

CITY OF KISSIMMEE, FLORIDA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Year Ended September 30, 2020



Prepared by Department of Finance

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CITY OF KISSIMMEE, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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The City of Kissimmee, Florida
City Officials
As of September 30, 2020

Elected Officials

Mayor/Commissioner.....	Jose Alvarez
Commissioner/Vice Mayor.....	Jim Fisher
Commissioner/Mayor Pro Tem.....	Angela Eady
Commissioner.....	Olga Gonzalez
Commissioner.....	Felix Ortiz

Financial Related Management

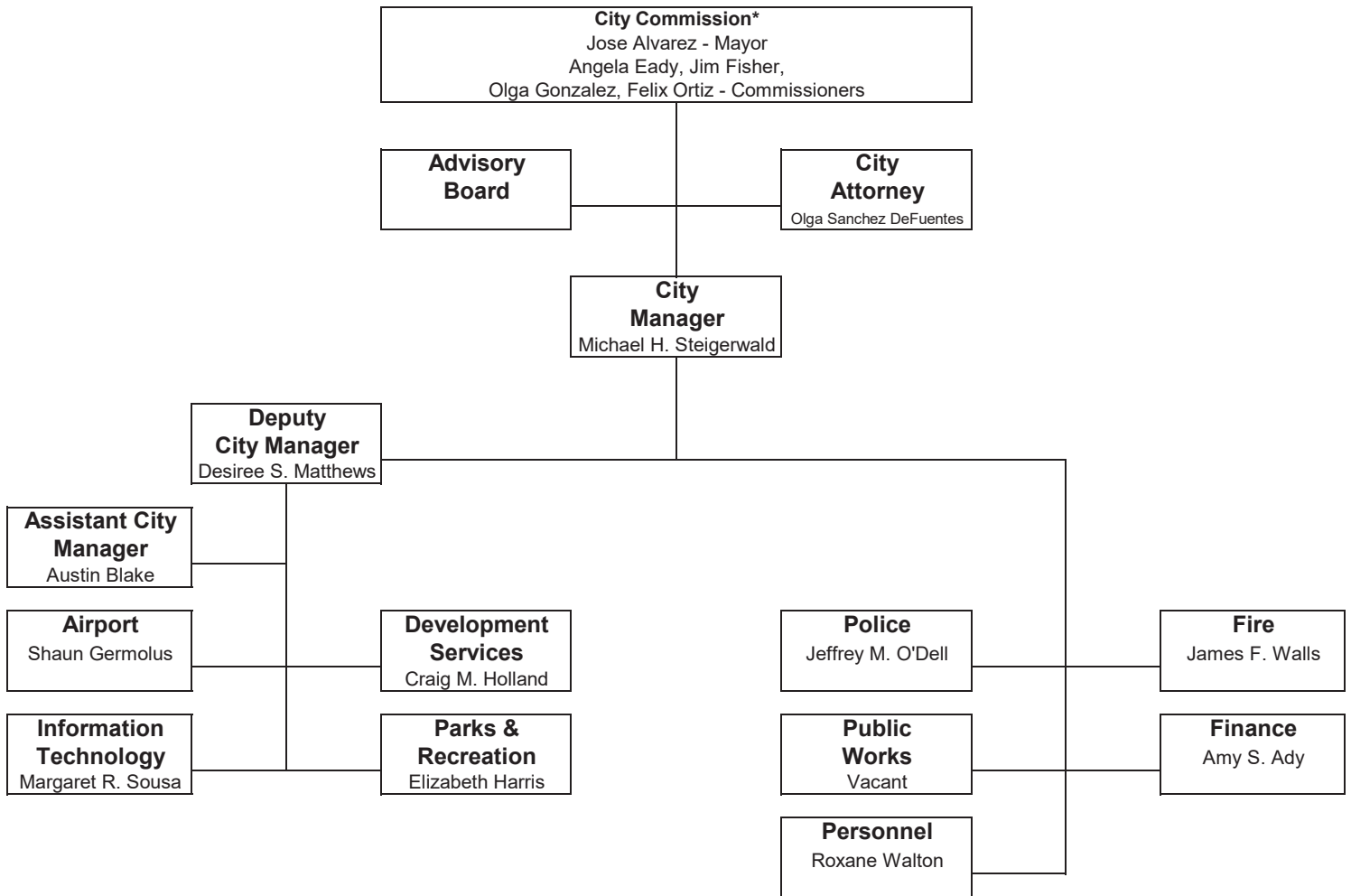
City Manager.....	Michael H. Steigerwald
Deputy City Manager.....	Desiree S. Matthews
Finance Director.....	Amy S. Ady
Assistant Finance Director.....	Vacant

Other Departmental Officials

Airport Director.....	Shaun Germolus
City Attorney.....	Olga Sanchez DeFuentes
Development Services Director.....	Craig M. Holland
Fire Chief.....	James F. Walls
Information Technology Director.....	Margaret R. Sousa
Parks & Recreation Director.....	Elizabeth Harris
Personnel & Risk Management Director.....	Roxane Walton
Police Chief.....	Jeffrey M. O'Dell
Public Works & Engineering Director.....	Vacant

CITY OF KISSIMMEE

ORGANIZATION CHART



* The City Commission is composed of representatives elected by the citizens of the City of Kissimmee.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Kissimmee
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO



FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

March 29, 2021

The Honorable Mayor and
Members of the City Commission
City of Kissimmee, Florida

Florida Statutes require that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit the comprehensive annual financial report of the City of Kissimmee, Florida for the fiscal year ended September 30, 2020.

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

The City of Kissimmee's financial statements have been audited by Purvis, Gray and Company, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Kissimmee for the fiscal year ended September 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amount and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Kissimmee's financial statements for the fiscal year ended September 30, 2020, 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.

The independent audit of the financial statements of the City of Kissimmee was performed in conjunction with a federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

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 MD&A and should be read in conjunction with it. The City of Kissimmee's MD&A can be found immediately following the report of the independent auditors.



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[@cityofkissimmee](https://www.instagram.com/cityofkissimmee)

THE CITY

The City of Kissimmee (the “City”), near the geographic center of Florida, is the county seat of Osceola County. Of Florida’s 67 counties, Osceola is the State’s sixth largest in geographical size, with a land area of 1,506 square miles. There are approximately 21.9 square miles within the corporate limits of the City. The 2010 U.S. Census reported 59,682 people living within the City. The current State population estimate for the City is 75,644.

The City has a commission/manager form of government, with a Mayor-Commissioner and four other Commissioners who are elected at large for four-year staggered terms. Elections are held on the Tuesday, nine (9) weeks prior to the State of Florida General Elections. The City employs a full-time manager who is the chief executive and administrative officer of the City.

The City provides a full range of municipal services, including police, fire, public works, community development and housing services, public improvements, planning, economic development, zoning, recreational services and general administrative services. The City also provides garbage and trash collection and operates a municipal airport, stormwater utility as well as a charter school.

ACCOUNTING SYSTEM, INTERNAL ACCOUNTING CONTROLS, AND BUDGETARY CONTROL

The City’s accounting records for General, Special Revenue, Debt Service, and Capital Projects Funds are maintained on a modified accrual basis. Revenues are recognized when they become measurable and available, while expenditures are recorded at the time the related fund liabilities are incurred. Accounting records for Enterprise, Internal Service and Pension Trust Funds are maintained on a full accrual basis.

In designing and developing the City’s accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

1. The safeguarding of assets against loss from unauthorized use or disposition; and
2. The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. The cost of a control should not exceed the benefits likely to be derived; and
2. The evaluation of cost and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City’s internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Director of Finance maintains budgetary control, in conformance with the City Charter and Florida Statutes, through constant review. Budgetary responsibility for the General, Special Revenue, Debt Service, Capital Projects and Enterprise Funds is established at the sub-object of expenditure level. The City Manager is authorized to approve transfers between non-salary sub-object line items within departments; however, transfers from salary line items, transfers between departments and changes in total budget appropriations for a fund must have prior approval of the City Commission. However, the City Manager can approve transfers of unused amounts in salary account line items to advertising, recruiting and/or professional service account line items. Interim financial reports are provided for internal use.



THE REPORTING ENTITY AND ITS SERVICES

The funds and entities related to the City, included in the Comprehensive Annual Financial Report, are controlled by or dependent on the City. Determination of “controlled by or dependent on” is based on criteria and disclosure requirements of Governmental Accounting Standards Board Statement Number 14 *Defining the Reporting Entity*. The criteria deal with the selection of governing authority, designation of management, and ability to significantly influence operations and accountability for fiscal matters. Based on these criteria, the various funds shown in the Table of Contents are included in this report. This report, together with the accounting and budgeting systems, have been designed to conform to the standards set forth by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. Fund structure has also been designed to comply with the legal requirements of the various revenue bond covenants and resolutions.

ECONOMIC CONDITION AND OUTLOOK

The City is primarily residential in character but also serves as a regional retail and commercial center. It derives a substantial portion of its economic activity from its proximity to Walt Disney World, its medical district which is the third largest in central Florida, its airport and its position as the County seat.

Osceola County has funded the \$160 million NeoCity project that will provide a state of the art advanced manufacturing research and development center for the nano sensor industry. This 500-acre technology and research district is currently under construction and has attracted investment from both national and international research and manufacturing partners. The center is expected to have a positive impact on the State of Florida’s economy and presents significant opportunities for Kissimmee’s future.

There are more than 50 attractions easily accessible from the Kissimmee Resort area. In addition to Walt Disney World, located approximately 7 miles west of the City, some of the tourist attractions near the City include Sea World, Gatorland Zoo, Reptile World Serpentarium, Medieval Times, and Kennedy Space Center. Special events that take place in the City each year are the Silver Spurs Rodeo, RAM National Rodeo, the festival series at Lakefront Park, and the Mecum Auto Auction.

The City’s comprehensive plan, including a five-year capital growth program, has been developed to establish goals, objectives and policies for effective and realistic growth management. This plan is reviewed annually and revised as necessary. Management is committed and prepared to implement proactive alternatives that will insure the City’s economic viability. The City will continue to budget and manage all resources in the most cost-effective manner. The City will maintain strict due-diligence measures and aggressively seek out opportunities to reduce or maintain expenditures on operations to within budgetary limits in order to develop and maintain the community’s infrastructure and to enhance City services.

LONG-TERM FINANCIAL PLANNING

The City prepares a rolling five-year capital budget each year. During this process, revenues and expenditures for key operating funds, such as General Fund, Local Option Sales Tax, Local Option Gas Tax, Stormwater, Sanitation and Airport funds, are analyzed to ensure the financial sustainability of each fund over the long term. With regard to the General Fund and Enterprise Funds, the goal is to ensure that a minimum reserve of 20% will be maintained at the end of each five-year period. This exercise allows the City to plan for major capital expenditures. Therefore, during the fiscal year 2019-2020 capital budget process, various projects for continued road and road related improvements, technology improvements, drainage projects, airport enhancements, parks and park land projects, and various pieces of heavy equipment were planned. The total projected cost for capital improvements identified in the 2020-2024 capital improvement plan totaled \$92,403,200.



MAJOR INITIATIVES

The City completed the fourth and final phase of the Lakefront Park project and continued to make progress on the Shingle Creek Regional Trail. Progress was also made on its road improvement plan, stormwater improvement projects, the Quiet Zone project and various grant funded projects. The municipally owned airport continued to embark on several improvement projects this past year as well. In fiscal year 2020, the City completed the construction of the new Public Safety Training Facility as well as renovations to Fire Station 14. Significant progress was also made during the year on the implementation of a City-wide ERP conversion. In addition to the myriad of capital projects that the City worked on during FY 2020, a tremendous amount of effort was focused on the City's response to the global pandemic. Since many City residents were negatively impacted by the pandemic, the City received and administered grant monies focused on assisting residents with rental/mortgage assistance as a result of the significant job loss experienced in the Kissimmee community.

FUND BALANCE

The City has established a fund balance policy in accordance with GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions". The purpose of the fund balance policy is to establish a key element of the financial stability of the City by setting guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances.

RELEVANT FINANCIAL POLICIES

The City has adopted a comprehensive set of financial policies. In accordance with Government Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions, the City now includes in the government-wide statements and proprietary fund statements its proportionate share of the net pension liability of the cost-sharing and single employer pension plans in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost sharing and single employer pension plans to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the cost-sharing and single employer pension plan's fiduciary net position. See note 8 to the financial statements for more information. In addition, the City previously implemented GASB 75 – Accounting and Financial Reporting Postemployment Benefits Other than Pensions. This standard replaced GASB 45 and moves the accounting for other postemployment benefits to the balance sheet and income statement rather than being in the notes to the financial statements.

FIDUCIARY OPERATIONS

The City has fiduciary responsibility for the self-directed deferred compensation plan that allows employees to defer a portion of salary for future years. The City also has separate Pension Trust Funds for General Employees, Police Officers and Firefighters. These Funds were created to account for the accumulation of resources to be used for the retirement annuities of all City employees. The City continues to contribute to these funds in accordance with City Commission established criteria that includes annual independent actuarial analyses.



STATUTORY REQUIREMENTS – INDEPENDENT AUDIT

Florida Statutes require the City's financial statements to be subjected to an annual examination by an independent Certified Public Accountant. Those provisions have been satisfied and the opinion of the independent accountant is included.

CERTIFICATE OF ACHIEVEMENT PROGRAM

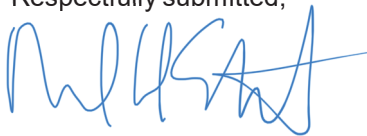
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Kissimmee, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe the City's current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The presentation of this report could not have been accomplished without the efficient and dedicated service of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation. We would also like to thank the Commissioners for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Mike Steigerwald
City Manager



Amy S. Ady
Finance Director



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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kissimmee, Florida (the City) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

INDEPENDENT AUDITOR'S REPORT

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter – COVID-19

As more fully described in Note 13 to the financial statements, the City may be impacted by the outbreak of a novel coronavirus (COVID-19), which was declared a global pandemic by the World Health Organization in the prior year. Our opinion has not been modified for this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major funds and internal service funds financial statements and other schedules, budgetary comparison schedules, schedule of expenditures of federal awards and state projects, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state projects is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Rules of the Auditor General*, and is also not a required part of the basic financial statements.

Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

INDEPENDENT AUDITOR'S REPORT

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



March 29, 2021
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2020
 (In Thousands)

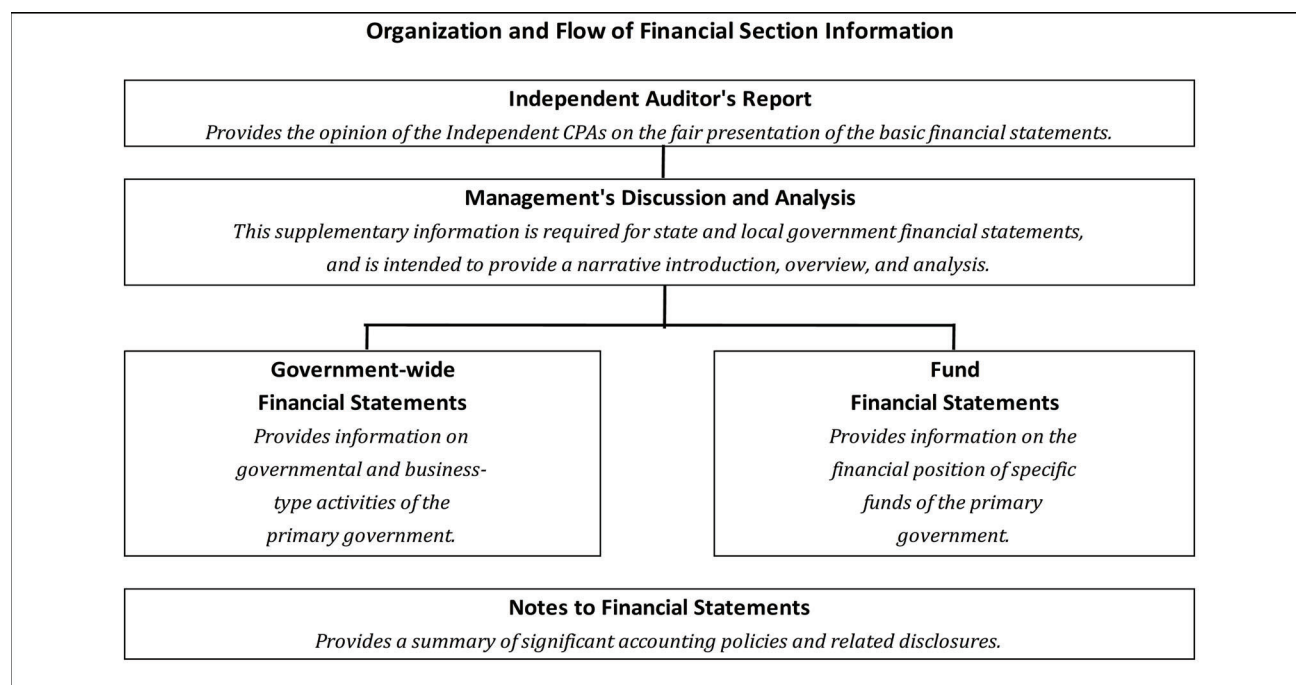
The City of Kissimmee, Florida's (the "City") Management's Discussion and Analysis (the "MD&A") presents an overview of the City's financial activities for the fiscal year ended September 30, 2020. Please read it in conjunction with the letter of transmittal in the introductory section, and the City's financial statements following the MD&A.

Financial Highlights

- The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of fiscal year 2020 by \$261,428 (net position).
- The City's net position increased by \$7,271 from current year activities, of which governmental activities contributed \$6,430 of this increase.
- The fund balance for governmental funds decreased by \$7,906 from the prior year. The majority of this decrease resulted from the City's use of previously-acquired resources for capital improvement projects in the current year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise 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*, which consist of the following two statements, are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows 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. Additionally, nonfinancial factors, such as a change in the City's property tax base or the condition of City facilities and infrastructure, should be considered to assess the overall financial health of the City.

The *statement of activities* presents information showing how the government's net position changed during fiscal year 2020. 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 but earned revenue and unused vacation leave).

Both of these financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, transportation, economic environment, and culture/recreation. The business-type activities of the City include sanitation/solid waste services, storm water services, and the operation of an airport. The government-wide financial statements can be found immediately following the MD&A.

The government-wide financial statements include not only the City itself (known as the primary government) but also legally separate entities known as component units. Component units, which are other governmental units over which the City Commission can exercise influence and/or may be obligated to provide financial subsidy, are presented within governmental activities in the government-wide financial statements, and as an individual special revenue fund in the basic and fund financial statements. The City's component unit (the Community Redevelopment Agency) is a major fund of the City and will be addressed in this MD&A.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020
(In Thousands)

The City maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Shingle Creek Regional Trail, Community Redevelopment Agency, 2016 Revenue Note Debt Service, and 2016 Revenue Note Capital Projects, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation noted as Nonmajor Governmental Funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the other supplemental information section of this report. The City adopts an annual appropriated budget for its general fund, most capital projects funds, debt service funds, and most special revenue funds. Budgetary comparison schedules have been provided for these funds to demonstrate budgetary compliance.

Proprietary Funds

The City maintains two different types of proprietary funds. The *enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the fiscal activities relating to storm water, sanitation/solid waste, and airport operations. The *internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its risk management programs and to allocate costs from central services (such as information technology, warehouse, garage, and building maintenance). Because these activities predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Stormwater Utility Fund, the Airport Fund and the Solid Waste Fund, which are considered to be major funds of the City, and the aggregate of the internal service funds.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is similar to proprietary funds. The City has three pension trust funds to account for the general employees' pension plan, the police officers' pension plan, and the firefighters' pension plan.

Notes to the financial statements and Other Information

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, *required supplementary information* is included which presents budgetary comparison schedules for the City's General Fund, Shingle Creek Regional Trail, and Community Redevelopment Agency; schedule of total OPEB liability and related ratios for the City's Other Postemployment Benefits Plan; and required pension schedules for the City's three pension plans. Required supplementary information can be found following the notes to the financial statements.

The other supplementary information section of this report includes budgetary comparison schedules for the major 2016 Revenue Note Debt Service and 2016 Revenue Note Capital Project funds. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are also presented in this section. Combining and individual fund budgetary comparison schedules for nonmajor funds can be found after the required supplementary information.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020
(In Thousands)

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$261,428 at the close of the fiscal year ended September 30, 2020. At the end of fiscal year 2020, the City is able to report positive balances in all categories of net position for its business-type activities, and two categories for its governmental activities.

The largest portion of the City's net position of \$227,358 reflects its net investment in capital assets (land, buildings, infrastructure and equipment less any related outstanding debt used to acquire those assets). The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's net investment in 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. The City has restricted net position of \$33,300 for construction projects, public safety programs, supplementary care, and other purposes. The remaining balance is unrestricted net position of \$770.

City of Kissimmee, Florida
Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 91,400	\$ 97,139	\$ 8,487	\$ 7,712	\$ 99,887	\$ 104,851
Capital Assets (Net)	259,903	248,255	49,292	49,994	309,195	298,249
Total Assets	351,303	345,394	57,779	57,706	409,082	403,100
Deferred Outflows	6,840	6,360	529	367	7,369	6,727
Current and Other Liabilities	14,005	12,624	848	1,724	14,853	14,348
Long-term Liabilities	133,358	135,062	3,806	3,505	137,164	138,567
Total Liabilities	147,363	147,686	4,654	5,229	152,017	152,915
Deferred Inflows	2,898	2,616	107	139	3,005	2,755
Net Position:						
Net Investment in						
Capital Assets	178,154	168,706	49,204	49,355	227,358	218,061
Restricted	33,231	32,621	69	73	33,300	32,694
Unrestricted	(3,503)	125	4,273	3,277	770	3,402
Total Net Position	\$ 207,882	\$ 201,452	\$ 53,546	\$ 52,705	\$ 261,428	\$ 254,157

There was a net increase of \$7,271 in the City's net position over fiscal year 2019. There was a net increase of \$6,430 in net position reported in connection with the City's governmental activities and an \$841 increase in business-type activities. Reasons for these changes are presented in the following pages for governmental and business-type activities.

Capital assets increased by \$10,946 from the prior year due to several large park improvements and transportation projects. Long term liabilities decreased by \$1,403 from the prior year, including a decrease of \$1,704 in connection with governmental activities for scheduled debt service payments made in the current year.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020
(In Thousands)

City of Kissimmee, Florida
Change in Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program Revenues:						
Charges for Services	\$ 36,738	\$ 38,375	\$ 12,458	\$ 11,798	\$ 49,196	\$ 50,173
Operating Grants and Contributions	1,236	2,900	157	-	1,393	2,900
Capital Grants and Contributions	5,815	7,545	580	2,022	6,395	9,567
General Revenues:						
Property Taxes	16,382	14,608	-	-	16,382	14,608
Other Taxes	25,342	26,997	-	-	25,342	26,997
Other	34,058	33,776	118	360	34,176	34,136
Total Revenues	<u>119,571</u>	<u>124,201</u>	<u>13,313</u>	<u>14,180</u>	<u>132,884</u>	<u>138,381</u>
EXPENSES						
General Government	48,354	41,436	-	-	48,354	41,436
Public Safety	45,599	42,946	-	-	45,599	42,946
Transportation	8,049	13,908	-	-	8,049	13,908
Economic Environment	997	1,302	-	-	997	1,302
Culture/Recreation	8,110	3,940	-	-	8,110	3,940
Interest on Long-term Debt	2,644	2,854	-	-	2,644	2,854
Stormwater	-	-	4,885	4,941	4,885	4,941
Airport	-	-	1,640	1,707	1,640	1,707
Solid Waste	-	-	5,335	5,131	5,335	5,131
Total Expenses	<u>113,753</u>	<u>106,386</u>	<u>11,860</u>	<u>11,779</u>	<u>125,613</u>	<u>118,165</u>
Excess Before Transfers	5,818	17,815	1,453	2,401	7,271	20,216
Transfers	<u>612</u>	<u>701</u>	<u>(612)</u>	<u>(701)</u>	<u>-</u>	<u>-</u>
Change in Net Position	6,430	18,516	841	1,700	7,271	20,216
Net Position - Beginning	201,452	182,936	52,705	51,005	254,157	233,941
Net Position - Ending	<u>\$ 207,882</u>	<u>\$ 201,452</u>	<u>\$ 53,546</u>	<u>\$ 52,705</u>	<u>\$ 261,428</u>	<u>\$ 254,157</u>

Governmental activities

Governmental activities accounted for an increase of \$6,430 from the prior year net position. Charges for services decreased by \$1,637 from decreased use of City services by citizens and businesses due to COVID-19 shutdowns of many City facilities. Capital grants and contributions decreased by \$1,730 due to a slow down in construction of large grant-reimbursed capital projects because of COVID-19 lockdowns. Property tax revenue increased by \$1,774 from the prior year as property values continued to increase in the current year. Revenue from the sale of capital assets increased by \$1,935 due to a large sale of land.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020
(In Thousands)

General government expenses increased by \$6,918 for expenses in response to COVID-19 safety measures, public awareness, and citizen assistance. Public safety expenses increased by \$2,653 due to additional first responder costs during the COVID pandemic. Transportation expenses decreased by \$5,859 from the prior year due to a slow down in construction of transportation projects due to the pandemic. Culture and recreation expenses increased by \$4,170 due to additional depreciation on large recreation projects that were completed during the year and at the end of the prior year.

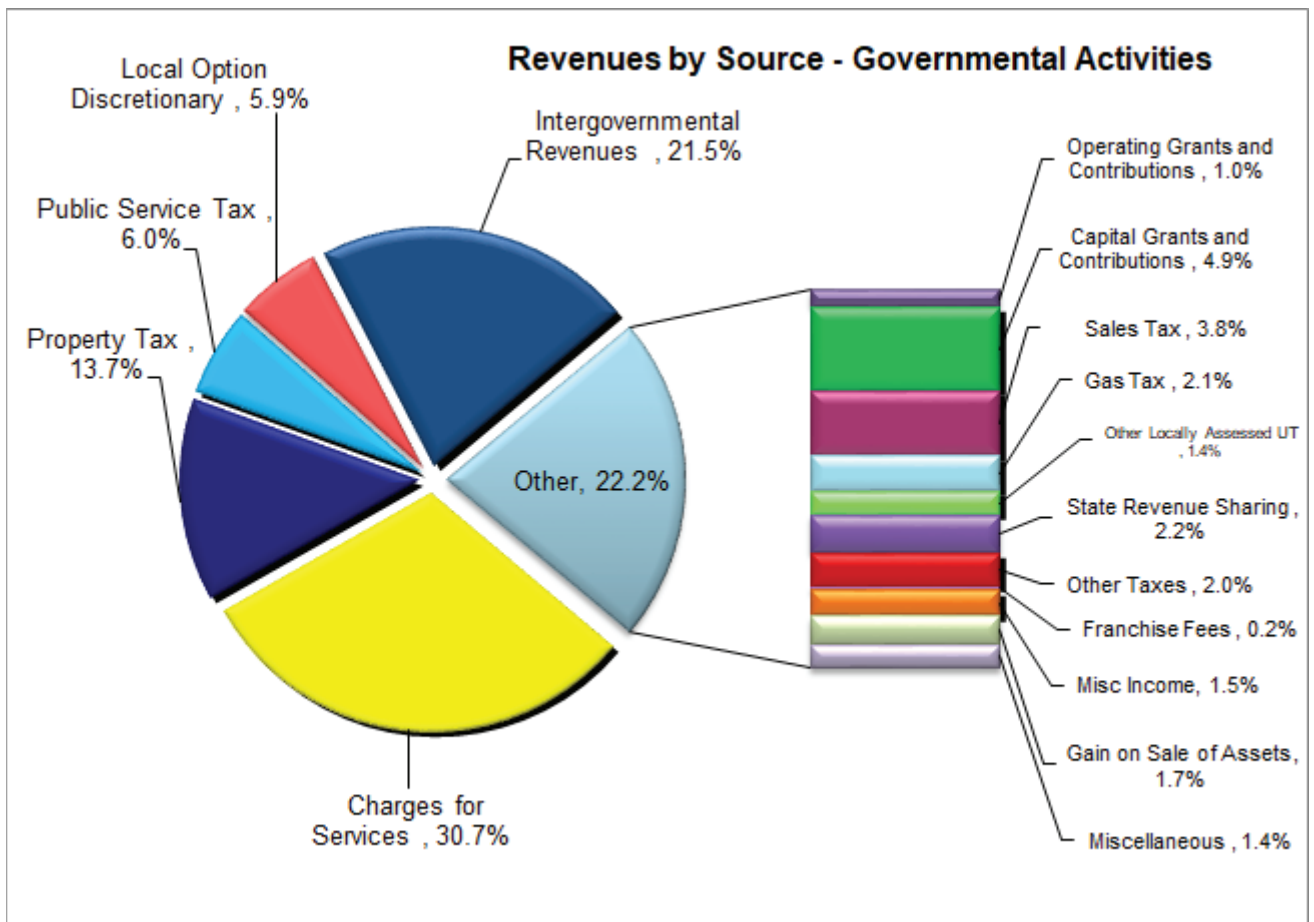
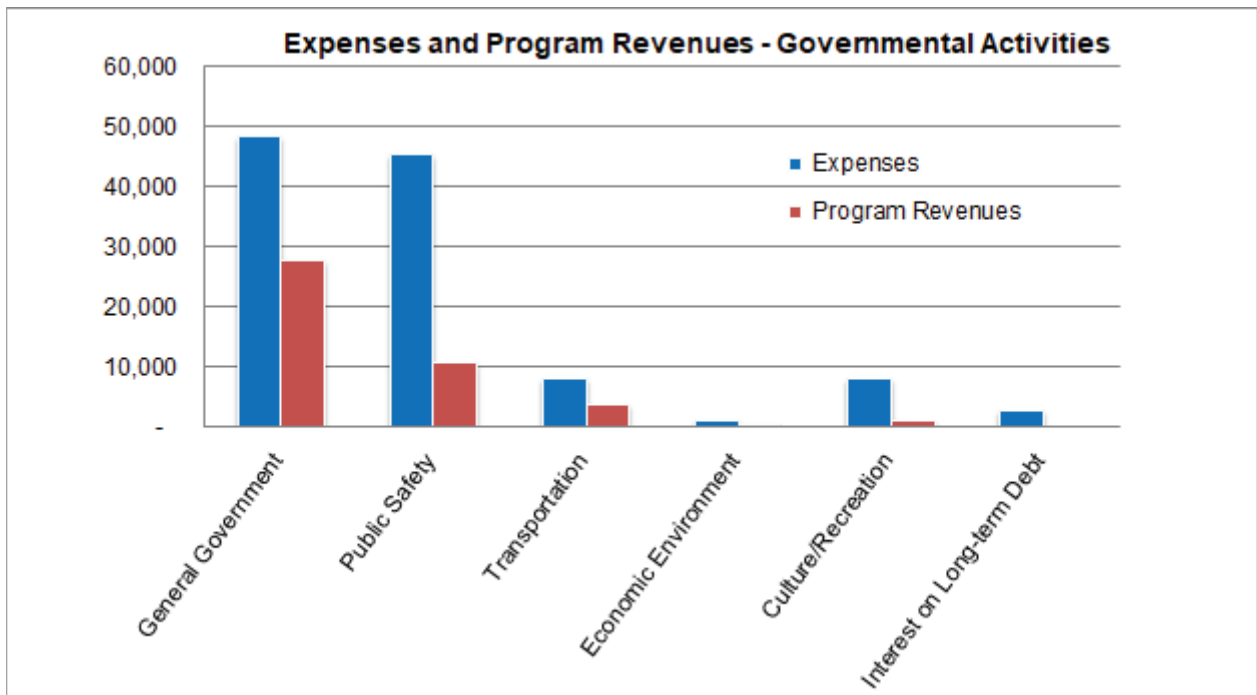
The following tables and graphs show the results of governmental activities for fiscal year ended 2020.

