

CITY OF BELLE ISLE, FLORIDA



# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED  
**SEPTEMBER 30, 2023**



Prepared by the City of Belle Isle Finance Department



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# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2023

Prepared by:  
City of Belle Isle  
Finance Department



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## **INTRODUCTORY SECTION**

This section contains the following subsections:

- Table of Contents
- Letter of Transmittal
- List of Principal Officials
- Organizational Chart
- Certificate of Achievement

|   | <u>Page</u> |
|---|-------------|
| <b>I. Introductory Section:</b>   |             |
| Table of Contents   | i-ii        |
| Letter of Transmittal   | iii-vii     |
| List of Principal Officials   | viii        |
| Organizational Chart  | ix          |
| Certificate of Achievement  | x           |
| <br><b>II. Financial Section:</b>   |             |
| Independent Auditor's Report  | 1-2         |
| Management Discussion and Analysis  | 3-7         |
| Basic Financial Statements:   |             |
| Government-Wide Financial Statements:   |             |
| Statement of Net Position   | 8           |
| Statement of Activities   | 9           |
| Fund Financial Statements:  |             |
| Governmental Fund Financial Statements -                                      |             |
| Balance Sheet - Governmental Funds  | 10          |
| Statement of Revenues, Expenditures and Changes in Fund Balances -            |             |
| Governmental Funds  | 11          |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund |             |
| Balances of Governmental Funds to the Statement of Activities                 | 12          |
| Notes to the Financial Statements   | 13-25       |
| Required Supplementary Information:   |             |
| Budgetary Comparison Schedules:   |             |
| General Fund  | 26          |
| Budget and Actual-Stormwater Fund   | 27          |
| Notes to Required Supplementary Information                                   | 28          |
| Combining and Individual Fund Financial Statements and Schedules:             |             |
| Major Governmental Funds:   |             |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance               |             |
| Budget and Actual-Debt Service Fund   | 29          |
| Budget and Actual-Capital Improvement Fund                                    | 30          |
| Nonmajor Governmental Funds:  |             |
| Combining Balance Sheet - Nonmajor Governmental Funds                         | 31          |
| Combining Statement of Revenues, Expenditures and Changes in                  |             |
| Fund Balance - Nonmajor Governmental Funds                                    | 32          |
| Budgetary Comparison Schedules:   |             |
| Transportation Impact Fee Fund  | 33          |
| Law Enforcement Education Fund  | 34          |
| Parks Impact Fee Fund   | 35          |
| General Impact Fee Fund   | 36          |
| Capital Equipment Replacement Fund  | 37          |

|   |       |
|---|-------|
| <b>III. Statistical Section:</b>  |       |
| Table of Contents   | 38    |
| Financial Trends:   |       |
| Net Position by Component   | 39    |
| Changes in Net Position   | 40    |
| Governmental Activities Tax Revenues by Source  | 41    |
| Fund Balances of Governmental Funds   | 42    |
| Changes in Fund Balances of Governmental Funds  | 43    |
| Revenue Capacity:   |       |
| Assessed Value and Estimated Actual Value of Taxable Property   | 44    |
| Property Tax Rates - Direct and Overlapping Governments   | 45    |
| Principal Property Taxpayers  | 46    |
| Property Tax Levies and Collections   | 47    |
| Debt Capacity:  |       |
| Ratios of Outstanding Debt by Type  | 48    |
| Direct and Overlapping Governmental Activities Debt   | 49    |
| Pledged-Revenue Coverage  | 50    |
| Demographic and Economic Information:   |       |
| Demographic and Economic Statistics   | 51    |
| Principal Employer  | 52    |
| Operating Information:  |       |
| Full-time Equivalent City Government Employees by Function  | 53    |
| Operating Indicators by Function  | 54    |
| Capital Asset Statistics by Function  | 55    |
| <b>IV. Internal Control and Compliance Section:</b>   |       |
| Independent Auditor's Report on Internal Control Over Financial Reporting and<br>on Compliance and Other Matters Based on an Audit of Financial Statements<br>Performed in Accordance with <i>Government Auditing Standards</i> | 56    |
| Management Letter   | 57-58 |
| Independent Auditor's Report on Compliance with the Requirements of<br>Section 218.415, Florida Statutes  | 59    |



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# CITY OF BELLE ISLE

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To the Honorable Mayor, Commissioners, and Citizens of the City of Belle Isle, Florida:

We are pleased to submit the Annual Comprehensive Financial Report of the City of Belle Isle, Florida, for the fiscal year ending September 30, 2023. State law requires that all general-purpose local governments publish, within nine months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited by auditing standards generally accepted in the United States, by a firm of licensed, certified public accountants. This report is issued pursuant to that requirement, as well as to provide transparency and accountability.

This report consists of management's representations concerning the finances of the City of Belle Isle, Florida. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the management of the City of Belle Isle has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Belle Isle's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Belle Isle's comprehensive internal controls framework 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.

McDermitt Davis, LLC, a licensed, certified public accountant firm, has audited the City of Belle Isle's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Belle Isle for the fiscal year ended September 30, 2023, 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. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City of Belle Isle's financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## **Profile of the City**

The City of Belle Isle, Florida, a municipality incorporated in 1924, is in Central Florida in Orange County and is considered part of the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA). The City of Belle Isle is a primarily residential community founded by area residents to protect Lake Conway, the surrounding

chain of lakes, and the beautiful natural environment. The city currently occupies a total area of approximately 5.1 square miles, of which approximately 2.8 square miles is water, and is home to approximately 7,239 residents.

The City's vision is "A safe, serene Florida community where families desire to reside, raise a family, enjoy our natural surroundings, excellent schools and quiet way of life." This statement reflects what the City believes is, can, and should be the "ideal state" for the City. The City's mission statement defines the City's purpose and why it exists: "The City of Belle Isle continuously preserves our natural resources and enhances our quality of life through intelligent, inclusive leadership and outstanding municipal services."

The City Council adopted a Strategic Plan in April 2020 under Resolution 20-05, which identified three (3) priority strategic goals to enhance the community which is: To Improve Communication and Relationships with All Stakeholders, Internally and Externally; To Maintain and Enhance City Infrastructure; and To Maximize All of the City's Resources to Accomplish the Mission, Vision, and Goals Efficiently and Effectively.

The City of Belle Isle is empowered to levy a property tax on real and personal properties within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council. Planned growth for the city includes those areas contiguous to the current city boundaries in the northwest and southwest areas.

Being on Lake Conway, one of Greater Orlando's largest lakes, near the Orlando International Airport and other Orlando amenities, and having low property taxes make the City of Belle Isle one of Orange County's most desirable communities.

The City of Belle Isle operates under a council-manager form of government. The legislative powers of the city are vested in the City Council, consisting of a non-voting mayor and seven commissioners, each representing one of the seven districts in the city. Although the City is divided by districts, the City Council is elected at large on a non-partisan basis. Commissioners serve three-year staggered terms, and the Mayor serves a three-year term. The City Council is responsible, among other things, for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager, City Clerk, and City Attorney.

The City Manager is the City's chief administrative officer responsible for carrying out the governing commission's policies and ordinances, overseeing the government's day-to-day operations, hiring City employees, and appointing the heads of various departments.

The City of Belle Isle provides a range of services, including general administration and support services; police and fire protection; solid waste and recycling collection; construction and maintenance of streets, sidewalks, and other infrastructure; planning and zoning; building permitting and inspections; code enforcement; and recreational activities and special events. Fire protection, building permitting, and solid waste and recycling collection are contracted. Orange County Utilities and Orlando Utilities Commission provides water and limited sanitary sewer services. Duke Energy provides electric service.

The annual budget is the foundation for the City of Belle Isle's financial planning and control. To begin the budget process, City departments submit their departmental budgets to the Finance Director to use as a starting point for developing the proposed budget. The City Manager and Finance Director prepare and submit the proposed budget to the City's Budget Advisory Committee. The city created the Budget Advisory

Committee to provide increased public accountability and elected officials monitoring the City's fiscal position. The committee comprises seven citizens in the city representing each of the seven districts and approved by the City Council. The Budget Advisory Committee holds meetings to review and discuss the budget and capital expenditures and provides recommendations to the City Manager. Then, on or before the first council meeting in August, the City Manager submits the proposed budget to the City Council as required by the City Charter. As required by the Truth in Millage Act (TRIM), the City Council holds two public hearings on the proposed budget and millage rate in September. It adopts a final budget and millage rate by no later than September 30th, the close of the City of Belle Isle's fiscal year.

The appropriated budget is prepared by fund and department. At any time during the fiscal year, the City Manager may make transfers of appropriations within a department. A resolution approved by the City Council is required to make transfers between funds or departments and for budget revisions that alter the total revenues, expenses, or reserves of any fund. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

### **Factors Affecting Financial Condition**

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

### **Local Economy**

Property and resale home values continue to stabilize or increase slightly compared to surrounding areas. Our city is primarily residential and has few commercial businesses. The City of Belle Isle continues to be vigilant and is committed to the needs of our infrastructure and service provision. The City is thriving, and due to the desirability of lakefront living and the unique location of Belle Isle, the City continues to experience a significant influx of newer residents with substantial financial resources. Many are making major renovations to existing homes, but also older, smaller homes are being purchased, demolished, and replaced with larger homes.

### **Long-Term Financial Planning**

The City of Belle Isle strives to maintain low property tax rates while providing the same level of services and maintaining a healthy level of financial resources to guard its citizens against service disruption in the event of unexpected revenue shortfalls or unanticipated and extraordinary events such as hurricanes. ARPA funding continues to be used to complete projects and to help preserve reserves. Unfortunately, at the end of this fiscal year, the unassigned fund balance in the general fund was reduced to 24% of expenditures. This decrease is primarily due to the funds expended in cleanup efforts after Hurricane Ian; however, the City is working with FEMA to be reimbursed which will help bring this % up. Identifying additional sustainable revenue sources for the general fund is still essential.

Since 2010, the City has effectively operated without a millage rate increase; however, the surge in inflation and price increases have put a strain on providing the services that the residents of Belle Isle have gotten used to over the past decade. As other governments are raising taxes, the Belle Isle City Council will also need to make the decision to raise the millage rate to pay for critical services and projects or settle on a level of service that we can afford.

Long-term planning is becoming even more critical with the economic uncertainty. The five-year capital improvement plan remains essential to the City's long-term planning process. By annually reviewing, updating, and adopting the capital improvement plan, the city will identify capital improvement projects, identify and forecast funding sources, prioritize improvements based on funding available, and estimate a timeline for the completion of individual improvements. Among the City's continued highest priorities, and to which a substantial portion of the five-year capital improvement plan is designated, are stormwater, drainage, sidewalk improvements, park improvements, and road/paving projects. Some of the one-time projects are being completed with ARPA funds.

### **Relevant Financial Policies**

The City has established a comprehensive set of financial policies to protect the overall financial well-being of the City and provide the framework for sound financial oversight of the City's operations.

The City has policies to govern the City budget and the transfer of appropriations and supplemental appropriations. The City maintains the goal of producing a balanced budget to achieve long-term financial stability for the community. Additionally, the City created the Budget Advisory Committee to enhance the transparency of the budget, address long-term fiscal sustainability, and assist the City with its financial and budgetary goals.

The City Manager and Finance Director work throughout the year to monitor the City's financial activity and each month provide to the City Council a statement of revenues and expenditures and a complete check register. The same information is uploaded to the City's transparency center on the website, ClearGov, as the City believes that the City's financial information needs to be easy to access and understand and readily available to everyone.

It is the policy of the City and the will of the City Council to maintain a healthy general fund reserve. The City's Budget Advisory Committee recommended maintaining a general fund balance reserve of 25% of revenues. Additionally, the City adopted an investment policy to invest funds in a manner that will provide the highest investment return with the maximum security while meeting the City's daily cash flow demands and complying with all statutes governing the investment of City funds.

### **Major Initiatives**

Cornerstone Charter Academy (CCA) is moving forward with their campus expansion project. The master plan is complete and approved and both the City and CCA continue to work together on the best way to move this forward. The first phase of the expansion has begun. The old Bank of America building has been demolished and work has started for a new building on this site.

ARPA funds were used this year for many small equipment and capital purchases including roll-up doors for the Public Works building and lawn equipment for landscape maintenance. The Police Department used funds for new computers, body worn cameras, AEDs, license plate readers, radars, policy/training system, and a firearm simulator. Many sidewalks throughout the City were repaired/replaced and a significant amount will continue this next year. Besides sidewalks, the City will continue to use ARPA this next year for stormwater projects, City facility improvements, and for a new boat dock for the Police Department.

The City previously installed crosswalks on Judge/Daetwyler for safety and is looking to improve this area with grant funds in FY 24/25. The City is also looking to get grant funding and partner with the county to improve

Hoffner Ave. The City continues to look at renovating its park and will look at Trimble and Regal Park for renovations in the future.

The City will also continue to look to expand its boundaries through annexation to increase the tax base as well as acquire, as needed, available real estate properties for future expansion of municipal facilities when it is advantageous to the City and its mission and vision.

The city made and will continue to make needed improvements to its stormwater systems, not only to control the street flooding that commonly occurs from downpours but also to keep the water quality of Lake Conway at the highest level possible.

**Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Belle Isle for its Annual Comprehensive Financial Report for the fiscal year ending September 30, 2022. This was the twenty-third consecutive year the city received this prestigious award.

The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Our current annual comprehensive financial report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report was made possible through the efficient, dedicated, and professional efforts of the Finance Department. The significant amount of year-end closing procedures required before the audit could only have been accomplished with much hard work and personal sacrifice. We would also like to express our appreciation to all other City departments who, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year.

We especially thank the Mayor and each City Commissioner for their continued support and commitment to maintaining the City's financial integrity. The City can look forward to a secure financial future with their continued leadership.

Respectfully submitted,

  
\_\_\_\_\_  
Rick J. Rudometkin  
City Manager

  
\_\_\_\_\_  
Tracey Richardson  
Finance Director

**Elected Officials**

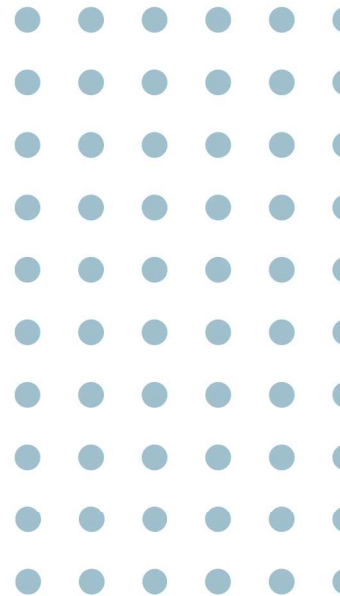
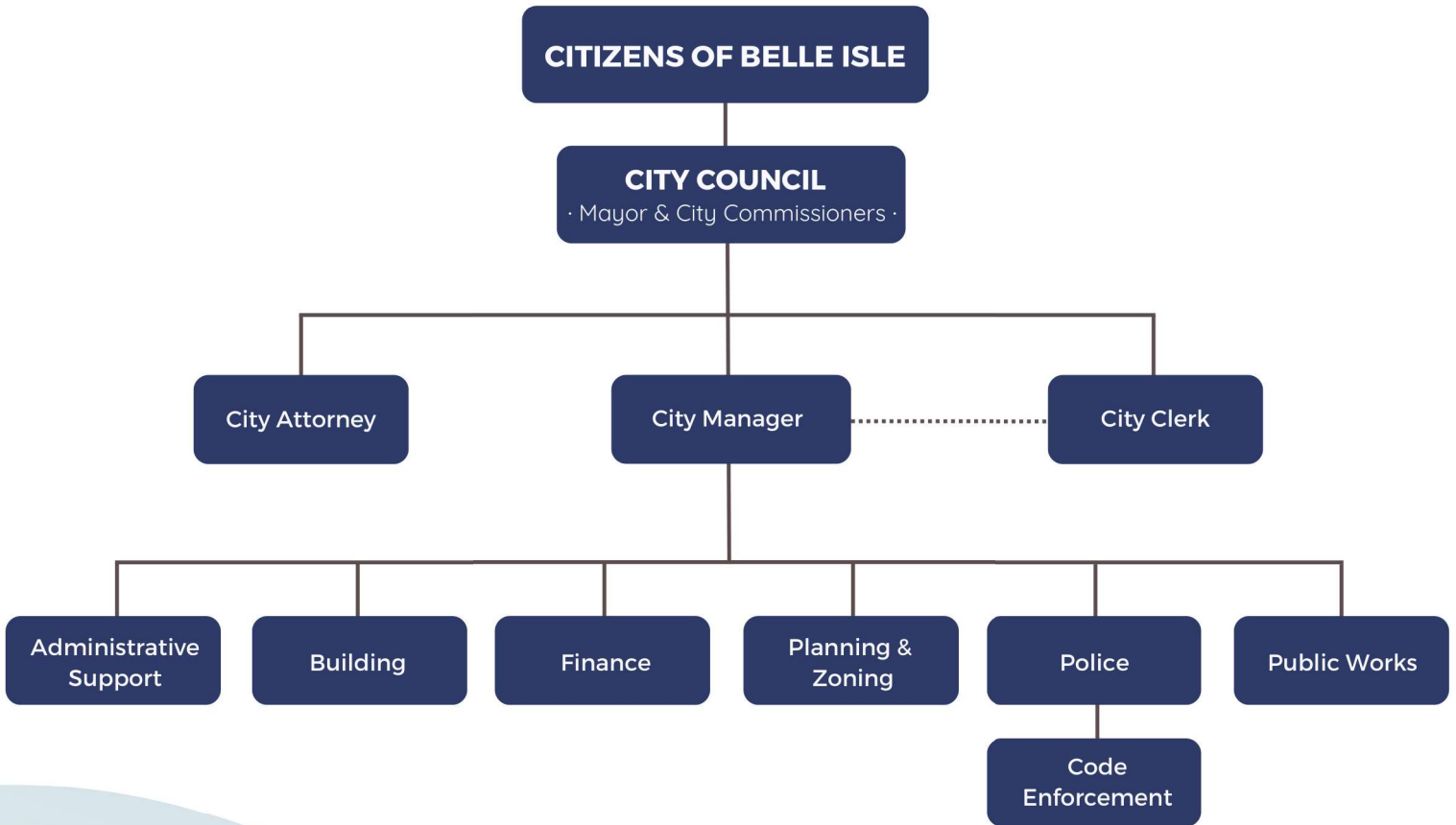
|                               |                             |
|-------------------------------|-----------------------------|
| Mayor                         | Honorable Nicholas Fouraker |
| District #1 City Commissioner | Frank Vertolli              |
| District #2 City Commissioner | Holly Bobrowski             |
| District #3 City Commissioner | Vacant                      |
| District #4 City Commissioner | Jason Carson                |
| District #5 City Commissioner | Beth Lowell                 |
| District #6 City Commissioner | Stanley Smith               |
| District #7 City Commissioner | Jim Partin                  |

