

**TOWN OF BELLEAIR, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2021**

**Prepared by:**  
**Department of Finance**

## **I. INTRODUCTORY SECTION**

**TOWN OF BELLEAIR, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2021**

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November 15, 2022

To the Honorable Mayor, Town Commission, and Citizens of the Town of Belleair, Florida

State law requires that all general-purpose local governments publish within one year of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted, in the United States of America, auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Town of Belleair, Florida for the fiscal year ended September 30, 2021.

The Annual Comprehensive Financial Report (ACFR) is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, a copy of the Town's Certificate of Achievement for Excellence in Financial Reporting, and the primary government's organization chart. This ACFR includes all funds of the Town. The Town has no component units. The financial section includes the management's discussion and analysis (MD&A), the basic financial statements for the primary government, and the primary government's combining and individual financial statements and schedules, as well as the independent auditor's report on the financial statements and schedules. GAAP requires that management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A contains a narrative introduction, overview, and analysis of the Town's financial statements. It should be read in conjunction with this letter of transmittal. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. In contrast to the financial section information, the statistical section information has not been audited.

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

The Town of Belleair, Florida's financial statements have been audited by Saltmarsh, Cleaveland & Gund, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Belleair, Florida for the fiscal year ended September 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Belleair, Florida's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

## **Profile of the Government**

The Town of Belleair, Florida was incorporated in 1925 and was chartered under Chapter 10335, Special Laws of Florida, with a Mayor form of government. The Town of Belleair, Florida currently occupies a land area of 2.5 square miles and serves a population of 4,097 according to the U.S. Census Bureau. The Town of Belleair, Florida is empowered to levy a property tax on both real and personal properties located within its boundaries.

The Town of Belleair's charter was changed in 1973 to provide for a council-manager type of government, and in 1997, due in part to additional provisions in the charter which strengthened the authority of the town manager, was officially recognized as a council-manager form of government by the International City/County Managers Association. Policy-making and legislative authority are vested in a governing commission consisting of the mayor and four other members. The Town Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The town manager is responsible for carrying out the policies and ordinances of the Town Commission, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The commission is elected on a non-partisan basis. Commission members serve three-year staggered terms, with two commissioner members elected every three years. The mayor is elected to serve a three-year term. The mayor and commission members are elected at large.

The Town of Belleair, Florida provides a full range of services, including police protection; permitting and development review; the construction and maintenance of streets and other infrastructure; and recreational activities and cultural events. Fire & rescue services are provided on a contractual basis by the City of Largo.

The Town of Belleair, Florida also provides water and solid waste services. These departments are enterprise funds and are included in this report. Wastewater services are provided on a contractual basis by Pinellas County Utilities, and those financial impacts are also included in this report.

In May, budget requests are submitted to the Town manager. The Town manager uses these requests as the starting point for developing a proposed budget. The Town manager then presents this proposed budget to the commission for review before July 31st. The commission is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the Town of Belleair, Florida's fiscal year. The appropriated budget is prepared by fund (e.g., general), and department (e.g., recreation). Department heads may request transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the Town Commission. Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page 25 as part of the basic financial statements for the governmental funds. There are no budget-to-actual comparisons for funds other than the General Fund. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project length budget has been adopted (i.e., the capital projects funds).



## Factors Affecting Financial Condition

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

**Local economy.** The Town of Belleair is largely a residential community, with only a few businesses operating within its boundaries. There are three 18-hole golf courses within the town limits as well. Major industries with headquarters or divisions located within or near the government's boundaries include: computer hardware, software manufacturers, electrical controls, and several financial and insurance institutions. The unemployment rate in the Tampa-St. Petersburg metro area averaged 3.85% over the fiscal year 2020-2021. While this was a challenging year economically, the real estate market continues to do well in Belleair. The property value increased by 8.43% and building permit revenues have trended upwards. The region has a population base of approximately one million people, making it the most densely populated county in the state of Florida. The Town serves as a premium residential community for nearby areas in the Tampa Bay region.

**Long-term financial planning.** The Town of Belleair has long-range plans for infrastructure improvements (streets, drainage, and water system). The town's long-range capital improvement plan has several roadways and drainage improvements scheduled over the next five years. In recent years, the Town completed partial renovations of Ponce de Leon Blvd and Palmetto Road. The Town has recently secured a shared-funding grant from the Southwest Florida Water Management District (SWFWMD) for a feasibility study on the bluff, which spans about half of the town. Additionally, funding has been secured for complete reconstruction of the roadway and drainage system along the southern portion of Indian Rocks Road within Belleair.

The Town has a variety of revenue streams dedicated to capital improvements, including a stormwater fee, the "Penny for Pinellas" discretionary sales surtax, and a dedicated millage levy. While these revenues help to fund projects within town limits, they also help to fund an annual debt service.

The Water Fund has benefited from a more sustainable rate structure that has increased the reserves. This rate structure also enables the department to fund capital improvements to the treatment and distribution system. Water infrastructure has been included in prior capital projects, such as the aforementioned road reconstructions, and is also included in all future projects.

Staff continues to seek the best long-term solution to the Town's water supply issue. Town staff and engineers have engaged Pinellas County to review the transfer of Belleair's water supply, which is the most fiscally responsible option at this time.

**Relevant financial policies.** Annually, the Town establishes conservative estimates of ongoing revenues and expenditures. The Town's revenue estimates are developed on historical trends, local economic projections and reasonable assumptions of future conditions. The Town maintains, as permitted by State law, a diverse revenue base to mitigate the effects of short-term fluctuations in any one (1) revenue.

In conjunction with its review of its revenues, the Town calculates the full direct cost of activities supported by user fees and considers such information while establishing user fees and other charges for service. Similarly, the Town's expenditures are estimated based on the prior year's expense while considering potential increases as well as efficient decreases. The Town is legally mandated to have a balanced budget in all funds.

At the close of 2020-21 unassigned fund balance in the General Fund was thirty-five percent of operating expenditures. To the extent that unreserved, undesignated fund balance exceeds twenty percent, the town may draw upon the fund balance to provide funding for capital projects or provide funding for nonrecurring expenses.

In two of the proprietary funds (solid waste, and wastewater funds) the budgeted unreserved, undesignated, cash reserve is set at \$250,000. In the Water Fund cash reserve is set at \$450,000. The Water Fund maintains an unrestricted fund balance of \$3,019,332. Meanwhile, Solid Waste holds an unrestricted fund balance of \$996,048. The Wastewater Fund has an unrestricted fund balance of \$356,331. All enterprise funds have sufficient fund balance to meet financial obligations at their present levels of service.

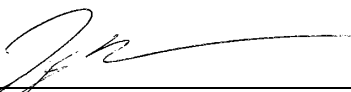
**Risk management.** By being a member of the Public Risk Management (PRM) pool, the Town has been able to contain its costs by spreading the risk amongst all other members of the pool; increases or decreases are resultant as a function of a deviation factor for losses of the pool. Annually, the town evaluates its risk in a variety of areas including workers' compensation and potential natural disasters. The town in collaboration with the PRM staff continues to conduct risk assessments and subsequently implement any changes as they relate to workplace safety. The town has won numerous safety awards for its safety program which includes a safety committee that reviews all accidents and occupational hazards. Recent Florida Supreme Court decisions regarding worker's compensation and attorney's fees have led to the insurance market responding with double-digit increases to workers compensation premiums. This raises the likelihood of cost increases for the town and the pool as a whole.

### **Awards and Acknowledgments**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Belleair, Florida for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2020. This was the thirty-first consecutive year that the Town had received this prestigious award. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Support Services and Administration departments. The Support Services Department works very hard to maintain strong internal controls to provide accurate financial reporting, to keep the public informed and to assist the Town Commission in decision-making. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the Commission for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Belleair, Florida's finances.

Respectfully submitted,



---

Gay Lancaster  
Town Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Belleair  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

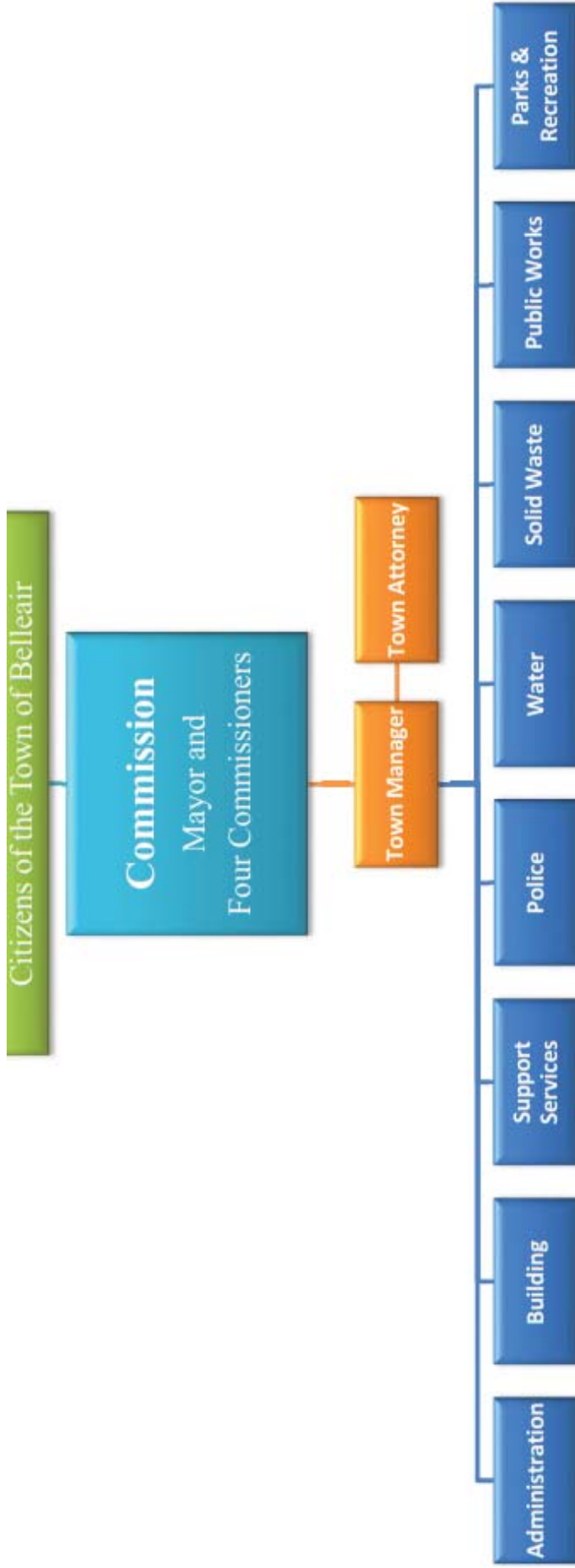
*Christopher P. Morill*

Executive Director/CEO

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TOWN OF BELLEAIR, FLORIDA

DEPARTMENTS



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**TOWN OF BELLEAIR, FLORIDA**  
**COMMISSION – MANAGER FORM OF**  
**GOVERNMENT**

**TOWN COMMISSION**

Michael Wilkinson  
Tom Kurey  
Tom Shelley  
Coleen Chaney  
Thomas Nessler

Mayor  
Commissioner/ Deputy Mayor  
Commissioner  
Commissioner  
Commissioner

**TOWN PERSONNEL**

Gay Lancaster  
Stefan Massol  
Christine Nicole

Town Manager  
Director of Finance  
Town Clerk

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## **II. FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
and Town Commission  
Town of Belleair, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparisons for the general fund, and the aggregate remaining fund information of the Town of Belleair, Florida (the "Town") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town'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, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 on the effectiveness of the entity'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.

The Honorable Mayor  
and Town Commission  
Town of Belleair, Florida

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Belleair, Florida as of September 30, 2021, and the respective changes in financial position and the respective budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statement, 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 Town of Belleair, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Honorable Mayor  
and Town Commission  
Town of Belleair, Florida

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of 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 our report dated November 15, 2022, on our consideration of the Town'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Tampa, Florida  
November 15, 2022

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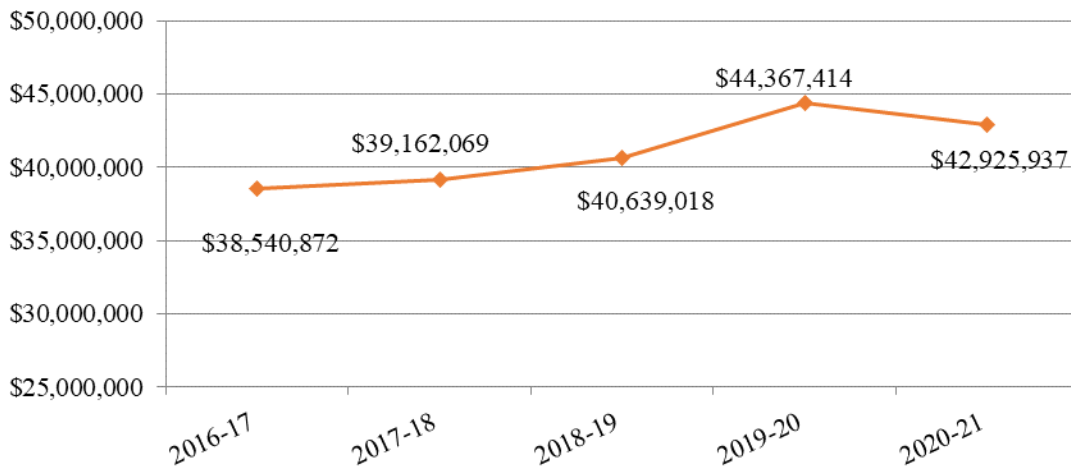
**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021**

This narrative overview and analysis of the Town of Belleair's financial statements for the fiscal year-ended September 30, 2021, provides readers with a comprehensive picture of the Town's fiscal health, and its financial administration. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found starting on page iv of this report.

**FINANCIAL HIGHLIGHTS**

The assets of the Town of Belleair, Florida exceeded its liabilities at the close of the most recent fiscal year by \$42,925,937 (net position), inclusive of deferred outflows and deferred inflows. Of this amount, \$5,400,203 (*Unrestricted*) may be used to meet the government's ongoing obligations to citizens and creditors. The government's total net position decreased by \$1,441,477.

**Total Net Position Government-Wide**



The net position of the Town of Belleair has increased since FY 2016-17. During that time net position has risen steadily, increasing a cumulative 11% from the end of FY 2016-17 thru the end of FY 2020-21. Several factors have had considerable impact on the net position of Belleair these past five years, including the following:

- 1) Construction of residential properties and redevelopment of the Belleview Inn,
- 2) Continuance of the Capital Improvement Plan to repair roads, curbs and utility structures throughout the town,
- 3) Cooperative grant funding provided by the Southwest Florida Water Management District for various water and drainage basin projects,
- 4) Donations from the Belleair Community Foundation for various projects, including Doyle Park, Wall Park, Tackett Park and other projects throughout town,
- 5) A large bequest from Mr. Robert Ahlf, a longtime resident of Belleair.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

As of the close of the current fiscal year, the Town of Belleair, Florida's General (governmental) Fund reported an actual ending fund balance of \$2,542,887, a decrease of \$21,787 in comparison with the beginning fund balance. Recovery from Hurricane Irma was a significant cost that was unplanned in fiscal year 2017-18, resulting in more than \$600,000 of additional expenditures to the General Fund. The Town received reimbursement payments from FEMA and the State of Florida in fiscal year 2019-20 to help restore fund balance as well as more than \$130,000 from the Hazard Mitigation Grant Program used to purchase a new backup generator for the Police Department and Town Hall.

## **OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town of Belleair, Florida's basic financial statements. The Town of Belleair's basic financial statements consist of three elements: 1) Government-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 themselves.

### **Government-wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Belleair's finances, in a manner similar to what one may observe for a private-sector business.

The *statement of net position* presents information on all of the Town of Belleair's assets, deferred outflows, liabilities and deferred inflows. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Belleair is improving or deteriorating.

The *statement of activities* presents information showing how the government'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).

Both of the government-wide financial statements distinguish functions of the Town of Belleair that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town of Belleair include general government, public safety, transportation, and culture and recreation. The business-type activities of the Town of Belleair include the Water and Solid Waste Funds. A third business-type activity (wastewater) was sold to Pinellas County in 2004 though the town still manages billing operations for wastewater services.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

The government-wide financial statements include not only the Town of Belleair, Florida itself (known as the *primary government*) but also a police officer's pension plan and an employee's 401(k) retirement fund for which the Town of Belleair is financially accountable. Financial information for these funds is reported separately from the financial information represented for the primary government itself. The Water and Solid Waste Funds, although business-type funds, function as departments of the Town of Belleair, and, therefore, have been included as an integral part of the primary government.

The government-wide financial statements can be found beginning on page 19 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 Town of Belleair, 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 Town of Belleair can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

The Town of Belleair maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Infrastructure Fund, both of which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.



**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found beginning on page 21 of this report.

*Proprietary funds.* The town maintains one kind of proprietary fund, *enterprise funds*, which are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its Water and Solid Waste Funds. The other kind of proprietary fund is an *internal service fund*, an accounting device used to accumulate and allocate costs internally. This type of proprietary fund is not employed by the Town of Belleair.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Wastewater and Solid Waste Funds, all of which are considered to be major funds of the town.

The basic proprietary fund financial statements can be found beginning on page 26 of this report.

### **Fiduciary Funds**

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

The basic fiduciary fund financial statements can be found beginning on page 30 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-76 of this report.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

**Implementation of GASB 83.** The Town adopted GASB Statement No. 83, certain asset retirement obligations. The scope of this Statement addresses accounting and financial reporting for capital assets who, upon disposal, are expected to present an additional liability to the Town.

**Implementation of GASB 88.** The Town adopted GASB Statement No. 88, certain disclosures related to debt, including direct borrowings and direct placements. It defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This statement would require additional disclosures In notes related to debt.

**Implementation of GASB 2018-1.** The Town adopted GASB Implementation Guide No. 2018-1, providing additional implementation guidance in a question-and-answer format for a range of topics. Such topics covered include, but are not limited to, pensions, postemployment benefits other than pensions, the statistical section, and tax abatement disclosures.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town of Belleair's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 75.

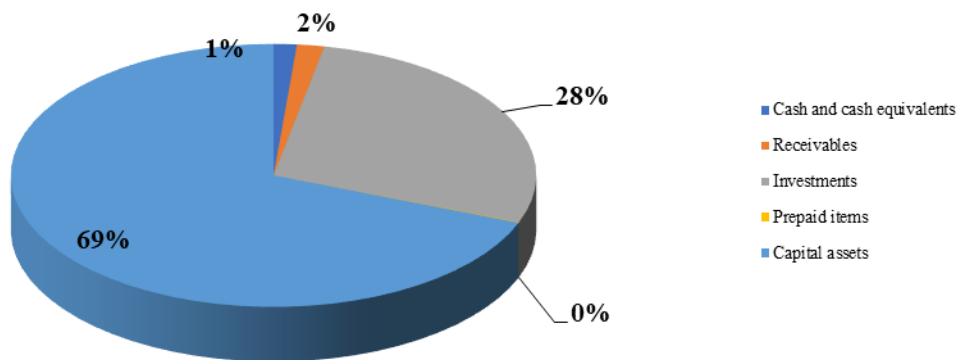
The combining statements referred to earlier in connection with nonmajor governmental funds are presented beginning on page 81. Combining and individual fund statements and schedules can be found on pages 81-89 of this report.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

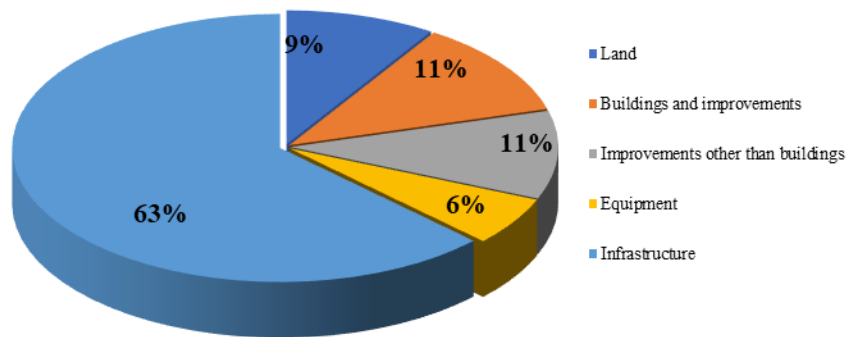
**Government-wide Financial Analysis**

As noted earlier, the net position may serve over time as a useful indicator of a government's financial position. In the case of Town of Belleair, Florida, net position was \$42,925,937 at the close of the most recent fiscal year.

**Government-Wide Assets**



**Government-Wide Capital Assets**



**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

By far the largest portion of the Town of Belleair's assets (69 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The town uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the Town'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.

**Town of Belleair, Florida's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Assets</b>						
Current and other assets	\$ 12,729,438	\$ 13,591,554	\$ 4,657,671	\$ 4,366,968	\$ 17,387,109	\$ 17,958,522
Capital assets	<u>35,437,260</u>	<u>37,995,177</u>	<u>3,494,002</u>	<u>3,396,013</u>	<u>38,931,262</u>	<u>41,391,190</u>
Total Assets	<u>48,166,698</u>	<u>51,586,731</u>	<u>8,151,673</u>	<u>7,762,981</u>	<u>56,318,371</u>	<u>59,349,712</u>
<b>Deferred Outflows of Resources</b>						
Deferred Outflows of Resources	<u>28,619</u>	<u>149,948</u>	<u>-</u>	<u>-</u>	<u>28,619</u>	<u>149,948</u>
Total assets and deferred outflows of resources	<u>\$ 48,195,317</u>	<u>\$ 51,736,679</u>	<u>\$ 8,151,673</u>	<u>\$ 7,762,981</u>	<u>\$ 56,346,990</u>	<u>\$ 59,499,660</u>
Long-term liabilities outstanding	\$ 11,576,536	\$ 13,523,210	\$ 56,479	\$ 65,023	\$ 11,633,015	\$ 13,588,233
Other liabilities	<u>1,124,223</u>	<u>784,498</u>	<u>229,481</u>	<u>704,254</u>	<u>1,353,704</u>	<u>1,488,752</u>
Total Liabilities	<u>12,700,759</u>	<u>14,307,708</u>	<u>285,960</u>	<u>769,277</u>	<u>12,986,719</u>	<u>15,076,985</u>
<b>Deferred Inflows of Resources</b>						
Deferred Inflows of Resources	434,334	55,261	-	-	434,334	55,261
<b>Net Position</b>						
Net investment in capital assets	24,126,814	25,303,754	3,494,002	3,396,013	27,620,816	28,699,767
Restricted	9,904,918	11,049,155	-	-	9,904,918	11,049,155
Unrestricted	<u>1,028,492</u>	<u>1,020,801</u>	<u>4,371,711</u>	<u>3,597,691</u>	<u>5,400,203</u>	<u>4,618,492</u>
Total Net Position	<u>35,060,224</u>	<u>37,373,710</u>	<u>7,865,713</u>	<u>6,993,704</u>	<u>42,925,937</u>	<u>44,367,414</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 48,195,317</u>	<u>\$ 51,736,679</u>	<u>\$ 8,151,673</u>	<u>\$ 7,762,981</u>	<u>\$ 56,346,990</u>	<u>\$ 59,499,660</u>

An additional portion of the Town of Belleair's net position (twenty-three percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of the *unrestricted portion of the net position* is \$5,400,203 and may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town reports positive balances in all categories of net position.

