

ANNUAL COMPREHENSIVE FINANCIAL REPORT



CITY OF KISSIMMEE, FLORIDA
FISCAL YEAR ENDING
SEPTEMBER 30, 2022

CITY OF KISSIMMEE, FLORIDA
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

Year Ended September 30, 2022



Prepared by Department of Finance

CITY OF KISSIMMEE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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The City of Kissimmee, Florida
City Officials
As of September 30, 2022

Elected Officials

Mayor/Commissioner.....	Olga Gonzalez
Commissioner/Vice Mayor.....	Olga Castano
Commissioner/Mayor Pro Tem.....	Angela Eady
Commissioner.....	Carlos Alvarez III
Commissioner.....	Janette Martinez

Financial Related Management

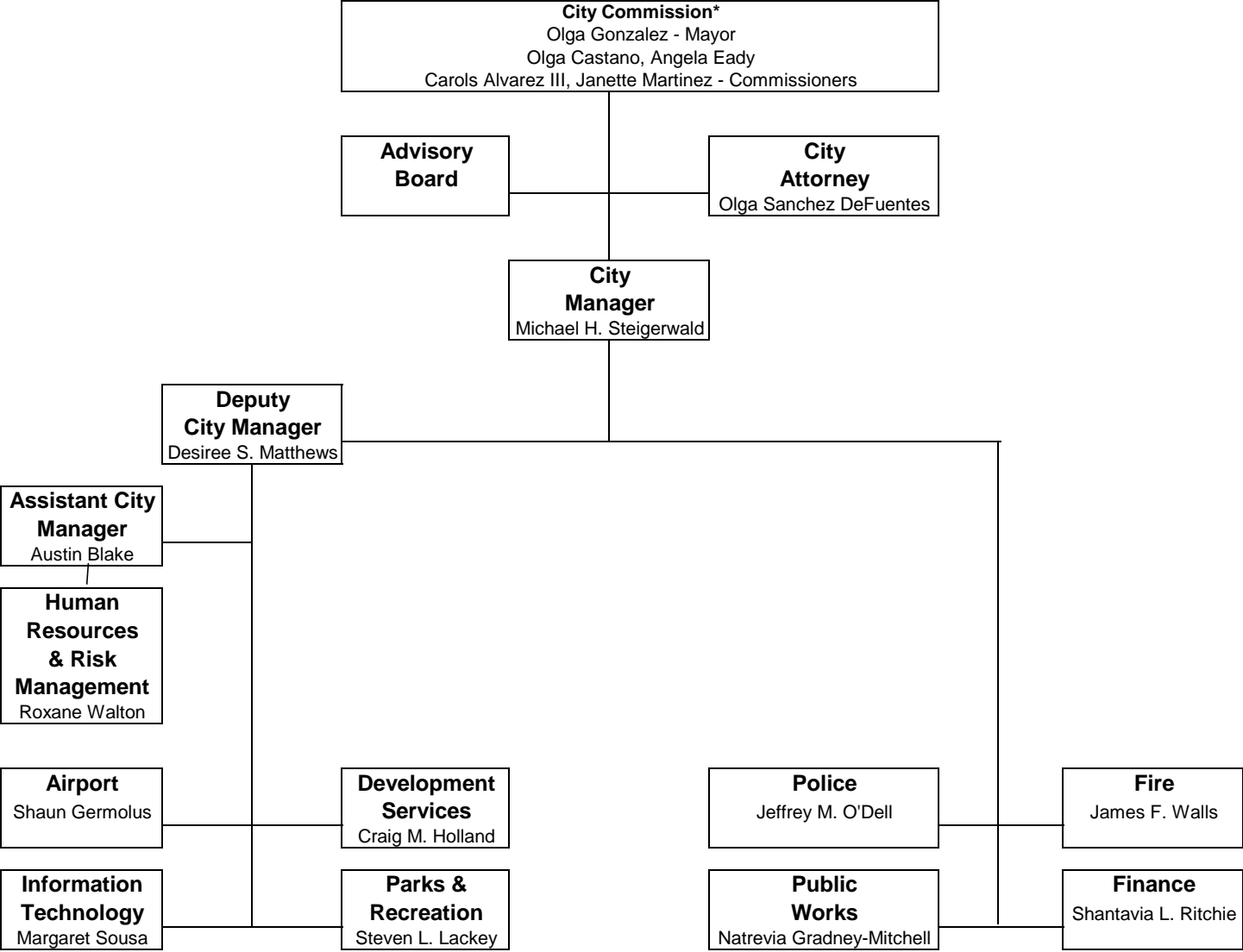
City Manager.....	Michael H. Steigerwald
Deputy City Manager.....	Desiree S. Matthews
Finance Director.....	Shantavia L. Ritchie
Assistant Finance Director.....	Sandra N. Pereira

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.....	Steven L. Lackey
Human Resources & Risk Management Director.....	Roxane Walton
Police Chief.....	Jeffrey M. O'Dell
Public Works & Engineering Director.....	Natrevia Gradney-Mitchell

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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO



FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

May 23, 2023

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 annual comprehensive financial report of the City of Kissimmee, Florida for the fiscal year ended September 30, 2022.

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, 2022, 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, 2022, 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.



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 22.2 square miles within the corporate limits of the City. The 2020 U.S. Census reported 79,226 people living within the City. The current State population estimate for the City is 82,108.

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 Annual Comprehensive 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 rapidly expanding airport and its position as the County seat.

The City’s Medical District has seen over \$150 million invested by HCA FL – Osceola Hospital and over \$120 million by Advent Health – Kissimmee. Over \$200 Million has been invested by Osceola County and local groups towards infrastructure at the NeoCity project site 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 currently contains The Center for NeoVation, a 90,000 square foot semiconductor facility, a 100,000 square foot Class A office facility and NeoCity Academy, a STEM focused public magnet high school engaged in project-based learning recognized as one of the top high schools in the country. 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 2022-2023 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 2023-2027 capital improvement plan totaled \$82,300,293.

MAJOR INITIATIVES

The City continues 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 2022, the City completed the Mill Slough Restoration project along with over \$10 million in Housing and Social Services Assistance. The implementation of a new permitting ERP was also completed. In addition to the myriad of capital projects that the City worked on during FY 2022, a tremendous amount of effort was focused on continuing 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.

REVELANT 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. Lastly, the City most recently implemented GASB 87 – Leases which requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.



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 annual comprehensive financial report for the fiscal year ended September 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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.



Mike Steigerwald
City Manager



Tavia Ritchie, CPA, CGFO
Finance Director



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter

As described in Note 14 to the financial statements, in 2022, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

INDEPENDENT AUDITOR'S REPORT

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual non-major fund financial statements, internal service funds financial statements, related budgetary comparison schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The 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 financial statements, internal services funds financial statements, related budgetary comparison schedules, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2023, 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.



May 23, 2023
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2022
 (In Thousands)

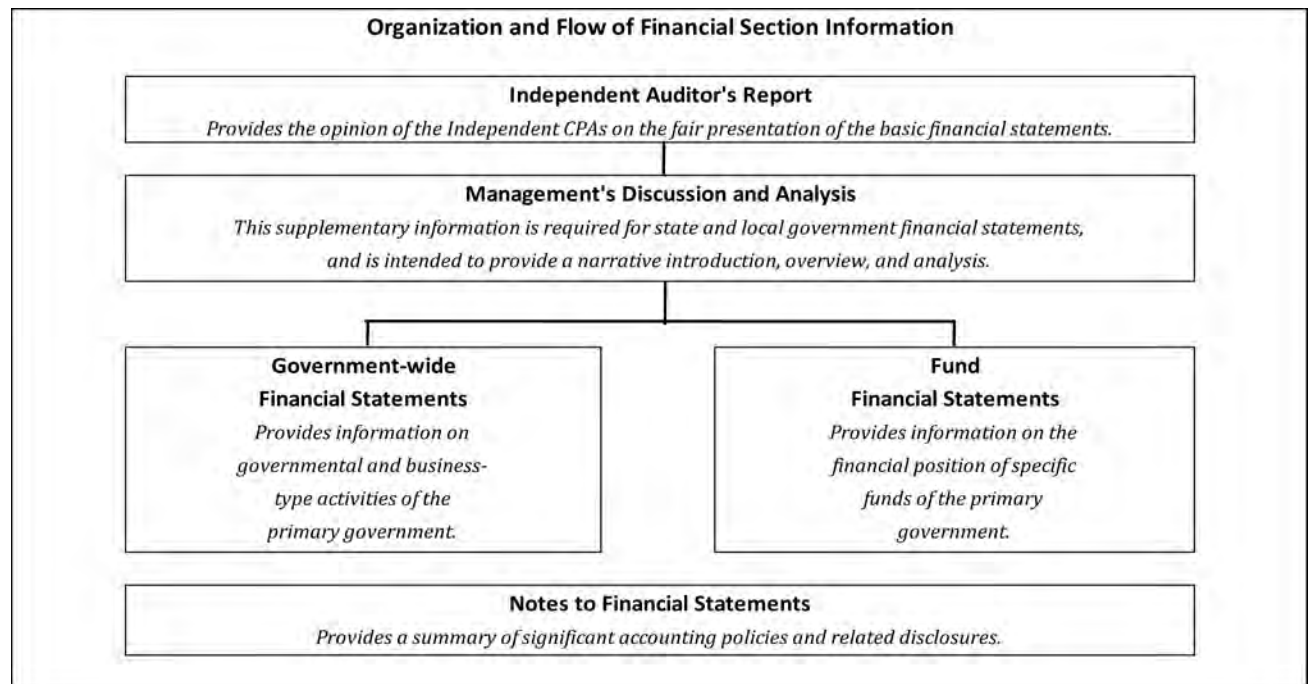
The City of Kissimmee, Florida's (the "City") Management's Discussion and Analysis (the "MD&A") presents an overview of the City's financial activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the letter of transmittal in the introductory section, and the City's 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 2022 by \$300,801 (net position).
- The City's net position increased by \$19,464 from current year activities, of which governmental activities contributed \$15,555 of this increase.
- The fund balance for governmental funds increased by \$30,084 from the prior year. The majority of this increase resulted from increased revenues for the use of the City's services as operations opened back up after the pandemic shutdowns.

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 2022. 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 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 individual special revenue funds in the fund financial statements. The City's component units (the Community Redevelopment Agencies) are nonmajor special revenue funds of the City.

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, 2022
(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 and Local Option Sales Tax, 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, most 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 stormwater, sanitation, 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 Sanitation 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 and Local Option Sales Tax; 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 the combining statements referred to earlier in connection with nonmajor governmental funds. Combining statements for 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, 2022
(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 \$300,801 at the close of the fiscal year ended September 30, 2022. At the end of fiscal year 2022, the City is able to report positive balances in all categories of net position for its business-type activities, and its governmental activities.

The largest portion of the City's net position of \$239,962 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 \$51,673 for construction projects, public safety programs, supplementary care, and other purposes. The remaining balance is unrestricted net position of \$6,443.

City of Kissimmee, Florida
Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 144,331	\$ 106,574	\$ 9,245	\$ 7,460	\$ 153,576	\$ 114,034
Capital Assets (Net)	264,555	263,993	53,812	51,688	318,367	315,681
Total Assets	408,886	370,567	63,057	59,148	471,943	429,715
Deferred Outflows	36,522	11,807	2,493	494	39,015	12,301
Current and Other Liabilities	25,085	18,274	1,163	1,611	26,248	19,885
Long-term Liabilities	175,331	114,722	5,867	1,804	181,198	116,526
Total Liabilities	200,416	132,996	7,030	3,415	207,446	136,411
Deferred Inflows	2,546	22,487	165	1,781	2,711	24,268
Net Position:						
Net Investment in						
Capital Assets	186,416	184,731	53,546	51,601	239,962	236,332
Restricted	54,396	40,052	-	-	54,396	40,052
Unrestricted	1,634	2,108	4,809	2,845	6,443	4,953
Total Net Position	\$ 242,446	\$ 226,891	\$ 58,355	\$ 54,446	\$ 300,801	\$ 281,337

There was a net increase of \$19,464 in the City's net position over fiscal year 2021. There was a net increase of \$15,555 in net position reported in connection with the City's governmental activities and a \$3,909 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 \$2,686 from the prior year due to several large park improvements, transportation projects and right to use leases. The City implemented GASB Statement No. 87, *Leases*, in the current year which resulted in the reporting of right to use intangible assets for leases. Long term liabilities increased by \$64,672 from the prior year, including an increase of \$60,609 in connection with governmental activities for a significant increase in the net pension liability.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022
(In Thousands)

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

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues:						
Charges for Services	\$ 45,467	\$ 38,564	\$ 13,502	\$ 12,754	\$ 58,969	\$ 51,318
Operating Grants and Contributions	5,646	2,400	312	254	5,958	2,654
Capital Grants and Contributions	4,589	9,125	2,879	1,007	7,468	10,132
General Revenues:						
Property Taxes	19,326	17,739	-	-	19,326	17,739
Other Taxes	31,993	29,371	-	-	31,993	29,371
Other	36,216	33,252	1,581	46	37,797	33,298
Total Revenues	143,237	130,451	18,274	14,061	161,511	144,512
EXPENSES						
General Government	50,392	46,066	-	-	50,392	46,066
Public Safety	50,259	44,709	-	-	50,259	44,709
Transportation	14,312	9,079	-	-	14,312	9,079
Economic Environment	1,228	1,468	-	-	1,228	1,468
Culture/Recreation	9,211	8,183	-	-	9,211	8,183
Interest on Long-term Debt	2,944	2,495	-	-	2,944	2,495
Stormwater	-	-	5,258	5,363	5,258	5,363
Airport	-	-	2,423	1,751	2,423	1,751
Sanitation	-	-	6,020	5,489	6,020	5,489
Total Expenses	128,346	112,000	13,701	12,603	142,047	124,603
Excess Before Transfers	14,891	18,451	4,573	1,458	19,464	19,909
Transfers	664	558	(664)	(558)	-	-
Change in Net Position	15,555	19,009	3,909	900	19,464	19,909
Net Position - Beginning	226,891	207,882	54,446	53,546	281,337	261,428
Net Position - Ending	\$ 242,446	\$ 226,891	\$ 58,355	\$ 54,446	\$ 300,801	\$ 281,337

Governmental activities

Governmental activities accounted for an increase of \$15,555 from the prior year net position. Charges for services increased by \$6,903 from increased use of City services by citizens and businesses after the COVID-19 shutdowns of many City facilities. Capital grants and contributions decreased by \$(4,536) due to slow down in transportation grant projects in the current year. Other taxes increased by \$2,622 from the prior year as spending within the State increased to pre-pandemic levels.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022
(In Thousands)

Total governmental activities expenses increased by \$16,346 from the prior year. The majority of this increase resulted from the effects of change in net pension liability.

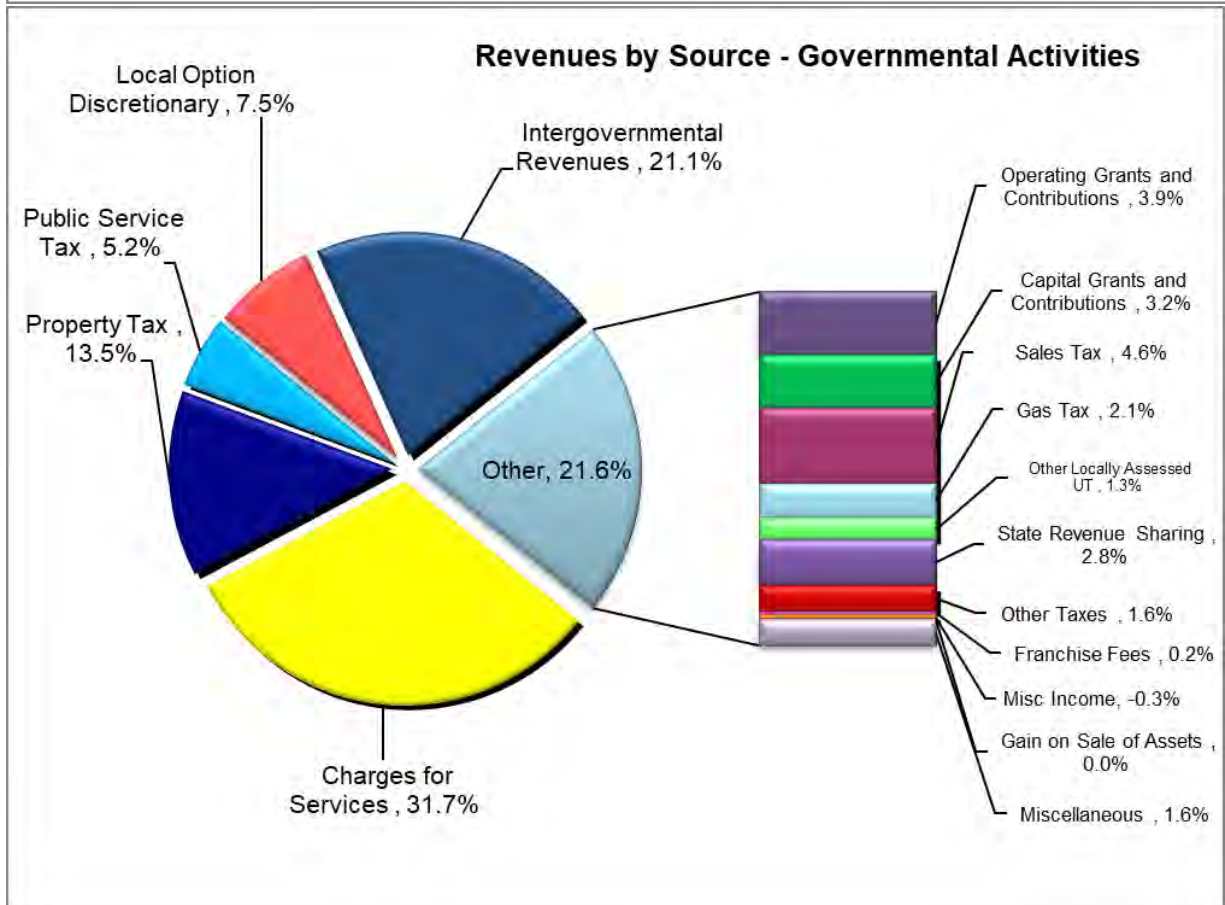
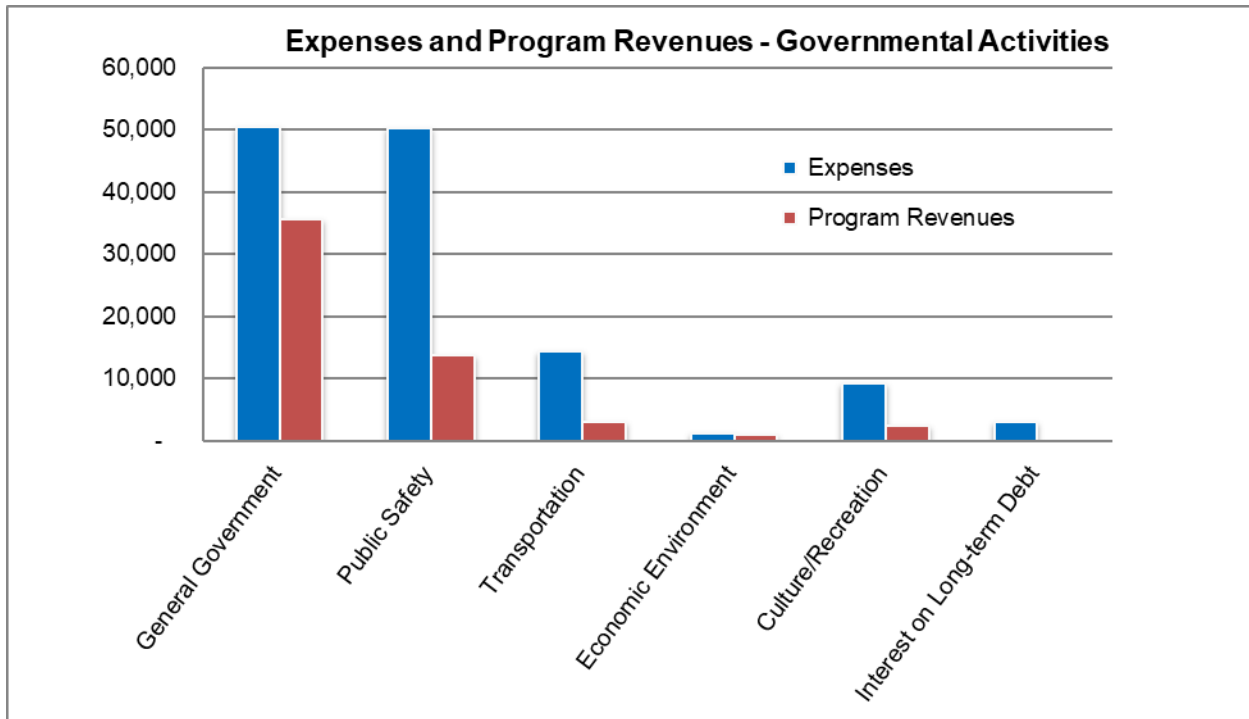
The following tables and graphs show the results of governmental activities for fiscal year ended 2022.