**City Officials**

|                       |                   |
|-----------------------|-------------------|
| City Manager          | Rick Rudometkin   |
| City Clerk            | Yolanda Quiceno   |
| Finance Director      | Tracey Richardson |
| Police Chief          | Travis Grimm      |
| Public Works Director | Phil Price        |
| City Planner          | Raquel Lozano     |

City of Belle Isle, Florida  
**ORGANIZATIONAL CHART**

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Belle Isle  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

*Christopher P. Morrill*

Executive Director/CEO



## **FINANCIAL SECTION**

This section contains the following subsections:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners  
*City of Belle Isle, Florida*

### **Report on Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the *City of Belle Isle, Florida* (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position and, where applicable, cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

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

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for the purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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, based on our audit, and the procedures performed as described above, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

#### ***Other Information Included in the Annual Report***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical schedules but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated June 27, 2024 on our consideration of the *City of Belle Isle, Florida's* internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*McDiarmid Davis*

Orlando, Florida  
June 27, 2024

As management of the *City of Belle Isle, Florida* we offer readers of the *City of Belle Isle's* financial statements this narrative overview and analysis of the financial activities of the *City of Belle Isle* for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

### **Financial Highlights**

- The assets of the *City of Belle Isle* exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$19,523,052 (net position). Of this amount, \$3,299,096 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position decreased by \$634,531.
- As of the close of the current fiscal year, the *City of Belle Isle's* governmental funds reported combined ending fund balances of \$4,009,701, a decrease of \$688,811 in comparison with the prior year. The general fund had an ending unassigned fund balance of \$2,840,446, which is 24% of total general fund expenditures.
- The *City of Belle Isle's* total debt is \$3,513,747 at September 30, 2023.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the *City of Belle Isle's* (the "City") basic financial statements. The City's basic financial statements are comprised of three components: 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 *City of Belle Isle's* finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the 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).

The governmental activities of the City of Belle Isle include general government, public safety and physical environment.

The government-wide financial statements include only the *City of Belle Isle* itself (known as the primary government).

The government-wide financial statements can be found on pages 8 - 9 of this report.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The *City of Belle Isle*, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The *City of Belle Isle* has nine governmental funds - the General Fund, the Debt Service Fund, five special revenue funds, and two capital projects fund.

*Governmental Funds* - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the 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 *City of Belle Isle* adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for the general fund, debt service fund, special revenue funds, and capital projects funds to demonstrate compliance with this budget and are presented as required supplementary information for the General Fund, Stormwater Fund, Debt Service Fund, Capital Projects Fund, and combining schedules for the nonmajor governmental funds.

The basic governmental fund financial statements can be found on pages 10-12 of this report.

**Government-Wide Financial Analysis**

*Statement of Net Position* - As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the *City of Belle Isle*, assets exceeded liabilities and deferred inflows of resources by \$19,523,052 at the close of the most recent fiscal year.

**Statement of Net Position**

|                                     | <b>Governmental Activities</b> |                      |
|-------------------------------------|--------------------------------|----------------------|
|                                     | <b>2023</b>                    | <b>2022</b>          |
| Current and other assets            | \$ 22,826,081                  | 24,526,139           |
| Capital assets                      | 19,176,632                     | 18,708,483           |
| <b>Total assets</b>                 | <b>42,002,713</b>              | <b>43,234,622</b>    |
| Long-term liabilities outstanding   | 3,661,916                      | 3,247,593            |
| Other liabilities                   | 2,661,387                      | 3,337,807            |
| <b>Total liabilities</b>            | <b>6,323,303</b>               | <b>6,585,400</b>     |
| Total deferred inflows of resources | 16,156,358                     | 16,491,639           |
| <b>Net Position:</b>                |                                |                      |
| Net investment in capital assets    | 15,655,211                     | 16,045,825           |
| Restricted                          | 568,745                        | 238,340              |
| Unrestricted                        | 3,299,096                      | 3,873,418            |
| <b>Total net position</b>           | <b>\$ 19,523,052</b>           | <b>\$ 20,157,583</b> |

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Eighty percent (80%) of the City's net position is net investment in capital assets (e.g., land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in 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. An additional portion of the City's net position, \$568,745 (3%) represents resources that are subject to external restrictions on how they may be used.

The remaining balance of unrestricted net position, \$3,299,096 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the *City of Belle Isle* is able to report positive balances in all categories of net position.

**Statement of Activities**

Governmental activities decreased the *City of Belle Isle's* net position by \$634,531. Key elements of this decrease are as follows:

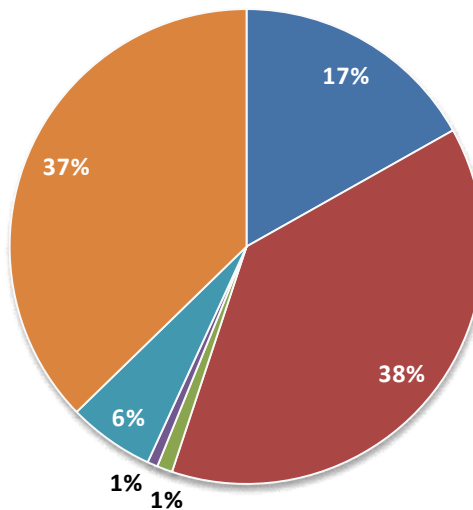
**Changes in Net Position**

|  | <b>Governmental Activities</b> |                      |
|--|--------------------------------|----------------------|
|  | <b>2023</b>                    | <b>2022</b>          |
| <b>Revenues:</b>                           |                                |                      |
| Program Revenues:                          |                                |                      |
| Charges for services                       | \$ 3,038,192                   | \$ 3,062,702         |
| Operating grants and contributions         | 1,063,400                      | 888,901              |
| Capital grants and contributions           | 82,148                         | 29,563               |
|  | <u>4,183,740</u>               | <u>3,981,166</u>     |
| General Revenues:                          |                                |                      |
| Property taxes                             | 4,079,655                      | 3,763,201            |
| Franchise and utility taxes                | 642,375                        | 585,835              |
| Intergovernmental                          | 1,847,003                      | 1,823,413            |
| Investment income and miscellaneous        | 115,266                        | 60,676               |
| Special items                              | 79,018                         | 7,421,327            |
|  | <u>6,763,317</u>               | <u>13,654,452</u>    |
| <b>Total revenues</b>                      | <u>10,947,057</u>              | <u>17,635,618</u>    |
| <b>Expenses:</b>                           |                                |                      |
| General government                         | 3,198,355                      | 1,696,238            |
| Public safety                              | 5,599,416                      | 4,672,622            |
| Physical environment                       | 2,651,244                      | 2,543,679            |
| Interest on long-term debt                 | 132,573                        | 612,696              |
|  | <u>11,581,588</u>              | <u>9,525,235</u>     |
| <b>Total expenses</b>                      | <u>11,581,588</u>              | <u>9,525,235</u>     |
| <b>Increase (Decrease) in Net Position</b> | (634,531)                      | 8,110,383            |
| <b>Net position, beginning</b>             | <u>20,157,583</u>              | <u>12,047,200</u>    |
| <b>Net position, ending</b>                | <u>\$ 19,523,052</u>           | <u>\$ 20,157,583</u> |

Program revenues increased by \$202,574 primarily due to red light camera revenue, ARPA revenue recognized in 2023, building permit revenue and receipt of FEMA reimbursements related to Hurricane Ian. On the expense side, expenses increased \$2,056,353 primarily due to ARPA expenses and funds used in cleanup efforts after Hurricane Ian.

## Revenues by Source - Governmental Activities

- Intergovernmental
- Program Revenues
- Investment Income & Miscellaneous
- Special Items
- Other Taxes
- Property Taxes



### Financial Analysis of the Government's Funds

As noted earlier, the *City of Belle Isle* used fund accounting to ensure and demonstrate compliance with finance-related requirements.

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

The general fund is the largest fund of the *City of Belle Isle, Florida*. The general fund balance decreased by \$332,709 primarily due to the funds used in cleanup efforts after Hurricane Ian.

The debt service fund balance decreased by \$104,058 due to closing of the debt service fund.

The stormwater fund balance decreased by \$251,077 primarily due to increase in infrastructure project costs taken on during the year.

The capital improvements fund balance decreased by \$10,785 due to professional services incurred in efforts to purchase land.

**General Fund Budgetary Highlights**

Difference between original General Fund budget and the final amended General Fund budget resulted in a \$1,157,144 increase in expenditures during the current year due to expenditures related to cleanup efforts after Hurricane Ian.

During the fiscal 2023 year, actual revenues were more than budgeted revenues in the General Fund by approximately \$453,000. Also, expenditures less than budgeted by approximately \$400,000 primarily due to reduced operating costs in public safety.

**Capital Asset and Debt Administration**

*Capital Assets* - The *City of Belle Isle's* investment in capital assets for its governmental activities as of September 30, 2023, amounts to \$19,176,632 (net of accumulated depreciation), as detailed below. The total increase in City's total capital assets for the current fiscal year was \$468,149 (a 3% increase in total capital assets).

|                          | <b>Governmental Activities</b> |                      |
|--------------------------|--------------------------------|----------------------|
|                          | <b>2023</b>                    | <b>2022</b>          |
| Land                     | \$ 3,499,595                   | \$ 3,499,595         |
| Buildings                | 6,486,927                      | 6,674,986            |
| Improvements             | 2,090,696                      | 2,063,462            |
| Machinery and equipment  | 590,143                        | 663,991              |
| Intangibles              | 6,002                          | 10,002               |
| Infrastructure           | 5,457,367                      | 5,253,545            |
| Lease assets             | 953,195                        | 325,394              |
| Subscription assets      | 92,707                         | -                    |
| Construction in progress | -                              | 217,508              |
| <b>Total</b>             | <b>\$ 19,176,632</b>           | <b>\$ 18,708,483</b> |

Additional information on the *City of Belle Isle's* capital assets can be found in Note 7 of this report.

*Long-Term Debt* - At the end of the current fiscal year, the *City of Belle Isle* had total debt outstanding of \$3,513,747. This debt includes Capital Improvement Revenue Note, FMLC Refunding Revenue Bonds, lease and subscription liabilities. Additional information on long-term debt can be found in Note 10 of this report.

|                        | <b>Governmental Activities</b> |                     |
|------------------------|--------------------------------|---------------------|
|                        | <b>2023</b>                    | <b>2022</b>         |
| Note payable           | \$ 2,232,989                   | \$ 2,341,573        |
| Bonds payable          | 310,000                        | 405,000             |
| Lease liability        | 918,307                        | 336,293             |
| Subscription liability | 52,451                         | -                   |
| <b>Total</b>           | <b>\$ 3,513,747</b>            | <b>\$ 3,082,866</b> |

**Next Year's Budget and Rates**

During the current fiscal year, the fund balance in the general fund increased to \$3,691,219 and \$846,266 of this balance was appropriated for expenditure in Fiscal Year 2024.

**Requests for Information**

This financial report is designed to provide a general overview of the *City of Belle Isle's* finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the office of the Finance Director, *City of Belle Isle*, 1600 Nela Avenue, Belle Isle, FL 32809.



## **Basic Financial Statements**

City of Belle Isle, Florida  
**Statement of Net Position**  
September 30, 2023

|  | <u>Primary Government</u> |
|--|---------------------------|
|  | <u>Governmental</u>       |
|  | <u>Activities</u>         |
| <b>Assets:</b>                             |                           |
| Cash                                       | \$ 6,455,104              |
| Investments                                | 37,917                    |
| Accounts receivable                        | 33,616                    |
| Due from other governments                 | 139,944                   |
| Lease receivable                           | 16,154,993                |
| Prepaid items                              | 4,507                     |
| Capital Assets:                            |                           |
| Not being depreciated                      | 3,499,595                 |
| Being depreciated, net                     | 15,677,037                |
| <b>Total assets</b>                        | <u>\$ 42,002,713</u>      |
| <b>Liabilities:</b>                        |                           |
| Accounts payable                           | 369,910                   |
| Accrued liabilities                        | 18,920                    |
| Deposits                                   | 20,584                    |
| Due to other governments                   | 16,683                    |
| Unearned revenue                           | 2,235,290                 |
| Noncurrent Liabilities:                    |                           |
| Due within one year                        | 497,734                   |
| Due in more than one year                  | 3,164,182                 |
| <b>Total liabilities</b>                   | <u>6,323,303</u>          |
| <b>Deferred Inflows:</b>                   |                           |
| Deferred credit on debt refunding          | 1,365                     |
| Deferred inflows - leases                  | 16,154,993                |
| <b>Total deferred inflows of resources</b> | <u>16,156,358</u>         |
| <b>Net Position:</b>                       |                           |
| Net investment in capital assets           | 15,655,211                |
| Restricted for:                            |                           |
| Capital projects                           | 543,472                   |
| Public safety                              | 25,273                    |
| Unrestricted                               | 3,299,096                 |
| <b>Total net position</b>                  | <u>\$ 19,523,052</u>      |

City of Belle Isle, Florida  
**Statement of Activities**  
Year Ended September 30, 2023

| <u>Functions/Programs</u>                      | <u>Expenses</u>      | <u>Program Revenue</u>      |   |   | <u>Net (Expense)</u>                       |
|--|----------------------|-----------------------------|---|---|--|
|  |                      | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Revenue and Changes in Net Position</u> |
| <b>Primary Government:</b>                     |                      |                             |   |   | <b>Primary Government</b>                  |
| Governmental Activities:                       |                      |                             |   |   | <b>Governmental Activities</b>             |
| General government                             | \$ 3,198,355         | \$ 466,450                  | \$ 711,198                                | \$ 1,023                                | \$ (2,019,684)                             |
| Public safety                                  | 5,599,416            | 1,145,954                   | 5,072                                     | 11,582                                  | (4,436,808)                                |
| Physical environment                           | 2,651,244            | 1,425,788                   | 347,130                                   | 68,762                                  | (809,564)                                  |
| Culture and recreation                         | -                    | -                           | -   | 781                                     | 781  |
| Interest on long-term debt                     | 132,573              | -                           | -   | -                                       | (132,573)                                  |
| <b>Total governmental activities</b>           | <b>11,581,588</b>    | <b>3,038,192</b>            | <b>1,063,400</b>                          | <b>82,148</b>                           | <b>(7,397,848)</b>                         |
| <b>Total primary government</b>                | <b>\$ 11,581,588</b> | <b>\$ 3,038,192</b>         | <b>\$ 1,063,400</b>                       | <b>\$ 82,148</b>                        | <b>(7,397,848)</b>                         |
| <b>General Revenues and special item:</b>      |                      |                             |   |   |  |
| Taxes:   |                      |                             |   |   |  |
| Property taxes                                 |                      |                             |   |   | 4,079,655                                  |
| Franchise and utility taxes                    |                      |                             |   |   | 642,375                                    |
| Intergovernmental                              |                      |                             |   |   | 1,847,003                                  |
| Unrestricted investment earnings               |                      |                             |   |   | 21,957                                     |
| Miscellaneous                                  |                      |                             |   |   | 93,309                                     |
| Gain on sale of capital assets                 |                      |                             |   |   | 79,018                                     |
| <b>Total general revenues and special item</b> |                      |                             |   |   | <b>6,763,317</b>                           |
| Change in net position                         |                      |                             |   |   | (634,531)                                  |
| Net position, beginning                        |                      |                             |   |   | 20,157,583                                 |
| <b>Net position, ending</b>                    |                      |                             |   |   | <b>\$ 19,523,052</b>                       |