**Governmental activities.** Approximately one-fifth of the Town's unrestricted net position (nineteen percent) are held by governmental activities.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

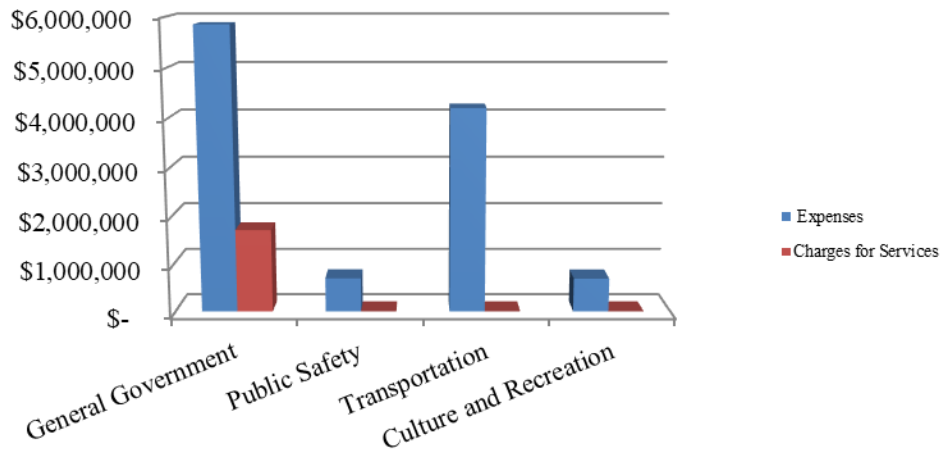
**Town of Belleair, Florida's Statement of Activities**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	\$ 2,253,232	\$ 1,647,966	\$ 4,206,939	\$ 3,912,832	\$ 5,910,781	\$ 5,560,798
Capital grants and contributions	233,347	495,817	22,616	-	255,963	495,817
Total program revenues	<u>2,486,579</u>	<u>2,143,783</u>	<u>4,229,555</u>	<u>3,912,832</u>	<u>6,166,744</u>	<u>6,056,615</u>
General revenues:						
Taxes	7,370,367	7,444,416	-	-	7,370,367	7,444,416
Other	53,441	2,111,322	13,099	65,563	773,267	773,267
Total general revenues	<u>7,423,808</u>	<u>9,555,738</u>	<u>13,099</u>	<u>65,563</u>	<u>6,713,062</u>	<u>6,713,062</u>
Total revenues	<u>9,910,387</u>	<u>11,699,521</u>	<u>4,242,654</u>	<u>3,978,395</u>	<u>12,676,734</u>	<u>12,676,734</u>
Expenses:						
General government	5,562,551	2,839,553	-	-	5,562,551	2,839,553
Public safety	697,275	2,476,292	-	-	697,275	2,476,292
Transportation	4,196,499	2,026,694	-	-	4,196,499	2,026,694
Culture and recreation	691,637	274,778	-	-	691,637	274,778
Interest on long term debt	289,977	313,009	-	-	289,977	313,009
Water	-	-	1,754,110	1,834,610	1,754,110	1,834,610
Wastewater	-	-	1,407,539	1,248,220	1,407,539	1,248,220
Solid Waste	-	-	994,930	936,364	994,930	936,364
Total expenses	<u>11,437,939</u>	<u>7,930,326</u>	<u>4,156,579</u>	<u>4,019,194</u>	<u>15,594,518</u>	<u>11,949,520</u>
Increase (decrease) in net position before transfers	(1,527,552)	3,769,195	86,075	(40,799)	(2,917,784)	727,214
Transfers	(785,934)	(131,776)	785,934	131,776	(977,734)	-
Increase (decrease) in net position	(2,313,486)	3,637,419	872,009	90,977	(1,441,477)	3,728,396
Net position, Beginning	<u>37,373,710</u>	<u>33,736,291</u>	<u>6,993,704</u>	<u>6,902,727</u>	<u>44,367,414</u>	<u>40,639,018</u>
Net position, Ending	<u>\$ 35,060,224</u>	<u>\$ 37,373,710</u>	<u>\$ 7,865,713</u>	<u>\$ 6,993,704</u>	<u>\$ 42,925,937</u>	<u>\$ 44,367,414</u>

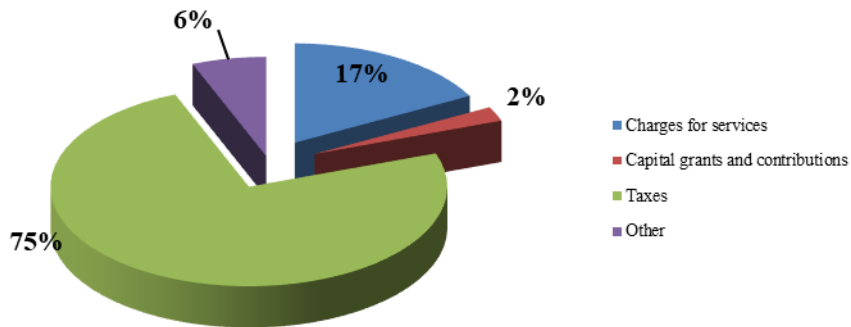
- The government-wide net position decreased by \$1,441,477 at year-end.
- The net position for governmental activities decreased by \$2,313,486 during the year, due in part to transfers out to the Water Fund and ongoing capital projects.
- The net position for business-type activities increased by \$872,009, largely due to a transfer in the Water Fund.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

**Expenditure & Program Revenues:  
Governmental Activities**



**Revenues by Source:  
Governmental Activities**

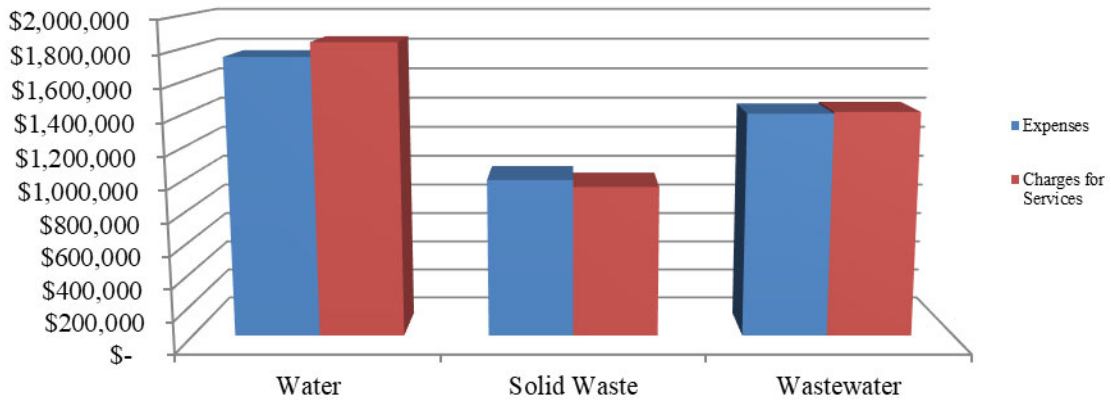


**Business-type activities.** Business-type activities represent 18 percent of the Town’s net position. Following the new rate structure implemented in October 2013, as well as an additional rate increase in January 2017 the Water Fund generates just more than sufficient revenue with service charge income slightly over operating expenses by \$106,313. Solid Waste Fund operated at a loss of \$(44,084), and rising costs of disposal suggest that future years may be more challenging. The wastewater system is run by Pinellas County and charges for services are passed through to Pinellas County.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

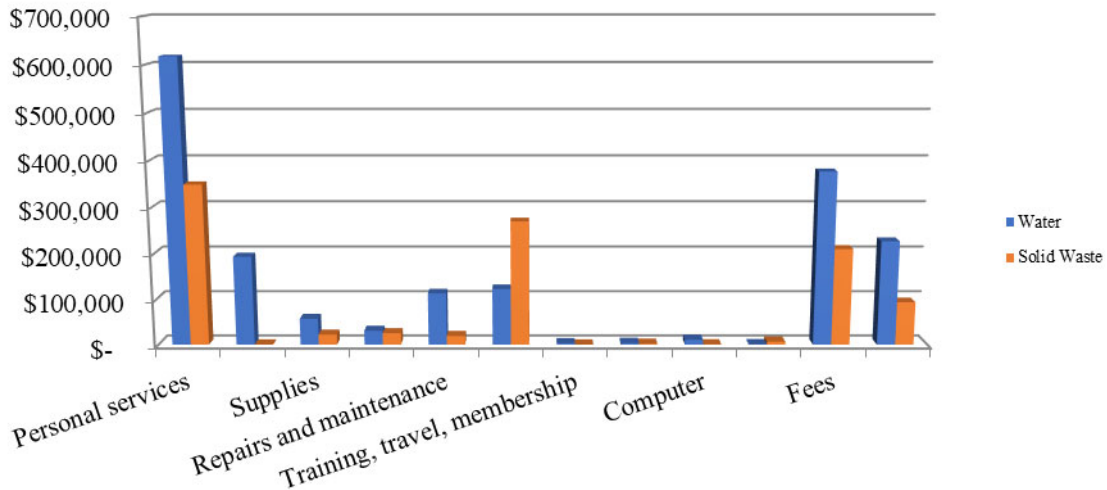
**Expenses and Program Revenues - Business-type Activities**

**Expenses & Program Revenues: Business Type Activities**



**Operating Expenses by Fund - Business-type Activities**

**Operating Expenses by Business Type**



**Financial Analysis of the Government's Funds**

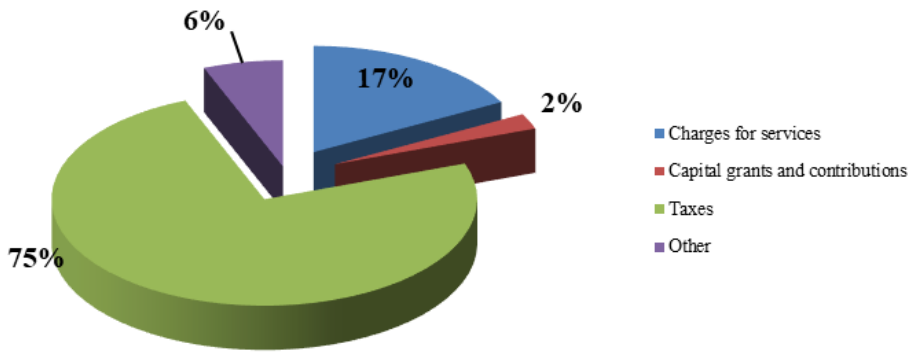
As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

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

**Revenues- Total Governmental Funds**

**Revenues by Source:  
Governmental Activities**



As of the end of the current fiscal year, the Town of Belleair's governmental funds reported combined ending total fund balances of \$12,476,531, a decrease of \$1,284,686 in comparison with the prior year. Approximately nineteen percent of total fund balance, \$2,415,763, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder is composed of *nonspendable, assigned, and restricted* balances. The *restricted* balance totals to \$9,904,918, which is an amount that is earmarked for explicit purposes specified by external providers and the Town Commission, such as funding for capital improvement projects and capital equipment.

The General Fund is the principal operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,415,763 while total fund balance reached \$2,542,887. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 35 percent of total General Fund expenditures while unrestricted total fund balance represents 37 percent of that same amount. The current fund balance policy requires that the town maintain unrestricted fund balance in the General Fund equivalent to 20% of expenditures. The fund balance of the Town's General Fund decreased by \$21,787 during the current fiscal year. General Fund expenditures increased by \$128,953 as a whole over the previous year.



**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

***Infrastructure Fund.*** The total expenditures for the Infrastructure Fund totaled \$3,458,153 and revenues totaled \$2,404,475. Prior to 2012, the Town Commission determined that the Town would need to save for future projects and develop new sources of income to repair and improve the roads and stormwater structures throughout Belleair. To that end, the commission approved the stormwater fee and municipal public services tax, both of which went into effect in October 2012. The need for immediate improvement prompted the Town Commission to approve borrowing in the form of a \$10 million note, through BB&T, to be repaid over 20 years. In October 2019 the debt was refinanced at a lower interest rate, along with \$4M of additional borrowing. Revenue sources such as the stormwater fee, municipal public services tax and the Penny for Pinellas discretionary sales surtax are dedicated to debt service of the loan. Also, the town provided BB&T a covenant to budget and appropriate as assurance of repayment. Additionally, a millage is dedicated to the Infrastructure Fund as a means to save for future projects.

***Special Revenue Funds.*** The Town of Belleair's special funds include the Local Option Gas Tax Fund, Transportation Impact Fee Fund, Tree Replacement Fund, and Capital Equipment Replacement Fund. The overall fund balance of these funds is \$858,244. The special revenue funds are subject specific, and the expenditures are always used for capital improvement.

***Proprietary Funds.*** The Town of Belleair's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

*Unrestricted portions of net position* of the Water, Wastewater and Solid Waste Funds at the end of the year amounted to \$4,371,711, an increase of \$774,020 over the prior year. Other factors concerning the finances of these three funds have already been addressed in the discussion of the Town's business-type activities. Of particular note, the unrestricted net position for the Water Fund is \$3,019,332; \$2,569,332 above its policy mandated level of \$450,000.

### **General Fund Budgetary Highlights**

While there was a \$444,150 difference between the originally budgeted expenditures and the final amended budgeted expenditures, there were some variances between the final amended budget and the actuals. The revenue variance for the General Fund was \$431,687 (6 percent) higher than budgeted. The Town generally uses conservative estimates for budgeted revenues so that actual revenues closely align or slightly exceed the established budget. Expenditures were \$184,235 (3 percent) less than budgeted partly due to residual equipment funds to be expended in the following year. Total other financing sources (uses) was also \$595,659 more than budgeted. The resulting net variance of change in fund balance was \$20,263.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

**Capital Assets and Long-Term Debt**

**Capital Assets.** The Town of Belleair's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$38,931,262. This investment in capital assets includes land, buildings & system, improvements, machinery & equipment, park facilities, roads, highways, seawalls, and bridges. The total decrease over the prior year in the Town's investment in capital assets for the current fiscal year was \$(2,459,928), a \$(2,557,917) decrease in governmental activities and a \$97,989 increase in business-type activities. This change was driven by infrastructure and construction-in-progress for the Capital Projects Fund.

**Town of Belleair, Florida's Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 5,637,015	\$ 5,637,015	\$ 22,950	\$ 22,950	\$ 5,659,965	\$ 5,659,965
Building and system	6,874,184	6,765,495	341,469	307,432	7,215,653	7,072,927
Improvements other than buildings	867,039	867,039	5,745,285	5,338,481	6,612,324	6,205,520
Machinery and equipment	2,384,837	2,221,544	1,291,347	1,412,920	3,676,184	3,634,464
Construction in progress	59,277	3,466,700	-	-	59,277	3,466,700
Infrastructure	39,225,896	34,601,921	-	-	39,225,896	34,601,921
Accumulated depreciation	(19,610,988)	(15,564,537)	(3,907,049)	(3,685,770)	(23,518,037)	(19,250,307)
Total	<u>\$ 35,437,260</u>	<u>\$ 37,995,177</u>	<u>\$ 3,494,002</u>	<u>\$ 3,396,013</u>	<u>\$ 38,931,262</u>	<u>\$ 41,391,190</u>

Additional information on the Town's capital assets can be found in Note 6 on pages 52-53 of this report.

**Long-term Debt.** At the end of the current fiscal year, the Town had long-term debt obligations including:

- 1) 2019A and 2019B revenue bonds with an outstanding liability of \$10,708,000,
- 2) a lease for facility improvements in the amount of \$762,390 with an outstanding liability of \$602,446,
- 3) and compensated absences and other post-employment benefits.

Sources of income such as the stormwater fee, Penny for Pinellas surtax, and municipal public services tax contribute to the repayment of the revenue bond. Annual debt service of approximately \$875,000 is covered by \$1,330,000 of annual revenue from those three streams. There is also a covenant to budget and appropriate other non Ad Valorem proceeds should there be a revenue shortfall.

The Town receives an actuarial valuation of its other post-employment benefits (OPEB) as required under Government Accounting Standards Board (GASB) Statement No. 75 every two years. The current valuation was performed in preparation for this year's CAFR.

Additional information on the Town's long-term debt activity can be found in Note 9 on pages 54-57 of this report.

**TOWN OF BELLEAIR, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021  
(Continued)**

**Town of Belleair, Florida's Outstanding Debt and Compensated Absences**

	Governmental Activities		Business-Type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue Bonds	\$ 10,708,000	\$ 12,000,000	\$ -	\$ -	\$ 10,708,000	\$ 12,000,000
Equipment Lease	-	32,010	-	-	-	32,010
Facility Lease	602,446	659,413	-	-	602,446	659,413
Compensated absences	417,423	431,809	75,306	86,698	492,729	518,507
Net Pension Liability	699,000	645,507	-	-	699,000	645,507
OPEB	20,984	698,000	-	-	20,984	698,000
Total	<u>\$ 12,447,853</u>	<u>\$ 14,466,739</u>	<u>\$ 75,306</u>	<u>\$ 86,698</u>	<u>\$ 12,523,159</u>	<u>\$ 14,553,437</u>

**Economic Factors and Next Year's Budgets and Rates**

- Outlook has not changed much from the prior year; local and national economic conditions continue to be showing gradual improvement. Per capita income has increased slightly along with property values.
- The unemployment rate for Pinellas County, Florida for 2020 is 5.7 percent, which was up from 3.2 percent in 2019. This rate rose nationally as well during the COVID-19 pandemic.
- Inflationary trends in the region compare healthy to the national indices.
- The Belleview Place development is nearing completion with townhomes and some mid-rise buildings already receiving certificates of occupancy. This redevelopment is projected to generate additional Ad Valorem revenue in excess of \$400,000 once the project is fully completed. Significant building permit fees should again be collected in the coming year.
- The town sold the Belleview Biltmore Golf Club to Pelican Golf LLC, and the buyer is constructing significant improvements that are expected to have a positive effect on the valuation of the property.
- As chloride levels continue to rise, the town is exploring alternative water source options including Reverse Osmosis, wholesale purchase of water, and sale of the utility.

All of these factors were considered in preparing the Town of Belleair's annual operating & capital budget for the 2021-22 fiscal year.

**Request for Information**

This financial report is designed to provide a general overview of the Town of Belleair's finances for all those with an interest in such matters. Questions concerning any of the information supplied in this report or requests for additional financial information should be addressed to the Town's Finance Department, 901 Ponce de Leon Boulevard, Town of Belleair, Florida, 33756. The Town's web address is <http://www.townofbelleair.com>.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 549,314	\$ 252,462	\$ 801,776
Investments	11,794,027	3,808,655	15,602,682
Receivables, net	350,069	596,154	946,223
Prepaid items	36,028	400	36,428
Total current assets	<u>12,729,438</u>	<u>4,657,671</u>	<u>17,387,109</u>
<b>Non-Current Assets</b>			
Land	5,637,015	22,950	5,659,965
Buildings and improvements	6,874,184	341,469	7,215,653
Improvements other than buildings	867,039	5,745,285	6,612,324
Equipment	2,384,837	1,291,347	3,676,184
Infrastructure	39,225,896	-	39,225,896
Construction in progress	59,277	-	59,277
Accumulated depreciation	(19,610,988)	(3,907,049)	(23,518,037)
Total non-current assets	<u>35,437,260</u>	<u>3,494,002</u>	<u>38,931,262</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows of resources	28,619	-	28,619
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 48,195,317</u>	<u>\$ 8,151,673</u>	<u>\$ 56,346,990</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 117,421	\$ 173,784	\$ 291,205
Accrued liabilities	135,486	36,870	172,356
Compensated absences	104,356	18,827	123,183
Notes payable	57,960	-	57,960
Revenue bonds payable	709,000	-	709,000
Total current liabilities	<u>1,124,223</u>	<u>229,481</u>	<u>1,353,704</u>
<b>Noncurrent Liabilities</b>			
Compensated absences	313,066	56,479	369,545
Net pension liability	20,984	-	20,984
Net OPEB liability	699,000	-	699,000
Notes payable	544,486	-	544,486
Revenue bonds payable	9,999,000	-	9,999,000
Total noncurrent liabilities	<u>11,576,536</u>	<u>56,479</u>	<u>11,633,015</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows of resources	434,334	-	434,334
Total liabilities and deferred inflows of resources	<u>13,135,093</u>	<u>285,960</u>	<u>13,421,053</u>
<b>NET POSITION</b>			
Net investment in capital assets	24,126,814	3,494,002	27,620,816
Restricted for capital projects	9,904,918	-	9,904,918
Unrestricted	1,028,492	4,371,711	5,400,203
Total net position	<u>35,060,224</u>	<u>7,865,713</u>	<u>42,925,937</u>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 48,195,317</u>	<u>\$ 8,151,673</u>	<u>\$ 56,346,990</u>

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

**TOWN OF BELLEAIR, FLORIDA  
STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2021**

	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Primary Government	
			Governmental Activities	Business-Type Activities
				Total
<b>Functions:</b>				
<b>Governmental:</b>				
General government	\$ 5,562,551	\$ 2,253,232	\$ (3,075,972)	\$ (3,075,972)
Transportation	697,275	-	(697,275)	(697,275)
Public safety	4,196,499	-	(4,196,499)	(4,196,499)
Culture and recreation	691,637	-	(691,637)	(691,637)
Interest on long-term debt	289,977	-	(289,977)	(289,977)
Total governmental activities	<u>11,437,939</u>	<u>2,253,232</u>	<u>(8,951,360)</u>	<u>(8,951,360)</u>
		Operating Grants and Contributions		
<b>Business-type:</b>				
Water	1,754,110	16,857	-	106,313
Solid Waste	994,930	5,759	-	(44,084)
Wastewater Management	1,407,539	-	-	10,747
Total business-type activities	<u>4,156,579</u>	<u>22,616</u>	<u>-</u>	<u>72,976</u>
Total primary government	<u>\$ 15,594,518</u>	<u>\$ 6,460,171</u>	<u>\$ (8,951,360)</u>	<u>\$ (8,878,384)</u>
<b>General Revenues:</b>				
Property taxes			5,558,996	5,558,996
Franchise taxes			428,888	428,888
Sales taxes			24,464	24,464
Utility taxes			860,411	860,411
Infrastructure tax			497,608	497,608
Unrestricted investment earnings			19,856	23,764
Miscellaneous			31,949	41,140
Insurance proceeds			1,636	1,636
Transfers in			191,800	977,734
Transfers out			(977,734)	(977,734)
Total general revenues			<u>6,637,874</u>	<u>7,436,907</u>
Change in net position			(2,313,486)	(1,441,477)
Net position at beginning of year				44,367,414
Net position at end of year			<u>\$ 37,373,710</u>	<u>\$ 42,925,937</u>
			<u>\$ 35,060,224</u>	<u>\$ 42,925,937</u>

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

**TOWN OF BELLEAIR, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2021**

	General Fund	Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 200,447	\$ 290,405	\$ 58,462	\$ 549,314
Investments	2,400,100	8,603,337	790,590	11,794,027
Receivables, net	151,906	185,587	12,576	350,069
Prepaid items	7,302	28,726	-	36,028
<b>Total Assets</b>	<u>\$ 2,759,755</u>	<u>\$ 9,108,055</u>	<u>\$ 861,628</u>	<u>\$ 12,729,438</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 81,382	\$ 32,655	\$ 3,384	\$ 117,421
Accrued liabilities	135,486	-	-	135,486
Total Liabilities	<u>216,868</u>	<u>32,655</u>	<u>3,384</u>	<u>252,907</u>
<b>FUND BALANCES</b>				
Nonspendable	7,302	28,726	-	36,028
Assigned	119,822	-	-	119,822
Restricted	-	9,046,674	858,244	9,904,918
Unassigned	2,415,763	-	-	2,415,763
Total Fund Balances	<u>2,542,887</u>	<u>9,075,400</u>	<u>858,244</u>	<u>12,476,531</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,759,755</u>	<u>\$ 9,108,055</u>	<u>\$ 861,628</u>	<u>\$ 12,729,438</u>

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

**TOWN OF BELLEAIR, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET TO THE  
STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

**Fund Balances - Total Governmental Funds** \$ 12,476,531

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

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

Governmental non-depreciable assets	5,637,015	
Governmental depreciable assets	49,411,233	
Less accumulated depreciation	<u>(19,610,988)</u>	35,437,260

Deferred outflows related to pensions are not financial resources and therefore are not reported in the governmental funds.