Expenses and Program Revenues – Governmental Activities
(In Thousands)

Functions/Programs	Expenses				Net Cost of Services		
	2022	% of Total	2021	% Change	2022	2021	% Change
General Government	\$ 50,392	39 %	\$ 46,066	9 %	\$ (14,829)	\$ (16,811)	(12) %
Public Safety	50,259	39 %	44,709	12 %	(36,553)	(35,506)	3 %
Transportation	14,312	11 %	9,079	58 %	(11,300)	(3,660)	209 %
Economic Environment	1,228	1 %	1,468	(16) %	(215)	137	(257) %
Culture/Recreation	9,211	7 %	8,183	13 %	(6,803)	(3,576)	90 %
Interest on Long-term Debt	2,944	2 %	2,495	18 %	(2,944)	(2,495)	18 %
	<u>\$ 128,346</u>	<u>100 %</u>	<u>\$ 112,000</u>		<u>\$ (72,644)</u>	<u>\$ (61,911)</u>	

Revenue by Source – Governmental Activities
(In Thousands)

Description	2022	% of Total	2021	% Change
Program Revenues				
Charges for services	\$ 45,467	31 %	\$ 38,564	18 %
Operating grants and contributions	5,646	4 %	2,400	135 %
Capital grants and contributions	4,589	3 %	9,125	(50) %
General Revenues				
Property tax	19,326	13 %	17,739	9 %
Sales tax	6,618	5 %	5,460	21 %
Public service tax	7,459	5 %	7,233	3 %
Gas tax	2,968	2 %	2,767	7 %
Local option discretionary tax	10,783	7 %	8,555	26 %
Other locally assessed utility tax	1,838	1 %	1,727	6 %
Other taxes	2,327	2 %	3,629	(36) %
State revenue sharing	3,941	3 %	3,178	24 %
Unrestricted intergovernmental revenues	30,159	21 %	27,090	11 %
Franchise fees	230	0 %	197	17 %
Investment income (loss)	(406)	- %	(71)	472 %
Gain on sale of capital assets	-	0 %	942	(100) %
Miscellaneous	2,292	2 %	1,916	20 %
Transfers	664	- %	558	19 %
	<u>\$ 143,901</u>	<u>100 %</u>	<u>\$ 131,009</u>	



CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2022
 (In Thousands)

Business-type activities

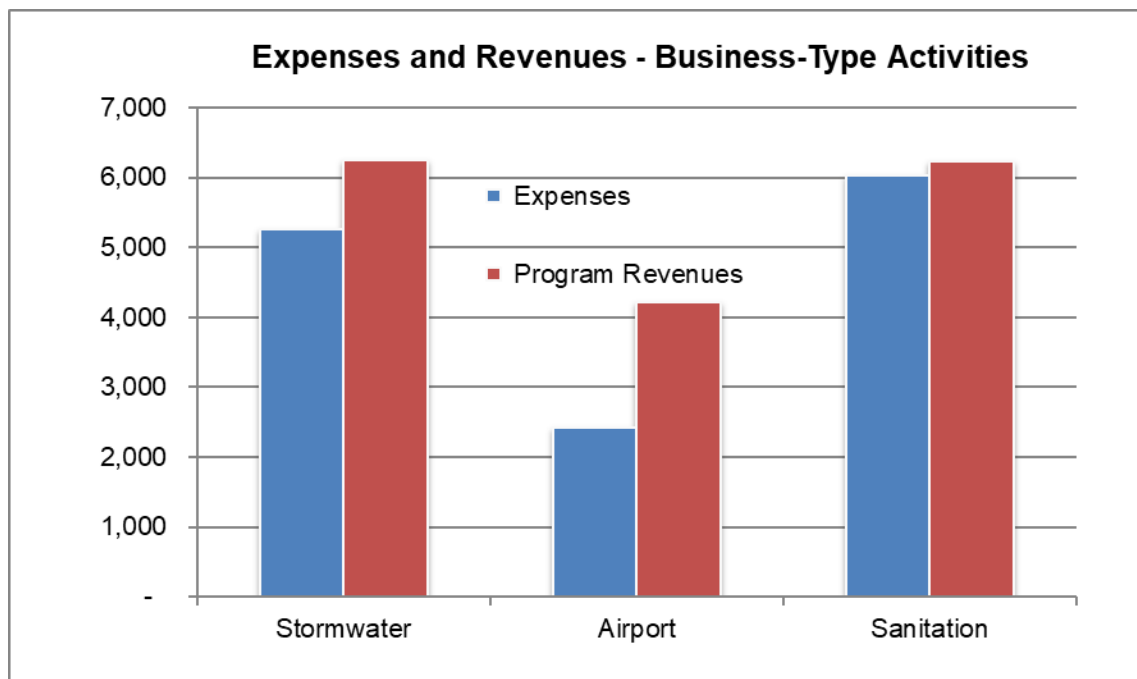
Business-type activities increased the City's net position by \$3,909, in line with the increase in the prior year. The Stormwater, Airport, and Sanitation expenses remained relatively unchanged from the prior year from operating strategies to provide cost effective services to users during the year. 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		
	2022	2021	% Change	2022	2021	% Change
Stormwater	\$ 5,258	\$ 5,363	(2) %	\$ 995	\$ 660	51 %
Airport	2,423	1,751	38 %	1,788	303	490 %
Sanitation	6,020	5,489	10 %	209	449	(53) %
	<u>\$ 13,701</u>	<u>\$ 12,603</u>		<u>\$ 2,992</u>	<u>\$ 1,412</u>	

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

	2022	% of Total	2021	% Change
Charges for services	\$ 13,502	74 %	\$ 12,754	6 %
Operating grants and contributions	312	2 %	254	100 %
Capital grants and contributions	2,879	16 %	1,007	186 %
Investment income	(19)	- %	5	(480) %
Miscellaneous	3	- %	4	(25) %
Gain on sale of capital assets	1,597	9 %	37	4,216 %
	<u>\$ 18,274</u>	<u>100 %</u>	<u>\$ 14,061</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 2022, the City's governmental funds reported combined ending fund balances of \$-, an increase of \$30,084 in comparison with the prior year. This increase was largely the result of COVID-19 relief funds that reimbursed the City for some revenue lost in the prior years during the shutdown. 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 2022 was \$43,755 compared to \$38,535 for fiscal year 2021, an increase of \$5,220 for all governmental funds. The main cause of this increase was effective budgeting for services provided primarily from general revenue sources along with receipt of COVID-19 pandemic relief.

The City has two major governmental funds - the General Fund and Local Option Sales Tax 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 2022, the spendable unrestricted fund balance (assigned for budgetary carryforward \$7,203 and unassigned fund balance \$36,588) of the General Fund totaled \$43,791 compared to \$38,515 in fiscal year 2021, an increase of \$5,276. As a measure of the General Fund's liquidity, it may be useful to compare the spendable unrestricted fund balance of \$43,791 to the total fund's expenditures of \$80,610. This represents 54.3% of total expenditures compared to 48.4% 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 \$5,519 during the current fiscal year. The General Fund overall maintained the same level of spending as the prior year. Taxes increased by \$1,726 mainly from property taxes as property values continue to increase each year. Although expenditures increased from the prior year by \$8,072, this was offset by increased intergovernmental revenues of \$7,418 in line with that increase.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2022
 (In Thousands)

Local Option Sales Tax

The Local Option Sales Tax total fund balance was increased by \$7,463. Current year tax revenues were \$2,228 greater than the prior year due to a spending increase in the City closer to pre-pandemic levels. Expenditures for capital improvement projects were \$3,421 lower than the prior year as several projects are in their pre-construction phase.

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 Sanitation Fund. Unrestricted net position in the Stormwater Fund increased by \$1,455, in the Airport Fund increased by \$1,068, and in the Sanitation Fund decreased by \$559 over the prior year. All three funds experienced minimal increases in operating revenues for continued use of services.

Stormwater Fund

The Stormwater Fund had an increase in net position of \$653. The minimal increase of \$653 shows the fund is operating effectively on current rates. Operating expenses were consistent with the prior year.

Airport Fund

The Airport Fund had an increase in net position of \$3,350. The Airport benefited from capital contributions for current improvements of \$2,878; and the minimal increase in operating expenses over the prior year was offset by a gain on sale of land.

Sanitation Fund

The Sanitation Fund had a minimal decrease in net position of \$(94) from the prior year. Operating revenues were greater than operating expenses by \$280 in the current year, confirming that the City's rates are sufficient to cover operational costs of the sanitation system.

General Fund Budgetary Highlights

The General Fund's original budget was amended to increase expenditures by \$21,325 (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.

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Change</u>
General Government	\$ 17,859	\$ 34,026	\$ 16,167
Public Safety	44,920	45,989	1,069
Transportation	5,854	7,282	1,428
Culture/Recreation	8,054	8,859	805
Non-departmental	30,880	32,736	1,856
	<u>\$ 107,567</u>	<u>\$ 128,892</u>	<u>\$ 21,325</u>

The General Fund under-spent the final budget by \$48,246 during fiscal year 2022. All departments spent less than their final budget (from reduced personnel costs and delayed capital purchases) during the year except for Public Works while trying to provide the same levels of service to the City's citizens. Public Works overspent their budget due to new lease accounting changes. The largest reduction resulted as the

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022
(In Thousands)

non-departmental budget included reserves for operating and 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	\$ 17,638	\$ 34,026	\$ 16,388
Public Safety	43,556	45,989	2,433
Transportation	9,743	7,282	(2,461)
Culture/Recreation	7,445	8,859	1,414
Non-departmental	2,228	32,736	30,508
Transfers Out	5,297	5,261	(36)
	<u>\$ 85,907</u>	<u>\$ 134,153</u>	<u>\$ 48,246</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, 2022 amounts to \$318,367 (net of accumulated depreciation). These capital assets include land, software, right to use lease assets, parking capacity, buildings, improvements other than buildings, equipment, vehicles, infrastructure, and construction in progress. The total increase in the City's capital assets for the current fiscal year was \$2,686. Governmental activities increased capital assets by \$562 and business-type activities increased by \$2,124.

Within governmental activities, the largest increases from the beginning balances were in improvements for \$2,276, construction in progress for \$2,266 and intangibles for \$4,488. These were primarily attributed to transportation projects and changes to accounting for leases. Right to use intangible assets are now recorded for the City's leases. Additionally, depreciation expense remained in line with the prior year.

The capital assets of business-type activities increased for improvements for \$3,034. Depreciation expense remained consistent with the prior year.

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

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 46,296	\$ 45,857	\$ 1,892	\$ 1,892	\$ 48,188	\$ 47,749
Intangibles	22,334	17,846	329	329	22,663	18,175
Buildings	18,617	18,525	13,679	13,666	32,296	32,191
Improvements Other than Buildings	207,154	204,878	50,181	47,147	257,335	252,025
Equipment	41,397	39,785	14,064	13,050	55,461	52,835
Construction in Progress	49,903	47,637	4,772	3,748	54,675	51,385
	<u>385,701</u>	<u>374,528</u>	<u>84,917</u>	<u>79,832</u>	<u>470,618</u>	<u>454,360</u>
Less: Accumulated Depreciation	(121,146)	(110,535)	(31,105)	(28,144)	(152,251)	(138,679)
Capital Assets, net	<u>\$ 264,555</u>	<u>\$ 263,993</u>	<u>\$ 53,812</u>	<u>\$ 51,688</u>	<u>\$ 318,367</u>	<u>\$ 315,681</u>

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

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2022
(In Thousands)

Long-term Debt

At the end of fiscal year 2022, governmental activities had total debt outstanding of \$88,740. This is an increase of \$8,997 from the prior year, due to additional leases payable and financed purchases of \$3,441. Notes from direct borrowings and direct placements and revenue bonds account for the majority of the City's overall outstanding debt. Notes from direct borrowing decreased by \$(19,450) and revenue bonds increased by \$25,006 due to refunding of the notes by a bond issuance in the current year. Additional information on the refunding can be found in the notes to the financial statements.

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

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Notes from Direct						
Borrowings and Placements	\$ 16,535	\$ 35,985	\$ -	\$ -	\$ 16,535	\$ 35,985
Revenue Bonds	65,395	40,389	-	-	65,395	40,389
Financed Purchases and Leases Payable	6,810	3,369	-	-	6,810	3,369
	<u>\$ 88,740</u>	<u>\$ 79,743</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,740</u>	<u>\$ 79,743</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, 2022 was 2.9%, which is a decrease of 1.6% from the 4.5% unemployment rate from the prior year, primarily due to lifting of local COVID-19 lockdowns.
- Population increased minimally by 210 to 79,436 compared to 79,226 in the prior fiscal year.
- The ad valorem tax rate for the General Fund stayed constant at 4.6253 for the 2023 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, 2022
(In Thousands)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 67,101	\$ 12,247	\$ 79,348
Restricted Cash and Investments	54,396	-	54,396
Receivables (net)	4,236	1,197	5,433
Due from Other Governments	9,874	543	10,417
Due from KUA	2,099	-	2,099
Internal balances	1,131	(1,131)	-
Due from TWA	1,014	10	1,024
Inventories	135	-	135
Lease Receivable	399	19	418
Prepaid Items	306	-	306
Advances	3,640	(3,640)	-
Capital Assets:			
Capital Assets not Being Depreciated	96,199	6,664	102,863
Capital Assets Being Amortized (Net)	1,056	212	1,268
Capital Assets Being Depreciated (Net)	167,300	46,936	214,236
Total Capital Assets	<u>264,555</u>	<u>53,812</u>	<u>318,367</u>
Total Assets	<u>408,886</u>	<u>63,057</u>	<u>471,943</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to OPEB	1,194	92	1,286
Deferred Outflows Related to Pensions	35,328	2,401	37,729
Total Deferred Outflows of Resources	<u>36,522</u>	<u>2,493</u>	<u>39,015</u>
LIABILITIES			
Accounts Payable	3,256	1,025	4,281
Contracts Payable	-	82	82
Accrued Liabilities	6,148	23	6,171
Due to Other Governments	1,200	-	1,200
Unearned Revenue	14,461	33	14,494
Deposits	20	-	20
Long-term Liabilities:			
Due Within One Year	9,666	36	9,702
Due in More Than One Year	165,665	5,831	171,496
Total Liabilities	<u>200,416</u>	<u>7,030</u>	<u>207,446</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to OPEB	1,671	138	1,809
Deferred Inflows Related to Pensions	479	8	487
Deferred Inflows Related to Leases	396	19	415
Total Deferred Inflows of Resources	<u>2,546</u>	<u>165</u>	<u>2,711</u>
NET POSITION			
Net Investment in Capital Assets	186,416	53,546	239,962
Restricted:			
Supplementary Care - Nonexpendable	1,209	-	1,209
Construction Projects	28,459	-	28,459
Public Safety	794	-	794
Charter School	2,948	-	2,948
Building Safety	6,742	-	6,742
Recreation Projects	2,723	-	2,723
Community Redevelopment	7,077	-	7,077
Other Purposes	4,444	-	4,444
Unrestricted	1,634	4,809	6,443
Total Net Position	<u>\$ 242,446</u>	<u>\$ 58,355</u>	<u>\$ 300,801</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, 2022
(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	\$ 50,392	\$ 30,526	\$ 5,037	\$ -	\$ (14,829)	\$ -	\$ (14,829)
Public Safety	50,259	13,321	385	-	(36,553)	-	(36,553)
Transportation	14,312	472	-	2,540	(11,300)	-	(11,300)
Economic Environment	1,228	-	198	815	(215)	-	(215)
Culture/Recreation	9,211	1,148	26	1,234	(6,803)	-	(6,803)
Interest on Long-term Debt	2,944	-	-	-	(2,944)	-	(2,944)
Total Governmental Activities	128,346	45,467	5,646	4,589	(72,644)	-	(72,644)
Business-Type Activities:							
Stormwater	5,258	6,088	164	1	-	995	995
Airport	2,423	1,185	148	2,878	-	1,788	1,788
Sanitation	6,020	6,229	-	-	-	209	209
Total Business-Type Activities	13,701	13,502	312	2,879	-	2,992	2,992
Total	\$ 142,047	\$ 58,969	\$ 5,958	\$ 7,468	(72,644)	2,992	(69,652)

General revenues:

Property Tax	19,326	-	19,326
Sales Tax	6,618	-	6,618
Public Service Tax	7,459	-	7,459
Gas Tax	2,968	-	2,968
Other Locally Assessed Utility Tax	1,838	-	1,838
Other Taxes	2,327	-	2,327
Local Option Discretionary Tax	10,783	-	10,783
State Revenue Sharing	3,941	-	3,941
Unrestricted Intergovernmental Revenues	30,159	-	30,159
Franchise Fees	230	-	230
Investment Income (Loss)	(406)	(19)	(425)
Gain on Sale of Capital Assets	-	1,597	1,597
Miscellaneous	2,292	3	2,295
Transfers	664	(664)	-
Total General Revenues and Transfers	88,199	917	89,116
Change in Net Position	15,555	3,909	19,464
Net Position - Beginning	226,891	54,446	281,337
Net Position - Ending	\$ 242,446	\$ 58,355	\$ 300,801

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

CITY OF KISSIMMEE, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2022
(In Thousands)

	General	Local Option Sales Tax	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 47,696	\$ 12,272	\$ 39,647	\$ 99,615
Restricted Cash and Investments	36	-	12,977	13,013
Accounts Receivable (net)	4,002	-	187	4,189
Special Assessments Receivable (net)	17	-	-	17
Due from KUA	2,074	-	-	2,074
Due from TWA	-	-	3	3
Due from Other Funds	1,777	-	-	1,777
Due from Other Governments	6,075	1,859	1,369	9,303
Prepaid Items	257	-	49	306
Inventories	60	-	-	60
Advance to Other Funds	-	-	3,640	3,640
Total Assets	\$ 61,994	\$ 14,131	\$ 57,872	\$ 133,997
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,276	\$ 16	\$ 1,180	\$ 2,472
Accrued Liabilities	-	-	6,148	6,148
Due to Other Funds	-	-	646	646
Due to Other Governments	1,200	-	-	1,200
Deposits Payable	20	-	-	20
Advanced Grants	13,742	-	719	14,461
Total Liabilities	16,238	16	8,693	24,947
Deferred Inflows of Resources:				
Unavailable Earned Revenues	845	-	418	1,263
Total Deferred Inflows of Resources	845	-	418	1,263
Fund Balances (Deficits):				
Nonspendable Prepaids and Inventories	317	-	49	366
Nonspendable Advances	-	-	3,640	3,640
Nonspendable Supplementary Care	-	-	1,209	1,209
Restricted for Transportation Projects	-	-	13,054	13,054
Restricted for Public Safety Projects	792	-	2	794
Restricted for Development Services	-	-	6,742	6,742
Restricted for Economic Development	-	-	7,299	7,299
Restricted for Recreation Projects	-	-	2,723	2,723
Restricted for Charter School	-	-	2,948	2,948
Restricted for Construction Projects	-	-	7,881	7,881
Restricted for Other Capital Improvements	11	14,115	3,250	17,376
Assigned for Budgetary Carryforward	7,203	-	-	7,203
Assigned for Debt Service	-	-	96	96
Unassigned (Deficits)				
General Fund	36,588	-	-	36,588
Special Revenue Funds	-	-	(132)	(132)
Total Fund Balances (Deficits)	44,911	14,115	48,761	107,787
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ 61,994	\$ 14,131	\$ 57,872	\$ 133,997

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

CITY OF KISSIMMEE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
as of September 30, 2022
(In Thousands)

Total fund balances of governmental funds	\$	107,787
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 \$377,325, the accumulated depreciation is \$98,519, and the accumulated amortization is \$16,832. The difference does not include the net capital assets of the internal service funds which are included below.		261,974
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.		5,554
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	\$ (61,523)	
Bonds premium	(3,872)	
Notes from direct borrowing and direct placements	(16,535)	
Financed purchases	(2,801)	
Leases payable	(3,995)	
Other postemployment benefits liability	(6,613)	
Compensated absences	<u>(2,453)</u>	(97,792)
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(69,207)
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	1,120	
Deferred outflows of resources related to pensions	33,774	
Deferred inflows of resources related to OPEB	(1,568)	
Deferred inflows of resources related to pensions	<u>(459)</u>	32,867
Amount for earned but unavailable revenues recognized as revenue of the current period		1,263
Total net position of governmental activities	\$	<u>242,446</u>

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

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022
(In Thousands)

	General	Local Option Sales Tax	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 26,983	\$ 10,783	\$ 2,968	\$ 40,734
Permits, Fees and Special Assessments	237	-	5,438	5,675
Intergovernmental Revenues	46,245	-	13,335	59,580
Charges for Services	10,626	169	1,421	12,216
Fines and Forfeitures	655	-	-	655
Investment Income (Loss)	(240)	68	(183)	(355)
Miscellaneous Revenues	1,106	-	534	1,640
Total Revenues	85,612	11,020	23,513	120,145
EXPENDITURES				
Current:				
General Government	19,069	289	6,448	25,806
Public Safety	43,556	224	4,572	48,352
Transportation	9,743	552	2,559	12,854
Economic Environment	-	-	1,937	1,937
Culture/Recreation	7,445	102	220	7,767
Debt Service:				
Principal Retirement	755	251	4,663	5,669
Interest and Fiscal Charges	12	62	2,641	2,715
Professional Fees	30	-	360	390
Capital Outlay	-	-	18	18
Total Expenditures	80,610	1,480	23,418	105,508
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,002	9,540	95	14,637
OTHER FINANCING SOURCES and (USES)				
Transfers In	1,381	2,323	9,689	13,393
Transfers (Out)	(5,297)	(4,400)	(3,062)	(12,759)
Issuance of Notes Payable/Refunded Notes Payable	-	-	26,730	26,730
Payment to Refunded Notes Escrow Agent	-	-	(16,350)	(16,350)
Issuance of Leases	4,433	-	-	4,433
Total Other Financing Sources and (Uses)	517	(2,077)	17,007	15,447
Net Change in Fund Balances	5,519	7,463	17,102	30,084
Fund Balances - Beginning	39,392	6,652	31,659	77,703
Fund Balances - Ending	\$ 44,911	\$ 14,115	\$ 48,761	\$ 107,787