City of Belle Isle, Florida  
**Balance Sheet - Governmental Funds**  
September 30, 2023

|   | <u>General Fund</u>  | <u>Debt Service Fund</u> | <u>Stormwater Fund</u> | <u>Capital Improvements Fund</u> | <u>Total Nonmajor Funds</u> | <u>Total Governmental Funds</u> |
|---|----------------------|--------------------------|------------------------|----------------------------------|-----------------------------|---------------------------------|
| <b>Assets:</b>  |                      |                          |                        |                                  |                             |                                 |
| Cash and cash equivalents                             | \$ 5,664,418         | \$ -                     | \$ 207,158             | \$ 419,656                       | \$ 163,872                  | \$ 6,455,104                    |
| Investments   | 37,917               | -                        | -                      | -                                | -                           | 37,917                          |
| Accounts receivable                                   | 33,616               | -                        | -                      | -                                | -                           | 33,616                          |
| Due from other governments                            | 139,944              | -                        | -                      | -                                | -                           | 139,944                         |
| Lease receivable                                      | 16,154,993           | -                        | -                      | -                                | -                           | 16,154,993                      |
| Prepaid items   | 4,507                | -                        | -                      | -                                | -                           | 4,507                           |
| <b>Total assets</b>                                   | <u>\$ 22,035,395</u> | <u>\$ -</u>              | <u>\$ 207,158</u>      | <u>\$ 419,656</u>                | <u>\$ 163,872</u>           | <u>\$ 22,826,081</u>            |
| <b>Liabilities:</b>                                   |                      |                          |                        |                                  |                             |                                 |
| Accounts payable                                      | \$ 350,770           | \$ -                     | \$ 19,140              | \$ -                             | \$ -                        | \$ 369,910                      |
| Accrued liabilities                                   | 18,920               | -                        | -                      | -                                | -                           | 18,920                          |
| Due to other governments                              | 16,683               | -                        | -                      | -                                | -                           | 16,683                          |
| Unearned revenue                                      | 1,782,226            | -                        | 453,064                | -                                | -                           | 2,235,290                       |
| Deposits  | 20,584               | -                        | -                      | -                                | -                           | 20,584                          |
| <b>Total liabilities</b>                              | <u>2,189,183</u>     | <u>-</u>                 | <u>472,204</u>         | <u>-</u>                         | <u>-</u>                    | <u>2,661,387</u>                |
| <b>Deferred inflows</b>                               |                      |                          |                        |                                  |                             |                                 |
| Deferred inflows - leases                             | 16,154,993           | -                        | -                      | -                                | -                           | 16,154,993                      |
| <b>Fund Balances:</b>                                 |                      |                          |                        |                                  |                             |                                 |
| Nonspendable  | 4,507                | -                        | -                      | -                                | -                           | 4,507                           |
| Restricted for:                                       |                      |                          |                        |                                  |                             |                                 |
| Capital projects                                      | -                    | -                        | -                      | 419,656                          | 1,804                       | 421,460                         |
| Transportation impacts                                | -                    | -                        | -                      | -                                | 122,012                     | 122,012                         |
| Law enforcement education                             | -                    | -                        | -                      | -                                | 25,273                      | 25,273                          |
| Assigned for:   |                      |                          |                        |                                  |                             |                                 |
| Equipment replacement                                 | -                    | -                        | -                      | -                                | 14,783                      | 14,783                          |
| Subsequent expenditures                               | 846,266              | -                        | -                      | -                                | -                           | 846,266                         |
| Unassigned  | 2,840,446            | -                        | (265,046)              | -                                | -                           | 2,575,400                       |
| <b>Total fund balances</b>                            | <u>3,691,219</u>     | <u>-</u>                 | <u>(265,046)</u>       | <u>419,656</u>                   | <u>163,872</u>              | <u>4,009,701</u>                |
| Total Liabilities, Deferred Inflows and Fund Balances | <u>\$ 22,035,395</u> | <u>\$ -</u>              | <u>\$ 207,158</u>      | <u>\$ 419,656</u>                | <u>\$ 163,872</u>           |                                 |

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

|   |                      |
|---|----------------------|
| Capital assets used in governmental activities are not fund resources and, therefore, are not reported in the funds                                       | 19,176,632           |
| Some liabilities and deferred inflows, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds | <u>(3,663,281)</u>   |
| <b>Net position of governmental activities</b>  | <u>\$ 19,523,052</u> |

City of Belle Isle, Florida  
**Statement of Revenue, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
Year Ended September 30, 2023

|  | <u>General Fund</u> | <u>Debt Service Fund</u> | <u>Stormwater Fund</u> | <u>Capital Improvements Fund</u> | <u>Total Nonmajor Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------|--------------------------|------------------------|----------------------------------|-----------------------------|---------------------------------|
| <b>Revenues:</b>   |                     |                          |                        |                                  |                             |                                 |
| Taxes:   |                     |                          |                        |                                  |                             |                                 |
| Property taxes   | \$ 4,079,655        | \$ -                     | \$ -                   | \$ -                             | \$ -                        | \$ 4,079,655                    |
| Franchise and utility                                    | 642,375             | -                        | -                      | -                                | -                           | 642,375                         |
| Licenses and permits                                     | 265,802             | -                        | -                      | -                                | -                           | 265,802                         |
| Intergovernmental  | 2,919,085           | -                        | 68,442                 | -                                | -                           | 2,987,527                       |
| Charges for services                                     | 1,474,149           | -                        | 432,370                | -                                | -                           | 1,906,519                       |
| Impact fees  | -                   | -                        | -                      | -                                | 5,024                       | 5,024                           |
| Fines and forfeitures                                    | 858,189             | -                        | -                      | -                                | 7,682                       | 865,871                         |
| Investment income  | 5,815               | -                        | 4,037                  | -                                | 12,105                      | 21,957                          |
| Miscellaneous  | 93,309              | -                        | -                      | -                                | -                           | 93,309                          |
| <b>Total revenues</b>                                    | <b>10,338,379</b>   | <b>-</b>                 | <b>504,849</b>         | <b>-</b>                         | <b>24,811</b>               | <b>10,868,039</b>               |
| <b>Expenditures:</b>                                     |                     |                          |                        |                                  |                             |                                 |
| Current:   |                     |                          |                        |                                  |                             |                                 |
| General government                                       | 2,957,540           | -                        | -                      | 10,785                           | -                           | 2,968,325                       |
| Public safety  | 6,324,092           | -                        | -                      | -                                | 5,968                       | 6,330,060                       |
| Physical environment                                     | 1,903,166           | -                        | 755,926                | -                                | -                           | 2,659,092                       |
| Debt Service:  |                     |                          |                        |                                  |                             |                                 |
| Principal  | 455,747             | -                        | -                      | -                                | -                           | 455,747                         |
| Interest and other charges                               | 135,131             | -                        | -                      | -                                | -                           | 135,131                         |
| Capital Outlay   | -                   | -                        | -                      | -                                | 9,025                       | 9,025                           |
| <b>Total expenditures</b>                                | <b>11,775,676</b>   | <b>-</b>                 | <b>755,926</b>         | <b>10,785</b>                    | <b>14,993</b>               | <b>12,557,380</b>               |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(1,437,297)</b>  | <b>-</b>                 | <b>(251,077)</b>       | <b>(10,785)</b>                  | <b>9,818</b>                | <b>(1,689,341)</b>              |
| <b>Other Financing Sources (Uses):</b>                   |                     |                          |                        |                                  |                             |                                 |
| Transfer In  | 104,058             | -                        | -                      | -                                | -                           | 104,058                         |
| Sale of general capital assets                           | 76,722              | -                        | -                      | -                                | -                           | 76,722                          |
| Leases issued  | 923,808             | -                        | -                      | -                                | -                           | 923,808                         |
| Transfer Out   | -                   | (104,058)                | -                      | -                                | -                           | (104,058)                       |
| <b>Total other financing sources</b>                     | <b>1,104,588</b>    | <b>(104,058)</b>         | <b>-</b>               | <b>-</b>                         | <b>-</b>                    | <b>1,000,530</b>                |
| <b>Net change in fund balances</b>                       | <b>(332,709)</b>    | <b>(104,058)</b>         | <b>(251,077)</b>       | <b>(10,785)</b>                  | <b>9,818</b>                | <b>(688,811)</b>                |
| <b>Fund balances, beginning</b>                          | <b>4,023,928</b>    | <b>104,058</b>           | <b>(13,969)</b>        | <b>430,441</b>                   | <b>154,054</b>              | <b>4,698,512</b>                |
| <b>Fund balances, ending</b>                             | <b>\$ 3,691,219</b> | <b>\$ -</b>              | <b>\$ (265,046)</b>    | <b>\$ 419,656</b>                | <b>\$ 163,872</b>           | <b>\$ 4,009,701</b>             |

**Reconciliation of the Statement Revenues, Expenditures and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities**

Year Ended September 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ (688,811)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

|                |                    |         |
|----------------|--------------------|---------|
| Capital outlay | \$ 1,789,042       |         |
| Depreciation   | <u>(1,286,009)</u> | 503,033 |

In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold. 2,296

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of debt as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds in the current period.

|                      |                |           |
|----------------------|----------------|-----------|
| Leases issued        | \$ (923,808)   |           |
| Principal repayments | <u>455,747</u> | (468,061) |

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds.

|  |            |               |
|--|------------|---------------|
| Compensated absences                         | \$ 14,454  |               |
| Amortization of premium                      | 2,104      |               |
| Amortization of deferred credit on refunding | <u>454</u> | <u>17,012</u> |

**Change in Net Position of Governmental Activities \$ (634,531)**

**Notes to Financial Statements**

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

### **Financial Reporting Entity**

The *City of Belle Isle, Florida* (the "City") was incorporated April 25, 1924 under the Laws of Florida 75-329. The City operates under a council-manager form of government, with an appointed City Manager, seven elected City Commissioners, and a separately elected Mayor. The City provides the following services as authorized by its charter: public safety (fire and law enforcement), highways and streets, sanitation, parks and recreation, public improvements, planning and zoning, and general administrative services. The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The more significant of the City's accounting policies are described below.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it. In applying the above criteria, the City has identified no component units.

### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. Since the City has no business-type activities, only governmental activities are reported on the government-wide financial statements.

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

### **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. 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 revenues 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.

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

The government reports the following major governmental funds:

*General Fund* - is the City's primary operating fund, and is always classified as a major fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

*Debt Service Fund* - is used to account for the lease revenue received from the Charter Schools. The lease revenue is used to pay the debt service on the Series 2012 Lease Revenue Bonds issued by the City in October 2012 as well as repairs and maintenance to the Charter Schools as required by the lease agreement. This fund was closed in 2023.



**NOTE 1                   SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Stormwater Special Revenue Fund* - is used to account for stormwater management operations and related capital improvements.

*Capital Improvements Capital Projects Fund* - is used to account for the use of the proceeds of the Capital Improvement Revenue Note, Series 2020, for the acquisition of land and the construction of improvements as allowed by the Note.

The government reports the following nonmajor governmental funds:

*Transportation impact fee special revenue fund* - is used to account for collected impact fees on new development which are restricted for transportation related improvements.

*Law enforcement education special revenue fund* - is used to account for revenues received pursuant to Florida Statutes, which imposes a \$2.00 court cost against persons convicted for violations of criminal statutes. Funds must be used to educate and train law enforcement personnel.

*Parks impact fee special revenue fund* – is used to account for collected impact fees on new development which are restricted for the purpose of administering, planning, acquisition, expansion and development of additional land, amenities, and facilities for public parks and recreation purposes.

*General impact fee special revenue fund* – is used to account for collected impact fees on new development which are restricted solely for administering, planning, acquisition, expansion, and development of additional land, facilities, vehicles and equipment for general government facilities.

*Capital equipment replacement capital projects fund* - is used to set aside funds for future equipment replacement.

**Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance**

**Deposits and Investments**

The government'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.

Investments for the City are reported at fair value within the fair value hierarchy established in accordance with GASB Statement No 72, *Fair Value Measurement and Application*, except for the position in the Florida State Board of Administration's Local Government Surplus Investment Pool (LGIP). In accordance with state law, the LGIP operates in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the LGIP's qualify as a 2a7-like pools and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The Florida State Board of Administration is subject to regulatory oversight by the State of Florida, although it is not registered with the SEC. The City's investments consist of investments authorized per their investment policy adopted in accordance with section 218.415, Florida Statutes.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased.

**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" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." All receivables are shown net of an allowance for uncollectibles.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

Capital assets, which include property, plant equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental activities column 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Land and construction in progress are not depreciated. The other property, plant, equipment and infrastructure of the City is depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>         | <u>Years</u> |
|-----------------------|--------------|
| Buildings             | 40           |
| Improvements          | 5 - 15       |
| Machinery & equipment | 5 - 15       |
| Intangibles           | 3 - 5        |
| Infrastructure        | 25 - 40      |

**Compensated Absences**

The City's personnel policies permit full time employees to accrue personal leave time based upon length of service with the City. This paid time off (PTO) may be used for vacation, sick leave, or doctor appointments. Unused PTO will be paid to employees upon separation from City service at 100% after completion of six (6) months of continuous employment. For governmental activities, compensated absences are generally liquidated by the General Fund. A liability for these amounts is reported in the general fund only if they have matured, for example, due to employee retirements.

**Long Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not have any item that qualifies for reporting in this category for the year ended September 30, 2023.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, a deferred credit on debt refunding, and deferred inflows of leases. The deferred credit on debt refunding is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred inflows of leases will be recognized over the life of the lease.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

**Fund Balance Flow Assumptions**

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

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Commission is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Commission is authorized to assign fund balance. The commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the financial statement date and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

**New GASB Statements Implemented**

In fiscal year 2023, the City has implemented GASB Statement No. 96, *Subscription Based Information Technology Arrangements (SBITA)*. To the extent relevant, the standards for SBITA are based on the standards established in GASB Statement No. 87, *Leases*, as amended. Thus, by requiring recognition of certain SBITA assets and SBITA liabilities to be recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. As a result of implementation, there were no changes to beginning fund balances or beginning net position.

**NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

|   |                     |
|---|---------------------|
| Bonds payable   | \$ 310,000          |
| Add: Issuance premium (to be amortized over life of debt)             | 6,309               |
| Add: Deferred credit on refunding (to be amortized over life of debt) | 1,365               |
| Note payable  | 2,232,989           |
| Lease liability   | 918,307             |
| Subscription liability  | 52,451              |
| Compensated absences  | 141,860             |
|   | <u>\$ 3,663,281</u> |

**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before the first Commission meeting in August, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them for all of the City's funds.
2. Public hearings are conducted at the City Hall to obtain taxpayer comments. Prior to September 30, the budget is legally enacted through passage of a resolution.
3. The City cannot legally exceed the budget; however, the City Manager is authorized to transfer budgeted amounts within a department. Any revisions that change the total expenditures of any department must be approved by the City Commission. The legal level of budgetary control is the department level.
4. Formal budgetary integration is employed as a management control device during the year for all of the City's funds.
5. Budgeted amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions of the annual budget during the year. Encumbrance accounting is not employed. Unexpended and unencumbered appropriations lapse at the end of the fiscal year and are reappropriated in the ensuing year.

**Expenditures in Excess of Appropriations**

The debt service of the General Fund and Debt Service Fund contained expenditures in excess of appropriations for the fiscal year ended September 30, 2023.

**Budgetary Basis of Accounting**

The General Fund budget is prepared on a budgetary basis, where the City does not budget for capital outlay expenditures and other financing sources related to the acquisition of assets through leases.

**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

The following adjustments were necessary to convert General Fund expenditures and other financing sources (uses) on the GAAP basis to the budgetary basis:

|                                       | Expenditures         | Other Financing<br>Sources (Uses) |
|---------------------------------------|----------------------|-----------------------------------|
| GAAP basis                            | \$ 11,775,676        | \$ 1,104,588                      |
| Nonbudgeted lease transactions        | (817,857)            | (817,857)                         |
| Nonbudgeted subscription transactions | (105,951)            | (105,951)                         |
| Budgetary basis                       | <u>\$ 10,851,868</u> | <u>\$ 180,780</u>                 |

**NOTE 4 CASH AND INVESTMENTS**

Following are the components of the City's cash and investments at September 30, 2023:

|             |                     |
|-------------|---------------------|
| Cash        | \$ 6,455,104        |
| Investments | <u>37,917</u>       |
|             | <u>\$ 6,493,021</u> |

**Deposits**

All of the City's deposits are at institutions which are Qualified Public Depositories pursuant to Florida Statutes. Therefore, all bank deposits are entirely insured or collateralized by the Federal Depository Insurance Corporation (FDIC) and the Bureau of Collateral Securities, Division of Treasury.