28,619

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

Revenue bonds payable	(10,708,000)	
Capital leases	(602,446)	
Net other postemployment benefits (OPEB) liability	(699,000)	
Compensated absences	<u>(417,422)</u>	(12,426,868)

Deferred inflows related to pensions are not financial resources and therefore are not reported in the governmental funds.

(434,334)

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds

Net pension liability		<u>(20,984)</u>
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**Total Net Position - Governmental Activities** \$ 35,060,224

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



**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2021**

	General Fund	Infrastructure Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes				
Ad valorem	\$ 4,461,214	\$ 1,046,456	\$ 51,326	\$ 5,558,996
Franchise	428,888	-	-	428,888
Utility	-	860,411	-	860,411
Sales tax	24,464	-	-	24,464
Infrastructure tax	-	497,608	-	497,608
Grants	112,617	-	-	112,617
Charges for services	1,702,809	-	1,033	1,703,842
Fines	3,339	-	-	3,339
Licenses and permits	515,491	-	30,560	546,051
Contributions and donations	120,730	-	-	120,730
Interest on investments	5,141	14,541	174	19,856
Miscellaneous	36,570	-	4,091	40,661
Total revenues	<u>7,411,263</u>	<u>2,419,016</u>	<u>87,184</u>	<u>9,917,463</u>
<b>Expenditures</b>				
Current				
General government	950,139	520,577	21,127	1,491,843
Transportation	716,757	-	-	716,757
Public safety	4,315,857	-	-	4,315,857
Culture and recreation	686,097	-	-	686,097
Capital outlay	189,409	1,304,908	41,321	1,535,638
Debt service				
Principal	32,010	1,348,967	-	1,380,977
Interest	6,981	283,701	-	290,682
Total expenditures	<u>6,897,250</u>	<u>3,458,153</u>	<u>62,448</u>	<u>10,417,851</u>
Excess (deficiency) of revenues over (under) expenditures	<u>514,013</u>	<u>(1,039,137)</u>	<u>24,736</u>	<u>(500,388)</u>
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Insurance proceeds	-	1,636	-	1,636
Transfers in	-	-	191,800	191,800
Transfers out	(535,800)	(395,934)	(46,000)	(977,734)
Total other financing sources (uses)	<u>(535,800)</u>	<u>(394,298)</u>	<u>145,800</u>	<u>(784,298)</u>
Net change in fund balances	<u>(21,787)</u>	<u>(1,433,435)</u>	<u>170,536</u>	<u>(1,284,686)</u>
<b>Fund Balances</b>				
Beginning of year	<u>2,564,674</u>	<u>10,508,835</u>	<u>687,708</u>	<u>13,761,217</u>
End of year	<u>\$ 2,542,887</u>	<u>\$ 9,075,400</u>	<u>\$ 858,244</u>	<u>\$ 12,476,531</u>

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

**TOWN OF BELLEAIR, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE  
STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

**Net change in fund balances - governmental funds** \$ (1,284,686)

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

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

Expenditures for capital assets	1,535,638	
Depreciation expense	<u>(4,093,555)</u>	(2,557,917)

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

Debt principal payments	1,380,977	
Change in accrued interest	<u>10,632</u>	1,391,609

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

Change in net pension liability		124,121
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Governmental funds do not recognize expenditures for the change in the net other postemployment benefits liability from year to year.

Change in OPEB obligation		(1,000)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in long-term compensated absences		<u>14,387</u>
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**Change in Net Position - Governmental Activities** **\$ (2,313,486)**

**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2021**

	Original Budget & Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>			
Taxes:			
Ad valorem	\$ 4,442,050	\$ 4,461,214	\$ 19,164
Franchise	382,500	428,888	46,388
Sales tax	-	24,464	24,464
Intergovernmental	-	112,617	112,617
Charges for services	1,753,585	1,702,809	(50,776)
Fines	3,200	3,339	139
Licenses and permits	308,700	515,491	206,791
Contributions and donations	29,700	120,730	91,030
Miscellaneous	54,700	36,570	(18,130)
Total revenues	6,974,435	7,406,122	431,687
<b>Expenditures:</b>			
Current			
General government	974,258	950,139	24,119
Transportation	852,001	716,757	135,244
Public safety	4,168,021	4,315,857	(147,836)
Culture and recreation	789,465	686,097	103,368
Capital outlay	297,740	189,409	108,331
Debt service			
Principal	-	32,010	(32,010)
Interest	-	6,981	(6,981)
Total expenditures	7,081,485	6,897,250	184,235
Excess (deficiency) of revenues over (under) expenditures	(107,050)	508,872	615,922
<b>Other Financing Sources (Uses):</b>			
Interest on investments	25,000	5,141	(19,859)
Transfers in	40,000	-	(40,000)
Transfers out	-	(535,800)	(535,800)
Total other financing uses	65,000	(530,659)	(595,659)
Net change in fund balance	\$ (42,050)	(21,787)	\$ 20,263
<b>Fund Balance:</b>			
Beginning of year		2,564,674	
End of year		\$ 2,542,887	

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

**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2021**

	Water Fund	Solid Waste Fund	Wastewater Management Fund	Total Proprietary Funds
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$ 78,952	\$ 169,108	\$ 4,402	\$ 252,462
Investments	2,771,785	751,870	285,000	3,808,655
Receivables, net	283,887	132,613	179,654	596,154
Prepaid expenses	400	-	-	400
Total current assets	<u>3,135,024</u>	<u>1,053,591</u>	<u>469,056</u>	<u>4,657,671</u>
<b>Non-Current Assets:</b>				
Land	22,950	-	-	22,950
Buildings	326,402	15,067	-	341,469
Improvements other than buildings	5,739,985	5,300	-	5,745,285
Equipment	604,520	686,827	-	1,291,347
Accumulated depreciation	(3,401,545)	(505,504)	-	(3,907,049)
Capital assets, net	<u>3,292,312</u>	<u>201,690</u>	<u>-</u>	<u>3,494,002</u>
<b>Total Assets</b>	<u>\$ 6,427,336</u>	<u>\$ 1,255,281</u>	<u>\$ 469,056</u>	<u>\$ 8,151,673</u>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts payable	\$ 49,888	\$ 11,171	\$ 112,725	\$ 173,784
Accrued expenses	22,606	14,264	-	36,870
Compensated absences- due within one year	10,799	8,028	-	18,827
Total current liabilities	<u>83,293</u>	<u>33,463</u>	<u>112,725</u>	<u>229,481</u>
<b>Non-Current Liabilities:</b>				
Compensated absences- long-term	<u>32,399</u>	<u>24,080</u>	<u>-</u>	<u>56,479</u>
Total Liabilities	<u>115,692</u>	<u>57,543</u>	<u>112,725</u>	<u>285,960</u>
<b>NET POSITION</b>				
Net investment in capital assets	3,292,312	201,690	-	3,494,002
Unrestricted	<u>3,019,332</u>	<u>996,048</u>	<u>356,331</u>	<u>4,371,711</u>
Total net position	<u>6,311,644</u>	<u>1,197,738</u>	<u>356,331</u>	<u>7,865,713</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 6,427,336</u>	<u>\$ 1,255,281</u>	<u>\$ 469,056</u>	<u>\$ 8,151,673</u>

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

**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET POSITION - PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2021**

	Water Fund	Solid Waste Fund	Wastewater Management Fund	Total Proprietary Funds
<b>Operating Revenue:</b>				
Utilities	\$ 1,843,566	\$ 945,087	\$ 1,418,286	\$ 4,206,939
Grants	16,857	5,759	-	22,616
Miscellaneous	-	-	140	140
Total operating revenue	<u>1,860,423</u>	<u>950,846</u>	<u>1,418,426</u>	<u>4,229,695</u>
<b>Operating Expenses:</b>				
Personnel services	617,584	348,291	-	965,875
Improvements	192,823	-	-	192,823
Supplies	57,296	21,788	-	79,084
Professional services	30,396	25,000	-	55,396
Repairs and maintenance	112,940	18,882	-	131,822
Office and utilities	122,672	269,537	1,407,539	1,799,748
Training, travel, membership	2,902	-	-	2,902
Uniforms	3,496	1,773	-	5,269
Computer	10,703	301	-	11,004
Lease expense	514	6,245	-	6,759
Fees	376,225	209,600	-	585,825
Depreciation	226,559	93,513	-	320,072
Total operating expenses	<u>1,754,110</u>	<u>994,930</u>	<u>1,407,539</u>	<u>4,156,579</u>
Operating income (loss)	<u>106,313</u>	<u>(44,084)</u>	<u>10,887</u>	<u>73,116</u>
<b>Non-Operating Revenue (Expenses):</b>				
Investment earnings	3,090	818	-	3,908
Other income	329	8,722	-	9,051
Total non-operating revenue (expenses)	<u>3,419</u>	<u>9,540</u>	<u>-</u>	<u>12,959</u>
<b>Income (Loss) Before Transfers</b>	<u>109,732</u>	<u>(34,544)</u>	<u>10,887</u>	<u>86,075</u>
<b>Transfers:</b>				
Transfers in	<u>785,934</u>	<u>-</u>	<u>-</u>	<u>785,934</u>
Change in net position	895,666	(34,544)	10,887	872,009
Net position at beginning of year	<u>5,415,978</u>	<u>1,232,282</u>	<u>345,444</u>	<u>6,993,704</u>
Net position at end of year	<u>\$ 6,311,644</u>	<u>\$ 1,197,738</u>	<u>\$ 356,331</u>	<u>\$ 7,865,713</u>

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

**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2021**

	Water Fund	Solid Waste Fund	Wastewater Management Fund	Total Proprietary Funds
<b>Cash Flows from Operating Activities:</b>				
Receipts from customers and users	\$ 1,773,875	\$ 944,184	\$ 1,437,018	\$ 4,155,077
Payments to other funds	(430,000)	-	-	(430,000)
Payments to employees for services	(617,264)	(360,003)	-	(977,267)
Payments to suppliers and providers	(919,415)	(561,797)	(1,402,614)	(2,883,826)
Net cash provided by operating activities	(192,804)	22,384	34,404	(136,016)
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Other income	329	8,722	-	9,051
Transfers in	785,934	-	-	785,934
Net cash used in non-capital financing activities	786,263	8,722	-	794,985
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Disposal of capital assets	-	5,299	-	5,299
Acquisition and construction of capital assets	(402,993)	(20,367)	-	(423,360)
Net cash used in capital and related financing activities	(402,993)	(15,068)	-	(418,061)
<b>Cash Flows from Investing Activities:</b>				
Purchase of investments	(1,118,090)	-	(35,000)	(1,153,090)
Proceeds from sale of investments	-	99,181	-	99,181
Investment earnings	3,090	818	-	3,908
Net cash used in investing activities	(1,115,000)	99,999	(35,000)	(1,050,001)
<b>Net Change in Cash and Cash Equivalents</b>	(924,534)	116,037	(596)	(809,093)
<b>Cash and Cash Equivalents - Beginning of the Year</b>	1,003,486	53,071	4,998	1,061,555
<b>Cash and Cash Equivalents - End of the Year</b>	\$ 78,952	\$ 169,108	\$ 4,402	\$ 252,462

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

**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2021**  
**(Continued)**

	Water Fund	Solid Waste Fund	Wastewater Management Fund	Total Proprietary Funds
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>				
Operating income (loss)	\$ 106,313	\$ (44,084)	\$ 10,887	\$ 73,116
Adjustments to reconcile operating income (loss) to net cash provided by operating activities -				
Depreciation	226,559	93,513	-	320,072
Changes in operating assets and liabilities:				
Receivables	(57,417)	(6,662)	18,592	(45,487)
Prepaid expenses	(400)	-	-	(400)
Accounts payable	(13,376)	(11,209)	4,925	(19,660)
Accrued expenses	4,328	2,538	-	6,866
Compensated absences	320	(11,712)	-	(11,392)
Utility deposits	(29,131)	-	-	(29,131)
Advance from General Fund	(430,000)	-	-	(430,000)
Total adjustments	(299,117)	66,468	23,517	(209,132)
<b>Net Cash Provided By Operating Activities</b>	<b>\$ (192,804)</b>	<b>\$ 22,384</b>	<b>\$ 34,404</b>	<b>\$ (136,016)</b>

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

**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUND**  
**SEPTEMBER 30, 2021**

	<u>Police Pension Fund</u>
<b>ASSETS</b>	
<b>Receivables:</b>	
Intergovernmental revenue	\$ 58,051
Interest and dividends	722
Total receivables	<u>58,773</u>
 <b>Investment at fair value:</b>	
U.S. Government agency securities	919
Domestic fixed income investment funds	1,955,650
Domestic equity investment funds	1,487,493
Domestic stock	1,122,475
International equity investment funds	919,998
Temporary investments	79,419
Total investments	<u>5,565,954</u>
 <b>Total Assets</b>	 <u><u>\$ 5,624,727</u></u>
 <b>LIABILITIES</b>	
Accounts payable	\$ 16,224
Accounts payable, broker dealers	995
Total liabilities	<u>17,219</u>
 <b>NET POSITION</b>	
Restricted for pensions	<u>5,607,508</u>
 <b>Total Liabilities and Net Position</b>	 <u><u>\$ 5,624,727</u></u>

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



**TOWN OF BELLEAIR, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUND**  
**SEPTEMBER 30, 2021**

	<u>Police Pension Fund</u>
<b>ADDITIONS</b>	
<b>Contributions:</b>	
Employer	\$ 314,508
Plan members	63,138
Total contributions	<u>377,646</u>
<b>Intergovernmental revenue:</b>	
State excise tax rebate	<u>58,051</u>
<b>Investment earnings (loss):</b>	
Net realized and unrealized appreciation (depreciation) in fair value of investments	636,572
Interest and dividends	212,210
Investments earnings	<u>848,782</u>
Less investment expenses	<u>33,114</u>
Net investment earnings	<u>815,668</u>
<b>Total additions</b>	<u>1,251,365</u>
<b>DEDUCTIONS</b>	
Benefits	362,418
Administrative expenses	33,114
Total deductions	<u>395,532</u>
<b>Net increase in net position</b>	<u>855,833</u>
<b>Net position restricted for pensions:</b>	
October 1	<u>4,751,675</u>
September 30	<u><u>\$ 5,607,508</u></u>

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

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**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

General Statement

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

A. Reporting Entity

The Town is a political subdivision of the State of Florida, located in Pinellas County in the west central portion of the state. The Town was incorporated in 1925 under the provisions of the Laws of Florida, Chapter 10335 and since that time has operated under the same charter. The Town is approximately 2.5 square miles in area. The Town is a full service municipality providing its citizens with a full complement of municipal services. In addition, the Town owns and operates three utilities including: a water production and distribution system; a wastewater collection and treatment system; and a solid waste removal system.

This governmental accounting standard requires that this financial statement present the Town of Belleair (the primary government) and its component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria: the primary government is accountable for the potential component unit (i.e., the primary government appoints the voting majority of its board) and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government. For the year ended September 30, 2021, the Town has no component units.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

**Police Officers' Pension Fund**

The Town's police officers participate in the police officers' pension plan. The plan was created by the Town Commission under Florida Statutes Chapter 185 to provide pension services solely to the Town, functions for the benefit of these employees and is governed by a five-member pension board. Two police officers, two Town residents and a fifth member elected by the other four members constitute the pension board. The Town and the plan participants are obligated to fund all plan costs based upon actuarial valuations. The Town is authorized to establish benefit levels and the board of pension trustees approves the actuarial assumptions used in the determination of contribution levels. The Town's police officers' defined benefit pension is included in these financial statements as a pension fund.

During the fiscal year ended September 30, 2014 the Town adopted Governmental Accounting Standards Board (GASB) Statement 67, Financial Reporting for Pension Plans which became effective for fiscal year ended September 30, 2014. During the fiscal year ended September 30, 2015, the Town adopted (GASB) Statement 68, Accounting and Financial Reporting for Pensions. Since separate trust financial statements have not been issued for this police pension plan. The police pension plan is only reported as a fiduciary fund in these statements. All of the disclosures required by GASB 67 have been reported in these statements. Further, the Town has chosen to use September 30, 2020 as the measurement date for GASB 68 reporting purposes. This statement changes the focus of pension accounting for employers from where they are responsibly funding their plan over time to a point-in-time liability that is reflected in the employer's financial statements for any actuarially unfunded portion of pension benefits to date.

The Police Officers' Pension Fund financial statements include solely the account of the plan which include all programs, activities and functions relating to the accumulation and investment of the assets and related income necessary to provide the service, disability and death benefits required under the terms of the plan and the amendments thereto.

**Employees' 401(K) Fund**

The Town's full-time employees not covered under the police officers' pension plan participate in the Employees' 401(K) Plan. The plan is governed by a four-member retirement plan committee. The Town manager, the mayor and two representatives of the Town's finance committee constitute the retirement plan committee. The plan provides that the Town will match the participants' contributions with an employer contribution of nine percent of earnings. The participants are required to contribute at least three percent of their compensation to be eligible for the matching contribution.

Complete custodial statements of the above individual funds can be obtained from: Town of Belleair, finance director's office, 901 Ponce de Leon Boulevard, Belleair, Florida 33756.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

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

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

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Fiduciary funds (i.e. the pension trust fund) are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Receivables and Payables**

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

**Deferred Outflows of Resources/ Deferred Inflows of Resources**

GASB Concept Statement No. 4 “Elements of Financial Statements” introduced two new elements of the financial statements in addition to Assets, Liabilities and Net Assets (changed to Net Position) which are:

Deferred Outflows of Resources - is a consumption of net position by the government that is applicable to a future reporting period.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

B. Government-wide and fund financial statements (Continued)

**Deferred Outflows of Resources/ Deferred Inflows of Resources (Continued)**

Deferred Inflows of Resources - is an acquisition of net position by the government that is applicable to a future reporting period.

GASB Statement No. 63 “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position” provides financial reporting guidance for Deferred Outflows of Resources and Deferred Inflows of resources and also identifies Net Position (replacing Net Assets) as the residual of all the elements (Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources) presented in a statement of financial position.

Government Accounting Standards Board (GASB) Statement No. 65 “Items Previously Reported as Assets and Liabilities” establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities.

The Town has the following items that qualify for reporting in this category:

- A. Pension contributions after measurement date. These contributions are deferred and recognized in the following fiscal year.
- B. Difference in projected and actual earning on pension assets - This difference is deferred and amortized over a closed five-year period.

All tax, accounts and intergovernmental receivables, are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles including those for the sewer and solid waste management enterprise funds.

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

The Town’s fiduciary funds are presented in the fund financial statements by type (pension). Since by definition these assets are being held for the benefit of a third-party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

**B. Measurement focus, basis of accounting, and financial statement presentation**

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

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

Franchise taxes, intergovernmental revenues 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 town.

**C. Basis of Presentation**

The Town reports the following major governmental funds:

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

The infrastructure fund accounts for the capital projects funded by the infrastructure sales surtax.

The Town reports the following major proprietary funds:

Water fund - to account for the assets, operation and maintenance of the town-owned water system.

Wastewater management - to account for operation of the sewer system.

Solid waste management - accounts for the assets, operation and maintenance of the town-owned refuse disposal system.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

Additionally, the Town reports the following fund type:

Pension fund - accounts for the activities of the public safety employees' pension plan, which accumulates resources for pension benefit payments to qualified public safety employees.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water, wastewater and solid waste functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's water, wastewater management and solid waste management enterprise funds are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities, and Net Position or Equity

**Deposits and Investments**

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



**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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

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

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

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

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

The Florida State Board of Administration Local Government Pooled Investment Fund has met the criteria to be considered a "2A-7 like" Investment Fund as defined by GASB Statement No. 31. Therefore, amortized cost may be used for valuation. The fair value of the Town's investment in this pool is determined by the pool's share price (account balance).

Investments held by the Town's police officers' pension plan are reported at fair value. Short-term investments are reported at amortized cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair values.

**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.

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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

The tax levy of the town is established by the town commission prior to October 1 of each year and the Pinellas County Property Appraiser incorporates the Town's millages into the total tax levy, which includes the Pinellas County School Board tax requirements. The Town is permitted by state law to levy taxes up to ten mills of assessed valuation, exclusive of taxes levied for the payment of bonds. The 2021 millage rate assessed by the Town was 6.5000.

All property is reassessed according to its fair market value January 1 of each year. Each assessment roll is submitted to the executive director of the state department of revenue for review to determine if the rolls meet all of the appropriate requirements of state statutes.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All tax, accounts and intergovernmental receivables, are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles including those for the water, wastewater and solid waste management enterprise funds.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the tax collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on property. After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

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

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

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

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

Franchise Fees - The Town's franchise fees are based on payments to the Town which equal a percentage of the grantees' gross revenues net of any customer credits. The Town's current grantees include the electric and the natural gas utilities.

Utility Tax - The Town's utility tax represents billed stormwater fees as well as electric utility taxes. The stormwater fee is charged on each utility bill based on the amount of impervious surface area on the parcel. Electric utility tax payment to the Town equal a percentage of the grantees' gross revenues on eligible billed services.

Capital assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, bridges, seawalls and storm lines), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the date of donation.

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

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

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

Property, plant, and equipment of the primary government, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	45-55
Building improvements	20-30
Improvements other than buildings	45-55
Machinery and equipment	5-15
Infrastructure	45-60

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

Compensated absences - It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Regular, full-time, permanent employees earn vacation and sick leave starting with the first day of employment.

Vacation leave is earned based on years of continuous and creditable service as follows:

<u>Years of Service:</u>	<u>Total Days per Year:</u>
1 to 5	10
5 to 15	15
15 years and over	20

A maximum of thirty days' vacation leave may be carried over from one year to the next. An employee who has served one year or more and who voluntarily terminates employment with the Town is paid for any unused vacation leave accumulated to the time of termination.

Sick leave is earned at the rate of eight hours for each month of service and shall be cumulative up to a maximum of four hundred eighty hours for all employees (both union and non-union). Each year employees have the option of receiving a lump-sum payment for sick leave earned in excess of eighty hours. Upon termination, providing the employee has two continuous years of service and that termination is not a dismissal, the employee is entitled to a lump-sum payment for all accrued unused sick leave.

Vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in long-term debt. No expenditure is reported for these amounts. Vested or accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

All sick and vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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

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

Fund equity - In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

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

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction, or improvement of those assets. This component does not include the position of debt attributable to the unspent proceeds.

Restricted - This component consists of net position that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$9,904,918 of restricted net position, which is restricted by enabling legislation.

Unrestricted - This component consists of net position that does not meet the definition of “net investment in capital assets” and “restricted.”

Nature and Purpose of Classifications of Fund Equity - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by:

- a. constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or
- b. imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

Amounts that can only be used for specific purposes pursuant to constraints imposed by the Commission through a resolution are classified as committed fund balances. Amounts that are constrained by the Town's intent to be used for specific purposes but are not either restricted nor committed are classified as assigned fund balances. Assignments are made by the Town's management based on Commission direction. Non-spendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the governmental funds.

Fund Balance Policy

The Town hereby establishes and will maintain Fund Balance, as defined herein, in accordance with Governmental Accounting and Financial Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Fund Balance shall be composed of non-spendable, restricted, committed, assigned and unassigned amounts.

A fund balance policy was adopted in order to secure and maintain investment-grade credit ratings, meet seasonal shortfalls in cash flow, and reduce susceptibility to emergency or unanticipated expenditures and/or revenue shortfalls. Fund balance information is used to identify the available resources to repay long-term debt, reduce property taxes, add new governmental programs, expand existing ones, or enhance the financial position of the Town, in accordance with policies established by the Town Commission.