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

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, 2022
(In Thousands)

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

Net change in fund balances - total governmental funds \$ 30,084

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 (\$11,538) and donations (\$0) exceeds depreciation (\$10,121, which excludes the amount related to internal service funds accounted for below) and amortization (\$774). 643

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 bonds	\$ (26,730)	
Proceeds from leases	(4,433)	
Principal repayments:		
Bonds	1,563	
Amortization of bond premium	161	
Notes from direct borrowings and direct placements	19,450	
Leases payable	438	
Financed purchases	568	(8,983)

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	2	2
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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, 2022
(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.	\$ (6,409)
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.	(717)
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.	(226)
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.	<u>1,161</u>
Change in net position of governmental activities	<u>\$ 15,555</u>
<i>The notes to the financial statements are an integral part of the financial statements.</i>	

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Stormwater	Airport	Sanitation	Total	Activities - Internal Service Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 6,222	\$ 665	\$ 5,360	\$ 12,247	\$ 8,869
Accounts Receivable (net)	411	226	560	1,197	30
Due from Other Governments	1	542	-	543	571
Due from KUA	-	-	-	-	25
Due from TWA	-	-	10	10	1,012
Inventories	-	-	-	-	75
Leases Receivable	-	19	-	19	399
Total Current Assets	6,634	1,452	5,930	14,016	10,981
Capital Assets:					
Land	1,583	309	-	1,892	-
Buildings	509	12,763	407	13,679	289
Improvements Other Than Buildings	30,242	19,734	205	50,181	4,975
Software, Net	37	175	-	212	27
Right-to-Use Equipment, Net of Amortization	-	-	-	-	13
Machinery, Equipment and Vehicles	6,500	776	6,788	14,064	3,059
Construction in Progress	914	3,858	-	4,772	-
Less: Accumulated Depreciation	(13,212)	(13,317)	(4,459)	(30,988)	(5,782)
Total Capital Assets	26,573	24,298	2,941	53,812	2,581
Total Noncurrent Assets	26,573	24,298	2,941	53,812	2,581
Total Assets	33,207	25,750	8,871	67,828	13,562
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows Related to OPEB	43	12	37	92	74
Deferred Outflows Related to Pensions	1,097	307	997	2,401	1,554
Total Deferred Outflows of Resources	1,140	319	1,034	2,493	1,628
<i>Continued</i>					

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2022
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Sanitation	Total	
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 293	\$ 67	\$ 665	\$ 1,025	\$ 784
Contracts Payable	-	82	-	82	-
Accrued Liabilities	-	23	-	23	-
Due to KUA	-	-	-	-	1
Due to Other Funds	-	1,131	-	1,131	-
Deposits	-	23	10	33	-
Advances from Other Funds	-	-	3,640	3,640	-
Compensated Absences Payable	18	6	12	36	36
Estimated Claims Payable	-	-	-	-	2,315
Total Current Liabilities	311	1,332	4,327	5,970	3,136
Noncurrent Liabilities:					
Compensated Absences Payable	70	26	48	144	146
Other Postemployment Benefits	359	87	308	754	447
Net Pension Liability	2,286	581	2,066	4,933	3,058
Lease Liability	-	-	-	-	14
Estimated Claims Payable	-	-	-	-	2,316
Total Noncurrent Liabilities	2,715	694	2,422	5,831	5,981
Total Liabilities	3,026	2,026	6,749	11,801	9,117
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Related to Leases	-	19	-	19	396
Deferred Inflows Related to OPEB	66	19	53	138	103
Deferred Inflows Related to Pensions	8	-	-	8	20
Total Deferred Inflows of Resources	74	38	53	165	519
NET POSITION					
Net Investment in Capital Assets	26,525	24,080	2,941	53,546	2,567
Unrestricted	4,722	(75)	162	4,809	2,987
Total Net Position	\$ 31,247	\$ 24,005	\$ 3,103	\$ 58,355	\$ 5,554

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, 2022
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Sanitation	Total	
Operating Revenues:					
Charges for Services	\$ 6,088	\$ 1,166	\$ 6,229	\$ 13,483	\$ 23,124
Miscellaneous Revenues	-	-	3	3	140
Total Operating Revenues	6,088	1,166	6,232	13,486	23,264
Operating Expenses:					
Personal Services	2,577	805	2,325	5,707	3,741
Contracted Services	636	21	1,602	2,259	2,636
Supplies and Materials	242	61	386	689	188
Repairs and Maintenance	308	100	492	900	2,916
Other Services and Charges	53	198	371	622	2,025
Depreciation	1,367	1,215	695	3,277	469
Claims/Premium Expense	75	17	81	173	10,703
Total Operating Expenses	5,258	2,417	5,952	13,627	22,678
Operating Income (Loss)	830	(1,251)	280	(141)	586
Nonoperating Revenues (Expenses):					
Operating Grants	164	148	-	312	-
Interest Expense	-	(6)	(68)	(74)	-
Investment Income (Loss)	(7)	(4)	(8)	(19)	(51)
Lease Revenues	-	19	-	19	99
Insurance Recoveries	-	-	-	-	483
Gain or (Loss) from Sale of Capital Assets	19	1,568	10	1,597	14
Total Nonoperating Revenues (Expenses)	176	1,725	(66)	1,835	545
Income (Loss) Before Contributions and Transfers	1,006	474	214	1,694	1,131
Capital Contributions	1	2,878	-	2,879	-
Transfers In	-	-	-	-	30
Transfers (Out)	(354)	(2)	(308)	(664)	-
Change in Net Position	653	3,350	(94)	3,909	1,161
Net Position - Beginning	30,594	20,655	3,197	54,446	4,393
Net Position - Ending	\$ 31,247	\$ 24,005	\$ 3,103	\$ 58,355	\$ 5,554

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, 2022
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Sanitation	Total	
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 6,413	\$ 1,191	\$ 6,217	\$ 13,821	\$ 23,026
Payments to Suppliers	(1,315)	(762)	(3,278)	(5,355)	(18,318)
Payments to Employees	(2,397)	(738)	(2,142)	(5,277)	(3,467)
Net Cash Provided (Used) by Operating Activities	2,701	(309)	797	3,189	1,241
Cash Flows from Noncapital Financing Activities					
Grants	164	148	-	312	-
Transfers (to) Other Funds	(354)	(461)	(308)	(1,123)	-
Transfers from Other Funds	-	-	-	-	30
Net Cash Provided (Used) by Noncapital Financing Activities	(190)	(313)	(308)	(811)	30
Cash Flows from Capital and Related Financing Activities					
Acquisition/Construction of Capital Assets	(567)	(3,410)	(1,190)	(5,167)	(477)
Capital Contributions	1	2,800	-	2,801	-
Proceeds from Fund Advance	-	-	3,640	3,640	-
Proceeds from Leasing Activities	-	19	-	19	96
Lease Payable Principal Payments	-	-	-	-	(12)
Lease Payable Interest Payments	-	(6)	-	(6)	-
Proceeds from Insurance Recoveries	-	-	-	-	483
Proceeds from Sale of Capital Assets	21	1,568	40	1,629	21
Net Cash Provided (Used) by Capital and Related Financing Activities	(545)	971	2,422	2,848	111
Cash Flows from Investing Activities					
Income (Loss) on Investments	(7)	(4)	(8)	(19)	(51)
Net Cash Provided (Used) by Investing Activities	(7)	(4)	(8)	(19)	(51)
Net Increase (Decrease) in Cash and Cash Equivalents	1,959	345	2,903	5,207	1,331
Cash and Cash Equivalents at Beginning of Year	4,263	320	2,457	7,040	7,538
Cash and Cash Equivalents at End of Year	\$ 6,222	\$ 665	\$ 5,360	\$ 12,247	\$ 8,869

Continued

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For The Year Ended September 30, 2022
(In Thousands)

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Stormwater</u>	<u>Airport</u>	<u>Sanitation</u>	<u>Total</u>	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 830	\$ (1,251)	\$ 280	\$ (141)	\$ 586
Depreciation	1,367	1,215	695	3,277	469
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(10)	28	(15)	3	(14)
(Increase) Decrease in Due from Other Governments	-	-	-	-	(281)
(Increase) Decrease in Due from KUA	335	-	-	335	-
(Increase) Decrease in Due from TWA	-	-	-	-	57
(Increase) Decrease in Inventories	-	-	-	-	2
(Increase) Decrease in Deferred Outflows OPEB	(2)	(1)	(1)	(4)	(3)
(Increase) Decrease in Deferred Outflows Pensions	(905)	(266)	(824)	(1,995)	(1,303)
Increase (Decrease) in Accounts Payable	(1)	(278)	(346)	(625)	269
Increase (Decrease) in Customer Deposits	-	(3)	-	(3)	-
Increase (Decrease) in Accrued Liabilities	-	1	-	1	-
Increase (Decrease) in OPEB	19	8	17	44	33
Increase (Decrease) in Compensated Absences	(26)	3	(5)	(28)	(25)
Increase (Decrease) in Claims Payable	-	-	-	-	(121)
Increase (Decrease) in Net Pension Liability	1,840	539	1,668	4,047	2,616
Increase (Decrease) in Deferred Inflows OPEB	(12)	(4)	(11)	(27)	(20)
Increase (Decrease) in Deferred Inflows Pensions	(734)	(213)	(661)	(1,608)	(1,024)
Total Adjustments	<u>1,871</u>	<u>942</u>	<u>517</u>	<u>3,330</u>	<u>655</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,701</u>	<u>\$ (309)</u>	<u>\$ 797</u>	<u>\$ 3,189</u>	<u>\$ 1,241</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, 2022
(In Thousands)

ASSETS	
Cash and Cash Equivalents	\$ 4,517
Receivables:	
Interest Receivable	222
Total Receivables	222
Investments, at Fair Value:	
Fixed Income	57,496
Equities	120,016
Mutual Funds	39,448
Commingled Funds	19,621
Total Investments	236,581
Total Assets	241,320
Net Position Restricted	
for Pension Benefits	\$ 241,320

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, 2022
(In Thousands)

ADDITIONS

Contributions:	
Employer	\$ 8,421
Plan Members	1,567
State	1,669
Total Contributions	<u>11,657</u>
Investment earnings:	
Net increase (decrease) in fair value of investments	(50,336)
Interest and dividends	8,343
Total Investment Earnings (Loss)	<u>(41,993)</u>
Less Investment Expense ¹	1,539
Net Investment Earnings (Loss)	<u>(43,532)</u>
Other	1,504
Total Additions	<u>(30,371)</u>

DEDUCTIONS

Benefits	15,671
Administrative Expense	183
Total Deductions	<u>15,854</u>

Change in Net Position	(46,225)
Net Position - Beginning of Year	<u>287,545</u>
Net Position - End of Year	<u><u>\$ 241,320</u></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.

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 units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate, are in substance, part of the City’s operations. The City has two blended component units, the Community Redevelopment Agency Downtown (the “Downtown CRA”) and the Community Redevelopment Agency Vine Street (the “Vine St CRA”). The CRAs are incremental taxing districts 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 budgets, provides funding and performs all accounting functions for both of the CRAs. The CRA’s services are provided exclusively to the City. The CRAs have been presented as blended component units classified as special revenue funds. The CRAs issue stand-alone statements that can be obtained from the City’s Finance Department. The City has no discretely presented component units. Additionally, the City has three fiduciary component units and they are reported as the City’s pension trust funds. More information on the pension trust funds can be found in Note 8.

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 *Local Option Sales Tax* fund is a special revenue fund used to account for the City's share of the local option sales tax revenues designated for improvements and infrastructure projects.

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 *Sanitation 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 certain capital projects funds. Budgets are not adopted for the Pension Trust Funds, CARES Act Relief, Police and Firefighters Premium Tax Fund, Section 8 HAPP Fund, Supplementary Care, 2021 Line of Credit Debt, 2022A Revenue Refunding Bond Debt, 2022B Revenue Refunding Bond Debt,

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

2014A Note Capital Project, 2010C Note Capital Project, Lakefront Sales Tax 2009A Capital Project and 2021 Line of Credit 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 2021-2022 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.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

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 Prepays

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. Prepays represent payments made to vendors for services that will benefit the City beyond September 30, 2022. 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. For lease right-to-use intangible assets, the City capitalizes when the lease asset is \$5 or greater. 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.

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 and Intangibles	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. Leases

The City enters into many noncancelable leases for the right to use land, facilities and equipment throughout its operations. When the City is the lessee, the contracts result in recognition of a right-to-use intangible asset that is offset by a corresponding lease liability. When the City is the lessor, the contracts result in recognition of a lease receivable and corresponding deferred inflow of resources. Lease intangible assets are reported with capital assets and lease liabilities are reported with long-term liabilities on the government-wide and proprietary fund financial statements.

At commencement of a lease where the City is the lessee, the City initially measures the lease liability at present value of total payments over the lease term. The lease asset is measured as the value of the lease liability, adjusted for any prepayments, plus certain initial direct costs. At commencement of a lease when the City is the lessor, the City measures the lease receivable at present value of expected rental receipts over the lease term. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for prepayments received prior to the lease commencement.

Estimates and judgments are sometimes made when determining the discount rate and overall term of the leases. The City monitors its leases for significant changes in circumstances that warrant a remeasurement of the lease liability and associated intangible asset, and/or lease receivable and associated deferred inflow of resources.

P. 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City 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 assets 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. The deferred inflows related to leases will be recognized as lease revenues 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.

The City also reports deferred inflows of resources on applicable governmental fund statements that represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. These deferred inflows of resources will be recognized as revenue in the fiscal year they are earned or become available. The majority of these deferred inflows of resources represent lease revenues and grant reimbursements.

Q. 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.

R. 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.

S. 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 Victim of Crime Act, Neighborhood Stabilization and HOME, and Community Development Block Grant have negative unassigned fund balances.

T. Net Position Restricted by Enabling Legislation

In the government-wide financial statements, governmental activities report restricted net position of \$54,396, of which management has determined \$6,742 for building code enforcement is restricted by enabling legislation.

U. 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 \$20,863. The carrying amount of the demand deposits, cash with fiscal agent, and cash on hand at September 30, 2022 was \$23,853 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, 2022
(In Thousands)

The following is a summary of the City’s pooled investments at September 30, 2022. 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</u>	<u>Credit Rating</u>
FLGIT Day to Day Fund	\$ 10,081	29 days	Fitch AAAM
FL FIT Cash Pool	23,307	12 days	Fitch AAAf/S1
FL STAR	39,226	12 days	S&P AAAM
Total fair value investments	<u>72,614</u>		
<u>Measured at amortized cost:</u>			
Florida PRIME	37,277	21 days	S&P AAAM
Total City investments	<u>\$ 109,891</u>		

<u>Investments measured at NAV</u>	<u>Unfunded</u>	
	<u>Fair Value</u>	<u>Commitments</u>
FLGIT Day to Day Fund	\$ 10,081	\$ -
FL FIT Cash Pool	23,307	-
FL STAR	39,226	-

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 Cash Pool investments consist of money market mutual funds, FDIC deposits, U.S. treasury bonds, U.S. government agency bonds, commercial paper, and corporate bonds. Fair value of the investments is determined daily for calculation of the pool participants’ net asset value.

For investments in the FLGIT Day to Day 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, 2022.

	<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	\$ 12,484	\$ 22,855	\$ -	\$ -	\$ 18,436	\$ -	\$ 3,203
Equities	75,070	218	-	11,556	15,059	11,027	8,886
Mutual Funds	-	11,126	-	10,287	-	15,214	-
Commingled Funds & Real Estate	-	-	6,613	3,150	9,435	-	1,962
Total Investments	<u>\$ 87,554</u>	<u>\$ 34,199</u>	<u>\$ 6,613</u>	<u>\$ 24,993</u>	<u>\$ 42,930</u>	<u>\$ 26,241</u>	<u>\$ 14,051</u>
Money Market	1,861			2,001		655	
Total Investment Fair Values	<u>\$ 130,227</u>			<u>\$ 69,924</u>		<u>\$ 40,947</u>	

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.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

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 5.56, Pimco Diversified Fund (PDIIIX) is 9.14, and Vanguard Inflation Protected (VAIPX) is 7.20. For the City's Police Officers' Pension investments, the weighted average maturity (in years) for Galliard Intermediate Core is 5.98, Pimco Diversified Fund (PDIIIX) is 9.14, and Vanguard Inflation Protected (VAIPX) is 7.20. For the City's Firefighters' Pension investments, the weighted average maturity (in years) for their collective portfolio is 7.66.

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	\$ 23,853
Investments	<u>109,891</u>
	<u>133,744</u>
 <u>Financial Statements:</u>	
Cash and Cash Equivalents	79,348
Restricted Cash and Investments	<u>54,396</u>
	<u>\$ 133,744</u>

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
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NOTE 3 – RECEIVABLES

The following is a detailed listing of receivables for the City's individual major funds and the aggregate of nonmajor funds at September 30, 2022. Special assessment receivables are secured by liens placed on benefited properties at the time of the original assessment.

Description	General	Stormwater	Airport	Sanitation	Nonmajor and Internal		Total
					Service Funds	Pension Funds	
Accounts	\$ 6,916	\$ 411	\$ 226	\$ 560	\$ 217	\$ -	\$ 8,330
Interest	-	-	-	-	-	222	222
Special assessments	17	-	-	-	-	-	17
	6,933	411	226	560	217	222	8,569
Less: Allowance for uncollectibles	(2,914)	-	-	-	-	-	(2,914)
	<u>\$ 4,019</u>	<u>\$ 411</u>	<u>\$ 226</u>	<u>\$ 560</u>	<u>\$ 217</u>	<u>\$ 222</u>	<u>\$ 5,655</u>

The City is the lessor in contracts with outside parties for the right to use several facilities and infrastructure. The City entered into a 63-month lease agreement with the Central Florida Regional Transportation Authority for use of facility space and parking with a fixed monthly payment of \$8 at an interest rate of .632%. The City entered into a 24-month lease agreement with Terry's Electric for use of facility space with a fixed monthly payment of \$2 at an interest rate of .248%. At September 30, 2022, the City had outstanding lease receivables of \$418. During the fiscal year, the City recognized \$114 in lease revenue and \$3 in lease interest revenue.

The City is the lessor in sixteen agreements that qualify to be treated as regulated in accordance with the requirements of GASB Statement No. 87, *Leases*. The City leases land and facilities for airport grounds, hangars, aeronautical-related storage and other facility use through 2042. The City received \$516 during the current fiscal year related to these leases. As of September 30, 2022, the remaining nominal amount of revenue that will be recognized over the lease term associated with these leases amounts to \$5,583 as outlined below.

Governmental Activities:	
<u>Fiscal Year</u>	<u>Revenue</u>
2023	\$ 549
2024	487
2025	467
2026	437
2027	437
2028 - 2032	1,429
2033 - 2037	1,119
2038 - 2042	658
Total	<u><u>\$ 5,583</u></u>

CITY OF KISSIMMEE, FLORIDA
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NOTE 4 – INTERFUND ACCOUNTS

Individual interfund receivables, payables and transfers with a description of their purpose at September 30, 2022 are:

	<u>Due From</u>	<u>Due To</u>	Purpose
General Fund	\$ 1,777	\$ -	To cover negative pooled cash position of funds
Airport	-	1,131	Transfer for project expenditures
Nonmajor Funds:			
Special Revenue Funds	-	646	To cover negative pooled cash position of funds
	<u>\$ 1,777</u>	<u>\$ 1,777</u>	
	<u>Advance To</u>	<u>Advance From</u>	Purpose
Sanitation	-	3,640	To fund purchase of new Sanitation equipment
2022A Revenue Refunding Bond	3,640	-	from proceeds of governmental 2022A Revenue bond
	<u>\$ 3,640</u>	<u>\$ 3,640</u>	
	<u>Transfer In</u>	<u>Transfers Out</u>	Purpose
General Fund	\$ 1,381	\$ 5,297	Transfer to cover debt service payments
Local Option Sales Tax	2,323	4,400	Transfer for grant match funding and debt service
Stormwater	-	354	Transfer to General Fund for PILOT
Airport	-	2	
Sanitation	-	308	Transfer to General Fund for PILOT
Nonmajor Funds:			
Special Revenue Funds	2,545	3,062	Transfer for grant match funding and debt service
Debt Service Funds	7,144	-	Transfer to cover debt service payments
Internal Service Funds	30	-	Building and software costs
	<u>\$ 13,423</u>	<u>\$ 13,423</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	Balance			Balance
	10/01/2021 *	Increases	Decreases	9/30/2022
Capital Assets, Not Being Depreciated:				
Land	\$ 45,857	\$ 439	\$ -	\$ 46,296
Construction In Progress	47,637	2,487	(221)	49,903
Total Capital Assets, Not Being Depreciated	<u>93,494</u>	<u>2,926</u>	<u>(221)</u>	<u>96,199</u>
Capital Assets, Being Depreciated:				
Buildings				
Charter School	1,464	40	-	1,504
Other City	17,061	52	-	17,113
Improvements other than buildings				
Charter School	183	278	-	461
Other City	204,695	1,998	-	206,693
Parking Capacity				
Other City	15,502	-	-	15,502
Software				
Charter School	59	-	-	59
Other City	2,285	29	-	2,314
Right-to-Use Equipment				
Other City	26	4,433	-	4,459
Equipment				
Charter School	1,144	3	-	1,147
Other City	38,641	2,588	(979)	40,250
Total Capital Assets Being Depreciated	<u>281,060</u>	<u>9,421</u>	<u>(979)</u>	<u>289,502</u>

CITY OF KISSIMMEE, FLORIDA
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Governmental Activities	Balance			Balance
	10/01/2021 *	Increases	Decreases	9/30/2022
Less Accumulated Depreciation For:				
Buildings				
Charter School	(685)	(82)	-	(767)
Other City	(9,336)	(241)	-	(9,577)
Improvements other than buildings				
Charter School	(133)	(22)	-	(155)
Other City	(57,771)	(5,728)	-	(63,499)
Parking Capacity				
Other City	(14,742)	-	-	(14,742)
Software				
Charter School	(59)	-	-	(59)
Other City	(1,257)	(774)	-	(2,031)
Right-to-Use Equipment				
Other City	-	(495)	-	(495)
Equipment				
Charter School	(1,045)	(36)	-	(1,081)
Other City	(25,507)	(3,986)	753	(28,740)
Total Accumulated Depreciation	<u>(110,535)</u>	<u>(11,364)</u>	<u>753</u>	<u>(121,146)</u>
Total Capital Assets, Being Depreciated, Net	<u>170,525</u>	<u>(1,943)</u>	<u>(226)</u>	<u>168,356</u>
Governmental Activities Capital Assets, Net	<u>\$ 264,019</u>	<u>\$ 983</u>	<u>\$ (447)</u>	<u>\$ 264,555</u>

* The beginning balance has been restated due to the effects of GASB Statement No. 87, *Leases*.