**Investments**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Under GASB 72, assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted prices for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the City's own data in measuring unobservable inputs.

The City's investment policies are governed by State Statutes and City ordinances. City ordinance allows investments in any financial institution that is a qualified public depository of the State of Florida as identified by the State Treasurer, in accordance with Chapter 280 of the Florida Statutes. Authorized investments are:

1. The State Board of Administration Local Government Investment Pool (SBA);
2. Securities and Exchange Commission Registered Money Market Funds;
3. Savings accounts and certificates of deposit in state-certified qualified public depositories;
4. The Florida Municipal Investment Trust, administered by the Florida League of Cities, Inc.
5. U.S. Government Agency Securities and U.S. Treasury Bills, Notes and Bonds;
6. Overnight bank sweep accounts.

**NOTE 4 CASH AND INVESTMENTS (CONTINUED)**

The SBA is not a registrant with the Securities and Exchange Commission (SEC); however, the State of Florida does provide regulatory oversight. The Board has adopted operating procedures consistent with the requirements for a 2a-7 fund for the Florida Prime Fund; therefore, the pool net asset value per share can be used as fair value for financial reporting. The SBA does not impose any limitations or restrictions on withdrawals; however, under certain conditions involving a material impact on liquidity or operations of the fund, the SBA may limit withdrawals for a period of up to 15 days. As of September 30, 2023, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Investments made by the *City of Belle Isle* at September 30, 2023 are summarized below. In accordance with GASB 31, investments are reported at amortized cost, which approximates fair value.

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Credit Rating</u> | <u>Weighted Average Maturity</u> |
|------------------------|-------------------|----------------------|----------------------------------|
| Florida PRIME          | \$ 37,917         | AAAm                 | 35 days                          |

**Credit Risk**

The City's investment policy limits credit risk by restricting authorized investments to those described above.

**Custodial Credit Risk**

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2023, all of the City's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2023, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

**Concentration of Credit Risk**

The City's investment policy requires diversification, but does not specify limits on types of investments.

**Interest Rate Risk**

The City's investment policy does not specifically address interest rate risk; however, the general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. The City manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

**NOTE 5 RECEIVABLES**

In accordance with the City's implementation of GASB Statement No. 87, *Leases*, the City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. The receivables totaling \$16,154,993 are reported as deferred inflows of resources in the governmental activities statement of net position and general fund balance sheet. See Note 14 Leases for further information.

**NOTE 6 PROPERTY TAX**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and payable by March 31. The County bills and collects property taxes. Collections of the property taxes by the county and remittance of them to the City are accounted for in the general fund. City property tax revenues are recognized when levied to the extent that they result in current receivables.

The City is permitted by the Municipal Finance Law of the State to levy taxes up to \$10 per \$1,000 of assessed valuation for general governmental services other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. The combined tax rate to finance general governmental services for the year ended September 30, 2023, was 4.4018 per \$1,000, which means the City has a tax margin of 5.5982 per \$1,000 and could raise up to \$5,349,801, before discount, additionally each year from the present assessed valuation of \$955,628,786 before the limit is reached.

**NOTE 7 CAPITAL ASSETS**

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

|  | <u>Beginning<br/>Balance</u> | <u>Increases/<br/>Transfers</u> | <u>Decreases/<br/>Transfers</u> | <u>Ending<br/>Balance</u> |
|--|------------------------------|---------------------------------|---------------------------------|---------------------------|
| <b>Governmental Activities:</b>                    |                              |                                 |                                 |                           |
| Capital Assets, Not Being Depreciated:             |                              |                                 |                                 |                           |
| Land   | \$ 3,499,595                 | \$ -                            | \$ -                            | \$ 3,499,595              |
| Construction in progress                           | 217,508                      | 242,531                         | (460,039)                       | -                         |
| <b>Total capital assets, not being depreciated</b> | <u>3,717,103</u>             | <u>242,531</u>                  | <u>(460,039)</u>                | <u>3,499,595</u>          |
| Capital Assets, Being Depreciated:                 |                              |                                 |                                 |                           |
| Buildings  | 8,966,928                    | 36,901                          | -                               | 9,003,829                 |
| Improvements                                       | 3,363,703                    | 238,373                         | -                               | 3,602,076                 |
| Machinery & equipment                              | 1,670,295                    | 81,317                          | (3,151)                         | 1,748,461                 |
| Intangibles  | 61,287                       | -                               | -                               | 61,287                    |
| Infrastructure                                     | 10,979,671                   | 726,151                         | -                               | 11,705,822                |
| Lease assets:                                      |                              |                                 |                                 |                           |
| Machinery & equipment                              | 393,149                      | 817,857                         | (47,772)                        | 1,163,234                 |
| Subscription assets                                | -                            | 105,951                         | -                               | 105,951                   |
| <b>Total capital assets being depreciated</b>      | <u>25,435,033</u>            | <u>2,006,550</u>                | <u>(50,923)</u>                 | <u>27,390,660</u>         |
| Less Accumulated Depreciation for:                 |                              |                                 |                                 |                           |
| Buildings  | (2,291,942)                  | (224,960)                       | -                               | (2,516,902)               |
| Improvements                                       | (1,300,241)                  | (211,139)                       | -                               | (1,511,380)               |
| Machinery & equipment                              | (1,006,304)                  | (155,165)                       | 3,151                           | (1,158,318)               |
| Intangibles  | (51,285)                     | (4,000)                         | -                               | (55,285)                  |
| Infrastructure                                     | (5,726,126)                  | (522,329)                       | -                               | (6,248,455)               |
| Lease assets:                                      |                              |                                 |                                 |                           |
| Machinery & equipment                              | (67,755)                     | (155,172)                       | 12,888                          | (210,039)                 |
| Subscription assets                                | -                            | (13,244)                        | -                               | (13,244)                  |
| <b>Total accumulated depreciation</b>              | <u>(10,443,653)</u>          | <u>(1,286,009)</u>              | <u>16,039</u>                   | <u>(11,713,623)</u>       |
| <b>Total capital assets being depreciated, net</b> | <u>14,991,380</u>            | <u>720,541</u>                  | <u>(34,884)</u>                 | <u>15,677,037</u>         |
| <b>Governmental activities capital assets, net</b> | <u>\$ 18,708,483</u>         | <u>\$ 963,072</u>               | <u>\$ (494,923)</u>             | <u>\$ 19,176,632</u>      |

**NOTE 7 CAPITAL ASSETS (CONTINUED)**

Depreciation and amortization of lease and subscription assets was charged to functions/programs of the City as follows:

**Governmental Activities:**

|  |                            |
|--|----------------------------|
| General government   | \$ 290,473                 |
| Public safety  | 73,176                     |
| Public safety- lease assets                                | 155,172                    |
| Physical environment                                       | <u>767,188</u>             |
| <b>Total depreciation expense, governmental activities</b> | <b><u>\$ 1,286,009</u></b> |

**NOTE 8 RETIREMENT PLANS**

**Employees Defined Contribution Plans**

The City is a participant in the Florida Municipal Pension Trust Fund, a multiple employer 401(a) defined contribution plan. The plan is established and administered by and can be amended under the authority of the Florida League of Cities, Inc. All full-time employees are eligible to participate in the plan the first full month from date of hire. As soon as an employee is eligible to participate in the plan, contributions are made by the City. Under this plan, the City contributes 18.5% of eligible wages for police officers and 16% for all other eligible employees. The contribution rate is established by the City Commission. Employees do not participate in the plan funding. Employees are 100% vested upon completion of one year of service. No fixed benefits are paid or payable upon retirement. At September 30, 2023, there were 35 participants in the plan.

During the year ended September 30, 2023, the City contributed \$382,821 to the plan and no forfeitures were used to reduce the City's contribution. The City has no unfunded liability under this plan.

**Deferred Compensation Plan**

The City also participates in the Florida Municipal Pension Trust Fund 457(b) Deferred Compensation Plan, a multiple employer plan created in accordance with Internal Revenue Code Section 457 (the 457 Plan). The 457 Plan, available to all full-time employees immediately upon employment, permits participants to defer a portion of their current salary until future years. The plan is established and administered by, and can be amended under the authority of the Florida League of Cities, Inc. The City is not required and does not contribute to the 457 Plan. At September 30, 2023, there were 17 active plan participants. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All assets of these plans are held in trust for the exclusive benefit of plan participants and their beneficiaries and are not accounted for in the City's financial statements.

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS**

Pursuant to Resolution 10-15, the City has elected not to make continuation of group health insurance through the City's current provider available to retirees and eligible dependents.



**NOTE 10 LONG-TERM DEBT**

Long-term debt activity for the year ended September 30, 2023 was as follows:

|                        | <b>Beginning<br/>Balance</b> | <b>Additions</b>    | <b>Deductions</b>   | <b>Ending<br/>Balance</b> | <b>Due Within<br/>One Year</b> |
|------------------------|------------------------------|---------------------|---------------------|---------------------------|--------------------------------|
| Revenue bonds          | \$ 405,000                   | \$ -                | \$ (95,000)         | \$ 310,000                | \$ 100,000                     |
| Unamortized premium    | 8,413                        | -                   | (2,104)             | 6,309                     | -                              |
| Revenue note           | 2,341,573                    | -                   | (108,584)           | 2,232,989                 | 110,842                        |
| Lease liability        | 336,293                      | 817,857             | (235,843)           | 918,307                   | 220,255                        |
| Subscription Liability | -                            | 105,951             | (53,500)            | 52,451                    | 52,451                         |
| Compensated absences   | 156,314                      | 141,860             | (156,314)           | 141,860                   | 14,186                         |
|                        | <u>\$ 3,247,593</u>          | <u>\$ 1,065,668</u> | <u>\$ (651,345)</u> | <u>\$ 3,661,916</u>       | <u>\$ 497,734</u>              |

**Revenue Bonds - Public Offering**

On September 27, 2016, the City issued \$935,000 of FMLC Refunding and Improvement Revenue Bonds, Series 2016 with interest rates ranging from 2.0% to 4.0% to refund FMLC Revenue Bonds, Series 2006. The \$935,000 loan is secured by a covenant to appropriate in the annual budget the amount of non-ad valorem revenues to satisfy repayment. In the event of default, the lender may declare all principal and accrued interest to be due and payable immediately.

Total principal and interest remaining on the Series 2016 Bonds as of September 30, 2023 is \$323,813. For the year ended September 30, 2023, total principal and interest paid was \$103,625.

**Revenue Notes - Direct Borrowing**

On September 25, 2020, the City issued \$2,551,281 of Capital Improvement Revenue Notes, Series 2020 with an interest rate of 2.08%. The proceeds of the Note are to be used to finance the costs of acquisition and improvement of property located within the City of Belle Isle for a future purpose. Additionally, funds may be used for stormwater improvements within the City. The \$2,551,281 loan is secured by a covenant to appropriate in the annual budget the amount of non-ad valorem revenues to satisfy repayment and that the loan shall only be used for payment of the costs of the projects. In the event of default, the lender may declare all principal and accrued interest to be due and payable immediately.

Total principal and interest remaining on the 2020 Note as of September 30, 2023 is \$2,673,906. For the year ended September 30, 2023, total principal and interest paid was \$157,288.

Revenue bonds and revenue note outstanding at year end are as follows:

| <b>Governmental Activities</b>                   | <b>Interest Rates<br/>and Dates</b> | <b>Maturity</b> | <b>Original<br/>Amount</b> | <b>Balance<br/>September 30,<br/>2023</b> |
|--|-------------------------------------|-----------------|----------------------------|---|
| FMLC refunding revenue<br>Bonds, Series 2016     | 2.00% - 4.00%<br>(4/1 & 10/1)       | 10/1/2026       | <u>\$ 935,000</u>          | <u>310,000</u>                            |
| <b>Total revenue bond</b>                        |                                     |                 |                            | 310,000                                   |
| Capital improvement revenue<br>Note, Series 2020 | 2.08%<br>(4/1 & 10/1)               | 10/1/2040       | <u>\$ 2,551,281</u>        | <u>2,232,989</u>                          |
| <b>Total</b>                                     |                                     |                 |                            | <u>\$ 2,542,989</u>                       |

**NOTE 10 LONG-TERM DEBT (CONTINUED)**

Annual debt service requirements to maturity are as follows:

| <u>Year Ending September, 30</u> | <u>Revenue Notes</u> |                   | <u>Revenue Bonds</u> |                  |
|----------------------------------|----------------------|-------------------|----------------------|------------------|
|                                  | <u>Principal</u>     | <u>Interest</u>   | <u>Principal</u>     | <u>Interest</u>  |
| 2024                             | \$ 110,842           | \$ 46,446         | \$ 100,000           | \$ 6,725         |
| 2025                             | 113,148              | 44,141            | 105,000              | 4,725            |
| 2026                             | 115,501              | 41,787            | 105,000              | 2,363            |
| 2027                             | 117,904              | 39,385            | -                    | -                |
| 2028                             | 120,356              | 36,932            | -                    | -                |
| 2029 - 2033                      | 640,391              | 146,052           | -                    | -                |
| 2034 - 2038                      | 709,819              | 76,623            | -                    | -                |
| 2039 - 2043                      | 305,028              | 9,550             | -                    | -                |
|                                  | <u>\$ 2,232,989</u>  | <u>\$ 440,916</u> | <u>\$ 310,000</u>    | <u>\$ 13,813</u> |

**Line of Credit**

The City entered into a revolving line of credit agreement with a financial institution on July 19, 2012 for the amount of \$750,000. The interest rate is the Wall Street Journal prime rate plus 0.5% floating with a floor of 6.25% (6.75% at September 30, 2023). Repayment terms are interest only due monthly with maturity date of October 19, 2023. The line of credit is unsecured. At September 30, 2023, the City had no balance outstanding and \$750,000 available on the line of credit to draw down.

**Leases**

The City has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The City has entered into a master lease agreement on March 14, 2018, to lease vehicles. Individual lease terms range from 12 to 36 months, however, only the leases with 36 month terms have been recognized as other than short-term leases. These leases require 36 monthly payments ranging from \$615.69 to \$1,200.22. There are no variable payment components of the leases. The lease liability is measured at a discount rate of 2%, which is the City's incremental borrowing rate. As a result of the lease, the City has recorded a right to use asset with a net book value of \$267,403 as of September 30, 2023.

In July 2023, the City entered into a 10 year lease agreement to lease certain police equipment. An initial lease liability was recorded in the amount of \$703,376. As of September 30, 2023, the value of the lease liability is \$626,607. The City is required to make annual payments of \$76,769. The lease liability is measured at a discount rate of 2%, which is the City's incremental borrowing rate. The value of the right to use asset as of September 30, 2023 of \$703,376 with accumulated amortization of \$17,584 is included with lease assets in Note 7.

**NOTE 10 LONG-TERM DEBT (CONTINUED)**

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2023, were as follows:

| <u>Year Ending September, 30</u> | <u>Leases</u>     |                   |
|----------------------------------|-------------------|-------------------|
|                                  | <u>Principal</u>  | <u>Interest</u>   |
| 2024                             | \$ 220,255        | \$ 63,986         |
| 2025                             | 149,755           | 31,496            |
| 2026                             | 95,546            | 17,314            |
| 2027                             | 83,546            | 11,755            |
| 2028                             | 76,886            | 7,605             |
| 2029-2032                        | 292,319           | 14,761            |
|                                  | <u>\$ 918,307</u> | <u>\$ 146,917</u> |

**SBITA**

In July 2023, the city entered into a 24 month subscription for the use of license plate reader software. An initial subscription liability was recorded in the amount of \$105,951. As of September 30, 2023, the value of the subscription liability is \$52,451. The City is required to make annual payments of \$53,500. The subscription liability is measured using an interest rate of 2%, which is the City's incremental borrowing rate. The value of the right to use asset as of September 30, 2023 of \$105,951 with accumulated amortization of \$13,244 is included with subscription assets in Note 7.

Annual debt service requirements to maturity for SBITA's are as follows:

| <u>Year Ending September, 30</u> | <u>SBITA</u>     |                 |
|----------------------------------|------------------|-----------------|
|                                  | <u>Principal</u> | <u>Interest</u> |
| 2024                             | \$ 52,451        | \$ 1,049        |
|                                  | <u>\$ 52,451</u> | <u>\$ 1,049</u> |

**NOTE 11 RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. Risk of loss from the above is transferred by the City to various commercial insurers through the purchase of insurance. There has been no significant reduction in insurance coverage from the previous year. There have been no settlements in excess of insurance coverage in any of the prior three fiscal years.