This Fund Balance Policy establishes:

- a. Fund balance policy for the general fund;
- b. The method of budgeting the amount of estimated unrestricted fund balance (also known as estimated beginning fund balance) available for appropriation during the annual budget adoption process (prior to the actual, audited fund balance being known) and what actions may need to be taken if the actual fund balance is significantly different than the budgeted fund balance; and
- c. Establish the spending order of fund balances.

**NON-SPENDABLE FUND BALANCE**

Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

**RESTRICTED FUND BALANCE**

Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**COMMITTED FUND BALANCE**

Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Town Commission, the highest level of decision making authority. Commitments may be changed or lifted only by the Town Commission taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

**ASSIGNED FUND BALANCE**

This includes spendable fund balance amounts established by the Town Manager that are intended to be used for specific purposes that are neither considered restricted or committed. Assignments are made by the Town Manager based on Commission direction.

**UNASSIGNED FUND BALANCE**

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

**MINIMUM LEVEL OF UNASSIGNED FUND BALANCE**

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

The Manager will prepare and submit a plan for Commission for assigned fund balance reduction, expenditure reductions and/or revenue increases to Commission. The Town shall take action necessary to restore the unassigned fund balance to acceptable levels within two years.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

ASSIGNED FUND BALANCE

The Town policy hereby established the following assigned fund balance reserves in the General Fund:

Assignment to Subsequent Year's Budget - the subsequent year's budget fund balance reserve is assigned by Commission as set forth in the annual budget (and any amendments thereto) to appropriate a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over revenues.

Comparative data/reclassifications - Comparative total data for the prior year have been presented only for individual pension funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Management has evaluated subsequent events through November 15, 2022, which is the date the financial statements were officially available to be issued.

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

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and the enterprise funds and are controlled on a fund and department level. The Town adopts project-length budgets for its infrastructure capital projects fund. All annual appropriations lapse at fiscal year-end.

In accordance with the requirements of Section 4.04(c) of the Town's charter, budgetary data for the Town's enterprise funds have been reported in the combining and individual fund section of this report. The Town Manager is authorized to transfer budget amounts within departments; however, any revision that alters the total expenditures of any department or fund must be approved by the Town Commission. On or before May 31 of each year, all departments of the Town submit requests for appropriation to the Town Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the Town Commission for review before August 1. The Town Commission holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Town Manager or the revenue estimates must be changed by an affirmative vote of a majority of the Town Commission.



**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)**

Expenditures may not legally exceed budgeted appropriations at the departmental level. During the year one supplementary appropriation was necessary.

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

Establishment/Elimination of Funds - No funds were established or eliminated during the fiscal year ended September 30, 2021.

**NOTE 3 - DEPOSITS**

At year-end the carrying amount of the Town's deposits was \$801,776 and the bank balance was \$952,453. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Security for Public Deposits Act. Provisions of the act require that public deposits may only be made at qualified public depositories. The act requires each qualified public depository to deposit with the state treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 4 - INVESTMENTS**

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

	Fair Value	Bond Rating	Weighted Average Durations (Years)
Investments not subject to categorization:			
U.S. Government Securities and Agencies	\$ 919	AA	Daily
Domestic fixed income investment funds	1,955,650	AA	Daily
Domestic stock	1,122,475	N/A	N/A
Domestic equity investment funds	1,487,493	N/A	N/A
International equity investment fund	919,998	N/A	N/A
Temporary investments	79,419	N/A	N/A
Florida State Board of Administration Local Government Pooled Investment Fund (SBA)	13,035,300	Not Rated	N/A
Florida Safe Investment Fund	2,567,382	Not Rated	N/A
Total investments	<u>\$ 21,168,636</u>		

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. The Town manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The Town limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure benchmarks.

Credit Risk - Credit risk is the risk that a debt issuer will not fulfill its obligations. Consistent with chapter 218 of the Florida Statutes the Town's investment guidelines limit its fixed income investments to a quality rating of 'A' or equivalent as rated by one or more recognized bond rating service at the time of purchase. Fixed income investments which are downgraded to 'BAA' or equivalent must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments which are downgraded below 'BAA' shall be liquidated immediately.

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 4 - INVESTMENTS (Continued)**

Custodial Credit Risk - Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another party in the event of a financial failure. The Plan requires all securities to be held by a third party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a “delivery vs. payment” basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. The investments in mutual funds are considered unclassified pursuant to the custodial credit risk categories of GASB Statement No. 3, because they are not evidenced by securities that exist in physical or book-entry form.

The Town has adopted a written investment policy in accordance with Florida Statute 218(16). That statute is intended to minimize interest rate, credit and custodial risk by directing the Town to invest only in authorized investments summarized as follows:

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

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 4 - INVESTMENTS (Continued)**

The investment in the MBS-FNMA 30 year conventional represents the purchase of a security as a part of an overnight repurchase agreement under a bank sweep account contract. Terms of the master repurchase agreement permit investment only in U.S. government or agency securities. At September 30, 2021 this investment was held by the Town's bank in the Town's name and is recorded in the general fund.

Investments in common stock, U.S. government and agency bonds and investment funds are assets of the Town's police officers' pension plan and are traded on a national securities exchange and are valued at the last reported sales price on the last business day of the year.

The temporary federated treasury fund is an asset of the Town's police officers' pension plan. The fair value of this investment was determined by the funds' share price as of September 30, 2021.

The State Board of Administration (SBA) was established on June 21, 1928, pursuant to chapter 14486, 1929, Laws of Florida. The SBA was subsequently created as a constitutional body corporate on January 1, 1943, under the provisions of senate joint resolution No. 324, 1941; approved by the electorate in November 1942. The SBA is composed of the Governor, as chairman, the state treasurer, as treasurer, and the state Comptroller, as Secretary, and provides the following services by law: (1) investment of funds of the Florida Retirement System (FRS); (2) administration of debt service funds; (3) investment of trust and agency funds; and (4) distribution of the "second gas tax."

The local government pooled investment fund is governed by ch. 19-7 of the Florida Administrative Code, which identifies the rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the local government pooled investment fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration.

Since the Florida State Board of Administration (SBA) local government pooled investment fund typically owns a substantial amount of treasury bills and notes, the fund has utilized security lending programs to generate supplemental income. This income is used to pay a significant portion of the fees associated with the fund which otherwise would have to be paid from regular fund earnings. Any residual is used to build the fund's reserve on behalf of participants. Both of these goals have been accomplished without impacting the regular earnings in the fund with no change in the fund's investment strategy. The investment in the Florida SBA pool is carried at the pool's share price at September 30, 2021. The Florida SBA and the Florida safe investment fund are both 2a-7 like pools.

The Florida SAFE Investment Pool (FLSAFE) is an independent local government investment pool created under the laws of Florida to provide eligible units of local government with investment vehicles to pool their surplus funds. FLSAFE investment pools are Stable Net Asset Value investment pools rated AAAM by Standard & Poors. The investment advisor and administrator for the FLSAFE investment pool is PMA Financial Network.

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 4 - INVESTMENTS (Continued)**

Florida Safe Investment Pool (FLSAFE) has no unfunded commitments, and all provide same day or next day redemption. The investment strategies prioritize safety of principal and liquidity over return, consistent with the Town’s investment strategy, investing in high-quality short-term investments.

**NOTE 5 - RECEIVABLES**

Receivables at of September 30, 2021 for the government’s individual major funds and nonmajor, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are summarized as follows:

	Governmental Activities			Business-Type Activities				Total
	General Fund	Infrastructure Fund	Nonmajor and Other Funds	Water Fund	Solid		Police Pension	
					Waste Management	Wastewater Management		
Taxes	\$ 122,263	\$ 185,587	\$ 12,576	\$ -	\$ -	\$ -	\$ -	\$ 320,426
Accounts	29,643	-	-	308,887	142,613	194,654	-	675,797
Intergovernmental	-	-	-	-	-	-	58,051	58,051
Other	-	-	-	-	-	-	722	722
Gross receivables	<u>151,906</u>	<u>185,587</u>	<u>12,576</u>	<u>308,887</u>	<u>142,613</u>	<u>194,654</u>	<u>58,773</u>	<u>1,054,996</u>
Less: Allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>(10,000)</u>	<u>(15,000)</u>	<u>-</u>	<u>(50,000)</u>
Net total receivables	<u>\$ 151,906</u>	<u>\$ 185,587</u>	<u>\$ 12,576</u>	<u>\$ 283,887</u>	<u>\$ 132,613</u>	<u>\$ 179,654</u>	<u>\$ 58,773</u>	<u>\$ 1,004,996</u>

As the operator of three utilities, (water, wastewater management and solid waste management enterprise funds) the Town grants credit to their customers, substantially all of whom are Town residents.

Revenues of the water, wastewater and solid waste funds are reported net of uncollectible amounts. There were no uncollectible amounts related to revenues that were written off during the fiscal year ended September 30, 2021.

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities</b>					
Capital assets not being depreciated					
Land	\$ 5,637,015	\$ -	\$ -	\$ -	\$ 5,637,015
Construction in progress	3,466,700	-	-	(3,407,423)	59,277
Total capital assets not being depreciated	<u>9,103,715</u>	<u>-</u>	<u>-</u>	<u>(3,407,423)</u>	<u>5,696,292</u>
Capital assets being depreciated					
Buildings	6,765,495	108,689	-	-	6,874,184
Improvements other than buildings	867,039	-	-	-	867,039
Machinery and equipment	2,221,544	210,397	(47,104)	-	2,384,837
Infrastructure	34,601,921	1,216,552	-	3,407,423	39,225,896
Total capital assets being depreciated	<u>44,455,999</u>	<u>1,535,638</u>	<u>(47,104)</u>	<u>3,407,423</u>	<u>49,351,956</u>
Less accumulated depreciation					
Buildings	(1,809,856)	(251,816)	-	-	(2,061,672)
Improvements other than buildings	(429,390)	(54,086)	-	-	(483,476)
Machinery and equipment	(1,208,731)	(269,194)	47,104	-	(1,430,821)
Infrastructure	(12,116,560)	(3,518,459)	-	-	(15,635,019)
Total accumulated depreciation	<u>(15,564,537)</u>	<u>(4,093,555)</u>	<u>47,104</u>	<u>-</u>	<u>(19,610,988)</u>
Total capital assets being depreciated, net	<u>28,891,462</u>	<u>(2,557,917)</u>	<u>-</u>	<u>3,407,423</u>	<u>29,740,968</u>
<b>Governmental Activities, net</b>	<u>\$ 37,995,177</u>	<u>\$ (2,557,917)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,437,260</u>
<b>Business-Type Activities</b>					
Capital assets not being depreciated					
Land	\$ 22,950	\$ -	\$ -	\$ -	\$ 22,950
Total capital assets not being depreciated	<u>22,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,950</u>
Capital assets being depreciated					
Buildings	307,432	34,037	-	-	341,469
Improvements other than buildings	5,338,481	406,804	-	-	5,745,285
Machinery and equipment	1,412,920	-	(121,573)	-	1,291,347
Total capital assets being depreciated	<u>7,058,833</u>	<u>440,841</u>	<u>(121,573)</u>	<u>-</u>	<u>7,378,101</u>
Less accumulated depreciation					
Buildings	(291,082)	(16,103)	1,712	-	(305,473)
Improvements other than buildings	(2,354,821)	(184,027)	2,876	-	(2,535,972)
Machinery and equipment	(1,039,867)	(119,942)	94,205	-	(1,065,604)
Total accumulated depreciation	<u>(3,685,770)</u>	<u>(320,072)</u>	<u>98,793</u>	<u>-</u>	<u>(3,907,049)</u>
Total capital assets being depreciated, net	<u>3,373,063</u>	<u>120,769</u>	<u>(22,780)</u>	<u>-</u>	<u>3,471,052</u>
<b>Business-Type Activities, net</b>	<u>\$ 3,396,013</u>	<u>\$ 120,769</u>	<u>\$ (22,780)</u>	<u>\$ -</u>	<u>\$ 3,494,002</u>

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 6 - CAPITAL ASSETS (Continued)**

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

**Governmental Activities**

General government	\$ 70,747
Transportation	3,700,972
Public safety	99,274
Culture and recreation	<u>222,562</u>

Total depreciation expense - governmental activities	<u><u>\$ 4,093,555</u></u>
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**Business-type activities:**

Water	\$ 226,559
Solid Waste	<u>93,513</u>

Total depreciation expense- business- type activities	<u><u>\$ 320,072</u></u>
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**NOTE 7 - INTERFUND TRANSFERS**

Transfers were made to cover budgeted expenses/expenditures for the fiscal year ended September 30, 2021.

Transfers In	Transfers Out			Totals
	General Fund	Infrastructure Fund	Nonmajor governmental funds	
Nonmajor governmental funds	\$ 145,800	\$ -	\$ 46,000	\$ 191,800
Water fund	390,000	395,934	-	785,934
Totals	<u><u>\$ 535,800</u></u>	<u><u>\$ 395,934</u></u>	<u><u>\$ 46,000</u></u>	<u><u>\$ 977,734</u></u>

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 8 - INTRA-GOVERNMENTAL CHARGES**

The costs of certain general and administrative functions of the Town are recorded and controlled in the general fund. These administrative costs have been allocated to the Town's enterprise funds for the year ended September 30, 2021, as shown in the following table:

Enterprise Fund	Administrative Costs Allocated
Water	\$ 364,050
Solid Waste Management	209,600
Total	<u>\$ 573,650</u>

**NOTE 9 - LONG- TERM DEBT**

Long-term debt includes accrued leave as of September 30, 2021:

During the fiscal year ended September 30, 2021, the following changes occurred in liabilities reported in long-term debt:

	Balance October 1, 2020	Additions	Reductions	Balance September 30, 2021	Due Within One Year
2019A Revenue Bond	\$ 7,313,000	\$ -	\$ 989,000	\$ 6,324,000	\$ 507,000
2019B Revenue Bond	4,687,000	-	303,000	4,384,000	202,000
Facility Lease	659,413	-	56,967	602,446	57,960
Equipment Loan	32,010	-	32,010	-	-
Compensated Absences	431,809	283,712	298,098	417,423	104,356
Net Pension Liability	645,507	-	624,523	20,984	-
Other Post-Employment Benefits (OPEB)	698,000	1,000	-	699,000	-
Total	<u>\$ 14,466,739</u>	<u>\$ 284,712</u>	<u>\$ 2,303,598</u>	<u>\$ 12,447,853</u>	<u>\$ 871,316</u>



**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 9 - LONG-TERM DEBT (Continued)**

Compensated absences are generally liquidated by the general fund for governmental activities. The general fund has typically been used to liquidate pension liabilities. The general fund, water fund, and solid waste management fund typically have been used to liquidate other post-employment benefit liabilities.

Facility lease

On March 6, 2018, the Town entered into a master lease agreement with the City National Capital Finance, Inc. for \$762,390. The Town Commission adopted Resolution 2018-16 authorizing the execution of the lease agreement.

Term:	March 6, 2018 through April 1, 2030
Amount:	\$762,390
Interest rate:	3.529%
Annual debt service:	\$78,716
Amount outstanding at September 30, 2021:	<u>\$602,446</u>

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2022	\$ 57,960	\$ 20,756	\$ 78,716
2023	60,024	19,692	79,716
2024	62,161	16,555	78,716
2025	64,374	14,342	78,716
2026	66,666	12,050	78,716
2027-2030	<u>291,261</u>	<u>23,602</u>	<u>314,863</u>
	<u>\$ 602,446</u>	<u>\$ 106,997</u>	<u>\$ 709,443</u>

Capital Improvement Revenue Refunding Bond Series 2019A

On October 15, 2019, the Town Commission adopted Resolution 2019-21 to approve the issuance of \$7,313,000 of revenue bonds. The bonds are for the purpose of refunding all of the outstanding Capital Improvement Revenue Bonds, Series 2012.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 9 - LONG-TERM DEBT (Continued)**

Capital Improvement Revenue Refunding Bond Series 2019A (continued)

Pledged revenues are non-ad valorem funds.

Term:	October 17, 2019 through October 1, 2032
Amount:	\$7,313,000
Interest rate:	2.46%
Annual debt service:	\$493,000 to \$647,000
Amount outstanding at September 30, 2021:	<u>\$6,324,000</u>

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2022	\$ 507,000	\$ 149,334	\$ 656,334
2023	522,000	136,678	658,678
2024	532,000	123,713	655,713
2025	546,000	110,454	656,454
2026	560,000	96,850	656,850
2027-2031	3,010,000	268,214	3,278,214
2032	<u>647,000</u>	<u>7,958</u>	<u>654,958</u>
	<u>\$ 6,324,000</u>	<u>\$ 893,201</u>	<u>\$ 7,217,201</u>

Capital Improvement Revenue Refunding Bond Series 2019B

On November 5, 2019, the Town Commission adopted Resolution 2019-24 to approve the issuance of \$4,687,000 of revenue bonds. The bonds are to finance capital improvement projects.

Pledged revenues are non-ad valorem funds.

Term:	November 7, 2019 through October 1, 2034
Amount:	\$4,687,000
Interest rate:	2.46%
Annual debt service:	\$107,000 to \$949,000
Amount outstanding at September 30, 2021:	<u>\$4,384,000</u>

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 9 - LONG-TERM DEBT (Continued)**

Capital Improvement Revenue Refunding Bond Series 2019B (continued)

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2022	\$ 202,000	\$ 105,362	\$ 307,362
2023	205,000	100,356	305,356
2024	212,000	95,227	307,227
2025	217,000	89,950	306,950
2026	221,000	84,563	305,563
2027-2031	1,195,000	337,205	1,532,205
2032-2034	2,132,000	95,694	2,227,694
	<u>\$ 4,384,000</u>	<u>\$ 908,357</u>	<u>\$ 5,292,357</u>

**NOTE 10 - DETAIL OF CONSTRAINTS ON FUND BALANCES OF GENERAL FUND**

	<u>General Fund</u>
Fund Balances:	
Nonspendable:	\$ 7,302
Assigned:	
Recreation donations	76,603
Master landscaping	12,533
Police equipment	<u>30,686</u>
Total Assigned	119,822
Unassigned:	<u>2,415,763</u>
Total fund balances	<u>\$ 2,542,887</u>

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 11 - RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In an effort to reduce the rising costs of commercial insurance, the Town purchases all of its insurance coverages from Public Risk Management of Florida (PRM). The Town does not retain any risk of loss as a member of the PRM program which operates as any commercial insurance carrier.

The PRM program is structured under a protected self-insured retention insurance program with the following retention levels:

Property	\$200,000
Liability	\$200,000
Errors and Omissions	\$200,000
Workers' Compensation	\$650,000
Crime	\$25,000

This is a "protected self-insurance retention program," not a self-funded program with insurance.

Specific excess insurance provides coverage to losses above the self-insured retention. A loss fund which is funded 100% by the program's members on a pro-rata basis pays the self-insured retention amounts.

In the event that the loss fund is exhausted, stop loss insurance is provided. The only deductible payable by members is \$1,000 for property, inland marine, automobile physical damage and crime. In the event of a hurricane a Shared Named Wind Deductible is 3% of total value per Unit involved in the loss. Cyber liability has been recently added to the coverage and the deductible is \$5,000 per loss. Members' contributions are allocated into three categories as follows:

- insurance premiums
- loss fund (paid annually as part of the Town's insurance premium)
- administrative costs

The excess insurance carriers and their coverage areas are summarized as follows:

<u>Carrier:</u>	<u>Coverage:</u>
Markel	excess property, general liability, & law enforcement
Markel & NY Marine & General Insurance Company	excess workers' compensation
Chartis	crime

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 11 - RISK MANAGEMENT (Continued)**

The PRM program provides specified insurance coverages for 61 governmental entities. The major benefits of such a pooling approach include:

- 1) Broader insurance coverage through mass purchasing power;
- 2) The reduction of insurance costs, with some measure of cost stabilization;
- 3) The availability of insurance from year to year; and
- 4) The development of a loss prevention program common to all members.

As indicated above, the Town continues to carry commercial insurance for employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 12 - CONTINGENT LIABILITIES**

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

The Town did not receive federal grant funds exceeding \$750,000 during the fiscal year ended September 30, 2021, and is not, therefore, subject to a Single Audit under the Uniform Guidance.

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

The Town has not entered into any operating leases with scheduled rent increases as of September 30, 2021.

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 13 - INVESTMENT MEASUREMENT AT FAIR VALUE**

Fair Value Hierarchy

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

**Level 1** inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Town and Police Officers' Pension Fund (Plan) has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

**Level 2** inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in active markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input would be.

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 13 - INVESTMENT MEASUREMENT AT FAIR VALUE (CONTINUED)**

Fair Value Hierarchy (Continued)

**Level 3** inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities and is often reported as a per share amount for fair value measurement purposes. The Town and Plan would multiply the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes in to play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience. The Town and Plan have no NAV investments.

The Town and Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Town and Plan have the following total recurring fair value measurements as of September 30, 2021:

- Debt securities - Debt securities classified in Level 1 or Level 2 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.
- Mutual funds - The rationale for inclusion in Level 1 or Level 2 points to the unobservable inputs involved in mutual fund pricing. Mutual funds do not trade using bid and ask, as with ETF's or common stock. Instead, the prices are determined by the net asset value of the underlying investments at the close of business for the next day's open. The underlying assets themselves may include a variety of Level 1 and Level 2 securities and some may be valued using matrix pricing which interpolates the price of a security based on the price of similar securities.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 13 - INVESTMENT MEASUREMENT AT FAIR VALUE (Continued)**

Fair Value Hierarchy (Continued)

- Fixed income funds - Valued using pricing models maximizing the use of observable input for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.
- Equity funds - Valued at market prices for similar assets in active markets.
- Common stock - Valued at quoted market prices for identical assets in active markets.

The plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Town and Plan have the following total recurring fair value measurements as of September 30, 2021:

<u>Investments at fair value level</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
Debt securities:				
U.S. government agency securities	\$ -	\$ 919	\$ -	\$ 919
Domestic fixed income investment funds	<u>1,955,650</u>	<u>-</u>	<u>-</u>	<u>1,955,650</u>
Total debt securities	1,955,650	919	-	1,956,569
Equity Securities:				
Domestic equity investment funds	1,487,493	-	-	1,487,493
Domestic stock	1,122,475	-	-	1,122,475
International equity investment fund	<u>919,998</u>	<u>-</u>	<u>-</u>	<u>919,998</u>
Total equity securities	3,529,966	-	-	3,529,966
Temporary investments	<u>79,419</u>	<u>-</u>	<u>-</u>	<u>79,419</u>
Total investments at fair value level	<u>\$ 5,565,035</u>	<u>\$ 919</u>	<u>\$ -</u>	<u>\$ 5,565,954</u>



**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM**

The Town maintains a single employer, defined benefit pension plan (police officers' pension plan) which covers all of its police officers as well as a defined contribution 401(k) plan which covers substantially all of the Town's remaining general employees.

Police Officers' Pension Fund

Plan Description:

The following brief description of the Town of Belleair police officers' retirement plan (plan) is provided for general information purposes only. Participants should refer to the plan ordinance for more complete information.

The plan is a single employer defined benefit pension plan covering all full-time sworn police officers of the Town of Belleair, Florida (Town). Participation in the plan is required as a condition of employment. Originally established by Town ordinance in 1977 and amended in 1997, 2002, 2007 and 2020, the plan provides for pension, death and disability benefits. The plan is subject to provisions of chapter 185 of the State of Florida statutes.

Basis of accounting is the method by which revenues and expenses are recognized in the accounts and are reported in the financial statements. The accrual basis of accounting is used for the plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Plan member contributions are recognized in the period in which the contributions are due. Town contributions to the plan, as calculated by the plan's actuary, are recognized as revenue when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Basis of Accounting:

A State excise tax (rebate) collected from the Town's residents by the State of Florida is restricted to fund the plan under Florida Statutes, Chapter 185. This rebate has been included in the general fund's revenues and expenditures for the fiscal year ended September 30, 2021. Contributions are received from the Town in amounts sufficient to fund the plan at an actuarially determined rate specified by state statute, chapter 185. The plan's administrative costs are financed through investment earnings. The plan has no undue investment concentrations.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

Police Officers Pension Fund (Continued)

Plan Description (Continued):

Basis of Accounting (Continued):

The plan has not issued a stand-alone financial report for the fiscal year ended September 30, 2021.