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Business-type Activities	Beginning Balance 10/1/2021	Increases	Decreases	Ending Balance 9/30/2022
<u>Stormwater Fund</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,583	\$ -	\$ -	\$ 1,583
Construction In Progress	469	445	-	914
Total Capital Assets, Not Being Depreciated:	<u>2,052</u>	<u>445</u>	<u>-</u>	<u>2,497</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings	509	-	-	509
Improvements other than Buildings	30,242	-	-	30,242
Software	57	-	-	57
Equipment	6,584	169	(253)	6,500
Total Capital Assets Being Depreciated	<u>37,392</u>	<u>169</u>	<u>(253)</u>	<u>37,308</u>
Less Accumulated Depreciation For:				
Buildings	(406)	(738)	-	(1,144)
Improvements other than Buildings	(7,739)	(21)	-	(7,760)
Software	(20)	-	-	(20)
Equipment	(3,952)	(608)	252	(4,308)
Total Accumulated Depreciation	<u>(12,117)</u>	<u>(1,367)</u>	<u>252</u>	<u>(13,232)</u>
Total Capital Assets, Being Depreciated, Net	<u>25,275</u>	<u>(1,198)</u>	<u>(1)</u>	<u>24,076</u>
Stormwater Fund Capital Assets, Net	<u>\$ 27,327</u>	<u>\$ (753)</u>	<u>\$ (1)</u>	<u>\$ 26,573</u>
<u>Airport Fund</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 309	\$ -	\$ -	\$ 309
Construction In Progress	3,279	579	-	3,858
Total Capital Assets, Not Being Depreciated	<u>3,588</u>	<u>579</u>	<u>-</u>	<u>4,167</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings	12,750	13	-	12,763
Improvements other than Buildings	16,700	3,034	-	19,734
Software	272	-	-	272
Equipment	809	3	(36)	776
Total Capital Assets Being Depreciated	<u>30,531</u>	<u>3,050</u>	<u>(36)</u>	<u>33,545</u>
Less Accumulated Depreciation For:				
Buildings	(7,586)	(342)	-	(7,928)
Improvements other than Buildings	(3,872)	(847)	-	(4,719)
Software	(91)	(6)	-	(97)
Equipment	(685)	(20)	35	(670)
Total Accumulated Depreciation	<u>(12,234)</u>	<u>(1,215)</u>	<u>35</u>	<u>(13,414)</u>
Total Capital Assets, Being Depreciated, Net	<u>18,297</u>	<u>1,835</u>	<u>(1)</u>	<u>20,131</u>
Airport Fund Capital Assets, Net	<u>\$ 21,885</u>	<u>\$ 2,414</u>	<u>\$ (1)</u>	<u>\$ 24,298</u>

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	Beginning Balance			Ending Balance
Sanitation Fund	10/1/2021	Increases	Decreases	9/30/2022
Capital Assets, Not Being Depreciated:				
Construction In Progress	\$ -	\$ -	\$ -	\$ -
Total Capital Assets, Not Being Depreciated	-	-	-	-
Capital Assets, Being Depreciated:				
Buildings	\$ 407	\$ -	\$ -	\$ 407
Improvements other than Buildings	205	-	-	205
Equipment	5,657	1,160	(29)	6,788
Total Capital Assets Being Depreciated	6,269	1,160	(29)	7,400
Less Accumulated Depreciation For:				
Buildings	(330)	(29)	-	(359)
Improvements other than Buildings	(117)	(15)	-	(132)
Equipment	(3,346)	(651)	29	(3,968)
Total Accumulated Depreciation	(3,793)	(695)	29	(4,459)
Total Capital Assets, Being Depreciated, Net	2,476	465	-	2,941
Sanitation Fund Capital Assets, Net	<u>\$ 2,476</u>	<u>\$ 465</u>	<u>\$ -</u>	<u>\$ 2,941</u>
Total Business-type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,892	\$ -	\$ -	\$ 1,892
Construction In Progress	3,748	1,024	-	4,772
Total Capital Assets, Not Being Depreciated	5,640	1,024	-	6,664
Capital Assets, Being Depreciated/Amortized:				
Buildings	13,666	13	-	13,679
Improvements other than Buildings	47,147	3,034	-	50,181
Software	329	-	-	329
Equipment	13,050	1,332	(318)	14,064
Total Capital Assets Being Depreciated	74,192	4,379	(318)	78,253
Less Accumulated Depreciation For:				
Buildings	(8,322)	(1,109)	-	(9,431)
Improvements other than Buildings	(11,728)	(883)	-	(12,611)
Software	(111)	(6)	-	(117)
Equipment	(7,983)	(1,279)	316	(8,946)
Total Accumulated Depreciation	(28,144)	(3,277)	316	(31,105)
Total Capital Assets, Being Depreciated, Net	46,048	1,102	(2)	47,148
Total Business-type Activities, Net	<u>\$ 51,688</u>	<u>\$ 2,126</u>	<u>\$ (2)</u>	<u>\$ 53,812</u>

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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Governmental Activities:

Depreciation and Amortization Expense By Function

General Government	\$ 2,435
Public Safety	3,458
Transportation	3,125
Culture/Recreation	1,877
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>469</u>
Total Governmental Activities Depreciation and Amortization	<u><u>\$ 11,364</u></u>

Business-type Activities:

Depreciation Expense By Function

Stormwater	\$ 1,367
Airport	1,215
Sanitation	<u>695</u>
	<u><u>\$ 3,277</u></u>

B. Net Capital Assets

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

	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Land	\$ 46,296	\$ 1,892	\$ 48,188
Buildings	18,617	13,679	32,296
Improvements other than Buildings	207,154	50,181	257,335
Parking Capacity	15,502	-	15,502
Software	2,373	329	2,702
Right to Use Buildings	-	-	-
Right to Use Equipment	4,459	-	4,459
Equipment	41,397	14,064	55,461
Construction in Progress	<u>49,903</u>	<u>4,772</u>	<u>54,675</u>
	385,701	84,917	470,618
Less: Accumulated Depreciation	<u>(121,146)</u>	<u>(31,105)</u>	<u>(152,251)</u>
Capital Assets, net	<u><u>\$ 264,555</u></u>	<u><u>\$ 53,812</u></u>	<u><u>\$ 318,367</u></u>

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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, 2022:

<u>Projects</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Beaumont Project	\$ 655	\$ 5,506
Taxiway E Improvement	-	5,275
Woodside Drainage mitigation	-	3,400
Lancaster Ranch Park	-	2,832
Berlinsky Community House	-	2,178
ROW Acquisitions for JYP @ Oak St Intersection	-	1,391
Thacker Avenue/Patrick Street project	-	1,201
Lakefront Park	-	1,186
Total	\$ 655	\$ 22,969

NOTE 6 – LEASES PAYABLE

The City is the lessee of equipment throughout its operations. The City leases an offsite technology data storage unit for 24 months with fixed monthly payments of \$1 at an interest rate of .248%. In March 2022, the City entered into a 60-month lease for traffic safety equipment with fixed monthly payments of \$75 at an interest rate of .632%. At September 30, 2002, the City's lease liability is \$4,009. Debt service requirements to maturity for the City's leases payable are as follows.

<u>Fiscal Year</u>	<u>Leases Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 890	\$ 23
2024	884	18
2025	889	12
2026	894	6
2027	452	1
Total	\$ 4,009	\$ 60

CITY OF KISSIMMEE, FLORIDA
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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, leases payable, financed purchases, 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, 2022:

	Balance			Balance	Due Within	Long-term
	10/01/21 *	Additions	Reductions	9/30/22	One Year	Portion
Governmental Activities:						
Notes from Direct Borrowings and						
Direct Placements	\$ 35,985	\$ -	\$ (19,450)	\$ 16,535	\$ 3,210	\$ 13,325
Revenue Bonds	36,356	26,730	(1,563)	61,523	1,840	59,683
Bond Premium	4,033	-	(161)	3,872	-	3,872
subtotal Revenue Bonds	<u>40,389</u>	<u>26,730</u>	<u>(1,724)</u>	<u>65,395</u>	<u>1,840</u>	<u>63,555</u>
Financed Purchases	3,369	-	(568)	2,801	576	2,225
Leases Payable	26	4,433	(450)	4,009	890	3,119
Claims Payable	4,752	9,816	(9,937)	4,631	2,315	2,316
Net Pension Liability	21,031	51,234	-	72,265	-	72,265
Other Postemployment Benefits	6,534	756	(230)	7,060	308	6,752
Compensated Absences	<u>2,662</u>	<u>2,729</u>	<u>(2,756)</u>	<u>2,635</u>	<u>527</u>	<u>2,108</u>
Governmental Activity						
Long-term Liabilities	<u>\$ 114,722</u>	<u>\$ 95,698</u>	<u>\$ (35,115)</u>	<u>\$ 175,331</u>	<u>\$ 9,666</u>	<u>\$ 165,665</u>
Business-type Activities:						
Net Pension Liability	\$ 886	\$ 4,047	\$ -	\$ 4,933	\$ -	\$ 4,933
Other Postemployment Benefits	710	44	-	754	-	754
Compensated Absences	<u>208</u>	<u>305</u>	<u>(333)</u>	<u>180</u>	<u>36</u>	<u>144</u>
Business-type Activity						
Long-term Liabilities	<u>\$ 1,804</u>	<u>\$ 4,396</u>	<u>\$ (333)</u>	<u>\$ 5,867</u>	<u>\$ 36</u>	<u>\$ 5,831</u>

* The beginning balance has been restated due to the effects of GASB Statement No. 87, *Leases*.

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.

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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	
2023	\$ 3,210	\$ 483	\$ 1,840	\$ 2,625	\$ 8,158
2024	2,385	385	1,255	2,576	6,601
2025	2,475	313	1,310	2,521	6,619
2026	1,050	239	1,370	2,464	5,123
2027	1,140	209	1,100	2,404	4,853
2028-2032	4,925	563	5,830	11,292	22,610
2033-2037	1,350	58	8,945	9,771	20,124
2038-2042	-	-	11,500	7,662	19,162
2043-2047	-	-	14,470	4,694	19,164
2048-2052	-	-	13,903	1,418	15,321
Total	\$ 16,535	\$ 2,250	\$ 61,523	\$ 47,427	\$ 127,735

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, 2022, 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. During the fiscal year, the City refinanced the 2021 commercial paper loan with the issuance of the 2022A revenue refunding bond in the amount of \$16,350 to pay off the loan. There was no material savings/loss on the refinancing.

D. Financed Purchases

The City has financed purchases outstanding at year-end. The gross cost of the equipment acquired with these agreements is \$4,123 for governmental activities. The following is a summary schedule of these finance obligations and their net present value.

Year Ending September 30	Governmental Activities
2023	\$ 631
2024	631
2025	631
2026	582
2027	162
2028 - 2032	362
Total minimum payments	2,999
Less: amount representing interest	(198)
Present value of minimum payments	<u>\$ 2,801</u>

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E. Bonds and Notes Outstanding

The City has revenue bonds and notes outstanding at September 30, 2022. 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 (3)</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	\$ 910	\$ 939	8.6%	\$ 932	\$ 10,783
2010B Capital Improvement Revenue Note Maturity: 2025, Interest Rate: 2.79% Purpose: Road Improvements	Local option sales tax	8,000	2,120	2,240	6.9%	748	10,783
2010C Capital Improvement Revenue Note Maturity: 2030, Interest Rate: 2.69% Purpose: Road Improvements	N/A	4,000	2,120	2,388	N/A	283	N/A
2021 Commercial Paper Note Maturity: 2026, Interest Rate: 1.60% Purpose: Various	N/A	16,350	-	-	N/A	-	N/A
2011B Capital Improvement Refunding Note Maturity: 2025, Interest Rate: 2.86% Purpose: Road Improvements	Local option sales tax	9,140	2,190	2,343	7.5%	811	10,783
2014A Capital Improvement Revenue Note Maturity: 2034, Interest Rate: 2.86% Purpose: Lakefront Park and Road Improvements	Local option sales tax	9,600	6,695	8,031	5.8%	623	10,783
2015B CRA Refunding Revenue Note Maturity: 2030, Interest Rate: 2.81% Purpose: Refund 2009 CRA Note	N/A	3,820	<u>2,500</u>	2,845	N/A	281	N/A
	Total Revenue Notes		<u>16,535</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 (3)</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	\$ 34,953	\$ 57,560	21.0%	\$ 2,949	\$ 14,076
2022A Revenue Refunding Bonds Maturity: 2051, Interest Rate: 4.35% Purpose: Capital Improvements, Refunding	1/2 Cent Sales Tax, Public Serv & Comm Taxes	23,950	23,790	46,194	3.9%	546	14,076
2022B Revenue Refunding Bonds Maturity: 2045, Interest Rate: 4.84% Purpose: Capital Improvements	1/2 Cent Sales Tax, Public Serv & Comm Taxes	2,780	2,780	5,197	0.4%	52	14,076
Excise Tax Revenue Bonds, Series 1982 Maturity: 2022, Interest Rate: 5.00% Purpose: Refunding	Occupational License Tax	500	-	-	14.6%	29	198
	Total Revenue Bonds		<u>61,523</u>				
Total Revenue Notes and Bonds - Governmental Activities			<u>\$ 78,058</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 revenue 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, 2021. None of the three plans issue audited GAAP-basis stand-alone reports. All required disclosures and financial data are contained in the City's Annual Comprehensive 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, 2022
(In Thousands)

C. Membership and Contribution Information

Membership of each plan consisted of the following at October 1, 2021, the date of the latest actuarial valuations:

	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	356	132	79
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	112	26	29
Active Plan Members	424	134	97
Total	892	292	205

The City's contributions to the plans are actuarially determined and during fiscal year ended September 30, 2022 the City contributed \$3,811 to the General Employees Plan, \$3,196 to the Police Officers Plan, and \$3,082 to the Firefighters Plan. For the fiscal year ended September 30, 2022, 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	11 Years	25 Years	25 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	6.80%	7.20%	7.20%
Projected salary increases	3.40% to 6.50%	Service based	Service based
Post retirement benefit increases	3.00%	3.50%	3.50%
Inflation and payroll growth	2.25%	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.

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, 2022 is \$2,821.

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.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
 September 30, 2022
 (In Thousands)

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.

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. Member who retire prior to normal retirement date are not eligible for COLA.

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, 2022 is \$739.

Firefighters'

Retirement Age

Normal: Earlier of 1) age 55 with 10 years of credited service, 2) age 52 with 25 years credited service or 3) 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 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 10 years of credited service for members hired prior to January 1, 2013.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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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 3% per year for commencement within five years and reduced actuarially for commencement of benefits more than five years prior to the normal retirement date.

Delayed: Benefit continues to accrue.

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 later, 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 benefits; 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 connected.

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 96 months, but no more than eight years from the date of eligibility. The DROP balance as of September 30, 2022 is \$1,000.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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E. Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor as of September 30, 2022 were as follows:

	Pension Plans		
	General* Employees'	Police Officers'	Firefighters'
Total Pension Liability	\$ 170,693	\$ 94,320	\$ 64,955
Plan Fiduciary Net Position	130,354	69,999	40,997
Sponsor's Net Pension Liability	40,339	24,321	23,958
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.37%	74.21%	63.12%

* Information shown above is for the City and Toho combined

The total pension liability for all plans was determined by an actuarial valuation as of October 1, 2021 using the following actuarial assumption applied to all measurement periods.

	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Inflation	2.25%	2.50%	2.70%
Salary Increases	3.40% to 6.50%	Service based	Service based
Investment Rate of Return	6.80%	7.20%	7.20%

Mortality rates for the General Employees' Fund were based on the PUB-2010 Mortality Table, projected to all future years after 2010 using scale MP-2018. 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, 2022 are summarized in the following table:

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

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%	7.5%	-	-	38%	7.1%
International Equity	15%	8.5%	15%	8.5%	15%	3.1%
All Cap Value Equity	-	-	20%	7.5%	-	-
Broad Growth Equity	-	-	20%	7.5%	-	-
Domestic Fixed	20%	2.5%	5%	2.5%	-	-
Broad Market Fixed	-	-	25%	2.5%	-	-
Global Fixed	10%	6.2%	-	-	-	-
Real Estate	10%	4.5%	10%	4.5%	5%	6.4%
Private Equity	-	-	-	-	-	-
Global Bond	-	3.5%	5%	3.5%	-	-
Bonds	-	-	-	-	16%	2.0%
Convertibles	-	-	-	-	10%	6.4%
REITs	-	-	-	-	5%	6.9%
Infrastructure	-	-	-	-	6%	5.6%
Hedge Fund	-	-	-	-	5%	2.9%

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, 2022:

Fiscal Year 2022	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Annual Money-Weighted Rate of Return			
Net of Investment Expense	-14.35%	-15.70%	-16.37%

Discount Rate – The discount rate used to measure the total General Employees' pension liability was 6.80%, the total Police Officers' pension liability was 7.20%, and the total Firefighters' pension liability was 7.20%. In the development of a single discount rate for the General Employees' pension liability, a long-term municipal bond rate of 4.40% 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.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease 5.80%	Rate 6.80%	1% Increase 7.80%
General Employees' Fund City and Toho	\$ 60,520	\$ 40,339	\$ 23,414
General Employees' Fund City only	43,387	28,919	16,785

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease 6.20%	Rate 7.20%	1% Increase 8.20%
Police Officers' Fund	\$ 35,933	\$ 24,321	\$ 14,713

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease 6.20%	Rate 7.20%	1% Increase 8.20%
Firefighters' Fund	\$ 32,024	\$ 23,958	\$ 17,287

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

Changes in Net Pension Liability			
	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>
Total pension liability			
Service Cost	\$ 2,435	\$ 2,024	\$ 1,405
Interest	8,023	6,502	4,337
Change in Excess State Money	-	-	-
Share Plan Allocation	-	-	-
Changes of Benefit Terms	-	-	-
Difference Between Actual & Expected Experience	(65)	(42)	1,848
Change in Employer's Proportion	4,940	-	-
Changes of Assumptions	2,597	-	-
Contributions - Buy Back	-	-	26
Benefit Payments	(5,591)	(4,885)	(2,987)
Net Change in Total Pension Liability	<u>12,339</u>	<u>3,599</u>	<u>4,629</u>
Total Pension Liability - Beginning	<u>110,031</u>	<u>90,721</u>	<u>60,326</u>
Total Pension Liability - Ending (a)	<u>\$ 122,370</u>	<u>\$ 94,320</u>	<u>\$ 64,955</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 3,811	\$ 2,100	\$ 2,509
Contributions - State	-	1,096	573
Contributions - Member	678	426	195
Change in Employer's Proportion	4,746	-	-
Net Investment Income	(15,894)	(13,211)	(8,097)
Benefit Payments	(5,591)	(4,885)	(2,987)
Administrative Expense	(55)	(61)	(67)
Net Change in Plan Fiduciary Net Position	<u>(12,305)</u>	<u>(14,535)</u>	<u>(7,874)</u>
Plan Fiduciary Net Position - Beginning	<u>105,756</u>	<u>84,534</u>	<u>48,871</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 93,451</u>	<u>\$ 69,999</u>	<u>\$ 40,997</u>
Net Pension Liability - Ending (a)-(b)	28,919	24,321	23,958
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.37%	74.21%	63.12%
Covered Payroll	\$ 18,402	\$ 9,896	\$ 7,548
Net Pension Liability as a Percentage of Covered Payroll	157.15%	245.78%	317.41%

* 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, 2022, the City recognized pension expense of \$17,084, and had ending balances of deferred outflows for pensions of \$37,729, net pension liability of \$77,198, and deferred inflows for pensions of \$487 for its activities in three pension plans. The City recognized a pension expense of \$6,500 related to the general employees' pension fund in 2022. The City's proportionate share of the total Plan's net position is 71.69%. Employer contributions were used as a basis to determine the allocation; the allocation increased 3.08% from the prior year allocation of 68.61%. 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, 2022
(In Thousands)