**NOTE 12 CONTINGENCIES**

During the ordinary course of its operations, the City is a party to various claims, legal actions, and complaints. In addition, although the outcome of these lawsuits is not presently determinable, in the opinion of the City's management and legal counsel, these matters are not anticipated to have a material financial impact on the City.

**NOTE 13 RELATED PARTIES**

The City has authority to appoint 2 seats (out of a total of 9) to the Board of Directors of the City of Belle Isle Charter Schools Inc. (see Note 14). The City has no ability to impose its will upon the Charter Schools and the Charter Schools are not fiscally accountable to the City. Therefore, the Charter Schools are not considered component units of the City.

**NOTE 14 LEASE AGREEMENT**

In October 2012, the Charter Schools entered into an educational facilities lease agreement with the City. In October 2021, the lease agreement was modified as a result of the charter school bond payoff. The new agreement is a thirty-seven year lease, effective on the bond payoff date for the use of the City owned charter school buildings. Under the new lease agreement, an initial lease receivable was recorded in the amount of \$16,489,820. The lessee is required to make annual payments of \$334,827. The annual payments are subject to an annual CPI increase, not to exceed 2% per annum. The lease has an interest rate of 0%. As of September 30, 2023, the value of the lease receivable and deferred inflows of resources is \$16,154,993 and the City recognized lease revenue of \$334,827 during the fiscal year under the revised lease agreement.

Total minimum future lease payments to be received by the City are as follows:

| <u>Fiscal Year Ending</u> | <u>Principal</u>     | <u>Interest</u> |
|---------------------------|----------------------|-----------------|
| 2024                      | \$ 339,008           | \$ -            |
| 2025                      | 343,272              | -               |
| 2026                      | 347,621              | -               |
| 2027                      | 352,057              | -               |
| 2028                      | 356,582              | -               |
| 2029 - 2033               | 1,854,020            | -               |
| 2034 - 2038               | 1,981,520            | -               |
| 2039 - 2043               | 2,137,588            | -               |
| 2044 - 2048               | 2,357,349            | -               |
| 2049 - 2053               | 2,602,710            | -               |
| 2054 - 2058               | 2,873,606            | -               |
| 2059 - 2060               | 609,660              | -               |
|                           | <u>\$ 16,154,993</u> | <u>\$ -</u>     |

Following is a schedule of approximate cost and accumulated depreciation of capital assets under leases:

|                                |                     |
|--------------------------------|---------------------|
| Land, buildings, and equipment | \$ 9,041,456        |
| Accumulated depreciation       | <u>(2,301,526)</u>  |
| Capital assets held for lease  | <u>\$ 6,739,930</u> |

**Required Supplementary Information**

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - General Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts    |                     | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive |
|--|---------------------|---------------------|------------------------------------|---|
|  | Original            | Final               |                                    |   |
| <b>Revenues:</b>   |                     |                     |                                    |   |
| Taxes:   |                     |                     |                                    |   |
| Property taxes   | \$ 4,005,622        | \$ 4,005,622        | \$ 4,079,655                       | \$ 74,033                                   |
| Franchise fees and utility taxes                         | 515,500             | 620,500             | 642,375                            | 21,875                                      |
| Licenses and permits                                     | 207,000             | 264,000             | 265,802                            | 1,802                                       |
| Intergovernmental  | 3,478,039           | 2,663,669           | 2,919,085                          | 255,416                                     |
| Fines and forfeitures                                    | 462,500             | 802,925             | 858,189                            | 55,264                                      |
| Charges for services                                     | 1,283,031           | 1,448,508           | 1,474,149                          | 25,641                                      |
| Investment income  | 500                 | 500                 | 5,815                              | 5,315                                       |
| Miscellaneous  | 40,000              | 80,000              | 93,309                             | 13,309                                      |
| <b>Total revenues</b>                                    | <b>9,992,192</b>    | <b>9,885,724</b>    | <b>10,338,379</b>                  | <b>452,655</b>                              |
| <b>Expenditures:</b>                                     |                     |                     |                                    |   |
| Current:   |                     |                     |                                    |   |
| General Government:                                      |                     |                     |                                    |   |
| Legislative  | 28,150              | 20,650              | 15,582                             | 5,068                                       |
| Executive  | 3,100               | 3,100               | 2,669                              | 431   |
| Finance and administrative                               | 739,418             | 724,918             | 648,958                            | 75,960                                      |
| Other general government                                 | 825,200             | 2,379,393           | 2,290,331                          | 89,062                                      |
| <b>Total general government</b>                          | <b>1,595,868</b>    | <b>3,128,061</b>    | <b>2,957,540</b>                   | <b>170,521</b>                              |
| Public Safety:   |                     |                     |                                    |   |
| Law enforcement  | 3,601,474           | 3,883,759           | 3,489,177                          | 394,582                                     |
| Fire control   | 1,915,774           | 1,915,774           | 1,911,107                          | 4,667                                       |
| <b>Total public safety</b>                               | <b>5,517,248</b>    | <b>5,799,533</b>    | <b>5,400,284</b>                   | <b>399,249</b>                              |
| Physical Environment:                                    |                     |                     |                                    |   |
| Roads and streets  | 1,945,684           | 1,272,630           | 1,142,580                          | 130,050                                     |
| Solid waste disposal                                     | 746,762             | 762,482             | 760,586                            | 1,896                                       |
| <b>Total physical environment</b>                        | <b>2,692,446</b>    | <b>2,035,112</b>    | <b>1,903,166</b>                   | <b>131,946</b>                              |
| Debt Service:  |                     |                     |                                    |   |
| Principal  | 204,000             | 204,000             | 455,747                            | (251,747)                                   |
| Interest   | 58,000              | 58,000              | 135,131                            | (77,131)                                    |
| <b>Total debt service</b>                                | <b>262,000</b>      | <b>262,000</b>      | <b>590,878</b>                     | <b>(328,878)</b>                            |
| <b>Total expenditures</b>                                | <b>10,067,562</b>   | <b>11,224,706</b>   | <b>10,851,868</b>                  | <b>372,838</b>                              |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>(75,370)</b>     | <b>(1,338,982)</b>  | <b>(513,489)</b>                   | <b>825,493</b>                              |
| <b>Other Financing Sources (Uses):</b>                   |                     |                     |                                    |   |
| Transfer in  | -                   | -                   | 104,058                            | 104,058                                     |
| Transfer out   | (250,000)           | -                   | -                                  | -   |
| Sale of general capital assets                           | -                   | -                   | 76,722                             | 76,722                                      |
| <b>Total other financing sources (uses)</b>              | <b>(250,000)</b>    | <b>-</b>            | <b>180,780</b>                     | <b>180,780</b>                              |
| <b>Net change in fund balance</b>                        | <b>(325,370)</b>    | <b>(1,338,982)</b>  | <b>(332,709)</b>                   | <b>1,006,273</b>                            |
| <b>Fund balance, beginning</b>                           | <b>4,023,928</b>    | <b>4,023,928</b>    | <b>4,023,928</b>                   | <b>-</b>                                    |
| <b>Fund balance, ending</b>                              | <b>\$ 3,698,558</b> | <b>\$ 2,684,946</b> | <b>\$ 3,691,219</b>                | <b>\$ 1,006,273</b>                         |

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Stormwater Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts    |                     | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|---------------------|---------------------|------------------------------------|---|
|  | Original            | Final               |                                    |   |
| <b>Revenues:</b>   |                     |                     |                                    |   |
| Intergovernmental  | \$ 143,125          | \$ 65,541           | \$ 68,442                          | \$ 2,901  |
| Charges for services   | 425,344             | 425,344             | 432,370                            | 7,026   |
| Investment income  | 500                 | 500                 | 4,037                              | 3,537   |
| <b>Total revenues</b>  | <b>568,969</b>      | <b>491,385</b>      | <b>504,849</b>                     | <b>13,464</b>   |
| <b>Expenditures:</b>   |                     |                     |                                    |   |
| Current:   |                     |                     |                                    |   |
| Physical environment   | 1,047,104           | 826,740             | 755,926                            | 70,814  |
| <b>Total expenditures</b>                                    | <b>1,047,104</b>    | <b>826,740</b>      | <b>755,926</b>                     | <b>70,814</b>   |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>(478,135)</b>    | <b>(335,355)</b>    | <b>(251,077)</b>                   | <b>84,278</b>   |
| <b>Net change in fund balance</b>                            | <b>(478,135)</b>    | <b>(335,355)</b>    | <b>(251,077)</b>                   | <b>84,278</b>   |
| <b>Fund balance, beginning</b>                               | <b>(13,969)</b>     | <b>(13,969)</b>     | <b>(13,969)</b>                    | <b>-</b>  |
| <b>Fund balance, ending</b>                                  | <b>\$ (492,104)</b> | <b>\$ (349,324)</b> | <b>\$ (265,046)</b>                | <b>\$ 84,278</b>  |

The governmental funds' budgets are prepared on a budgetary basis, whereby the City may include a portion of the prior year's fund balance represented by unappropriated liquid assets remaining in the fund as a budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures. Also, the City does not budget for financing activities relating to the acquisition of capital assets or refunding of debt.

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**Combining and Individual Fund  
Statements and Schedules**

**Debt Service Fund**

This fund was established to account for the lease revenue received from the Charter Schools. The lease revenue was used to pay the debt service on the Series 2012 Lease Revenue Bonds issued by the City in October 2012, as well as to provide common area maintenance and improvements for the leased properties; however, this fund was closed in 2023 due to the new lease agreement and bond payoff.

**Capital Improvement Fund**

This fund was established to account for the use of the proceeds of the Capital Improvement Revenue Note, Series 2020, for the acquisition of land and the construction of improvements as allowed by the Note.

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Debt Service Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts |              | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|--------------|------------------------------------|---|
|  | Original         | Final        |                                    |   |
| <b>Other Financing Sources (Uses):</b> |                  |              |                                    |   |
| Transfer out                           | \$ -             | \$ (104,058) | \$ (104,058)                       | \$ -  |
| Total other financing sources (uses)   | -                | (104,058)    | (104,058)                          | -   |
| <b>Net change in fund balance</b>      | -                | (104,058)    | (104,058)                          | -   |
| <b>Fund balance, beginning</b>         | 104,058          | 104,058      | 104,058                            | -   |
| <b>Fund balance, ending</b>            | \$ 104,058       | \$ -         | \$ -                               | \$ -  |

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Capital Improvement Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts |            | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|------------|------------------------------------|---|
|  | Original         | Final      |                                    |   |
| <b>Expenditures:</b>   |                  |            |                                    |   |
| Current:   |                  |            |                                    |   |
| General government:  | \$ -             | \$ 10,785  | \$ 10,785                          | \$ -  |
| Capital outlay   | 442,101          | -          | -                                  | -   |
| <b>Total expenditures</b>  | 442,101          | 10,785     | 10,785                             | -   |
| <b>Excess (deficiency) of revenues<br/>    over expenditures</b> | (442,101)        | (10,785)   | (10,785)                           | -   |
| <b>Net change in fund balance</b>                                | (442,101)        | (10,785)   | (10,785)                           | -   |
| <b>Fund balance, beginning</b>                                   | 430,441          | 430,441    | 430,441                            | -   |
| <b>Fund balance, ending</b>                                      | \$ (11,660)      | \$ 419,656 | \$ 419,656                         | \$ -  |

#### Nonmajor Special Revenue Funds

**Transportation Impact Fee  
Special Revenue Fund**

This fund is used to account for collected impact fees on new development which are restricted for use in funding road construction directly related to new growth.

**Law Enforcement Education  
Special Revenue Fund**

This fund is used to account for revenues received pursuant to Florida Statutes which imposes a \$2.00 court cost against persons convicted for violations of criminal statutes. Funds must be used to educate and train law enforcement personnel.

**Parks Impact Fee  
Special Revenue Fund**

This fund is used to account for collected impact fees on new development which are restricted for the purpose of administering, planning, acquisition, expansion and development of additional land, amenities, and facilities for public parks and recreation purposes.

**General Impact Fee  
Special Revenue Fund**

This fund is used to account for collected impact fees on new development which are restricted solely for administering, planning, acquisition, expansion, and development of additional land, facilities, vehicles and equipment for general government facilities.

#### Nonmajor Capital Projects Fund

**Capital Equipment Replacement  
Fund**

This fund is used to account for replacements of capital equipment used by the city.

City of Belle Isle, Florida  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
September 30, 2023

|  | Special Revenue Funds        |                                 |                          |                            |                                | Capital<br>Projects<br>Fund                 | Total Nonmajor<br>Governmental<br>Funds |
|--|------------------------------|---------------------------------|--------------------------|----------------------------|--------------------------------|---|---|
|  | Transportation<br>Impact Fee | Law<br>Enforcement<br>Education | Parks Impact<br>Fee Fund | General Impact<br>Fee Fund | Total Special<br>Revenue Funds | Capital<br>Equipment<br>Replacement<br>Fund |   |
| <b>Assets:</b>                             |                              |                                 |                          |                            |                                |   |   |
| Cash and cash equivalents                  | \$ 122,012                   | \$ 25,273                       | \$ 781                   | \$ 1,023                   | \$ 149,089                     | \$ 14,783                                   | \$ 163,872                              |
| <b>Total assets</b>                        | <u>\$ 122,012</u>            | <u>\$ 25,273</u>                | <u>\$ 781</u>            | <u>\$ 1,023</u>            | <u>\$ 149,089</u>              | <u>\$ 14,783</u>                            | <u>\$ 163,872</u>                       |
| <b>Fund Balances:</b>                      |                              |                                 |                          |                            |                                |   |   |
| Restricted for:                            |                              |                                 |                          |                            |                                |   |   |
| Transportation impacts                     | 122,012                      | -                               | -                        | -                          | 122,012                        | -   | 122,012                                 |
| Law enforcement education                  | -                            | 25,273                          | -                        | -                          | 25,273                         | -   | 25,273                                  |
| Capital projects                           | -                            | -                               | 781                      | 1,023                      | 1,804                          | -   | 1,804                                   |
| Assigned                                   | -                            | -                               | -                        | -                          | -                              | 14,783                                      | 14,783                                  |
| <b>Total fund balances</b>                 | <u>122,012</u>               | <u>25,273</u>                   | <u>781</u>               | <u>1,023</u>               | <u>149,089</u>                 | <u>14,783</u>                               | <u>163,872</u>                          |
| <b>Total liabilities and fund balances</b> | <u>\$ 122,012</u>            | <u>\$ 25,273</u>                | <u>\$ 781</u>            | <u>\$ 1,023</u>            | <u>\$ 149,089</u>              | <u>\$ 14,783</u>                            | <u>\$ 163,872</u>                       |

City of Belle Isle, Florida  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
Year Ended September 30, 2023

|  | Special Revenue Funds        |                                 |                          |                            |                                | Capital<br>Projects<br>Fund                 | Total Nonmajor<br>Governmental<br>Funds |
|--|------------------------------|---------------------------------|--------------------------|----------------------------|--------------------------------|---|---|
|  | Transportation<br>Impact Fee | Law<br>Enforcement<br>Education | Parks Impact<br>Fee Fund | General Impact<br>Fee Fund | Total Special<br>Revenue Funds | Capital<br>Equipment<br>Replacement<br>Fund |   |
| <b>Revenues:</b>   |                              |                                 |                          |                            |                                |   |   |
| Impact fees  | \$ 3,220                     | \$ -                            | \$ 781                   | \$ 1,023                   | \$ 5,024                       | \$ -  | \$ 5,024                                |
| Fines and forfeitures  | -                            | 7,682                           | -                        | -                          | 7,682                          | -   | 7,682                                   |
| Investment earnings  | 4,035                        | 4,035                           | -                        | -                          | 8,070                          | 4,035                                       | 12,105                                  |
| <b>Total revenues</b>  | <u>7,255</u>                 | <u>11,717</u>                   | <u>781</u>               | <u>1,023</u>               | <u>20,776</u>                  | <u>4,035</u>                                | <u>24,811</u>                           |
| <b>Expenditures:</b>   |                              |                                 |                          |                            |                                |   |   |
| Current:   |                              |                                 |                          |                            |                                |   |   |
| Public safety  | -                            | 5,968                           | -                        | -                          | 5,968                          | -   | 5,968                                   |
| Capital Outlay:  | -                            | -                               | -                        | -                          | -                              | 9,025                                       | 9,025                                   |
| <b>Total expenditures</b>                                    | <u>-</u>                     | <u>5,968</u>                    | <u>-</u>                 | <u>-</u>                   | <u>5,968</u>                   | <u>9,025</u>                                | <u>14,993</u>                           |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <u>7,255</u>                 | <u>5,749</u>                    | <u>781</u>               | <u>1,023</u>               | <u>14,808</u>                  | <u>(4,990)</u>                              | <u>9,818</u>                            |
| <b>Net change in fund balances</b>                           | <u>7,255</u>                 | <u>5,749</u>                    | <u>781</u>               | <u>1,023</u>               | <u>14,808</u>                  | <u>(4,990)</u>                              | <u>9,818</u>                            |
| <b>Fund balances, beginning</b>                              | <u>114,757</u>               | <u>19,524</u>                   | <u>-</u>                 | <u>-</u>                   | <u>134,281</u>                 | <u>19,773</u>                               | <u>154,054</u>                          |
| <b>Fund balances, ending</b>                                 | <u>\$ 122,012</u>            | <u>\$ 25,273</u>                | <u>\$ 781</u>            | <u>\$ 1,023</u>            | <u>\$ 149,089</u>              | <u>\$ 14,783</u>                            | <u>\$ 163,872</u>                       |