The plan, in accordance with the above statute, is governed by a five member pension board. Two police officers who are elected by a majority of the members of the plan, two are residents of the Town who are appointed by the Town Commission and a fifth member elected by the other four members constitute the pension board. The Town and the plan participants are obligated to fund all plan costs based upon actuarial valuations. The Town is authorized to establish benefit levels and the board of trustees approve the actuarial assumptions used in the determination of contribution levels.

*Benefits Provided:*

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

**Normal Retirement:**

Eligibility: Earlier of age 55 and the completion of 5 years of Credited Service for members hired before January 21, 2020. The age and service requirements amended to be age 55 with 10 years of credited service for members hired after January 21, 2020 or the completion of 25 years of Credited Service, regardless of age for members hired on or after January 21, 2020.

**Benefit Amount:** 3.50% of Average Final Compensation times Credited Service if hired prior to January 21, 2020. If hired after January 21, 2020, 3% of average final compensation times credited service.

**Early Retirement:**

Eligibility: Age 50 and 10 years of Credited Service.

Benefit Amount: Accrued benefit, reduced 3% for each year that benefit commencement precedes normal retirement.

**Disability:**

Eligibility: Total and permanent disability prior to Normal Retirement Date. 10 years of Creditable Service required for non-service related disability.

Benefit Amount: Unreduced accrued benefit, but not less than 42% of Average Final Compensation.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

Police Officers Pension Fund (Continued)

Plan Description (Continued):

*Benefits Provided (Continued):*

**Pre-Retirement Death Benefits:**

Vested or On-Duty: Member's accrued benefit payable at what would have been the Member's Normal or Early (reduced) retirement date for 10 years.

Non-Vested, Off-Duty: Refund of Member contributions.

**Vesting (Termination);**

Less than 10 years of Credited Service: Refund of Member's contributions.

10 or more years of Credited Service Accrued benefit payable at age 50 or later, on Credited an actuarially reduced basis if to commence prior to Normal Retirement Date, or a refund of member's contributions with interest.

Chapter 185 Share Account:

Pursuant to Chapter 2015-39, Laws of Florida, a supplemental benefit component for special benefits exists but is currently not funded as no premium tax allocations have been made to the share accounts.

**Contributions:**

Employee 6% of salary increased to 8% of salary for members hired on or after January 21, 2020

Remaining amounts required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

**Net Pension Liability**

The measurement date is October 1, 2019

The measurement period for the pension expense was October 1, 2019 to September 30, 2020.

The reporting period is October 1, 2019 through September 30, 2020.

The Town's net liability was measured as of September 30, 2020.

The total pension liability used to calculate the net pension liability was determined as of that date.

**Actuarial Assumptions:**

The total pension liability (asset) was determined by an actuarial valuation as of October 1, 2019 updated to September 30, 2020 using the following actuarial assumptions:

Inflation	2.50%
Salary increases	Service based
Discount rate	7.40%
Investment Rate of Return	7.40%

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

Police Officers Pension Fund (Continued)

Plan Description (Continued)

Mortality Rate Healthy Active Lives:

Female: PubS.H-2010 for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

Mortality Rate Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year Mortality Rate Beneficiary Lives:

Female: PubDGH-2010 (Below Median) for Healthy Retirees

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Mortality Rate Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

The above assumption rates were mandated by Chapter 2015-157, Laws of Florida. This 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 Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on Plan demographics. 75% of active deaths are assumed to be service-incurred.

The actuarial assumptions used in the October 1, 2020 valuation were based on the results of an actuarial experience study dated October 15, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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. 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. For 2021 the inflation rate assumption of the investment advisor was 2.50%. 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 made by adding expected inflation.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

Police Officers Pension Fund (Continued)

Plan Description (Continued)

Best estimate of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	7.50%
International equity	15%	8.50%
Domestic fixed income	30%	2.50%
Global fixed income	5%	3.50%
GTAA	5%	3.50%

Discount Rate:

The discount rate used to measure the total pension liability was 7.40 percent.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was 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.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

**CHANGES IN NET PENSION LIABILITY**

	(Increase Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balance at September 30, 2020	\$ 5,397,182	\$ 4,751,675	\$ 645,507
Changes for a year:			
Service cost	278,143		278,143
Interest	406,302		406,302
Difference between expected and actual experience	(147,955) 57,238		(147,955) 57,238
Changes of assumptions	-	314,508	314,508
Contributions - state	-	58,051	58,051
Contributions - employees	-	63,138	63,138
Net investment earnings	-	815,668	815,668
Refunds of employee contributions	(362,418)	(362,418)	-
Administration expense	-	(33,114)	33,114
Net changes	<u>231,310</u>	<u>855,833</u>	<u>(624,523)</u>
Balance at September 30, 2021	<u>\$ 5,628,492</u>	<u>\$ 5,607,508</u>	<u>\$ 20,984</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the net pension liability (asset) of the Town calculated using the discount rate of 7.30%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.30 percent) or 1-percentage-point higher (8.30 percent) than the current rate.

Asset Class	Current Discount		
	1% Decrease 6.30%	Rate 7.30%	1% Increase 8.30%
Town's net pension liability (asset)	\$ 559,029	\$ 20,984	\$ (439,848)

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

Rate of Return - For the year ended September 30, 2021 the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 16.77 percent.

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

Concentrations:

The Plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's fiduciary net position.

**PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED  
INFLOWS OF RESOURCES RELATED TO PENSION**

For the year ended September 30, 2021 the Town will recognize a pension expense of \$248,438. On September 30, 2021 the Town 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	\$ -	\$ 73,978
Changes of assumptions	28,619	-
Net difference between projected and actual earnings on pension plan investments	-	360,356
	\$ 28,619	\$ 434,334

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

Concentrations (Continued):

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension plans will be recognized in pension expense as follows:

Year End <u>September 30</u>	
2022	\$ (122,037)
2023	(82,520)
2024	(108,594)
2025	(92,564)
2026	-
Thereafter	-

Employees' 401(k) Fund:

The Town provides retirement benefits for all of its full-time employees not covered under the police officers' pension plan through a defined contribution 401(k) plan administered by the ICMA Retirement Corporation as a third party administrator and investment advisor under their prototype profit-sharing plan and trust agreement. At September 30, 2018 there were 48 plan members. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after one year of employment. The 401(k) plan requires that participants contribute at least three percent (but not to exceed fourteen percent or the maximum amount allowed by the Internal Revenue Code whichever is greater) of their compensation which, if made, will be matched by a nine percent Town contribution. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested after three years of continuous service. Town contributions for, and interest forfeited by, employees who leave employment before three years of service are used to reduce the Town's current-period contribution requirement. The 401(k) plan provisions and contribution requirements are established and may be amended by the Town Commission.



**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 14 - EMPLOYEE RETIREMENT SYSTEM (Continued)**

The Town's total payroll in fiscal year 2021 was \$3,719,217. The Town's contributions were calculated using the participants' salary amount of \$2,442,598. Both the Town and the covered employees made the required contributions summarized as follows:

	Contribution Amount
Required:	
Town	\$ 311,768
Employee	58,051
Total contributions	\$ 369,819

During the fiscal year ended September 30, 2001 the 401(k) plan was amended to increase the amount that the Town will contribute to the 401(k) plan from 6% of earnings to 9% of earnings for each plan year starting with the first pay period commencing after October 1, 2001.

The 401(k) plan has not issued a stand-alone financial report for the fiscal year ended September 30, 2021.

**NOTE 15 - DEFERRED COMPENSATION PLAN**

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

**TOWN OF BELLEAIR, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 16 - POST-EMPLOYMENT HEALTH CARE BENEFITS**

GASB Statement No. 75: Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions (OPEB), established new accounting standards for postretirement benefits. The new standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer's financial statement as an increase (or decrease) in the net OPEB obligation. The effective date for implementation of GASB 75 by the Town of Belleair, Florida was October 1, 2017. Accordingly, the Town did obtain an actuarial valuation in accordance with GASB 75 standards as of October 1, 2019 and discloses the following:

In addition to the pension benefits described in Note 16, the Town provides postretirement health care benefits in accordance with an employment policy adopted for the Town's seven full-time department heads during the year ended September 30, 1993. Under terms of this policy, department heads who retire from the Town on or after attaining age fifty-five with at least twenty-five years of service will receive family medical coverage (medical, dental and hospitalization) until age sixty-five at which time a medicare supplement will be provided until the age of seventy. The Town will pay for this supplemental coverage for the employee and his or her spouse, at the rate in effect at the time of the employee's retirement with the employee paying any increased cost after that date. During the year ended September 30, 2021 the Town had two employees eligible to receive these benefits. These postemployment benefits are financed on a pay-as-you-go basis.

Except for the department heads who qualify for postretirement health care benefits (as previously discussed), the Town provides no funding for any portion of the premiums after retirement. However, the Town recognizes that there is an "implicit subsidy" arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund as an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

The employer is the sole employer in a plan with fewer than one hundred plan members.

**Annual OPEB Cost and Net OPEB Obligation**

The Town's annual other post-employment benefits (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 16 - POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)**

**Annual OPEB Cost and Net OPEB Obligation (Continued)**

*Discount Rate:*

The discount rate used to determine the liabilities under GASB 75 depends upon Town's funding policy. The discount rate for governments that do not prefund benefits is based on 20-year general obligation bond (GO bond) rates.

*Funding Policy*

The Town will pay benefits on a pay-as-you-go basis.

*Plan Description*

The Town provides post-employment medical benefits (OPEB) to eligible Town employees and their eligible dependents and retirees and their eligible dependents. No assets are accumulated in a trust that meets the criteria in paragraphs 4 of GASB Statement 75.

*OPEB Expense:*

For the year ended September 30, 2021, the Town will recognize OPEB expense of \$44,000.

Total OPEB Liability - beginning of year	\$ 698,000
Service cost	32,403
Interest	15,668
Difference between expected and actual experience	
Changes in assumptions	(4,333)
Changes in benefit terms	
Benefit payments	<u>(42,738)</u>
Net changes in total OPEB Liability	<u>\$ 1,000</u>
Total OPEB Liability - end of year	<u>\$ 699,000</u>
Covered employee payroll	\$ 3,177,000
Net OPEB liability as % of covered payroll	22.0%

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 16 - POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)**

**Annual OPEB Cost and Net OPEB Obligation (Continued)**

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

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

	1% Decrease 1.26%	Current Discount Rate 2.26%	1% Increase 3.26%
Total OPEB Liability	\$ 803,000	\$ 699,000	\$ 606,000

**Annual OPEB Cost**

Reporting period	9/30/2021
Measurement date	9/30/2021
OPEB Expense	
Service cost	\$ 32,403
Interest	15,668
Changes in assumptions	(4,333)
Other	262
Total OPEB Expense	\$ 44,000

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 16 - POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)**

**PLAN PROVISIONS**

**Eligibility Criteria**

*Department Heads*

Postemployment benefits are provided to employees who attain age 55 with at least 25 years of service.

*General Employees*

Postemployment benefits are provided to employees who attain age 65.

*Police*

Postemployment benefits are provided to employees who attain any of the following:

Date of Hire Prior to January 21, 2021:

1. Age 55 with 5 years of service, or
2. 25 years of service at any age

Date of Hire On or After January 21, 2021:

1. Age 55 with 10 years of service, or
2. 25 years of service at any age

**Health Benefit Duration**

Postemployment benefits for retirees and their spouses is available for life.

**Monthly Medical Insurance Premiums**

Medical coverage through the Town-sponsored plans is available to eligible retirees. When retirees attain Medicare eligibility, they are charged fully insured age-rated premiums.

**Dental and Vision Benefits**

Dental and vision coverage through the Town-sponsored plans are available to eligible retirees.

The fully insured premiums provided for dental and vision coverage are sufficient to pose minimal implicit liability to the employer.

**Retiree Premium Subsidy Description**

*General and Police Retirees*

None of the postemployment benefits are subsidized by the employer. Retirees must pay 100% of premium rates in order to continue coverage at retirement.

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 16 - POST-EMPLOYMENT HEALTH CARE BENEFITS (Continued)**

**PLAN PROVISIONS (Continued)**

**Retiree Premium Subsidy Description (Continued)**

*Department Heads*

The Town's subsidy is frozen at the dollar premium amount in effect at the time of retirement until the retiree is eligible for Medicare. Upon Medicare eligibility, the Town will subsidize the Medicare Supplement coverage until the retiree reaches age 70 at the same dollar amount in effect at the time of retirement. Spouse is also eligible for this explicit subsidy while the retiree is alive.

**Actuarial Assumptions and Methods**

**Valuation Date:** September 30, 2021

**Discount Rate:** 2.26%

**Attribution Method:** Alternative Measurement Method

**Actuarial Cost Method:** Entry age Normal based on level percentage of projected salary

**Salary Increase Rate:** 3.50% per annum

**Census Data:** The census was provided by the Town as of January 2021.

**Marriage Rate:** The assumed number of eligible dependents is based on the current proportions of single and family contract in the census provided. It is assumed that 12% of future retirees are married.

**Spouse Age:** Spouse dates of birth were provided by the Town.

**Medicare Eligibility:** All current and future retirees are assumed to be eligible for Medicare at age 65.

**Plan Participation Percentage:** The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 100% of all eligible department heads and their dependents, and 10% of all other eligible employees, will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement. Actives who are currently waving coverage are assumed to continue waving coverage until retirement.

**Mortality Rates:** PUB-2010 generational table scaled using MP-19 and applied on a gender-specific basis.

**Retirement Age:** Employees are assumed to retire at the latest of age 58 or the age that they first become eligible for benefits.

**Termination Rates:** The rate of withdrawal is based on the withdrawal rates from the Florida Retirement system July 1, 2021 Actuarial Valuation.

### **III. REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF BELLEAIR, FLORIDA**  
**SCHEDULE OF CHANGE IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST THREE FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability			
Service cost	\$ 32,403	\$ 27,740	\$ 26,781
Interest	15,668	14,807	17,480
Difference between expected and actual experience	-	(23,396)	(20,471)
Change in assumptions	(4,333)	313,969	13,060
Benefit payments	<u>(42,738)</u>	<u>(40,239)</u>	<u>(51,807)</u>
Net change in total OPEB liability	1,000	292,881	(14,957)
Total OPEB liability- Beginning	<u>698,000</u>	<u>405,119</u>	<u>420,076</u>
Total OPEB liability- Ending	<u><u>\$ 699,000</u></u>	<u><u>\$ 698,000</u></u>	<u><u>\$ 405,119</u></u>
Covered payroll	3,177,000	3,069,520	2,802,121
Total OPEB liability as a percentage of covered payroll	22.0%	22.7%	14.5%



**TOWN OF BELLEAIR, FLORIDA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**LAST EIGHT FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability:</b>								
Service cost	\$ 278,143	\$ 258,175	\$ 271,607	\$ 276,250	\$ 235,024	\$ 237,141	\$ 202,940	\$ 239,594
Interest	406,302	379,016	358,831	329,454	321,366	280,727	270,052	236,179
Changes of benefit terms	-	-	-	-	(29,812)	-	-	-
Difference between expected and actual experience	(147,955)	299,896	(101,933)	83,595	(137,418)	(123,703)	(127,034)	-
Changes in assumptions	57,238	(104,309)	-	12,638	-	143,054	-	-
Benefit payments, including refunds of employee contributions	(362,418)	(330,538)	(244,759)	(193,311)	(180,671)	(158,004)	(141,005)	(141,832)
Net change in total pension liability	231,310	502,240	283,746	508,626	208,489	379,215	204,953	333,941
Total pension liability- beginning	5,397,182	4,894,942	4,611,196	4,102,570	3,894,081	3,514,866	3,309,913	2,975,972
Total pension liability ending (a)	\$ 5,628,492	\$ 5,397,182	\$ 4,894,942	\$ 4,611,196	\$ 4,102,570	\$ 3,894,081	\$ 3,514,866	\$ 3,309,913
<b>Plan fiduciary net position:</b>								
Contributions- employer	\$ 314,508	\$ 297,808	\$ 273,200	\$ 168,361	\$ 176,105	\$ 150,036	\$ 213,760	\$ 237,836
Contributions- state	58,051	57,098	55,311	52,950	48,160	48,560	47,291	44,305
Contributions- employees	63,138	56,927	61,708	54,471	52,223	46,400	47,017	46,612
Net investment income (loss)	815,668	408,578	176,763	257,192	408,804	166,378	(17,732)	242,548
Benefit payments including refunds of employee contributions	(362,418)	(330,538)	(244,759)	(193,311)	(180,671)	(158,004)	(141,005)	(141,832)
Administrative expenses	(33,114)	(36,245)	(48,852)	(35,850)	(29,286)	(27,832)	(28,373)	(20,917)
Net change in plan fiduciary net position	855,833	453,628	273,371	303,813	475,335	225,538	120,958	408,552
Plan fiduciary net position- beginning	4,751,675	4,298,047	4,024,676	3,720,863	3,245,528	3,019,990	2,899,032	2,490,480
Plan fiduciary net position- ending (b)	\$ 5,607,508	\$ 4,751,675	\$ 4,298,047	\$ 4,024,676	\$ 3,720,863	\$ 3,245,528	\$ 3,019,990	\$ 2,899,032
Net pension liability (asset) (a)- (b)	\$ 20,984	\$ 645,507	\$ 596,895	\$ 586,520	\$ 381,707	\$ 648,553	\$ 494,876	\$ 410,881

**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF RATIOS  
LAST EIGHT FISCAL YEARS**

Fiscal Year Ended September 30,	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll
2014	87.59%	\$ 738,422	55.64%
2015	85.92%	783,615	63.15%
2016	83.34%	773,326	83.87%
2017	90.70%	870,386	43.85%
2018	87.29%	907,853	64.61%
2019	87.81%	1,028,474	58.04%
2020	88.03%	948,665	68.04%
2021	99.63%	978,925	2.14%

**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2014	\$ 286,371	\$ 286,371	\$ -	\$ 738,422	38.78%
2015	261,051	261,051	-	783,615	33.31%
2016	197,989	198,596	(607)	773,326	25.60%
2017	223,396	223,396	-	870,386	25.67%
2018	221,881	221,881	-	907,853	24.44%
2019	321,361	328,511	(7,150)	1,028,474	31.94%
2020	350,458	354,906	(4,448)	948,665	37.41%
2021	369,819	372,559	(2,740)	978,925	38.06%

**TOWN OF BELLEAIR, FLORIDA  
NOTES TO SCHEDULE OF CONTRIBUTIONS  
SEPTEMBER 30, 2021**

Valuation Date:

10/1/2020

Acturially determined contribution rates are calculated as 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 can be found in the October 1, 2020 actuarial valuation for the Town of Belleair Municipal Police Officers' Retirement System prepared by Foster & Foster Actuaries and Consultants.

**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF INVESTMENT RETURNS  
LAST EIGHT YEARS**

Fiscal Year Ended September 30,	Annual Money-Weighted Rate of Return Net of Investment Expense
2014	9.80%
2015	-0.75%
2016	5.68%
2017	12.48%
2018	7.11%
2019	4.11%
2020	9.13%
2021	16.77%

**TOWN OF BELLEAIR, FLORIDA  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	Special Revenue Funds			Capital Projects	Total
	Local Gas Option Tax Grant	Transportation Impact Fee	Tree Replacement	Equipment Replacement	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 149	\$ 25,918	\$ 31,663	\$ 732	\$ 58,462
Investments	184	60,222	50,184	680,000	790,590
Receivables	12,576	-	-	-	12,576
<b>Total Assets</b>	<u>\$ 12,909</u>	<u>\$ 86,140</u>	<u>\$ 81,847</u>	<u>\$ 680,732</u>	<u>\$ 861,628</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 1,034	\$ -	\$ 2,350	\$ 3,384
<b>Total Liabilities</b>	<u>-</u>	<u>1,034</u>	<u>-</u>	<u>2,350</u>	<u>3,384</u>
<b>FUND BALANCES</b>					
Restricted	12,909	85,106	81,847	678,382	858,244
<b>Total Fund Balances</b>	<u>12,909</u>	<u>85,106</u>	<u>81,847</u>	<u>678,382</u>	<u>858,244</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 12,909</u>	<u>\$ 86,140</u>	<u>\$ 81,847</u>	<u>\$ 680,732</u>	<u>\$ 861,628</u>

**TOWN OF BELLEAIR, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

	Special Revenue Funds			Capital Projects	Total
	Local Gas Option Tax Grant	Transportation Impact Fee	Tree Replacement	Equipment Replacement	
	<b>Revenues:</b>				
Taxes	\$ 51,326	\$ -	\$ -	\$ -	\$ 51,326
Impact Fees		1,033	-	-	1,033
License and permits	-	-	30,560	-	30,560
Miscellaneous	4,091	-	-	-	4,091
Total revenues	55,417	1,033	30,560	-	87,010
<b>Expenditures:</b>					
Current:					
General government	-	-	8,710	12,417	21,127
Capital outlay	-	-	-	41,321	41,321
Total expenditures	-	-	8,710	53,738	62,448
Excess (deficiency) revenues over (under) expenditures	55,417	1,033	21,850	(53,738)	24,562
<b>Other Financing Sources (Uses):</b>					
Interest on investments	-	94	80	-	174
Transfers in	-	-	-	191,800	191,800
Transfers out	(46,000)	-	-	-	(46,000)
Total other financing sources (uses)	(46,000)	94	80	191,800	145,974
Net change in fund balances	9,417	1,127	21,930	138,062	170,536
<b>Fund Balances:</b>					
Beginning of year	3,492	83,979	59,917	540,320	687,708
End of year	\$ 12,909	\$ 85,106	\$ 81,847	\$ 678,382	\$ 858,244

**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - INFRASTRUCTURE FUND  
YEAR ENDED SEPTEMBER 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>			
Taxes			
Ad valorem	\$ 1,057,630	\$ 1,046,456	\$ (11,174)
Utility	898,948	860,411	(38,537)
Infrastructure tax	436,000	497,608	61,608
Reserves	2,492,136	-	(2,492,136)
Miscellaneous	22,500	-	(22,500)
	4,907,214	2,404,475	(2,502,739)
<b>Expenditures:</b>			
Current			
General government	384,320	520,577	(136,257)
Capital outlay	3,597,894	1,304,908	2,292,986
Debt Service			
Principal	925,000	1,348,967	(423,967)
Interest	-	283,701	(283,701)
Total expenditures	4,907,214	3,458,153	1,449,061
Deficiency of revenues under expenditures	-	(1,053,678)	(1,053,678)
<b>Other Financing Sources (Uses):</b>			
Insurance proceeds	-	1,636	1,636
Interest on investments	-	14,541	14,541
Transfers out	-	(395,934)	(395,934)
Total other financing sources	-	(379,757)	(379,757)
Net change in fund balance	\$ -	(1,433,435)	\$ (1,433,435)
<b>Fund Balance:</b>			
Beginning of year		10,508,835	
End of year		\$ 9,075,400	



**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION -  
BUDGET AND ACTUAL - WATER ENTERPRISE FUND  
YEAR ENDED SEPTEMBER 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>			
Charges for services	\$ 1,772,200	\$ 1,843,566	\$ 71,366
Grants	-	16,857	16,857
	1,772,200	1,860,423	88,223
<b>Expenditures:</b>			
Current			
General government	1,492,514	1,527,551	(35,037)
Depreciation	142,000	226,559	(84,559)
Total expenditures	1,634,514	1,754,110	(119,596)
Deficiency of revenues under expenditures	137,686	106,313	190,962
<b>Other Financing Sources (Uses):</b>			
Investment earnings	1,000	3,090	2,090
Other income	-	329	329
Transfers in	-	785,934	785,934
Transfers out	(138,686)	-	138,686
Total other financing sources	(137,686)	789,353	927,039
Net change in fund balance	\$ -	895,666	\$ 1,118,001
<b>Fund Balance:</b>			
Beginning of year		5,415,978	
End of year		\$ 6,311,644	

**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION -  
BUDGET AND ACTUAL -  
WASTEWATER MANAGEMENT ENTERPRISE FUND  
YEAR ENDED SEPTEMBER 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>			
Charges for services	\$ 1,000,000	\$ 1,418,426	\$ 418,426
<b>Expenditures:</b>			
Current			
Utilities	1,000,000	1,407,539	(407,539)
Total expenditures	1,000,000	1,407,539	(407,539)
Deficiency of revenues under expenditures	-	10,887	825,965
Net change in fund balance	\$ -	10,887	\$ 825,965
<b>Fund Balance:</b>			
Beginning of year		345,444	
End of year		\$ 356,331	

**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN NET POSITION  
BUDGET AND ACTUAL -  
SOLID WASTE ENTERPRISE FUND  
YEAR ENDED SEPTEMBER 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues:</b>			
Charges for services	\$ 1,042,819	\$ 945,087	\$ (97,732)
Grants	3,300	5,759	2,459
	1,046,119	950,846	(95,273)
<b>Expenditures:</b>			
Current			
General government	904,419	901,417	3,002
Depreciation	142,200	93,513	48,687
Total expenditures	1,046,619	994,930	51,689
Deficiency of revenues under expenditures	(500)	(44,084)	(149,421)
<b>Other Financing Sources (Uses):</b>			
Investment earnings	500	818	318
Other income	-	8,722	8,722
Total other financing sources	500	9,540	9,040
Net change in fund balance	\$ -	(34,544)	\$ (140,381)
<b>Fund Balance:</b>			
Beginning of year		1,232,282	
End of year		\$ 1,197,738	

**TOWN OF BELLEAIR, FLORIDA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
COMPARATIVE SCHEDULES BY SOURCE (1)  
SEPTEMBER 30, 2021 AND 2020**

	2021	2020
Governmental Funds Capital Assets:		
Land	\$ 5,637,015	\$ 5,637,015
Buildings and improvements	6,874,184	6,765,495
Improvements other than buildings	867,039	867,039
Equipment	2,384,837	2,221,544
Infrastructure	39,225,896	34,601,921
Construction in progress	59,277	3,466,700
 Total Governmental Funds Capital Assets	 \$ 55,048,248	 \$ 53,559,714
Governmental Funds Capital Assets by Source:		
General Fund	\$ 29,613,491	\$ 29,471,186
Special revenue funds	3,576,547	3,576,547
Capital projects fund	21,827,141	20,480,912
Federal revenue sharing entitlements	31,069	31,069
 Total Governmental Funds Capital Assets	 \$ 55,048,248	 \$ 53,559,714

(1) This schedule represents only the capital asset balances related to governmental funds.