Expenses and Program Revenues – Governmental Activities
(In Thousands)

Functions/Programs	Expenses				Net Cost of Services		
	2020	% of Total	2019	% Change	2020	2019	% Change
General Government	\$ 48,354	43 %	\$ 41,436	17 %	\$ (20,625)	\$ (15,520)	33 %
Public Safety	45,599	40 %	42,946	6 %	(34,805)	(30,393)	15 %
Transportation	8,049	7 %	13,908	(42) %	(4,240)	(7,929)	(47) %
Economic Environment	997	1 %	1,302	(23) %	(560)	1,062	(153) %
Culture/Recreation	8,110	7 %	3,940	106 %	(7,090)	(1,932)	267 %
Interest on Long-term Debt	2,644	2 %	2,854	(7) %	(2,644)	(2,854)	(7) %
	<u>\$ 113,753</u>	<u>100 %</u>	<u>\$ 106,386</u>		<u>\$ (69,964)</u>	<u>\$ (57,566)</u>	

Revenue by Source – Governmental Activities
(In Thousands)

Description	2020	% of Total	2019	% Change
Program Revenues				
Charges for services	\$ 36,738	29 %	\$ 38,375	(4) %
Operating grants and contributions	1,236	1 %	2,900	(57) %
Capital grants and contributions	5,815	5 %	7,545	(23) %
General Revenues				
Property tax	16,382	14 %	14,608	12 %
Sales tax	4,567	4 %	5,434	(16) %
Public service tax	7,141	6 %	7,024	2 %
Gas tax	2,525	2 %	2,831	(11) %
Local option discretionary tax	7,048	6 %	8,144	(13) %
Other locally assessed utility tax	2,397	2 %	1,650	100 %
Other taxes	2,397	2 %	1,914	25 %
State revenue sharing	2,654	2 %	2,914	(9) %
Unrestricted intergovernmental revenues	25,641	21 %	25,546	- %
Franchise fees	177	0 %	184	(4) %
Investment income	1,816	2 %	2,448	(26) %
Gain on sale of capital assets	2,062	2 %	127	- %
Miscellaneous	1,708	1 %	2,557	(33) %
Transfers	612	1 %	701	(13) %
	<u>\$ 120,916</u>	<u>100 %</u>	<u>\$ 124,902</u>	



CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2020
 (In Thousands)

Business-type activities

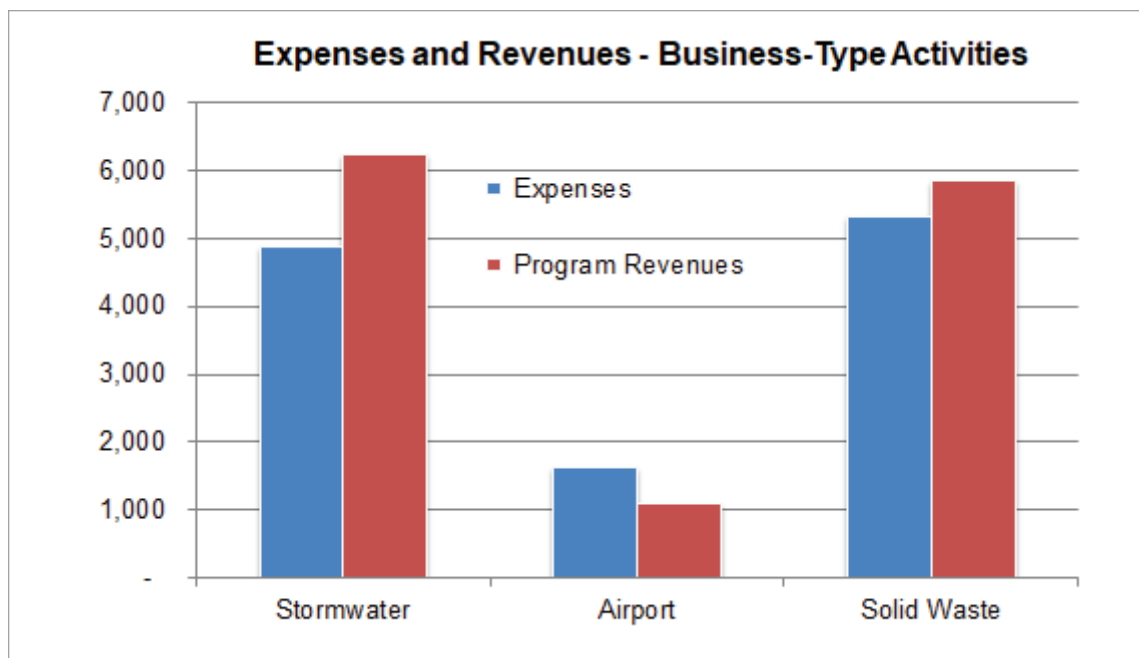
Business-type activities increased the City's net position by \$841, a minimal increase from the prior year. The Stormwater, Airport, and Solid Waste expenses remained relatively unchanged from the prior year from operating strategies to provide cost effective services to users during the year. Additional information on the results of individual business-type activity funds is discussed in a different section.

Expenses and Program Revenues – Business-type Activities
 (In Thousands)

Functions/Programs	Expenses			Net Increase (Decrease) in Net Position		
	2020	2019	% Change	2020	2019	% Change
Stormwater	\$ 4,885	\$ 4,941	(1) %	\$ 1,365	\$ 2,602	(48) %
Airport	1,640	1,707	(4) %	(539)	(792)	(32) %
Solid Waste	5,335	5,131	4 %	509	231	120 %
	<u>\$ 11,860</u>	<u>\$ 11,779</u>		<u>\$ 1,335</u>	<u>\$ 2,041</u>	

Revenues by Source – Business-type Activities
 (In Thousands)

	2020	% of Total	2019	% Change
Charges for services	\$ 12,458	94 %	\$ 11,798	6 %
Operating grants and contributions	157	1 %	-	100 %
Capital grants and contributions	580	4 %	2,022	(71) %
Investment income	105	1 %	143	(27) %
Miscellaneous	7	- %	48	(85) %
Gain on sale of capital assets	6	0 %	169	(96) %
	<u>\$ 13,313</u>	<u>100 %</u>	<u>\$ 14,180</u>	



Financial Analysis of the City's Funds

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

Governmental funds

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

As of the end of fiscal year 2020, the City's governmental funds reported combined ending fund balances of \$66,295, a decrease of \$7,906 in comparison with the prior year. This decrease was largely the result of spending funds received in prior periods on capital projects in the current year. Components of fund balance are now comprised of nonspendable, restricted, committed, assigned, and unassigned. The components of committed, assigned and unassigned are considered spendable unrestricted fund balance. The total spendable unrestricted fund balance of governmental funds in fiscal year 2020 was \$32,799 compared to \$31,537 for fiscal year 2019, an increase of \$1,262 for all governmental funds. The main cause of this increase was effective budgeting for services provided primarily from general revenue sources.

The City has five major governmental funds - the General Fund, Shingle Creek Regional Trail, Community Redevelopment Agency, 2016 Revenue Note Debt Service fund, and 2016 Revenue Note Capital Project fund. More detailed information regarding these major funds is provided in the following section.

Major Funds - Governmental

General Fund

The General Fund is the chief operating fund of the City. At the end of fiscal year 2020, the spendable unrestricted fund balance (assigned for budgetary carryforward \$3,768 and unassigned fund balance \$30,432) of the General Fund totaled \$34,200 compared to \$32,459 in fiscal year 2019, an increase of \$1,741. As a measure of the General Fund's liquidity, it may be useful to compare the spendable unrestricted fund balance of \$34,200 to the total fund's expenditures of \$70,638. This represents 48.4% of total expenditures compared to 47.6% in the prior fiscal year. Thus, the City was able to maintain its liquidity available to meet upcoming expenditures. The fund balance in the General Fund increased by \$1,510 during the current fiscal year. The General Fund overall maintained the same level of spending as the prior year. Taxes increased by \$1,896 mainly from property taxes as property values continue to increase each year. Although expenditures increased from the prior year by \$2,461, this was offset by a large sale of City land for \$2,200.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020
(In Thousands)

Shingle Creek Regional Trail

The Shingle Creek Regional Trail fund total fund balance decreased minimally by \$101 from the prior year. Current year grant revenues were in line with expenditures for capital improvement projects. Future grant reimbursements should eliminate the deficit fund balance.

The Community Redevelopment Agency

The Community Redevelopment Agency (CRA) total fund balance increased by \$565 from the prior year. There were no significant increases or decreases in revenues; however, expenditures increased slightly from the prior year for capital projects started in the prior year. The fund balance of \$3,418 is restricted for economic development.

2016 Revenue Note Debt Service

The 2016 Revenue Note Debt Service fund is used to account for debt service on the 2016 Revenue Note. Current year transfers in covered the cost of debt service expenditures of \$2,961. Debt service expenditures were the same as the prior year. It had an ending fund balance of \$17 from bond refunding transactions and transfers for current debt service payments that is assigned for future debt service.

2016 Revenue Note Capital Project

The 2016 Revenue Note Capital Project fund is used to track the spending of the 2016 Revenue Note. It had an ending fund balance of \$742 from bond issuance during a previous year that is restricted for future capital improvements and \$6,939 was expended during the year on capital projects. Capital projects expenditures were \$6,014 less than the prior year, as the City draws closer to completion of the projects and using up the residual proceeds from the Note.

Major funds - Enterprise

The City's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. The City has three major enterprise funds – the Stormwater Fund, the Airport Fund, and the Solid Waste Fund. Unrestricted net position in the Stormwater Fund increased by \$276, in the Airport Fund increased by \$84, and in the Solid Waste Fund increased by \$636 over the prior year. All three funds experienced increases in operating revenues for increased use of services. Additionally, the Airport received CARES Act grants of \$157 to assist with operational safety measures.

Stormwater Fund

The Stormwater Fund had an increase in net position of \$1,089. The increase of \$1,089 shows the fund is operating effectively on current rates. Operating expenses were consistent with the prior year; however, charges for services increased by \$225 from the prior year due to increased service.

Airport Fund

The Airport Fund had a decrease in net position of \$525. The Airport benefited from capital contributions for current improvements of \$116; however, operating revenue decreased by \$47 and operating expenses increased by \$65 for personnel and contracted costs.

Solid Waste Fund

The Solid Waste Fund had an increase in net position of \$277 from the prior year. Operating revenues were greater than operating expenses by \$511 in the current year, confirming that the City's rates are sufficient to cover operational costs of the solid waste system.

General Fund Budgetary Highlights

The General Fund's original budget was amended to increase expenditures by \$2,753 (not including transfers out). The changes for expenditures within functions are summarized in the table below. Adjustments were made for additional grant-funded expenditures, COVID-19 related expenditures, and personnel changes during the course of the year.

	Original Budget	Final Budget	Change
General Government	\$ 15,709	\$ 17,817	\$ 2,108
Public Safety	40,842	41,626	784
Transportation	5,998	6,362	364
Culture/Recreation	7,460	7,913	453
Non-departmental	32,727	31,771	(956)
	<u>\$ 102,736</u>	<u>\$ 105,489</u>	<u>\$ 2,753</u>

The General Fund under-spent the final budget by \$34,596 during fiscal year 2020. All departments spent less than their final budget (from reduced personnel costs and delayed capital purchases) during the year while trying to provide the same levels of service to the City's citizens. The largest reduction resulted as the non-departmental budget included reserves for capital that were not spent in the current year. The general government and public safety functions experienced the greatest reductions from the final budget totals primarily in personnel costs. The changes within functions are summarized in the table presented here.

	Actual Expenditures	Final Budget	Difference
General Government	\$ 16,291	\$ 17,817	\$ 1,526
Public Safety	39,381	41,626	2,245
Transportation	5,173	6,362	1,189
Culture/Recreation	6,556	7,913	1,357
Non-departmental	3,237	31,771	28,534
Transfers Out	2,791	2,536	(255)
	<u>\$ 73,429</u>	<u>\$ 108,025</u>	<u>\$ 34,596</u>

Capital Assets and Long-term Debt

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2020 amounts to \$309,195 (net of accumulated depreciation). These capital assets include land, software, parking capacity, buildings, improvements other than buildings (including leasehold improvements), equipment, vehicles, infrastructure, and construction in progress. The total increase in the City's capital assets for the current fiscal year was \$10,946. Governmental activities increased capital assets by \$11,648 and business-type activities decreased by \$702.

Within governmental activities, the largest increases from the beginning balances were in improvements for \$22,867 and equipment for \$1,504, offset by a decrease in construction in progress of \$4,819. These were primarily attributed to the Lakefront Park improvements project, Shingle Creek Regional Trail, and other major transportation projects. Additionally, depreciation expense remained in line with the prior year as most of the large projects were put in service at the end of the fiscal year.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2020
(In Thousands)

The capital assets of business-type activities increased for system improvements for \$3,087 offset by a decrease in construction in progress for \$2,366 for stormwater and airport improvements. Depreciation expense remained consistent with the prior year.

City of Kissimmee, Florida
Capital Assets (Net)
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 44,082	\$ 43,861	\$ 1,892	\$ 1,892	\$ 45,974	\$ 45,753
Intangibles, net	2,938	3,500	226	234	3,164	3,734
Buildings	18,525	18,307	12,076	12,076	30,601	30,383
Improvements Other than Buildings	201,781	178,914	46,283	43,196	248,064	222,110
Equipment	35,737	34,233	11,772	10,926	47,509	45,159
Construction in Progress	44,245	49,065	3,155	5,521	47,400	54,586
	<u>347,308</u>	<u>327,880</u>	<u>75,404</u>	<u>73,845</u>	<u>422,712</u>	<u>401,725</u>
Less: Accumulated Depreciation	(87,405)	(79,554)	(26,112)	(23,851)	(113,517)	(103,405)
Capital Assets, net	<u>\$ 259,903</u>	<u>\$ 248,326</u>	<u>\$ 49,292</u>	<u>\$ 49,994</u>	<u>\$ 309,195</u>	<u>\$ 298,320</u>

Additional information on the City's capital assets, including major construction commitments, can be found in Note 5 of this report.

Long-term Debt

At the end of fiscal year 2020, governmental activities had total debt outstanding of \$80,969. This is a decrease of \$4,387 from the prior year, due to scheduled debt service payments and amortization of premium. Notes from direct borrowings and direct placements and revenue bonds account for the majority of the City's overall outstanding debt.

City of Kissimmee, Florida
Outstanding Long-term Debt
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Notes from Direct						
Borrowings and Placements	\$ 38,975	\$ 41,860	\$ -	\$ -	\$ 38,975	\$ 41,860
Revenue Bonds	41,902	43,358	-	-	41,902	43,358
Capital Lease Payable	92	138	-	-	92	138
	<u>\$ 80,969</u>	<u>\$ 85,356</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,969</u>	<u>\$ 85,356</u>

Additional information on the City's debt, including the current year issuance and any major changes to the City's credit ratings, can be found in Note 7 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City at September 30, 2020 was 6.9%, which is an increase of 3.7% from the 3.2% unemployment rate from the prior year, primarily due to local COVID-19 lockdowns.
- Population increased by 844 to 75,644 compared to 74,800 in the prior fiscal year.
- The ad valorem tax rate for the General Fund stayed constant at 4.6253 for the 2021 approved fiscal year budget.

Requests for Information

This financial report is designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the City's Finance Department, 101 Church Street, Kissimmee, Florida 34741.

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CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION
September 30, 2020
(In Thousands)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 45,079	\$ 4,920	\$ 49,999
Restricted Cash and Investments	33,231	-	33,231
Receivables (net)	3,145	1,081	4,226
Due from Other Governments	6,082	2,486	8,568
Due from KUA	2,062	-	2,062
Due from TWA	1,341	-	1,341
Inventories	233	-	233
Prepaid Items	227	-	227
Capital Assets:			
Capital Assets not Being Depreciated	88,327	5,047	93,374
Capital Assets Being Amortized (Net)	2,938	226	3,164
Capital Assets Being Depreciated (Net)	168,638	44,019	212,657
Total Capital Assets	<u>259,903</u>	<u>49,292</u>	<u>309,195</u>
Total Assets	<u>351,303</u>	<u>57,779</u>	<u>409,082</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to OPEB	929	69	998
Deferred Outflows Related to Pensions	5,911	460	6,371
Total Deferred Outflows of Resources	<u>6,840</u>	<u>529</u>	<u>7,369</u>
LIABILITIES			
Accounts Payable	6,756	807	7,563
Contracts Payable	135	-	135
Accrued Liabilities	5,379	-	5,379
Due to Other Governments	1,199	12	1,211
Unearned Revenue	529	29	558
Deposits	7	-	7
Long-term Liabilities:			
Due Within One Year	7,454	66	7,520
Due in More Than One Year	125,904	3,740	129,644
Total Liabilities	<u>147,363</u>	<u>4,654</u>	<u>152,017</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to OPEB	959	72	1,031
Deferred Inflows Related to Pensions	1,939	35	1,974
Total Deferred Inflows of Resources	<u>2,898</u>	<u>107</u>	<u>3,005</u>
NET POSITION			
Net Investment in Capital Assets	178,154	49,204	227,358
Restricted:			
Supplementary Care - Nonexpendable	1,059	-	1,059
Construction Projects	15,270	-	15,270
Public Safety	525	-	525
Charter School	3,105	-	3,105
Building Safety	6,646	-	6,646
Community Redevelopment	3,418	-	3,418
Airport Projects	-	69	69
Other Purposes	3,208	-	3,208
Unrestricted	<u>(3,503)</u>	<u>4,273</u>	<u>770</u>
Total Net Position	<u>\$ 207,882</u>	<u>\$ 53,546</u>	<u>\$ 261,428</u>

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2020
(In Thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General Government	\$ 48,354	\$ 26,837	\$ 599	\$ 293	\$ (20,625)	\$ -	\$ (20,625)
Public Safety	45,599	9,077	235	1,482	(34,805)	-	(34,805)
Transportation	8,049	347	-	3,462	(4,240)	-	(4,240)
Economic Environment	997	-	329	108	(560)	-	(560)
Culture/Recreation	8,110	477	73	470	(7,090)	-	(7,090)
Interest on Long-term Debt	2,644	-	-	-	(2,644)	-	(2,644)
Total Governmental Activities	113,753	36,738	1,236	5,815	(69,964)	-	(69,964)
Business-Type Activities:							
Stormwater	4,885	5,786	-	464	-	1,365	1,365
Airport	1,640	828	157	116	-	(539)	(539)
Solid Waste	5,335	5,844	-	-	-	509	509
Total Business-Type Activities	11,860	12,458	157	580	-	1,335	1,335
Total	\$ 125,613	\$ 49,196	\$ 1,393	\$ 6,395	(69,964)	1,335	(68,629)
General revenues:							
Property Tax					16,382	-	16,382
Sales Tax					4,567	-	4,567
Public Service Tax					7,141	-	7,141
Gas Tax					2,525	-	2,525
Other Locally Assessed Utility Tax					1,664	-	1,664
Other Taxes					2,397	-	2,397
Local Option Discretionary Tax					7,048	-	7,048
State Revenue Sharing					2,654	-	2,654
Unrestricted Intergovernmental Revenues					25,641	-	25,641
Franchise Fees					177	-	177
Investment Income					1,816	105	1,921
Gain on Sale of Capital Assets					2,062	6	2,068
Miscellaneous					1,708	7	1,715
Transfers					612	(612)	-
Total General Revenues and Transfers					76,394	(494)	75,900
Change in Net Position					6,430	841	7,271
Net Position - Beginning					201,452	52,705	254,157
Net Position - Ending					\$ 207,882	\$ 53,546	\$ 261,428

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2020
(In Thousands)

	General	Shingle Creek Regional Trail	Community Redevelopment Agency
ASSETS			
Cash and Cash Equivalents	\$ 29,514	\$ 117	\$ 3,527
Restricted Cash and Investments	-	-	-
Accounts Receivable (net)	3,120	-	-
Special Assessments Receivable (net)	24	-	-
Due from KUA	2,062	-	-
Due from TWA	755	-	-
Due from Other Funds	1,000	-	-
Due from Other Governments	2,465	1,356	-
Prepaid Items	226	-	-
Inventories	92	-	-
Total Assets	\$ 39,258	\$ 1,473	\$ 3,527
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 1,887	\$ 559	\$ 109
Contracts Payable	-	108	-
Accrued Liabilities	-	-	-
Due to Other Funds	-	466	-
Due to Other Governments	1,199	-	-
Deposits Payable	7	-	-
Revenue Collected in Advance	-	-	-
Total Liabilities	3,093	1,133	109
Deferred Inflows of Resources:			
Unavailable Earned Revenues	1,168	1,356	-
Total Deferred Inflows of Resources	1,168	1,356	-
Fund Balances (Deficits):			
Nonspendable Prepaids and Inventories	318	-	-
Nonspendable Supplementary Care	-	-	-
Restricted for Transportation Projects	-	-	-
Restricted for Public Safety Projects	479	-	-
Restricted for Development Services	-	-	-
Restricted for Economic Development	-	-	3,418
Restricted for Recreation Projects	-	-	-
Restricted for Charter School	-	-	-
Restricted for Construction Projects	-	-	-
Restricted for Other Capital Improvements	-	-	-
Assigned for Budgetary Carryforward	3,768	-	-
Assigned for Debt Service	-	-	-
Unassigned (Deficits)			
General Fund	30,432	-	-
Special Revenue Funds	-	(1,016)	-
Total Fund Balances (Deficits)	34,997	(1,016)	3,418
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ 39,258	\$ 1,473	\$ 3,527

The notes to the financial statements are an integral part of the financial statements.

2016 Revenue Note Debt Service	2016 Revenue Note Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,132	\$ 3,057	\$ 29,162	\$ 67,509
-	-	3,182	3,182
-	-	-	3,120
-	-	-	24
-	-	-	2,062
-	-	5	760
-	-	-	1,000
-	-	2,070	5,891
-	-	-	226
-	-	-	92
<u>\$ 2,132</u>	<u>\$ 3,057</u>	<u>\$ 34,419</u>	<u>\$ 83,866</u>
\$ -	\$ 2,315	\$ 1,391	\$ 6,261
-	-	27	135
2,115	-	3,264	5,379
-	-	534	1,000
-	-	-	1,199
-	-	-	7
-	-	529	529
<u>2,115</u>	<u>2,315</u>	<u>5,745</u>	<u>14,510</u>
-	-	537	3,061
-	-	537	3,061
-	-	-	318
-	-	1,059	1,059
-	-	9,190	9,190
-	-	-	479
-	-	6,646	6,646
-	-	203	3,621
-	-	1,716	1,716
-	-	3,105	3,105
-	742	1,645	2,387
-	-	4,975	4,975
-	-	-	3,768
17	-	42	59
-	-	-	30,432
-	-	(444)	(1,460)
<u>17</u>	<u>742</u>	<u>28,137</u>	<u>66,295</u>
<u>\$ 2,132</u>	<u>\$ 3,057</u>	<u>\$ 34,419</u>	<u>\$ 83,866</u>

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CITY OF KISSIMMEE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
as of September 30, 2020
(In Thousands)

Total fund balances of governmental funds	\$	66,295
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$354,683, the accumulated depreciation is \$82,392, and the accumulated amortization is \$14,805. The difference does not include the net capital assets of the internal service funds which are included below.		257,486
The internal service fund is used by management to charge the costs of risk management services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		3,867
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities-both current and long term-are reported in the statement of net position. The amount does not include the long-term liabilities of the internal service funds which are included above. Long-term liabilities at yearend consist of:		
Bonds payable	\$ (37,708)	
Bonds premium	(4,194)	
Notes from direct borrowing and direct placements	(38,975)	
Capital leases	(92)	
Other postemployment benefits liability	(6,653)	
Compensated absences	(2,397)	(90,019)
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(36,479)
Deferred inflows and outflows of resources related to pensions and OPEB are not recognized in the governmental funds; however, they are recorded in the statement of net position.		
Deferred outflows of resources related to OPEB	872	
Deferred outflows of resources related to pensions	5,625	
Deferred inflows of resources related to OPEB	(902)	
Deferred inflows of resources related to pensions	(1,924)	3,671
Amount for earned but unavailable revenues recognized as revenue of the current period		3,061
Total net position of governmental activities	\$	207,882
<i>The notes to the financial statements are an integral part of the financial statements.</i>		

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2020
(In Thousands)

	General	Shingle Creek Regional Trail	Community Redevelopment Agency
REVENUES			
Taxes	\$ 23,794	\$ -	\$ -
Permits, Fees and Special Assessments	179	-	-
Intergovernmental Revenues	36,297	1,671	1,603
Charges for Services	8,782	-	-
Fines and Forfeitures	403	-	-
Investment Income	837	-	94
Miscellaneous Revenues	799	-	60
Total Revenues	71,091	1,671	1,757
EXPENDITURES			
Current:			
General Government	19,459	-	1,495
Public Safety	39,381	-	-
Transportation	5,173	1,916	-
Economic Environment	-	-	-
Culture/Recreation	6,556	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	46	-	-
Interest and Fiscal Charges	-	-	-
Professional Fees	23	-	-
Total Expenditures	70,638	1,916	1,495
Excess (Deficiency) of Revenues Over (Under) Expenditures	453	(245)	262
OTHER FINANCING SOURCES and (USES)			
Transfers In	1,493	144	1,193
Transfers (Out)	(2,791)	-	(890)
Proceeds from Sale of Capital Assets	2,355	-	-
Total Other Financing Sources and (Uses)	1,057	144	303
Net Change in Fund Balances	1,510	(101)	565
Fund Balances (Deficits) - Beginning	33,487	(915)	2,853
Fund Balances (Deficits) - Ending	\$ 34,997	\$ (1,016)	\$ 3,418

The notes to the financial statements are an integral part of the financial statements.

2016 Revenue Note Debt Service	2016 Revenue Note Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 9,573	\$ 33,367
-	-	3,034	3,213
-	-	7,971	47,542
-	-	89	8,871
-	-	-	403
-	48	690	1,669
-	-	140	999
-	48	21,497	96,064
-	-	5,912	26,866
-	-	5,168	44,549
-	-	2,834	9,923
-	-	997	997
-	-	571	7,127
-	6,939	3,505	10,444
1,270	-	2,910	4,226
1,691	-	1,091	2,782
-	-	-	23
2,961	6,939	22,988	106,937
(2,961)	(6,891)	(1,491)	(10,873)
2,961	38	4,967	10,796
-	-	(6,503)	(10,184)
-	-	-	2,355
2,961	38	(1,536)	2,967
-	(6,853)	(3,027)	(7,906)
17	7,595	31,164	74,201
\$ 17	\$ 742	\$ 28,137	\$ 66,295

CITY OF KISSIMMEE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For The Year Ended September 30, 2020
(In Thousands)

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

Net change in fund balances - total governmental funds	\$	(7,906)
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Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated and amortized over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases (\$20,326) and donations (\$0) exceeds depreciation (\$7,695, which excludes the amount related to internal service funds accounted for below) and amortization (\$1,075).		11,556
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The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:

Debt issued or incurred:		
Proceeds from notes	\$	-
Principal repayments:		
Bonds		1,295
Amortization of bond premium		161
Notes from direct borrowings and direct placements		2,885
Capital leases		46
		4,387

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. These adjustments are as follows:

Compensated absences	(435)	
	-	(435)

Continued

CITY OF KISSIMMEE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES - Continued
For The Year Ended September 30, 2020
(In Thousands)

Cash pension and OPEB contributions recorded in the funds were less than the calculated pension and OPEB expenses on the statement of activities and therefore decreased net position.	\$ (1,231)
Under the modified accrual basis of accounting, governmental revenues are recognized when both the measureable and available criteria have been met. Those revenues earned in the current year were not recognized since the availability criteria was not met. Under full accrual accounting, all revenues would be recognized.	68
In the statement of activities, only the loss on the sale/disposal of capital assets is reported. The change in net position differs from the change in fund balance by the cost of the capital assets sold/disposed or adjusted in value.	(293)
The internal service fund is used by management to charge the costs of risk management services to other funds. The net revenue of the internal service fund is reported with governmental activities.	284
Change in net position of governmental activities	\$ 6,430

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2020
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Solid Waste	Total	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 1,627	\$ 708	\$ 2,585	\$ 4,920	\$ 7,619
Accounts Receivable (net)	420	106	555	1,081	1
Due from Other Governments	2,446	38	1	2,485	191
Due from TWA	-	-	-	-	581
Prepays	-	-	-	-	1
Inventories	-	-	-	-	141
Total Current Assets	4,493	852	3,141	8,486	8,534
Capital Assets:					
Land	1,583	309	-	1,892	-
Buildings	509	11,160	407	12,076	289
Improvements Other Than Buildings	30,067	16,011	205	46,283	4,203
Software, Net	40	186	-	226	3
Machinery, Equipment and Vehicles	6,289	804	4,679	11,772	2,938
Construction in Progress	324	2,831	-	3,155	-
Less: Accumulated Depreciation	(11,325)	(11,404)	(3,383)	(26,112)	(5,016)
Total Capital Assets	27,487	19,897	1,908	49,292	2,417
Total Noncurrent Assets	27,487	19,897	1,908	49,292	2,417
Total Assets	31,980	20,749	5,049	57,778	10,951
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows Related to OPEB	33	8	28	69	57
Deferred Outflows Related to Pensions	217	48	195	460	286
Total Deferred Outflows of Resources	250	56	223	529	343

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2020
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Solid Waste	Total	
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 174	\$ 25	\$ 608	\$ 807	\$ 495
Accrued Liabilities	-	12	-	12	-
Deposits	-	29	-	29	-
Compensated Absences Payable	23	6	14	43	38
Other Postemployment Benefits Current	10	4	9	23	18
Estimated Claims Payable	-	-	-	-	2,255
Total Current Liabilities	207	76	631	914	2,806
Noncurrent Liabilities:					
Compensated Absences Payable	91	23	55	169	152
Other Postemployment Benefits	354	83	302	739	433
Net Pension Liability	1,343	302	1,187	2,832	1,709
Estimated Claims Payable	-	-	-	-	2,255
Total Noncurrent Liabilities	1,788	408	1,544	3,740	4,549
Total Liabilities	1,995	484	2,175	4,654	7,355
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Related to OPEB	35	9	28	72	57
Deferred Inflows Related to Pensions	13	2	20	35	15
Total Deferred Inflows of Resources	48	11	48	107	72
NET POSITION					
Net Investment in Capital Assets	27,399	19,897	1,908	49,204	2,359
Restricted for Airport Projects	-	69	-	69	-
Unrestricted	2,788	344	1,141	4,273	1,508
Total Net Position	\$ 30,187	\$ 20,310	\$ 3,049	\$ 53,546	\$ 3,867

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2020
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Solid Waste	Total	
Operating Revenues:					
Charges for Services	\$ 5,786	\$ 828	\$ 5,844	\$ 12,458	\$ 20,416
Miscellaneous Revenues	5	-	2	7	204
Total Operating Revenues	5,791	828	5,846	12,465	20,620
Operating Expenses:					
Personal Services	2,565	650	2,169	5,384	3,305
Contracted Services	569	31	1,531	2,131	2,041
Supplies and Materials	219	19	251	489	188
Repairs and Maintenance	298	59	487	844	2,686
Other Services and Charges	8	183	338	529	1,678
Depreciation	1,148	682	479	2,309	662
Claims/Premium Expense	78	16	80	174	10,533
Total Operating Expenses	4,885	1,640	5,335	11,860	21,093
Operating Income (Loss)	906	(812)	511	605	(473)
Nonoperating Revenues (Expenses):					
Operating Grants	-	157	-	157	-
Investment Income	31	16	58	105	146
Insurance Recoveries	-	-	-	-	606
Gain or (Loss) from Sale of Capital Assets	10	-	(4)	6	5
Total Nonoperating Revenues (Expenses)	41	173	54	268	757
Income (Loss) Before Contributions and Transfers	947	(639)	565	873	284
Capital Contributions	464	116	-	580	-
Transfers (Out)	(322)	(2)	(288)	(612)	-
Change in Net Position	1,089	(525)	277	841	284
Net Position - Beginning	29,098	20,835	2,772	52,705	3,583
Net Position - Ending	\$ 30,187	\$ 20,310	\$ 3,049	\$ 53,546	\$ 3,867

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended September 30, 2020
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Solid Waste	Total	
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 5,282	\$ 814	\$ 5,764	\$ 11,860	\$ 20,577
Payments to Suppliers	(2,048)	(304)	(2,675)	(5,027)	(16,474)
Payments to Employees	(2,531)	(623)	(2,120)	(5,274)	(3,213)
Net Cash Provided (Used) by Operating Activities	703	(113)	969	1,559	890
Cash Flows from Noncapital Financing Activities					
Transfers (to) Other Funds	(322)	(2)	(288)	(612)	(146)
Transfers from Other Funds	-	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(322)	155	(288)	(455)	(146)
Cash Flows from Capital and Related Financing Activities					
Acquisition/Construction of Capital Assets	(1,437)	(66)	(124)	(1,627)	(997)
Capital Contributions	464	79	-	543	-
Proceeds from Insurance Recoveries	-	-	-	-	606
Proceeds from Sale of Capital Assets	10	-	-	10	5
Net Cash Provided (Used) by Capital and Related Financing Activities	(963)	13	(124)	(1,074)	(386)
Cash Flows from Investing Activities					
Investment Income	31	16	58	105	146
Net Cash Provided (Used) by Investing Activities	31	16	58	105	146
Net Increase (Decrease) in Cash and Cash Equivalents	(551)	71	615	135	504
Cash and Cash Equivalents at Beginning of Year	2,178	637	1,970	4,785	7,115
Cash and Cash Equivalents at End of Year	\$ 1,627	\$ 708	\$ 2,585	\$ 4,920	\$ 7,619

Continued

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For The Year Ended September 30, 2020
(In Thousands)

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Stormwater</u>	<u>Airport</u>	<u>Solid Waste</u>	<u>Total</u>	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 906	\$ (812)	\$ 511	\$ 605	\$ (473)
Depreciation	1,148	682	479	2,309	662
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(45)	(11)	(84)	(140)	(1)
(Increase) Decrease in Due from Other Governments	-	-	-	-	105
(Increase) Decrease in Due from KUA	(464)	-	3	(461)	-
(Increase) Decrease in Due from TWA	-	-	(1)	(1)	(147)
(Increase) Decrease in Inventories	-	-	-	-	(22)
(Increase) Decrease in Deferred Outflows OPEB	(24)	(5)	(20)	(49)	(41)
(Increase) Decrease in Deferred Outflows Pensions	(54)	(13)	(46)	(113)	(73)
Increase (Decrease) in Accounts Payable	(876)	4	12	(860)	(53)
Increase (Decrease) in Customer Deposits	-	(3)	-	(3)	-
Increase (Decrease) in Accrued Liabilities	-	3	-	3	-
Increase (Decrease) in OPEB	38	15	33	86	67
Increase (Decrease) in Compensated Absences	(14)	7	8	1	22
Increase (Decrease) in Claims Payable	-	-	-	-	727
Increase (Decrease) in Net Pension Liability	103	25	86	214	139
Increase (Decrease) in Deferred Inflows OPEB	(6)	(3)	(5)	(14)	(10)
Increase (Decrease) in Deferred Inflows Pensions	(9)	(2)	(7)	(18)	(12)
Total Adjustments	<u>(203)</u>	<u>699</u>	<u>458</u>	<u>954</u>	<u>1,363</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 703</u>	<u>\$ (113)</u>	<u>\$ 969</u>	<u>\$ 1,559</u>	<u>\$ 890</u>

There are no noncash investing, capital, and financing activities in the Proprietary Funds.

