Public Safety	1,195,776	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
Physical Environment	330,186	336,188	331,627	288,326	275,296	282,219	292,721	297,924	302,177	314,348
Transportation	443,092	453,437	366,447	376,957	359,210	414,407	378,602	376,431	516,816	520,502
Culture and Recreation	316,049	279,333	265,901	197,774	113,108	130,794	139,406	120,826	130,181	142,597
Capital Outlay	116,568	363,695	154,096	179,342	392,342	159,019	78,581	356,613	510,272	2,932,116
Debt Service:										
Principal	200,000	49,775	1,093,014	65,994	70,510	78,373	96,680	733,329	252,270	498,536
Interest	38,597	43,791	40,325	27,885	28,402	27,313	25,412	42,221	73,339	80,073
Issue Costs	-	-	9,500	-	-	-	-	-	-	-
Total Expenditures	3,498,048	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
Excess of Revenues (Under) Expenditures	(292,109)	(132,859)	(948,077)	73,904	(200,042)	(263,611)	(436,228)	(1,301,844)	(972,066)	(3,268,419)
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	15,096	12,565	22,450	22,331	47,295	24,980	47,206	25,587	-	-
Transfers (out)	-	-	-	-	-	-	-	(1,176,669)	(53,124)	(58,962)
Transfers in	164,553	430,827	194,400	229,725	286,748	352,497	462,179	770,881	948,358	967,208
Total Other Financing Sources (Uses)	179,649	443,392	1,116,850	252,056	334,043	377,477	509,385	1,119,799	2,395,234	1,006,065
Net Change in Fund Balances	\$ (112,460)	\$ 310,533	\$ 168,773	\$ 325,960	\$ 134,001	\$ 113,866	\$ 73,157	\$ (182,045)	\$ 1,423,168	\$ (2,262,354)
Debt Service as a Percentage of Noncapital Expenditures	7.06%	2.95%	28.85%	3.22%	3.34%	3.28%	3.40%	18.24%	7.76%	12.61%

Information Source:

Audited Financial Reports

CITY OF BELLEVIEW, 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
2009	\$ 231,185,365	\$ 27,780,932	\$ 201,913	\$ 259,168,210	2.8905
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

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 BELLEVIEV, FLORIDA
PROPERTY TAX RATES DIRECT AND OVERLAPPING
LAST TEN FISCAL YEARS

Fiscal Year	City of Bellevue	Overlapping Rates				Total Direct and Overlapping Rates
	Total & Operating Millage	Marion County Total & Operating Millage	EMS MSTU Total & Operating Millage	School District Total & Operating Millage	SJRWMD District Total & Operating Millage	
2009	2.8905	3.4900	1.2300	7.607	0.4158	15.6333
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

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, 2018

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Schreiber Co./Bellevue Assoc.	\$ 6,817,293	1	2.32%	\$ 10,400,209	1	4.01%
Juster Ann	3,250,476	2	1.10%	3,920,703	3	1.51%
Embarq Florida, Inc./Sprint Florida, Inc.	2,973,983	3	1.01%	7,427,953	2	2.87%
French Construction, Inc.	2,923,638	4	0.99%	2,186,963	6	0.84%
Bright House Networks, LLC	2,922,904	5	0.99%	3,619,528	4	1.40%
Silver Oaks MHC, LLC	2,649,745	6	0.90%	1,954,733	7	0.75%
Duke Energy	2,078,288	7	0.71%			
Crimi Michael, Jr., PA- CPA	2,039,199	8	0.69%	1,859,330	8	0.72%
Bellevue, LLC	1,857,616	9	0.63%	1,760,361	9	0.68%
Bellevue Square, LLC	1,798,114	10	0.61%			
Ginsburg Dennis TR				2,854,855	5	1.10%
PNS Management Corp				1,514,368	10	0.58%
Total Assessed Value	<u>\$ 29,311,256</u>			<u>\$ 37,499,003</u>		
Total Assessed Property Value	\$ 294,458,683			\$ 259,168,210		

Information Source: Marion County Property Appraiser
 Bellevue Finance Department

CITY OF BELLEVIEW, 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
2009	\$ 752,752	\$ 722,771	96.0%	\$ 24,687	\$ 747,458	99.3%
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%

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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			
2009	\$ 1,246,000	\$ 100,075	\$ 1,440,889	\$ 3,460,721	\$ 6,247,685	2.05%	1,546
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	2,286,760	91,691	-	3,402,100	5,780,551	2.67%	1,122

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Note:

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

Information Source:

City of Bellevue/Marion County (MC)