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Deferred Inflow s of Resources
Differences between expected and actual experience	\$ 133	\$ 97	\$ 36
Change in cost-sharing allocation percentage	540	-	540
Assumptions changes	2,604	-	2,604
Net Difference between projected and actual earnings on pension plan investments	11,174	-	11,174
Total	\$ 14,451	\$ 97	\$ 14,354

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 Outflow s of Resources
2023	\$ 4,096
2024	2,865
2025	2,706
2026	4,687
Total	\$ 14,354

For the year ended September 30, 2022, the City recognized a pension expense of \$5,503 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 Outflow s of Resources	Deferred Inflow s of Resources	Net Deferred Inflow s of Resources
Differences between expected and actual experience	\$ 1,699	\$ 52	\$ 1,647
Change of assumptions	1,394	-	1,394
Net Difference between projected and actual earnings on pension plan investments	9,854	-	9,854
Total	\$ 12,947	\$ 52	\$ 12,895

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 Outflow s of Resources
2023	\$ 3,312
2024	2,852
2025	2,890
2026	3,841
Total	\$ 12,895

For the year ended September 30, 2022, the City recognized a pension expense of \$5,081 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, 2022
(In Thousands)

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Deferred Inflow s of Resources
Differences between expected and actual experience	\$ 2,140	\$ 338	\$ 1,802
Change of assumptions	2,073	-	2,073
Net Difference between projected and actual earnings on pension plan investments	6,118	-	6,118
Total	\$ 10,331	\$ 338	\$ 9,993

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 Outflow s of Resources
2023	\$ 2,581
2024	2,348
2025	2,370
2026	2,694
Total	\$ 9,993

F. Combining Statements of the Pension Trust Funds

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2022
(In Thousands)

	General			Totals
	Employees' Pension	Police Officers' Pension	Firefighters' Pension	
ASSETS				
Cash and Cash Equivalents:	\$ 1,861	\$ 2,001	\$ 655	\$ 4,517
Receivable:				
Interest Receivable	127	75	20	222
Total Receivable:	127	75	20	222
Investments, at Fair Value:				
Fixed Income	35,339	18,437	3,720	57,496
Equities	75,288	26,615	18,113	120,016
Mutual Funds	17,739	10,287	11,422	39,448
Commingled Funds	-	12,584	7,037	19,621
Total Investments:	128,366	67,923	40,292	236,581
Total Assets	130,354	69,999	40,967	241,320
Net Position Restricted for Pension Benefits	\$ 130,354	\$ 69,999	\$ 40,967	\$ 241,320

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For The Year Ended September 30, 2022
(In Thousands)

	General			Totals
	Employees' Pension	Police Officers' Pension	Firefighters' Pension	
ADDITIONS				
Contributions:				
Employer	\$ 3,811	\$ 2,101	\$ 2,509	\$ 8,421
Plan Members	946	426	195	1,567
State	-	1,096	573	1,669
Total Contributions	<u>4,757</u>	<u>3,623</u>	<u>3,277</u>	<u>11,657</u>
Investment earnings:				
Net increase (decrease) in fair value of investments	(26,338)	(15,006)	(8,992)	(50,336)
Interest and dividends	5,004	2,173	1,166	8,343
Total investment earnings (losses)	<u>(21,334)</u>	<u>(12,833)</u>	<u>(7,826)</u>	<u>(41,993)</u>
Less investment expense	859	379	301	1,539
Net investment earnings (losses)	<u>(22,193)</u>	<u>(13,212)</u>	<u>(8,127)</u>	<u>(43,532)</u>
Other contributions (Toho Water Authority)	1,504	-	-	1,504
Total Additions	<u>(15,932)</u>	<u>(9,589)</u>	<u>(4,850)</u>	<u>(30,371)</u>
DEDUCTIONS				
Benefits	7,799	4,885	2,987	15,671
Administrative Expense	55	61	67	183
Total Deductions	<u>7,854</u>	<u>4,946</u>	<u>3,054</u>	<u>15,854</u>
Change in Net Position	(23,786)	(14,535)	(7,904)	(46,225)
Net Position - Beginning of Year	<u>154,140</u>	<u>84,534</u>	<u>48,871</u>	<u>287,545</u>
Net Position - End of Year	<u>\$ 130,354</u>	<u>\$ 69,999</u>	<u>\$ 40,967</u>	<u>\$ 241,320</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, 2022
(In Thousands)

At measurement date September 30, 2021, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	23
Active employees	<u>617</u>
	640

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, 2021, one year prior to the City's fiscal reporting date of September 30, 2022. The measurement period for OPEB cost was October 1, 2020 to September 30, 2021. The components of the changes in the total OPEB liability are as follows:

<u>Total OPEB Liability</u>	Fiscal Year <u>2022</u>
Service cost	\$ 477
Interest	183
Change in benefit terms	-
Difference between expected and actual experience	-
Change of assumptions and other inputs	176
Benefit payments	<u>(266)</u>
Net change in total OPEB liability	570
Total OPEB liability - beginning	<u>7,244</u>
Total OPEB liability - ending	<u>\$ 7,814</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.41% at the beginning of the measurement period to 2.19% as of September 30, 2021.

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

The total OPEB liability reported at September 30, 2022 was based on an actuarial valuation dated September 30, 2020 rolled forward to September 30, 2021 using the following actuarial assumptions:

Inflation	2.25% per annum
Discount rate	2.19%
Salary increases	Rates used in Oct 1, 2020 valuations of City pension plans
Mortality rates	Tables used in July 1, 2020 valuation of the Florida Retirement System (based on results of statewide experience study covering period 2013 through 2018)
Healthcare trend	Trend starting at 6.25% for claims costs and 15.07% for premiums, and thereafter trends based on Getzen model, with trend rate of 6.00% (effective Jan 2022) and gradually decreasing to ultimate trend rate of 3.99%

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, 2021 and September 30, 2022.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(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	\$ 6,816	\$ 7,814	\$ 9,016

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, 2022 was 2.19%. 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>
	1.19%	2.19%	3.19%
Total OPEB Liability	\$ 8,687	\$ 7,814	\$ 7,054

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

For the year ended September 30, 2022, the City recognized OPEB expense of \$475. At September 30, 2022, 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	\$ 332	\$ 129
Change of assumptions	646	1,680
Transactions after measurement date	308	-
	<u>\$ 1,286</u>	<u>\$ 1,809</u>

Deferred outflows of resources of \$308 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, 2023. 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>
2023	\$ (184)
2024	(184)
2025	(174)
2026	(149)
2027	(22)
Thereafter	<u>(118)</u>
	<u>\$ (831)</u>

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(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 2022, 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, 2022, the total outstanding unpaid claims were \$4,752 which includes an estimate for incurred but not reported claims. Insurance premiums paid out of the funds totaled \$9,937 for the fiscal year ended September 30, 2022. 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
2021-2022	\$ 4,752	\$ 9,816	\$ (9,937)	\$ 4,631
2020-2021	4,510	9,300	(9,058)	4,752

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)	\$ 264,555	\$ 53,812	\$ 318,367
Debt Related to Capital Assets	(84,940)	-	(84,940)
Other Liabilities Related to Capital Assets	(141)	(3,906)	(4,047)
Unspent Proceeds of Capital-Related Debt	6,942	3,640	10,582
	<u>\$ 186,416</u>	<u>\$ 53,546</u>	<u>\$ 239,962</u>

NOTE 12 – FUND BALANCE DEFICITS AND EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds have a deficit fund balance at September 30, 2022:

<u>Fund Name</u>	<u>Deficit Amounts</u>
<u>Deficit Fund Balances</u>	
Nonmajor Funds:	
Special Revenue Fund:	
Justice Assistance Grant	\$ (49)
Community Development Block Grant	(83)

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.

The Victim of Crime Act, Justice Assistance Grant, Charter School, 2010A Refunding Revenue Note, and 2011B Capital Refunding Note funds had excess of expenditures over appropriations of \$52, \$387, \$380, \$10, and \$18, respectively. There were sufficient transfers in and available fund balance to cover the excesses.

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 a separate legal entity. Financial activity for the revenues received and payments to the management company is reflected in the City's financial statements as part of the City's governmental funds.

Downtown Community Redevelopment Area Debt – The City issued the 2022 Capital Improvement Revenue Refunding Bonds which included a portion used to finance the cost of land acquisition and various infrastructure improvements known as the Beaumont Development Site. This project is included in the Downtown Community Redevelopment Area (Downtown CRA) redevelopment plan. The Downtown CRA will provide reimbursement to the City for its portion of the annual debt service payments on these bonds. During fiscal year 2022, the Downtown CRA paid interest in the amount of \$428.

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, 2022, the payment made by KUA to the City was \$18.9 million. KUA's total operating revenues for the fiscal year ended September 30, 2022 were \$259.1 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 2022 was \$8.4 million and all future annual amounts will be calculated based on the gross annual revenues of the system for an additional eight 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. In September 2022, Hurricane Ian made landfall in the State of Florida and parts of the City experienced heavy wind and rain damage. The City is currently working with the Federal Emergency Management Agency (FEMA) on reimbursements for hurricane preparedness and recovery efforts which may take several years to complete. The total cumulative cost of these efforts and reimbursement is still being compiled.

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.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2022
(In Thousands)

Contingency - In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) pandemic. The outbreak of COVID-19 resulted in significant impacts on the US economy and the City. On September 8, 2021, the US Department of the Treasury, Coronavirus State and Local Government Fiscal Recovery Fund (CSLFRF) awarded the City \$18,070 as part of the American Rescue Plan Act (ARPA). The total award was provided in two tranches, with the first portion of \$9,035 received in late fiscal year 2021 and the second in late fiscal year 2022. The City's planned use of the ARPA funds includes the standard allowance for revenue loss replacement and infrastructure initiatives to benefit the community.

NOTE 14 – CHANGE IN ACCOUNTING PRINCIPLE

In fiscal year 2022, the City implemented a Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, which resulted in a change in accounting principle for reporting certain leasing transactions including recognition of right-to-use intangible assets, lease receivables, lease liabilities and deferred inflows of resources in the government-wide and fund financial statements. The effect of this change in accounting principle resulted in a restatement of the City's assets, liabilities and deferred inflows; however, it did not result in a change to beginning net position or fund balance.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules (GAAP BASIS):

- General Fund
- Major Special Revenue Fund:
 - Local Option Sales Tax

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, 2022
(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	\$ 19,085	\$ 19,085	\$ 19,326	\$ 241
Utility taxes	7,405	7,405	7,459	54
Local business taxes	250	250	198	(52)
	<u>26,740</u>	<u>26,740</u>	<u>26,983</u>	<u>243</u>
Permits, Fees and Special Assessments:				
Franchise fees	200	200	230	30
Other permits and fees	2	2	7	5
	<u>202</u>	<u>202</u>	<u>237</u>	<u>35</u>
Intergovernmental Revenues:				
Federal grants	-	12	4,350	4,338
State grants	-	-	1	1
State revenue sharing	2,786	2,786	3,941	1,155
Half cent sales tax	5,706	5,706	6,618	912
Shared taxes and licenses	831	831	1,146	315
County shared revenue	2,649	2,649	2,732	83
Kissimmee Utility Authority	18,400	18,400	18,973	573
Tohopekaliga Water Authority	8,137	8,137	8,484	347
	<u>38,509</u>	<u>38,521</u>	<u>46,245</u>	<u>7,724</u>
Charges for Services:				
General government charges	639	639	803	164
Public safety charges	7,924	7,924	8,390	466
Physical environment charges	66	66	114	48
Transportation charges	312	312	284	(28)
Culture/recreation charges	1,030	1,030	1,035	5
	<u>9,971</u>	<u>9,971</u>	<u>10,626</u>	<u>655</u>
Fines and Forfeitures:				
Court fines and costs	257	257	655	398
Miscellaneous Revenue:				
Investment income	292	292	(240)	(532)
Rents	140	140	128	(12)
Other revenue	441	495	580	85
Sales of cemetery lots	214	214	398	184
	<u>1,087</u>	<u>1,141</u>	<u>866</u>	<u>(275)</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES AND OTHER SOURCES - Continued				
Transfers In:				
Stormwater Utility Fund	\$ 298	\$ 298	\$ 304	\$ 6
Charter School	637	637	637	-
Airport	83	83	2	(81)
Sanitation Fund	306	306	279	(27)
Other Nonmajor Funds	159	159	159	-
	<u>1,483</u>	<u>1,483</u>	<u>1,381</u>	<u>(102)</u>
Other Sources:				
Proceeds from Leases	-	-	4,433	4,433
	<u>-</u>	<u>-</u>	<u>4,433</u>	<u>4,433</u>
Total Revenues and Other Sources	<u>78,249</u>	<u>78,315</u>	<u>91,426</u>	<u>13,111</u>
EXPENDITURES AND OTHER (USES)				
General Government:				
City Commission:				
Personal Services	312	313	308	(5)
Operating	614	966	521	(445)
	<u>926</u>	<u>1,279</u>	<u>829</u>	<u>(450)</u>
City Manager:				
Personal Services	1,721	1,746	1,698	(48)
Operating	682	14,577	712	(13,865)
Capital Outlay	156	221	96	(125)
	<u>2,559</u>	<u>16,544</u>	<u>2,506</u>	<u>(14,038)</u>
Development Services:				
Personal Services	1,568	1,589	1,612	23
Operating	687	1,752	1,016	(736)
Capital Outlay	3	176	62	(114)
	<u>2,258</u>	<u>3,517</u>	<u>2,690</u>	<u>(827)</u>
Legal:				
Personal Services	659	668	637	(31)
Operating	302	470	115	(355)
Capital Outlay	-	9	9	-
	<u>961</u>	<u>1,147</u>	<u>761</u>	<u>(386)</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES AND OTHER (USES) - Continued				
General Government:				
Finance:				
Personal Services	\$ 1,290	\$ 1,304	\$ 1,302	\$ (2)
Operating	295	463	320	(143)
Capital Outlay	7	156	13	(143)
	<u>1,592</u>	<u>1,923</u>	<u>1,635</u>	<u>(288)</u>
Personnel:				
Personal Services	1,112	1,114	817	(297)
Operating	179	230	131	(99)
Capital Outlay	11	11	8	(3)
	<u>1,302</u>	<u>1,355</u>	<u>956</u>	<u>(399)</u>
Central Service and Self Insurance Charges:				
Operating	8,261	8,261	8,261	-
	<u>8,261</u>	<u>8,261</u>	<u>8,261</u>	<u>-</u>
Total General Government	<u>17,859</u>	<u>34,026</u>	<u>17,638</u>	<u>(16,388)</u>
Public Safety:				
Police:				
Personal Services	23,477	23,502	22,770	(732)
Operating	3,308	3,528	2,877	(651)
Capital Outlay	1,020	1,372	1,041	(331)
	<u>27,805</u>	<u>28,402</u>	<u>26,688</u>	<u>(1,714)</u>
Fire:				
Personal Services	14,187	14,178	14,003	(175)
Operating	2,479	2,465	2,222	(243)
Capital Outlay	449	944	643	(301)
	<u>17,115</u>	<u>17,587</u>	<u>16,868</u>	<u>(719)</u>
Total Public Safety	<u>44,920</u>	<u>45,989</u>	<u>43,556</u>	<u>(2,433)</u>
Transportation:				
Public Works:				
Personal Services	2,769	2,769	2,908	139
Operating	2,976	3,075	2,216	(859)
Capital Outlay	109	1,438	4,619	3,181
Total Transportation	<u>5,854</u>	<u>7,282</u>	<u>9,743</u>	<u>2,461</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES AND OTHER (USES) - Continued				
Culture/Recreation				
Recreation:				
Personal Services	\$ 5,840	\$ 5,840	\$ 5,358	\$ (482)
Operating	1,840	1,986	1,610	(376)
Capital Outlay	374	1,033	477	(556)
	<hr/>			
Total Culture / Recreation	8,054	8,859	7,445	(1,414)
	<hr/>			
Non-Departmental				
Bad Debt	2,030	2,030	1,431	(599)
Capital Reserves	27,882	29,438	-	(29,438)
Operating Reserves	882	865	-	(865)
Principal Retirement	46	363	755	392
Debt Service Interest and Costs	40	40	42	2
	<hr/>			
Total Non-Departmental	30,880	32,736	2,228	(30,508)
	<hr/>			
Other (Uses)				
Transfers Out	2,932	5,261	5,297	36
Total Other (Uses)	2,932	5,261	5,297	36
	<hr/>			
Total Expenditures and Other (Uses)	110,499	134,153	85,907	(48,246)
	<hr/>			
Excess of Revenues and Other				
Sources Over Expenditures	(32,250)	(55,838)	5,519	61,357
and Other (Uses)				
Fund Balance - Beginning of Year	32,250	55,838	39,392	(16,446)
	<hr/>			
Fund Balance - End of Year	\$ -	\$ -	\$ 44,911	\$ 44,911
	<hr/>			

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION SALES TAX
For the Year Ended September 30, 2022
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Taxes	\$ 9,073	\$ 9,073	\$ 10,783	\$ 1,710
Charges for Services	-	-	169	169
Investment Income (Loss)	20	20	68	48
Total Revenues	9,093	9,093	11,020	1,927
EXPENDITURES				
Current				
General Government	570	1,031	289	742
Public Safety	695	3,308	224	3,084
Transportation	825	5,790	552	5,238
Culture/Recreation	190	1,138	102	1,036
Debt Service				
Principal Retirement	389	355	251	104
Interest and Fiscal Charges	-	35	62	(27)
Capital Outlay	5,482	7,786	-	7,786
Total Expenditures	8,151	19,443	1,480	17,963
Excess (Deficiency) of Revenues Over (Under) Expenditures	942	(10,350)	9,540	19,890
OTHER FINANCING SOURCES (USES)				
Transfers In	-	2,323	2,323	-
Transfers (Out)	(4,333)	(4,376)	(4,400)	(24)
Issuance of Leases	-	2,320	-	(2,320)
Total Other Financing Sources (Uses)	(4,333)	267	(2,077)	(2,344)
Net Change in Fund Balance	(3,391)	(10,083)	7,463	17,546
Fund Balance (Deficit) - Beginning	3,391	10,083	6,652	(3,431)
Fund Balance (Deficit) - Ending	\$ -	\$ -	\$ 14,115	\$ 14,115

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2022
(In Thousands)

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 3,397	\$ 3,023	\$ 2,765	\$ 2,651	\$ 2,535	\$ 2,440	\$ 2,437	\$ 2,362	\$ 2,383
Interest	11,191	11,086	10,588	10,108	9,687	9,095	8,589	8,227	7,758
Benefit changes	-	-	-	1,063	-	-	-	-	339
Assumption changes	3,622	1,414	1,632	-	1,492	1,397	-	-	-
Difference Between Actual & Expected Experience	(90)	(154)	938	(460)	(54)	595	919	(952)	(12)
Benefit Payments and Refunds	(7,799)	(7,675)	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)	(4,902)	(3,483)
Net Change in Total Pension Liability	10,321	7,694	8,807	6,497	7,838	7,935	7,088	4,735	6,985
Total Pension Liability - Beginning	160,372	152,678	143,871	137,374	129,536	121,601	114,513	109,778	102,793
Total Pension Liability - Ending (a)	\$ 170,693	\$ 160,372	\$ 152,678	\$ 143,871	\$ 137,374	\$ 129,536	\$ 121,601	\$ 114,513	\$ 109,778
Plan Fiduciary Net Position									
Contributions - Employer (from City and Toho)	\$ 5,315	\$ 4,825	\$ 4,361	\$ 4,338	\$ 4,119	\$ 3,851	\$ 3,579	\$ 3,587	\$ 3,135
Contributions - Member	946	942	939	875	880	849	856	841	844
Net Investment Income	(22,171)	27,623	10,509	4,225	7,866	12,906	8,257	1,129	7,817
Benefit Payments	(7,799)	(7,675)	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)	(4,902)	(3,483)
Administrative Expense	(78)	(87)	(58)	(79)	(47)	(54)	(76)	(76)	(65)
Net Change in Plan Fiduciary Net Position	(23,787)	25,628	8,635	2,494	6,996	11,960	7,759	579	8,248
Plan Fiduciary Net Position - Beginning	154,141	128,513	119,878	117,384	110,388	98,428	90,669	90,090	81,842
Plan Fiduciary Net Position - Ending (b)	\$ 130,354	\$ 154,141	\$ 128,513	\$ 119,878	\$ 117,384	\$ 110,388	\$ 98,428	\$ 90,669	\$ 90,090
Net Pension Liability - Ending (a)-(b)	40,339	6,231	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	76.37%	96.11%	84.17%	83.32%	85.45%	85.22%	80.94%	79.18%	82.07%
Covered Payroll	\$ 23,734	\$ 23,739	\$ 23,521	\$ 22,188	\$ 21,266	\$ 20,671	\$ 20,342	\$ 19,872	\$ 20,096
Net Pension Liability as a Percentage of Covered Payroll	169.96%	26.25%	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, 2022
(In Thousands)