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2020
(In Thousands)

ASSETS

Cash and Cash Equivalents	\$	6,754
Receivables:		
Interest Receivable		185
Total Receivables		185
Investments, at Fair Value:		
Fixed Income		48,198
Equities		127,894
Mutual Funds		44,646
Commingled Funds		14,911
Total Investments		235,649
Total Assets		242,588

LIABILITIES

Accounts Payable		13
Total Liabilities		13

**Net Position Restricted
for Pension Benefits**

\$ 242,575

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For The Year Ended September 30, 2020
(In Thousands)

ADDITIONS

Contributions:	
Employer	\$ 6,891
Plan Members	1,445
State	1,482
Total Contributions	<u>9,818</u>
Investment earnings:	
Net increase (decrease) in fair value of investments	16,231
Interest and dividends	5,199
Total Investment Earnings	<u>21,430</u>
Less Investment Expense ¹	873
Net Investment Earnings	<u>20,557</u>
Other	1,435
Total Additions	<u>31,810</u>

DEDUCTIONS

Benefits	15,437
Administrative Expense	147
Total Deductions	<u>15,584</u>

Change in Net Position	16,226
Net Position - Beginning of Year	<u>226,349</u>
Net Position - End of Year	<u>\$ 242,575</u>

¹ Investment related expenses include investment advisory, custodial and performance monitoring fees.

The notes to the financial statements are an integral part of the financial statements.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

The City was established pursuant to 65-1775 laws of Florida. The legislative branch of the City is composed of a five (5) member elected Commission, including a city-wide elected mayor. The City Commission is governed by the City Charter, and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Commission-appointed City Manager.

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. A blended component unit, although legally separate, is in substance, part of the City’s operations. The City has only one blended component unit, the Community Redevelopment Agency (the “CRA”). The CRA is an incremental taxing district created by City Ordinance #1893, in April of 1993, pursuant to Florida Statute 163.356. The City Commission serves as the governing board, approves the budget, provides funding and performs all accounting functions for the CRA. The CRA’s services are provided exclusively to the City. The CRA has been presented as a blended component unit classified as a special revenue fund. The CRA issues a stand-alone statement that can be obtained from the City’s Finance Department. The City has no discretely presented component units.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses and indirect costs of a given function, or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Indirect expenses* are those costs that are allocated to functions and activities in accordance with the City’s adopted indirect cost allocation plan. The “Expenses” column includes both direct and indirect expenses. *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 properly not included among program revenues are reported instead as *general revenues*.

Separate fund financial statements are provided for governmental funds, enterprise funds, internal service funds and the pension trust funds. The pension trust funds are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. The internal service funds are grouped together and shown alongside the enterprise funds. The internal service funds are combined with the governmental funds to aggregate governmental activities in the government-wide financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

1. Government-wide Financial Statements

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

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

2. Fund Financial Statements

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

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

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Community Redevelopment Agency Fund* is a special revenue fund used to account for operations of the Community Redevelopment Agency (CRA). Costs will ultimately be funded with restricted incremental tax increases of property located within the CRA.
- The *Shingle Creek Regional Trail* fund is a special revenue fund used to account for the revenues and expenditures related to the LAP Agreement with the FDOT to provide the construction of the Shingle Creek Regional Trail.
- The *2016 Revenue Note Debt Service* fund is a debt service fund used to account for the proceeds and refunding payments from the 2016 Refunding Revenue Note.
- The *2016 Revenue Note Capital Projects* fund is a capital projects fund used to account for the capital improvement projects funded from the 2016 Refunding Revenue Note proceeds.

The City reports the following major enterprise funds:

- The *Stormwater Fund* accounts for the fiscal activities of the City's stormwater operations and maintenance.
- The *Airport Fund* accounts for the fiscal activities of the City's airport operations and maintenance.
- The *Solid Waste Fund* accounts for the fiscal activities of the City's solid waste removal service operations.

Additionally, the City reports the following fund types:

- *Special Revenue Funds* account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.
- *Debt Service Funds* account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.
- *Capital Projects Funds* account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays (excluding proprietary fund capital outlays).
- *Internal Service Funds* account for certain activities of the City's centralized services and risk management program. Centralized services include information technology, purchasing, warehouse, garage, building maintenance, and printing. Risk management activities include legal expenses incurred related to activities not specifically covered by City insurance policies and collections of settlements or refunds from related cases.
- *Pension Trust Funds* account for the activities of the City's General Employees', Police Officers', and Firefighters' Pension Plans, which accumulate resources for pension benefit payments to qualified employees.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, claims expense, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use unrestricted resources first, and then restricted resources, as they are needed for their intended purposes. For unrestricted resources, the City considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

D. Budgetary Requirements

The following procedures are used to establish the budgetary data reflected in the financial statements pursuant to Florida Statutes and the City Charter:

- 1) The City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. Work sessions are held to review the proposed budget.
- 2) Public hearings are held to obtain taxpayer comments.
- 3) Prior to October 1, the City Commission conducts the final budget hearing to consider additional public comments and to adopt the final ad valorem millage and final budget.
- 4) Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the general fund, certain special revenue funds, certain debt service funds, and all capital projects funds. Budgets are not adopted for the Pension Trust Funds, Police and Firefighters Premium Tax Fund, Section 8 HAPP Fund, and Supplementary Care special revenue funds.
- 5) Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 6) The City Manager is authorized to approve transfers between line items other than salary accounts within any department, with all such adjustments reported on a monthly basis to the City Commission. However, the City Manager can approve transfers of unused amounts in salary account line items to advertising, recruiting and/or professional service account line items. Transfers between departments, other transfers between salary account line items and changes in total budget appropriations for a fund must have prior approval of the City Commission. During the current fiscal year, various appropriations were approved in accordance with this policy. Budgeted amounts shown in the financial statements are as originally adopted and as further amended.
- 7) Budget appropriations lapse at year-end. Encumbrances outstanding at year-end are charged against the ensuing year's budget, and thus are not shown in budget to actual presentations and are carried forward.

E. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, certificates of deposit, money market accounts, savings accounts, investments in the State Board of Administration (SBA) Florida PRIME (Florida PRIME), and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

F. Investments

Investments are stated at fair value, with the exception of the investments with Florida PRIME, which are reported at amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. GASB Statement No. 79 establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The City's investments in the Florida PRIME are similar to money market funds in which units are owned in the fund rather than the underlying investments. There are no limitations or restrictions on withdrawals from Florida PRIME; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the fund's executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

G. Receivables

Property Taxes Receivable

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City's millage for the fiscal year 2019-2020 is 4.6253 mills. All real and tangible personal property taxes are due and payable on the levy date of November 1 of each year or as soon thereafter as the assessment roll is certified by the Osceola County Property Appraiser (levy date). Osceola County mails to each property owner on the assessment roll a notice of the taxes due and the County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February.

Taxes paid during the month of March are without discount and all unpaid taxes on real and tangible property become delinquent on April 1 (the lien date) of the year following the year in which taxes were assessed. Procedures for collecting delinquent taxes, including applicable tax certificate sales, are provided for by the Laws of Florida.

Special Assessments Receivable

Special assessments receivable are recorded at the time the related project is completed and are secured by liens on the property benefited. Revenue in governmental funds is deferred until such time it becomes an available, spendable or appropriable resource. Special assessment revenues are recorded in the government-wide and enterprise fund financial statements when earned.

H. Inventories and Prepaids

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Prepaids represent payments made to vendors for services that will benefit the City beyond September 30, 2020. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

I. Restricted Assets

Restricted cash and cash equivalents of governmental funds arise from provisions within revenue bonds issued by the City and are so designated on the statement of net position and balance sheets of governmental funds.

J. Capital Assets

Capital assets include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant, equipment, and intangibles with initial, individual costs that equal or exceed one thousand dollars and estimated useful lives of over one year are recorded as capital assets. Infrastructure is capitalized when the initial costs equal or exceed \$25 and has an estimated useful life of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
 September 30, 2020
 (In Thousands)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Infrastructure capital assets are included in improvements other than buildings for financial statement classification.

Intangibles assets are amortized over their useful lives, when the length of their lives is limited by contractual or legal limitations. Buildings, improvements, infrastructure, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25
Improvements Other than Buildings	4-12
Infrastructure	20-50
Equipment	5-20

K. Bond/Note Issuance Costs

These costs are charged to current expenditures/expenses when bonds are issued.

L. Compensated Absences

City policy allows each employee to accumulate up to three times the accrual rate, ranging from 30 to 60 days of vacation leave. Time accrued beyond that is forfeited unless an exception is granted by the City Manager. The majority of employees utilize their annual accrual of vacation leave during the year accrued. Employees are allowed to accumulate up to 60 days of medical leave. Time accrued beyond that is paid to the employees every year at the rate of one-half their pay rate. The City records compensated absences in governmental funds, only if they have matured, as expenditures for the amount accrued during the year that would normally be liquidated with expendable, available financial resources. The City accrues compensated absences in the period they are earned in the government-wide and enterprise fund financial statements.

M. Total Other Postemployment Benefits (OPEB) Liability

The total OPEB liability of the City's Other Postemployment Benefits Plan (the OPEB Plan) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB benefits, and OPEB expense. Current payroll costs are used as a basis to allocate deferred elements, total OPEB liability, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. The plan is not administered through a trust.

N. Unearned Revenue

Unearned revenue in the governmental funds represent paving assessment receivables and grant receivables that are measurable but the revenue was unearned.

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. In the statement of net position, the deferred outflow for pensions is an aggregate of items related to pensions and the deferred outflow for

OPEB is an aggregate of items related to OPEB. The deferred outflows related to pensions and OPEB will be recognized as either expense or a reduction in the related liability in future reporting years. Details on the composition of the deferred outflows related to pensions and OPEB are further discussed in the Notes. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the statement of net position, the deferred inflow for pensions is an aggregate of items related to pensions and the deferred inflows for OPEB is an aggregate of items related to OPEB. The deferred inflows related to pensions and OPEB will be recognized as reductions to expense in future reporting years. Details on the composition of the deferred inflows related to pensions and OPEB are further discussed in Notes 8 and 9.

P. Pensions/Net Pension Liability

In the government-wide financial statements and also the proprietary funds statements, net pension liability represents the present value of projected benefit payments to be provided through the cost-sharing and single employer pension plans to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension plans, and pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Current contributions are used as a basis to allocate deferred elements, net pension liability, and pension expense.

Q. Contributions

Contributions consist primarily of donations from federal and state aid programs. Contributions are recognized when earned or when legal title is transferred to the City for contributed capital assets.

R. Fund Balances

The City classified governmental fund balances as follows:

- Nonspendable Fund Balance - represents fund balance that is (a) not in a spendable form such as prepaid items or (b) legally or contractually required to be maintained intact such as an endowment.
- Restricted Fund Balance - consists of amounts that can be spent only on the specific purposes stipulated by law or by the external providers of those resources.
- Committed Fund Balance - self-imposed limitations set in place prior to the end of the fiscal period. These amounts can be used only for the specific purposes determined by a formal action of the City Commission, which is the highest level of decision-making authority, and that require the same level of formal action to remove the constraint. The City Commission can establish, modify or rescind committed fund balance through the formal approval of an ordinance.
- Assigned Fund Balance - amounts that are subject to a purpose constraint that represents an intended use established by the City Commission or by their designated body or official. The City Manager was appointed with the authority to assign fund balance through the City Commission's approval of the City's fund balance policy. Formal action is *not* necessary to impose, remove, or modify a constraint in assigned fund balance. Additionally, this category is used to reflect the appropriation of a portion of existing fund balance to eliminate a projected deficit in the subsequent year's budget.

-
- Unassigned Fund Balance - represents the residual classification of fund balance and includes all spendable amounts not contained within the other classifications of the General Fund. Unassigned fund balances may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes. Currently, the Shingle Creek Regional Trail Fund, the Victim of Crime Act, Justice Assistance Grant, CARES Act Relief, Neighborhood Stabilization and HOME, Community Development Block Grant, and the W Oak Street Improvement Grant have negative unassigned fund balances.

S. Net Position Restricted by Enabling Legislation

In the government-wide financial statements, governmental activities report restricted net position of \$33,231, of which management has determined \$6,646 for building code enforcement is restricted by enabling legislation.

T. Tax Abatements

GASB Statement No. 77, *Tax Abatement Disclosures*, requires disclosure of tax abatement information about the City's tax abatement agreements and those entered by other governments that would reduce the City's tax revenues. The City has evaluated this statement and has determined no agreements meet the criteria to be disclosed.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits

Deposits consist of demand accounts (interest and non-interest bearing). All deposits with financial institutions were 100% insured by Federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida. The bank balance of demand accounts was \$8,504. The carrying amount of the demand deposits, cash with fiscal agent, and cash on hand at September 30, 2020 was \$9,664 due to timing of transactions.

Investments

The City's investment policy is governed by local resolution and bond covenants. Allowable investments include: the SBA Florida PRIME; negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States government; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States agencies, provided such obligations are backed by the full faith and credit of the United States Government; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States Government agencies which are not full faith and credit agencies; repurchase agreements; bankers' acceptances; commercial paper; state and/or local government taxable and tax-exempt debt; and fixed income mutual funds. In addition, the City's retirement plans may invest in corporate bonds and stocks as well as limited partnerships.

The City categorizes the fair value measurements of its investments based on the hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. The hierarchy has three levels based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. GASB 72 allows for the use of quoted prices provided by third parties. The City uses quoted prices provided by its third-party custodians for its pension trust funds.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

The following is a summary of the City’s pooled investments at September 30, 2020. The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is also presented.

<u>Measured using the net asset value:</u>	<u>Fair Value</u>	<u>Weighted Average</u>	
		<u>Maturity (Yrs)</u>	<u>Credit Rating</u>
FLGIT Short Term Bond Fund	\$ 21,867	2.00	Fitch AAf/S1
FL FIT Enhanced Cash Pool	436	.89 *	S&P AAf/S1
FL FIT Select Pool	32,268	2.1 *	S&P AA+f/S1
Total fair value investments	<u>54,571</u>		
<u>Measured at amortized cost:</u>			
Florida PRIME	18,995	48 days	S&P AAf
Total City investments	<u>\$ 73,566</u>		

<u>Investments measured at NAV</u>	<u>Fair Value</u>	<u>Unfunded</u>	
		<u>Fair Value</u>	<u>Commitments</u>
FLGIT Short Term Bond Fund	\$ 21,867	\$ -	-
FL FIT Enhanced Cash Pool	436	-	-
FL FIT Select Pool	32,268	-	-

* Weighted average life in years

For investments in the FL FIT, there is no limitation or restriction on participant withdrawals, and the Trust has not put in place a redemption gate. The FL FIT Enhanced Cash investments consist of money market mutual funds, FDIC deposits, U.S. treasury bonds, U.S. government agency bonds, commercial paper, and corporate bonds. The FL FIT Select Pool investments consist primarily of CMOs, government agency and U.S. treasury bonds, corporate bonds, and money market and FDIC insured deposits. Fair value of the investments is determined daily for calculation of the pool participants’ net asset value.

For investments in the FLGIT Short Term Bond Fund, there is no limitation or restriction on participant withdrawals, and there is no redemption gate in place. The FLGIT investments consist primarily of U.S. treasury notes, U.S. Government agency notes, asset-backed securities, corporate bonds, and municipal bonds.

The following is a summary of the City’s Pension Trust Funds at September 30, 2020.

	<u>General Employees' Pension</u>			<u>Police Officers' Pension</u>		<u>Firefighters' Pension</u>	
	<u>Quoted</u>	<u>Observ</u>	<u>Unobserv</u>	<u>Quoted</u>	<u>Observ</u>	<u>Quoted</u>	<u>Observ</u>
	<u>Prices</u>	<u>Input</u>	<u>Input</u>	<u>Prices</u>	<u>Input</u>	<u>Prices</u>	<u>Input</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 1</u>	<u>Level 2</u>
Fixed Income	\$ 12,570	\$ 14,997	\$ -	\$ -	\$ 16,870	\$ -	\$ 3,761
Equities	82,464	505	-	8,412	15,208	11,488	9,817
Mutual Funds	-	9,355	-	14,086	-	14,830	-
Commingled Funds & Real Estate	-	-	6,375	5,756	7,141	-	2,014
Total Investments	<u>\$ 95,034</u>	<u>\$ 24,857</u>	<u>\$ 6,375</u>	<u>\$ 28,254</u>	<u>\$ 39,219</u>	<u>\$ 26,318</u>	<u>\$ 15,592</u>
Money Market	2,146			4,079		529	
Total Investment Fair Values	<u>\$ 128,412</u>			<u>\$ 71,552</u>		<u>\$ 42,439</u>	

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

As mentioned previously, for the City’s pension trust fund investments, quoted prices provided by its third-party custodians are used. Debt securities classified in Level 2 are valued using a matrix pricing model. Real estate investments in Level 3 are valued using discounted cash flow techniques.

Interest Rate Risk - To mitigate interest rate risk, the City’s investment policy requires that the investment portfolio structure maturities to meet the City’s cash needs for ongoing operations and that operating funds be invested primarily in short-term securities. Of the City’s investments outstanding at year-end, all of them have maturities less than three years. The City’s policy requires that investments have maturities that match known cash needs and anticipated cash-flow requirements.

For the City’s General Employees’ Pension investments, the weighted average maturity (in years) for Eaton Vance is 7.45, Pimco Diversified Fund (PDII) is 9.04, and Vanguard Inflation Protected (VAIPX) is 8.60. For the City’s Police Officers’ Pension investments, the weighted average maturity (in years) for Galliard Intermediate Core is 3.89, Pimco Diversified Fund (PDII) is 9.41, and Vanguard Inflation Protected (VAIPX) is 8.40. For the City’s Firefighters’ Pension investments, the weighted average maturity (in years) for their collective portfolio is 8.68.

Credit Risk – To mitigate credit risk, the City’s investment policy limits the minimum credit quality rating of investments, as rated by nationally recognized statistical rating organizations (NRSROs). The City primarily invests in U.S. government securities, mutual funds, corporate stocks, corporate bonds, and overnight repurchase agreements. Money market accounts are held with qualified public depositories who meet the State of Florida requirements.

Custodial Risk – To mitigate custodial risk, broker/dealers must meet established capital requirements as set forth by the Securities Exchange Commission, be registered in the State of Florida, provide proof of registration, complete a broker/dealer questionnaire, certify understanding of the City’s investment policy, and provide a copy of the most recent audit report. The City’s investment policy does not place any limits on the amount allowed to be held by counterparties.

Concentration of Credit Risk – The City’s investment policy requires that investments be diversified by security type and institution. No more than 50% of the City’s funds will be invested with the same issuer, dealer or banking institution and no more than 20% of the City’s funds will be invested beyond five years in any security with the same maturity date.

A reconciliation of the City’s cash and investments to the financial statements is as follows:

	<u>City</u>
Cash in Bank and On Hand	\$ 9,664
Investments	<u>73,566</u>
	<u>83,230</u>
<u>Financial Statements:</u>	
Cash and Cash Equivalents	49,999
Restricted Cash and Investments	<u>33,231</u>
	<u>\$ 83,230</u>

CITY OF KISSIMMEE, FLORIDA
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September 30, 2020
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NOTE 3 – RECEIVABLES

The following is a detail listing of receivables for the City's individual major funds and the aggregate of nonmajor funds at September 30, 2020. Special assessment receivables are secured by liens placed on benefited properties at the time of the original assessment.

Description	General	Stormwater	Airport	Solid Waste	Nonmajor and Internal		Total
					Service Funds	Pension Funds	
Accounts	\$ 7,837	\$ 420	\$ 106	\$ 555	\$ 1	\$ -	\$ 8,919
Interest	-	-	-	-	-	185	185
Special assessments	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>
	7,861	420	106	555	1	185	9,128
Less: Allowance for uncollectibles	<u>(4,717)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,717)</u>
	<u>\$ 3,144</u>	<u>\$ 420</u>	<u>\$ 106</u>	<u>\$ 555</u>	<u>\$ 1</u>	<u>\$ 185</u>	<u>\$ 4,411</u>

NOTE 4 – INTERFUND ACCOUNTS

Individual interfund receivables, payables and transfers with a description of their purpose at September 30, 2020 are:

	<u>Due From</u>	<u>Due To</u>	Purpose
General Fund	\$ 1,000	\$ -	To cover negative pooled cash position of Funds
Shingle Creek Regional Trail	-	466	To cover negative pooled cash position of Funds
Nonmajor Funds:			
Special Revenue Funds	<u>-</u>	<u>534</u>	To cover negative pooled cash position of Funds
	<u>\$ 1,000</u>	<u>\$ 1,000</u>	
	<u>Transfer In</u>	<u>Transfers Out</u>	Purpose
General Fund	\$ 1,493	\$ 2,791	Transfer to cover debt service payments
Shingle Creek Regional Trail	144	-	Transfer for project expenditures
Community Redevelopment Agency	1,193	890	Transfer to cover debt service and tax increment funds
2016 Revenue Note Debt Service	2,961	-	Transfer to cover debt service payments
2016 Revenue Note Capital Projects	38	-	
Stormwater	-	322	Transfer to General Fund for PILOT
Airport	-	2	
Solid Waste	-	288	Transfer to General Fund for PILOT
Nonmajor Funds:			
Special Revenue Funds	966	6,503	Transfer for grant match funding and debt service
Debt Service Funds	<u>4,001</u>	<u>-</u>	Transfer to cover debt service payments
	<u>\$ 10,796</u>	<u>\$ 10,796</u>	

CITY OF KISSIMMEE, FLORIDA
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NOTE 5 – CAPITAL ASSETS

A. Changes in Capital Assets

The following tables show the changes in capital assets by governmental activities and business-type activities. Also shown is a summary of depreciation and amortization expense by function:

Governmental Activities	Beginning		Ending	
	Balance			Balance
	10/01/2019	Increases	Decreases	9/30/2020
Capital Assets, Not Being Depreciated:				
Land	\$ 43,861	\$ 221	\$ -	\$ 44,082
Construction In Progress	49,065	8,497	(13,317)	44,245
Total Capital Assets, Not Being Depreciated	92,926	8,718	(13,317)	88,327
Capital Assets, Being Amortized, Net:				
Software - Charter School	-	2	(2)	-
Software - Other City	1,430	581	(1,072)	939
Parking Capacity	1,999	-	-	1,999
Total Capital Assets Being Amortized, Net	3,429	583	(1,074)	2,938
Capital Assets, Being Depreciated:				
Buildings				
Charter School	1,464	-	-	1,464
Other City	16,843	-	218	17,061
Improvements other than buildings				
Charter School	183	-	-	183
Other City	178,731	22,713	154	201,598
Equipment				
Charter School	1,098	18	-	1,116
Other City	33,135	2,658	(1,172)	34,621
Total Capital Assets Being Depreciated	231,454	25,389	(800)	256,043
Less Accumulated Depreciation For:				
Buildings				
Charter School	(513)	(87)	-	(600)
Other City	(8,328)	(497)	-	(8,825)
Improvements other than buildings				
Charter School	(115)	(9)	-	(124)
Other City	(47,590)	(4,612)	(372)	(52,574)
Equipment				
Charter School	(960)	(47)	-	(1,007)
Other City	(22,048)	(3,108)	881	(24,275)
Total Accumulated Depreciation	(79,554)	(8,360)	509	(87,405)
Total Capital Assets, Being Depreciated, Net	151,900	17,029	(291)	168,638
Governmental Activities Capital Assets, Net	\$ 248,255	\$ 26,330	\$ (14,682)	\$ 259,903

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Business-type Activities	Beginning Balance 10/01/2019	Increases	Decreases	Ending Balance 9/30/2020
<u>Stormwater Fund</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,583	\$ -	\$ -	\$ 1,583
Construction In Progress	2,653	600	(2,929)	324
Total Capital Assets, Not Being Depreciated:	<u>4,236</u>	<u>600</u>	<u>(2,929)</u>	<u>1,907</u>
Capital Assets, Being Amortized, Net:				
Software	43	(3)	-	40
Total Capital Assets, Being Amortized, Net	<u>43</u>	<u>(3)</u>	<u>-</u>	<u>40</u>
Capital Assets, Being Depreciated:				
Buildings	509	-	-	509
Improvements other than Buildings	27,112	2,955	-	30,067
Equipment	5,507	784	(2)	6,289
Total Capital Assets Being Depreciated	<u>33,128</u>	<u>3,739</u>	<u>(2)</u>	<u>36,865</u>
Less Accumulated Depreciation For:				
Buildings	(366)	(20)	-	(386)
Improvements other than Buildings	(6,404)	(606)	-	(7,010)
Equipment	(3,412)	(519)	2	(3,929)
Total Accumulated Depreciation	<u>(10,182)</u>	<u>(1,145)</u>	<u>2</u>	<u>(11,325)</u>
Total Capital Assets, Being Depreciated, Net	<u>22,946</u>	<u>2,594</u>	<u>-</u>	<u>25,540</u>
Solid Waste Fund Capital Assets, Net	<u>\$ 27,225</u>	<u>\$ 3,191</u>	<u>\$ (2,929)</u>	<u>\$ 27,487</u>
<u>Airport Fund</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 309	\$ -	\$ -	\$ 309
Construction In Progress	2,795	36	-	2,831
Total Capital Assets, Not Being Depreciated	<u>3,104</u>	<u>36</u>	<u>-</u>	<u>3,140</u>
Capital Assets, Being Amortized, Net:				
Software	191	(5)	-	186
Total Capital Assets, Being Amortized, Net	<u>191</u>	<u>(5)</u>	<u>-</u>	<u>186</u>
Capital Assets, Being Depreciated:				
Buildings	11,160	-	-	11,160
Improvements other than Buildings	15,991	20	-	16,011
Equipment	798	21	(15)	804
Total Capital Assets Being Depreciated	<u>27,949</u>	<u>41</u>	<u>(15)</u>	<u>27,975</u>
Less Accumulated Depreciation For:				
Buildings	(6,960)	(303)	-	(7,263)
Improvements other than Buildings	(3,139)	(331)	-	(3,470)
Equipment	(643)	(43)	15	(671)
Total Accumulated Depreciation	<u>(10,742)</u>	<u>(677)</u>	<u>15</u>	<u>(11,404)</u>
Total Capital Assets, Being Depreciated, Net	<u>17,207</u>	<u>(636)</u>	<u>-</u>	<u>16,571</u>
Airport Fund Capital Assets, Net	<u>\$ 20,502</u>	<u>\$ (605)</u>	<u>\$ -</u>	<u>\$ 19,897</u>

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NOTES TO FINANCIAL STATEMENTS – Continued
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	Beginning Balance 10/01/2019	Increases	Decreases	Ending Balance 9/30/2020
<u>Solid Waste Fund</u>				
Capital Assets, Not Being Depreciated:				
Construction In Progress	\$ 73	\$ -	\$ (73)	\$ -
Total Capital Assets, Not Being Depreciated	<u>73</u>	<u>-</u>	<u>(73)</u>	<u>-</u>
Capital Assets, Being Depreciated:				
Buildings	\$ 407	\$ -	\$ -	\$ 407
Improvements other than Buildings	93	112	-	205
Equipment	<u>4,621</u>	<u>84</u>	<u>(26)</u>	<u>4,679</u>
Total Capital Assets Being Depreciated	<u>5,121</u>	<u>196</u>	<u>(26)</u>	<u>5,291</u>
Less Accumulated Depreciation For:				
Buildings	(299)	(15)	-	(314)
Improvements other than Buildings	(45)	(44)	-	(89)
Equipment	<u>(2,583)</u>	<u>(420)</u>	<u>23</u>	<u>(2,980)</u>
Total Accumulated Depreciation	<u>(2,927)</u>	<u>(479)</u>	<u>23</u>	<u>(3,383)</u>
Total Capital Assets, Being Depreciated, Net	<u>2,194</u>	<u>(283)</u>	<u>(3)</u>	<u>1,908</u>
Solid Waste Fund Capital Assets, Net	<u>\$ 2,267</u>	<u>\$ (283)</u>	<u>\$ (76)</u>	<u>\$ 1,908</u>
<u>Total Business-type Activities</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,892	\$ -	\$ -	\$ 1,892
Construction In Progress	<u>5,521</u>	<u>636</u>	<u>(3,002)</u>	<u>3,155</u>
Total Capital Assets, Not Being Depreciated	<u>7,413</u>	<u>636</u>	<u>(3,002)</u>	<u>5,047</u>
Capital Assets, Being Amortized, Net:				
Software	<u>234</u>	<u>(8)</u>	<u>-</u>	<u>226</u>
Total Capital Assets, Being Amortized, Net	<u>234</u>	<u>(8)</u>	<u>-</u>	<u>226</u>
Capital Assets, Being Depreciated:				
Buildings	12,076	-	-	12,076
Improvements other than Buildings	43,196	3,087	-	46,283
Equipment	<u>10,926</u>	<u>889</u>	<u>(43)</u>	<u>11,772</u>
Total Capital Assets Being Depreciated	<u>66,198</u>	<u>3,976</u>	<u>(43)</u>	<u>70,131</u>
Less Accumulated Depreciation For:				
Buildings	(7,625)	(338)	-	(7,963)
Improvements other than Buildings	(9,588)	(981)	-	(10,569)
Equipment	<u>(6,638)</u>	<u>(982)</u>	<u>40</u>	<u>(7,580)</u>
Total Accumulated Depreciation	<u>(23,851)</u>	<u>(2,301)</u>	<u>40</u>	<u>(26,112)</u>
Total Capital Assets, Being Depreciated, Net	<u>42,347</u>	<u>1,675</u>	<u>(3)</u>	<u>44,019</u>
Total Business-type Activities, Net	<u>\$ 49,994</u>	<u>\$ 2,303</u>	<u>\$ (3,005)</u>	<u>\$ 49,292</u>

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NOTES TO FINANCIAL STATEMENTS – Continued
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Governmental Activities:

Depreciation and Amortization Expense By Function

General Government	\$	2,195
Public Safety		2,160
Transportation		2,521
Culture/Recreation		1,896
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		<u>662</u>
Total Governmental Activities Depreciation and Amortization	\$	<u>9,434</u>

Business-type Activities:

Depreciation Expense By Function

Stormwater	\$	1,148
Airport		682
Solid Waste		<u>479</u>
	\$	<u>2,309</u>

B. Net Capital Assets

The following is a summary of net capital assets as shown on the government-wide statement of net position:

	Governmental	Business-type	Total
	Activities	Activities	
Land	\$ 44,082	\$ 1,892	\$ 45,974
Software, net	939	226	1,165
Parking Capacity, net	1,999	-	1,999
Buildings	18,525	12,076	30,601
Improvements other than Buildings	201,781	46,283	248,064
Equipment	35,737	11,772	47,509
Construction in Progress	<u>44,245</u>	<u>3,155</u>	<u>47,400</u>
	347,308	75,404	422,712
Less: Accumulated Depreciation	<u>(87,405)</u>	<u>(26,112)</u>	<u>(113,517)</u>
Capital Assets, net	<u>\$ 259,903</u>	<u>\$ 49,292</u>	<u>\$ 309,195</u>

C. Construction Commitments

The following is a schedule of significant capital construction projects with remaining commitment amounts of greater than \$1 million as of September 30, 2020:

Projects	Spent-to-Date	Remaining Commitment
Shingle Creek Regional Trail	\$ 1,084	\$ 1,387
Airfield Electrical Vault	2	3,329
Right of Way Acquisition at John Young and Oak	190	3,206
Lancaster Ranch Park	-	3,623
Mill Slough Restoration	<u>276</u>	<u>1,483</u>
Total	<u>\$ 1,552</u>	<u>\$ 13,028</u>

CITY OF KISSIMMEE, FLORIDA
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NOTE 6 – INCOME FROM LEASED PROPERTY

The City is the lessor on various leases at the Airport. Assets available for lease consist primarily of land, land improvements and buildings. As of September 30, 2020, the book value of assets in these categories is \$11,469 with accumulated depreciation of \$7,263. The following is a schedule of minimum future lease income on non-cancellable operating leases:

Year	Amount
2021	\$ 670
2022	749
2023	761
2024	816
2025	824
After 2025	<u>864</u>
Total minimum lease income	<u>\$ 4,684</u>

Total income on non-cancellable operating leases for the year ended September 30, 2020 was \$718.