(1 US Census Bureau has Per Capita income in 2018 is \$41,964 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, 2018
SCHEDULE 10

Governmental Unit	Fiscal Year 2018		
	Debt Outstanding	Percent Applicable (2)	Estimated Share of Overlapping Debt
Marion County			
Limited Ad Valorem Refunding Tax Bonds, Series 1998	\$ <u> </u> -	1.50%	\$ <u> </u> -
Total Overlapping Debt	\$ <u> </u> -		\$ <u> </u> -

Notes:

- (1) The City of Bellevue did not have any general obligation debt outstanding during the fiscal year ended September 30, 2018.
- (2) Represents the fraction of assessed valuation of taxable property in the City of Bellevue over the assessed valuation of taxable property in the governmental unit.

Note: Marion County paid their bonds off in 2018; therefore, there is no direct and overlapping debt.

Information Source:

Marion County Finance Department
Bellevue Finance Department

**COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2018
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	
2009	\$ 2,025,279	\$ 1,333,963	\$ 691,316	\$ 162,340	\$ 138,860	\$ 301,200	2.30%
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%

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)
2009	4,030	1.22%	\$ 30,836	\$ 124,269,080	510	13.4%
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%

Information Source:

City of Bellevue/Marion County (MC)

(University of Florida, Bureau of Economic and Business Research

Florida Economic & Demographic Research (EDR) (April 2016)

(Florida EDR - applied Bellevue population % to County

(FRED Economic Research for 2016

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

(Marion County Public Schools at www.marion.k12.fl.us/ from Marion County

calculated using population % to Bellevue to County.

(FRED 2016

CITY OF BELLEVIEW, FLORIDA
PRINCIPAL EMPLOYERS
FOR THE YEAR ENDED SEPTEMBER 30, 2018 AND TEN YEARS AGO

Employer	Business	Fiscal Year 2018			Fiscal Year 2009 (1)		
		Employees	Percentage of Total City (2) Employment	Rank	Employees	Percentage of Total City (2) Employment	Rank
Publix Supermarkets	Retail Sales	120	6.98%	1	107	7.26%	1
Bellevue Elementary School	Education	110	6.39%	2	100	6.79%	3
Winn Dixie (2 stores)	Retail Sales	100	5.81%	3	90	6.11%	4
Express Care	Medical	60	3.49%	4	105	7.13%	2
McDonalds	Restaurant	54	3.14%	5	57	3.87%	7
Mojos	Restaurant	50	2.91%	6	75	5.09%	6
City of Bellevue	Government	50	2.91%	6	0	0.00%	
Family Doctors	Medical	30	1.74%	7	53	3.60%	8
Zaxby's	Restaurant	30	1.74%	8	35	2.38%	10
Hardees	Restaurant	30	1.74%	8	0	0.00%	
Pasta Faire	Restaurant	30	1.74%	8	42	2.85%	9
Sweetbay	Retail Sales	0	0.00%		76	5.16%	5
Burger King	Restaurant	0	0.00%		35	2.38%	10
Total		664	38.60%		775	52.62%	
All Others		1,056	61.40%		698	47.39%	
Total Employment (1)		1,720	100.00%		1,473	100.00%	

Note:

(1) City data not available. Total City Employment calculated using % of Bellevue population to Marion County, Florida.

Information Source:

City of Bellevue
 Career Trends by Graphiq

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

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government	10	10	9	10	14	14	15	15	15	15
Public Safety:										
Sworn Officers	15	15	13	11	12	12	13	13	13	14
Civilians	2	2	2	2	3	3	3	2.5	2.5	2.5
Public Works	21	21	19	18	14	14	15	16	17	18
Parks and Recreation	4	0	0	1	1	1	0	0	0	1
Total	<u><u>52</u></u>	<u><u>48</u></u>	<u><u>43</u></u>	<u><u>42</u></u>	<u><u>44</u></u>	<u><u>44</u></u>	<u><u>46</u></u>	<u><u>46.5</u></u>	<u><u>47.5</u></u>	<u><u>50.5</u></u>

Source: City of Bellevue 2018 FY Budget book (for 2013 - 2018)