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

	<u>2022</u>	<u>2021</u>	<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	\$ 2,435	\$ 2,074	\$ 1,860	\$ 1,654	\$ 1,594	\$ 1,485	\$ 1,442	\$ 1,378	\$ 1,390
Interest	8,023	7,606	7,123	6,308	6,090	5,535	5,084	4,798	4,524
Benefit Changes	-	-	-	664	-	-	-	-	198
Change in Employer's Proportion	4,940	2,047	6,991	(632)	2,605	2,030	997	-	-
Change in Assumptions	2,597	970	1,098	-	938	850	-	-	-
Difference Between Actual & Expected Experience	(65)	(106)	631	(287)	(34)	362	544	(555)	(7)
Benefit Payments	(5,591)	(5,266)	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)	(2,859)	(2,032)
Net Change in Total Pension Liability	<u>12,339</u>	<u>7,325</u>	<u>12,916</u>	<u>3,423</u>	<u>7,532</u>	<u>6,859</u>	<u>5,192</u>	<u>2,762</u>	<u>4,073</u>
Total Pension Liability - Beginning	<u>110,031</u>	<u>102,706</u>	<u>89,790</u>	<u>86,367</u>	<u>78,835</u>	<u>71,976</u>	<u>66,784</u>	<u>64,022</u>	<u>59,949</u>
Total Pension Liability - Ending (a)	<u>\$ 122,370</u>	<u>\$ 110,031</u>	<u>\$ 102,706</u>	<u>\$ 89,790</u>	<u>\$ 86,367</u>	<u>\$ 78,835</u>	<u>\$ 71,976</u>	<u>\$ 66,784</u>	<u>\$ 64,022</u>
Plan Fiduciary Net Position									
Contributions - Employer	\$ 3,811	\$ 3,311	\$ 2,935	\$ 2,708	\$ 2,591	\$ 2,345	\$ 2,119	\$ 2,088	\$ 1,984
Contributions - Member	678	646	632	546	554	517	507	490	492
Change in Employer's Proportion	4,746	1,723	5,824	(541)	2,218	1,641	789	-	-
Net Investment Income	(15,894)	18,952	7,069	2,637	4,945	7,855	4,887	663	4,404
Benefit Payments	(5,591)	(5,266)	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)	(2,859)	(2,032)
Administrative Expense	(55)	(60)	(39)	(49)	(30)	(33)	(45)	(44)	(38)
Net Change in Plan Fiduciary Net Position	<u>(12,305)</u>	<u>19,306</u>	<u>11,634</u>	<u>1,017</u>	<u>6,617</u>	<u>8,922</u>	<u>5,382</u>	<u>338</u>	<u>4,810</u>
Plan Fiduciary Net Position - Beginning	<u>105,756</u>	<u>86,450</u>	<u>74,816</u>	<u>73,799</u>	<u>67,182</u>	<u>58,260</u>	<u>52,878</u>	<u>52,540</u>	<u>47,730</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 93,451</u>	<u>\$ 105,756</u>	<u>\$ 86,450</u>	<u>\$ 74,816</u>	<u>\$ 73,799</u>	<u>\$ 67,182</u>	<u>\$ 58,260</u>	<u>\$ 52,878</u>	<u>\$ 52,540</u>
City's Proportionate % of Total Plan Net Position	71.69%	68.61%	72.11%	62.41%	62.87%	60.86%	59.19%	58.32%	58.32%
Net Pension Liability - Ending (a)-(b)	28,919	4,275	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	76.37%	96.11%	84.17%	83.32%	85.45%	85.22%	80.94%	79.18%	82.07%
Covered Payroll	\$ 18,402	\$ 18,002	\$ 17,506	\$ 16,032	\$ 14,740	\$ 13,947	\$ 13,653	\$ 12,852	\$ 12,758
Net Pension Liability as a Percentage of Covered Payroll	157.15%	23.75%	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, 2022
(In Thousands)

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

	<u>2022</u>	<u>2021</u>	<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	\$ 2,024	\$ 1,902	\$ 1,835	\$ 1,773	\$ 2,008	\$ 1,838	\$ 1,911	\$ 1,841	\$ 1,815
Interest	6,502	6,101	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	(42)	2,364	702	(88)	953	(889)	1,136	(427)	-
Changes of Assumptions	-	1,985	508	-	861	-	1,127	-	-
Benefit Payments	(4,885)	(4,337)	(4,761)	(4,171)	(3,611)	(3,116)	(3,122)	(2,849)	(2,957)
Net Change in Total Pension Liability	3,599	8,015	4,752	3,104	5,755	3,132	5,692	3,142	3,175
Total Pension Liability - Beginning	90,721	82,706	77,954	74,850	69,095	65,963	60,271	57,129	53,954
Total Pension Liability - Ending (a)	\$94,320	\$90,721	\$82,706	\$77,954	\$74,850	\$69,095	\$65,963	\$60,271	\$57,129
Plan Fiduciary Net Position									
Contributions - Employer	\$ 2,100	\$ 1,597	\$ 1,871	\$ 1,893	\$ 1,971	\$ 1,882	\$ 1,948	\$ 1,907	\$ 2,476
Contributions - State	1,096	951	1,081	799	747	655	582	521	501
Contributions - Member	426	397	378	366	321	295	275	270	253
Net Investment Income	(13,211)	14,352	6,349	2,480	6,229	5,845	4,519	1,144	4,412
Benefit Payments	(4,885)	(4,337)	(4,761)	(4,171)	(3,611)	(3,116)	(3,122)	(2,849)	(2,957)
Administrative Expense	(61)	(47)	(49)	(65)	(47)	(42)	(46)	(48)	(51)
Net Change in Plan Fiduciary Net Position	(14,535)	12,913	4,869	1,302	5,610	5,519	4,156	945	4,634
Plan Fiduciary Net Position - Beginning	84,534	71,621	66,752	65,450	59,840	54,321	50,165	49,220	44,586
Plan Fiduciary Net Position - Ending (b)	\$69,999	\$84,534	\$71,621	\$66,752	\$65,450	\$59,840	\$54,321	\$50,165	\$49,220
Net Pension Liability - Ending (a)-(b)	24,321	6,187	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	74.21%	93.18%	86.60%	85.63%	87.44%	86.61%	82.35%	83.23%	86.16%
Covered Payroll	\$ 9,896	\$ 9,354	\$ 9,068	\$ 8,550	\$ 7,921	\$ 7,725	\$ 7,506	\$ 7,754	\$ 6,841
Net Pension Liability as a Percentage of Covered Payroll	245.78%	66.15%	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, 2022
(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 9/30/15 measurement period which includes DROP.

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 for 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 09/30/22, the investment rate of return was decreased from 7.4% to 7.2% per year.

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 (FRS) 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 assumptions used by FRS for special risk. 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, 2022
(In Thousands)

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 1,405	\$ 1,174	\$ 1,070	\$ 992	\$ 915	\$ 693	\$ 761	\$ 826	\$ 846
Interest	4,337	4,171	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	1,848	1,103	(560)	(567)	1,552	(920)	58	(606)	-
Changes of Assumptions	-	2,589	1,115	370	463	211	2,097	-	-
Contributions - Buy Back	26	-	-	-	-	3	-	-	-
Benefit Payments	(2,987)	(4,832)	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)	(2,657)	(2,063)
Net Change in Total Pension Liability	4,629	4,205	2,214	1,353	3,138	61	3,321	1,075	1,594
Total Pension Liability - Beginning	60,326	56,121	53,907	52,554	49,416	49,355	46,034	44,959	43,365
Total Pension Liability - Ending (a)	\$64,955	\$60,326	\$56,121	\$53,907	\$52,554	\$49,416	\$49,355	\$46,034	\$44,959
Plan Fiduciary Net Position									
Contributions - Employer	\$ 2,509	\$ 2,246	\$ 2,089	\$ 1,908	\$ 2,095	\$ 1,542	\$ 834	\$ 1,434	\$ 1,392
Contributions - State	573	452	401	368	377	370	337	385	417
Contributions - Member	195	165	142	136	117	104	74	63	68
Net Investment Income	(8,097)	8,460	3,723	1,671	2,986	3,709	2,985	(1,773)	4,343
Benefit Payments	(2,987)	(4,832)	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)	(2,657)	(2,063)
Administrative Expense	(67)	(62)	(51)	(55)	(62)	(59)	(54)	(52)	(52)
Net Change in Plan Fiduciary Net Position	(7,874)	6,429	2,744	553	1,813	1,953	1,008	(2,600)	4,105
Plan Fiduciary Net Position - Beginning	48,871	42,442	39,698	39,145	37,332	35,379	34,371	36,971	32,866
Plan Fiduciary Net Position - Ending (b)	\$40,997	\$48,871	\$42,442	\$39,698	\$39,145	\$37,332	\$35,379	\$34,371	\$36,971
Net Pension Liability - Ending (a)-(b)	23,958	11,455	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	63.12%	81.01%	75.63%	73.64%	74.49%	75.55%	71.68%	74.66%	82.23%
Covered Payroll	\$ 7,548	\$ 7,557	\$ 6,712	\$ 6,183	\$ 5,756	\$ 5,829	\$ 4,557	\$ 4,987	\$ 4,218
Net Pension Liability as a Percentage of Covered Payroll	317.41%	151.58%	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, 2022
(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 09/30/21, the investment return was lowered from 7.60% to 7.20%.

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, 2022
(In Thousands)

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,811	\$ 3,311	\$ 2,927	\$ 2,707	\$ 2,590	\$ 2,344	\$ 2,119	\$ 2,160	\$ 1,980
Contributions in Relation to the Actuarially Determined Contributions	3,811	3,311	2,930	2,707	2,590	2,344	2,119	2,088	1,984
Contribution Deficiency (Excess)	-	-	(3)	-	-	-	-	72	(4)
Covered Payroll	\$18,402	\$18,002	\$17,506	\$16,032	\$14,740	\$13,947	\$13,653	\$12,852	\$12,758
Contributions as a percentage of Covered Payroll	20.71%	18.39%	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: 10/1/21

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 10/01/2020)
Asset Valuation Method:	20% of the difference between MV and expected actuarial asset
Inflation:	2.25%
Salary Increase:	3.40% to 6.50%
Interest Rate	7.0%
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 2021, there were no significant assumption changes to calculate the contribution.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2022
(In Thousands)

Schedule of Actuarially Determined Contributions (Police Officers')

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 2,882	\$ 3,051	\$ 2,793	\$ 2,554	\$ 2,640	\$ 2,626	\$ 2,464	\$ 2,469	\$ 2,408
Contributions in Relation to the									
Actuarially Determined Contributions	<u>3,196</u>	<u>2,548</u>	<u>2,951</u>	<u>2,693</u>	<u>2,717</u>	<u>2,537</u>	<u>2,530</u>	<u>2,428</u>	<u>2,977</u>
Contribution Deficiency (Excess)	<u>(314)</u>	<u>503</u>	<u>(158)</u>	<u>(139)</u>	<u>(77)</u>	<u>89</u>	<u>(66)</u>	<u>41</u>	<u>(569)</u>
Covered Payroll	\$ 9,896	\$ 9,354	\$ 9,068	\$ 8,550	\$ 7,921	\$ 7,725	\$ 7,506	\$ 7,754	\$ 6,841
Contributions as a percentage of									
Covered Payroll	32.30%	27.24%	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: 10/1/21

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 10/01/2021)
Asset Valuation Method:	4 Year geometric average of market value returns
Salary Increase:	Service based
Interest Rate	7.2%, 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, 2022
(In Thousands)

Schedule of Actuarially Determined Contributions (Firefighters')

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,527	\$ 2,962	\$ 2,647	\$ 2,450	\$ 2,286	\$ 2,465	\$ 1,880	\$ 1,774	\$ 1,851
Contributions in Relation to the									
Actuarially Determined Contributions	3,082	2,698	2,490	2,276	2,472	1,912	1,171	1,819	2,363
Contribution Deficiency (Excess)	445	264	157	174	(186)	553	709	(45)	(512)
Covered Payroll	\$ 7,548	\$ 7,557	\$ 6,712	\$ 6,183	\$ 5,756	\$ 5,829	\$ 4,557	\$ 4,987	\$ 4,218
Contributions as a percentage of									
Covered Payroll	40.83%	35.70%	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: 10/1/21

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 10/01/2021)
Asset Valuation Method:	5 Year Smooth
Salary Increase:	Service based
Inflation:	2.70%
Interest Rate	7.20%
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 9/30/21, 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, 2022
(In Thousands)**

Money-weighted Rate of Return

		General Employees'								
		<u>2022</u>	<u>2021</u>	<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		-14.35%	22.21%	8.06%	3.53%	7.04%	6.09%	6.09%	1.54%	11.45%
		Police Officers'								
		<u>2022</u>	<u>2021</u>	<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		-15.70%	20.17%	9.61%	3.82%	10.42%	10.74%	8.99%	2.29%	9.71%
		Firefighters'								
		<u>2022</u>	<u>2021</u>	<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		-16.37%	20.18%	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, 2022
(In Thousands)

Schedule of Changes in the Total OPEB Liability and Related Ratios

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 477	\$ 518	\$ 402	\$ 531	\$ 544
Interest	183	226	267	271	233
Change of benefit terms	-	-	1	-	-
Difference between expected and actual experience	-	434	-	(255)	-
Change of assumptions and other inputs	176	(1,482)	772	(894)	(270)
Benefit payments	(266)	(318)	(278)	(323)	(234)
Net change in total OPEB liability	570	(622)	1,164	(670)	273
Total OPEB liability - beginning	7,244	7,866	6,702	7,372	7,099
Total OPEB liability - ending	<u>\$ 7,814</u>	<u>\$ 7,244</u>	<u>\$ 7,866</u>	<u>\$ 6,702</u>	<u>\$ 7,372</u>
Covered-employee payroll	\$ 37,040	\$ 34,141	\$ 30,714	\$ 28,415	\$ 26,226
Total OPEB liability as a percentage of covered-employee payroll	21.10%	21.22%	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 2022: discount rate decreased to 2.19% from 2.41%.

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OTHER SUPPLEMENTAL INFORMATION

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

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.

Community Redevelopment Agency Downtown

To account for the operations of the Downtown Community Redevelopment Agency. Costs are funded with restricted incremental tax increases of property located within the CRA.

Community Redevelopment Agency Vine Street

To account for the operations of the Vine Street Community Redevelopment Agency. Costs are funded with restricted incremental tax increases of property located within the CRA.

Building Division

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

Federal Grants Fund

To account for the revenues and expenditures related to several grant projects reimbursed by federal grantor agencies.

State Grants Fund

To account for the revenues and expenditures related to several grant projects reimbursed by state grantor agencies.

Shingle Creek Regional Trail

To account for the revenues and expenditures related LAP agreements with the Florida Department of Transportation to provide for the construction of the Shingle Creek Regional Trail.

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.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

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.

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.

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.

Non-Budgeted Special Revenue Funds

CARES Act Relief

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

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.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

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.

2016 Revenue Note

Accounts for the payment of principal and interest on the 2016 Revenue Note. Monies from the one-cent sales tax are used for annual debt service payments.

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.

Non-Budgeted Debt Service Fund

2021 Line of Credit Debt

Accounts for the payment of principal and interest on the 2021 Line of Credit. Monies from the one-cent sales tax are used for annual debt service payments.

2022A Revenue Refunding Bond

Accounts for the payment of principal and interest on the 2022A Revenue Refunding Bond. Revenue received from half cent sales tax and communication service taxes is used for annual debt service payments.

2022B Revenue Refunding Bond

Accounts for the payment of principal and interest on the 2022B Revenue Refunding Bond. Revenue received from half cent sales tax and communication service taxes 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)

2016 Revenue Note Construction

To account for the proceeds of the 2016 Refunding Revenue Note to be used for capital improvement projects.

2018 Line of Credit

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

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

2017 Note Capital Projects

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

2022 Bonds Capital Projects

To account for the proceeds of the 2022A and 2022B Revenue Refunding Bonds to be used for various improvement projects.

Non-Budgeted Capital Project Funds

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.

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022
(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	\$ 36,406	\$ 3,241	\$ -	\$ 39,647
Restricted Cash and Investments	1,603	3,003	8,371	12,977
Accounts Receivable (net)	187	-	-	187
Due from TWA	3	-	-	3
Due from Other Governments	1,369	-	-	1,369
Prepaid Items	49	-	-	49
Advance to Other Funds	-	3,640	-	3,640
Total Assets	\$ 39,617	\$ 9,884	\$ 8,371	\$ 57,872
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 690	\$ -	\$ 490	\$ 1,180
Accrued Liabilities	-	6,148	-	6,148
Due to Other Funds	646	-	-	646
Advanced Grants	719	-	-	719
Total Liabilities	2,055	6,148	490	8,693
Deferred Inflows of Resources				
Unavailable Earned Revenues	418	-	-	418
Total Deferred Inflows of Resources	418	-	-	418
Fund Balances:				
Nonspendable Prepays and Inventories	49	-	-	49
Nonspendable Advances	-	3,640	-	3,640
Nonspendable Supplementary Care	1,209	-	-	1,209
Restricted for Transportation Projects	13,054	-	-	13,054
Restricted for Public Safety Projects	2	-	-	2
Restricted for Development Services	6,742	-	-	6,742
Restricted for Economic Development	7,299	-	-	7,299
Restricted for Recreation Projects	2,723	-	-	2,723
Restricted for Charter School	2,948	-	-	2,948
Restricted for Construction Projects	-	-	7,881	7,881
Restricted for Other Capital Improvements	3,250	-	-	3,250
Assigned for Debt Service	-	96	-	96
Unassigned (Deficit)	(132)	-	-	(132)
Total Fund Balances	37,144	3,736	7,881	48,761
Total Liabilities, Deferred Inflows and Fund Balances	\$ 39,617	\$ 9,884	\$ 8,371	\$ 57,872

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended September 30, 2022
(In Thousands)

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 2,968	\$ -	\$ -	\$ 2,968
Permits, Fees and Special Assessments	5,438	-	-	5,438
Intergovernmental Revenues	13,335	-	-	13,335
Charges for Services	1,421	-	-	1,421
Investment Income (Loss)	(150)	-	(33)	(183)
Miscellaneous Revenues	534	-	-	534
Total Revenues	<u>23,546</u>	<u>-</u>	<u>(33)</u>	<u>23,513</u>
EXPENDITURES				
Current:				
General Government	6,448	-	-	6,448
Public Safety	4,572	-	-	4,572
Transportation	2,559	-	-	2,559
Economic Environment	1,282	-	655	1,937
Culture/Recreation	220	-	-	220
Debt Service:				
Principal Retirement	-	4,663	-	4,663
Interest and Fiscal Charges	-	2,641	-	2,641
Professional Fees	-	360	-	360
Capital Outlay	-	-	18	18
Total Expenditures	<u>15,081</u>	<u>7,664</u>	<u>673</u>	<u>23,418</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,465</u>	<u>(7,664)</u>	<u>(706)</u>	<u>95</u>
OTHER FINANCING SOURCES and (USES)				
Transfers In	2,545	7,144	-	9,689
Transfers (Out)	(3,062)	-	-	(3,062)
Issuance of Notes Payable/Refunded Notes Payable	-	20,530	6,200	26,730
Payment to Refunded Notes Escrow Agent	-	(16,350)	-	(16,350)
Total Other Financing Sources and (Uses)	<u>(517)</u>	<u>11,324</u>	<u>6,200</u>	<u>17,007</u>
Net Change in Fund Balances	<u>7,948</u>	<u>3,660</u>	<u>5,494</u>	<u>17,102</u>
Fund Balances - Beginning	<u>29,196</u>	<u>76</u>	<u>2,387</u>	<u>31,659</u>
Fund Balances - Ending	<u>\$ 37,144</u>	<u>\$ 3,736</u>	<u>\$ 7,881</u>	<u>\$ 48,761</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2022
(In Thousands)

	Local Option Gas Tax	Recreation Impact Fee Fund	Community Redevelopment Agency Downtown	Community Redevelopment Agency Vine Street
ASSETS				
Cash and Cash Equivalents	\$ 5,200	\$ 2,723	\$ 4,137	\$ 2,956
Restricted Cash and Investments	-	-	-	-
Accounts Receivable (net)	-	-	-	-
Due from TWA	3	-	-	-
Due from Other Governments	275	-	-	-
Prepaid Items	-	-	-	-
Total Assets	\$ 5,478	\$ 2,723	\$ 4,137	\$ 2,956
LIABILITIES				
Accounts Payable	\$ 28	\$ -	\$ 16	\$ -
Due to Other Funds	-	-	-	-
Advanced Grants	-	-	-	-
Total Liabilities	28	-	16	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES (DEFICITS)				
Nonspendable Prepays and Inventories	-	-	-	-
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	5,450	-	-	-
Restricted for Public Safety Projects	-	-	-	-
Restricted for Development Services	-	-	-	-
Restricted for Economic Development	-	-	4,121	2,956
Restricted for Recreation Projects	-	2,723	-	-
Restricted for Charter School	-	-	-	-
Restricted for Other Capital	-	-	-	-
Improvements	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficits)	5,450	2,723	4,121	2,956
Total Liabilities, Deferred Inflows and Fund Balances	\$ 5,478	\$ 2,723	\$ 4,137	\$ 2,956

Building Division	Federal Grants Fund	State Grants Fund	Shingle Creek Regional Trail	Mobility Fee Fund	State Housing Initiative Program	Victim of Crime Act
\$ 6,600	\$ 217	\$ 2,805	\$ 272	\$ 7,408	\$ 1,049	\$ -
-	-	-	-	-	-	-
178	-	9	-	-	-	-
-	-	-	-	-	-	-
-	98	560	97	-	-	29
-	-	49	-	-	-	-
<u>\$ 6,778</u>	<u>\$ 315</u>	<u>\$ 3,423</u>	<u>\$ 369</u>	<u>\$ 7,408</u>	<u>\$ 1,049</u>	<u>\$ 29</u>
\$ 36	\$ -	\$ 183	\$ 77	\$ 1	\$ 6	\$ -
-	-	-	-	-	110	27
-	-	-	-	-	719	-
<u>36</u>	<u>-</u>	<u>183</u>	<u>77</u>	<u>1</u>	<u>835</u>	<u>27</u>
-	98	158	97	-	-	-
-	98	158	97	-	-	-
-	-	49	-	-	-	-
-	-	-	-	-	-	-
-	-	-	195	7,407	-	-
-	-	-	-	-	-	2
6,742	-	-	-	-	-	-
-	-	-	-	-	214	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	217	3,033	-	-	-	-
-	-	-	-	-	-	-
<u>6,742</u>	<u>217</u>	<u>3,082</u>	<u>195</u>	<u>7,407</u>	<u>214</u>	<u>2</u>
<u>\$ 6,778</u>	<u>\$ 315</u>	<u>\$ 3,423</u>	<u>\$ 369</u>	<u>\$ 7,408</u>	<u>\$ 1,049</u>	<u>\$ 29</u>