NOTE 7 – LONG-TERM LIABILITIES

A. Schedule of Changes in Long-term Liabilities

The City's outstanding long-term liabilities includes revenue bonds payable, notes from direct borrowings and direct placements, capital leases payable, claims payable, net pension liability, other postemployment benefits, and compensated absences. The following is a schedule of changes in the City's long-term liabilities for the fiscal year ended September 30, 2020:

	Balance			Balance		Due Within		Long-term	
	10/01/19	Additions	Reductions	9/30/20	One Year	Portion			
Governmental Activities:									
Notes from Direct Borrowings and									
Direct Placements	\$ 41,860	\$ -	\$ (2,885)	\$ 38,975	\$ 2,990	\$ 35,985			
Revenue Bonds	39,003	-	(1,295)	37,708	1,351	36,357			
Bond Premium	4,355	-	(161)	4,194	-	4,194			
subtotal Revenue Bonds	<u>43,358</u>	<u>-</u>	<u>(1,456)</u>	<u>41,902</u>	<u>1,351</u>	<u>40,551</u>			
Capital Lease Payable	138	-	(46)	92	46	46			
Claims Payable	3,783	10,122	(9,395)	4,510	2,255	2,255			
Net Pension Liability	37,767	8,015	(7,594)	38,188	-	38,188			
Other Postemployment Benefits	6,026	1,336	(258)	7,104	295	6,809			
Compensated Absences	<u>2,130</u>	<u>2,799</u>	<u>(2,342)</u>	<u>2,587</u>	<u>517</u>	<u>2,070</u>			
Governmental Activity									
Long-term Liabilities	<u>\$ 135,062</u>	<u>\$ 22,272</u>	<u>\$ (23,976)</u>	<u>\$ 133,358</u>	<u>\$ 7,454</u>	<u>\$ 125,904</u>			
Business-type Activities:									
Net Pension Liability	\$ 2,618	\$ 214	\$ -	\$ 2,832	\$ -	\$ 2,832			
Other Postemployment Benefits	676	106	(20)	762	23	739			
Compensated Absences	<u>211</u>	<u>255</u>	<u>(254)</u>	<u>212</u>	<u>43</u>	<u>169</u>			
Business-type Activity									
Long-term Liabilities	<u>\$ 3,505</u>	<u>\$ 575</u>	<u>\$ (274)</u>	<u>\$ 3,806</u>	<u>\$ 66</u>	<u>\$ 3,740</u>			

Governmental activities' compensated absences, net pension liability and other postemployment benefits liability will be liquidated in future periods primarily by the General Fund and Central Services Fund.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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B. Debt Service Requirements

The following are the debt service requirements to maturity on the City's outstanding revenue bonds and notes payable:

Governmental Activities:	Notes from Direct		Revenue Bonds		Total
	Borrowings and Placements		Principal	Interest	
Fiscal Year	Principal	Interest	Principal	Interest	
2021	\$ 2,990	\$ 931	\$ 1,351	\$ 1,643	\$ 6,915
2022	19,450	839	1,402	1,575	23,266
2023	3,210	483	1,430	1,505	6,628
2024	2,385	385	820	1,476	5,066
2025	2,475	313	855	1,443	5,086
2026-2030	5,865	880	3,400	6,757	16,902
2031-2035	2,600	189	7,625	5,669	16,083
2036-2040	-	-	9,245	4,048	13,293
2041-2045	-	-	11,580	1,707	13,287
Total	\$ 38,975	\$ 4,020	\$ 37,708	\$ 25,823	\$ 106,526

C. Debt Defeasance and Refundings

The City refunds and/or defeases long-term debt primarily to reduce debt service requirements. Since U.S government securities are held in escrow for the payment of principal and interest on these bonds, they are not liabilities to the City and are not included in the City's financial statements. As of September 30, 2020, the City has no outstanding bonds issued by the City, which were funded in previous years by the placement of assets in an irrevocable trust to be used for satisfying debt service requirements:

D. Capital Leases

The City has capital leases outstanding at year-end. The gross cost of the equipment acquired with capital lease proceeds is \$3,223 for governmental activities. The following is a summary schedule of these capital lease obligations and their net present value.

Year Ending September 30	Governmental Activities
2021	\$ 46
2022	46
Total minimum lease payments	92
Less: amount representing interest	-
Present value of minimum lease payments	<u>\$ 92</u>

CITY OF KISSIMMEE, FLORIDA
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E. Bonds and Notes Outstanding

The City has revenue bonds and notes outstanding at September 30, 2020. The revenue bonds and notes under governmental activities are secured by several pledged revenue sources. The following is a summary schedule of these long-term obligations of the City including purpose of issue, interest rate, debt maturity, and their impact on those present and future pledged revenue sources:

<u>Governmental Activities:</u>	<u>Revenue Pledged</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Total Pledged Revenue (1)</u>	<u>Future Pledged Revenue Over Debt Service Required (2)</u>	<u>Current Year Debt Srvc Paid</u>	<u>Current Year Total Revenue</u>
Notes from Direct Borrowings and Direct Placements:							
2010A Capital Improvement Refunding Note Maturity: 2023, Interest Rate: 2.61% Purpose: Refunding 2005 Series Note	Local option sales tax	\$ 9,500	\$ 2,630	\$ 2,799	11.6%	\$ 815	\$ 7,048
2010B Capital Improvement Revenue Note Maturity: 2025, Interest Rate: 2.79% Purpose: Road Improvements	Local option sales tax	8,000	3,435	3,728	8.9%	630	7,048
2010C Capital Improvement Revenue Note Maturity: 2030, Interest Rate: 2.69% Purpose: Road Improvements	N/A	4,000	2,550	2,949	N/A	205	N/A
2017 Commercial Paper Note Maturity: 2022, Interest Rate: 1.60% Purpose: Various	N/A	16,350	16,350	16,873	N/A	-	N/A
2011B Capital Improvement Refunding Note Maturity: 2025, Interest Rate: 2.86% Purpose: Road Improvements	Local option sales tax	9,140	3,580	3,958	9.2%	645	7,048
2014A Capital Improvement Revenue Note Maturity: 2034, Interest Rate: 2.86% Purpose: Lakefront Park and Road Improvements	Local option sales tax	9,600	7,525	9,280	5.6%	395	7,048
2015B CRA Refunding Revenue Note Maturity: 2030, Interest Rate: 2.81% Purpose: Refund 2009 CRA Note	N/A	3,820	<u>2,905</u>	N/A	N/A	195	N/A
	Total Revenue Notes		<u>38,975</u>				

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<u>Governmental Activities:</u>	<u>Revenue Pledged</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Total Pledged Revenue (1)</u>	<u>Future Pledged Revenue Over Debt Service Required (2)</u>	<u>Current Year Debt Srvc Paid</u>	<u>Current Year Total Revenue</u>
Revenue Bonds:							
2016 Capital Improvement Revenue Bonds Maturity: 2045, Interest Rate: 4.803% Purpose: Capital Improvements and Refunding	1/2 Cent Sales Tax, Public Serv & Comm Taxes	\$ 42,930	\$ 37,655	\$ 63,473	10.9%	\$ 1,270	\$ 11,708
Excise Tax Revenue Bonds, Series 1982 Maturity: 2022, Interest Rate: 5.00% Purpose: Refunding	Occupational License Tax	500	<u>53</u>	58	9.3%	25	270
	Total Revenue Bonds		<u>37,708</u>				
Total Revenue Notes and Bonds - Governmental Activities			<u>\$ 76,683</u>				

(1) Total pledged revenue is the total outstanding principal and interest.

(2) Future pledged revenue over debt service required is calculated using the current year total revenues for the remaining years of debt service.

(3) Total pledged infrastructure surtax for each outstanding debt issue is calculated based on its proportionate share of total annual debt service paid.

The City's revenue bonds and notes from direct borrowings and direct placements contain remedies for events of default that are dependent upon judicial actions that may be limited. For most of the City's debt, in the event a default is longer than 30 days after notice to the City, the registered owners of not less than 25% in aggregate principal of the individual outstanding debt instruments shall be entitled to the appointment of a receiver of the pledged revenues. The receiver shall be entitled to take possession of various funds and accounts established by the City upon issuance of that debt, and shall collect all pledged revenues to apply towards satisfaction of the outstanding principal and interest.

In the event of default under the City's line of credit, the bank shall have the right to declare all outstanding loan balances immediately due and payable or take legal action as necessary to collect the amounts then due.

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS

The City administers three public employee retirement systems for all full-time employees. The employees of the Tohopekalgia Water Authority (TWA) also participate in the general employees' retirement plan.

Actuarial studies were conducted on all three plans as of October 1, 2020. None of the three plans issue audited GAAP-basis stand-alone reports. All required disclosures and financial data are contained in the City's Comprehensive Annual Financial Report.

A. Description of Plans

The City administers the general employees', municipal police officers', and municipal firefighters' retirement plans. The general employees' retirement plan is a multi-employer cost sharing defined benefit plan while the municipal police officers' and municipal firefighters' retirement plans are both single employer defined benefit plans. All three plans are established by ordinance pursuant to Florida Statutes. These plans provide retirement, disability, and death benefits to plan members and their beneficiaries. All three plans may be amended by ordinances adopted by the City Commission for benefits, funding policies, contribution requirements, investment policies and other plan administration changes. However, the City must adhere to the restrictions and limitations set forth in Florida Statutes for the police officers' and firefighters' pension plans.

Each plan has a board of trustees that is responsible for the proper operation of the plan. The general employees' board consists of seven trustees, two of whom shall be appointed by the City Manager, two of whom shall be members of the system and who shall be elected by a majority of the general employees who are employed by the City and who are members of the system, one of whom shall be appointed by the TWA executive director and one of whom shall be a member of the system and elected by a majority of the general employees who are employed by TWA and who are members of the system. The seventh trustee shall be chosen by a majority of the previous six.

The police officers' and firefighters' boards consist of five trustees each, two of whom, unless otherwise prohibited by law, shall be legal residents of the City, who shall be appointed by the City Commission and two of whom shall be members of the system, who shall be elected by a majority of the police officers/firefighters who are members of the system. The fifth trustee shall be selected by a majority of the previous four trustees, and such person's name shall be submitted to the City Commission. Upon receipt of the fifth person's name, the City Commission shall, as a ministerial duty, appoint such person to the board of trustees as its fifth trustee.

B. Summary of Significant Accounting Policies

Basis of Accounting – The pension trust fund financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contribution (i.e., the annual budget process). Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Costs of administering the plans are charged to the pension trust fund and factored into the City's contribution rate. Total net position in all three pension trust funds are held in trust for plan benefits.

Method Used to Value Investments – Investments are reported at fair value. Short-term investments are reported at amortized cost. Each pension plan board of trustees has the authority to establish and amend its investment policy. There were no investments in any one organization that represent 5 percent or more of plan total assets in any of the pension trust funds.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

C. Membership and Contribution Information

Membership of each plan consisted of the following at October 1, 2019, the date of the latest actuarial valuations:

	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	320	121	74
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	121	24	25
Active Plan Members	436	136	95
Total	877	281	194

The City's contributions to the plans are actuarially determined and during fiscal year ended September 30, 2020 the City contributed \$2,930 to the General Employees Plan, \$2,951 to the Police Officers Plan, and \$2,490 to the Firefighters Plan. For the fiscal year ended September 30, 2020, the following plan provisions are listed below:

	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Required Plan Member Contribution	3.69% Tier 1 7.50% Tier 2	3.70% ¹	1.00% ²
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level Dollar, closed	Level % of pay, closed	Level % of pay, closed
Remaining Amortization Period	12 Years	27 Years	27 Years
Asset Valuation Method	20% of the difference between FMV and expected actuarial value	4 yr geometric average of market value returns	5 yr smooth mkt
Actuarial Assumptions:			
Investment rate of return	7.30%	7.40%	7.60%
Projected salary increases	4.00% to 6.50%	Service based	Service based
Post retirement benefit increases	3.00%	3.50%	3.50%
Inflation and payroll growth	2.50%	2.5%, 0%	2.7%, 0%
Cost-of-living adjustments	None	1% per year age 55 to 65	None

¹ 5.00% for Members hired after May 6, 2014

² 3.00% for Members hired after December 31, 2012

D. Benefits Provided

General Employees'

Retirement Age

Normal: A member may retire following age 60 with 10 years of credited service.

Early: A member may elect to retire early upon the attainment of age 55 with 10 years of credited service.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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 (In Thousands)

Retirement Benefits

Normal: Tier 1 Members: 2.8% of Average Final Compensation (AFC) multiplied by years of credited service up to a maximum of 30 years. Tier 2 Members: 3% of AFC multiplied by years of credited service up to a maximum of 30 years.

Early: The normal retirement benefit is reduced by 2% for each year before normal retirement.

Delayed: Benefit continues to accrue.

Termination Benefits

Less than five years of credited service-return of employee contributions. five years or more receive vested portion of accrued pension payable at age 60 or earlier, if contributions are left in the fund, or refund of contributions with interest, when applicable. Vested portion is as follows:

<u>Service</u>	<u>Vested %</u>
5 years	25%
6	40
7	55
8	70
9	85
10	100

Disability

Any member with two or more years of service is eligible for service connected disability with a benefit taking into account compensation earned and service credited until the date of disability with a minimum equal to 42% of AFC. Any member with two or more years of service is eligible for a non-service connected disability with a benefit taking into account compensation earned and service credited until the date of disability with a minimum equal to 25% of AFC.

Death Benefits (Pre-Retirement)

Upon the death of a member with at least five years of credited service before early or normal retirement date, beneficiary will receive monthly income, payable in the form of a 10 year certain and life annuity, which can be provided by (a) or (b), whichever is greater, where: (a) is the single-sum value of the member's accrued pension, and (b) is the smaller of 24 times average compensation or 100 times the anticipated monthly normal retirement benefit.

Cost-of-Living Adjustment

There is no cost-of-living adjustment.

Deferred Retirement Option Program (DROP)

Members who continue in employment past normal retirement date may either accrue larger pensions or freeze their accrued benefit and enter the DROP. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP period is 60 months, but no more than five years from the date of eligibility. The DROP balance as of September 30, 2020 is \$2,427.

Police Officers'

Retirement Age

Normal: Earlier of 1) Age 50 with 10 years of credited service or 2) the attainment of 25 years of credited service, regardless of age.

Early: Age 40 and 10 years of credited service. Age 40 with 15 years of credited service for members hired after May 6, 2014.

Retirement Benefits

Normal: 3.5% of the AFC for each year of service subject to a maximum of 100% of AFC. For members hired after May 6, 2014, 3% of AFC for each year of service subject to a maximum of 100% of AFC.

Early: Same as normal except reduced actuarially from Normal Retirement.

Delayed: Benefit continues to accrue.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
 September 30, 2020
 (In Thousands)

Termination Benefits

Less than five years of credited service-return of employee contributions with 4.5% interest. Five years or more receive vested portion of accrued pension payable at age 50 or earlier, if contributions are left in the fund, or refund of contributions with interest. Vested portion is as follows:

<u>Service</u>	<u>Vested %</u>
5 years	25%
6	30
7	35
8	40
9	45
10	100

Members' hired after May 6, 2014 are 100% vested upon the completion of 10 years of credited service.

Disability

All members are eligible for line of duty benefit; five years of credited service is needed for non-line of duty. Accrued pension benefit with a minimum of 42% of AFC if line of duty or 25% if non-line of duty. Under certain conditions, the minimum line of duty benefit is 80% of AFC.

Death Benefits (Pre-Retirement)

Upon the death of a member with at least five years of credited service before early or normal retirement date, beneficiary will receive monthly income, payable in the form of a 10 year certain and life annuity, which can be provided by (a) or (b), whichever is greater, where: (a) is the single-sum value of the member's accrued pension, and (b) is the smaller of 24 times average compensation or 100 times the anticipated monthly normal retirement benefit.

Cost-of-Living Adjustment (COLA)

Each retiree, beneficiary and disability retiree will receive a 1% increase in benefits each year on October 1st from age 55 to age 65.

Deferred Retirement Option Program (DROP)

Members who continue in employment past normal retirement date may either accrue larger pensions or freeze their accrued benefit and enter the DROP. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2020 is \$572.

Firefighters'

Retirement Age

Normal: Earlier of 1) Age 50 with 10 years of credited service or 2) the attainment of 30 years of credited service, regardless of age. For members hired prior to January 1, 2013, the normal retirement date is the earlier of 1) Age of 50 and 10 years of credited service and 2) the completion of 25 years of credited service regardless of age.

Early: Age 50 and 10 years of credited service. Age 40 with 15 years of credited service for members hired prior to January 1, 2013.

Retirement Benefits

Normal: 3% of the AFC for each year of service, up to 30 years, and 2% for each year in excess of 30 years, subject to a maximum of 100% of AFC. Members hired prior to January 1, 2013, 3.23% of AFC for the first 30 years of credited service.

Early: Same as normal, reduced actuarially for commencement of benefits prior to the normal retirement date.

Delayed: Benefit continues to accrue.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

Termination Benefits

Less than 10 years of credited service-return of employee contributions with 4.5% interest. 10 years or more receive vested portion of accrued pension payable at age 50 or earlier, if contributions are left in the fund, or refund of contributions with interest. Vested portion is as follows:

<u>Service</u>	<u>Vested %</u>
5 years	25%
6	30
7	35
8	40
9	45
10	100

Disability

All members are eligible for service connected disability benefit; five years of credited service is needed for non-service. Accrued pension benefit with a minimum of 42% of AFC if service connected or 25% if non-service.

Death Benefits (Pre-Retirement)

Upon the death of a member with at least five years of credited service before early or normal retirement date, beneficiary will receive monthly income, payable in the form of a 10 year certain and life annuity, which can be provided by (a) or (b), whichever is greater, where: (a) is the single-sum value of the member's accrued pension, and (b) is the smaller of 24 times average compensation or 100 times the anticipated monthly normal retirement benefit.

Cost-of-Living Adjustment

There is no cost-of-living adjustment

Deferred Retirement Option Program (DROP)

Members who continue in employment past normal retirement date may either accrue larger pensions or freeze their accrued benefit and enter the DROP. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2020 is \$2,386.

E. Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor as of September 30, 2020 were as follows:

	<u>Pension Plans</u>		
	<u>General*</u>	<u>Police</u>	
	<u>Employees'</u>	<u>Officers'</u>	
Total Pension Liability	\$ 152,678	\$ 82,706	\$ 56,121
Plan Fiduciary Net Position	128,513	71,621	42,442
Sponsor's Net Pension Liability	24,165	11,085	13,679
Plan Fiduciary Net Position as a Percentage of			
Total Pension Liability	84.17%	86.60%	75.63%

* Information shown above is for the City and Toho combined

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

The total pension liability for all plans was determined by an actuarial valuation as of October 1, 2020 using the following actuarial assumption applied to all measurement periods.

	Pension Plans		
	General	Police	Firefighters'
	Employees'	Officers'	
Inflation	2.50%	2.50%	2.70%
Salary Increases	4.00% to 6.50%	Service based	Service based
Investment Rate of Return	7.30%	7.40%	7.60%

Mortality rates for the General Employees' Fund were based on the RP-2000 Mortality Table, projected to all future years after 2000 using scale BB. Mortality rates for the Police Officers' and Firefighters' Funds were based on the PubG.H-2010 and PubS.H-2010 mortality tables, projected generationally with mortality improvement scale MP-2018.

Long-term Expected Rate of Return – The long-term expected rate of return on all pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflations) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of September 30, 2020 are summarized in the following table:

Asset Class	Pension Plans					
	General Employees'		Police Officers'		Firefighters'	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	45%	7.50%	-	-	38%	8.50%
International Equity	15%	8.50%	15%	8.50%	15%	4.10%
All Cap Value Equity	-	-	20%	7.50%	-	-
Broad Growth Equity	-	-	20%	7.50%	-	-
Domestic Fixed	20%	2.50%	-	-	-	-
Broad Market Fixed	-	-	25%	2.50%	-	-
Global Fixed	10%	6.20%	-	-	-	-
Real Estate	10%	4.50%	10%	4.50%	-	-
Private Equity	-	-	5%	8.50%	-	-
Global Bond	-	-	5%	3.50%	-	-
Bonds	-	-	-	-	26%	3.70%
Convertibles	-	-	-	-	10%	7.90%
REITs	-	-	-	-	5%	7.90%
Infrastructure	-	-	-	-	6%	0.40%

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

Rate of Return – The following is a schedule for the annual money-weighted rate of return on Pension Plan investments, net of plan investment expense as of September 30, 2020:

Fiscal Year 2020	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Annual Money-Weighted Rate of Return			
Net of Investment Expense	8.06%	9.61%	9.42%

Discount Rate – The discount rate used to measure the total General Employees' pension liability was 7.30%, the total Police Officers' pension liability was 7.40%, and the total Firefighters' pension liability was 7.60%. In the development of a single discount rate for the General Employees' pension liability, a long-term municipal bond rate of 2.75% was used based on the Fidelity 20-Year Municipal GO Bond Index.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability as shown in the table below.

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease	Rate	1% Increase
	6.30%	7.30%	8.30%
General Employees' Fund City and Toho	\$ 42,198	\$ 24,165	\$ 9,052
General Employees' Fund City only	28,387	16,256	6,090

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease	Rate	1% Increase
	6.40%	7.40%	8.40%
Police Officers' Fund	\$ 21,272	\$ 11,085	\$ 2,646

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease	Rate	1% Increase
	6.60%	7.60%	8.60%
Firefighters' Fund	\$ 20,153	\$ 13,679	\$ 8,307

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

Changes in Net Pension Liability			
	General Employees'	Police Officers'	Firefighters'
Total pension liability			
Service Cost	\$ 1,860	\$ 1,835	\$ 1,070
Interest	7,123	5,852	4,149
Change in Excess State Money	-	-	-
Share Plan Allocation	-	-	-
Changes of Benefit Terms	-	616	-
Difference Between Actual & Expected Experience	631	702	(560)
Change in Employer's Proportion	6,991	-	-
Changes of Assumptions	1,098	508	1,115
Contributions - Buy Back	-	-	-
Benefit Payments	(4,787)	(4,761)	(3,560)
Net Change in Total Pension Liability	<u>12,916</u>	<u>4,752</u>	<u>2,214</u>
Total Pension Liability - Beginning	89,790	77,954	53,907
Total Pension Liability - Ending (a)	<u>\$ 102,706</u>	<u>\$ 82,706</u>	<u>\$ 56,121</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 2,935	\$ 1,871	\$ 2,089
Contributions - State	-	1,081	401
Contributions - Member	632	378	142
Change in Employer's Proportion	5,824	-	-
Net Investment Income	7,069	6,349	3,723
Benefit Payments	(4,787)	(4,761)	(3,560)
Administrative Expense	(39)	(49)	(51)
Net Change in Plan Fiduciary Net Position	<u>11,634</u>	<u>4,869</u>	<u>2,744</u>
Plan Fiduciary Net Position - Beginning	74,816	66,752	39,698
Plan Fiduciary Net Position - Ending (b)	<u>\$ 86,450</u>	<u>\$ 71,621</u>	<u>\$ 42,442</u>
Net Pension Liability - Ending (a)-(b)	16,256	11,085	13,679
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.17%	86.60%	75.63%
Covered Payroll	\$ 17,506	\$ 9,068	\$ 6,712
Net Pension Liability as a Percentage of Covered Payroll	92.86%	122.25%	203.80%

* Information shown above for the General Employees' plan is for the City portion only.

Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions

For the year ended September 30, 2020, the City recognized pension expense of \$9,513, and had ending balances of deferred outflows for pensions of \$6,371, net pension liability of \$41,020, and deferred inflows for pensions of \$1,974 for its activities in three pension plans. The City recognized a pension expense of \$3,433 related to the general employees' pension fund in 2020. The City's proportionate share of the total Plan's net position is 67.27%. Employer contributions were used as a basis to determine the allocation; the allocation increased 4.86% from the prior year allocation of 62.41%. The City also reported deferred outflows of resources and deferred inflows of resources related to the general employees' pension from the following sources.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 474	\$ 148	\$ 326
Change in cost-sharing allocation percentage	965	45	920
Assumptions changes	1,064	-	1,064
Net Difference between projected and actual earnings on pension plan investments	156	-	156
Total	\$ 2,659	\$ 193	\$ 2,466

Deferred outflows and deferred inflows of resources by year to be recognized in future pension expenses for the General Employees' Plan:

Year Ending September 30	Net Outflows of Resources
2021	\$ 726
2022	1,042
2023	933
2024	(235)
Total	\$ 2,466

For the year ended September 30, 2020, the City recognized a pension expense of \$3,381 related to the police officers' pension fund. The City also reported deferred outflows of resources and deferred inflows of resources related to the police officers' pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 943	\$ 231	\$ 712
Change of assumptions	750	-	750
Net Difference between projected and actual earnings on pension plan investments	-	577	(577)
Total	\$ 1,693	\$ 808	\$ 885

Deferred outflows and deferred inflows of resources by year to be recognized in future pension expenses for the Police Officers' Plan:

Year Ending September 30	Net Outflows of Resources
2021	\$ 10
2022	491
2023	422
2024	(38)
Total	\$ 885

For the year ended September 30, 2020, the City recognized a pension expense of \$2,699 related to the firefighters' pension fund. The City also reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 620	\$ 973	\$ (353)
Change of assumptions	1,342	-	1,342
Net Difference between projected and actual earnings on pension plan investments	57	-	57
Total	\$ 2,019	\$ 973	\$ 1,046

Deferred outflows and deferred inflows of resources by year to be recognized in future pension expenses for the Firefighters' Plan:

Year Ending September 30	Net Outflows of Resources
2021	\$ 262
2022	596
2023	210
2024	(22)
Total	\$ 1,046

F. Combining Statements of the Pension Trust Funds

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2020
(In Thousands)

	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Totals
ASSETS				
Cash and Cash Equivalents:	\$ 2,146	\$ 4,079	\$ 529	\$ 6,754
Receivable:				
Interest Receivable	101	68	16	185
Total Receivable:	101	68	16	185
Investments, at Fair Value:				
Fixed Income	27,567	16,870	3,761	48,198
Equities	82,969	23,620	21,305	127,894
Mutual Funds	15,730	14,086	14,830	44,646
Commingled Funds	-	12,897	2,014	14,911
Total Investments:	126,266	67,473	41,910	235,649
Total Assets	128,513	71,620	42,455	242,588
LIABILITIES				
Accounts Payable	-	-	13	13
Total Liabilities	-	-	13	13
Net Position Restricted for Pension Benefits	\$ 128,513	\$ 71,620	\$ 42,442	\$ 242,575

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

CITY OF KISSIMMEE, FLORIDA				
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION				
PENSION TRUST FUNDS				
For The Year Ended September 30, 2020				
(In Thousands)				
	General			
	Employees'	Police Officers'	Firefighters'	
	Pension	Pension	Pension	Totals
ADDITIONS				
Contributions:				
Employer	\$ 2,931	\$ 1,871	\$ 2,089	\$ 6,891
Plan Members	939	364	142	1,445
State	-	1,081	401	1,482
Total Contributions	<u>3,870</u>	<u>3,316</u>	<u>2,632</u>	<u>9,818</u>
Investment earnings:				
Net increase (decrease) in fair value of investments	7,793	5,369	3,069	16,231
Interest and dividends	<u>3,261</u>	<u>1,149</u>	<u>789</u>	<u>5,199</u>
Total investment earnings	11,054	6,518	3,858	21,430
Less investment expense	<u>569</u>	<u>169</u>	<u>135</u>	<u>873</u>
Net investment earnings	<u>10,485</u>	<u>6,349</u>	<u>3,723</u>	<u>20,557</u>
Other	<u>1,435</u>	-	-	1,435
Total Additions	<u>15,790</u>	<u>9,665</u>	<u>6,355</u>	<u>31,810</u>
DEDUCTIONS				
Benefits	7,116	4,761	3,560	15,437
Administrative Expense	<u>39</u>	<u>57</u>	<u>51</u>	<u>147</u>
Total Deductions	<u>7,155</u>	<u>4,818</u>	<u>3,611</u>	<u>15,584</u>
Change in Net Position	8,635	4,847	2,744	16,226
Net Position - Beginning of Year	<u>119,878</u>	<u>66,773</u>	<u>39,698</u>	<u>226,349</u>
Net Position - End of Year	<u>\$ 128,513</u>	<u>\$ 71,620</u>	<u>\$ 42,442</u>	<u>\$ 242,575</u>

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description, Benefit Terms and Contribution Requirements

The Other Postemployment Benefit Plan (“OPEB Plan”) is a single-employer benefit plan administered by the City. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. Since the older retirees actually have higher costs, it means that the City is subsidizing the cost of the retiree coverage because it pays all or a significant portion of that premium on behalf of the active employees. GASB Statement No.75 calls this the “implicit rate subsidy”.

Retirees and their dependents are permitted to remain covered under the City’s respective medical and insurance plans as long as they pay a full premium applicable to coverage elected. This conforms to the minimum required of Florida governmental employers per Ch. 112.08, F.S. The City Commission has the authority to amend the benefits of the OPEB Plan. The OPEB Plan does not issue a audited GAAP-basis stand-alone report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

At measurement date September 30, 2019, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	26
Active employees	<u>548</u>
	574

Contributions (benefit payment reductions) to the OPEB Plan are shared by the retiree and the City. OPEB Plan participants must reimburse the City for the City’s average blended cost. Contribution requirements of the City are established and may be amended through action by the City Commission.

B. Total OPEB Liability and Changes in Total OPEB Liability

The measurement date for the City’s total/net OPEB liability was September 30, 2019, one year prior to the City’s fiscal reporting date of September 30, 2020. The measurement period for OPEB cost was October 1, 2018 to September 30, 2019. The components of the changes in the total OPEB liability are as follows:

	Fiscal Year 2020
<u>Total OPEB Liability</u>	
Service cost	\$ 402
Interest	267
Change in benefit terms	1
Difference between expected and actual experience	-
Change of assumptions and other inputs	772
Benefit payments	<u>(278)</u>
Net change in total OPEB liability	1,164
Total OPEB liability - beginning	<u>6,702</u>
Total OPEB liability - ending	<u>\$ 7,866</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.83% at the beginning of the measurement period to 2.75% as of September 30, 2019.

C. Actuarial Assumptions and Total OPEB Liability Sensitivity to Healthcare Trend Rate

The total OPEB liability reported at September 30, 2020 was based on an actuarial valuation dated September 30, 2018 rolled forward to measurement date September 30, 2019 using the following actuarial assumptions:

Inflation	2.50% per annum
Discount rate	2.75%
Salary increases	Rates used in Oct 1, 2018 valuations of City pension plans
Mortality rates	Tables used in July 1, 2018 valuation of the Florida Retirement System (based on results of statewide experience study covering period 2008 through 2013)
Healthcare trend	Trend starting at 6.75% for claims costs and thereafter trends based on Getzen model, with trend rate of 6.50% and gradually decreasing to ultimate trend rate of 4.24% plus .65% increase for excise tax

The development of per capita costs included aging factors based on the 2013 Society of Actuaries Study “Healthcare Costs – From Birth to Death”. There have been no significant changes (other than premium rate increases) in any health benefits or life insurance benefits between September 30, 2019 and September 30, 2020.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

Sensitivity of OPEB liability to healthcare cost trend rate

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1% lower or 1% higher than the current rate.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 6,904	\$ 7,866	\$ 9,014

D. Discount Rate and Total OPEB Liability Sensitivity to Discount Rate

The discount rate used to measure the total OPEB liability reported as of September 30, 2020 was 2.75%. Because the City's OPEB costs are essentially funded on a pay-as-you-go funding structure, a municipal bond rate was used to determine the total OPEB liability for the OPEB Plan. Fidelity's 20-Year Municipal G.O. AA Index daily rate closest but not after the measurement date was used for this purpose.