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Transportation Impact Fee Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts |                   | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|-------------------|------------------------------------|---|
|  | Original         | Final             |                                    |   |
| <b>Revenues:</b>   |                  |                   |                                    |   |
| Impact fees  | \$ -             | \$ -              | \$ 3,220                           | \$ 3,220  |
| Investment income  | 500              | 500               | 4,035                              | 3,535   |
| <b>Total revenues</b>  | <b>500</b>       | <b>500</b>        | <b>7,255</b>                       | <b>6,755</b>  |
| <b>Expenditures:</b>   |                  |                   |                                    |   |
| Current:   |                  |                   |                                    |   |
| Physical environment   | 65,000           | -                 | -                                  | -   |
| <b>Total expenditures</b>                                    | <b>65,000</b>    | <b>-</b>          | <b>-</b>                           | <b>-</b>  |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>(64,500)</b>  | <b>500</b>        | <b>7,255</b>                       | <b>6,755</b>  |
| <b>Net change in fund balance</b>                            | <b>(64,500)</b>  | <b>500</b>        | <b>7,255</b>                       | <b>6,755</b>  |
| <b>Fund balance, beginning</b>                               | <b>114,757</b>   | <b>114,757</b>    | <b>114,757</b>                     | <b>-</b>  |
| <b>Fund balance, ending</b>                                  | <b>\$ 50,257</b> | <b>\$ 115,257</b> | <b>\$ 122,012</b>                  | <b>\$ 6,755</b>   |



City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Law Enforcement Education Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts |                  | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|------------------|------------------------------------|---|
|  | Original         | Final            |                                    |   |
| <b>Revenues:</b>   |                  |                  |                                    |   |
| Fines and forfeitures  | \$ 3,000         | \$ 3,000         | \$ 7,682                           | \$ 4,682  |
| Investment income  | 500              | 500              | 4,035                              | 3,535   |
| <b>Total revenues</b>  | <b>3,500</b>     | <b>3,500</b>     | <b>11,717</b>                      | <b>8,217</b>  |
| <b>Expenditures:</b>   |                  |                  |                                    |   |
| Current:   |                  |                  |                                    |   |
| Public safety  | 6,000            | 6,000            | 5,968                              | 32  |
| <b>Total expenditures</b>                                    | <b>6,000</b>     | <b>6,000</b>     | <b>5,968</b>                       | <b>32</b>   |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <b>(2,500)</b>   | <b>(2,500)</b>   | <b>5,749</b>                       | <b>8,249</b>  |
| <b>Net change in fund balance</b>                            | <b>(2,500)</b>   | <b>(2,500)</b>   | <b>5,749</b>                       | <b>8,249</b>  |
| <b>Fund balance, beginning</b>                               | <b>19,524</b>    | <b>19,524</b>    | <b>19,524</b>                      | <b>-</b>  |
| <b>Fund balance, ending</b>                                  | <b>\$ 17,024</b> | <b>\$ 17,024</b> | <b>\$ 25,273</b>                   | <b>\$ 8,249</b>   |

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Parks Impact Fee Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts |        | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|--------|------------------------------------|---|
|  | Original         | Final  |                                    |   |
| <b>Revenues:</b>   |                  |        |                                    |   |
| Impact fees  | \$ -             | \$ 781 | \$ 781                             | \$ -  |
| Investment income  | -                | -      | -                                  | -   |
| <b>Total revenues</b>  | -                | 781    | 781                                | -   |
| <b>Expenditures:</b>   |                  |        |                                    |   |
| Current:   |                  |        |                                    |   |
| Physical environment   | -                | -      | -                                  | -   |
| <b>Total expenditures</b>                                    | -                | -      | -                                  | -   |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | -                | 781    | 781                                | -   |
| <b>Net change in fund balance</b>                            | -                | 781    | 781                                | -   |
| <b>Fund balance, beginning</b>                               | -                | -      | -                                  | -   |
| <b>Fund balance, ending</b>                                  | \$ -             | \$ 781 | \$ 781                             | \$ -  |

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - General Impact Fee Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts |          | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|----------|------------------------------------|---|
|  | Original         | Final    |                                    |   |
| <b>Revenues:</b>   |                  |          |                                    |   |
| Impact fees  | \$ -             | \$ 1,023 | \$ 1,023                           | \$ -  |
| Investment income  | -                | -        | -                                  | -   |
| <b>Total revenues</b>  | -                | 1,023    | 1,023                              | -   |
| <b>Expenditures:</b>   |                  |          |                                    |   |
| Current:   |                  |          |                                    |   |
| Physical environment   | -                | -        | -                                  | -   |
| <b>Total expenditures</b>                                    | -                | -        | -                                  | -   |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | -                | 1,023    | 1,023                              | -   |
| <b>Net change in fund balance</b>                            | -                | 1,023    | 1,023                              | -   |
| <b>Fund balance, beginning</b>                               | -                | -        | -                                  | -   |
| <b>Fund balance, ending</b>                                  | \$ -             | \$ 1,023 | \$ 1,023                           | \$ -  |

City of Belle Isle, Florida  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Capital Equipment Replacement Fund**  
Year Ended September 30, 2023

|  | Budgeted Amounts  |                  | Actual Amounts,<br>Budgetary Basis | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|-------------------|------------------|------------------------------------|---|
|  | Original          | Final            |                                    |   |
| <b>Revenues:</b>   |                   |                  |                                    |   |
| Investment income  | \$ 500            | \$ 500           | \$ 4,035                           | \$ 3,535  |
| <b>Total revenues</b>  | <u>500</u>        | <u>500</u>       | <u>4,035</u>                       | <u>3,535</u>  |
| <b>Expenditures:</b>   |                   |                  |                                    |   |
| Capital outlay   | 50,000            | 9,100            | 9,025                              | 75  |
| <b>Total expenditures</b>                                    | <u>50,000</u>     | <u>9,100</u>     | <u>9,025</u>                       | <u>75</u>   |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <u>(49,500)</u>   | <u>(8,600)</u>   | <u>(4,990)</u>                     | <u>3,610</u>  |
| <b>Other Financing Sources (Uses):</b>                       |                   |                  |                                    |   |
| Transfer in  | 250,000           | -                | -                                  | -   |
| Total other financing sources (uses)                         | <u>250,000</u>    | <u>-</u>         | <u>-</u>                           | <u>-</u>  |
| <b>Net change in fund balance</b>                            | 200,500           | (8,600)          | (4,990)                            | 3,610   |
| <b>Fund balance, beginning</b>                               | <u>19,773</u>     | <u>19,773</u>    | <u>19,773</u>                      | <u>-</u>  |
| <b>Fund balance, ending</b>                                  | <u>\$ 220,273</u> | <u>\$ 11,173</u> | <u>\$ 14,783</u>                   | <u>\$ 3,610</u>   |

**Statistical Section**



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This part of the *City of Belle Isle'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 health.

| <b>Contents</b>  | <b><u>Page</u></b> |
|--|--------------------|
| Financial Trends   | 39                 |
| These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.  |                    |
| Revenue Capacity   | 44                 |
| These schedules contain formation to help the reader asses the government's most significant local revenue source, the property tax.   |                    |
| Debt Capacity  | 48                 |
| These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.                    |                    |
| There are no limitations placed upon the amount of debt the <i>City of Belle Isle</i> may issue by either the City Charter or the City's Code of Ordinances or by Florida Statutes.  |                    |
| The <i>City of Belle Isle</i> has no general obligation bonds outstanding.   |                    |
| Demographic and Economic Information   | 51                 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.   |                    |
| Operating Information  | 53                 |
| These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. |                    |

City of Belle Isle, Florida  
**Net Position by Component**  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

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|   | <u>2014</u>          | <u>2015</u>          | <u>2016</u>          | <u>2017</u>         | <u>2018</u>         | <u>2019</u>          | <u>2020</u>          | <u>2021</u>          | <u>2022</u>          | <u>2023</u>          |
|---|----------------------|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities:                          |                      |                      |                      |                     |                     |                      |                      |                      |                      |                      |
| Net investment in capital assets                  | \$ 7,244,583         | \$ 7,530,107         | \$ 8,475,455         | \$ 6,012,551        | \$ 6,819,323        | \$ 8,560,971         | \$ 8,518,272         | \$ 8,172,436         | \$ 16,045,825        | \$ 15,655,211        |
| Restricted  | 2,579,822            | 3,369,730            | 3,574,581            | 1,180,583           | 1,084,890           | 464,127              | 578,578              | 785,388              | 238,340              | 568,745              |
| Unrestricted                                      | 1,618,370            | 2,092,715            | 2,608,122            | 2,380,829           | 1,359,354           | 2,283,889            | 2,377,681            | 3,089,376            | 3,873,418            | 3,299,096            |
| <b>Total governmental activities net position</b> | <b>\$ 11,442,775</b> | <b>\$ 12,992,552</b> | <b>\$ 14,658,158</b> | <b>\$ 9,573,963</b> | <b>\$ 9,263,567</b> | <b>\$ 11,308,987</b> | <b>\$ 11,474,531</b> | <b>\$ 12,047,200</b> | <b>\$ 20,157,583</b> | <b>\$ 19,523,052</b> |



City of Belle Isle, Florida  
**Changes in Net Position**  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

|  | <u>2014</u>            | <u>2015</u>            | <u>2016</u>            | <u>2017</u>           | <u>2018</u>           | <u>2019</u>           | <u>2020</u>           | <u>2021</u>           | <u>2022</u>           | <u>2023</u>           |
|--|------------------------|------------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Expenses</b>  |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| Governmental Activities:                                   |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| General government   | \$ 1,184,379           | \$ 1,181,293           | \$ 1,326,981           | \$ 2,000,529          | \$ 2,281,821          | \$ 1,028,547          | \$ 1,333,531          | \$ 1,238,951          | \$ 1,696,238          | \$ 3,198,355          |
| Public safety  | 2,544,994              | 2,623,288              | 2,669,212              | 2,827,193             | 3,152,637             | 3,502,256             | 3,669,342             | 4,108,254             | 4,672,622             | 5,599,416             |
| Physical environment                                       | 1,268,403              | 1,262,891              | 1,273,663              | 1,491,093             | 1,591,156             | 2,199,798             | 2,245,131             | 2,451,847             | 2,543,679             | 2,651,244             |
| Human Services   | 8,307,234              | 8,579,049              | 9,161,001              | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Interest on long-term debt                                 | 628,992                | 616,652                | 644,253                | 585,303               | 560,511               | 570,192               | 592,145               | 579,866               | 612,696               | 132,573               |
| <b>Total governmental activities expense</b>               | <b>\$ 13,934,002</b>   | <b>\$ 14,263,173</b>   | <b>\$ 15,075,110</b>   | <b>\$ 6,904,118</b>   | <b>\$ 7,586,125</b>   | <b>\$ 7,300,793</b>   | <b>\$ 7,840,149</b>   | <b>\$ 8,378,918</b>   | <b>\$ 9,525,235</b>   | <b>\$ 11,581,588</b>  |
| <b>Program Revenues</b>                                    |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| Governmental Activities:                                   |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| Charges for Services:                                      |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| General government   | \$ -                   | \$ -                   | \$ -                   | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ -                  | \$ 466,450            |
| Public safety  | 40,943                 | 54,125                 | 56,471                 | 92,006                | 119,566               | 235,533               | 150,349               | 355,192               | 755,789               | 1,145,954             |
| Physical environment                                       | 853,785                | 847,737                | 1,040,533              | 1,252,569             | 1,056,529             | 1,128,850             | 1,238,589             | 1,325,819             | 1,273,305             | 1,425,788             |
| Human services   | 180,380                | 190,147                | 199,136                | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Interest on long-term debt                                 | 862,972                | 928,900                | 957,249                | 963,674               | 984,844               | 1,018,908             | 1,036,641             | 1,047,373             | 1,033,608             | -                     |
| Operating grants and contributions                         | 436,178                | 384,248                | 368,188                | 236,272               | 279,947               | 1,443,033             | 334,030               | 596,427               | 888,901               | 1,063,400             |
| Capital grants and contributions                           | 608,518                | 619,626                | 384,035                | 7,934                 | 5,000                 | 401,166               | 61,366                | 11,786                | 29,563                | 82,148                |
| <b>Total Governmental Activities Program:</b>              |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| <b>Revenues</b>  | <b>\$ 2,982,776</b>    | <b>\$ 3,024,783</b>    | <b>\$ 3,005,612</b>    | <b>\$ 2,552,455</b>   | <b>\$ 2,445,886</b>   | <b>\$ 4,227,490</b>   | <b>\$ 2,820,975</b>   | <b>\$ 3,336,597</b>   | <b>\$ 3,981,166</b>   | <b>\$ 4,183,740</b>   |
| <b>Total governmental activities net expense</b>           | <b>\$ (10,951,226)</b> | <b>\$ (11,238,390)</b> | <b>\$ (12,069,498)</b> | <b>\$ (4,351,663)</b> | <b>\$ (5,140,239)</b> | <b>\$ (3,073,303)</b> | <b>\$ (5,019,174)</b> | <b>\$ (5,042,321)</b> | <b>\$ (5,544,069)</b> | <b>\$ (7,397,848)</b> |
| <b>General Revenues and Other Changes in Net Position:</b> |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| Governmental Activities:                                   |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| Taxes:   |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| Property taxes   | \$ 2,479,107           | \$ 2,506,520           | \$ 2,574,866           | \$ 2,711,321          | \$ 2,912,422          | \$ 3,104,093          | \$ 3,370,685          | \$ 3,535,115          | \$ 3,763,201          | \$ 4,079,655          |
| Franchise and utility taxes                                | 410,408                | 405,135                | 388,501                | 395,702               | 410,481               | 416,555               | 454,588               | 560,621               | 585,835               | 642,375               |
| Intergovernmental-unrestricted                             | 8,995,459              | 9,784,811              | 10,611,076             | 1,366,176             | 1,441,977             | 1,516,204             | 1,280,834             | 1,447,019             | 1,823,413             | 1,847,003             |
| Investment income and Miscellaneous                        | 155,053                | 91,701                 | 160,661                | 63,298                | 64,963                | 81,871                | 78,611                | 72,235                | 60,676                | 115,266               |
| Special items  | -                      | -                      | -                      | -                     | -                     | -                     | -                     | -                     | 7,421,327             | 79,018                |
| <b>Total governmental activities</b>                       | <b>\$ 12,040,027</b>   | <b>\$ 12,788,167</b>   | <b>\$ 13,735,104</b>   | <b>\$ 4,536,497</b>   | <b>\$ 4,829,843</b>   | <b>\$ 5,118,723</b>   | <b>\$ 5,184,718</b>   | <b>\$ 5,614,990</b>   | <b>\$ 13,654,452</b>  | <b>\$ 6,763,317</b>   |
| <b>Change in Net Position:</b>                             |                        |                        |                        |                       |                       |                       |                       |                       |                       |                       |
| Governmental Activities                                    | \$ 1,088,801           | \$ 1,549,777           | \$ 1,665,606           | \$ 184,834            | \$ (310,396)          | \$ 2,045,420          | \$ 165,544            | \$ 572,669            | \$ 8,110,383          | \$ (634,531)          |

City of Belle Isle, Florida  
**Governmental Activities Tax Revenues by Source**  
Last Ten Fiscal Years  
(accrual basis of accounting)

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|      | <u>Property Tax</u> | <u>Franchise Fees<br/>and Utility Tax</u> | <u>Total</u> |
|------|---------------------|---|--------------|
| 2014 | 2,479,107           | 410,408                                   | 2,889,515    |
| 2015 | 2,506,520           | 405,135                                   | 2,911,655    |
| 2016 | 2,574,866           | 388,501                                   | 2,963,367    |
| 2017 | 2,711,321           | 373,060                                   | 3,084,381    |
| 2018 | 2,912,422           | 384,446                                   | 3,296,868    |
| 2019 | 3,104,093           | 416,555                                   | 3,520,648    |
| 2020 | 3,370,685           | 454,588                                   | 3,825,273    |
| 2021 | 3,535,115           | 560,621                                   | 4,095,736    |
| 2022 | 3,763,201           | 585,835                                   | 4,349,036    |
| 2023 | 4,079,655           | 642,376                                   | 4,722,031    |