Continued

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2022
(In Thousands)

	Justice Assistance Grant	Paving Assessments	Charter School	CARES Act Relief
ASSETS				
Cash and Cash Equivalents	\$ 21	\$ 2	\$ 1,515	\$ 1
Restricted Cash and Investments	-	-	1,603	-
Accounts Receivable (net)	-	-	-	-
Due from TWA	-	-	-	-
Due from Other Governments	-	-	139	-
Prepaid Items	-	-	-	-
Total Assets	\$ 21	\$ 2	\$ 3,257	\$ 1
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 309	\$ -
Due to Other Funds	70	-	-	-
Advanced Grants	-	-	-	-
Total Liabilities	70	-	309	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES (DEFICITS)				
Nonspendable Prepaids and Inventories	-	-	-	-
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	-	2	-	-
Restricted for Public Safety Projects	-	-	-	-
Restricted for Development Services	-	-	-	-
Restricted for Economic Development	-	-	-	1
Restricted for Recreation Projects	-	-	-	-
Restricted for Charter School	-	-	2,948	-
Restricted for Other Capital Improvements	-	-	-	-
Unassigned (Deficit)	(49)	-	-	-
Total Fund Balances (Deficits)	(49)	2	2,948	1
Total Liabilities, Deferred Inflows and Fund Balances	\$ 21	\$ 2	\$ 3,257	\$ 1

Neighborhood Stabilization and Home	Community Development Block Grant	Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
\$ 94	\$ 193	\$ 4	\$ -	\$ 1,209	\$ 36,406
-	-	-	-	-	1,603
-	-	-	-	-	187
-	-	-	-	-	3
26	145	-	-	-	1,369
-	-	-	-	-	49
<u>\$ 120</u>	<u>\$ 338</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,209</u>	<u>\$ 39,617</u>
\$ -	\$ 34	\$ -	\$ -	\$ -	\$ 690
117	322	-	-	-	646
-	-	-	-	-	719
<u>117</u>	<u>356</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,055</u>
-	65	-	-	-	418
-	65	-	-	-	418
-	-	-	-	-	49
-	-	-	-	1,209	1,209
-	-	-	-	-	13,054
-	-	-	-	-	2
-	-	-	-	-	6,742
3	-	4	-	-	7,299
-	-	-	-	-	2,723
-	-	-	-	-	2,948
-	-	-	-	-	3,250
-	(83)	-	-	-	(132)
<u>3</u>	<u>(83)</u>	<u>4</u>	<u>-</u>	<u>1,209</u>	<u>37,144</u>
<u>\$ 120</u>	<u>\$ 338</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,209</u>	<u>\$ 39,617</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, 2022
(In Thousands)

	Local Option Gas Tax	Recreation Impact Fee Fund	Community Redevelopment Agency Downtown	Community Redevelopment Agency Vine Street
REVENUES				
Taxes	\$ 2,968	\$ -	\$ -	\$ -
Permits, Fees and Special Assessments	-	-	-	-
Intergovernmental Revenues	-	-	1,428	587
Charges for Services	1	1,184	-	-
Investment Income (Loss)	(17)	(10)	(7)	(2)
Miscellaneous Revenues	1	-	255	-
Total Revenues	2,953	1,174	1,676	585
EXPENDITURES				
Current:				
General Government	-	-	594	171
Public Safety	-	-	-	-
Transportation	1,165	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	208	-	-
Total Expenditures	1,165	208	594	171
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,788	966	1,082	414
OTHER FINANCING SOURCES and (USES)				
Transfers In	627	-	986	550
Transfers (Out)	(962)	(38)	(925)	-
Total Other Financing Sources and (Uses)	(335)	(38)	61	550
Net Change in Fund Balances	1,453	928	1,143	964
Fund Balances (Deficits) - Beginning	3,997	1,795	2,978	1,992
Fund Balances (Deficits) - Ending	\$ 5,450	\$ 2,723	\$ 4,121	\$ 2,956

Building Division	Federal Grants Fund	State Grants Fund	Shingle Creek Regional Trail	Mobility Fee Fund	State Housing Initiative Program	Victim of Crime Act
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,274	-	-	-	1,129	-	-
-	-	1,921	162	-	294	63
236	-	-	-	-	-	-
(41)	(1)	-	-	(38)	(4)	-
-	-	-	-	-	-	-
4,469	(1)	1,921	162	1,091	290	63
-	-	-	-	-	-	-
2,446	-	9	-	-	-	54
-	-	1,218	168	8	-	-
-	-	-	-	-	294	-
-	-	12	-	-	-	-
2,446	-	1,239	168	8	294	54
2,023	(1)	682	(6)	1,083	(4)	9
5	-	116	-	-	-	-
-	-	-	(23)	(443)	-	-
5	-	116	(23)	(443)	-	-
2,028	(1)	798	(29)	640	(4)	9
4,714	218	2,284	224	6,767	218	(7)
\$ 6,742	\$ 217	\$ 3,082	\$ 195	\$ 7,407	\$ 214	\$ 2

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, 2022
(In Thousands)

	Justice Assistance Grant	Paving Assessments	Charter School	CARES Act Relief
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits, Fees and Special Assessments	-	35	-	-
Intergovernmental Revenues	77	-	6,375	-
Charges for Services	-	-	-	-
Investment Income (Loss)	-	-	(20)	(3)
Miscellaneous Revenues	-	-	-	-
Total Revenues	77	35	6,355	(3)
EXPENDITURES				
Current:				
General Government	-	-	5,683	-
Public Safety	395	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Total Expenditures	395	-	5,683	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(318)	35	672	(3)
OTHER FINANCING SOURCES and (USES)				
Transfers In	261	-	-	-
Transfers (Out)	-	(34)	(637)	-
Total Other Financing Sources and (Uses)	261	(34)	(637)	-
Net Change in Fund Balances	(57)	1	35	(3)
Fund Balances (Deficits) - Beginning	8	1	2,913	4
Fund Balances (Deficits) - Ending	\$ (49)	\$ 2	\$ 2,948	\$ 1

Neighborhood Stabilization and Home	Community Development Block Grant	Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,968
-	-	-	-	-	5,438
-	760	-	1,668	-	13,335
-	-	-	-	-	1,421
-	-	-	-	(7)	(150)
197	-	-	-	81	534
<u>197</u>	<u>760</u>	<u>-</u>	<u>1,668</u>	<u>74</u>	<u>23,546</u>
-	-	-	-	-	6,448
-	-	-	1,668	-	4,572
-	-	-	-	-	2,559
164	824	-	-	-	1,282
-	-	-	-	-	220
<u>164</u>	<u>824</u>	<u>-</u>	<u>1,668</u>	<u>-</u>	<u>15,081</u>
<u>33</u>	<u>(64)</u>	<u>-</u>	<u>-</u>	<u>74</u>	<u>8,465</u>
-	-	-	-	-	2,545
-	-	-	-	-	(3,062)
-	-	-	-	-	(517)
33	(64)	-	-	74	7,948
(30)	(19)	4	-	1,135	29,196
<u>\$ 3</u>	<u>\$ (83)</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,209</u>	<u>\$ 37,144</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION GAS TAX
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Taxes	\$ 2,731	\$ 2,968	\$ 237
Charges for Services	3	1	(2)
Investment Income (Loss)	15	(17)	(32)
Miscellaneous Revenues	1	1	-
Total Revenues	<u>2,750</u>	<u>2,953</u>	<u>203</u>
EXPENDITURES			
Transportation	4,171	1,165	3,006
Capital Outlay	2,014	-	2,014
Total Expenditures	<u>6,185</u>	<u>1,165</u>	<u>5,020</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,435)</u>	<u>1,788</u>	<u>5,223</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	598	627	29
Transfers (Out)	(959)	(962)	(3)
Total Other Financing Sources and (Uses)	<u>(361)</u>	<u>(335)</u>	<u>26</u>
Net Change in Fund Balance	<u>(3,796)</u>	<u>1,453</u>	<u>5,249</u>
Fund Balance (Deficit) - Beginning	<u>3,796</u>	<u>3,997</u>	<u>201</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 5,450</u>	<u>\$ 5,450</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RECREATION IMPACT FEE FUND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Charges for Services	\$ 250	\$ 1,184	\$ 934
Investment Income (Loss)	5	(10)	(15)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>255</u>	<u>1,174</u>	<u>919</u>
EXPENDITURES			
Culture/Recreation	969	208	761
Capital Outlay	730	-	730
Total Expenditures	<u>1,699</u>	<u>208</u>	<u>1,491</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,444)</u>	<u>966</u>	<u>2,410</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(38)	(38)	-
Total Other Financing Sources and (Uses)	<u>(38)</u>	<u>(38)</u>	<u>-</u>
Net Change in Fund Balance	(1,482)	928	2,410
Fund Balance (Deficit) - Beginning	<u>1,482</u>	<u>1,795</u>	<u>313</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 2,723</u>	<u>\$ 2,723</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY DOWNTOWN
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 1,392	\$ 1,428	\$ 36
Investment Income (Loss)	15	(7)	(22)
Miscellaneous Revenues	253	255	2
Total Revenues	<u>1,660</u>	<u>1,676</u>	<u>16</u>
EXPENDITURES			
General Government	2,401	594	1,807
Capital Outlay	1,399	-	1,399
Total Expenditures	<u>3,800</u>	<u>594</u>	<u>3,206</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,140)</u>	<u>1,082</u>	<u>3,222</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	961	986	25
Transfers (Out)	(763)	(925)	(162)
Total Other Financing Sources and (Uses)	<u>198</u>	<u>61</u>	<u>(137)</u>
Net Change in Fund Balance	<u>(1,942)</u>	<u>1,143</u>	<u>3,085</u>
Fund Balance (Deficit) - Beginning	<u>1,942</u>	<u>2,978</u>	<u>1,036</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 4,121</u>	<u>\$ 4,121</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY VINE STREET
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 546	\$ 587	\$ 41
Investment Income (Loss)	5	(2)	(7)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>551</u>	<u>585</u>	<u>34</u>
EXPENDITURES			
General Government	1,229	171	1,058
Capital Outlay	1,568	-	1,568
Total Expenditures	<u>2,797</u>	<u>171</u>	<u>2,626</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,246)</u>	<u>414</u>	<u>2,660</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	511	550	39
Total Other Financing Sources and (Uses)	<u>511</u>	<u>550</u>	<u>39</u>
Net Change in Fund Balance	(1,735)	964	2,699
Fund Balance (Deficit) - Beginning	<u>1,735</u>	<u>1,992</u>	<u>257</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 2,956</u>	<u>\$ 2,956</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING DIVISION
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 2,025	\$ 4,274	\$ 2,249
Charges for Services	80	236	156
Investment Income (Loss)	10	(41)	(51)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>2,115</u>	<u>4,469</u>	<u>2,354</u>
EXPENDITURES			
Public Safety	5,525	2,446	3,079
Capital Outlay	1,201	-	1,201
Total Expenditures	<u>6,726</u>	<u>2,446</u>	<u>4,280</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,611)</u>	<u>2,023</u>	<u>6,634</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	5	5	-
Total Other Financing Sources and (Uses)	<u>5</u>	<u>5</u>	<u>-</u>
Net Change in Fund Balance	(4,606)	2,028	6,634
Fund Balance (Deficit) - Beginning	<u>4,606</u>	<u>4,714</u>	<u>108</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 6,742</u>	<u>\$ 6,742</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANTS FUND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Investment Income (Loss)	-	(1)	(1)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>(1)</u>	<u>(1)</u>
EXPENDITURES			
General Government	18	-	18
Economic Environment	398	-	398
Total Expenditures	<u>416</u>	<u>-</u>	<u>416</u>
Net Change in Fund Balance	(416)	(1)	415
Fund Balance (Deficit) - Beginning	<u>416</u>	<u>218</u>	<u>(198)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 217</u>	<u>\$ 217</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE GRANTS FUND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 9,584	\$ 1,921	\$ (7,663)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>9,584</u>	<u>1,921</u>	<u>(7,663)</u>
EXPENDITURES			
Public Safety	25	9	16
Transportation	8,293	1,218	7,075
Culture/Recreation	3,295	12	3,283
Total Expenditures	<u>11,613</u>	<u>1,239</u>	<u>10,374</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,029)</u>	<u>682</u>	<u>2,711</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	116	116	-
Total Other Financing Sources and (Uses)	<u>116</u>	<u>116</u>	<u>-</u>
Net Change in Fund Balance	(1,913)	798	2,711
Fund Balance (Deficit) - Beginning	<u>1,913</u>	<u>2,284</u>	<u>371</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 3,082</u>	<u>\$ 3,082</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SHINGLE CREEK REGIONAL TRAIL
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ -	\$ 162	\$ 162
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>162</u>	<u>162</u>
EXPENDITURES			
Transportation	734	168	566
Total Expenditures	<u>734</u>	<u>168</u>	<u>566</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(734)</u>	<u>(6)</u>	<u>728</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(23)	(23)	-
Total Other Financing Sources and (Uses)	<u>(23)</u>	<u>(23)</u>	<u>-</u>
Net Change in Fund Balance	(757)	(29)	728
Fund Balance (Deficit) - Beginning	<u>757</u>	<u>224</u>	<u>(533)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 195</u>	<u>\$ 195</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MOBILITY FEE FUND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 5,885	\$ 1,129	\$ (4,756)
Investment Income (Loss)	25	(38)	(63)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>5,910</u>	<u>1,091</u>	<u>(4,819)</u>
EXPENDITURES			
Transportation	3,687	8	3,679
Capital Outlay	8,277	-	8,277
Total Expenditures	<u>11,964</u>	<u>8</u>	<u>11,956</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,054)</u>	<u>1,083</u>	<u>7,137</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	(6,497)	640	7,137
Fund Balance (Deficit) - Beginning	<u>6,497</u>	<u>6,767</u>	<u>270</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 7,407</u>	<u>\$ 7,407</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING INITIATIVE PROGRAM
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 516	\$ 294	\$ (222)
Investment Income (Loss)	-	(4)	(4)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>516</u>	<u>290</u>	<u>(226)</u>
EXPENDITURES			
Economic Environment	913	294	619
Total Expenditures	<u>913</u>	<u>294</u>	<u>619</u>
Net Change in Fund Balance	(397)	(4)	393
Fund Balance (Deficit) - Beginning	<u>397</u>	<u>218</u>	<u>(179)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 214</u>	<u>\$ 214</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
VICTIM OF CRIME ACT
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 85	\$ 63	\$ (22)
Total Revenues	<u>85</u>	<u>63</u>	<u>(22)</u>
EXPENDITURES			
Public Safety	85	54	31
Total Expenditures	<u>85</u>	<u>54</u>	<u>31</u>
Net Change in Fund Balance	-	9	9
Fund Balance (Deficit) - Beginning	<u>-</u>	<u>(7)</u>	<u>(7)</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, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 45	\$ 77	\$ 32
Total Revenues	<u>45</u>	<u>77</u>	<u>32</u>
EXPENDITURES			
Public Safety	306	395	(89)
Total Expenditures	<u>306</u>	<u>395</u>	<u>(89)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(261)</u>	<u>(318)</u>	<u>(57)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	261	261	-
Total Other Financing Sources and (Uses)	<u>261</u>	<u>261</u>	<u>-</u>
Net Change in Fund Balance	-	(57)	(57)
Fund Balance (Deficit) - Beginning	<u>-</u>	<u>8</u>	<u>8</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (49)</u>	<u>\$ (49)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PAVING ASSESSMENTS
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 10	\$ 35	\$ 25
Investment Income (Loss)	-	-	-
Total Revenues	<u>10</u>	<u>35</u>	<u>25</u>
EXPENDITURES			
Transportation	5	-	5
Total Expenditures	<u>5</u>	<u>-</u>	<u>5</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5</u>	<u>35</u>	<u>30</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(5)	(34)	(29)
Total Other Financing Sources and (Uses)	<u>(5)</u>	<u>(34)</u>	<u>(29)</u>
Net Change in Fund Balance	-	1	1
Fund Balance (Deficit) - Beginning	-	1	1
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CHARTER SCHOOL
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 5,800	\$ 6,375	\$ 575
Investment Income (Loss)	15	(20)	(35)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>5,815</u>	<u>6,355</u>	<u>540</u>
EXPENDITURES			
General Government	5,303	5,683	(380)
Capital Outlay	2,597	-	2,597
Total Expenditures	<u>7,900</u>	<u>5,683</u>	<u>2,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,085)</u>	<u>672</u>	<u>2,757</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(637)	(637)	-
Total Other Financing Sources and (Uses)	<u>(637)</u>	<u>(637)</u>	<u>-</u>
Net Change in Fund Balance	(2,722)	35	2,757
Fund Balance (Deficit) - Beginning	<u>2,722</u>	<u>2,913</u>	<u>191</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 2,948</u>	<u>\$ 2,948</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION AND HOME
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Miscellaneous Revenues	336	197	(139)
Total Revenues	<u>336</u>	<u>197</u>	<u>(139)</u>
EXPENDITURES			
Economic Environment	1,114	164	950
Total Expenditures	<u>1,114</u>	<u>164</u>	<u>950</u>
Net Change in Fund Balance	(778)	33	811
Fund Balance (Deficit) - Beginning	<u>778</u>	<u>(30)</u>	<u>(808)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 769	\$ 760	\$ (9)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>769</u>	<u>760</u>	<u>(9)</u>
EXPENDITURES			
Economic Environment	<u>2,441</u>	<u>824</u>	<u>1,617</u>
Total Expenditures	<u>2,441</u>	<u>824</u>	<u>1,617</u>
Net Change in Fund Balance	(1,672)	(64)	1,608
Fund Balance (Deficit) - Beginning	<u>1,672</u>	<u>(19)</u>	<u>(1,691)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (83)</u>	<u>\$ (83)</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2022
(In Thousands)

	FmHA Bond	2015B Refunding Note	2014A Revenue Note	2016 Revenue Note	Series 2017 Revenue Note
ASSETS					
Cash and Cash Equivalents	\$ 42	\$ -	\$ 522	\$ 17	\$ -
Restricted Cash and Investments	-	243	-	2,162	-
Advance to Other Funds	-	-	-	-	-
Total Assets	<u>\$ 42</u>	<u>\$ 243</u>	<u>\$ 522</u>	<u>\$ 2,179</u>	<u>\$ -</u>
LIABILITIES					
Accrued Liabilities	\$ -	\$ 243	\$ 522	\$ 2,162	\$ -
Total Liabilities	<u>-</u>	<u>243</u>	<u>522</u>	<u>2,162</u>	<u>-</u>
FUND BALANCE					
Nonspendable Advances	-	-	-	-	-
Assigned for Debt Service	42	-	-	17	-
Total Fund Balances	<u>42</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 42</u>	<u>\$ 243</u>	<u>\$ 522</u>	<u>\$ 2,179</u>	<u>\$ -</u>

2010A Refunding Revenue Note	2010B Refunding Revenue Note	2010C Refunding Revenue Note	2011B Capital Refunding Note	2021 Line of Credit Debt	2022A Revenue Refunding Bond Debt	2022B Revenue Refunding Bond Debt	Total Nonmajor Debt Service Funds
\$ 903	\$ 709	\$ 251	\$ 760	\$ 17	\$ 15	\$ 5	\$ 3,241
-	-	-	-	-	546	52	3,003
-	-	-	-	-	3,640	-	3,640
<u>\$ 903</u>	<u>\$ 709</u>	<u>\$ 251</u>	<u>\$ 760</u>	<u>\$ 17</u>	<u>\$ 4,201</u>	<u>\$ 57</u>	<u>\$ 9,884</u>
\$ 903	\$ 709	\$ 251	\$ 760	\$ -	\$ 546	\$ 52	\$ 6,148
903	709	251	760	-	546	52	6,148
-	-	-	-	-	3,640	-	3,640
-	-	-	-	17	15	5	96
-	-	-	-	17	3,655	5	3,736
<u>\$ 903</u>	<u>\$ 709</u>	<u>\$ 251</u>	<u>\$ 760</u>	<u>\$ 17</u>	<u>\$ 4,201</u>	<u>\$ 57</u>	<u>\$ 9,884</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, 2022
(In Thousands)

	FmHA Bond	2015B Refunding Note	2014A Revenue Note	2016 Revenue Note	2010A Refunding Revenue Note
REVENUES					
Investment Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Debt Service					
Principal Retirement	28	205	420	1,375	875
Interest and Fiscal Charges	1	76	203	1,574	57
Professional Fees	-	-	-	-	-
Total Expenditures	<u>29</u>	<u>281</u>	<u>623</u>	<u>2,949</u>	<u>932</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(29)</u>	<u>(281)</u>	<u>(623)</u>	<u>(2,949)</u>	<u>(932)</u>
OTHER FINANCING SOURCES AND (USES)					
Transfers In	29	281	623	2,949	932
Issuance of Notes Payable/Refunded Notes Payable	-	-	-	-	-
Payment to Refunded Notes Escrow Agent	-	-	-	-	-
Total Other Financing Sources And (Uses)	<u>29</u>	<u>281</u>	<u>623</u>	<u>2,949</u>	<u>932</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning	<u>42</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ -</u>