Sensitivity of OPEB liability to discount rate

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	1.75%	2.75%	3.75%
Total OPEB Liability	\$ 8,676	\$ 7,866	\$ 7,148

E. OPEB Expense and Deferred Outflows/Deferred Inflows of Resources related to OPEB

For the year ended September 30, 2019, the City recognized OPEB expense of \$587. At September 30, 2020, the City had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 193
Change of assumptions	680	838
Transactions after measurement date	318	-
	<u>\$ 998</u>	<u>\$ 1,031</u>

Deferred outflows of resources of \$318 are reported by the City for employer benefit payments subsequent to the measurement date, and will be recognized as a reduction of the total OPEB liability in the year ended September 30, 2021. Deferred inflows of resources shown above will be recognized in OPEB expense in the following years.

<u>Fiscal Year Ending</u>	<u>Net Inflows</u>
2021	\$ (84)
2022	(84)
2023	(84)
2024	(84)
2025	(74)
Thereafter	59
	<u>\$ (351)</u>

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2020
(In Thousands)

NOTE 10 – RISK MANAGEMENT

The City has a risk management program accounted for in two internal service funds. The funds are used to account for the costs of employee health, workers' compensation, automobile, and general property and casualty programs. Other City funds are charged by this fund for policy premiums and claims for which the City is self-insured. The City maintains cash reserves in excess of \$1 million and carries excess coverage for claims between \$100 thousand and \$5 million on all coverage except criminal liability. Criminal liability excess coverage is carried for claims between \$50 thousand and \$250 thousand. During 2020, there were no reductions in insurance coverage, and over the past three years there were no settlements that exceeded insurance coverage. As of the fiscal year ended September 30, 2020, the total outstanding unpaid claims were \$4,510 which includes an estimate for incurred but not reported claims. Insurance premiums paid out of this fund totaled \$9,395 for the fiscal year ended September 30, 2020. The change in the claims liability for the past two years is as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Current Year Claims Payments or Other Adjustments	Balance at End of Fiscal Year
2019-2020	\$ 3,783	\$ 10,122	\$ (9,395)	\$ 4,510
2018-2019	3,669	8,752	(8,638)	3,783

NOTE 11 – NET INVESTMENT IN CAPITAL ASSETS CALCULATION

The elements for the calculation of this component of net position are as follows:

	Governmental Activities	Business-type Activities	Total
Capital Assets (Net)	\$ 259,903	\$ 49,292	\$ 309,195
Debt Related to Capital Assets	(80,969)	-	(80,969)
Other Liabilities Related to Capital Assets	(2,188)	(88)	(2,276)
Unspent Proceeds of Capital-Related Debt	1,408	-	1,408
	<u>\$ 178,154</u>	<u>\$ 49,204</u>	<u>\$ 227,358</u>

NOTE 12 – FUND BALANCE DEFICITS

The following funds have a deficit fund balance at September 30, 2020:

<u>Fund Name</u>	<u>Deficit Amounts</u>
<u>Deficit Fund Balance</u>	
Shingle Creek Regional Trail	\$ 1,016
Nonmajor Funds:	
Special Revenue Fund:	
Victim of Crime Act	2
Justice Assistance Grant	35
CARES Act Relief	92
Neighborhood Stabilization and HOME	12
Community Development Block Grant	155
W Oak Street Improvement Grant	148

Deficits in the grant funds represent amounts spent on grant programs that will ultimately be reimbursed from federal and state grantor agencies, or transfers from City funds for City match requirements in the subsequent period.

NOTE 13 – COMMITMENTS, RELATED PARTIES, AND CONTINGENCIES

Charter School - The City entered into an interlocal agreement with the Osceola County School Board to operate a charter elementary school within the City. Originally the City issued a tax-exempt note and built the school facilities. In 2011, the debt was refinanced at a fixed rate. The City entered into a contract with a management company to run the day-to-day operation of the school. The management company is required to report to the City Commission all activities and results of operations on a monthly and an annual basis. The City pays the management company based upon an approved operating budget. The City records revenue received from the Osceola County School Board, makes debt service payments on the notes, and pays the management company. The charter school is not a separate legal entity and is reflected in the City's financial statements as part of the City's governmental funds.

Kissimmee Utility Authority – The Kissimmee Utility Authority (KUA) provides a payment to the City's General Fund annually. The minimum payment is a charter requirement of KUA. For the fiscal year ended September 30, 2020, the payment made by KUA to the City was \$18.0 million. KUA's total operating revenues for the fiscal year ended September 30, 2020 were \$175.9 million. KUA also provides customer billing services to the City's Solid Waste and Stormwater Utility Funds.

Tohopekaliga Water Authority – The Tohopekaliga Water Authority (TWA) was created effective October 1, 2003. The TWA was created pursuant to a state legislative act. The City and Osceola County agreed to transfer all assets, liabilities and operations of their water and sewer systems to the TWA. The TWA issued in excess of \$100 million in revenue bonds to pay off the City's utility revenue bonds, other outstanding obligations, and to provide for new construction and system expansion. TWA provides a payment to the City's General Fund annually. The annual amount for 2020 was \$7.5 million and all future annual amounts will be calculated based on the gross annual revenues of the system for an additional 10 years.

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

Litigation - Various suits and claims arising in the ordinary course of operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of legal counsel, the City has sufficient insurance coverage to cover any claims and/or the liabilities that may arise from such action. The effect of such losses would not materially affect the financial position of the City or the results of its operations.

Contingency - In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) pandemic. The outbreak of COVID-19 is affecting communities, business operations, as well as the US economy and financial markets. The City expects to continue to experience losses of various local and state shared revenues and declines in user fees. Federal financial assistance for state and local governments is expected to help offset the effects of the above; however, it is not currently known how much the City will be eligible to receive. The full extent to which COVID-19 will impact the City is uncertain at this time and will depend on new information that may emerge concerning COVID-19; the actions to contain and treat it; and its economic impact on local, state and national levels.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules (GAAP BASIS):

- General Fund
- Major Special Revenue Funds:
 - Shingle Creek Regional Trail Fund
 - Community Redevelopment Agency

City Retirement Plans Schedules and Notes:

- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Actuarially Determined Contributions
- Plan Changes in Benefit Terms
- Change of Assumptions
- Methods and Assumptions used to Determine Contribution Rates
- Money-weighted Rate of Return

City Other Postemployment Benefits Plan Schedule:

- Schedule of Total OPEB Liability and Related Ratios

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES AND OTHER SOURCES				
Taxes:				
Ad valorem	\$ 16,185	\$ 16,185	\$ 16,382	\$ 197
Utility taxes	7,382	7,382	7,141	(241)
Local business taxes	272	272	271	(1)
	<u>23,839</u>	<u>23,839</u>	<u>23,794</u>	<u>(45)</u>
Permits, Fees and Special Assessments:				
Franchise fees	184	184	177	(7)
Other permits and fees	2	2	2	-
	<u>186</u>	<u>186</u>	<u>179</u>	<u>(7)</u>
Intergovernmental Revenues:				
Federal grants	-	41	565	524
State grants	180	180	141	(39)
State revenue sharing	3,000	3,000	2,654	(346)
Half cent sales tax	5,500	5,500	4,567	(933)
Shared taxes and licenses	323	762	638	(124)
County shared revenue	2,224	2,224	2,217	(7)
Kissimmee Utility Authority	18,127	18,127	17,965	(162)
Tohopekaliga Water Authority	7,770	7,770	7,550	(220)
	<u>37,124</u>	<u>37,604</u>	<u>36,297</u>	<u>(1,307)</u>
Charges for Services:				
General government charges	550	550	634	84
Public safety charges	7,325	7,284	7,361	77
Physical environment charges	64	64	59	(5)
Transportation charges	770	770	310	(460)
Culture/recreation charges	1,068	1,068	418	(650)
	<u>9,777</u>	<u>9,736</u>	<u>8,782</u>	<u>(954)</u>
Fines and Forfeitures:				
Court fines and costs	532	532	403	(129)
Miscellaneous Revenue:				
Investment income	438	438	837	399
Rents	31	31	139	108
Other revenue	315	437	475	38
Sales of cemetery lots	172	172	185	13
	<u>956</u>	<u>1,078</u>	<u>1,636</u>	<u>558</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES AND OTHER SOURCES - Continued				
Transfers In:				
Stormwater Utility Fund	\$ 285	\$ 285	\$ 283	\$ (2)
Charter School	643	643	643	-
Airport	2	2	2	-
Solid Waste Fund	273	273	288	15
Other Nonmajor Funds	277	277	277	-
	<u>1,480</u>	<u>1,480</u>	<u>1,493</u>	<u>13</u>
Other Sources:				
Proceeds from Sale of Capital Assets	100	100	2,355	2,255
	<u>100</u>	<u>100</u>	<u>2,355</u>	<u>2,255</u>
Total Revenues and Other Sources	<u>73,994</u>	<u>74,555</u>	<u>74,939</u>	<u>384</u>
EXPENDITURES AND OTHER (USES)				
General Government:				
City Commission:				
Personal Services	302	303	232	(71)
Operating	611	641	563	(78)
	<u>913</u>	<u>944</u>	<u>795</u>	<u>(149)</u>
City Manager:				
Personal Services	1,387	1,400	1,341	(59)
Operating	670	1,593	487	(1,106)
Capital Outlay	165	195	990	795
	<u>2,222</u>	<u>3,188</u>	<u>2,818</u>	<u>(370)</u>
Development Services:				
Personal Services	1,575	1,459	1,478	19
Operating	860	1,411	618	(793)
Capital Outlay	73	308	22	(286)
	<u>2,508</u>	<u>3,178</u>	<u>2,118</u>	<u>(1,060)</u>
Legal:				
Personal Services	667	683	598	(85)
Operating	326	653	88	(565)
Capital Outlay	2	3	3	-
	<u>995</u>	<u>1,339</u>	<u>689</u>	<u>(650)</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED

GENERAL FUND

For the Year Ended September 30, 2020

(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES AND OTHER (USES) - Continued				
General Government:				
Finance:				
Personal Services	\$ 1,170	\$ 1,175	\$ 1,117	\$ (58)
Operating	288	304	238	(66)
Capital Outlay	27	86	12	(74)
	<u>1,485</u>	<u>1,565</u>	<u>1,367</u>	<u>(198)</u>
Personnel:				
Personal Services	819	822	770	(52)
Operating	271	282	103	(179)
Capital Outlay	2	5	5	-
	<u>1,092</u>	<u>1,109</u>	<u>878</u>	<u>(231)</u>
Central Service and Self Insurance Charges:				
Operating	6,494	6,494	7,626	1,132
	<u>6,494</u>	<u>6,494</u>	<u>7,626</u>	<u>1,132</u>
Total General Government	<u>15,709</u>	<u>17,817</u>	<u>16,291</u>	<u>(1,526)</u>
Public Safety:				
Police:				
Personal Services	21,566	21,504	20,914	(590)
Operating	3,116	3,092	2,558	(534)
Capital Outlay	1,068	1,824	1,055	(769)
	<u>25,750</u>	<u>26,420</u>	<u>24,527</u>	<u>(1,893)</u>
Fire:				
Personal Services	12,634	12,660	12,541	(119)
Operating	1,996	1,988	1,904	(84)
Capital Outlay	462	558	409	(149)
	<u>15,092</u>	<u>15,206</u>	<u>14,854</u>	<u>(352)</u>
Total Public Safety	<u>40,842</u>	<u>41,626</u>	<u>39,381</u>	<u>(2,245)</u>
Transportation:				
Public Works:				
Personal Services	3,358	3,328	2,747	(581)
Operating	2,350	2,462	2,220	(242)
Capital Outlay	290	572	206	(366)
	<u>5,998</u>	<u>6,362</u>	<u>5,173</u>	<u>(1,189)</u>
Total Transportation	<u>5,998</u>	<u>6,362</u>	<u>5,173</u>	<u>(1,189)</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES AND OTHER (USES) - Continued				
Culture/Recreation				
Recreation:				
Personal Services	\$ 5,259	\$ 5,286	\$ 4,925	\$ (361)
Operating	1,742	1,802	1,167	(635)
Capital Outlay	459	825	464	(361)
Total Culture / Recreation	<u>7,460</u>	<u>7,913</u>	<u>6,556</u>	<u>(1,357)</u>
Non-Departmental				
Bad Debt	2,055	3,243	3,168	(75)
Capital Reserves	29,720	27,606	-	(27,606)
Operating Reserves	876	846	-	(846)
Principal Retirement	46	46	46	-
Debt Service Interest and Costs	30	30	23	(7)
Total Non-Departmental	<u>32,727</u>	<u>31,771</u>	<u>3,237</u>	<u>(28,534)</u>
Other (Uses)				
Transfers Out	2,670	3,894	2,791	(1,103)
Total Other (Uses)	<u>2,670</u>	<u>3,894</u>	<u>2,791</u>	<u>(1,103)</u>
Total Expenditures and Other (Uses)	<u>105,406</u>	<u>109,383</u>	<u>73,429</u>	<u>(35,954)</u>
Excess of Revenues and Other Sources Over Expenditures and Other (Uses)				
Fund Balance - Beginning of Year	(31,412)	(34,828)	1,510	36,338
Fund Balance - End of Year	<u>31,412</u>	<u>34,828</u>	<u>33,487</u>	<u>(1,341)</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,997</u>	<u>\$ 34,997</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SHINGLE CREEK REGIONAL TRAIL
For the Year Ended September 30, 2020
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ -	\$ 2,369	\$ 1,671	\$ (698)
Total Revenues	<u>-</u>	<u>2,369</u>	<u>1,671</u>	<u>(698)</u>
EXPENDITURES				
Transportation	-	3,582	1,916	1,666
Total Expenditures	<u>-</u>	<u>3,582</u>	<u>1,916</u>	<u>1,666</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,213)	(245)	968
OTHER FINANCING SOURCES (USES)				
Transfers In	-	144	144	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>144</u>	<u>144</u>	<u>-</u>
Net Change in Fund Balance	-	(1,069)	(101)	968
Fund Balance (Deficit) - Beginning	<u>-</u>	<u>1,069</u>	<u>(915)</u>	<u>(1,984)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,016)</u>	<u>\$ (1,016)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY
For the Year Ended September 30, 2020
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 1,602	\$ 1,602	\$ 1,603	\$ 1
Investment Income	35	35	94	59
Miscellaneous Revenues	60	60	60	-
Total Revenues	1,697	1,697	1,757	60
EXPENDITURES				
General Government	3,705	3,785	1,495	2,290
Total Expenditures	3,705	3,785	1,495	2,290
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,008)	(2,088)	262	2,350
OTHER FINANCING SOURCES (USES)				
Transfers In	1,192	1,192	1,193	1
Transfers (Out)	(932)	(932)	(890)	42
Total Other Financing Sources (Uses)	260	260	303	43
Net Change in Fund Balance	(1,748)	(1,828)	565	2,393
Fund Balance (Deficit) - Beginning	1,748	1,828	2,853	1,025
Fund Balance (Deficit) - Ending	\$ -	\$ -	\$ 3,418	\$ 3,418

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Changes in Net Pension Liability and Related Ratios (General Employees')

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 2,765	\$ 2,651	\$ 2,535	\$ 2,440	\$ 2,437	\$ 2,362	\$ 2,383
Interest	10,588	10,108	9,687	9,095	8,589	8,227	7,758
Benefit changes	-	1,063	-	-	-	-	339
Assumption changes	1,632	-	1,492	1,397	-	-	-
Difference Between Actual & Expected Experience	938	(460)	(54)	595	919	(952)	(12)
Benefit Payments and Refunds	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)	(4,902)	(3,483)
Net Change in Total Pension Liability	8,807	6,497	7,838	7,935	7,088	4,735	6,985
Total Pension Liability - Beginning	143,871	137,374	129,536	121,601	114,513	109,778	102,793
Total Pension Liability - Ending (a)	\$152,678	\$143,871	\$137,374	\$129,536	\$121,601	\$114,513	\$109,778
Plan Fiduciary Net Position							
Contributions - Employer (from City and Toho)	\$ 4,361	\$ 4,338	\$ 4,119	\$ 3,851	\$ 3,579	\$ 3,587	\$ 3,135
Contributions - Member	939	875	880	849	856	841	844
Net Investment Income	10,509	4,225	7,866	12,906	8,257	1,129	7,817
Benefit Payments	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)	(4,902)	(3,483)
Administrative Expense	(58)	(79)	(47)	(54)	(76)	(76)	(65)
Net Change in Plan Fiduciary Net Position	8,635	2,494	6,996	11,960	7,759	579	8,248
Plan Fiduciary Net Position - Beginning	119,878	117,384	110,388	98,428	90,669	90,090	81,842
Plan Fiduciary Net Position - Ending (b)	\$128,513	\$119,878	\$117,384	\$110,388	\$ 98,428	\$ 90,669	\$ 90,090
Net Pension Liability - Ending (a)-(b)	24,165	23,993	19,990	19,148	23,173	23,844	19,688
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.17%	83.32%	85.45%	85.22%	80.94%	79.18%	82.07%
Covered Payroll	\$ 23,521	\$ 22,188	\$ 21,266	\$ 20,671	\$ 20,342	\$ 19,872	\$ 20,096
Net Pension Liability as a Percentage of Covered Payroll	102.74%	108.14%	94.00%	92.63%	113.92%	119.99%	97.97%

This schedule represents entire plan with City and Toho combined.

This schedule is present to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is presented.

Notes to the Schedule:

The covered payroll numbers presented are in compliance with GASB Statement No. 82, *Pension Issues*.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Changes in Net Pension Liability and Related Ratios (General Employees' City Only)

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 1,860	\$ 1,654	\$ 1,594	\$ 1,485	\$ 1,442	\$ 1,378	\$ 1,390
Interest	7,123	6,308	6,090	5,535	5,084	4,798	4,524
Benefit Changes	-	664	-	-	-	-	198
Change in Employer's Proportion	6,991	(632)	2,605	2,030	997	-	-
Change in Assumptions	1,098	-	938	850	-	-	-
Difference Between Actual & Expected Experience	631	(287)	(34)	362	544	(555)	(7)
Benefit Payments	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)	(2,859)	(2,032)
Net Change in Total Pension Liability	12,916	3,423	7,532	6,859	5,192	2,762	4,073
Total Pension Liability - Beginning	89,790	86,367	78,835	71,976	66,784	64,022	59,949
Total Pension Liability - Ending (a)	\$102,706	\$89,790	\$86,367	\$78,835	\$71,976	\$66,784	\$64,022
Plan Fiduciary Net Position							
Contributions - Employer	\$ 2,935	\$ 2,708	\$ 2,591	\$ 2,345	\$ 2,119	\$ 2,088	\$ 1,984
Contributions - Member	632	546	554	517	507	490	492
Change in Employer's Proportion	5,824	(541)	2,218	1,641	789	-	-
Net Investment Income	7,069	2,637	4,945	7,855	4,887	663	4,404
Benefit Payments	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)	(2,859)	(2,032)
Administrative Expense	(39)	(49)	(30)	(33)	(45)	(44)	(38)
Net Change in Plan Fiduciary Net Position	11,634	1,017	6,617	8,922	5,382	338	4,810
Plan Fiduciary Net Position - Beginning	74,816	73,799	67,182	58,260	52,878	52,540	47,730
Plan Fiduciary Net Position - Ending (b)	\$ 86,450	\$74,816	\$73,799	\$67,182	\$58,260	\$52,878	\$52,540
City's Proportionate % of Total Plan Net Position	67.27%	62.41%	62.87%	60.86%	59.19%	58.32%	58.32%
Net Pension Liability - Ending (a)-(b)	16,256	14,974	12,568	11,653	13,716	13,906	11,482
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.17%	83.32%	85.45%	85.22%	80.94%	79.18%	82.07%
Covered Payroll	\$ 17,506	\$16,032	\$14,740	\$13,947	\$13,653	\$12,852	\$12,758
Net Pension Liability as a Percentage of Covered Payroll	92.86%	93.40%	85.26%	83.55%	100.46%	108.20%	90.00%

This schedule represents only the City's portion of the Net Pension Liability.

Until a full 10-year trend is compiled, information for those years available is presented.

Notes to the Schedule:

The covered payroll numbers presented are in compliance with GASB Statement No. 82, *Pension Issues*.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Changes in Net Pension Liability and Related Ratios (Police Officers')

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability							
Service Cost	\$ 1,835	\$ 1,773	\$ 2,008	\$ 1,838	\$ 1,911	\$ 1,841	\$ 1,815
Interest	5,852	5,590	5,544	5,299	4,818	4,577	4,317
Change in Excess State Money	-	-	-	-	(328)	-	-
Share Plan Allocation	-	-	-	-	218	-	-
Change of Benefit Terms	616	-	-	-	(68)	-	-
Difference Between Actual & Expected Experience	702	(88)	953	(889)	1,136	(427)	-
Changes of Assumptions	508	-	861	-	1,127	-	-
Benefit Payments	<u>(4,761)</u>	<u>(4,171)</u>	<u>(3,611)</u>	<u>(3,116)</u>	<u>(3,122)</u>	<u>(2,849)</u>	<u>(2,957)</u>
Net Change in Total Pension Liability	4,752	3,104	5,755	3,132	5,692	3,142	3,175
Total Pension Liability - Beginning	<u>77,954</u>	<u>74,850</u>	<u>69,095</u>	<u>65,963</u>	<u>60,271</u>	<u>57,129</u>	<u>53,954</u>
Total Pension Liability - Ending (a)	<u>\$82,706</u>	<u>\$77,954</u>	<u>\$74,850</u>	<u>\$69,095</u>	<u>\$65,963</u>	<u>\$60,271</u>	<u>\$57,129</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 1,871	\$ 1,893	\$ 1,971	\$ 1,882	\$ 1,948	\$ 1,907	\$ 2,476
Contributions - State	1,081	799	747	655	582	521	501
Contributions - Member	378	366	321	295	275	270	253
Net Investment Income	6,349	2,480	6,229	5,845	4,519	1,144	4,412
Benefit Payments	(4,761)	(4,171)	(3,611)	(3,116)	(3,122)	(2,849)	(2,957)
Administrative Expense	(49)	(65)	(47)	(42)	(46)	(48)	(51)
Net Change in Plan Fiduciary Net Position	4,869	1,302	5,610	5,519	4,156	945	4,634
Plan Fiduciary Net Position - Beginning	<u>66,752</u>	<u>65,450</u>	<u>59,840</u>	<u>54,321</u>	<u>50,165</u>	<u>49,220</u>	<u>44,586</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$71,621</u>	<u>\$66,752</u>	<u>\$65,450</u>	<u>\$59,840</u>	<u>\$54,321</u>	<u>\$50,165</u>	<u>\$49,220</u>
Net Pension Liability - Ending (a)-(b)	11,085	11,202	9,400	9,255	11,642	10,106	7,909
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.60%	85.63%	87.44%	86.61%	82.35%	83.23%	86.16%
Covered Payroll	\$ 9,068	\$ 8,550	\$ 7,921	\$ 7,725	\$ 7,506	\$ 7,754	\$ 6,841
Net Pension Liability as a Percentage of Covered Payroll	122.25%	131.03%	118.68%	119.81%	155.10%	130.33%	115.61%

Until a full 10-year trend is compiled, information for those years available is presented.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Note to the Schedule of Changes in Net Pension Liability and Related Ratios (Police Officers')

Notes to the Schedule:

The covered payroll numbers presented are in compliance with GASB Statement No. 82, *Pension Issues*, except for the 09/30/15 measurement period which includes DROP payroll.

Changes of Benefit Terms:

For measurement date 09/30/20, amounts reported as changes of benefit terms was a result of the adoption of Ordinance No. 3027 amended provisions for Pre-Retirement Death. An Actuarial Impact was issued for this change.

For measurement date 09/30/16, amounts reported as changes of benefit terms was a result of the adoption of Ordinance No. 2939 which made the following changes:

- Resumption of prior graded vesting schedule for Members who were employed prior to 05/06/14.
- Allocation of a portion of the Excess State Monies Reserve necessary to cover the increase in the present value of benefits associated with the proposed vesting change described above. For purposes of this Impact Statement, \$110 is the increase in present value of benefits for the proposed vesting change. Accordingly, the Excess State Monies Reserve was diminished by this amount, leaving \$218 as allocation to Plan.
- Future share allocations once the annual State Monies exceed \$1,177.

Changes of Assumptions:

For measurement date 09/30/20, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

For measurement date 09/30/18, amounts reported as changes in assumptions resulted from an experience study dated September 2018, and the Board approved changes in salary increases, retirement and withdrawal rates, and investment return.

For measurement date 09/30/16, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

The inflation assumption rate was lowered from 3.0% to 2.5%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Changes in Net Pension Liability and Related Ratios (Firefighters')

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 1,070	\$ 992	\$ 915	\$ 693	\$ 761	\$ 826	\$ 846
Interest	4,149	4,064	3,836	3,787	3,573	3,512	3,366
Change in Excess State Money	-	-	-	-	-	-	(555)
Change in Benefit Terms	-	(31)	72	-	-	-	-
Difference Between Actual & Expected Experience	(560)	(567)	1,552	(920)	58	(606)	-
Changes of Assumptions	1,115	370	463	211	2,097	-	-
Contributions - Buy Back	-	-	-	3	-	-	-
Benefit Payments	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)	(2,657)	(2,063)
Net Change in Total Pension Liability	<u>2,214</u>	<u>1,353</u>	<u>3,138</u>	<u>61</u>	<u>3,321</u>	<u>1,075</u>	<u>1,594</u>
Total Pension Liability - Beginning	<u>53,907</u>	<u>52,554</u>	<u>49,416</u>	<u>49,355</u>	<u>46,034</u>	<u>44,959</u>	<u>43,365</u>
Total Pension Liability - Ending (a)	<u>\$56,121</u>	<u>\$53,907</u>	<u>\$52,554</u>	<u>\$49,416</u>	<u>\$49,355</u>	<u>\$46,034</u>	<u>\$44,959</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 2,089	\$ 1,908	\$ 2,095	\$ 1,542	\$ 834	\$ 1,434	\$ 1,392
Contributions - State	401	368	377	370	337	385	417
Contributions - Member	142	136	117	104	74	63	68
Net Investment Income	3,723	1,671	2,986	3,709	2,985	(1,773)	4,343
Benefit Payments	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)	(2,657)	(2,063)
Administrative Expense	(51)	(55)	(62)	(59)	(54)	(52)	(52)
Net Change in Plan Fiduciary Net Position	<u>2,744</u>	<u>553</u>	<u>1,813</u>	<u>1,953</u>	<u>1,008</u>	<u>(2,600)</u>	<u>4,105</u>
Plan Fiduciary Net Position - Beginning	<u>39,698</u>	<u>39,145</u>	<u>37,332</u>	<u>35,379</u>	<u>34,371</u>	<u>36,971</u>	<u>32,866</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$42,442</u>	<u>\$39,698</u>	<u>\$39,145</u>	<u>\$37,332</u>	<u>\$35,379</u>	<u>\$34,371</u>	<u>\$36,971</u>
Net Pension Liability - Ending (a)-(b)	13,679	14,209	13,409	12,084	13,976	11,663	7,988
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.63%	73.64%	74.49%	75.55%	71.68%	74.66%	82.23%
Covered Payroll	\$ 6,712	\$ 6,183	\$ 5,756	\$ 5,829	\$ 4,557	\$ 4,987	\$ 4,218
Net Pension Liability as a Percentage of Covered Payroll	203.80%	229.81%	232.96%	207.33%	306.71%	233.87%	189.39%

Until a full 10-year trend is compiled, information for those years available is presented.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Notes to the Schedule of Changes in Net Pension Liability and Related Ratios (Firefighters')

Notes to the Schedule:

The covered payroll numbers presented are in compliance with GASB Statement No. 82, *Pension Issues*, except for the 9/30/15 measurement period which includes DROP payroll.

Changes of Benefit Terms:

For measurement date 9/30/19, changes of benefit terms resulted from provisions of Chapter 112.1816, Florida Statutes, regarding death or disability due to a diagnosis of cancer. The expected deaths and disabilities in line-of-duty were increased from 75% to 90%.

For measurement date 9/30/18, changes of benefit terms resulted from Ordinance 2986, adopted in 2018.

Changes of Assumptions:

For measurement date 09/30/20, as required by Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed from those used in the July 1, 2019 FRS valuation report for special risk employees. Additionally, the investment return was lowered from 7.80% to 7.60%, and rates for early retirement hired pre-01/01/13 have been reduced from 4.5% to 3.0%.

For measurement date 09/30/19, amounts reported as changes of assumptions resulted from the following changes:

The investment return has been reduced from 7.85% to 7.80%. Rates for early retirement for members pre-07/01/13 reduced from 6.0% to 4.5%.

For measurement date 09/30/18, amounts reported as changes of assumptions resulted from the following changes:

A 100% retirement probability for the addition of the Normal Retirement Date for members hired after December 31, 2012. The investment return has been reduced from 7.90% to 7.85%. The rates for early retirement members hired prior to January 2013 reduced from 9.0% to 6.0%.

For measurement date 09/30/17, as required by Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed from those in the July 1, 2015 FRS valuation report to those used in the July 1, 2016 FRS valuation report. Additionally, the assumption of investment return was lowered from 7.95% to 7.90% compounded annually, net of investment related expense.

For measurement date 09/30/16, amounts reported as changes of assumptions resulted from the following changes:

The investment return was lowered from 8.0% to 7.95%. This assumption rate will be reduced annually until it reaches an ultimate rate of 7.75% in the 10/1/20 actuarial valuation. The normal retirement and early retirement rates for members hired before 1/1/13 have been updated based on the experience study dated 10/28/16. The Tier 1 early retirement rates for ages 44 to 49 have been reduced to 9%, and will be reduced annually until it reaches an ultimate rate of 3% is reached in the 10/1/20 actuarial valuation. The termination and salary increase assumptions have been updated to better reflect anticipated future Plan experience. As a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. Also, the inflation rate was lowered from 3.0% to 2.7%.

For measurement date 09/30/15, the inflation assumption was lowered from 3.5% to 3.0%.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Actuarially Determined Contributions (General Employees' City Only)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contributions	\$ 2,927	\$ 2,707	\$ 2,590	\$ 2,344	\$ 2,119	\$ 2,160	\$ 1,980
Contribution Deficiency (Excess)	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72</u>	<u>(4)</u>
Covered Payroll	\$ 17,506	\$ 16,032	\$ 14,740	\$ 13,947	\$ 13,653	\$ 12,852	\$ 12,758
Contributions as a percentage of Covered Payroll	16.74%	16.88%	17.57%	16.81%	15.52%	16.25%	15.55%

This schedule is present to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is presented.

Notes to Schedule:

The covered payroll numbers presented are in compliance with GASB Statement No. 82, *Pension Issues*.

Valuation Date: 10/1/18

General Employees' only includes the City portion.

Actuarially determined contribution rates are calculated as of October 1, which is 15 months prior to the expected contribution date.

Prepaid contributions were used to meet the remaining of the actuarially determined contribution for the fiscal year ended September 30, 2015.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Dollar, closed
Remaining Amortization Period:	12 Years (as of 10/01/2019)
Asset Valuation Method:	20% of the difference between FMV and expected actuarial value
Inflation:	2.5%
Salary Increase:	4.00% to 6.50%
Interest Rate	7.3%
Retirement Age	Experience-based table of rates specific to type of eligibility condition
Early Retirement	Age 55 and 10 years of service
Cost-of-Living Adjustment	None

Changes of Benefit Terms:

There have been no changes in benefits since the prior valuation.

Changes of Assumptions:

For 2020, there were no significant assumption changes to calculate the contribution.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Actuarially Determined Contributions (Police Officers')

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 2,793	\$ 2,554	\$ 2,640	\$ 2,626	\$ 2,464	\$ 2,469	\$2,408
Contributions in Relation to the							
Actuarially Determined Contributions	2,951	2,693	2,717	2,537	2,530	2,428	2,977
Contribution Deficiency (Excess)	<u>(158)</u>	<u>(139)</u>	<u>(77)</u>	<u>89</u>	<u>(66)</u>	<u>41</u>	<u>(569)</u>
Covered Payroll	\$ 9,068	\$ 8,550	\$ 7,921	\$ 7,725	\$ 7,506	\$ 7,754	\$6,841
Contributions as a percentage of							
Covered Payroll	32.54%	31.50%	34.30%	32.84%	33.71%	31.31%	43.52%

This schedule is present to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is presented.

Notes to Schedule:

The covered payroll numbers presented are in compliance with GASB Statement No. 82, *Pension Issues*, except for the 09/30/15 measurement period which includes DROP payroll.