**TOWN OF BELLEAIR, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULES BY FUNCTION AND ACTIVITY(1)**  
**SEPTEMBER 30, 2021 AND 2020**

Function and Activity	2021					
	Total	Land	Buildings and Improvements	Improvements Other Than Buildings	Equipment	Infrastructure
<b>General Government:</b>						
Manager	\$ 137,827	\$ -	\$ 13,600	\$ 67,965	\$ 56,262	\$ -
Finance and Administration	5,150,196	3,186,474	1,493,703	143,330	326,689	-
Comprehensive Planning	9,751	-	-	2,195	7,556	-
Town Clerk	14,935	-	-	-	14,935	-
Total general government	<u>5,312,709</u>	<u>3,186,474</u>	<u>1,507,303</u>	<u>213,490</u>	<u>405,442</u>	<u>-</u>
<b>Public Safety:</b>						
Police	689,599	-	5,300	-	684,299	-
<b>Transportation:</b>						
Streets	43,679,712	1,597,999	1,852,900	24,305	919,335	39,285,173
<b>Culture and Recreation:</b>						
Parks	1,277,774	749,300	-	447,158	81,316	-
Recreation	4,088,454	103,242	3,508,681	182,086	294,445	-
Total culture and recreation	<u>5,366,228</u>	<u>852,542</u>	<u>3,508,681</u>	<u>629,244</u>	<u>375,761</u>	<u>-</u>
<b>Total governmental funds</b>						
Capital Assets	<u>\$ 55,048,248</u>	<u>\$ 5,637,015</u>	<u>\$ 6,874,184</u>	<u>\$ 867,039</u>	<u>\$ 2,384,837</u>	<u>\$ 39,285,173</u>

Function and Activity	2020					
	Total	Land	Buildings and Improvements	Improvements Other Than Buildings	Equipment	Infrastructure
<b>General Government:</b>						
Manager	\$ 137,827	\$ -	\$ 13,600	\$ 67,965	\$ 56,262	\$ -
Finance and Administration	5,041,507	3,186,474	1,385,014	143,330	326,689	-
Comprehensive Planning	9,751	-	-	2,195	7,556	-
Town Clerk	14,935	-	-	-	14,935	-
Total general government	<u>5,204,020</u>	<u>3,186,474</u>	<u>1,398,614</u>	<u>213,490</u>	<u>405,442</u>	<u>-</u>
<b>Public Safety:</b>						
Police	526,306	-	5,300	-	521,006	-
<b>Transportation:</b>						
Streets	42,463,160	1,597,999	1,852,900	24,305	919,335	38,068,621
<b>Culture and Recreation:</b>						
Parks	1,277,774	749,300	-	447,158	81,316	-
Recreation	4,088,454	103,242	3,508,681	182,086	294,445	-
Total culture and recreation	<u>5,366,228</u>	<u>852,542</u>	<u>3,508,681</u>	<u>629,244</u>	<u>375,761</u>	<u>-</u>
<b>Total governmental funds</b>						
Capital Assets	<u>\$ 53,559,714</u>	<u>\$ 5,637,015</u>	<u>\$ 6,765,495</u>	<u>\$ 867,039</u>	<u>\$ 2,221,544</u>	<u>\$ 38,068,621</u>

(1) This schedule represents only the capital asset balances related to governmental funds.

**TOWN OF BELLEAIR, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY<sup>(1)</sup>**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Function and Activity	Governmental Funds Capital Assets October 1, 2020	Additions	Deductions	Governmental Funds Capital Assets September 30, 2021
<b>General Government:</b>				
Manager	\$ 137,827	\$ -	-	\$ 137,827
Finance and Administration	5,041,507	108,689	-	5,150,196
Comprehensive Planning	9,751	-	-	9,751
Town Clerk	14,935	-	-	14,935
Total general government	<u>5,204,020</u>	<u>108,689.00</u>	<u>-</u>	<u>5,312,709</u>
<b>Public Safety:</b>				
Police	526,306	210,397	47,104	689,599
<b>Transportation:</b>				
Streets	42,463,160	1,216,552	-	43,679,712
<b>Culture and Recreation:</b>				
Parks	1,277,774	-	-	1,277,774
Recreation	4,088,454	-	-	4,088,454
Total culture and recreation	<u>5,366,228</u>	<u>-</u>	<u>-</u>	<u>5,366,228</u>
<b>Total governmental funds Capital Assets</b>	<u><u>\$ 53,559,714</u></u>	<u><u>\$ 1,535,638</u></u>	<u><u>\$ 47,104</u></u>	<u><u>\$ 55,048,248</u></u>

<sup>(1)</sup> This schedule represents only the capital asset balances related to governmental funds.

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## IV. STATISTICAL SECTION

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

<b>CONTENT</b>	<b>Page</b>
Financial Trends	93
<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>	
Revenue Capacity	104
<i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	
Debt Capacity	109
<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 debt in the future.</i>	
Demographic and Economic Information	113
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.</i>	
Operating Information	115
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report related to the services the government provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.



**TOWN OF BELLEAIR, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 24,126,814	\$ 25,303,754	\$ 26,054,665	\$ 24,865,070	\$ 26,107,346	\$ 26,838,533	\$ 24,653,063	\$ 23,677,895	\$ 24,452,960	\$ 20,407,306
Restricted	9,904,918	11,049,155	6,657,800	6,932,001	5,206,043	2,951,253	4,743,141	7,109,356	6,257,868	6,605,664
Unrestricted	1,028,492	1,020,801	1,023,826	865,363	1,494,089	1,621,008	1,991,762	2,094,892	2,409,635	2,258,858
Total governmental activities net position	\$ 35,060,224	\$ 37,373,710	\$ 33,736,291	\$ 32,662,434	\$ 32,807,478	\$ 31,410,794	\$ 31,387,966	\$ 32,882,143	\$ 33,120,463	\$ 29,271,828
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 3,494,002	\$ 3,396,013	\$ 3,462,341	\$ 3,481,032	\$ 3,701,788	\$ 3,797,561	\$ 3,311,142	\$ 2,581,793	\$ 2,394,821	\$ 2,929,249
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	4,371,711	3,597,691	3,440,386	3,018,603	2,471,849	1,904,753	1,540,083	1,326,702	1,196,803	1,106,435
Total business-type activities net position	\$ 7,865,713	\$ 6,993,704	\$ 6,902,727	\$ 6,499,635	\$ 6,173,637	\$ 5,702,314	\$ 4,851,225	\$ 3,908,495	\$ 3,591,624	\$ 4,035,684
<b>Primary government:</b>										
Net investment in capital assets	\$ 27,620,816	\$ 28,699,767	\$ 29,517,006	\$ 28,346,102	\$ 29,809,134	\$ 30,636,094	\$ 27,964,205	\$ 26,259,688	\$ 26,847,781	\$ 23,336,555
Restricted	9,904,918	11,049,155	6,657,800	6,932,001	5,206,043	2,951,253	4,743,141	7,109,356	6,257,868	6,605,664
Unrestricted	5,400,203	4,618,492	4,464,212	3,883,966	3,965,938	3,525,761	3,531,845	3,421,594	3,606,438	3,565,293
Total primary government net position	\$ 42,925,937	\$ 44,367,414	\$ 40,639,018	\$ 39,162,069	\$ 38,981,115	\$ 37,113,108	\$ 36,239,191	\$ 36,790,638	\$ 36,712,087	\$ 33,307,512

**TOWN OF BELLEAIR, FLORIDA**  
**CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>EXPENSES</b>										
Governmental Activities:										
General government	\$ 5,562,551	\$ 2,839,553	\$ 2,735,744	\$ 2,421,895	\$ 1,967,156	\$ 2,053,304	\$ 2,054,234	\$ 1,184,964	\$ 1,342,208	\$ 1,773,552
Public safety	4,196,499	2,476,292	2,612,097	2,706,521	2,039,913	2,034,289	1,897,974	1,983,092	1,894,025	1,853,235
Transportation	697,275	2,026,694	1,725,633	2,218,908	1,850,840	1,526,427	1,960,039	2,850,323	1,228,942	1,728,212
Culture and recreation	691,637	274,778	1,056,676	1,117,694	1,314,695	1,593,065	1,562,682	2,103,713	2,643,548	1,328,378
Interest on long-term debt	289,977	313,009	306,033	315,254	313,991	325,571	335,549	348,726	371,028	-
<b>Total governmental activities expenses</b>	<u>11,437,939</u>	<u>7,930,326</u>	<u>8,436,183</u>	<u>8,780,272</u>	<u>7,486,595</u>	<u>7,532,656</u>	<u>7,810,478</u>	<u>8,470,818</u>	<u>7,479,751</u>	<u>6,683,377</u>
Business-type activities:										
Water	1,754,110	1,834,610	1,466,588	1,510,558	1,340,841	1,258,032	1,330,521	1,357,055	1,286,178	1,293,463
Waste water management	1,407,539	1,248,220	1,140,895	1,120,917	1,161,092	1,090,771	1,029,745	1,018,861	1,088,648	898,706
Solid waste management	994,930	936,364	857,318	853,704	820,199	777,415	730,794	768,853	779,554	801,014
<b>Total business-type activities expenses</b>	<u>4,156,579</u>	<u>4,019,194</u>	<u>3,464,801</u>	<u>3,485,179</u>	<u>3,322,132</u>	<u>3,126,218</u>	<u>3,091,060</u>	<u>3,144,769</u>	<u>3,154,380</u>	<u>2,993,183</u>
<b>Total primary government expenses</b>	<u>\$ 15,594,518</u>	<u>\$ 11,949,520</u>	<u>\$ 11,900,984</u>	<u>\$ 12,265,451</u>	<u>\$ 10,808,727</u>	<u>\$ 10,658,874</u>	<u>\$ 10,901,538</u>	<u>\$ 11,615,587</u>	<u>\$ 10,634,131</u>	<u>\$ 9,676,560</u>
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services	\$ 2,253,232	\$ 1,647,966	\$ 1,850,251	\$ 1,767,065	\$ 1,685,143	\$ 1,558,152	\$ 1,730,392	\$ 2,075,803	\$ 2,353,821	\$ 1,194,490
Grants and contributions	233,347	495,817	372,679	799,683	583,095	711,739	765	67,928	28,527	29,360
<b>Total governmental activities program revenues</b>	<u>2,486,579</u>	<u>2,143,783</u>	<u>2,222,930</u>	<u>2,566,748</u>	<u>2,268,238</u>	<u>2,269,891</u>	<u>1,731,157</u>	<u>2,143,731</u>	<u>2,382,348</u>	<u>1,223,850</u>
Business-type activities:										
Charges for services:										
Water	1,843,566	1,770,636	1,755,946	1,683,742	1,730,516	1,473,926	1,430,682	1,664,602	889,344	905,418
Waste water management	1,418,286	1,254,351	1,153,884	1,132,032	1,167,614	1,105,844	1,089,009	1,059,708	1,056,848	946,043
Solid waste management	945,087	887,845	839,164	814,788	794,404	780,881	792,490	802,262	834,709	818,764
<b>Total business-type activities revenues</b>	<u>4,206,939</u>	<u>3,912,832</u>	<u>3,748,994</u>	<u>3,630,562</u>	<u>3,692,534</u>	<u>3,360,651</u>	<u>3,312,181</u>	<u>3,526,572</u>	<u>2,780,901</u>	<u>2,670,225</u>
<b>Total primary government program revenues</b>	<u>\$ 6,693,518</u>	<u>\$ 6,056,615</u>	<u>\$ 5,971,924</u>	<u>\$ 6,197,310</u>	<u>\$ 5,960,772</u>	<u>\$ 5,630,542</u>	<u>\$ 5,043,338</u>	<u>\$ 5,670,303</u>	<u>\$ 5,163,249</u>	<u>\$ 3,894,075</u>
<b>NET (EXPENSE) REVENUE</b>										
Governmental activities	\$ (8,951,360)	\$ (5,786,543)	\$ (6,213,253)	\$ (6,213,524)	\$ (5,218,357)	\$ (5,262,765)	\$ (6,079,321)	\$ (6,327,087)	\$ (5,097,403)	\$ (5,459,527)
Business-type activities	50,360	(106,362)	284,193	148,266	373,302	245,087	221,121	381,803	(373,479)	(322,958)
<b>Total primary government net expense</b>	<u>\$ (8,901,000)</u>	<u>\$ (5,892,905)</u>	<u>\$ (5,929,060)</u>	<u>\$ (6,065,258)</u>	<u>\$ (4,845,055)</u>	<u>\$ (5,017,678)</u>	<u>\$ (5,858,200)</u>	<u>\$ (5,945,284)</u>	<u>\$ (5,470,882)</u>	<u>\$ (5,782,485)</u>

**TOWN OF BELLEAIR, FLORIDA**  
**CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**  
**(Continued)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Governmental Activities:</b>										
<b>Taxes:</b>										
Property taxes	\$ 5,558,996	\$ 5,112,067	\$ 4,706,991	\$ 4,079,505	\$ 3,848,662	\$ 3,634,385	\$ 3,475,114	\$ 3,403,996	\$ 3,341,656	\$ 3,427,519
Utility taxes	860,411	857,780	822,809	772,139	773,455	774,675	762,198	781,857	547,536	-
Franchise fees	428,888	424,836	418,425	381,011	367,097	362,980	388,063	395,205	359,533	372,119
<b>Intergovernmental revenues:</b>										
Infrastructure sale surtax	497,608	474,084	457,013	434,396	409,965	398,838	379,217	352,312	330,116	312,431
Sales taxes	24,464	248,691	260,508	255,019	245,186	244,096	237,384	225,502	214,026	213,743
<b>Communications</b>										
service tax	-	159,313	167,527	177,863	172,563	173,413	182,916	187,353	201,448	205,018
Other taxes	-	67,059	55,372	56,369	122,867	60,177	58,013	59,345	57,738	56,922
State revenue sharing	-	100,586	107,007	103,932	101,460	97,630	96,097	91,596	88,164	86,813
Investment earnings	19,856	114,969	196,825	75,121	5,165	3,853	19,784	13,562	9,713	14,704
Miscellaneous	31,949	58,476	94,633	249,873	104,342	131,810	84,770	451,656	3,714,808	129,120
Insurance proceeds	1,636	-	-	-	-	-	-	-	-	-
Gain on sale of capital assets	-	1,508,752	-	81,795	551,138	-	-	8,883	-	-
Donations	-	429,125	-	-	-	-	-	-	-	-
Transfers	(785,934)	(131,776)	-	(158,300)	(86,859)	(596,264)	(687,531)	117,500	81,300	49,500
<b>Total governmental activities</b>	<b>6,637,874</b>	<b>9,423,962</b>	<b>7,287,110</b>	<b>6,508,723</b>	<b>6,615,041</b>	<b>5,285,593</b>	<b>4,996,025</b>	<b>6,088,767</b>	<b>8,946,038</b>	<b>4,867,889</b>
<b>Business-type activities:</b>										
Operating grants and contributions	22,616	-	-	-	-	-	-	-	925	1,957
Investment earnings	3,908	28,519	88,151	2,747	1,233	628	7,394	163	130	99
Miscellaneous	9,191	37,044	30,748	16,685	9,929	9,110	26,684	52,405	9,664	13,626
Transfers	785,934	131,776	-	158,300	86,859	596,264	687,531	(117,500)	(81,300)	(49,500)
<b>Total business-type activities</b>	<b>821,649</b>	<b>197,339</b>	<b>118,899</b>	<b>177,732</b>	<b>98,021</b>	<b>606,002</b>	<b>721,609</b>	<b>(64,932)</b>	<b>(70,581)</b>	<b>(33,818)</b>
<b>Total primary government</b>	<b>\$ 7,459,523</b>	<b>\$ 9,621,301</b>	<b>\$ 7,406,009</b>	<b>\$ 6,686,455</b>	<b>\$ 6,713,062</b>	<b>\$ 5,891,595</b>	<b>\$ 5,717,634</b>	<b>\$ 6,023,835</b>	<b>\$ 8,875,457</b>	<b>\$ 4,834,071</b>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ (2,313,486)	\$ 3,637,419	\$ 1,073,857	\$ 295,199	\$ 1,396,684	\$ 22,828	\$ (1,083,296)	\$ (238,320)	\$ 3,848,635	\$ (591,638)
Business-type activities	872,009	90,977	403,092	325,998	471,323	851,089	942,730	316,871	(444,060)	(356,776)
<b>Total primary government</b>	<b>\$ (1,441,477)</b>	<b>\$ 3,728,396</b>	<b>\$ 1,476,949</b>	<b>\$ 621,197</b>	<b>\$ 1,868,007</b>	<b>\$ 873,917</b>	<b>\$ (140,566)</b>	<b>\$ 78,551</b>	<b>\$ 3,404,575</b>	<b>\$ (948,414)</b>

**TOWN OF BELLEAIR, FLORIDA  
PROGRAM REVENUES BY FUNCTIONS/PROGRAM  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
	\$ 2,253,232	\$ 1,274,041	\$ 1,255,116	\$ 1,344,599	\$ 1,214,939	\$ 1,032,888	\$ 989,962	\$ 876,498	\$ 693,805	\$ 864,629
	-	135,848	198,184	60,100	7,105	15,468	161,572	79,047	8,093	13,659
	-	-	-	-	-	509,796	578,858	-	-	-
	-	238,077	396,951	362,366	463,099	-	-	1,120,258	1,651,923	316,202
	2,253,232	1,647,966	1,850,251	1,767,065	1,685,143	1,558,152	1,730,392	2,075,803	2,353,821	1,194,490
	1,843,566	1,770,636	1,755,946	1,683,742	1,730,516	1,473,926	1,430,682	1,417,237	889,344	905,418
	1,418,286	1,254,351	1,153,884	1,132,032	1,167,614	1,105,844	1,089,009	1,059,708	1,056,848	946,043
	945,087	887,845	839,164	814,788	794,404	780,881	792,490	802,262	834,709	818,764
	4,206,939	3,912,832	3,748,994	3,630,562	3,692,534	3,360,651	3,312,181	3,279,207	2,780,901	2,670,225
	\$ 6,460,171	\$ 5,560,798	\$ 5,599,245	\$ 5,397,627	\$ 5,377,677	\$ 4,918,803	\$ 5,042,573	\$ 5,355,010	\$ 5,134,722	\$ 3,864,715

**FUNCTIONS/PROGRAMS**

Governmental Activities:

General government  
Public safety  
Transportation  
Culture and recreation

Subtotal governmental activities

Business-type activities:

Water  
Waste water management  
Solid waste management

Subtotal business-type activities

Total primary government

**TOWN OF BELLEAIR, FLORIDA**  
**FUND BALANCES OF**  
**GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Fund:</b>										
Nonspendable	\$ 7,302	\$ -	\$ 4,486	\$ 4,487	\$ 1,617	\$ 3,599	\$ -	\$ -	\$ -	\$ -
Assigned	119,822	92,605	91,590	88,029	88,029	95,531	109,505	102,220	101,510	93,173
Unassigned	2,415,763	2,472,069	2,061,593	1,868,171	2,039,028	1,137,936	1,372,003	1,273,946	1,631,544	1,931,887
<b>Total general fund</b>	<b>\$ 2,542,887</b>	<b>\$ 2,564,674</b>	<b>\$ 2,157,669</b>	<b>\$ 1,960,687</b>	<b>\$ 2,128,674</b>	<b>\$ 1,237,066</b>	<b>\$ 1,481,508</b>	<b>\$ 1,378,166</b>	<b>\$ 1,733,054</b>	<b>\$ 2,025,060</b>
<b>All Other Governmental Funds:</b>										
Nonspendable	\$ 28,726	\$ -	\$ -	\$ 1,182,390	\$ 405,000	\$ 390,000	\$ -	\$ -	\$ -	\$ -
Restricted, reported in:										
Capital projects fund	9,046,674	10,508,835	6,366,782	5,420,805	4,178,843	1,864,603	4,051,391	6,653,456	5,981,668	6,356,164
Special revenue funds	858,244	687,708	528,874	568,392	848,198	1,942,902	1,925,143	1,663,049	1,473,789	785,296
<b>Total all other governmental funds</b>	<b>\$ 9,933,644</b>	<b>\$ 11,196,543</b>	<b>\$ 6,895,656</b>	<b>\$ 7,171,587</b>	<b>\$ 5,432,041</b>	<b>\$ 4,197,505</b>	<b>\$ 5,976,534</b>	<b>\$ 8,316,505</b>	<b>\$ 7,455,457</b>	<b>\$ 7,141,460</b>

**TOWN OF BELLEAIR, FLORIDA**  
**CHANGES IN FUND BALANCES OF**  
**GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