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

Function	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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	14	11	11	18	15	14	17	24	27	25
Number of Resolutions Submitted	18	34	23	18	15	16	21	26	15	21
Number of Various Insurance Claims	6	18	2	2	1	7	6	11	7	10
Journal Entries Processed	41,500	43,583	41,333	52,280	18,230	13,817	12,500	13,000	13,000	9,825
Accounts Payable Checks Issued	2,000	1,747	2,016	1,970	1,836	1,690	1,350	1,300	1,493	1,713
Development Services:										
Building Permits Issued	425	400	420	388	316	325	316	285	209	218
Business Tax Receipts Issued	700	675	510	616	667	557	713	711	732	676
Code Inspections/Notices	205	175	250	262	150	153	150	185	218	223
Number of Site Plan Reviewed	20	17	15	10	23	20	17	3	9	22
Annexations Processed	3	3	2	2	1	0	1	0	0	1
Information Technology:										
Number of Computers Serviced	77	77	77	77	70	70	70	71	71	71
User Accounts Maintained	60	60	60	60	60	60	60	80	80	78
Number of Servers Serviced	14	14	14	14	16	16	16	16	16	16
Systems/Network Failures	0	0	0	0	0	0	0	0	0	0
Police:										
Calls Dispatched	23,231	22,300	13,129	20,180	19,159	18,875	21,574	23,000	22,405	20,536
Traffic Crash Reports	335	310	202	265	241	196	230	200	209	209
Calls Per Officer	2,320	1,313	1,313	2,242	2,129	2,097	2,222	2,091	2,037	1,867
Transportation:										
Paved Miles Maintained	36.81	36.81	36.81	36.81	36.81	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	1.20	1.20
Parks and Recreation:										
Number of Ball Fields Maintained	0	0	0	0	0	0	0	0	0	19
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	9	9	4	4
Water and Wastewater:										
Wastewater Collections (millions)	145	143	141	141	135	135	131	122	128	140
Number of Customers	3,350	3,328	3,205	3,164	3,051	3,100	3,425	3,300	3,203	2,247
Gallons of Water Produced (in millions)	285	282	279	279	294	294	247	247	291	330

Source: City of Bellevue Budget & Records
BS&A System

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

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units	9	9	8	8	7	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	70	70	70	70	70	70	70
Hydrants	466	466	466	466	469	466	466	392	392	392
Lift Stations	35	35	35	35	35	35	34	32	32	32
WW Maximum Daily Capacity (millions of gallons)	0.76	0.76	0.76	0.58	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	2.232	2.232	2.232	2.232	2.232	2.232	2.232
Sanitary Sewers (miles)	19.7	19.7	19.7	10	10	10	10	10	10	10
General Government:										
Square Footage of Buildings	44,203	40,163	40,163	24,073	24,073	24,073	24,073	24,073	24,073	24,073
City Vehicles-Non-Patrol	4	4	3	3	3	3	3	3	3	3

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Source: City Departments

FINANCE DEPARTMENT ORGANIZATIONAL CHART



COMPLIANCE SECTION

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

**INDEPENDENT AUDITORS' 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 Bellevue
Bellevue, 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 Bellevue, Florida (the City) as of and for the year ended September 30, 2018, 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 18, 2019.

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.

Certified Public Accountants

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MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

Honorable Mayor and City Commissioners
City of Bellevue
Bellevue, Florida

**INDEPENDENT AUDITORS' 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***
(Concluded)

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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported 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.

Purvis, Gray and Company, LLP

March 18, 2019
Ocala, Florida

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

Honorable Mayor and City Commissioners
City of Bellevue
Bellevue, Florida

We have examined the City of Bellevue's (the City) compliance with the requirements of Section 218.415, Florida Statutes during the fiscal year ended September 30, 2018. 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 noncompliance, 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, 2018.

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

Purvis, Gray and Company, LLP

March 18, 2019
Ocala, Florida

Certified Public Accountants

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MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Bellevue
Bellevue, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bellevue, Florida (the City) as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated March 18, 2019.

Auditors' 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 and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountants' 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 18, 2019, 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.

Certified Public Accountants

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Honorable Mayor and City Commissioners
City of Bellevue
Bellevue, Florida

MANAGEMENT LETTER
(Concluded)

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.c. 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 noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but 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.

Purvis, Gray and Company, LLP
March 18, 2019
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.

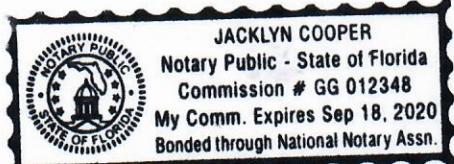
Marge Strausbaugh

Marge Strausbaugh
Finance Director
Chief Financial Officer

Sworn to (or affirmed) and subscribed before me this 28th day of February, 2019 by Marge Strausbaugh, Finance Director and Chief Financial Officer for the City of Belleview, Florida, who is personally known to me.

Jacklyn Cooper
Notary Signature

Notary Seal/Stamp



MAYOR: Christine K. Dobkowski

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