Valuation Date: 10/1/19

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level % of pay, closed
Remaining Amortization Period:	30 Years (as of 10/01/2019)
Asset Valuation Method:	4 Year geometric average of market value returns
Salary Increase:	Service based
Interest Rate	7.4%, net of investment related expenses
Mortality:	PubG.H-2010 and PubS.H-2010, separate assumptions for Healthy Active Lives, Healthy Inactive Lives, and Disabled Lives
Retirement Age	Age 50 and 25 years of credited service
Early Retirement	Subsidized benefit - 2% age 40-44, 10% age 45 and older
Cost-of-Living Adjustment	1% increase in benefits annually

Changes of Benefit Terms:

For measurement date 09/30/20, amounts reported as changes of benefit terms was a result of the adoption of Ordinance No. 3027 which made changes. Please see Required Supplementary Information Schedule "Net Pension Liability and Related Ratios - Police Officers" for details.

Changes of Assumptions:

For measurement dates 09/30/20, 09/30/18 and 09/30/16, the assumed rates of mortality were changed. Please see Required Supplementary Information Schedule "Net Pension Liability and Related Ratios - Police Officers" for details.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Actuarially Determined Contributions (Firefighters')

	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 2,647	\$ 2,450	\$ 2,286	\$ 2,465	\$ 1,880	\$ 1,774	\$ 1,851
Contributions in Relation to the							
Actuarially Determined Contributions	<u>2,490</u>	<u>2,276</u>	<u>2,472</u>	<u>1,912</u>	<u>1,171</u>	<u>1,819</u>	<u>2,363</u>
Contribution Deficiency (Excess)	<u>157</u>	<u>174</u>	<u>(186)</u>	<u>553</u>	<u>709</u>	<u>(45)</u>	<u>(512)</u>
Covered Payroll	\$ 6,712	\$ 6,183	\$ 5,756	\$ 5,829	\$ 4,557	\$ 4,987	\$ 4,218
Contributions as a percentage of							
Covered Payroll	37.10%	36.81%	42.95%	32.80%	25.70%	36.47%	56.02%

This schedule is present to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is presented.

Notes to Schedule:

The covered payroll numbers presented are in compliance with GASB Statement No. 82, *Pension Issues*, except for the 09/30/15 measurement period which includes DROP payroll.

Valuation Date: 10/1/19

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level % of pay, closed
Remaining Amortization Period:	30 Years (as of 10/01/2019)
Asset Valuation Method:	5 Year Smooth
Inflation:	2.70%
Interest Rate	7.80%
Mortality:	PubG.H-2010 and PubS.H-2010, separate assumptions for Healthy Active Lives, Healthy Inactive Lives, and Disabled Lives
Retirement Age	Age 50 and 10 years of service, or any age with 25 years of credit service
Early Retirement	Age 40 with ten years service or age 50 - subsidized benefit at 10% per year
Cost-of-Living Adjustment	None

Changes in Benefit Terms:

For measurement date 9/30/19, changes of benefit terms resulted from provisions of Chapter 112.1816 F.S.

Changes of Assumptions:

For measurement dates 9/30/20, 9/30/18, 9/30/17 and 9/30/16, several assumptions were changed. Please see Required Supplementary Information Schedule "Net Pension Liability and Related Ratios - Firefighters" for details.

**CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)**

Money-weighted Rate of Return

		General Employees ¹						
		<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return								
Net of Investment Expense		8.06%	3.53%	7.04%	6.09%	6.09%	1.54%	11.45%
		Police Officers ¹						
		<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return								
Net of Investment Expense		9.61%	3.82%	10.42%	10.74%	8.99%	2.29%	9.71%
		Firefighters ¹						
		<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return								
Net of Investment Expense		9.42%	4.27%	8.03%	10.75%	8.90%	-4.79%	13.20%

This schedule is present to illustrate the requirement to show information for 10 years. However, until full 10 year trend is compiled, information for those years for which information is available is presented.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020
(In Thousands)

Schedule of Changes in the Total OPEB Liability and Related Ratios

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 402	\$ 531	\$ 544
Interest	267	271	233
Change of benefit terms	1	-	-
Difference between expected and actual experience	-	(255)	-
Change of assumptions and other inputs	772	(894)	(270)
Benefit payments	(278)	(323)	(234)
Net change in total OPEB liability	1,164	(670)	273
Total OPEB liability - beginning	6,702	7,372	7,099
Total OPEB liability - ending	<u>\$ 7,866</u>	<u>\$ 6,702</u>	<u>\$ 7,372</u>
Covered-employee payroll	\$ 30,714	\$ 28,415	\$ 26,226
Total OPEB liability as a percentage of covered-employee payroll	25.61%	23.59%	28.11%

Fiscal year 2018 presents information on the Plan's measurement year ended September 30, 2017.

Notes to the Schedule:

Note 1: GASB 75 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Note 3: Significant assumption changes 2020: discount rate decreased to 2.75% from 3.83%.

OTHER SUPPLEMENTAL INFORMATION

Budgetary Comparison Schedules (GAAP BASIS):

- Major Debt Service Fund:
 - 2016 Revenue Note Debt Service

- Major Capital Projects Fund:
 - 2016 Revenue Note Capital Project

Non-Major Governmental Funds:

Combining Financial Statements for All Non-major Governmental Funds and Individual Budgetary Comparison Schedules (GAAP Basis) for All Budgeted Nonmajor Governmental Funds

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE DEBT SERVICE
For the Year Ended September 30, 2020
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
General Government	\$ 17	\$ -	\$ 17
Principal Retirement	1,270	1,270	-
Interest and Fiscal Charges	1,691	1,691	-
Professional Fees	-	-	-
Total Expenditures	2,978	2,961	17
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,978)	(2,961)	17
OTHER FINANCING SOURCES AND (USES)			
Transfers In	2,961	2,961	-
Total Other Financing Sources and (Uses)	2,961	2,961	-
Net Change in Fund Balance	(17)	-	17
Fund Balance - Beginning	17	17	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 17</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE CAPITAL PROJECTS
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ 48	\$ 48
Total Revenues	<u>-</u>	<u>48</u>	<u>48</u>
EXPENDITURES			
Capital Outlay	7,566	6,939	627
Total Expenditures	<u>7,566</u>	<u>6,939</u>	<u>627</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,566)</u>	<u>(6,891)</u>	<u>675</u>
OTHER FINANCING SOURCES			
Transfers In	38	38	-
Total Other Financing Sources	<u>38</u>	<u>38</u>	<u>-</u>
Net Change in Fund Balance	<u>(7,528)</u>	<u>(6,853)</u>	<u>675</u>
Fund Balance - Beginning	<u>7,528</u>	<u>7,595</u>	<u>67</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 742</u>	<u>\$ 742</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City has the following nonmajor special revenue funds:

Budgeted Special Revenue Funds (GAAP Basis)

Local Option Gas Tax

To account for the City's share of the six-cent local option gas tax revenues designated for road improvements and maintenance projects.

Recreation Impact Fee Fund

To account for impact fees collected and spent based on charges to new living units constructed. Revenue is restricted for park acquisition and improvements. Impact fees are assessed based upon City ordinance and adopted pursuant to Florida Law.

Local Option Sales Tax

To account for the City's share of the local option sales tax revenues designated for improvements and infrastructure projects.

Building Division

To account for the collection of building permit revenues and payment of expenditures associated with providing inspection related services.

Mobility Fee Fund

To account for mobility fees collected and spent based on charges to new living units constructed. Revenue is restricted for transportation improvements. Mobility fees are assessed based upon City ordinance and replace the transportation impact fee program.

State Housing Initiative Program

To account for revenues and expenditures related to the State Housing Initiative Program with funding provided by the Florida Housing Finance Corporation. These funds are used to provide down payment assistance, housing rehabilitation, foreclosure prevention, and rental deposit assistance.

Victims of Crime Act Grant

To account for revenues and expenditures related to the U.S. DOJ grant established under the 1984 Victims of Crime Act awarded for the various prevention programs.

Justice Assistance Grant

To account for the revenues and expenditures associated with the U. S. Department of Justice (DOJ), Bureau of Justice Assistance, Edward Byrne Memorial Justice Assistance Grant (JAG) program which allows states and local governments to support a broad range of activities to prevent and control crime and to improve the criminal justice system.

Paving Assessments

To account for the costs associated with paving projects. One-third of the project costs are paid by the Gas Tax Fund while the remaining two-thirds are assessed to property owners.

Charter School

To account for the funds received from the Osceola County School District and related expenditures to the management firm that operates the City's charter school.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

CARES Act Relief

To account for revenues and expenditures related to the U.S. Department of the Treasury COVID-19 assistance..

Neighborhood Stabilization and HOME

To account for revenues and expenditures related to the U.S. Department of Housing and Urban Development (HUD) housing assistance programs to qualifying low-income families.

Community Development Block Grant

To account for revenues and expenditures related to the U.S. Department of HUD Community Development Block Grant.

W Oak Street Improvement Grant

To account for the revenues and expenditures related to the LAP Agreement with the FDOT to provide for the construction of improvement along West Oak Street.

Non-Budgeted Special Revenue Funds

Section 8 HAPP

To account for expenditures associated with various housing related projects.

Police and Firefighters Premium Tax Trust

To account for excise tax imposed on homeowners' insurance premiums collected by the State of Florida Department of Revenue and remitted to the City. These tax revenues are to be used as retirement contributions to Police and Firefighters' Pension plans.

Supplementary Care

To account for revenue received from individuals buying supplementary care in the City cemetery. Interest can be transferred to the General Fund to defray the cost of cemetery operations and maintenance.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The City has the following nonmajor debt service funds:

Budgeted Debt Service Funds (GAAP Basis)

FmHA Bond

Accounts for the payment of principal and interest on the 1980 and 1981 Excise Tax Revenue Bonds. Occupational license revenue is pledged for payment of these bonds. Transfers are made from the General Fund.

2015B Refunding Note

Accounts for the payment of principal and interest on the 2015B Refunding Note to refund the 2004 CRA Revenue Note. Tax increment financing revenues are used for annual debt service payments.

2014A Revenue Note

Accounts for the payment of principal and interest on the 2014A Revenue Note. Monies from the one-cent sales tax are used for annual debt service payments.

Series 2017 Revenue Note

Accounts for the payment of principal and interest on the 2017 Revenue Note. Monies from the one-cent sales tax are used for annual debt service payments.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

2010A Refunding Revenue Note

Accounts for the payment of principal and interest on the 2010A Refunding Revenue Note to advance refund the 2005 Revenue Note. Monies from the one-cent sales tax are used for annual debt service payments.

2010B Refunding Revenue Note

Accounts for the payment of principal and interest on the 2010B Refunding Revenue Note. Monies from the Local Option sales tax are used for annual debt service payments.

2010C Refunding Revenue Note

Accounts for the payment of principal and interest on the 2010C Refunding Revenue Note. Monies from the Local Option gas tax are used for annual debt service payments.

2011B Capital Refunding Note

Accounts for the payment of principal and interest on the 2011B Capital Refunding Note. Revenue received from Local Option sales tax is used for annual debt service payments.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital outlay. The City has the following capital projects funds:

Budgeted Capital Projects Fund (GAAP Basis)

2014A Note Capital Project

To account for the proceeds of the 2014A Revenue Note to be used for Lakefront Park and road improvement projects.

2010C Note Capital Project

To account for the proceeds of the 2010C Revenue Note to be used for road improvement projects.

Lakefront Sales Tax 2009A Capital Project Fund

To account for the proceeds of the 2009A Revenue Note to be used for the construction of projects in the Lakefront Restoration Project.

2018 Line of Credit

To account for the proceeds of the 2018 Line of Credit Direct Borrowing to be used for various improvement projects.

2017 Note Capital Projects

To account for the proceeds of the 2017 Commercial Note to be used for various improvement projects.

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CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2020
(In Thousands)

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 25,856	\$ 3,306	\$ -	\$ 29,162
Restricted Cash and Investments	1,486	-	1,696	3,182
Due from TWA	5	-	-	5
Due from Other Governments	2,070	-	-	2,070
Total Assets	\$ 29,417	\$ 3,306	\$ 1,696	\$ 34,419
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,340	\$ -	\$ 51	\$ 1,391
Contracts Payable	27	-	-	27
Accrued Liabilities	-	3,264	-	3,264
Due to Other Funds	534	-	-	534
Revenue Collected in Advance	529	-	-	529
Total Liabilities	2,430	3,264	51	5,745
Deferred Inflows of Resources				
Unavailable Earned Revenues	537	-	-	537
Total Deferred Inflows of Resources	537	-	-	537
Fund Balances:				
Nonspendable Supplementary Care	1,059	-	-	1,059
Restricted for Transportation Projects	9,190	-	-	9,190
Restricted for Development Services	6,646	-	-	6,646
Restricted for Economic Development	203	-	-	203
Restricted for Recreation Projects	1,716	-	-	1,716
Restricted for Charter School	3,105	-	-	3,105
Restricted for Construction Projects	-	-	1,645	1,645
Restricted for Other Capital Improvements	4,975	-	-	4,975
Assigned for Debt Service	-	42	-	42
Unassigned (Deficit)	(444)	-	-	(444)
Total Fund Balances	26,450	42	1,645	28,137
Total Liabilities, Deferred Inflows and Fund Balances	\$ 29,417	\$ 3,306	\$ 1,696	\$ 34,419

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended September 30, 2020
(In Thousands)

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 9,573	\$ -	\$ -	\$ 9,573
Permits, Fees and Special Assessments	3,034	-	-	3,034
Intergovernmental Revenues	7,971	-	-	7,971
Charges for Services	89	-	-	89
Investment Income	662	-	28	690
Miscellaneous Revenues	140	-	-	140
Total Revenues	<u>21,469</u>	<u>-</u>	<u>28</u>	<u>21,497</u>
EXPENDITURES				
Current:				
General Government	5,912	-	-	5,912
Public Safety	5,168	-	-	5,168
Transportation	2,834	-	-	2,834
Economic Environment	997	-	-	997
Culture/Recreation	571	-	-	571
Capital Outlay	-	-	3,505	3,505
Debt Service:				
Principal Retirement	-	2,910	-	2,910
Interest and Fiscal Charges	-	1,091	-	1,091
Total Expenditures	<u>15,482</u>	<u>4,001</u>	<u>3,505</u>	<u>22,988</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,987</u>	<u>(4,001)</u>	<u>(3,477)</u>	<u>(1,491)</u>
OTHER FINANCING SOURCES and (USES)				
Transfers In	966	4,001	-	4,967
Transfers (Out)	(6,503)	-	-	(6,503)
Total Other Financing Sources and (Uses)	<u>(5,537)</u>	<u>4,001</u>	<u>-</u>	<u>(1,536)</u>
Net Change in Fund Balances	450	-	(3,477)	(3,027)
Fund Balances - Beginning	<u>26,000</u>	<u>42</u>	<u>5,122</u>	<u>31,164</u>
Fund Balances - Ending	<u>\$ 26,450</u>	<u>\$ 42</u>	<u>\$ 1,645</u>	<u>\$ 28,137</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2020
(In Thousands)

	Local Option Gas Tax	Recreation Impact Fee Fund	Local Option Sales Tax	Building Division
ASSETS				
Cash and Cash Equivalents	\$ 3,411	\$ 1,637	\$ 4,607	\$ 6,676
Restricted Cash and Investments	-	-	-	-
Due from TWA	5	-	-	-
Due from Other Governments	203	102	1,173	-
Total Assets	\$ 3,619	\$ 1,739	\$ 5,780	\$ 6,676
LIABILITIES				
Accounts Payable	\$ 328	\$ 109	\$ 559	\$ 30
Contracts Payable	15	12	-	-
Due to Other Funds	-	-	23	-
Revenue Collected in Advance	-	-	-	-
Total Liabilities	343	121	582	30
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	-	102	23	-
Total Deferred Inflows of Resources	-	102	23	-
FUND BALANCES (DEFICITS)				
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	3,276	-	-	-
Restricted for Development Services	-	-	-	6,646
Restricted for Economic Development	-	-	-	-
Restricted for Recreation Projects	-	1,516	200	-
Restricted for Charter School	-	-	-	-
Restricted for Other Capital	-	-	-	-
Improvements	-	-	4,975	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficits)	3,276	1,516	5,175	6,646
Total Liabilities, Deferred Inflows and Fund Balances	\$ 3,619	\$ 1,739	\$ 5,780	\$ 6,676

Mobility Fee Fund	State Housing Initiative Program	Victim of Crime Act	Justice Assistance Grant	Paving Assessments
\$ 5,914	\$ 199	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	4	34	-
<u>\$ 5,914</u>	<u>\$ 199</u>	<u>\$ 4</u>	<u>\$ 34</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 1	\$ -
-	-	-	-	-
-	-	6	34	-
-	-	-	-	-
-	-	6	35	-
-	-	-	34	-
-	-	-	34	-
-	-	-	-	-
5,914	-	-	-	-
-	-	-	-	-
-	199	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(2)	(35)	-
<u>5,914</u>	<u>199</u>	<u>(2)</u>	<u>(35)</u>	<u>-</u>
<u>\$ 5,914</u>	<u>\$ 199</u>	<u>\$ 4</u>	<u>\$ 34</u>	<u>\$ -</u>

Continued

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2020
(In Thousands)

	Charter School	CARES Act Relief	Neighborhood Stabilization and Home	Community Development Block Grant
ASSETS				
Cash and Cash Equivalents	\$ 1,805	\$ 485	\$ 34	\$ 25
Restricted Cash and Investments	1,486	-	-	-
Due from TWA	-	-	-	-
Due from Other Governments	-	101	113	193
Total Assets	<u>\$ 3,291</u>	<u>\$ 586</u>	<u>\$ 147</u>	<u>\$ 218</u>
LIABILITIES				
Accounts Payable	\$ 186	\$ 48	\$ -	\$ 22
Contracts Payable	-	-	-	-
Due to Other Funds	-	101	46	233
Revenue Collected in Advance	-	529	-	-
Total Liabilities	<u>186</u>	<u>678</u>	<u>46</u>	<u>255</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	-	-	113	118
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>113</u>	<u>118</u>
FUND BALANCES (DEFICITS)				
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	-	-	-	-
Restricted for Development Services	-	-	-	-
Restricted for Economic Development	-	-	-	-
Restricted for Recreation Projects	-	-	-	-
Restricted for Charter School	3,105	-	-	-
Restricted for Other Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	(92)	(12)	(155)
Total Fund Balances (Deficits)	<u>3,105</u>	<u>(92)</u>	<u>(12)</u>	<u>(155)</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 3,291</u>	<u>\$ 586</u>	<u>\$ 147</u>	<u>\$ 218</u>

W Oak Street Improvement Grant	Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
\$ -	\$ 4	\$ -	\$ 1,059	\$ 25,856
-	-	-	-	1,486
-	-	-	-	5
147	-	-	-	2,070
<u>\$ 147</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,059</u>	<u>\$ 29,417</u>
\$ 57	\$ -	\$ -	\$ -	\$ 1,340
-	-	-	-	27
91	-	-	-	534
-	-	-	-	529
148	-	-	-	2,430
147	-	-	-	537
147	-	-	-	537
-	-	-	1,059	1,059
-	-	-	-	9,190
-	-	-	-	6,646
-	4	-	-	203
-	-	-	-	1,716
-	-	-	-	3,105
-	-	-	-	4,975
(148)	-	-	-	(444)
(148)	4	-	1,059	26,450
<u>\$ 147</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,059</u>	<u>\$ 29,417</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2020
(In Thousands)

	<u>Local Option Gas Tax</u>	<u>Recreation Impact Fee Fund</u>	<u>Local Option Sales Tax</u>
REVENUES			
Taxes	\$ 2,525	\$ -	\$ 7,048
Permits, Fees and Special Assessments	-	318	-
Intergovernmental Revenues	-	-	76
Charges for Services	16	-	-
Investment Income	87	35	136
Miscellaneous Revenues	-	-	-
Total Revenues	<u>2,628</u>	<u>353</u>	<u>7,260</u>
EXPENDITURES			
Current:			
General Government	-	-	877
Public Safety	-	-	1,406
Transportation	2,070	-	526
Economic Environment	-	-	-
Culture/Recreation	-	287	284
Total Expenditures	<u>2,070</u>	<u>287</u>	<u>3,093</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>558</u>	<u>66</u>	<u>4,167</u>
OTHER FINANCING SOURCES and (USES)			
Transfers In	502	-	106
Transfers (Out)	(911)	(132)	(4,372)
Total Other Financing Sources and (Uses)	<u>(409)</u>	<u>(132)</u>	<u>(4,266)</u>
Net Change in Fund Balances	149	(66)	(99)
Fund Balances (Deficits) - Beginning	3,127	1,582	5,274
Fund Balances (Deficits) - Ending	<u>\$ 3,276</u>	<u>\$ 1,516</u>	<u>\$ 5,175</u>

Building Division	Mobility Fee Fund	State Housing Initiative Program	Victim of Crime Act	Justice Assistance Grant	Paving Assessments
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,295	1,395	-	-	-	26
-	-	140	34	-	-
73	-	-	-	-	-
154	134	4	-	-	-
-	-	29	-	-	-
<u>1,522</u>	<u>1,529</u>	<u>173</u>	<u>34</u>	<u>-</u>	<u>26</u>
-	-	-	-	-	-
1,773	-	-	75	331	-
-	23	-	-	-	24
-	-	282	-	-	-
-	-	-	-	-	-
<u>1,773</u>	<u>23</u>	<u>282</u>	<u>75</u>	<u>331</u>	<u>24</u>
<u>(251)</u>	<u>1,506</u>	<u>(109)</u>	<u>(41)</u>	<u>(331)</u>	<u>2</u>
40	-	-	20	291	-
-	(443)	-	-	-	(2)
<u>40</u>	<u>(443)</u>	<u>-</u>	<u>20</u>	<u>291</u>	<u>(2)</u>
(211)	1,063	(109)	(21)	(40)	-
<u>6,857</u>	<u>4,851</u>	<u>308</u>	<u>19</u>	<u>5</u>	<u>-</u>
<u>\$ 6,646</u>	<u>\$ 5,914</u>	<u>\$ 199</u>	<u>\$ (2)</u>	<u>\$ (35)</u>	<u>\$ -</u>

Continued

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2020
(In Thousands)

	Charter School	CARES Act Relief	Neighborhood Stabilization and Home	Community Development Block Grant
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits, Fees and Special Assessments	-	-	-	-
Intergovernmental Revenues	5,751	76	-	368
Charges for Services	-	-	-	-
Investment Income	79	9	-	-
Miscellaneous Revenues	-	-	71	-
Total Revenues	5,830	85	71	368
EXPENDITURES				
Current:				
General Government	5,035	-	-	-
Public Safety	-	101	-	-
Transportation	-	-	-	-
Economic Environment	-	76	181	458
Culture/Recreation	-	-	-	-
Total Expenditures	5,035	177	181	458
Excess (Deficiency) of Revenues Over (Under) Expenditures	795	(92)	(110)	(90)
OTHER FINANCING SOURCES and (USES)				
Transfers In	-	-	7	-
Transfers (Out)	(643)	-	-	-
Total Other Financing Sources and (Uses)	(643)	-	7	-
Net Change in Fund Balances	152	(92)	(103)	(90)
Fund Balances (Deficits) - Beginning	2,953	-	91	(65)
Fund Balances (Deficits) - Ending	\$ 3,105	\$ (92)	\$ (12)	\$ (155)

W Oak Street Improvement Grant	Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 9,573
-	-	-	-	3,034
44	-	1,482	-	7,971
-	-	-	-	89
-	-	-	24	662
-	-	-	40	140
<u>44</u>	<u>-</u>	<u>1,482</u>	<u>64</u>	<u>21,469</u>
-	-	-	-	5,912
-	-	1,482	-	5,168
191	-	-	-	2,834
-	-	-	-	997
-	-	-	-	571
<u>191</u>	<u>-</u>	<u>1,482</u>	<u>-</u>	<u>15,482</u>
<u>(147)</u>	<u>-</u>	<u>-</u>	<u>64</u>	<u>5,987</u>
-	-	-	-	966
-	-	-	-	(6,503)
-	-	-	-	(5,537)
<u>(147)</u>	<u>-</u>	<u>-</u>	<u>64</u>	<u>450</u>
<u>(1)</u>	<u>4</u>	<u>-</u>	<u>995</u>	<u>26,000</u>
<u>\$ (148)</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,059</u>	<u>\$ 26,450</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION GAS TAX
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Taxes	\$ 2,827	\$ 2,525	\$ (302)
Charges for Services	2	16	14
Investment Income	20	87	67
Miscellaneous Revenues	1	-	(1)
Total Revenues	<u>2,850</u>	<u>2,628</u>	<u>(222)</u>
EXPENDITURES			
Transportation	5,120	2,070	3,050
Capital Outlay	-	-	-
Total Expenditures	<u>5,120</u>	<u>2,070</u>	<u>3,050</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,270)</u>	<u>558</u>	<u>2,828</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	505	502	(3)
Transfers (Out)	(920)	(911)	9
Total Other Financing Sources and (Uses)	<u>(415)</u>	<u>(409)</u>	<u>6</u>
Net Change in Fund Balance	<u>(2,685)</u>	<u>149</u>	<u>2,834</u>
Fund Balance (Deficit) - Beginning	<u>2,685</u>	<u>3,127</u>	<u>442</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 3,276</u>	<u>\$ 3,276</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RECREATION IMPACT FEE FUND
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 400	\$ 318	\$ (82)
Intergovernmental Revenues	732	-	(732)
Investment Income	15	35	20
Total Revenues	<u>1,147</u>	<u>353</u>	<u>(794)</u>
EXPENDITURES			
Culture/Recreation	2,121	287	1,834
Capital Outlay	-	-	-
Total Expenditures	<u>2,121</u>	<u>287</u>	<u>1,834</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(974)</u>	<u>66</u>	<u>1,040</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	-	-	-
Transfers (Out)	(132)	(132)	-
Total Other Financing Sources and (Uses)	<u>(132)</u>	<u>(132)</u>	<u>-</u>
Net Change in Fund Balance	(1,106)	(66)	1,040
Fund Balance (Deficit) - Beginning	<u>1,106</u>	<u>1,582</u>	<u>476</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 1,516</u>	<u>\$ 1,516</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION SALES TAX
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Taxes	\$ 8,638	\$ 7,048	\$ (1,590)
Intergovernmental Revenues	-	76	76
Investment Income	50	136	86
Total Revenues	<u>8,688</u>	<u>7,260</u>	<u>(1,428)</u>
EXPENDITURES			
General Government	4,480	877	3,603
Public Safety	2,037	1,406	631
Transportation	2,316	526	1,790
Culture/Recreation	1,074	284	790
Capital Outlay	-	-	-
Debt Service:			
Total Expenditures	<u>9,907</u>	<u>3,093</u>	<u>6,814</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,219)</u>	<u>4,167</u>	<u>5,386</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	106	106	-
Transfers (Out)	(4,471)	(4,372)	99
Total Other Financing Sources and (Uses)	<u>(4,365)</u>	<u>(4,266)</u>	<u>99</u>
Net Change in Fund Balance	<u>(5,584)</u>	<u>(99)</u>	<u>5,485</u>
Fund Balance (Deficit) - Beginning	<u>5,584</u>	<u>5,274</u>	<u>(310)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 5,175</u>	<u>\$ 5,175</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING DIVISION
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 2,035	\$ 1,295	\$ (740)
Charges for Services	89	73	(16)
Investment Income	85	154	69
Total Revenues	<u>2,209</u>	<u>1,522</u>	<u>(687)</u>
EXPENDITURES			
Public Safety	8,551	1,773	6,778
Capital Outlay	-	-	-
Total Expenditures	<u>8,551</u>	<u>1,773</u>	<u>6,778</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,342)</u>	<u>(251)</u>	<u>6,091</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	40	40	-
Total Other Financing Sources and (Uses)	<u>40</u>	<u>40</u>	<u>-</u>
Net Change in Fund Balance	(6,302)	(211)	6,091
Fund Balance (Deficit) - Beginning	<u>6,302</u>	<u>6,857</u>	<u>555</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 6,646</u>	<u>\$ 6,646</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MOBILITY FEE FUND
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 954	\$ 1,395	\$ 441
Charges for Services	5	-	(5)
Investment Income	50	134	84
Total Revenues	<u>1,009</u>	<u>1,529</u>	<u>520</u>
EXPENDITURES			
Transportation	5,087	23	5,064
Capital Outlay	-	-	-
Total Expenditures	<u>5,087</u>	<u>23</u>	<u>5,064</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,078)</u>	<u>1,506</u>	<u>5,584</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(443)	(443)	-
Total Other Financing Sources and (Uses)	<u>(443)</u>	<u>(443)</u>	<u>-</u>
Net Change in Fund Balance	(4,521)	1,063	5,584
Fund Balance (Deficit) - Beginning	<u>4,521</u>	<u>4,851</u>	<u>330</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 5,914</u>	<u>\$ 5,914</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING INITIATIVE PROGRAM
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 140	\$ 140	\$ -
Investment Income	1	4	3
Miscellaneous Revenues	-	29	29
Total Revenues	<u>141</u>	<u>173</u>	<u>32</u>
EXPENDITURES			
Economic Environment	447	282	165
Total Expenditures	<u>447</u>	<u>282</u>	<u>165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(306)</u>	<u>(109)</u>	<u>197</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	-	-	-
Transfers (Out)	-	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(306)	(109)	197
Fund Balance (Deficit) - Beginning	<u>306</u>	<u>308</u>	<u>2</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 199</u>	<u>\$ 199</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
VICTIM OF CRIME ACT
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 54	\$ 34	\$ (20)
Total Revenues	<u>54</u>	<u>34</u>	<u>(20)</u>
EXPENDITURES			
Public Safety	<u>77</u>	<u>75</u>	<u>2</u>
Total Expenditures	<u>77</u>	<u>75</u>	<u>2</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(23)</u>	<u>(41)</u>	<u>(18)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	<u>23</u>	<u>20</u>	<u>(3)</u>
Total Other Financing Sources and (Uses)	<u>23</u>	<u>20</u>	<u>(3)</u>
Net Change in Fund Balance	-	(21)	(21)
Fund Balance (Deficit) - Beginning	<u>-</u>	<u>19</u>	<u>19</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (2)</u>	<u>\$ (2)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
JUSTICE ASSISTANCE GRANT
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 35	\$ -	\$ (35)
Total Revenues	<u>35</u>	<u>-</u>	<u>(35)</u>
EXPENDITURES			
Public Safety	332	331	1
Total Expenditures	<u>332</u>	<u>331</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(297)</u>	<u>(331)</u>	<u>(34)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	293	291	(2)
Total Other Financing Sources and (Uses)	<u>293</u>	<u>291</u>	<u>(2)</u>
Net Change in Fund Balance	(4)	(40)	(36)
Fund Balance (Deficit) - Beginning	<u>4</u>	<u>5</u>	<u>1</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (35)</u>	<u>\$ (35)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PAVING ASSESSMENTS
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 28	\$ 26	\$ (2)
Investment Income	-	-	-
Total Revenues	<u>28</u>	<u>26</u>	<u>(2)</u>
EXPENDITURES			
Transportation	25	24	1
Bad Debt	-	-	-
Total Expenditures	<u>25</u>	<u>24</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3</u>	<u>2</u>	<u>(1)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(3)	(2)	1
Total Other Financing Sources and (Uses)	<u>(3)</u>	<u>(2)</u>	<u>1</u>
Net Change in Fund Balance	-	-	-
Fund Balance (Deficit) - Beginning	-	-	-
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CHARTER SCHOOL
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 5,798	\$ 5,751	\$ (47)
Investment Income	45	79	34
Total Revenues	<u>5,843</u>	<u>5,830</u>	<u>(13)</u>
EXPENDITURES			
General Government	7,962	5,035	2,927
Operating Reserves	-	-	-
Total Expenditures	<u>7,962</u>	<u>5,035</u>	<u>2,927</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,119)</u>	<u>795</u>	<u>2,914</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(643)	(643)	-
Total Other Financing Sources and (Uses)	<u>(643)</u>	<u>(643)</u>	<u>-</u>
Net Change in Fund Balance	(2,762)	152	2,914
Fund Balance (Deficit) - Beginning	<u>2,762</u>	<u>2,953</u>	<u>191</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 3,105</u>	<u>\$ 3,105</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CARES ACT RELIEF
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 605	\$ 76	\$ (529)
Investment Income	-	9	9
Total Revenues	<u>605</u>	<u>85</u>	<u>(520)</u>
EXPENDITURES			
Public Safety	101	101	-
Economic Environment	504	76	428
Total Expenditures	<u>605</u>	<u>177</u>	<u>428</u>
Net Change in Fund Balance	-	(92)	(92)
Fund Balance (Deficit) - Beginning	-	-	-
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (92)</u>	<u>\$ (92)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION AND HOME
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Miscellaneous Revenues	313	71	(242)
Total Revenues	<u>313</u>	<u>71</u>	<u>(242)</u>
EXPENDITURES			
Economic Environment	1,060	181	879
Capital Outlay	-	-	-
Total Expenditures	<u>1,060</u>	<u>181</u>	<u>879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(747)</u>	<u>(110)</u>	<u>637</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	7	7	-
Total Other Financing Sources and (Uses)	<u>7</u>	<u>7</u>	<u>-</u>
Net Change in Fund Balance	(740)	(103)	637
Fund Balance (Deficit) - Beginning	<u>740</u>	<u>91</u>	<u>(649)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (12)</u>	<u>\$ (12)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 1,088	\$ 368	\$ (720)
Total Revenues	<u>1,088</u>	<u>368</u>	<u>(720)</u>
EXPENDITURES			
Economic Environment	1,592	458	1,134
Total Expenditures	<u>1,592</u>	<u>458</u>	<u>1,134</u>
Net Change in Fund Balance	(504)	(90)	414
Fund Balance (Deficit) - Beginning	<u>504</u>	<u>(65)</u>	<u>(569)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (155)</u>	<u>\$ (155)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
W OAK STREET IMPROVEMENT GRANT
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 3,380	\$ 44	\$ (3,336)
Total Revenues	<u>3,380</u>	<u>44</u>	<u>(3,336)</u>
EXPENDITURES			
Transportation	3,397	191	3,206
Total Expenditures	<u>3,397</u>	<u>191</u>	<u>3,206</u>
Net Change in Fund Balance	(17)	(147)	(130)
Fund Balance (Deficit) - Beginning	<u>17</u>	<u>(1)</u>	<u>(18)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (148)</u>	<u>\$ (148)</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2020
(In Thousands)