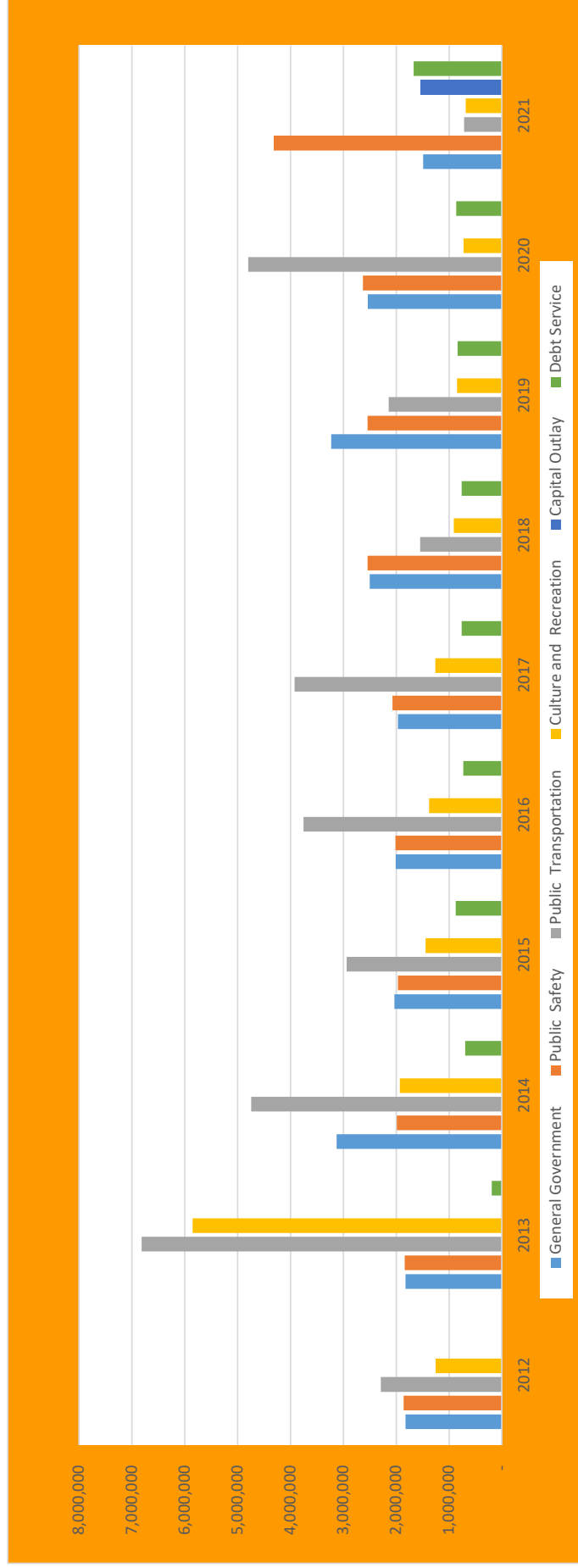
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>REVENUES</b>										
Taxes	\$ 5,558,996	\$ 5,112,067	\$ 4,706,991	\$ 4,079,505	\$ 3,848,662	\$ 3,634,385	\$ 3,475,114	\$ 3,403,996	\$ 3,341,656	\$ 3,427,519
Utility taxes	860,411	857,780	822,809	772,139	773,455	774,675	762,198	781,857	547,536	-
Franchise fees	428,888	424,836	418,425	381,011	367,097	362,980	388,063	395,205	359,533	372,119
Licenses, fees and permits	546,051	568,782	542,801	528,529	548,624	412,204	352,039	387,263	208,161	232,258
Intergovernmental	634,689	1,545,550	1,419,177	1,827,261	1,631,310	1,682,506	954,392	979,203	915,803	899,012
Charges for services	1,703,842	1,075,516	1,302,078	1,231,794	1,133,033	1,141,953	1,375,347	1,686,268	2,142,641	955,660
Fines and forfeits	3,339	3,668	5,371	6,742	3,485	3,995	3,006	2,272	3,019	6,573
Contributions and donations	120,730	429,125	63,357	188,193	68,198	82,487	18,985	319,435	3,630,924	28,179
Investment earnings	19,856	114,969	196,825	75,121	5,165	3,853	19,784	13,562	9,713	14,704
Miscellaneous	40,661	36,961	25,878	50,740	37,895	52,710	119,517	135,791	84,320	66,814
<b>Total revenues</b>	<b>9,917,463</b>	<b>10,169,254</b>	<b>9,503,712</b>	<b>9,141,035</b>	<b>8,416,924</b>	<b>8,151,748</b>	<b>7,468,445</b>	<b>8,104,852</b>	<b>11,243,306</b>	<b>6,002,838</b>
<b>EXPENDITURES</b>										
General government	1,491,843	2,539,165	3,230,576	2,503,628	1,969,983	2,009,528	2,036,543	3,125,430	1,822,605	1,822,411
Public safety	4,315,857	2,632,314	2,544,733	2,541,087	2,071,733	2,014,029	1,965,930	1,989,357	1,839,766	1,860,604
Transportation	716,757	4,802,826	2,144,679	1,547,216	3,921,145	3,752,295	2,935,891	4,742,506	6,819,411	2,292,156
Culture and recreation	686,097	725,800	847,380	912,595	1,257,937	1,378,191	1,446,373	1,934,255	5,851,451	1,256,015
Capital outlay	1,535,638	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	1,380,977	550,633	532,233	461,954	447,785	403,362	365,000	340,000	-	-
Interest	290,682	314,950	308,892	299,822	313,991	325,571	509,912	354,863	190,528	-
<b>Total expenditures</b>	<b>10,417,851</b>	<b>11,565,688</b>	<b>9,608,493</b>	<b>8,266,302</b>	<b>9,982,574</b>	<b>9,882,976</b>	<b>9,259,649</b>	<b>12,486,411</b>	<b>16,523,761</b>	<b>7,231,186</b>
Excess of revenues over (under) expenditures	(500,388)	(1,396,434)	(104,781)	874,733	(1,565,650)	(1,731,228)	(1,791,204)	(4,381,559)	(5,280,455)	(1,228,348)
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from debt issuance	-	4,705,835	-	762,390	-	300,000	-	4,750,341	5,214,659	35,000
Proceeds from insurance	1,636	2,1515	6,328	10,940	2,076	-	1,000	1,263	3,780	39,401
Sale of equipment	-	1,508,752	19,504	81,796	3,776,637	3,961	241,106	18,615	2,707	5,283
Transfers in	191,800	303,989	261,450	301,844	5,417,015	656,400	717,150	653,900	1,150,775	2,188,700
Transfers out	(977,734)	(435,765)	(261,450)	(460,144)	(5,503,874)	(1,252,664)	(1,404,681)	(536,400)	(1,069,475)	(2,139,200)
<b>Total other financing sources (uses)</b>	<b>(784,298)</b>	<b>6,104,326</b>	<b>25,832</b>	<b>696,826</b>	<b>3,691,854</b>	<b>(292,303)</b>	<b>(445,425)</b>	<b>4,887,719</b>	<b>5,302,446</b>	<b>129,184</b>
<b>Net change in fund balances</b>	<b>\$ (1,284,686)</b>	<b>\$ 4,707,892</b>	<b>\$ (78,949)</b>	<b>\$ 1,571,559</b>	<b>\$ 2,126,204</b>	<b>\$ (2,023,531)</b>	<b>\$ (2,236,629)</b>	<b>\$ 506,160</b>	<b>\$ 21,991</b>	<b>\$ (1,099,164)</b>
Debt service as a percentage of noncapital expenditures	18.82%	12.53%	11.86%	9.36%	11.11%	12.19%	11.81%	8.66%	1.20%	0.00%

**TOWN OF BELLEAIR, FLORIDA  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION<sup>(1)</sup>  
LAST TEN FISCAL YEARS**

Fiscal Year	General Government	Public Safety	Transportation	Culture and Recreation	Capital Outlay	Debt Service	Total
2012	\$ 1,822,411	\$ 1,860,604	\$ 2,292,156	\$ 1,256,015	\$ -	\$ -	\$ 7,231,186
2013	1,822,605	1,839,766	6,819,411	5,851,451	-	190,528	16,523,761
2014	3,125,430	1,989,357	4,742,506	1,934,255	-	694,863	12,486,411
2015	2,036,543	1,965,930	2,935,891	1,446,373	-	874,912	9,259,649
2016	2,009,528	2,014,029	3,752,295	1,378,191	-	728,933	9,882,976
2017	1,969,983	2,071,733	3,921,145	1,257,937	-	761,776	9,982,574
2018	2,503,628	2,541,087	1,547,216	912,595	-	761,776	8,266,302
2019	3,230,576	2,544,733	2,144,679	847,380	-	841,125	9,608,493
2020	2,539,165	2,632,314	4,802,826	725,800	-	865,583	11,565,688
2021	1,491,843	4,315,857	716,757	686,097	1,535,638	1,671,659	10,417,851

<sup>(1)</sup> Includes general, special revenue and capital projects funds.

**TOWN OF BELLEAIR, FLORIDA  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION  
LAST TEN FISCAL YEARS**





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

Fiscal Year	Licenses and Permits		Charge for Services		Fines		Interest	Contributions and Donations		Miscellaneous <sup>(2)</sup>		Total
	Taxes		Intergovernmental					Donations		Miscellaneous		
2012	\$ 3,799,638	\$ 232,258	\$ 899,012	\$ 955,660	\$ 6,573	\$ 14,704	\$ 28,179	\$ 66,814	\$ 6,002,838			
2013	4,248,725	208,161	915,803	2,142,641	3,019	9,713	3,630,924	84,320	11,243,306			
2014	4,581,058	387,263	979,203	1,686,268	2,272	13,562	319,435	135,791	8,104,852			
2015	4,625,375	352,039	954,392	1,375,347	3,006	19,784	18,985	119,517	7,468,445			
2016	4,772,040	412,204	1,682,506	1,141,953	3,995	3,853	82,487	52,710	8,151,748			
2017	4,989,214	548,624	1,631,310	1,133,033	3,485	5,165	68,198	37,895	8,416,924			
2018	5,232,655	528,529	1,827,261	1,231,794	6,742	75,121	188,193	50,740	9,141,035			
2019	5,948,225	542,801	1,419,177	1,302,078	5,371	196,825	63,357	25,878	9,503,712			
2020	6,394,683	568,782	1,545,550	1,075,516	3,668	114,969	429,125	36,961	10,169,254			
2021	7,370,367	546,051	1,12,617	1,703,842	3,339	19,856	120,730	42,297	9,919,099			

**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS**

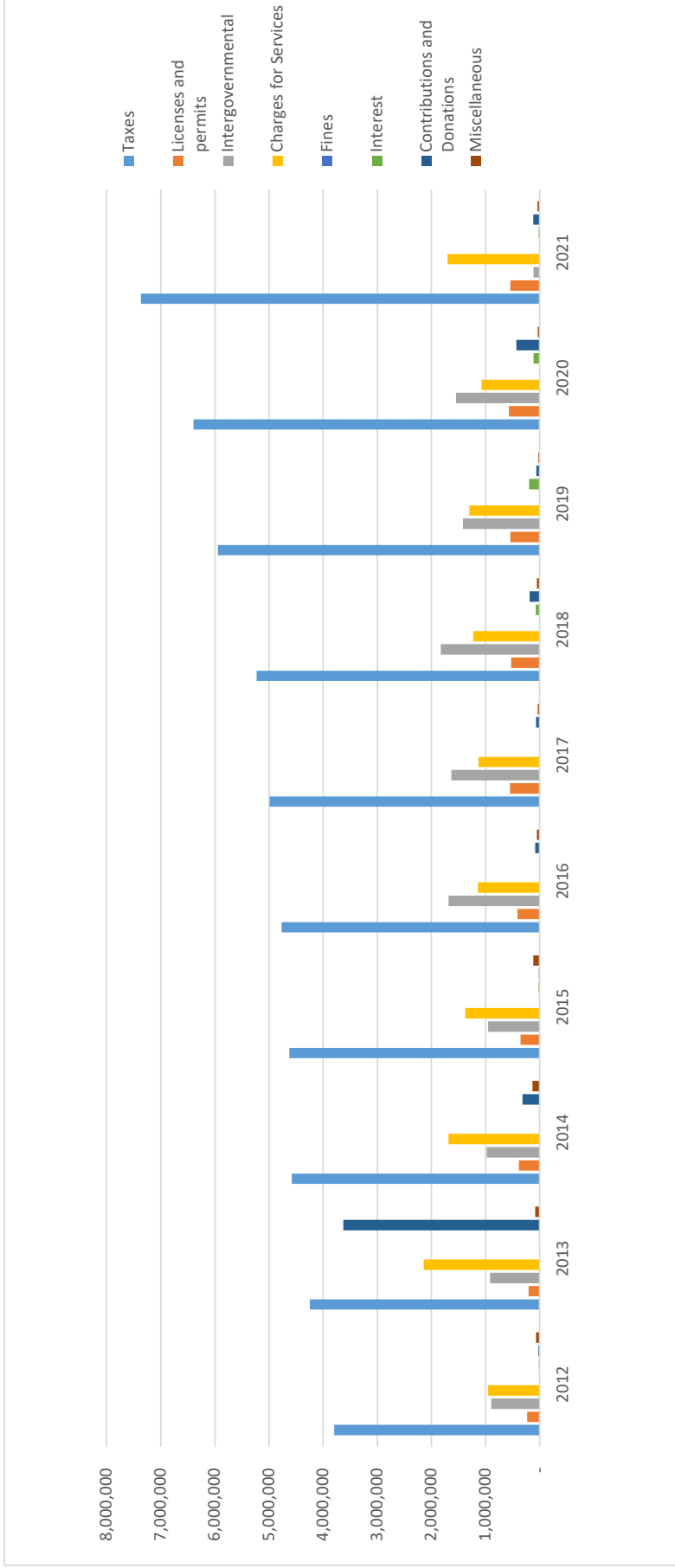
Fiscal Year	Property Tax		Franchise Taxes		Total
	Property Tax	Utility Tax	Franchise Taxes		
2012	\$ 3,427,519	\$ -	\$ 372,119	\$ 3,799,638	
2013	3,341,656	547,536	359,533	4,248,725	
2014	3,403,996	781,857	395,205	4,581,058	
2015	3,475,114	762,198	388,063	4,625,375	
2016	3,634,385	774,675	362,980	4,772,040	
2017	3,848,662	773,455	367,097	4,989,214	
2018	4,079,505	772,139	381,011	5,232,655	
2019	4,706,991	822,809	418,425	5,948,225	
2020	5,112,067	857,780	424,836	6,394,683	
2021	5,558,996	1,382,483	428,888	7,370,367	

<sup>(1)</sup> Includes general, special revenue and capital projects funds.

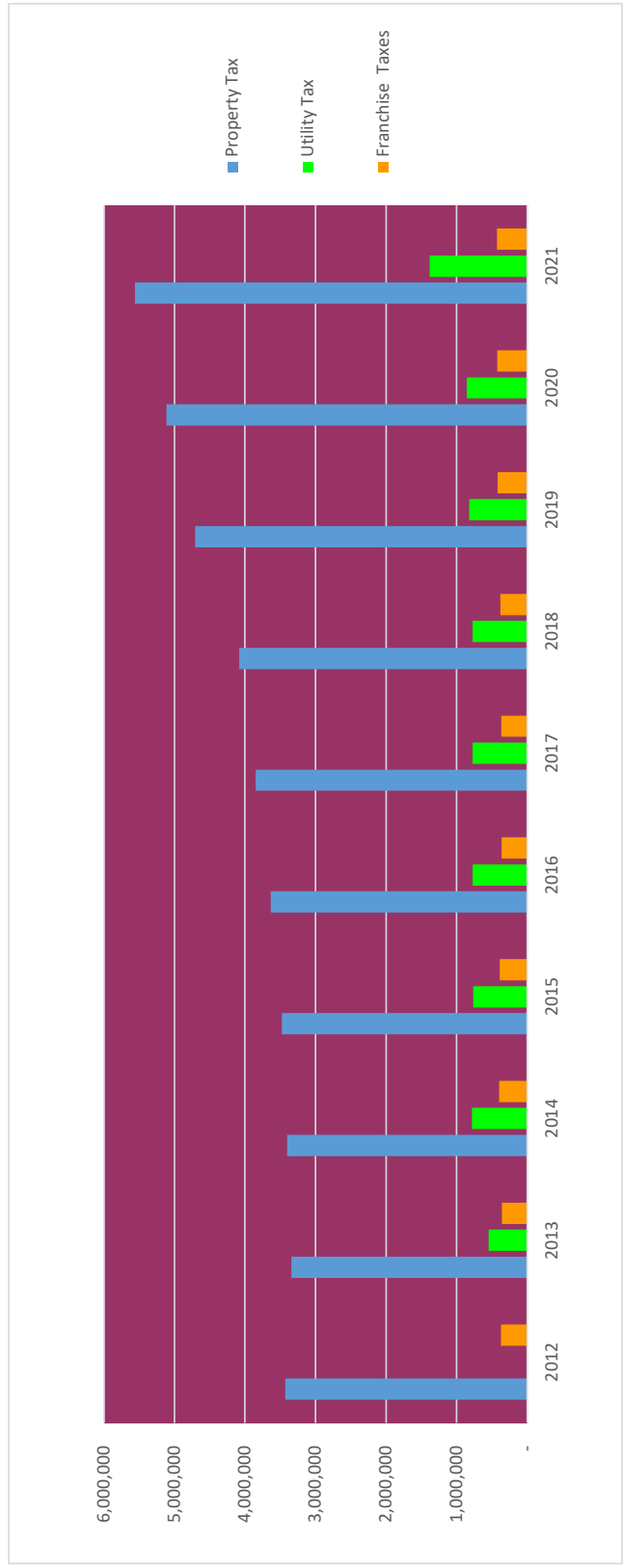
<sup>(2)</sup> Public contributions to community center construction campaign.

<sup>(3)</sup> Town rescinded the utility tax ordinance effective October 2006. The ordinance was reinstated effective October 2013.

**TOWN OF BELLEAIR, FLORIDA  
GENERAL GOVERNMENTAL REVENUES BY SOURCE  
LAST TEN FISCAL YEARS**



**TOWN OF BELLEAIR, FLORIDA  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS**



**TOWN OF BELLEAIR, FLORIDA  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS**

Fiscal Year	Assessed Valuations					Total Taxable	Total Exempt	Total All	Assessed Values to Estimated Market	Percentage		Total Direct Tax Rate
	Real Property		Commercial*	Personal Property	Total					Yearly Increases Taxable	Total	
	Residential											
2011	\$ 716,297,284	\$ 42,395,511	\$ 6,544,496	\$ 98,321,464	\$ 621,660,713	\$ 98,321,464	\$ 765,237,291	100	2.6	(33.00)	5.1465	
2012	646,755,411	38,131,356	6,371,040	93,950,580	595,307,227	93,950,580	691,257,807	100	(4.2)	(3.99)	5.9432	
2013	631,565,876	37,570,826	6,271,935	94,695,956	580,712,681	94,695,956	675,408,637	100	(2.5)	(2.29)	5.9432	
2014	638,202,678	35,915,734	6,155,922	96,933,722	583,340,612	96,933,722	680,274,334	100	0.5	0.72	6.0257	
2015	665,671,571	37,040,034	6,493,542	100,751,826	608,453,321	100,751,826	709,205,147	100	4.3	4.25	5.9257	
2016	693,397,101	37,338,994	6,209,050	102,003,831	634,941,314	102,003,831	736,945,145	100	4.4	3.91	5.9257	
2017	726,160,817	37,716,905	6,647,392	99,996,734	670,528,380	99,996,734	770,525,114	100	5.6	4.56	5.9257	
2018	773,387,886	34,876,143	6,991,442	102,693,480	712,561,991	102,693,480	815,255,471	100	6.3	5.81	5.9257	
2019	807,310,245	36,441,504	6,496,517	102,159,326	748,088,940	102,159,326	850,248,266	100	5.0	4.29	6.5000	
2020	873,385,330	41,746,131	8,127,504	106,766,100	816,492,865	106,766,100	923,258,965	100	9.1	8.59	6.5000	
2021	936,742,520	44,696,894	8,634,140	111,052,413	879,021,141	111,052,413	990,073,554	100	7.7	7.24	6.5000	

Source: Pinellas County Property Appraiser.

\*Also includes Industrial, Institutional, Government and Miscellaneous Uses

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total valuations	\$ 733,408,184	\$ 703,970,361	\$ 727,998,327	\$ 840,716,261	\$ 910,085,866	\$ 980,956,983	\$ 1,049,653,182	\$ 1,084,699,859	\$ 1,186,251,969	\$ 1,255,684,762
Real estate exemptions:										
Government exemption	9,948,748	9,917,835	10,151,058	10,959,550	12,930,053	12,917,336	13,089,895	11,378,429	12,330,347	14,631,136
Institutional exemption	7,860,638	7,636,217	8,101,802	8,089,887	8,155,004	8,190,515	8,425,801	9,004,696	9,215,850	9,433,817
Assessment differential (F.S. 193.155) <sup>(1)</sup>	42,150,377	28,561,724	47,723,993	131,511,114	173,140,721	210,431,869	234,397,711	234,721,593	262,993,004	265,611,208
Individual or homestead exemptions	78,141,194	77,141,904	78,680,862	81,702,389	80,918,774	81,585,629	80,643,630	81,776,201	85,219,903	86,987,460
Total exemptions and adjustments	138,100,957	123,257,680	144,657,715	232,262,940	275,144,552	313,125,349	336,557,037	336,880,919	369,759,104	376,663,621
Total taxable valuation	\$ 595,307,227	\$ 580,712,681	\$ 583,340,612	\$ 608,453,321	\$ 634,941,314	\$ 667,831,634	\$ 713,096,145	\$ 748,088,940	\$ 816,492,865	\$ 879,021,141
Millage levied	5.9432	5.9432	6.0257	5.9257	5.9257	5.9257	5.9257	6.5000	6.5000	6.5000
Total taxes levied	3,538,030	3,451,292	3,515,036	3,605,512	3,762,472	3,957,370	4,225,594	4,862,578	5,307,204	5,713,637
Less: Adjustments and discounts	110,511	109,636	111,040	130,398	128,088	108,708	146,089	155,587	195,138	205,967
Net taxes levied	\$ 3,427,519	\$ 3,341,656	\$ 3,403,996	\$ 3,475,114	\$ 3,634,384	\$ 3,848,662	\$ 4,079,505	\$ 4,706,991	\$ 5,112,066	\$ 5,507,670
Net collected <sup>(1)(2)</sup>	\$ 3,427,519	\$ 3,341,656	\$ 3,403,996	\$ 3,475,114	\$ 3,634,384	\$ 3,848,662	\$ 4,079,505	\$ 4,706,991	\$ 5,112,066	\$ 5,507,670

Source: Pinellas County Property Appraiser

<sup>(1)</sup> Florida Statutes provide for a discount of up to four percent for early payment of ad valorem taxes. All unpaid taxes become delinquent on April 1, and are sold at auction on June 1 of each year as tax certificates.

<sup>(2)</sup> The Town, after all tax certificates are sold, has fully collected all ad valorem revenues

<sup>(3)</sup> Florida Statutes provide for a three percent maximum increase in annual taxable property values.