City of Belle Isle, Florida  
**Fund Balances of Governmental Funds**  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

|   | <u>2014</u>         | <u>2015</u>         | <u>2016</u>         | <u>2017</u>         | <u>2018</u>         | <u>2019</u>         | <u>2020</u>         | <u>2021</u>         | <u>2022</u>         | <u>2023</u>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund:                             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Nonspendable                              | \$ 1,353            | \$ 520              | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ 6,250            | \$ 2,025            | \$ 4,507            |
| Assigned                                  | -                   | -                   | 303,662             | 202,394             | 490,772             | -                   | -                   | -                   | 325,370             | 846,266             |
| Unassigned                                | 1,641,803           | 2,130,022           | 2,245,970           | 2,284,723           | 982,369             | 2,371,023           | 2,536,904           | 3,192,006           | 3,696,533           | 2,840,446           |
| <b>Total general fund</b>                 | <b>\$ 1,643,156</b> | <b>\$ 2,130,542</b> | <b>\$ 2,549,632</b> | <b>\$ 2,487,117</b> | <b>\$ 1,473,141</b> | <b>\$ 2,371,023</b> | <b>\$ 2,536,904</b> | <b>\$ 3,198,256</b> | <b>\$ 4,023,928</b> | <b>\$ 3,691,219</b> |
| All Other Governmental Funds:             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Nonspendable                              | \$ 153,226          | \$ 123,979          | \$ 113,381          | \$ -                | \$ -                | \$ 1,790            | \$ -                | \$ -                | \$ -                | \$ -                |
| Restricted                                | 3,387,740           | 4,206,811           | 4,542,011           | 2,133,139           | 1,886,604           | 1,421,602           | 4,045,523           | 2,189,874           | 668,780             | 568,745             |
| Assigned                                  | -                   | -                   | -                   | -                   | -                   | 27,000              | 18,131              | 19,016              | 19,773              | 14,783              |
| Unassigned                                | -                   | -                   | -                   | -                   | -                   | -                   | (36,802)            | -                   | (13,969)            | (265,046)           |
| <b>Total all other governmental funds</b> | <b>\$ 3,540,966</b> | <b>\$ 4,330,790</b> | <b>\$ 4,655,392</b> | <b>\$ 2,133,139</b> | <b>\$ 1,886,604</b> | <b>\$ 1,450,392</b> | <b>\$ 4,026,852</b> | <b>\$ 2,208,890</b> | <b>\$ 674,584</b>   | <b>\$ 318,482</b>   |

City of Belle Isle, Florida  
**Changes in Fund Balances of Governmental Funds**  
 Last Ten Fiscal Years

|  | <u>2014</u>       | <u>2015</u>         | <u>2016</u>       | <u>2017</u>       | <u>2018</u>           | <u>2019</u>       | <u>2020</u>         | <u>2021</u>           | <u>2022</u>         | <u>2023</u>         |
|--|-------------------|---------------------|-------------------|-------------------|-----------------------|-------------------|---------------------|-----------------------|---------------------|---------------------|
| <b>Revenues:</b>                               |                   |                     |                   |                   |                       |                   |                     |                       |                     |                     |
| Taxes:   |                   |                     |                   |                   |                       |                   |                     |                       |                     |                     |
| Property                                       | \$ 2,479,107      | \$ 2,506,520        | \$ 2,574,866      | \$ 2,711,321      | \$ 2,912,422          | \$ 3,104,093      | \$3,370,685         | \$3,535,115           | \$3,763,201         | \$4,079,655         |
| Franchise and utility                          | 410,408           | 405,135             | 388,501           | 373,060           | 410,481               | 416,555           | 454,588             | 560,621               | 585,835             | 642,375             |
| Licenses and permits                           | 134,284           | 158,170             | 214,627           | 358,957           | 232,092               | 172,845           | 248,296             | 189,613               | 182,088             | 265,802             |
| Intergovernmental revenues                     | 10,028,321        | 10,766,686          | 11,363,299        | 1,610,382         | 1,726,924             | 2,965,570         | 1,676,230           | 2,151,934             | 2,741,877           | 2,987,527           |
| Charges for services                           | 888,487           | 893,399             | 1,051,372         | 890,294           | 895,126               | 2,185,075         | 2,138,399           | 2,194,670             | 2,335,228           | 1,906,519           |
| Impact fees                                    | 4,394             | 14,075              | 11,730            | 104,390           | 31,460                | 4,290             | 1,430               | 4,290                 | 2,862               | 5,024               |
| Fines and forfeitures                          | 47,943            | 26,365              | 18,411            | 13,576            | 17,417                | 21,081            | 37,454              | 243,109               | 542,524             | 865,871             |
| Investment Income                              | 1,725             | 4,267               | 14,500            | 20,839            | 19,319                | 29,388            | 20,201              | 4,968                 | 8,351               | 21,957              |
| Miscellaneous                                  | 1,038,364         | 1,032,434           | 1,111,915         | 1,006,133         | 1,036,488             | 52,483            | 58,410              | 44,826                | 52,325              | 93,309              |
| <b>Total revenues</b>                          | <b>15,033,033</b> | <b>15,807,051</b>   | <b>16,749,221</b> | <b>7,088,952</b>  | <b>7,281,729</b>      | <b>8,951,380</b>  | <b>8,005,693</b>    | <b>8,929,146</b>      | <b>10,214,291</b>   | <b>10,868,039</b>   |
| <b>Expenditures:</b>                           |                   |                     |                   |                   |                       |                   |                     |                       |                     |                     |
| General government                             | 988,079           | 991,080             | 1,136,552         | 1,945,805         | 2,101,282             | 1,290,432         | 1,114,817           | 1,181,554             | 1,384,697           | 2,968,325           |
| Public safety                                  | 2,547,179         | 2,531,847           | 2,577,934         | 2,884,526         | 3,289,668             | 3,440,099         | 3,612,318           | 4,020,454             | 4,911,991           | 6,330,060           |
| Physical environment                           | 862,239           | 1,179,457           | 2,124,541         | 1,259,598         | 2,706,740             | 2,626,584         | 2,155,709           | 1,907,088             | 3,205,756           | 2,659,092           |
| Human services                                 | 8,913,168         | 8,981,368           | 9,418,861         | -                 | -                     | -                 | -                   | -                     | -                   | -                   |
| Debt Service:                                  |                   |                     |                   |                   |                       |                   |                     |                       |                     |                     |
| Principal                                      | 339,634           | 250,210             | 285,919           | 235,356           | 303,916               | 556,597           | 324,831             | 383,337               | 1,366,462           | 455,747             |
| Interest and fiscal charges                    | 630,970           | 617,878             | 645,508           | 575,093           | 570,311               | 575,998           | 596,981             | 582,424               | 615,254             | 135,131             |
| Capital outlay                                 | -                 | -                   | -                 | -                 | -                     | -                 | 9,977               | 2,057,899             | -                   | 9,025               |
| <b>Total expenditures</b>                      | <b>14,281,269</b> | <b>14,551,840</b>   | <b>16,189,315</b> | <b>6,900,378</b>  | <b>8,971,917</b>      | <b>8,489,710</b>  | <b>7,814,633</b>    | <b>10,132,756</b>     | <b>11,484,160</b>   | <b>12,557,380</b>   |
| Excess Revenues Over Expenditures              | 751,764           | 1,255,211           | 559,906           | 188,574           | (1,690,188)           | 461,670           | 191,060             | (1,203,610)           | (1,269,869)         | (1,689,341)         |
| Other Financing Sources:                       |                   |                     |                   |                   |                       |                   |                     |                       |                     |                     |
| Sale of general capital assets                 | -                 | -                   | -                 | -                 | -                     | -                 | -                   | 47,000                | 168,086             | 76,722              |
| Line of credit                                 | -                 | -                   | -                 | -                 | 250,000               | -                 | -                   | -                     | -                   | -                   |
| Leases   | 87,512            | 21,999              | -                 | -                 | 179,677               | -                 | -                   | -                     | 393,149             | 923,808             |
| Transfer in                                    | -                 | -                   | -                 | -                 | -                     | -                 | -                   | -                     | -                   | 104,058             |
| Transfer out                                   | -                 | -                   | -                 | -                 | -                     | -                 | -                   | -                     | -                   | (104,058)           |
| Bonds/Notes issued                             | 100,000           | -                   | 1,081,000         | -                 | -                     | -                 | 2,551,281           | -                     | -                   | -                   |
| Premium on bonds                               | -                 | -                   | 21,036            | -                 | -                     | -                 | -                   | -                     | -                   | -                   |
| Payment to refunded bond escrow                | -                 | -                   | (918,250)         | -                 | -                     | -                 | -                   | -                     | -                   | -                   |
| <b>Total other financing sources</b>           | <b>187,512</b>    | <b>21,999</b>       | <b>183,786</b>    | <b>-</b>          | <b>429,677</b>        | <b>-</b>          | <b>2,551,281</b>    | <b>47,000</b>         | <b>561,235</b>      | <b>1,000,530</b>    |
| <b>Net change in fund balance</b>              | <b>\$ 939,276</b> | <b>\$ 1,277,210</b> | <b>\$ 743,692</b> | <b>\$ 188,574</b> | <b>\$ (1,260,511)</b> | <b>\$ 461,670</b> | <b>\$ 2,742,341</b> | <b>\$ (1,156,610)</b> | <b>\$ (708,634)</b> | <b>\$ (688,811)</b> |
| Debt service as a % of noncapital expenditures | 7.47%             | 6.61%               | 6.70%             | 12.75%            | 12.39%                | 16.34%            | 12.96%              | 12.56%                | 20.46%              | 5.49%               |

City of Belle Isle, Florida  
**Assessed Value and Estimated Value of Taxable Property**  
 Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Real Property</u> | <u>Personal Property</u> | <u>Total * Taxable Assessed Value</u> | <u>Total Direct Tax Rate</u> | <u>Estimated Actual Taxable Value</u> | <u>Assessed Value as a Percentage of Actual Value</u> |
|--------------------|----------------------|--------------------------|---------------------------------------|------------------------------|---------------------------------------|---|
| 2014               | 562,918,210          | 18,467,610               | 581,385,820                           | 4.4018                       | 584,568,215                           | 99.46%  |
| 2015               | 585,089,524          | 17,762,519               | 602,852,043                           | 4.4018                       | 603,075,188                           | 99.96%  |
| 2016               | 595,651,703          | 17,857,310               | 613,509,013                           | 4.4018                       | 614,146,295                           | 99.90%  |
| 2017               | 620,289,033          | 17,137,421               | 637,426,454                           | 4.4018                       | 637,008,672                           | 99.93%  |
| 2018               | 660,858,252          | 23,410,913               | 684,269,165                           | 4.4018                       | 684,329,205                           | 99.99%  |
| 2019               | 703,209,512          | 26,794,880               | 730,004,392                           | 4.4018                       | 731,373,629                           | 99.81%  |
| 2020               | 763,905,552          | 29,388,882               | 793,294,434                           | 4.4018                       | 794,985,303                           | 99.79%  |
| 2021               | 807,261,537          | 32,581,139               | 839,842,676                           | 4.4018                       | 842,860,574                           | 99.64%  |
| 2022               | 844,961,144          | 33,714,846               | 878,675,990                           | 4.4018                       | 881,194,409                           | 99.71%  |
| 2023               | 920,542,530          | 34,801,048               | 955,343,578                           | 4.4018                       | 957,891,012                           | 99.73%  |

Source:  
 Orange County Property Appraiser

\* Breakdown between residential & commercial not available

**Property Tax Rates Direct and Overlapping Governments**

Last Ten Fiscal Years

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| Fiscal Year   | Direct(1)          | Overlapping(2) |              |                |               |                  | Total Direct & Overlapping Rates |
|---|--------------------|----------------|--------------|----------------|---------------|------------------|----------------------------------|
|   | City of Belle Isle | Orange County  | School Board | County Library | St. Johns WMD | Lake Conway MSTU |                                  |
| 2014  | 4.4018             | 4.4347         | 8.3620       | 0.3748         | 0.3283        | 0.4107           | 18.3123                          |
| 2015  | 4.4018             | 4.4347         | 8.4740       | 0.3748         | 0.3164        | 0.4107           | 18.4124                          |
| 2016  | 4.4018             | 4.4347         | 8.2180       | 0.3748         | 0.3023        | 0.4107           | 18.1423                          |
| 2017  | 4.4018             | 4.4347         | 7.8110       | 0.3748         | 0.2885        | 0.4107           | 17.7215                          |
| 2018  | 4.4018             | 4.4347         | 7.4700       | 0.3748         | 0.2724        | 0.4107           | 17.3644                          |
| 2019  | 4.4018             | 4.4347         | 7.2990       | 0.3748         | 0.2562        | 0.4107           | 17.1772                          |
| 2020  | 4.4018             | 4.4347         | 7.1090       | 0.3748         | 0.2414        | 0.4107           | 17.1772                          |
| 2021  | 4.4018             | 4.4347         | 6.8570       | 0.3748         | 0.2287        | 0.4107           | 16.7077                          |
| 2022  | 4.4018             | 4.4347         | 6.7370       | 0.3748         | 0.2189        | 0.4107           | 16.5779                          |
| 2023  | 4.4018             | 4.4347         | 6.4620       | 0.3748         | 0.1974        | 0.4107           | 16.2814                          |
| <b>Millage Rates (\$1 per \$1,000 of taxable value)</b> |                    |                |              |                |               |                  |                                  |

(1) The direct rate is for operating millage. There is no debt service millage.

(2) Overlapping rates are those of local and county governments that apply to property owners within the City of Belle Isle.

Source: Orange County Tax Collector

City of Belle Isle, Florida  
**Principal Property Taxpayers**  
 Current Year and Nine Years Ago

| Taxpayer                      | 2023                   |      |  | 2014                   |      |  |
|-------------------------------|------------------------|------|--|------------------------|------|--|
|                               | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Duke Energy Florida Inc       | \$14,832,716           | 1    | 1.61%                                      | 5,896,895              | 4    | 1.01%                                      |
| Legacy Holdings LLC           | 11,913,102             | 2    | 1.29%                                      | 6,165,060              | 3    | 1.06%                                      |
| Thirumala Hotels LLC          | 10,574,553             | 3    | 1.15%                                      | 6,703,142              | -    | 1.20%                                      |
| SJS Belle Isle Commons LLC    | 10,232,910             | 4    | 1.11%                                      | 7,213,127              | 2    | 1.24%                                      |
| Regal Marine Industries Inc   | 7,329,661              | 5    | 0.80%                                      | 7,222,133              | 1    | 1.24%                                      |
| Sri Balaji Hotels LLC         | 7,169,067              | 6    | 0.78%                                      | 4,308,602              | 6    | 0.74%                                      |
| Tiger Orlando Belle Isle LLC  | 7,040,545              | 7    | 0.76%                                      | 3,674,277              | -    | 0.66%                                      |
| Capital Lodging LLC           | 6,458,069              | 8    | 0.70%                                      | -                      | -    | -  |
| Klingensmith Associates LLC   | 5,566,241              | 9    | 0.60%                                      | -                      | -    | -  |
| McCoy Federal Credit Union    | 5,465,217              | 10   | 0.59%                                      | 3,028,221              | 9    | 0.52%                                      |
| Marketing Business Associates | -                      | -    | -  | 5,815,689              | 5    | 1.00%                                      |
| McCoy Enterprises Group       | -                      | -    | -  | 4,070,900              | 7    | 0.70%                                      |
| Emerald Eagles                | -                      | -    | -  | 3,471,600              | 8    | 0.60%                                      |
| Harrell Roberts               | -                      | -    | -  | 2,359,999              | 10   | 0.41%                                      |
|                               | <u>\$86,582,081</u>    |      | <u>9.41%</u>                               | <u>\$ 59,929,645</u>   |      | <u>8.52%</u>                               |

Source: Orange County Property Appraiser  
 2014 City of Belle Isle Annual Financial Report

City of Belle Isle, Florida  
**Property Tax Levies and Collections**  
 Last Ten Fiscal Years

|      | <b>Total Tax Levy<br/>for Fiscal Year</b> | <b>Collected Within the Fiscal Year of the<br/>Levy</b> |                               | <b>Collections in<br/>Subsequent<br/>Years</b> | <b>Total Collections to Date</b> |                               |
|------|---|---|-------------------------------|--|----------------------------------|-------------------------------|
|      |   | <b>Amount</b>   | <b>Percentage<br/>of Levy</b> |  | <b>Amount</b>                    | <b>Percentage<br/>of Levy</b> |
| 2014 | \$ 2,566,675                              | \$ 2,479,107  | 96.59%                        | \$ -   | \$ 2,479,107                     | 96.78%                        |
| 2015 | 2,653,634                                 | 2,506,520   | 94.46%                        | -  | 2,506,520                        | 94.46%                        |
| 2016 | 2,702,361                                 | 2,574,866   | 95.28%                        | -  | 2,574,866                        | 95.28%                        |
| 2017 | 2,807,923                                 | 2,711,321   | 96.56%                        | -  | 2,711,321                        | 96.56%                        |
| 2018 | 3,012,280                                 | 2,912,422   | 96.68%                        | -  | 2,912,422                        | 96.68%                        |
| 2019 | 3,214,400                                 | 3,104,093   | 96.57%                        | -  | 3,104,093                        | 96.57%                        |
| 2020 | 3,493,858                                 | 3,370,685   | 96.47%                        | -  | 3,370,685                        | 96.47%                        |
| 2021 | 3,697,452                                 | 3,535,115   | 95.61%                        | -  | 3,535,115                        | 95.61%                        |
| 2022 | 3,868,139                                 | 3,763,201   | 97.29%                        | -  | 3,763,201                        | 97.29%                        |
| 2023 | 4,206,487                                 | 4,079,655   | 96.98%                        | -  | 4,079,655                        | 96.98%                        |