	FmHA Bond	2015B Refunding Note	2014A Revenue Note	Series 2017 Revenue Note	2010A Refunding Revenue Note
ASSETS					
Cash and Cash Equivalents	\$ 42	\$ 239	\$ 508	\$ -	\$ 870
Total Assets	<u>\$ 42</u>	<u>\$ 239</u>	<u>\$ 508</u>	<u>\$ -</u>	<u>\$ 870</u>
LIABILITIES					
Accrued Liabilities	\$ -	\$ 239	\$ 508	\$ -	\$ 870
Total Liabilities	<u>-</u>	<u>239</u>	<u>508</u>	<u>-</u>	<u>870</u>
FUND BALANCE					
Assigned for Debt Service	42	-	-	-	-
Total Fund Balances	<u>42</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 42</u>	<u>\$ 239</u>	<u>\$ 508</u>	<u>\$ -</u>	<u>\$ 870</u>

2010B Refunding Revenue Note	2010C Refunding Revenue Note	2011B Capital Refunding Note	Total Nonmajor Debt Service Funds
\$ 687	\$ 242	\$ 718	\$ 3,306
<u>\$ 687</u>	<u>\$ 242</u>	<u>\$ 718</u>	<u>\$ 3,306</u>
\$ 687	\$ 242	\$ 718	\$ 3,264
<u>687</u>	<u>242</u>	<u>718</u>	<u>3,264</u>
-	-	-	42
-	-	-	42
<u>\$ 687</u>	<u>\$ 242</u>	<u>\$ 718</u>	<u>\$ 3,306</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended September 30, 2020
(In Thousands)

	FmHA Bond	2015B Refunding Note	2014A Revenue Note	Series 2017 Revenue Note	2010A Refunding Revenue Note
REVENUES					
Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal Retirement	25	195	395	-	815
Interest and Fiscal Charges	4	87	227	330	109
Total Expenditures	<u>29</u>	<u>282</u>	<u>622</u>	<u>330</u>	<u>924</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(29)</u>	<u>(282)</u>	<u>(622)</u>	<u>(330)</u>	<u>(924)</u>
OTHER FINANCING SOURCES AND (USES)					
Transfers In	29	282	622	330	924
Total Other Financing Sources And (Uses)	<u>29</u>	<u>282</u>	<u>622</u>	<u>330</u>	<u>924</u>
Net Change in Fund Balances	-	-	-	-	-
Fund Balances - Beginning	42	-	-	-	-
Fund Balances - Ending	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2010B Refunding Revenue Note	2010C Refunding Revenue Note	2011B Capital Refunding Note	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ -	\$ -
-	-	-	-
630	205	645	2,910
113	74	147	1,091
<u>743</u>	<u>279</u>	<u>792</u>	<u>4,001</u>
<u>(743)</u>	<u>(279)</u>	<u>(792)</u>	<u>(4,001)</u>
<u>743</u>	<u>279</u>	<u>792</u>	<u>4,001</u>
<u>743</u>	<u>279</u>	<u>792</u>	<u>4,001</u>
-	-	-	-
-	-	-	42
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FmHA BOND
For the Year Ended September 30, 2020
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
General Government	\$ 42	\$ -	\$ 42
Debt Service			
Principal Retirement	25	25	-
Interest and Fiscal Charges	4	4	-
Total Expenditures	71	29	42
Excess (Deficiency) of Revenues Over (Under) Expenditures	(71)	(29)	42
OTHER FINANCING SOURCES			
Transfers In	29	29	-
Total Other Financing Sources	29	29	-
Net Change in Fund Balance	(42)	-	42
Fund Balance - Beginning	42	42	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ 42</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2015B REFUNDING NOTE
For the Year Ended September 30, 2020
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	\$ 195	\$ 195	\$ -
Interest and Fiscal Charges	87	87	-
Total Expenditures	282	282	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(282)	(282)	-
OTHER FINANCING SOURCES			
Transfers In	282	282	-
Total Other Financing Sources	282	282	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2014A REVENUE NOTE
For the Year Ended September 30, 2020
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	\$ 395	\$ 395	\$ -
Interest and Fiscal Charges	227	227	-
Total Expenditures	622	622	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(622)	(622)	-
OTHER FINANCING SOURCES			
Transfers In	622	622	-
Total Other Financing Sources	622	622	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2017 REVENUE NOTE
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Interest and Fiscal Charges	480	330	150
Total Expenditures	<u>480</u>	<u>330</u>	<u>150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(480)</u>	<u>(330)</u>	<u>150</u>
OTHER FINANCING SOURCES			
Transfers In	480	330	(150)
Total Other Financing Sources	<u>480</u>	<u>330</u>	<u>(150)</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010A REFUNDING REVENUE NOTE
For the Year Ended September 30, 2020
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	815	815	-
Interest and Fiscal Charges	109	109	-
Total Expenditures	924	924	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(924)	(924)	-
OTHER FINANCING SOURCES			
Transfers In	924	924	-
Total Other Financing Sources	924	924	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010B REFUNDING REVENUE NOTE
For the Year Ended September 30, 2020
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	\$ 630	\$ 630	\$ -
Interest and Fiscal Charges	113	113	-
Total Expenditures	743	743	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(743)	(743)	-
OTHER FINANCING SOURCES			
Transfers In	743	743	-
Total Other Financing Sources	743	743	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010C REFUNDING REVENUE NOTE
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	\$ 205	\$ 205	\$ -
Interest and Fiscal Charges	74	74	-
Total Expenditures	279	279	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(279)	(279)	-
OTHER FINANCING SOURCES			
Transfers In	279	279	-
Total Other Financing Sources	279	279	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2011B CAPITAL REFUNDING NOTE
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	\$ 645	\$ 645	\$ -
Interest and Fiscal Charges	147	147	-
Total Expenditures	792	792	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(792)	(792)	-
OTHER FINANCING SOURCES			
Transfers In	792	792	-
Total Other Financing Sources	792	792	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2020
(In Thousands)

	2014A Note Capital Project	2010C Note Capital Project	Lakefront Sales Tax 2009A Capital Project	2018 Line of Credit
ASSETS				
Restricted Assets				
Restricted Cash and Investments	\$ 160	\$ 14	\$ 2	\$ 684
Total Restricted Assets	160	14	2	684
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ 51
Total Liabilities	-	-	-	51
FUND BALANCES				
Restricted for Construction Projects	160	14	2	633
Total Fund Balances	160	14	2	633
Total Liabilities and Fund Balances	\$ 160	\$ 14	\$ 2	\$ 684

<u>2017 Note Capital Project</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ 836	\$ 1,696
<u>836</u>	<u>1,696</u>
\$ -	\$ 51
-	51
<u>836</u>	<u>1,645</u>
<u>836</u>	<u>1,645</u>
<u>\$ 836</u>	<u>\$ 1,696</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended September 30, 2020
(In Thousands)

	2014A Note Capital Project	2010C Note Capital Project	Lakefront Sales Tax 2009A Capital Project	2018 Line of Credit
REVENUES				
Investment Income	\$ 3	\$ -	\$ -	\$ 6
Total Revenues	<u>3</u>	<u>-</u>	<u>-</u>	<u>6</u>
EXPENDITURES				
Capital Outlay	505	-	-	3,000
Total Expenditures	<u>505</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Net Change in Fund Balances	(502)	-	-	(2,994)
Fund Balances - Beginning	<u>662</u>	<u>14</u>	<u>2</u>	<u>3,627</u>
Fund Balances - Ending	<u>\$ 160</u>	<u>\$ 14</u>	<u>\$ 2</u>	<u>\$ 633</u>

2017 Note Capital Project	Total Nonmajor Capital Projects Funds
\$ 19	\$ 28
19	28
-	3,505
-	3,505
19	(3,477)
817	5,122
<u>\$ 836</u>	<u>\$ 1,645</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2014A NOTE CAPITAL PROJECT
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ 3	\$ 3
Total Revenues	<u>-</u>	<u>3</u>	<u>3</u>
EXPENDITURES			
Capital Outlay	<u>657</u>	<u>505</u>	<u>152</u>
Total Expenditures	<u>657</u>	<u>505</u>	<u>152</u>
Net Change in Fund Balance	(657)	(502)	155
Fund Balance - Beginning	<u>657</u>	<u>662</u>	<u>5</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 160</u>	<u>\$ 160</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010C NOTE CAPITAL PROJECT
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital Outlay	14	-	14
Total Expenditures	<u>14</u>	<u>-</u>	<u>14</u>
Net Change in Fund Balance	(14)	-	14
Fund Balance - Beginning	<u>14</u>	<u>14</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 14</u>	<u>\$ 14</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LAKEFRONT SALES TAX 2009A CAPITAL PROJECT FUND
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Culture and Recreation			
Capital Outlay	<u>2</u>	<u>-</u>	<u>2</u>
Total Expenditures	<u>2</u>	<u>-</u>	<u>2</u>
Net Change in Fund Balance	(2)	-	2
Fund Balance - Beginning	<u>2</u>	<u>2</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2018 LINE OF CREDIT
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ 6	\$ 6
Total Revenues	<u>-</u>	<u>6</u>	<u>6</u>
EXPENDITURES			
General Government	6	-	6
Capital Outlay	3,588	3,000	588
Total Expenditures	<u>3,594</u>	<u>3,000</u>	<u>594</u>
Net Change in Fund Balance	<u>(3,594)</u>	<u>(2,994)</u>	<u>600</u>
Fund Balance - Beginning	<u>3,594</u>	<u>3,627</u>	<u>33</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 633</u>	<u>\$ 633</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2017 NOTE CAPITAL PROJECTS
For the Year Ended September 30, 2020
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income	\$ -	\$ 19	\$ 19
Total Revenues	<u>-</u>	<u>19</u>	<u>19</u>
EXPENDITURES			
General Government	16	-	16
Capital Outlay	796	-	796
Total Expenditures	<u>812</u>	<u>-</u>	<u>812</u>
Net Change in Fund Balance	(812)	19	831
Fund Balance - Beginning	<u>812</u>	<u>817</u>	<u>5</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 836</u>	<u>\$ 836</u>

INTERNAL SERVICE FUNDS

The City has three internal service funds. These funds are used to accumulate costs related to various activities and charge them back to user departments. They are as follows:

Central Services

This fund accounts for costs associated with central services which include information technology, purchasing, warehouse, garage, building maintenance, and printing. Charges for services to other departments are based on actual costs incurred.

Health Insurance

This fund accounts for the City's self-funded employee health insurance plan. Costs include insurance costs, self-insurance claims expenses, and administrative costs. Charges for services are made to other departments based on estimated premiums.

Risk Management

This fund accounts for the City's risk management program. Costs include all insurance costs, self-insurance claims expenses, and administrative costs. Charges for services are made to other departments based on estimated premiums.

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2020
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 983	\$ 552	\$ 6,084	\$ 7,619
Accounts Receivable (net)	-	1	-	1
Due from Other Governments	191	-	-	191
Due from TWA	85	15	481	581
Prepays	-	-	1	1
Inventories	141	-	-	141
Total Current Assets	1,400	568	6,566	8,534
Capital Assets:				
Buildings	289	-	-	289
Improvements Other Than Buildings	3,584	91	528	4,203
Software, Net	3	-	-	3
Machinery, Equipment and Vehicles	2,782	36	120	2,938
Less: Accumulated Depreciation	(4,752)	(28)	(236)	(5,016)
Total Capital Assets	1,906	99	412	2,417
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to OPEB	57	-	-	57
Deferred Outflows Related to Pensions	286	-	-	286
Total Deferred Outflows of Resources	343	-	-	343
LIABILITIES				
Current liabilities:				
Accounts Payable	495	-	-	495
Compensated Absences Payable	38	-	-	38
Other Postemployment Benefits Current	18	-	-	18
Estimated Claims Payable	-	274	1,981	2,255
Total current liabilities	551	274	1,981	2,806
Noncurrent liabilities:				
Compensated Absences Payable	152	-	-	152
Other Postemployment Benefits	433	-	-	433
Net Pension Liability	1,709	-	-	1,709
Estimated Claims Payable	-	274	1,981	2,255
Total Noncurrent Liabilities	2,294	274	1,981	4,549
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to OPEB	57	-	-	57
Deferred Inflows Related to Pensions	15	-	-	15
Total Deferred Inflows of Resources	72	-	-	72
NET POSITION				
Net Investment in Capital Assets	1,848	99	412	2,359
Unrestricted	(1,116)	20	2,604	1,508
Total Net Position	\$ 732	\$ 119	\$ 3,016	\$ 3,867

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2020
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Operating Revenues:				
Charges for Services	\$ 7,941	\$ 9,855	\$ 2,620	\$ 20,416
Miscellaneous Revenues	203	1	-	204
Total Operating Revenues	<u>8,144</u>	<u>9,856</u>	<u>2,620</u>	<u>20,620</u>
Operating Expenses:				
Personal Services	3,290	-	15	3,305
Contracted Services	335	1,698	8	2,041
Supplies and Materials	110	73	5	188
Repairs and Maintenance	2,497	-	189	2,686
Other Services and Charges	1,447	1	230	1,678
Depreciation	554	5	103	662
Claims/Premium Expense	120	7,607	2,806	10,533
Total Operating Expenses	<u>8,353</u>	<u>9,384</u>	<u>3,356</u>	<u>21,093</u>
Operating Income (Loss)	<u>(209)</u>	<u>472</u>	<u>(736)</u>	<u>(473)</u>
Nonoperating Revenues and Expenses:				
Investment Income	16	-	130	146
Insurance Recoveries	-	-	606	606
Gain or (Loss) from Sale of Capital Assets	5	-	-	5
Total Nonoperating Revenues and Expenses	<u>21</u>	<u>-</u>	<u>736</u>	<u>757</u>
Change in Net Position	(188)	472	-	284
Total Net Position - Beginning	920	(353)	3,016	3,583
Total Net Position - Ending	<u>\$ 732</u>	<u>\$ 119</u>	<u>\$ 3,016</u>	<u>\$ 3,867</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2020
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 8,319	\$ 9,889	\$ 2,369	\$ 20,577
Payments to Suppliers	(4,584)	(9,191)	(2,699)	(16,474)
Payments to Employees	(3,198)	-	(15)	(3,213)
Net Cash Provided (Used) by Operating Activities	<u>537</u>	<u>698</u>	<u>(345)</u>	<u>890</u>
Cash Flows from Noncapital Financing Activities				
Transfers in	-	-	-	-
Transfers (out)	-	(146)	-	(146)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(146)</u>	<u>-</u>	<u>(146)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(760)	-	(237)	(997)
Capital Contributions	-	-	-	-
Proceeds from Sales of Capital Assets	5	-	-	5
Proceeds from Insurance Recoveries	-	-	606	606
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(755)</u>	<u>-</u>	<u>369</u>	<u>(386)</u>
Cash Flows from Investing Activities				
Investment Income	16	-	130	146
Net Cash Provided (Used) by Investing Activities	<u>16</u>	<u>-</u>	<u>130</u>	<u>146</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(202)	552	154	504
Cash and Cash Equivalents at Beginning of Year	1,185	-	5,930	7,115
Cash and Cash Equivalents at End of Year	<u>\$ 983</u>	<u>\$ 552</u>	<u>\$ 6,084</u>	<u>\$ 7,619</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (209)	\$ 472	\$ (736)	\$ (473)
Depreciation	554	5	103	662
Changes in Assets and Liabilities:				
(Increase) Decrease in Due from TWA	70	34	(251)	(147)
(Increase) Decrease in Accounts Receivable	-	(1)	-	(1)
(Increase) Decrease in Inventories	(22)	-	-	(22)
(Increase) Decrease in Due From Other Governments	105	-	-	105
(Increase) Decrease in Deferred Outflows OPEB	(41)	-	-	(41)
(Increase) Decrease in Deferred Outflows Pensions	(73)	-	-	(73)
Increase (Decrease) in Accounts Payable	(53)	-	-	(53)
Increase (Decrease) in Accrued Liabilities	-	-	-	-
Increase (Decrease) in Claims Payable	-	188	539	727
Increase (Decrease) in OPEB Liability	67	-	-	67
Increase (Decrease) in Compensated Absences	22	-	-	22
Increase (Decrease) in Net Pension Liability	139	-	-	139
Increase (Decrease) in Deferred Inflows OPEB	(10)	-	-	(10)
Increase (Decrease) in Deferred Inflows Pensions	(12)	-	-	(12)
Total Adjustments	<u>746</u>	<u>226</u>	<u>391</u>	<u>1,363</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 537</u>	<u>\$ 698</u>	<u>\$ (345)</u>	<u>\$ 890</u>

City of Kissimmee, Florida
Statistical Section
September 30, 2020

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

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs

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

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**Schedule 1
City of Kissimmee, Florida**

**NET POSITION BY COMPONENT
(accrual basis of accounting)
(dollar amounts are expressed in thousands)**

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment										
in capital assets	\$ 127,332	\$ 130,537	\$ 137,945	\$ 148,239	\$ 163,458	\$ 159,525	\$ 171,862	\$ 160,750	\$ 168,706	\$ 178,154
Restricted	16,573	17,963	14,019	12,220	16,865	20,474	21,469	26,878	32,621	33,231
Unrestricted	12,589	16,872	19,796	25,233	(5,079)	(3,698)	(2,528)	(4,692)	125	(3,503)
Total governmental activities net position	<u>\$ 156,494</u>	<u>\$ 165,372</u>	<u>\$ 171,760</u>	<u>\$ 185,692</u>	<u>\$ 175,244</u>	<u>\$ 176,301</u>	<u>\$ 190,803</u>	<u>\$ 182,936</u>	<u>\$ 201,452</u>	<u>\$ 207,882</u>
Business-type activities										
Net investment										
in capital assets	\$ 31,091	\$ 34,488	\$ 37,374	\$ 41,655	\$ 42,959	\$ 42,126	\$ 43,725	\$ 49,095	\$ 49,355	\$ 49,204
Restricted	101	1,383	388	12	488	24	-	36	73	69
Unrestricted	4,896	2,842	3,549	4,509	1,858	2,996	1,879	1,874	3,277	4,273
Total business-type activities net position	<u>\$ 36,088</u>	<u>\$ 38,713</u>	<u>\$ 41,311</u>	<u>\$ 46,176</u>	<u>\$ 45,305</u>	<u>\$ 45,146</u>	<u>\$ 45,604</u>	<u>\$ 51,005</u>	<u>\$ 52,705</u>	<u>\$ 53,546</u>
Primary government										
Net investment										
in capital assets	\$ 158,423	\$ 165,025	\$ 175,319	\$ 189,894	\$ 206,417	\$ 201,651	\$ 215,587	\$ 209,845	\$ 218,061	\$ 227,358
Restricted	16,674	19,346	14,407	12,232	17,353	20,498	21,469	26,914	32,694	33,300
Unrestricted	17,485	19,714	23,345	29,742	(3,221)	(702)	(649)	(2,818)	3,402	770
Total primary government net position	<u>\$ 192,582</u>	<u>\$ 204,085</u>	<u>\$ 213,071</u>	<u>\$ 231,868</u>	<u>\$ 220,549</u>	<u>\$ 221,447</u>	<u>\$ 236,407</u>	<u>\$ 233,941</u>	<u>\$ 254,157</u>	<u>\$ 261,428</u>

Schedule 2
City of Kissimmee, Florida

CHANGES IN NET POSITION
(accrual basis of accounting)
(dollar amounts are expressed in thousands)

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 29,095	\$ 29,314	\$ 32,203	\$ 34,892	\$ 32,649	\$ 38,386	\$ 37,622	\$ 38,402	\$ 41,436	\$ 48,354
Public safety	30,980	30,865	31,600	32,134	33,644	36,631	40,187	39,039	42,946	45,599
Physical environment	-	-	-	-	-	-	-	-	-	-
Transportation	6,966	5,883	6,559	7,738	8,437	18,435	6,651	10,834	13,908	8,049
Economic environment	1,939	845	1,526	1,053	962	389	1,103	1,944	1,302	997
Culture/Recreation	4,778	5,924	5,430	5,499	4,255	8,360	7,534	7,659	3,940	8,110
Interest on long-term debt	1,307	1,520	1,332	1,352	1,499	3,028	2,620	2,791	2,854	2,644
Total governmental activities expenses	\$ 75,065	\$ 74,351	\$ 78,650	\$ 82,668	\$ 81,446	\$ 105,229	\$ 95,717	\$ 100,669	\$ 106,386	\$ 113,753
Business-type activities:										
Stormwater	\$ 3,085	\$ 3,312	\$ 3,409	\$ 3,546	\$ 3,725	\$ 4,029	\$ 3,998	\$ 4,633	\$ 4,941	\$ 4,885
Airport	1,060	1,181	1,248	1,231	1,425	2,160	2,497	1,564	1,707	1,640
Solid waste	3,856	3,855	3,773	4,107	4,288	4,436	4,497	4,559	5,131	5,335
Total business-type activities expenses	\$ 8,001	\$ 8,348	\$ 8,430	\$ 8,884	\$ 9,438	\$ 10,625	\$ 10,992	\$ 10,756	\$ 11,779	\$ 11,860
Total primary government net expenses	\$ 83,066	\$ 82,699	\$ 87,080	\$ 91,552	\$ 90,884	\$ 115,854	\$ 106,709	\$ 111,425	\$ 118,165	\$ 125,613
Program revenues										
Governmental activities:										
Charges for services - general government	\$ 16,193	\$ 18,328	\$ 18,661	\$ 21,352	\$ 21,837	\$ 21,855	\$ 22,162	\$ 22,737	\$ 25,376	\$ 26,837
Charges for services - public safety	7,587	8,349	10,255	8,136	6,567	8,373	8,574	10,223	11,071	9,077
Charges for services - all others	2,431	2,998	1,956	2,030	2,454	2,064	1,981	2,094	1,928	824
Operating grants and contributions	1,016	445	1,039	894	594	951	1,374	1,296	2,900	1,236
Capital grants and contributions	4,790	2,210	1,988	7,455	7,040	11,361	5,322	10,921	7,545	5,815
Total governmental activities program revenues	\$ 32,017	\$ 32,330	\$ 33,899	\$ 39,867	\$ 38,492	\$ 44,604	\$ 39,413	\$ 47,271	\$ 48,820	\$ 43,789
Business-type activities:										
Charges for services - stormwater	\$ 3,701	\$ 3,886	\$ 4,399	\$ 4,432	\$ 4,659	\$ 4,732	\$ 5,105	\$ 5,188	\$ 5,561	\$ 5,786
Charges for services - airport	856	878	824	925	844	856	868	932	875	828
Charges for services - solid waste	3,928	4,324	4,608	4,822	4,773	4,772	5,066	5,010	5,362	5,844
Operating grants and contributions	-	-	-	-	-	-	-	-	-	157
Capital grants and contributions	289	3,152	1,749	3,890	934	1,007	651	2,615	2,022	580
Total business-type activities program revenues	\$ 8,774	\$ 12,240	\$ 11,580	\$ 14,069	\$ 11,210	\$ 11,367	\$ 11,690	\$ 13,745	\$ 13,820	\$ 13,195
Total primary government program revenues	\$ 40,791	\$ 44,570	\$ 45,479	\$ 53,936	\$ 49,702	\$ 55,971	\$ 51,103	\$ 61,016	\$ 62,640	\$ 56,984
Net (expense) / revenue										
Governmental activities	\$ (43,048)	\$ (42,021)	\$ (44,751)	\$ (42,801)	\$ (42,954)	\$ (60,625)	\$ (56,304)	\$ (53,398)	\$ (57,566)	\$ (69,964)
Business-type activities	773	3,892	3,150	5,185	1,772	742	698	2,989	2,041	1,335
Total primary government net expense	\$ (42,275)	\$ (38,129)	\$ (41,601)	\$ (37,616)	\$ (41,182)	\$ (59,883)	\$ (55,606)	\$ (50,409)	\$ (55,525)	\$ (68,629)

Continued next page

**Schedule 2
City of Kissimmee, Florida**

**CHANGES IN NET POSITION
(accrual basis of accounting)
(dollar amounts are expressed in thousands)**

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General revenues and other changes in net position										
Governmental activities:										
Property tax	\$ 12,175	\$ 11,146	\$ 11,085	\$ 11,456	\$ 11,756	\$ 11,620	\$ 12,275	\$ 13,228	\$ 14,608	\$ 16,382
Sales tax	8,832	9,135	9,601	10,420	11,106	11,885	12,412	5,318	5,434	4,567
Public service tax	5,755	6,480	6,389	6,572	6,556	6,703	6,892	6,979	7,024	7,141
Gas tax	2,284	2,397	2,634	2,581	2,582	2,773	2,657	2,811	2,831	2,525
Local option discretionary tax	-	-	-	-	-	-	-	7,986	8,144	7,048
State revenue sharing	1,597	1,672	1,838	2,517	2,564	2,339	2,579	2,735	2,914	2,654
Other Locally Assessed Utility Tax	-	-	-	-	-	-	-	-	1,650	1,664
Other taxes	2,069	2,262	2,389	2,032	2,257	2,738	2,872	3,109	1,914	2,397
Franchise fees (1)	142	133	141	140	159	165	154	179	184	177
Unrestricted intergovernmental revenues	13,264	14,370	15,000	19,616	21,069	23,911	23,371	25,531	25,546	25,641
Investment income (loss)	90	920	178	138	233	418	688	881	2,448	1,816
Miscellaneous revenues	1,420	951	1,116	765	1,095	1,385	1,092	1,201	2,557	1,708
Gain on sale of capital assets	-	157	202	171	-	-	168	26	127	2,062
Transfers in (out)	340	1,276	566	325	651	780	1,212	669	701	612
Total governmental activities	\$ 47,968	\$ 50,899	\$ 51,139	\$ 56,733	\$ 60,028	\$ 64,717	\$ 66,372	\$ 70,653	\$ 76,082	\$ 76,394
Business-type activities:										
Investment income (loss)	\$ 8	\$ 9	\$ 14	\$ 5	\$ 17	\$ 24	\$ 29	\$ 45	\$ 143	\$ 105
Miscellaneous revenues	-	-	-	-	-	-	-	37	48	7
Gain on sale of capital assets	-	-	-	-	-	48	27	52	169	6
Transfers in (out)	(340)	(1,276)	(566)	(325)	(651)	(780)	(1,212)	(669)	(701)	(612)
Total business-type activities	\$ (332)	\$ (1,267)	\$ (552)	\$ (320)	\$ (634)	\$ (708)	\$ (1,156)	\$ (535)	\$ (341)	\$ (494)
Total primary government	\$ 47,636	\$ 49,632	\$ 50,587	\$ 56,413	\$ 59,394	\$ 64,009	\$ 65,216	\$ 70,118	\$ 75,741	\$ 75,900
Change in net position										
Governmental activities	\$ 4,920	\$ 8,878	\$ 6,388	\$ 13,932	\$ 17,074	\$ 4,092	\$ 10,068	\$ 17,255	\$ 18,516	\$ 6,430
Business-type activities	441	2,625	2,598	4,865	1,138	34	(458)	2,454	1,700	841
	\$ 5,361	\$ 11,503	\$ 8,986	\$ 18,797	\$ 18,212	\$ 4,126	\$ 9,610	\$ 19,709	\$ 20,216	\$ 7,271

- (1) Franchise fees reported in charges for services in 2007 and 2008; however, clarification determined classification proper as general revenues in 2009;
- (2) During the fiscal year ended September 30, 2015, GASB Statement No. 68 was implemented resulting in adjustments to beginning net position. Periods prior to that fiscal year were not adjusted for these changes.
- (3) During the fiscal year ended September 30, 2014, a restatement of net position for governmental activities was reported due to changes in accounting principles and prior period adjustments. Periods prior to September 30, 2014 were not adjusted for these changes.
- (4) During the fiscal year ended September 30, 2018, GASB Statement No. 75 was implemented resulting in adjustments to beginning net position. Periods prior to that fiscal year were not adjusted for these changes.

Schedule 3
City of Kissimmee, Florida

FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)
(dollar amounts are expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund										
Nonspendable	\$ 167	\$ 373	\$ 378	\$ 199	\$ 199	\$ 330	\$ 339	\$ 334	\$ 361	\$ 318
Restricted	894	685	599	1,355	1,347	1,287	930	634	667	479
Assigned	961	927	1,614	1,695	990	2,188	1,814	1,971	736	3,768
Unassigned	16,307	18,755	19,724	21,729	23,023	23,449	25,435	28,350	31,723	30,432
Total general fund	\$ 18,329	\$ 20,740	\$ 22,315	\$ 24,978	\$ 25,559	\$ 27,254	\$ 28,518	\$ 31,289	\$ 33,487	\$ 34,997
All other governmental funds										
Nonspendable	\$ 678	\$ 703	\$ 739	\$ 762	\$ 802	\$ 839	\$ 883	\$ 1,033	\$ 995	\$ 1,059
Restricted	25,421	21,696	15,199	15,863	20,123	52,800	48,117	45,341	40,641	31,640
Assigned	1,354	42	42	42	86	103	59	59	59	59
Unassigned	(3,712)	(1,435)	(1,435)	(527)	(1,005)	(1,397)	(816)	(400)	(981)	(1,460)
Total all other governmental funds	\$ 23,741	\$ 21,006	\$ 14,545	\$ 16,140	\$ 20,006	\$ 52,345	\$ 48,243	\$ 46,033	\$ 40,714	\$ 31,298
Total fund balances all governmental funds	\$ 42,070	\$ 41,746	\$ 36,860	\$ 41,118	\$ 45,565	\$ 79,599	\$ 76,761	\$ 77,322	\$ 74,201	\$ 66,295

Schedule 4
City of Kissimmee, Florida

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)
(dollar amounts are expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 25,621	\$ 25,586	\$ 25,967	\$ 27,032	\$ 26,866	\$ 28,398	\$ 29,524	\$ 31,276	\$ 32,873	\$ 33,367
Permits, fees and special assessments	4,523	5,047	4,218	2,276	3,702	3,452	5,252	5,674	5,167	3,213
Intergovernmental revenues	31,885	28,214	30,014	39,955	41,566	41,969	42,524	45,836	48,997	47,542
Charges for services	5,820	6,482	8,288	8,397	7,930	8,689	8,483	9,881	10,090	8,871
Fines and forfeitures	808	865	910	1,561	572	455	697	387	923	403
Investment income (loss)	76	909	157	137	211	390	643	823	2,277	1,669
Miscellaneous revenues	1,363	1,167	540	592	722	766	743	810	1,901	999
Total revenues	\$ 70,096	\$ 68,270	\$ 70,094	\$ 79,950	\$ 81,569	\$ 84,119	\$ 87,866	\$ 94,687	\$ 102,228	\$ 96,064
Expenditures										
General government	\$ 16,765	\$ 15,346	\$ 16,136	\$ 18,438	\$ 16,524	\$ 22,951	\$ 23,576	\$ 21,181	\$ 24,413	\$ 26,866
Public safety	29,637	29,552	33,003	31,708	33,638	33,906	37,393	39,453	43,991	44,549
Transportation	9,353	7,056	8,113	16,184	13,239	10,803	10,017	10,691	11,972	9,923
Economic environment	1,735	641	1,322	1,067	757	429	899	1,943	1,302	997
Culture/Recreation	5,592	6,729	11,500	6,686	7,048	7,546	7,231	6,956	7,543	7,127
Debt service:										
Principal retirement	2,562	2,722	3,661	3,906	3,853	3,832	4,163	4,144	4,088	4,226
Interest and fiscal charges	1,307	1,520	1,332	1,352	1,498	2,246	2,764	2,939	2,991	2,782
Professional fees	106	-	-	-	-	438	17	13	24	23
Capital Outlay	6,210	6,461	2,615	6,784	1,450	6,504	10,778	14,058	15,391	10,444
Total expenditures	\$ 73,267	\$ 70,027	\$ 77,682	\$ 86,125	\$ 78,007	\$ 88,655	\$ 96,838	\$ 101,378	\$ 111,715	\$ 106,937
Excess of revenues over (under) expenditures	\$ (3,171)	\$ (1,757)	\$ (7,588)	\$ (6,175)	\$ 3,562	\$ (4,536)	\$ (8,972)	\$ (6,691)	\$ (9,487)	\$ (10,873)
Other financing sources (uses)										
Transfers in	\$ 30,961	\$ 9,862	\$ 9,381	\$ 7,218	\$ 12,419	\$ 51,835	\$ 11,351	\$ 10,224	\$ 10,909	\$ 10,796
Transfers (out)	(30,621)	(8,586)	(8,772)	(6,893)	(11,751)	(50,716)	(10,112)	(9,537)	(10,162)	(10,184)
Proceeds from sale of capital assets	-	157	202	508	110	147	165	126	219	2,355
Issuance of notes payable	28,215	-	-	9,600	3,875	42,930	4,730	6,220	5,400	-
Issuance of capital lease	-	-	1,891	-	-	-	-	219	-	-
Issuance Premium	-	-	-	-	-	4,838	-	-	-	-
Payment to bond escrow agent	(16,100)	-	-	-	(3,768)	(10,464)	-	-	-	-
Total other financing sources (uses)	\$ 12,455	\$ 1,433	\$ 2,702	\$ 10,433	\$ 885	\$ 38,570	\$ 6,134	\$ 7,252	\$ 6,366	\$ 2,967
Net change in fund balances	\$ 9,284	\$ (324)	\$ (4,886)	\$ 4,258	\$ 4,447	\$ 34,034	\$ (2,838)	\$ 561	\$ (3,121)	\$ (7,906)
Debt service as a percentage of non-capital expenditures	6.6%	7.5%	8.4%	7.1%	8.3%	9.0%	9.4%	9.2%	8.9%	8.1%

**Schedule 5
City of Kissimmee, Florida**

**ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(dollar amounts are expressed in thousands)**

Fiscal Year	Assessed Values			Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real Property	Personal Property	Total					
2011	\$ 3,018,690	\$ 231,486	\$ 3,250,176	\$ 848,389	\$ 2,401,787	4.6253	\$ 2,401,787	135.323%
2012	2,805,770	223,301	3,029,071	833,278	2,195,793	4.6253	2,195,793	137.949%
2013	2,776,988	469,255	3,246,243	1,071,233	2,175,010	4.6253	2,175,010	149.252%
2014	2,894,416	423,367	3,317,783	1,051,534	2,266,249	4.6253	2,266,249	146.400%
2015	3,046,246	430,402	3,476,648	1,057,067	2,419,581	4.6253	2,419,581	143.688%
2016	3,221,933	432,684	3,654,617	1,051,050	2,603,567	4.6253	2,603,567	140.370%
2017	3,672,184	565,323	4,237,507	1,261,016	2,976,491	4.6253	2,976,491	142.366%
2018	4,096,454	545,629	4,642,083	1,355,470	3,286,613	4.6253	3,286,613	141.242%
2019	4,576,175	657,682	5,233,857	1,555,998	3,677,859	4.6253	3,677,859	142.307%
2020	4,942,470	668,059	5,610,529	1,622,804	3,987,725	4.6253	3,987,725	140.695%

Source: Osceola County Property Appraiser's Office.