**TOWN OF BELLEAIR, FLORIDA  
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS (PER \$1,000)  
LAST TEN FISCAL YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Town of Belleair:										
Operating	5.9432	5.9432	6.0257	5.9257	5.9257	5.9257	6.5000	6.5000	6.5000	6.5000
Total Town millage	5.9432	5.9432	6.0257	5.9257	5.9257	5.9257	6.5000	6.5000	6.5000	6.5000
Pinellas County School Board:										
Operating	8.3850	8.3020	8.0600	7.8410	7.7700	7.3180	7.0090	6.7270	6.5840	6.4270
Pinellas County										
Operating	4.8730	5.0727	5.2755	5.2755	5.2755	5.2755	5.2755	5.2755	5.2755	5.2755
Debt service	-	-	-	-	-	-	-	-	-	-
Total County millage	4.8730	5.0727	5.2755	5.2755	5.2755	5.2755	5.2755	5.2755	5.2755	5.2755
County-wide millage set by other taxing authorities:										
-Pinellas Suncoast Transit Authority	0.7305	0.7305	0.7305	0.7305	0.7305	0.7500	0.7500	0.7500	0.7500	0.7500
-Pinellas County Planning Council	0.0125	0.0125	0.0160	0.0160	0.0160	0.0150	0.0150	0.0150	0.0150	0.0150
-Juvenile Welfare Board	0.8337	0.8981	0.8981	0.8981	0.8981	0.8981	0.8981	0.8981	0.8981	0.8981
-South West Florida Water Management District	0.3928	0.3928	0.3818	0.3658	0.3488	0.3317	0.3131	0.2955	0.2801	0.2669
-Health	-	-	0.0622	0.0622	0.0622	0.0622	0.0835	0.0835	0.0835	0.0835
-EMS	0.8506	0.9158	0.9158	0.9158	0.9158	0.9158	0.9158	0.9158	0.9158	0.9158
Total County-wide millage	2.8201	2.9497	3.0044	2.9884	2.9714	2.9728	2.9755	2.9579	2.9425	2.9293
<b>TOTAL</b>	<b>22.0213</b>	<b>22.2676</b>	<b>22.3656</b>	<b>22.0306</b>	<b>21.9426</b>	<b>21.4920</b>	<b>21.7600</b>	<b>21.4604</b>	<b>21.3020</b>	<b>21.1318</b>

Source: Pinellas County Tax Collector

**TOWN OF BELLEAIR, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

	2021			2012			
	Principal Property Taxpayers	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Principal Property Taxpayers	Rank	Taxable Assessed Value
Chateau Galinski LLC	1	\$ 12,410,567	1.41 %	Bellevue Biltmore Owner	1	\$ 7,285,019	1.22 %
Bellevue Biltmore Country Club Corp	2	8,619,756	0.98	Bellevue Country Club	2	6,760,741	1.14
Muma, Leslie M	3	6,929,939	0.79	Muma, Leslie M	3	6,034,960	1.01
Sjouwerman, Stu	4	6,368,195	0.72	St. Louis, James	4	5,699,318	0.96
Pelican Golf LLC	5	5,816,550	0.66	Bolla, Terry Gene	5	5,316,957	0.89
Thomas, John	6	5,348,919	0.61	Rinker, Mary E	6	4,074,473	0.68
Hakim, Jean F	7	5,149,445	0.59	Heye, Hans F	7	4,051,449	0.68
Emanuel, James M	8	5,092,049	0.58	Doganiero, Philip	8	3,296,136	0.55
Hawkins, Kevin E	9	4,475,193	0.51	Thomas, Fred A	9	2,783,441	0.47
Bellevue Place - Inn LLC	10	4,150,000	0.47	Rawson, Kent	10	2,593,087	0.44
<b>TOTAL</b>		<b>\$ 64,360,613</b>	<b>7.32 %</b>	<b>TOTAL</b>		<b>\$ 47,895,581</b>	<b>8.05 %</b>

Source: Pinellas County Property Appraiser.

**TOWN OF BELLEAIR, FLORIDA  
PROPERTY LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Total Assessed Valuation	Taxable Assessed Valuation	Levy	Collections within the Fiscal Year of Levy		Collections in Subsequent Years	Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 733,408,184	\$ 595,307,227	\$ 3,538,029	\$ 3,427,529	97%	-	\$ 3,427,519	97%
2013	703,970,361	580,712,681	3,451,292	3,341,656	97%	-	3,341,656	97%
2014	727,998,327	583,340,612	3,515,036	3,403,996	97%	-	3,403,996	97%
2015	840,716,261	608,453,321	3,605,512	3,463,754	96%	-	3,463,754	96%
2016	910,085,866	634,941,314	3,762,472	3,634,384	97%	2	3,634,386	97%
2017	980,956,983	670,528,380	3,973,350	3,848,662	97%	-	3,848,662	97%
2018	1,049,653,182	712,561,991	4,222,429	4,079,505	97%	-	4,079,505	97%
2019	1,084,969,859	748,088,940	4,862,578	4,706,991	97%	-	4,706,991	96%
2020	923,258,965	816,492,865	5,307,204	5,112,066	96%	-	5,112,066	96%
2021	990,073,554	879,021,141	5,713,637	5,507,670	96%	-	5,507,670	96%

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

Source: Pinellas County Property Appraiser.



**TOWN OF BELLEAIR, FLORIDA  
 PERCENTAGE OF ANNUAL GENERAL DEBT SERVICE TO  
 GENERAL GOVERNMENTAL EXPENDITURES -  
 GENERAL OBLIGATION BONDED DEBT AND MORTGAGE NOTE  
 LAST TEN FISCAL YEARS**

Fiscal Year	Debt Service					Total General Governmental Expenditures <sup>(1)</sup>	Percentage of Debt Service to General Governmental Expenditures
	General Obligation Bonded Debt		Paying Agent Fees	Mortgage Note	Total Debt		
	Principal	Interest					
2012	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000	\$ 7,231,186	0.5 %
2013	-	-	-	190,528	190,528	16,523,761	1.2 %
2014	-	-	-	694,863	694,863	12,486,411	5.6 %
2015	-	-	-	707,138	707,138	9,259,649	7.6 %
2016	-	-	-	728,933	728,933	9,882,976	7.4 %
2017	-	-	-	761,776	761,776	9,982,574	7.6 %
2018	-	-	-	63,843	63,843	8,266,302	0.8 %
2019	-	-	-	698,151	698,151	9,608,493	7.3 %
2020	-	-	-	710,674	710,674	11,565,688	6.1 %
2021	-	-	-	1,380,977	1,380,977	10,417,851	13.3 %

<sup>(1)</sup> Includes general and special revenue funds, and capital projects funds.

**TOWN OF BELLEAIR, FLORIDA  
PERCENTAGE OF DEBT TO  
TAXABLE ASSESSED VALUATION AND DEBT  
PER CAPITA  
LAST TEN FISCAL YEARS**

Fiscal Year	Population <sup>(1)</sup>	Taxable Assessed Valuation	Gross General Obligation Bonded Debt	Capital Project Revenue Note	Facilities Financing Note	Equipment Financing Note	Total	Percent of	
								Actual Taxable Value of Real Property	Per Capita
2012	3,877	\$ 595,307,227	\$ -	\$ 35,000	\$ -	\$ -	35,000	0.01%	\$ 9.03
2013	3,795	580,712,681	-	5,214,659	-	-	5,214,659	0.90%	1,374.09
2014	3,887	583,340,612	-	9,660,000	-	-	9,660,000	1.66%	2,485.21
2015	4,022	608,453,321	-	9,295,000	-	-	9,295,000	1.53%	2,381.50
2016	4,022	634,941,314	-	8,920,000	-	271,638	9,191,638	1.45%	2,285.34
2017	4,088	670,528,380	-	8,530,000	-	213,853	8,743,853	1.30%	2,138.91
2018	4,217	712,561,991	-	8,125,000	762,390	156,899	9,044,289	1.27%	2,144.72
2019	4,097	748,088,940	-	7,705,000	712,456	94,600	8,512,056	1.14%	2,077.63
2020	4,095	816,492,865	-	12,000,000	659,413	32,010	12,691,423	1.55%	3,099.25
2021	4,273	879,021,141	-	10,708,000	602,446	-	11,310,446	1.29%	2,646.96

<sup>(1)</sup> U.S. Census Bureau estimate and the University of Florida.

**TOWN OF BELLEAIR, FLORIDA  
DIRECT AND OVERLAPPING DEBT  
GENERAL OBLIGATION BONDS  
AND REVENUE BONDS  
SEPTEMBER 30, 2021**

	Debt Outstanding	Percentage Applicable to Town of Belleair	Amount Applicable to Town of Belleair
Direct debt:			
Town of Belleair			
Bonds/Notes	\$ 10,708,000	100%	\$ 10,708,000
Capital Leases	602,446	100%	602,446
Subtotal Town of Belleair direct debt	<u>11,310,446</u>	<u>100%</u>	<u>11,310,446</u>
Overlapping debt:			
Pinellas County School Board (1)			
Certificates of Participation	133,888,657	0.88%	1,183,443
Bonds/Notes	6,000	0.88%	5,337
Capital Leases	2,974,406	0.88%	41,039
Pinellas County (2)			
Bonds/Notes	12,005,521	0.96%	175,609
Capital Leases	433,171	0.96%	2,811
Subtotal overlapping debt	<u>149,307,755</u>		<u>1,408,239</u>
Total direct and overlapping debt	<u>\$ 160,618,201</u>		<u>\$ 12,718,684.64</u>

RATIO:

Overall debt to 2021 taxable value	<u>1.56%</u>
Overall debt per capita	<u>\$ 3,106</u>

(1) The Town's share is calculated based on the ratio of the FY 2021 School Board Taxable Value of \$99,447,950,796 to the Town's Taxable Value of \$879,021,141

(2) The Town's share is calculated based on the ratio of the FY 2021 County Taxable Value of \$91,725,856,109 to the Town's Taxable Value of \$879,021,141

**TOWN OF BELLEAIR, FLORIDA  
PLEGDED REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

Year	Public Service (Electric) Tax <sup>(2)</sup>	Infrastructure Sales Surtax	Stormwater Fee <sup>(3)</sup>	Net Available Revenue	Debt Service		Coverage
					Principal	Interest	
2012	-	312,431	-	312,431 <sup>(1)</sup>	-	-	-
2013	224,919	330,116	322,617	877,652	-	190,528	460.6
2014	442,298	352,312	339,559	1,134,168	340,000	354,863	163.2
2015	423,379	379,217	309,400	1,111,996	365,000	342,138	157.3
2016	437,310	398,838	337,365	1,173,513	375,000	322,012	168.4
2017	436,610	409,965	336,845	1,183,420	390,000	307,933	169.6
2018	438,873	434,396	333,266	1,206,535	405,000	293,313	172.8
2019	488,860	457,013	333,948	1,279,822	420,000	278,151	183.3
2020	527,147	474,084	330,633	1,331,864	435,000	275,674	187.4
2021	528,872	497,608	331,539	1,358,019	1,380,977	290,682	81.2

(1) First year of debt

(2) Debt issue in last month of Reporting Period, MPST enacted in 2012-2013

(3) Debt issue last month of Reporting Period, Stormwater fee enacted in 2012-2013

**TOWN OF BELLEAIR, FLORIDA  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS**

Year	Population <sup>(1)</sup>	Number of Housing Units <sup>(2)</sup>	Per Household Income <sup>(3)(4)</sup>	Median Age <sup>(1)</sup>	Unemployment Rate <sup>(1)</sup>
2012	3,888		57,097	54.9	8.6
2013	3,795	*1,783	50,011	56.7	8.5
2014	3,887	2,323	53,133	53.6	7.1
2015	3,958	2,238	57,307	44.7	5.8
2016	4,022	2,163	59,164	53.0	3.7
2017	4,088	2,230	66,244	53.1	3.8
2018	4,217	2,437	64,467	55.0	3.3
2019	4,097	2,290	93,979	55.2	3.2
2020	4,095	2,306	77,540	49.4	5.7
2021	4,273	2,436	92,780	60.1	6.3

(1) U.S. Bureau of Census estimate and the University of Florida.

(2) New Statistic As of 2013, Estimate provided by factfinder.census.gov, 2013 did not include condos

(3) Data is for Pinellas County. Published by the Office of Economic & Demographic Research.

(4) Beginning in 2021 data is specific to Belleair per US Census Bureau.

NOTE: Data is for an unspecified point each year, not specifically September 30.

**TOWN OF BELLEAIR, FLORIDA  
PRINCIPAL EMPLOYERS, PINELLAS COUNTY  
CURRENT YEAR AND NINE YEARS AGO**

Employer	2021		2012	
	Employees Full-Time	Rank	Employees Full-Time	Rank
Pinellas County School District	13,000	1	15,895	1
Pinellas County Board of County Commissioners	6,200	2		
Publix	6,000	3		
Bay Pines VA Medical Center	4,500	4	4,405	6
Raymond James Financial	3,800	5	2,600	2
City of St. Petersburg	3,500	6	3,157	3
Johns Hopkins All Children's Hospital	3,000	7		
Walmart	3,000	8		
Morton Plant Hospital	2,900	9	2,550	8
St. Petersburg College	2,500	10	2,705	5
All Children's Hospital			2,900	4
Pinellas County Sheriff			2,580	7
Mease Hospital			2,100	9
Bayfront Medical Center			2,025	10
Total Employment	<u>498,233</u>		<u>433,288</u>	

Data is based on Pinellas County since numbers for Town of Belleair are not available.

Source: Pinellas County Economic Development Department.

**TOWN OF BELLEAIR, FLORIDA  
FULL-TIME EQUIVALENT  
TOWN EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

Full-Time Equivalent Employees as of September 30,

FUNCTION	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government	12.00	14.00	15.00	15.00	14.00	11.00	14.00	16.00	14.00	12.00
Public Safety:										
Police:										
- Police Officers	15.00	13.00	13.00	13.00	15.00	12.00	13.00	13.00	14.00	13.00
- General employees	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Physical Environment	6.00	4.00	5.00	5.00	5.00	6.00	4.00	6.00	6.50	6.50
Transportation	3.00	3.50	3.00	3.00	3.00	3.00	5.00	5.00	4.00	3.00
Culture and Recreation	7.00	8.00	6.00	6.00	6.00	4.00	4.00	4.00	5.00	4.50
Water	9.00	7.00	9.50	9.50	8.00	8.50	10.00	12.00	10.00	10.00
Solid Waste Management	5.50	5.50	5.00	5.00	5.00	7.50	5.50	5.50	6.50	6.00
<b>Total</b>	<b>59.50</b>	<b>57.00</b>	<b>58.50</b>	<b>58.50</b>	<b>58.00</b>	<b>54.00</b>	<b>57.50</b>	<b>62.50</b>	<b>61.00</b>	<b>56.00</b>

Source: Town Finance Department

**TOWN OF BELLEAIR, FLORIDA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,

FUNCTION	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Police:</b>										
Physical arrests	29	26	32	39	41	26	31	46	56	45
Parking violations	43	57	276	24	20	22	12	142	140	10
Traffic violations	58	363	67	230	116	76	110	157	7	397
										194
<b>Transportation:</b>										
Resurfacing (miles)	0.5	1.52	11.5	0.77	0.77	0.7	0.5	0.5	4.5	0.5
Pothole repaired	60	75	105	50	50	50	110	120	150	~100
<b>Culture and Recreation:</b>										
Athletic Permits Issued	333			800	800	800	800	822	832	600
Memberships Issued		396	583							
<b>Water:</b>										
New connections	7	10	5	11	6	3	6	5	0	2
Main breaks	3	6	3	3	4	9	0	0	10	12
Average consumption	818,000	765,333	810,551	700,515	818,622	767,968	699,957	517,567	681,789	693,150
<b>Solid Waste Management:</b>										
Refuse collected tons per/day	11.57	11.36	9.80	10.84	10.03	10.5	7.12	7.19	7.78	11.83
Recyclables collected	0.73	0.68	5.30	1.22	0.95	2.78	0.60	1.19	0.43	0.80

Source: Town Finance Department



**TOWN OF BELLEAIR, FLORIDA  
CAPITAL ASSETS STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,

FUNCTION	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Public Safety:</b>										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	17	10	9	9	7	9	5	5	5	6
<b>Transportation:</b>										
Streets (Miles)	22	22	22	22	22	22	22	22	22	22
Traffic signs	350	250	250	250	250	250	250	250	250	0.5
<b>Culture and Recreation:</b>										
Park acreage	24	24	24	24	24	24	33	33	33	33
Parks	22	19	19	19	17	17	19	19	19	19
Tennis Courts	3	3	3	3	3	3	3	3	3	3
Community Centers	1	1	1	1	1	1	1	1	1	1
Water Mains (Miles)	36	36	36	36	36	36	36	36	36	80
Fire hydrants	151	151	151	138	135	135	135	135	135	135
Maximum daily capacity (thousands of gallons)	2.2MGD	2.2MGD	2.2MGD	2.2MGD	2.2MGD	2.2 MGD	2.2 MGD	2.2 MGD	2.2 MGD	2.2 MGD
<b>Solid Waste Management:</b>										
Trucks	7	6	6	8	8	8	8	8	9	9

Source: Town Finance Department

**TOWN OF BELLEAIR, FLORIDA  
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
LAST TEN FISCAL YEARS**

Fiscal Year	New Commercial Construction		New Residential Construction		Additions, Improvements and Miscellaneous Construction	
	Number of Permits	Value	Number of Permits	Value	Permits <sup>(1)</sup>	Value
2012	-	\$ -	3	\$ 1,319,123	550	\$ 8,022,895
2013	-	-	1	392,000	555	8,372,952
2014	-	-	7	6,465,452	683	16,508,591
2015	-	-	7	6,649,064	721	9,943,615
2016	-	-	18	14,863,390	641	9,758,896
2017	2	9,682,000	6	18,143,720	733	19,812,585
2018	3	6,581,000	12	15,124,133	881	15,226,265
2019	1	878,545	9	42,430,000	736	24,419,476
2020	5	3,478,911	10	17,225,940	819	18,200,191
2021	-	-	7	8,129,996	803	15,603,021

(1) Includes institutional, seawalls, pools, and non-valued building permits.

(2) Includes balances in commercial, savings, savings and loan, and building and loan banking institutions

(3) Significant increase is caused by destruction and rebuilding of many residential homes during the fiscal year.

**TOWN OF BELLEAIR, FLORIDA  
MISCELLANEOUS STATISTICAL DATA  
SEPTEMBER 30, 2021**

Date of Incorporation	1925	Term of Office:
Date First Charter Adopted	1925	Mayor - 3 Years
Date Present Charter Adopted	1970	Commissioners - 3 Years
		Manager - Appointed by Commission
Form of Government: Commission-Manager		Average Annual Temperature - 73 degrees
Commission Composed of: Mayor and Four Commissioners		Average Annual Rainfall - 51 inches
		Area - 2.50 square miles

**MUNICIPAL UTILITIES, SERVICES AND EVENTS**

<b>Police Protection</b>		<b>Parks and Recreation</b>	
Number of Employees	19	Community Centers	1
Number of Vehicular Patrol L	16	Playgrounds	2
Number of Law Violations:		Athletic Fields	2
Physical Arrests	29	Parkland Acreage	24
Traffic Violations	58	Walking Trails	1
Parking Violations	43	Tennis Courts	3
		Basketball Courts	1
		Restroom Building	1
		Picnic Shelter	2
<b>Sanitation Service System:</b>		<b>Transportation</b>	
Number of accounts	1,405	Paved Street	22 miles
Annual tonnage	2,949	Stormwater Lines	18 miles
		Sidewalks	23 miles
<b>Water System:</b>		<b>Cultural Facilities Available in Belleair and the Tampa Bay Area:</b>	
Miles of Water Mains	36	David A. Straz, Jr. Center for Performing Arts	Tampa, Florida
Daily Average Consumption (MGD)	.818	Ruth Eckerd Hall	Clearwater, Florida
Number of Lift Stations	0	Heritage Village	Largo, Florida
Plant Capacity (MGD)	2.2 MGD	Pinellas Park Performing Arts Center	Pinellas Park, Florida
Number of Service Collections	1599	Central Park Performing Arts Center	Clearwater, Florida
Deep Wells Active	7		
Number of Fire Hydrants	151		
Number of customers	1,531		
Major Annual Community Events:	<u>People Attending</u>		
Belleair Sunset 5k & Fun Run	700		
Winter Events (Parade, Gift Delivery, Hotline)	700		

1) Police data is for 2021 calendar year (January 1, 2021 - December 31, 2021)

**TOWN OF BELLEAIR, FLORIDA  
SCHEDULE OF INSURANCE IN FORCE  
SEPTEMBER 30, 2021**

Term for all types of coverage listed below is from October 1, 2020 through September 30, 2021.

Type of Coverage	Policy Number	Company	Association Self-Insurance Retention (SIR)	Limited Liability (Includes SIR)	Original Premium
Stoploss Carriers:	PRM21-006	Public Risk Management of FL			Total for all primary and excess risk coverage-
Property			100,000	100,000	
General Liability/Auto Liability			100,000	2,000,000	
Excess Workers' Compensation and Employers' Liability			650,000	2,000,000	
Employee Benefits Liability			200,000	2,000,000	
Excess Workers' Compensation				Statutory 2,000,000	
Crime:					
Monies/Securities			25,000	500,000	
Forgery/Alteration			25,000	500,000	
Employee Dishonesty			25,000	500,000	
Public Officials' Errors and Omissions			100,000	2,000,000 Aggregate 6,000,000 per member	
Cyber Liability			1,000,000 5,000 deductible	5,000,000 per pool aggregate	
Boiler & Machinery	BME1-8751M435-TIL-19	Travelers Property Casualty Company		50,000,000/ 100,000 object sublimit 10,000 deductible	
Pollution Liability Certified Acts of Terrorism	PEC001275015	XL Group Insurance	25,000	1,000,000 per occurrence 21,000,000 Aggregate Liability	
					<u>\$ 321,772</u>
**Cyber Private Policy					5,458
**Travel Accident Mayor, Commissioners, Dept. Heads	ADDN01063091	ACE American Insurance Co.		250,000 max  10,000 medical 5,000,000 aggregate limit	827
**Accidental Death & Dismemberment Law Enforcement	ADDNO4823138	ACE American Insurance Co.		75,000 in the line of duty/ add'l 75,000 fresh pursuit 225,000 unlawful and intentional death **	<u>1,145</u>
					<u>\$ 329,202</u>

\*\* Paid to World Risk Management

## **V. COMPLIANCE SECTION**

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

Board of Commissioners  
Town of Belleair, 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, each major fund, the budgetary comparisons for the general fund and the aggregate remaining fund information of the Town of Belleair, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Belleair, Florida (the "Town") basic financial statements, and have issued our report thereon dated November 15, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the Town's internal control.

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the following paragraph.

We noted that debt service expenditures in the Infrastructure Fund exceeded the budgeted amount by \$707,668. This was a result of an adjusting entry to properly adjust the Town's debt balance for a bond payment made near year-end. The budget was not formally amended to reflect the additional expenditures. This was an administrative oversight, and we recommend that management submit budget amendments for approval in the future when unanticipated expenditures are incurred. In addition, it was also noted that actual expenditures in the Town's Water Fund and Wastewater Management Fund exceeded budgeted expenditures.

### Town of Belleair, Florida's Response to Findings

Although the expenditures were authorized and approved, the Town did not properly adjust the budget to reflect the overages. The Town will ensure that any necessary budget adjustments are made in the future.

The Town of Belleair, Florida's response to findings identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### Purpose of this Report

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



Tampa, Florida  
November 15, 2022

# Saltmarsh

Saltmarsh, Cleaveland & Gund

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

## MANAGEMENT LETTER

The Honorable Mayor  
and Town Commission  
Town of Belleair, Florida

### Report on the Financial Statements

We have audited the financial statements of the Town of Belleair, Florida as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated November 15, 2022.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in Accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated November 15, 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

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The Honorable Mayor  
and Town Commission  
Town of Belleair, Florida

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

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This disclosure has been included in the Town's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021.

### **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town 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 Town did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

### **Additional Matters**

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

### **Purpose of this Letter**

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



Tampa, Florida  
November 15, 2022

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

The Honorable Mayor  
and Town Commission  
Town of Belleair, Florida

We have examined the Town of Belleair, Florida's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2021. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test bases, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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

*Saltmarsh Cleaveland & Gund*

Tampa, Florida  
November 15, 2022