City of Belle Isle, Florida  
**Ratios of Outstanding Debt By Type**  
 Last Ten Fiscal Years

|      | <u>Revenue Bonds</u> | <u>Governmental Activities</u> |                          | <u>SBITA Liabilities</u> | <u>Total Primary Government</u> | <u>Percentage of Personal Income</u> <sup>1</sup> | <u>Per Capita</u> |
|------|----------------------|--------------------------------|--------------------------|--------------------------|---------------------------------|---|-------------------|
|      |                      | <u>Revenue Notes</u>           | <u>Lease Liabilities</u> |                          |                                 |   |                   |
| 2014 | 10,559,326           | -                              | 92,966                   | -                        | 10,652,292                      | 3.89%   | 1659              |
| 2015 | 10,358,560           | -                              | 64,755                   | -                        | 10,423,315                      | 3.63%   | 1613              |
| 2016 | 10,181,036           | -                              | 11,023                   | -                        | 10,192,059                      | 3.89%   | 1558              |
| 2017 | 9,953,933            | -                              | 667                      | -                        | 9,954,600                       | 3.26%   | 1486              |
| 2018 | 9,711,829            | -                              | 116,428                  | -                        | 9,828,257                       | 3.10%   | 1415              |
| 2019 | 9,459,725            | -                              | 59,831                   | -                        | 9,519,556                       | 2.56%   | 1293              |
| 2020 | 9,192,621            | 2,551,281                      | -                        | -                        | 11,743,902                      | 3.11%   | 1592              |
| 2021 | 8,910,517            | 2,447,944                      | -                        | -                        | 11,358,461                      | 3.32%   | 1616              |
| 2022 | 413,413              | 2,341,573                      | 336,293                  | -                        | 3,091,279                       | 0.82%   | 439               |
| 2023 | 316,309              | 2,232,989                      | 918,307                  | 52,451                   | 3,520,056                       | 0.77%   | 486               |

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements

1 See Demographic and Economic Statistics for personal income and population data.

City of Belle Isle, Florida  
**Direct and Overlapping Governmental Activities Debt**  
As of September 30, 2023

| Governmental Unit                       | Debt<br>Outstanding   | Estimated<br>Percentage<br>Applicable <sup>1</sup> | Estimated<br>Share of<br>Overlapping<br>Debt |
|---|-----------------------|--|--|
| Overlapping Debt:                       |                       |  |  |
| Orange County School Board <sup>2</sup> | 982,194,760           | 0.47%  | 4,616,315                                    |
| Direct Debt:                            |                       |  |  |
| City of Belle Isle                      | 3,520,056             | 100%   | 3,520,056                                    |
| Total Direct and Overlapping Debt       | <u>\$ 985,714,816</u> |  | <u>\$ 8,136,371</u>                          |

Source:

Assessed value data used to estimate applicable percentage provided by the Orange County Property Appraiser (Form DR-403V).  
Debt outstanding provided by each governmental unit.

Note:

<sup>1</sup> Ratio of assessed valuation of taxable property in overlapping unit to that within the City of Belle Isle.

<sup>2</sup> Debt outstanding as of June 30, 2023

City of Belle Isle, Florida  
**Pledge - Revenue Coverage**  
 Last Ten Fiscal Years

| Fiscal Year<br>Ended Sept 30, | 2003B Revenue Bonds            |              |          |          | 2012 Lease Revenue Bonds |              |          |          |
|-------------------------------|--------------------------------|--------------|----------|----------|--------------------------|--------------|----------|----------|
|                               | Communication<br>Service Taxes | Debt Service |          | Coverage | Lease<br>Revenue         | Debt Service |          | Coverage |
|                               |                                | Principal    | Interest |          |                          | Principal    | Interest |          |
| 2014                          | 248,568                        | 110,000      | 2,888    | 2.20     | 862,972                  | 125,000      | 570,400  | 1.24     |
| 2015                          | -                              | -            | -        | -        | 928,900                  | 135,000      | 563,526  | 1.33     |
| 2016                          | -                              | -            | -        | -        | 957,249                  | 140,000      | 555,898  | 1.38     |
| 2017                          | -                              | -            | -        | -        | 963,674                  | 145,000      | 548,400  | 1.39     |
| 2018                          | -                              | -            | -        | -        | 984,844                  | 155,000      | 540,425  | 1.42     |
| 2019                          | -                              | -            | -        | -        | 1,018,908                | 165,000      | 531,900  | 1.46     |
| 2020                          | -                              | -            | -        | -        | 1,036,641                | 175,000      | 522,825  | 1.49     |
| 2021                          | -                              | -            | -        | -        | 1,047,373                | 185,000      | 513,200  | 1.50     |
| 2022                          | -                              | -            | -        | -        | 1,033,608                | 195,000      | 503,025  | 1.48     |
| 2023                          | -                              | -            | -        | -        | -                        | -            | -        | -        |

Notes:

The City made last payment on 2003B debt in 2014.

The 2012 lease revenue bonds were redeemed in 2022.

City of Belle Isle, Florida  
**Demographic and Economic Statistics**  
 Last Ten Fiscal Years

|      | <b>Population (2)</b> | <b>Personal Income</b> | <b>Per Capita Personal Income (1)</b> | <b>Median Age (1)</b> | <b>Education Level In Years of Formal Schooling (1)</b> | <b>Unemployment Rate (1)</b> |
|------|-----------------------|------------------------|---------------------------------------|-----------------------|---|------------------------------|
| 2014 | 6,422                 | 274,090,960            | 42,680 (1)                            | 47.5                  | 14.7  | 7.70%                        |
| 2015 | 6,464                 | 286,865,856            | 44,379 (1)                            | 47.3                  | 14.8  | 4.80%                        |
| 2016 | 6,541                 | 262,320,264            | 40,104 (1)                            | 47.9                  | 14.2  | 4.40%                        |
| 2017 | 6,701                 | 305,599,105            | 45,605 (1)                            | 48.5                  | 13.6  | 3.50%                        |
| 2018 | 6,944                 | 316,750,560            | 45,615 (1)                            | 49.0                  | 14.2  | 3.30%                        |
| 2019 | 7,365                 | 371,917,770            | 50,498 (1)                            | 48.3                  | 14.5  | 2.30%                        |
| 2020 | 7,378                 | 377,414,212            | 51,154 (1)                            | 48.4                  | 14.6  | 7.30%                        |
| 2021 | 7,027                 | 341,659,767            | 48,621 (1)                            | 48.9                  | 14.5  | 7.27%                        |
| 2022 | 7,042                 | 376,493,488            | 53,464 (1)                            | 48.3                  | 14.5  | 2.70%                        |
| 2023 | 7,239                 | 454,710,546            | 62,814 (3)                            | 38.5                  | 14.7  | 3.10%                        |

(1) Orlando Economic Partnership

(2) Bureau of Economic and Business Research, University of Florida

(3) United States Census Bureau

City of Belle Isle, Florida  
**Principal Employer**  
 Current Year and Nine Years Ago

| Employer                   | 2023         |      |                                     | 2014       |      |                                     |
|----------------------------|--------------|------|-------------------------------------|------------|------|-------------------------------------|
|                            | Employees    | Rank | Percentage of Total City Employment | Employees  | Rank | Percentage of Total City Employment |
| Regal Marine               | 728          | 1    | 10.06%                              | 453        | 1    | 7.05%                               |
| Cornerstone Charter        | 174          | 2    | 2.40%                               | 105        | 2    | 1.64%                               |
| McCoy Federal Credit Union | 77           | 3    | 1.06%                               | -          | -    | -                                   |
| City of Belle Isle         | 41           | 4    | 0.57%                               | -          | -    | -                                   |
| Wawa                       | 35           | 5    | 0.48%                               | -          | -    | -                                   |
| Advanced Auto Parts        | 32           | 6    | 0.44%                               | -          | -    | -                                   |
| Wyndham Gardens            | 32           | 7    | 0.44%                               | -          | -    | -                                   |
| Crunch Fitness             | 30           | 8    | 0.41%                               | -          | -    | -                                   |
| Wendy's                    | 30           | 9    | 0.41%                               | 13         | 9    | 0.20%                               |
| Comfort Suites             | 29           | 10   | 0.40%                               | 12         | 10   | 0.19%                               |
| Quality Inn                | -            | -    | -                                   | 15         | 6    | 0.23%                               |
| La Petite                  | -            | -    | -                                   | 17         | 3    | 0.26%                               |
| CVS                        | -            | -    | -                                   | 17         | 4    | 0.26%                               |
| Starbucks                  | -            | -    | -                                   | 17         | 5    | 0.26%                               |
| RaceTrac                   | -            | -    | -                                   | 15         | 7    | 0.23%                               |
| Travel Lodge               | -            | -    | -                                   | 14         | 8    | 0.22%                               |
| <b>Total</b>               | <b>1,208</b> |      | <b>16.69%</b>                       | <b>678</b> |      | <b>10.56%</b>                       |

Source: Bureau of Economic and Business Research, University of Florida  
 2023 The City of Belle Isle has a population of 7239

City of Belle Isle, Florida  
**Full - Time Equivalent City Government Employees by Function**  
 Last Ten Fiscal Years

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| <b>Function</b>      | <b><u>2014</u></b> | <b><u>2015</u></b> | <b><u>2016</u></b> | <b><u>2017</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> | <b><u>2023</u></b> |
|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| General Government   | 5                  | 5                  | 5                  | 5                  | 5                  | 5                  | 5                  | 5                  | 6                  | 6                  |
| Public Safety        | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Fire                 | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Public Works         | 2                  | 2                  | 2                  | 2                  | 3                  | 3                  | 3                  | 3                  | 5                  | 5                  |
| Parks and Recreation | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  |
| Police Department    | 16                 | 16                 | 16                 | 17                 | 17                 | 21                 | 21                 | 21.3               | 26.3               | 26.3               |
| <b>Total</b>         | <b>23</b>          | <b>23</b>          | <b>23</b>          | <b>24</b>          | <b>25</b>          | <b>29</b>          | <b>29</b>          | <b>29.3</b>        | <b>37.3</b>        | <b>37.3</b>        |

City of Belle Isle, Florida  
**Operating Indicators by Function**  
 Last Ten Fiscal Years

| <b>Function</b>                               | <b><u>2014</u></b> | <b><u>2015</u></b> | <b><u>2016</u></b> | <b><u>2017</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> | <b><u>2023</u></b> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>General Government:</b>                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Building permits                              | 1107               | 502                | 899                | 650                | 1017               | 1030               | 824                | 970                | 812                | 840                |
| Rental licenses issued                        | 219                | 262                | 157                | 319                | 201                | 252                | 511                | 368                | 369                | 331                |
| Occupational licenses issued                  | 100                | 178                | 185                | 244                | 150                | 221                | 243                | 141                | 195                | 172                |
| Lien searches processed                       | *                  | *                  | *                  | *                  | *                  | 215                | 192                | 215                | 142                | 118                |
| Employees paid                                | 41                 | 40                 | 38                 | 38                 | 43                 | 43                 | 40                 | 37                 | 49                 | 47                 |
| AP checks issued                              | *                  | *                  | *                  | *                  | *                  | 837                | 768                | 788                | 840                | 850                |
| Code violations                               | *                  | *                  | *                  | *                  | *                  | 751                | 714                | 561                | 229                | 260                |
| <b>Public Safety</b>                          |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Calls for service                             | *                  | *                  | *                  | *                  | *                  | 5912               | 5796               | 5730               | 5094               | 4904               |
| Case reports                                  | *                  | *                  | *                  | *                  | *                  | 292                | 683                | 800                | 603                | 853                |
| Arrests                                       | *                  | *                  | *                  | *                  | *                  | 168                | 106                | 328                | 317                | 374                |
| Traffic citations                             | *                  | *                  | *                  | *                  | *                  | 486                | 1339               | 2140               | 1789               | 3148               |
| Marine citations                              | *                  | *                  | *                  | *                  | *                  | 142                | 162                | 472                | 381                | 290                |
| Parking citations                             | 34                 | 18                 | 14                 | 39                 | 20                 | 63                 | 425                | 311                | 229                | 99                 |
| DUI citations                                 | *                  | *                  | *                  | *                  | *                  | 8                  | 25                 | 37                 | 33                 | 39                 |
| Information reports                           | *                  | *                  | *                  | *                  | *                  | 10                 | 19                 | 27                 | 103                | 176                |
| Crash reports                                 | *                  | *                  | *                  | *                  | *                  | 90                 | 79                 | 142                | 116                | 120                |
| Trespass reports                              | *                  | *                  | *                  | *                  | *                  | 29                 | 38                 | 56                 | 53                 | 53                 |
| Advance training attended                     | *                  | *                  | *                  | *                  | *                  | 29                 | 17                 | 3                  | 33                 | 39                 |
| <b>Highways &amp; Streets</b>                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Streets paved (miles)                         | 25.00              | 25.00              | 25.00              | 0.00               | 0.01               | 1.50               | 0.00               | 26.24              | 0.00               | 0.08               |
| Sidewalks/bike paths built or repaired (feet) | 2200.00            | 474.00             | 212.50             | 2289.00            | 922.50             | 2554.00            | 49.00              | 107.00             | 1521.00            | 5916.00            |
| <b>Public Works</b>                           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Work orders processed                         | *                  | *                  | *                  | *                  | *                  | 60                 | 93                 | 90                 | 85                 | 22                 |

\* Data not available  
 Source: City Departments

City of Belle Isle, Florida  
**Capital Asset Statistics by Function**  
 Last Ten Fiscal Years

| <b>Function</b>               | <b><u>2014</u></b> | <b><u>2015</u></b> | <b><u>2016</u></b> | <b><u>2017</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> | <b><u>2023</u></b> |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Number of employees           | *                  | *                  | *                  | *                  | *                  | 29                 | 32                 | 32                 | 41                 | 41                 |
| <b>Public Safety</b>          |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Police stations               | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  |
| Police vehicles               | *                  | *                  | *                  | *                  | *                  | 22                 | 23                 | 23                 | 22                 | 22                 |
| Patrol vessels                | *                  | *                  | *                  | *                  | *                  | 2                  | 2                  | 2                  | 2                  | 2                  |
| Police officers               | *                  | *                  | *                  | *                  | *                  | 17                 | 18                 | 18                 | 22                 | 22                 |
| <b>Highways &amp; Streets</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Streets, paved (miles)        | 25.00              | 25.00              | 25.00              | 25.00              | 26.24              | 26.24              | 26.24              | 26.24              | 30.07              | 31.00              |
| Streets, unpaved (miles)      | 0.03               | 0.03               | 0.03               | 0.03               | 1.00               | 1.00               | 1.00               | 0.15               | 0.24               | 0.16               |
| Street lights                 | 740                | 740                | 740                | 740                | 741                | 701                | 703                | 705                | 705                | 705                |
| <b>Parks and Recreation</b>   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Parks                         | 3                  | 3                  | 3                  | 3                  | 10                 | 10                 | 10                 | 10                 | 10                 | 13                 |
| <b>Public Works</b>           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Stormwater pump stations      | *                  | *                  | *                  | *                  | *                  | 1                  | 1                  | 1                  | 1                  | 1                  |

\* Data not available  
 Source: City Departments



**Internal Control and 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**

The Honorable Mayor and City Commissioners  
*City of Belle Isle, Florida*

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the *City of Belle Isle, Florida*, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the *City of Belle Isle, Florida's* internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 over financial reporting 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 were not identified.

**Report on Compliance and Other Matters**

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

**Purpose of the Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*McDermitt Davis*

Orlando, Florida  
June 27, 2024

## MANAGEMENT LETTER

Honorable Mayor and City Commission  
*City of Belle Isle, Florida*

### Report on the Financial Statements

We have audited the financial statements of the *City of Belle Isle, Florida*, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 27, 2024.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the 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, which are dated June 27, 2024, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address the recommendation made in the preceding annual financial audit report.

### Official Title and Legal Authority

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

### Financial Condition and Management

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

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

**Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but 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 Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the City Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*McDiarmid Davis*

Orlando, Florida  
June 27, 2024



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

The Honorable Mayor and City Commissioners  
*City of Belle Isle, Florida*

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, City of Belle Isle, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

*McDermitt Davis*

Orlando, Florida  
June 27, 2024