Note: Property is reassessed each year by the Osceola County Property Appraiser. Property is assessed at actual value, therefore the assessed values are equal to the actual values. Tax rates are per \$1,000 of assessed valuation.

**Schedule 6
City of Kissimmee, Florida**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(per \$1,000 of Assessed Taxable Value)**

Fiscal Year	City of Kissimmee Florida	Osceola County				Okeechobee and Everglades Basins	South Florida Water Mgmt. Dist.	Total
		Government	Library	School Board				
2011	4.625	6.700	0.257	7.600	0.369	0.255	19.806	
2012	4.625	6.700	0.257	7.577	0.369	0.255	19.783	
2013	4.625	6.700	0.257	7.454	0.253	0.176	19.465	
2014	4.625	6.700	0.257	7.375	0.243	0.169	19.369	
2015	4.625	6.700	0.257	7.261	0.227	0.158	19.228	
2016	4.625	6.700	0.257	6.905	0.195	0.136	18.818	
2017	4.625	6.700	0.257	6.905	0.195	0.136	18.818	
2018	4.625	6.700	0.300	6.411	0.173	0.129	18.338	
2019	4.625	6.700	0.300	6.240	0.164	0.115	18.144	
2020	4.625	6.700	0.300	6.026	0.157	0.110	17.918	

Source: Osceola County Tax Collector's Office.

**Schedule 7
City of Kissimmee, Florida**

**PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(dollar amounts are expressed in thousands)**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Current Levy
2011	\$ 11,109	\$ 9,684	87.2%	\$ 963	\$ 10,647	95.8%
2012	10,156	9,642	94.9%	72	9,714	95.6%
2013	10,060	9,357	93.0%	394	9,751	96.9%
2014	10,496	9,629	91.7%	516	10,145	96.7%
2015	11,191	10,470	93.6%	419	10,889	97.3%
2016	12,048	11,191	92.9%	429	11,620	96.4%
2017	12,732	11,937	93.8%	338	12,275	96.4%
2018	13,720	12,617	92.0%	611	13,228	96.4%
2019	15,143	14,140	93.4%	467	14,607	96.5%
2020	16,999	15,780	92.8%	604	16,384	96.4%

Source: Osceola County Tax Collector's Office.

**Schedule 8
City of Kissimmee, Florida**

**PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(dollar amounts are expressed in thousands)**

Property Description	Use	Taxpayer	Fiscal Year 2019 / 2020 (a)			Fiscal Year 2010 / 2011 (b)		
			Taxable Value	Percent of Total Taxable Value	Rank	Taxable Value	Percent of Total Taxable Value	Rank
Local hospital	Medical care	Osceola Regional Hospital, Inc.	\$ 101,725	24.09%	1	\$ 86,109	30.71%	1
Apartment complex	Rentals	Bedrock Holdings II Florida	52,346	12.40%	2	-	-	-
Apartment complex	Rentals	Lake Tivoli LLC	50,595	11.98%	3	-	-	-
Apartment complex	Rentals	FL Arrow Ridge LLC	41,913	9.93%	4	-	-	-
Apartment complex	Rentals	Continental 330 Fund LLC	38,820	9.19%	5	-	-	-
Retail store	Merchandising	Loop West LLC	31,944	7.56%	6	31,510	11.23%	2
Apartment complex	Rentals	Alliance HTFL Ltd Partnership	30,838	7.30%	7	15,302	5.46%	8
Apartment complex	Rentals	Goldelm at Valencia LLC	27,768	6.58%	8	-	-	-
Apartment complex	Rentals	Vineland Investment Partners	25,532	6.05%	9	-	-	-
Apartment complex	Rentals	Polos South United	20,813	4.92%	10	-	-	-
Condominiums	Timeshare sales	Oak Plantation Realty Partners	-	-	-	30,720	10.95%	3
Condominiums	Rentals	G&I Vineyards LLC	-	-	-	28,232	10.07%	4
Retail store	Merchandising	Wal-Mart Stores, Inc.	-	-	-	26,785	9.55%	5
Retail store	Communications	Embarq / Sprint Florida	-	-	-	16,127	5.75%	6
Apartment complex	Rentals	Dalcor Reef Club Apartments	-	-	-	15,343	5.47%	7
Apartment complex	Rentals	MPG Osceola Ltd	-	-	-	15,239	5.43%	9
Apartment complex	Rentals	Fountainhead Phase I, Inc.	-	-	-	15,096	5.38%	10
Totals			<u>\$ 422,294</u>	<u>100.00%</u>		<u>\$ 280,463</u>	<u>100.00%</u>	

(a) The fiscal year ended September 30, 2020 tax levy is based on the 2019 taxable value.

(b) The fiscal year ended September 30, 2011 tax levy is based on the 2010 taxable value.

Source: Osceola County Property Appraiser's Office.

Schedule 9
City of Kissimmee, Florida

RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(dollar amounts of debt are expressed in thousands)

Fiscal Year	Governmental Activities					Business-type Activities		Total Primary Government	City of Kissimmee Personal Income	Percentage of Personal Income	Per Capita
	Tax Revenue Bonds	Sales Tax Revenue Notes	Commerical Notes	Covenant Revenue Notes	Capital Leases	Capital Leases					
2011	\$ 343	\$ 25,635	\$ -	\$ 22,974	\$ 135	\$ 730	\$ 49,817	\$ 1,253,989	4.0%	0.83	
2012	315	24,565	-	21,778	62	587	47,307	1,727,192	2.7%	0.76	
2013	287	22,935	-	20,378	1,707	441	45,748	1,799,661	2.5%	0.72	
2014	256	30,835	-	18,928	1,338	292	51,649	1,874,438	2.8%	0.80	
2015	224	28,780	-	17,882	963	141	47,990	1,958,685	2.5%	0.72	
2016	47,508	26,630	-	6,945	582	-	81,665	2,032,013	3.8%	1.14	
2017	46,161	24,390	4,730	6,595	195	-	82,071	2,092,934	3.5%	1.04	
2018	44,778	22,065	10,950	6,235	177	-	84,205	2,141,987	3.9%	1.18	
2019	43,358	19,655	16,350	5,855	138	-	85,356	2,232,608	3.6%	1.09	
2020	41,902	17,170	16,350	5,455	92	-	80,969	2,221,354	3.6%	1.11	

Sources: Population and personal income data from University of Florida, Bureau of Economics and Business Research published August 2014. Annual increases for CPI of 3%.

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

Debt limitation: There are no legal debt limits for Florida municipalities.

Schedule 10
City of Kissimmee, Florida

DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
September 30, 2020
(dollar amounts are expressed in thousands)

<u>Taxing District</u>	<u>Net Debt Outstanding</u>	<u>Estimated Overlapping (1)</u>	<u>City's Share of Debt</u>
Osceola County School District			
State School Bonds:			
Series 2011ARFD	\$ 455	11.8%	\$ 54
Series 2014A	947	11.8%	112
Series 2017ARFD	742	11.8%	88
Series 2020	215	11.8%	25
District Revenue Bonds:			
Sales Tax Revenue Bonds, Series 2015	20,051	11.8%	2,366
Sales Tax Revenue Bonds, Series 2017	11,380	11.8%	1,343
Capital Sales Tax Revenue Bonds, Series 2017	76,680	11.8%	9,048
Certificates of Participation:			
Series 2013A	27,700	11.8%	3,269
Series 2014A	3,605	11.8%	425
Series 2015A	4,855	11.8%	573
Series 2017A	49,770	11.8%	5,873
Series 2020A	6,340	11.8%	748
Qualified School Construction Bonds:			
Series 2010A	40,500	11.8%	4,779
Education Benefit Districts:			
Bellalago Benefit District	8,254	11.8%	974
Total Osceola County School District	<u>251,494</u>	11.8%	<u>29,676</u>
Osceola County			
Limited General Obligation Debt, Series 2006	6,165	12.7%	783
Environmental Land, Series 2010	11,185	12.7%	1,420
Total Osceola County	<u>17,350</u>	12.7%	<u>2,203</u>
Total Overlapping Debt	<u>\$ 268,844</u>		<u>\$ 31,880</u>
Total Direct Governmental Activities Debt	\$ 80,969	100.0%	80,969
Total Direct and Overlapping Debt	<u>\$ 349,813</u>		<u>\$ 112,849</u>

Sources: Osceola County Finance Department.
City of Kissimmee Finance Department.
Osceola County School Board Finance Department.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Kissimmee, Florida. This process recognizes that when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) Allocated on the basis of assessed values used for the purpose of ad valorem taxation.

**Schedule 11
City of Kissimmee, Florida**

**PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(dollar amounts are expressed in thousands)**

<u>Excise Tax Revenue Bonds</u>						<u>Sales Tax Revenue Bonds</u>				
<u>Fiscal Year</u>	<u>Excise Tax Revenues</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>	<u>Sales Tax Revenues</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>			<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>	
2011	\$ 200	\$ 26	\$ 18	4.55	\$ 4,385	\$ 1,305	\$ 575	2.66		
2012	195	27	17	4.43	5,408	1,070	676	3.10		
2013	166	29	16	3.69	4,759	1,630	676	2.06		
2014	211	31	14	4.69	6,211	1,700	742	2.54		
2015	176	32	13	3.91	6,642	2,055	859	2.28		
2016	301	34	12	4.37	7,102	2,150	803	2.41		
2017	292	36	10	6.35	7,408	2,240	743	2.48		
2018	271	37	8	6.02	6,715	2,325	728	2.20		
2019	266	39	6	5.91	8,144	2,410	671	2.64		
2020	270	25	4	8.18	7,048	2,485	596	1.91		

(1) Pledged revenues are half-cent sales tax, public service taxes, and communication services taxes; however, debt service paid from local option sales tax, CRA fund, Mobility Fund, and gas taxes.

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

Source: City of Kissimmee Finance Department.

Continued on next page

Tax Revenue Bonds (1)

Debt Service Requirements

Fiscal Year	Revenues (1)	Principal	Interest	Coverage
2011	\$ -	\$ -	\$ -	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	11,487	450	1,199	6.97
2017	11,897	1,150	1,813	4.02
2018	12,297	1,185	1,779	4.15
2019	12,458	1,220	1,739	4.21
2020	11,708	1,270	1,691	3.95

**Schedule 12
City of Kissimmee, Florida**

**DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years**

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	School Enrollment (3)	Unemployment Rate (4)
2011	60,375	\$ 20,770	\$ 1,253,989	54,167	10.3%
2012	62,322	27,714	1,727,192	55,922	8.4%
2013	63,662	28,269	1,799,661	57,639	6.6%
2014	64,365	29,122	1,874,438	58,851	5.3%
2015	66,592	29,413	1,958,685	64,689	5.5%
2016	68,401	29,707	2,032,013	62,648	4.8%
2017	69,962	29,915	2,092,934	65,179	3.6%
2018	72,163	30,125	2,141,987	67,796	3.2%
2019	74,800	30,336	2,232,608	69,114	3.2%
2020	75,644	30,548	2,221,354	69,713	6.9%

Sources:

- (1) U.S. Census of Population and Housing. University of Florida, Bureau of Economic and Business Research, "Florida Statistical Abstract".
- (2) U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System. The actual per capita personal income is for Osceola County. The per capita figures are multiplied by the population to determine the total personal income.
- (3) Osceola County School Board. (Enrollment is determined in February of each year at the conclusion of the full-time equivalent survey period)
http://www.osceolaschools.net/departments/businessfiscalservices/budget/f_t_e_enrollment/
- (4) Florida Agency for Workforce Innovation, Labor Market Statistics, Local Area Unemployment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. Orlando-Kissimmee (Lake, Orange, Osceola & Seminole)
<http://www.labormarketinfo.com/library/laus/MSAs/LFSoct2.xls>

**Schedule 13
City of Kissimmee, Florida**

**PRINCIPAL EMPLOYERS ¹
Current Year and Nine Years Ago**

Employer	Business	Fiscal Year 2019 / 2020 (1)			Fiscal Year 2010 / 2011		
		Employees	Percent of Total City Employment	Rank	Employees	Percent of Total City Employment	Rank
Osceola County School District	Education	8,832	11.68%	1	6,425	10.64%	1
Walt Disney Company	Entertainment	3,700	4.89%	2	3,700	6.13%	2
Orange Lake Resorts	Resort	2,600	3.44%	3	-		
Osceola Regional Medical Center	Retail	1,900	2.51%	4	1,357	2.25%	6
Adventist Health System	Healthcare	1,658	2.19%	5	-		
Gaylord Palms Resort	Resort	1,624	2.15%	6	1,445	2.39%	5
Westgate Vacation Villas	Resort	1,500	1.98%	7	-		
Osceola County Government	Government	1,399	1.85%	8	1,604	2.66%	4
Valencia Community College	Education	1,213	1.60%	9	-		
Wilson Resort Management	Resort	1,200	1.59%	10	-		
Walmart Stores	Retail	-			2,730	4.52%	3
Publix Supermarkets	Retail	-			1,350	2.24%	7
Florida Hospital Celebration	Healthcare	-			1,300	2.15%	8
McLane/Suneast	Distribution	-	-		900	1.49%	9
City of Kissimmee	Government	-			646	1.07%	10
Total		<u>25,626</u>			<u>21,457</u>		

Sources: (1) Osceola County Office of Economic Development

**Schedule 14
City of Kissimmee, Florida**

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM
Last Ten Fiscal Years**

	Full-time Equivalent Employees as of September 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>General government</u>										
Central Services	31	28	34	35	35	32	35	35	40	42
City Attorney	3	3	3	4	5	5	5	5	5	5
City Commission	5	5	5	5	5	5	5	5	5	5
City Manager	12	14	14	14	14	13	13	13	13	14
Finance	10	12	12	12	13	12	13	13	13	13
Personnel	8	8	8	8	8	12	10	10	9	10
<u>Public safety</u>										
Fire	102	105	105	105	105	106	112	112	113	111
Police	198	198	199	201	204	208	208	210	227	230
Law Enforcement Grant	3	3	3	3	3	3	3	3	3	3
School Crossing Guard	21	11	11	11	11	11	-	-	-	-
<u>Physical environment</u>										
Public Works	39	37	38	40	40	40	39	40	41	45
Sanitation	26	24	26	26	26	26	27	27	27	28
Stormwater	29	30	30	34	33	34	34	36	36	37
<u>Transportation</u>										
Airport	8	7	8	8	8	8	8	8	8	8
Local Option Gas Tax	10	10	12	10	10	12	12	12	12	12
<u>Economic Environment</u>										
Development Services	23	21	23	23	24	31	33	33	33	40
Community Development Blk Grant	2	2	2	2	2	2	2	2	2	2
<u>Culture / Recreation</u>										
Parks & Recreation	66	80	78	80	82	85	69	67	68	68
Civic Center	13	-	-	-	-	-	-	-	-	-
Total	609	598	611	621	628	645	628	631	655	673

Source: City of Kissimmee Office of Management and Budget.
Budgeted full-time equivalents.

Public Safety: Police - 20 auxillary officers (unpaid positions) have been excluded.

**Schedule 15
City of Kissimmee, Florida**

**OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Building Inspections</u>										
Building permits issued	2,855	3,335	2,964	4,099	4,206	4,371	5,894	7,855	5,374	5,564
<u>Law Enforcement</u>										
Physical arrests	2,484	2,379	2,221	2,498	1,964	1,848	2,022	2,160	2,262	1,870
Traffic and parking violations	13,680	15,092	14,499	11,613	11,390	9,603	11,225	7,449	7,083	4,536
<u>Fire</u>										
Emergency responses	10,285	10,746	11,273	11,875	12,191	12,879	13,394	13,322	13,817	12,131
Fire incidents	264	261	257	244	226	274	334	273	231	269
Emergency medical services incidents	8,709	8,979	9,553	9,863	10,194	10,547	10,988	10,562	11,113	9,699
Fire safety inspections	914	878	740	995	888	968	1,326	1,345	1,193	680
Fire plan reviews	760	780	760	871	1,065	1,041	1,002	889	853	719
<u>Other Public Works</u>										
Street resurfacing (tons of asphalt)	1,369	681	3,013	3,582	5,134	-	1,524	3,067	1,524	2,589
Other street repairs (tons of asphalt) 1	96	50,138	40,104	193	109	175	107	96	119	558

Note: Indicators are not currently available for the general government and culture/recreation functions.

Source: Various City Departments.

(1) In FY 2012 and 2013, microsurfacing utilized sq. yd measurement replacing tons of asphalt measurement.

In FY 2016, there was no street resurfacing done by the City. All resurfacing was done by the Florida Department of Transportation.

**Schedule 16
City of Kissimmee, Florida**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Transportation</u>										
Miles of streets (lane miles)	342	342	342	342	486	352	352	356	358	407
<u>Refuse collection trucks</u>										
	17	17	17	16	16	16	17	18	18	18
<u>Other public works</u>										
Traffic signals	52	52	52	52	52	52	52	52	50	51
Highways (miles)	17	17	17	17	15	8	8	8	8	8
<u>Public Safety</u>										
Fire stations	4	4	4	4	4	4	4	4	4	4
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units:										
Marked vehicles	120	126	126	131	118	120	127	140	147	147
Motorcycles	4	6	6	6	3	3	3	3	7	7
<u>Parks and Recreation</u>										
Park acreage	833	835	832	832	832	832	885	885	885	885
Number of regional parks	2	2	2	2	2	2	2	2	2	2
Number of large urban parks	1	1	1	1	1	1	1	1	1	1
Number of community parks	3	3	7	7	7	7	7	7	7	7
Number of neighborhood parks	11	12	8	8	8	8	8	8	8	8
Number of special use parks	5	5	5	5	5	5	5	5	5	6

Source: Various City Departments.

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 Members of the City Commission
City of Kissimmee
Kissimmee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kissimmee, Florida (the City) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 29, 2021.

Internal Control Over Financial Reporting

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

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

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

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The Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



March 29, 2021
Ocala, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

The Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the City of Kissimmee, Florida's (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement*, and the requirements described in the Department of Financial Services, State Projects *Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2020. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards and state projects applicable to its federal programs and state projects.

Auditor's Responsibility

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

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

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The Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2020.

Report on Internal Control Over Compliance

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

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

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

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



March 29, 2021
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Federal Grantor / Pass-Through Grantor / Program Title / Project Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS				
<u>U.S. Department of Agriculture:</u>				
Emergency Watershed Protection Program	10.923	NR184209XXXXC041	\$ 292,223	\$ -
Total U.S. Department of Agriculture			292,223	-
<u>U.S. Department of Housing and Urban Development:</u>				
CDBG – Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-12-0051	292,737	120,743
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-12-0051	14,139	5,803
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-12-0051	136,966	57,539
Total Community Development Block Grants/Entitlement Grants			443,843	184,085
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-11-MN-12-0012	97,743	-
Home Investment Partnerships Program			36,561	-
Home Investment Partnerships Program	14.239		28,405	-
Home Investment Partnerships Program	14.239		18,410	-
Home Investment Partnerships Program	14.239		83,376	-
Total Home Investment Partnerships Program			624,962	184,085
Total U.S. Department of Housing and Urban Development			624,962	184,085
<u>U.S. Department of Justice:</u>				
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1628	101,318	-
<i>Passed through the Florida Office of the Attorney General</i> Crime Victim Assistance	16.575	VOCA-2019-City of Kissimmee Police -00063	34,398	-
Bulletproof Vest Partnership Program	16.607	None	12,450	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0842	34,356	-
Total U.S. Department of Justice			182,522	-
<u>U.S. Department of Transportation:</u>				
Airport Improvement Program	20.106	3-12-0038-036-2019	30,851	-
Airport Improvement Program	20.106	3-12-0038-037-2020	1,500	-
COVID-19 - Airport Improvement Program	20.106	3-12-0038-038-2020	157,000	-
Total Airport Improvement Program			189,351	-
Highway Planning and Construction Cluster				
<i>Passed through the Florida Department of Transportation</i>				
Highway Planning and Construction	20.205	FPN: 439069-1-58-01 / G1K91	101,914	-
Highway Planning and Construction	20.205	FPN: 430225-9-58-01 / G1112	975,189	-
Highway Planning and Construction	20.205	FPN: 434916-1-48-01 / G0140	190,540	-
Highway Planning and Construction	20.205	FPN: 430225-1-38-90 / AQQ79	408,131	-
Highway Planning and Construction	20.205	FPN: 439084-1-38-01 / G1084	607	-
Total Highway Planning and Construction			1,676,382	-
<i>Passed through the Florida Department of Environmental Protection</i>				
Recreational Trails Program	20.219	T15019	200,000	-
Recreational Trails Program	20.219	T18009	81,932	-
Total Recreational Trails Program			281,932	-
Total U.S. Department of Transportation			2,147,664	-
<u>U.S. Department of the Treasury:</u>				
<i>Passed through the Florida Housing Finance Corporation</i>				
COVID-19 - Coronavirus Relief Fund	21.019	121-2020	75,959	-
Total U.S. Department of the Treasury			75,959	-
<u>U.S. Department of Health & Human Services:</u>				
COVID-19 - Provider Relief Fund	93.498	None	40,646	-
Total U.S. Department of Health & Human Services			40,646	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 3,363,976	\$ 184,085

Continued

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

State Grantor / Pass-Through Grantor / Program Title / Project Title	State CSFA Number	Pass-Through Entity Identifying Number	Total State Expenditures	Passed Through to Subrecipients
STATE FINANCIAL ASSISTANCE				
<u>Florida Department of Environmental Protection:</u>				
Florida Recreation Development Assistance Program	37.017	A21125	\$ 50,000	\$ -
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP49010	172,111	-
Total Florida Department of Environmental Protection			222,111	-
<u>Florida Housing Finance Corporation:</u>				
State Housing Initiatives Partnership Program (SHIP)	40.901		93,412	-
State Housing Initiatives Partnership Program (SHIP)	40.901		122,509	-
State Housing Initiatives Partnership Program (SHIP)	40.901		66,021	-
State Housing Initiatives Partnership Program (SHIP)	40.901		7,681	-
State Housing Initiatives Partnership Program (SHIP)	40.901		2,035	-
State Housing Initiatives Partnership Program (SHIP)	40.901		59,240	-
State Housing Initiatives Partnership Program (SHIP)	40.901		3,494	-
Total Florida Housing Finance Corporation			354,391	-
<u>Florida Department of Transportation:</u>				
Aviation Grant Programs	55.004	FPN: 446255-1-94-01 / G1D49	3,166	-
Aviation Grant Programs	55.004	FPN: 438441-1-94-01 / GOJ80	15,064	-
Florida Shared-Use Nonmotorized (SUN) Trail Network Program	55.038	FPN: 439879-1-54-01 / G0N67	33,415	-
Total Florida Department of Transportation			51,644	-
<u>Florida Department of Law Enforcement:</u>				
Assistance with Investigative Operations	71.010	2020-SFA-ESST-49-M5-011	11,427	-
Total Florida Department of Law Enforcement			11,427	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 639,573	\$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			\$ 4,003,549	\$ 184,085

NOTE 1 Basis of Presentation

The Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of the City of Kissimmee, Florida, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the 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. Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

NOTE 2 Indirect Cost Rate

The City of Kissimmee has elected not to use the de minimis indirect cost rate allowed under the OMB Uniform Guidance.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2020**

1. Summary of Audit Results

I. Type of Audit Report Issued on Financial Statements:

Unmodified Opinion

II. Internal Control Over Financial Reporting:

Audit disclosed no significant deficiencies or material weaknesses in internal control.

III. Non-Compliance Material to Audited Financial Statements:

Audit disclosed no material instances of non-compliance.

IV. Significant Deficiencies and/or Material Weaknesses in Internal Control over Major Federal Award Programs:

Audit disclosed no material instances and/or significant deficiencies of non-compliance.

V. Type of Audit Report Issued on Compliance with Requirements Applicable to Major Federal Awards Programs:

Unmodified Opinion

VI. Major Federal Programs:

- U.S. Department of Transportation
 - Florida Department of Transportation
 - ▶ Highway Planning and Construction Cluster – CFDA 20.205

VII. Dollar Threshold Used to Distinguish Between Type A and Type B Federal Programs

\$750,000 for Federal Programs

VIII. Auditee Qualification as Low-Risk Auditee

The auditee does qualify as a low-risk auditee per the criteria set forth in Section .530 of the Uniform Guidance.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2020**

2. **Findings Related to the Financial Statements Required to be Reported under Generally Accepted Government Auditing Standards (GAGAS)**

Noted no current year recommendations.

3. **Findings and Questioned Costs for Major Federal Programs**

Noted no current year recommendations.

4. **Prior Audit Findings**

Noted that all prior year recommendations have been addressed.

MANAGEMENT LETTER

The Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Kissimmee, Florida (the City) as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 29, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 29, 2021, should be considered in conjunction with this Management Letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. See 2019-1 and 2018-1.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City was established in 1907 and incorporated in 1937, under the legal authority of the Laws of Florida 18623. The Kissimmee Community Redevelopment Agency is considered a blended component unit and was established pursuant to Chapter 163 of the Florida Statutes. The three pension plans are not considered component units since they are not legally separate entities.

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The Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

MANAGEMENT LETTER

Financial Condition and Management

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

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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. Please see the attached Management Letter Comments.

Additional Matters

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

Purpose of this Letter

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

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



March 29, 2021
Ocala, Florida

MANAGEMENT LETTER COMMENTS

Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

During the course of our audit, the following items came to our attention. We offer this comment and recommendation to improve the financial management of the City of Kissimmee, Florida (the City):

Prior Year Comment and Recommendations Remaining

2019-1 Financial Reporting - Period End Closing Routine (Updated)

Our 2019 Auditor's Reports included a Management Letter Comment outlining our recommendations to improve the City's year-end financial reporting, which was delayed beyond the normal time line and required numerous post year-end adjusting entries and clean up due to areas not being fully reconciled during the year related primarily to capital assets and grant reporting.

In 2020 these conditions continued, which we attribute to the recent losses of several key accounting personnel, rapid City-wide growth with many special projects, only partial use of a documented period end closing routine, and suboptimal communication with other departments having decentralized accounting functions, especially grant related.

Communication with other departments, having decentralized accounting functions for grants is very important to ensure finance and accounting is being updated on all such grant activity, costs, and billing to ensure complete and accurate SEFA reporting.

During the 20-21 fiscal year, the City plans to implement a new accounting Enterprise Resource Planning (ERP) system, which will require a significant effort to accomplish. To be successful in this important project, make progress on the conditions described above, and maintain an appropriate segregation of duties, the City will need to fill 1 - 2 key positions that have been lost in the past several years with experienced accounting degreed individuals.

Accordingly, to accomplish these goals and maintain a desirable level of stewardship and accountability of the public resources, we recommend that the City continue its efforts to rebuild the base level of skilled accounting experience in the department that has been lost in recent years.

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Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

MANAGEMENT LETTER COMMENTS

2018-1 Central Services and Airport Rates

During our 2018 audit, we noted both cash reserves for central services and the airport have decreased significantly after being relatively consistent over the prior years. The cause of the cash depletion appears to be different in each fund; for the airport fund, it is matching grant proceeds, and for central services fund, it is likely using older rates that have not been updated recently. Each fund needs to have adequate reserves for operation and/or matching.

Update: It was observed that the City completed a rate study and hired a new fleet director for central services. In addition the Airport Director was able to assist in reduction of the airport losses during the year.

Therefore, we further recommend the City continue to monitor the progress of both funds to ensure each fund's financial health and stability moving forward.



March 29, 2021
Ocala, Florida

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

The Honorable Mayor and Members of the City Commission
City of Kissimmee
Kissimmee, Florida

We have examined the City of Kissimmee, Florida's (the City) compliance with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2020, as required by Section 10.556 (10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance 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 of the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies and pass-through entities, the Mayor and City Commission Members, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



March 29, 2021
Ocala, Florida

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FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

March 29, 2021

City of Kissimmee
City Commission
101 Church Street
Kissimmee, Florida 34741-5054

Re: Response to Auditor's Management Letter Comments

Dear Ladies and Gentlemen:

The following is the response to the independent auditor's management letter for the Auditor Comments:

Prior Year Comment and Recommendations

2018-1 Central Services and Airport Rates

Management's Response

The City completed a study performed by a consulting firm that is an expert in the field of fleet operations. This consultant reviewed the City's controls, rates, costs and processes for billing. The new Fleet Manager is currently evaluating the recommendations in the consultant's final report and will begin making the necessary changes to ensure the financial sustainability of the fleet operation.

During the past year, the new Airport Director began reviewing the rent structure associated with all leased properties at the Airport and made several changes that resulted in increased revenues for the Airport. This type of analysis will continue in FY 2021.

2019-1 Financial Reporting – Period End Closing Routine (Updated)

Management's Response

As the City finalizes the transition to its new financial accounting software suite in the next year, monthly closings and timely reporting will become a requirement via the new software platform. In addition, the annual audit task list that had been used in years past will be updated to reflect all year end activities to ensure that none of the annual closing processes are overlooked. In the coming year, the Grant Review Committee will be reinstated to ensure that all parties to the grant process have a mechanism to effectively communicate information relative to not only the application process but also the reporting and reimbursement processes. Now that the current year audit and software implementation processes are drawing to a close, efforts will be redirected to replacing the two vital positions in the Finance Department that have been open for a number of months.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Amy S. Ady".

Amy S. Ady
Finance Director

Cc: Purvis Gray & Company
Auditor General, State of Florida



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