2010B Refunding Revenue Note	2010C Refunding Revenue Note	2011B Capital Refunding Note	2021 Line of Credit Debt	2022A Revenue Refunding Bond Debt	2022B Revenue Refunding Bond Debt	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
670	220	710	-	160	-	4,663
78	63	101	118	318	52	2,641
-	-	-	-	325	35	360
748	283	811	118	803	87	7,664
(748)	(283)	(811)	(118)	(803)	(87)	(7,664)
748	283	811	118	318	52	7,144
-	-	-	-	17,750	2,780	20,530
-	-	-	-	(13,610)	(2,740)	(16,350)
748	283	811	118	4,458	92	11,324
-	-	-	-	3,655	5	3,660
-	-	-	17	-	-	76
\$ -	\$ -	\$ -	\$ 17	\$ 3,655	\$ 5	\$ 3,736

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FmHA BOND
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
General Government	-	-	-
Debt Service			
Principal Retirement	28	28	-
Interest and Fiscal Charges	1	1	-
Capital Outlay	42	-	42
Total Expenditures	<u>71</u>	<u>29</u>	<u>42</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(71)</u>	<u>(29)</u>	<u>42</u>
OTHER FINANCING SOURCES			
Transfers In	29	29	-
Total Other Financing Sources	<u>29</u>	<u>29</u>	<u>-</u>
Net Change in Fund Balance	<u>(42)</u>	<u>-</u>	<u>42</u>
Fund Balance - Beginning	<u>42</u>	<u>42</u>	<u>-</u>
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, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt Service			
Principal Retirement	205	205	-
Interest and Fiscal Charges	76	76	-
Total Expenditures	<u>281</u>	<u>281</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(281)</u>	<u>(281)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	281	281	-
Total Other Financing Sources	<u>281</u>	<u>281</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2014A REVENUE NOTE
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt Service			
Principal Retirement	420	420	-
Interest and Fiscal Charges	203	203	-
Total Expenditures	<u>623</u>	<u>623</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(623)</u>	<u>(623)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	623	623	-
Total Other Financing Sources	<u>623</u>	<u>623</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Miscellaneous Revenues	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Principal Retirement	1,375	1,375	-
Interest and Fiscal Charges	1,574	1,574	-
Capital Outlay	17	-	17
Total Expenditures	<u>2,966</u>	<u>2,949</u>	<u>17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,966)</u>	<u>(2,949)</u>	<u>17</u>
OTHER FINANCING SOURCES			
Transfers In	2,949	2,949	-
Total Other Financing Sources	<u>2,949</u>	<u>2,949</u>	<u>-</u>
Net Change in Fund Balance	(17)	-	17
Fund Balance - Beginning	<u>17</u>	<u>17</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ 17</u></u>	<u><u>\$ 17</u></u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010A REFUNDING REVENUE NOTE
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt Service			
Principal Retirement	875	875	-
Interest and Fiscal Charges	47	57	(10)
Total Expenditures	<u>922</u>	<u>932</u>	<u>(10)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(922)</u>	<u>(932)</u>	<u>(10)</u>
OTHER FINANCING SOURCES			
Transfers In	922	932	10
Total Other Financing Sources	<u>922</u>	<u>932</u>	<u>10</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010B REFUNDING REVENUE NOTE
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt Service			
Principal Retirement	670	670	-
Interest and Fiscal Charges	78	78	-
Total Expenditures	<u>748</u>	<u>748</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(748)</u>	<u>(748)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	748	748	-
Total Other Financing Sources	<u>748</u>	<u>748</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010C REFUNDING REVENUE NOTE
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt Service			
Principal Retirement	220	220	-
Interest and Fiscal Charges	63	63	-
Total Expenditures	<u>283</u>	<u>283</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(283)</u>	<u>(283)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	283	283	-
Total Other Financing Sources	<u>283</u>	<u>283</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2011B CAPITAL REFUNDING NOTE
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Debt Service			
Principal Retirement	710	710	-
Interest and Fiscal Charges	83	101	(18)
Total Expenditures	<u>793</u>	<u>811</u>	<u>(18)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(793)</u>	<u>(811)</u>	<u>(18)</u>
OTHER FINANCING SOURCES			
Transfers In	793	811	18
Total Other Financing Sources	<u>793</u>	<u>811</u>	<u>18</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2022
(In Thousands)

	2014A Note Capital Project	2010C Note Capital Project	2016 Revenue Note Construction	Lakefront Sales Tax 2009A Capital Project	2018 Line of Credit
ASSETS					
Restricted Cash and Investments	\$ 148	\$ 14	\$ 721	\$ 2	\$ 626
Total Assets	<u>\$ 148</u>	<u>\$ 14</u>	<u>\$ 721</u>	<u>\$ 2</u>	<u>\$ 626</u>
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted for Construction Projects	148	14	721	2	626
Total Fund Balances	<u>148</u>	<u>14</u>	<u>721</u>	<u>2</u>	<u>626</u>
Total Liabilities and Fund Balances	<u>\$ 148</u>	<u>\$ 14</u>	<u>\$ 721</u>	<u>\$ 2</u>	<u>\$ 626</u>

2017 Note Capital Project	2022 Bonds Capital Projects	Total Nonmajor Capital Projects Funds
\$ 825	\$ 6,035	\$ 8,371
<u>\$ 825</u>	<u>\$ 6,035</u>	<u>\$ 8,371</u>
\$ -	\$ 490	\$ 490
-	490	490
<u>825</u>	<u>5,545</u>	<u>7,881</u>
<u>825</u>	<u>5,545</u>	<u>7,881</u>
<u>\$ 825</u>	<u>\$ 6,035</u>	<u>\$ 8,371</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, 2022
(In Thousands)

	2014A Note Capital Project	2010C Note Capital Project	2016 Revenue Note Construction	Lakefront Sales Tax 2009A Capital Project	2018 Line of Credit
REVENUES					
Investment Income (Loss)	\$ (1)	\$ -	\$ (21)	\$ -	\$ (5)
Total Revenues	<u>(1)</u>	<u>-</u>	<u>(21)</u>	<u>-</u>	<u>(5)</u>
EXPENDITURES					
Economic Environment	-	-	-	-	-
Capital Outlay	-	-	18	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1)</u>	<u>-</u>	<u>(39)</u>	<u>-</u>	<u>(5)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of Notes Payable/Refunded Notes Payable	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(1)</u>	<u>-</u>	<u>(39)</u>	<u>-</u>	<u>(5)</u>
Fund Balances - Beginning	149	14	760	2	631
Fund Balances - Ending	<u>\$ 148</u>	<u>\$ 14</u>	<u>\$ 721</u>	<u>\$ 2</u>	<u>\$ 626</u>

2017 Note Capital Project	2022 Bonds Capital Projects	Total Nonmajor Capital Projects Funds
\$ (6)	\$ -	\$ (33)
(6)	-	(33)
-	655	655
-	-	18
-	655	673
(6)	(655)	(706)
-	6,200	6,200
-	6,200	6,200
(6)	5,545	5,494
831	-	2,387
<u>\$ 825</u>	<u>\$ 5,545</u>	<u>\$ 7,881</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE CONSTRUCTION
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ (21)	\$ (21)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>(21)</u>	<u>(21)</u>
EXPENDITURES			
Capital Outlay	<u>737</u>	<u>18</u>	<u>719</u>
Total Expenditures	<u>737</u>	<u>18</u>	<u>719</u>
Net Change in Fund Balance	<u>(737)</u>	<u>(39)</u>	<u>698</u>
Fund Balance - Beginning	<u>737</u>	<u>760</u>	<u>23</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 721</u>	<u>\$ 721</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2018 LINE OF CREDIT
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ (5)	\$ (5)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>(5)</u>	<u>(5)</u>
EXPENDITURES			
Capital Outlay	613	-	613
Total Expenditures	<u>613</u>	<u>-</u>	<u>613</u>
Net Change in Fund Balance	<u>(613)</u>	<u>(5)</u>	<u>608</u>
Fund Balance - Beginning	<u>613</u>	<u>631</u>	<u>18</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 626</u>	<u>\$ 626</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2017 NOTE CAPITAL PROJECTS
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ (6)	\$ (6)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>(6)</u>	<u>(6)</u>
EXPENDITURES			
Capital Outlay	<u>344</u>	<u>-</u>	<u>344</u>
Total Expenditures	<u>344</u>	<u>-</u>	<u>344</u>
Net Change in Fund Balance	<u>(344)</u>	<u>(6)</u>	<u>338</u>
Fund Balance - Beginning	<u>344</u>	<u>831</u>	<u>487</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 825</u>	<u>\$ 825</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2022 BONDS CAPITAL PROJECTS
For the Year Ended September 30, 2022
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
EXPENDITURES			
Economic Environment	\$ 6,200	\$ 655	\$ 5,545
Total Expenditures	<u>6,200</u>	<u>655</u>	<u>5,545</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,200)</u>	<u>(655)</u>	<u>5,545</u>
OTHER FINANCING SOURCES (USES)			
Issuance of Notes Payable/Refunded Notes Payable	<u>6,200</u>	<u>6,200</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>6,200</u>	<u>6,200</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>5,545</u>	<u>5,545</u>
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 5,545</u>	<u>\$ 5,545</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, 2022
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,318	\$ 1,350	\$ 6,201	\$ 8,869
Accounts Receivable (net)	19	11	-	30
Due from Other Governments	571	-	-	571
Due from KUA	25	-	-	25
Due from TWA	554	42	416	1,012
Inventories	75	-	-	75
Leases Receivable	399	-	-	399
Total Current Assets	2,961	1,403	6,617	10,981
Capital Assets:				
Buildings	289	-	-	289
Improvements Other Than Buildings	4,346	91	538	4,975
Software, Net	27	-	-	27
Right-to-Use Equipment, Net of Amortization	13	-	-	13
Machinery, Equipment and Vehicles	2,848	40	171	3,059
Less: Accumulated Depreciation	(5,440)	(44)	(298)	(5,782)
Total Capital Assets	2,083	87	411	2,581
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to OPEB	74	-	-	74
Deferred Outflows Related to Pensions	1,554	-	-	1,554
Total Deferred Outflows of Resources	1,628	-	-	1,628
LIABILITIES				
Current liabilities:				
Accounts Payable	784	-	-	784
Due to KUA	1	-	-	1
Compensated Absences Payable	36	-	-	36
Estimated Claims Payable	-	392	1,923	2,315
Total current liabilities	821	392	1,923	3,136
Noncurrent liabilities:				
Compensated Absences Payable	146	-	-	146
Other Postemployment Benefits	447	-	-	447
Net Pension Liability	3,058	-	-	3,058
Lease Liability	14	-	-	14
Estimated Claims Payable	-	393	1,923	2,316
Total Noncurrent Liabilities	3,665	393	1,923	5,981
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Leases	396	-	-	396
Deferred Inflows Related to OPEB	103	-	-	103
Deferred Inflows Related to Pensions	20	-	-	20
Total Deferred Inflows of Resources	519	-	-	519
NET POSITION				
Net Investment in Capital Assets	2,069	87	411	2,567
Unrestricted	(402)	618	2,771	2,987
Total Net Position	\$ 1,667	\$ 705	\$ 3,182	\$ 5,554

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2022
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Operating Revenues:				
Charges for Services	\$ 10,185	\$ 10,164	\$ 2,775	\$ 23,124
Miscellaneous Revenues	83	57	-	140
Total Operating Revenues	<u>10,268</u>	<u>10,221</u>	<u>2,775</u>	<u>23,264</u>
Operating Expenses:				
Personal Services	3,739	2	-	3,741
Contracted Services	709	1,921	6	2,636
Supplies and Materials	109	77	2	188
Repairs and Maintenance	2,778	-	138	2,916
Other Services and Charges	1,757	13	255	2,025
Depreciation	432	8	29	469
Claims/Premium Expense	135	7,601	2,967	10,703
Total Operating Expenses	<u>9,659</u>	<u>9,622</u>	<u>3,397</u>	<u>22,678</u>
Operating Income (Loss)	<u>609</u>	<u>599</u>	<u>(622)</u>	<u>586</u>
Nonoperating Revenues and Expenses:				
Investment Income	(9)	4	(46)	(51)
Lease Revenues	99	-	-	99
Insurance Recoveries	-	-	483	483
Gain or (Loss) from Sale of Capital Assets	15	-	(1)	14
Total Nonoperating Revenues and Expenses	<u>105</u>	<u>4</u>	<u>436</u>	<u>545</u>
Income (Loss) Before Contributions and Transfers	<u>714</u>	<u>603</u>	<u>(186)</u>	<u>1,131</u>
Transfers In	-	30	-	30
Change in Net Position	<u>714</u>	<u>633</u>	<u>(186)</u>	<u>1,161</u>
Total Net Position - Beginning	<u>953</u>	<u>72</u>	<u>3,368</u>	<u>4,393</u>
Total Net Position - Ending	<u>\$ 1,667</u>	<u>\$ 705</u>	<u>\$ 3,182</u>	<u>\$ 5,554</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2022
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 9,702	\$ 10,228	\$ 3,096	\$ 23,026
Payments to Suppliers	(5,213)	(9,678)	(3,427)	(18,318)
Payments to Employees	(3,465)	(2)	-	(3,467)
Net Cash Provided (Used) by Operating Activities	<u>1,024</u>	<u>548</u>	<u>(331)</u>	<u>1,241</u>
Cash Flows from Noncapital Financing Activities				
Transfers in	-	30	-	30
Transfers (out)	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>30</u>	<u>-</u>	<u>30</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(469)	(2)	(6)	(477)
Proceeds from Leasing Activities	96	-	-	96
Lease Payable Principal Payments	(12)	-	-	(12)
Proceeds from Sales of Capital Assets	21	-	-	21
Proceeds from Insurance Recoveries	-	-	483	483
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(364)</u>	<u>(2)</u>	<u>477</u>	<u>111</u>
Cash Flows from Investing Activities				
Income (Loss) on Investments	(9)	4	(46)	(51)
Net Cash Provided (Used) by Investing Activities	<u>(9)</u>	<u>4</u>	<u>(46)</u>	<u>(51)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	651	580	100	1,331
Cash and Cash Equivalents at Beginning of Year	667	770	6,101	7,538
Cash and Cash Equivalents at End of Year	<u>\$ 1,318</u>	<u>\$ 1,350</u>	<u>\$ 6,201</u>	<u>\$ 8,869</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 609	\$ 599	\$ (622)	\$ 586
Depreciation	432	8	29	469
Changes in Assets and Liabilities:				
(Increase) Decrease in Due from TWA	(280)	16	321	57
(Increase) Decrease in Accounts Receivable	(5)	(9)	-	(14)
(Increase) Decrease in Inventories	2	-	-	2
(Increase) Decrease in Due From Other Governments	(281)	-	-	(281)
(Increase) Decrease in Deferred Outflows OPEB	(3)	-	-	(3)
(Increase) Decrease in Deferred Outflows Pensions	(1,303)	-	-	(1,303)
Increase (Decrease) in Accounts Payable	273	-	(4)	269
Increase (Decrease) in Claims Payable	-	(66)	(55)	(121)
Increase (Decrease) in OPEB Liability	33	-	-	33
Increase (Decrease) in Compensated Absences	(25)	-	-	(25)
Increase (Decrease) in Net Pension Liability	2,616	-	-	2,616
Increase (Decrease) in Deferred Inflows OPEB	(20)	-	-	(20)
Increase (Decrease) in Deferred Inflows Pensions	(1,024)	-	-	(1,024)
Total Adjustments	<u>415</u>	<u>(51)</u>	<u>291</u>	<u>655</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,024</u>	<u>\$ 548</u>	<u>\$ (331)</u>	<u>\$ 1,241</u>

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City of Kissimmee, Florida
Statistical Section
September 30, 2022

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

Schedule 1
City of Kissimmee, Florida

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

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment										
in capital assets	\$ 137,945	\$ 148,239	\$ 163,458	\$ 159,525	\$ 171,862	\$ 160,750	\$ 168,706	\$ 178,154	\$ 184,731	\$ 186,416
Restricted	14,019	12,220	16,865	20,474	21,469	26,878	32,621	33,231	40,052	54,396
Unrestricted	19,796	25,233	(5,079)	(3,698)	(2,528)	(4,692)	125	(3,503)	2,108	1,634
Total governmental activities net position	<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>	<u>\$ 226,891</u>	<u>\$ 242,446</u>
Business-type activities										
Net investment										
in capital assets	\$ 37,374	\$ 41,655	\$ 42,959	\$ 42,126	\$ 43,725	\$ 49,095	\$ 49,355	\$ 49,204	\$ 51,601	\$ 53,546
Restricted	388	12	488	24	-	36	73	69	-	-
Unrestricted	3,549	4,509	1,858	2,996	1,879	1,874	3,277	4,273	2,845	4,809
Total business-type activities net position	<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>	<u>\$ 54,446</u>	<u>\$ 58,355</u>
Primary government										
Net investment										
in capital assets	\$ 175,319	\$ 189,894	\$ 206,417	\$ 201,651	\$ 215,587	\$ 209,845	\$ 218,061	\$ 227,358	\$ 236,332	\$ 239,962
Restricted	14,407	12,232	17,353	20,498	21,469	26,914	32,694	33,300	40,052	54,396
Unrestricted	23,345	29,742	(3,221)	(702)	(649)	(2,818)	3,402	770	4,953	6,443
Total primary government net position	<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>	<u>\$ 281,337</u>	<u>\$ 300,801</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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 32,203	\$ 34,892	\$ 32,649	\$ 38,386	\$ 37,622	\$ 38,402	\$ 41,436	\$ 48,354	\$ 46,066	\$ 50,392
Public safety	31,600	32,134	33,644	36,631	40,187	39,039	42,946	45,599	44,709	50,259
Physical environment	-	-	-	-	-	-	-	-	-	-
Transportation	6,559	7,738	8,437	18,435	6,651	10,834	13,908	8,049	9,079	14,312
Economic environment	1,526	1,053	962	389	1,103	1,944	1,302	997	1,468	1,228
Culture/Recreation	5,430	5,499	4,255	8,360	7,534	7,659	3,940	8,110	8,183	9,211
Interest on long-term debt	1,332	1,352	1,499	3,028	2,620	2,791	2,854	2,644	2,495	2,944
Total governmental activities expenses	\$ 78,650	\$ 82,668	\$ 81,446	\$ 105,229	\$ 95,717	\$ 100,669	\$ 106,386	\$ 113,753	\$ 112,000	\$ 128,346
Business-type activities:										
Stormwater	\$ 3,409	\$ 3,546	\$ 3,725	\$ 4,029	\$ 3,998	\$ 4,633	\$ 4,941	\$ 4,885	\$ 5,363	\$ 5,258
Airport	1,248	1,231	1,425	2,160	2,497	1,564	1,707	1,640	1,751	2,423
Solid waste	3,773	4,107	4,288	4,436	4,497	4,559	5,131	5,335	5,489	6,020
Total business-type activities expenses	\$ 8,430	\$ 8,884	\$ 9,438	\$ 10,625	\$ 10,992	\$ 10,756	\$ 11,779	\$ 11,860	\$ 12,603	\$ 13,701
Total primary government net expenses	\$ 87,080	\$ 91,552	\$ 90,884	\$ 115,854	\$ 106,709	\$ 111,425	\$ 118,165	\$ 125,613	\$ 124,603	\$ 142,047
Program revenues										
Governmental activities:										
Charges for services - general government	\$ 18,661	\$ 21,352	\$ 21,837	\$ 21,855	\$ 22,162	\$ 22,737	\$ 25,376	\$ 26,837	\$ 28,541	\$ 30,526
Charges for services - public safety	10,255	8,136	6,567	8,373	8,574	10,223	11,071	9,077	8,776	13,321
Charges for services - all others	1,956	2,030	2,454	2,064	1,981	2,094	1,928	824	1,247	1,620
Operating grants and contributions	1,039	894	594	951	1,374	1,296	2,900	1,236	2,400	5,646
Capital grants and contributions	1,988	7,455	7,040	11,361	5,322	10,921	7,545	5,815	9,125	4,589
Total governmental activities program revenues	\$ 33,899	\$ 39,867	\$ 38,492	\$ 44,604	\$ 39,413	\$ 47,271	\$ 48,820	\$ 43,789	\$ 50,089	\$ 55,702
Business-type activities:										
Charges for services - stormwater	\$ 4,399	\$ 4,432	\$ 4,659	\$ 4,732	\$ 5,105	\$ 5,188	\$ 5,561	\$ 5,786	\$ 5,860	\$ 6,088
Charges for services - airport	824	925	844	856	868	932	875	828	956	1,185
Charges for services - solid waste	4,608	4,822	4,773	4,772	5,066	5,010	5,362	5,844	5,938	6,229
Operating grants and contributions	-	-	-	-	-	-	-	157	254	312
Capital grants and contributions	1,749	3,890	934	1,007	651	2,615	2,022	580	1,007	2,879
Total business-type activities program revenues	\$ 11,580	\$ 14,069	\$ 11,210	\$ 11,367	\$ 11,690	\$ 13,745	\$ 13,820	\$ 13,195	\$ 14,015	\$ 16,693
Total primary government program revenues	\$ 45,479	\$ 53,936	\$ 49,702	\$ 55,971	\$ 51,103	\$ 61,016	\$ 62,640	\$ 56,984	\$ 64,104	\$ 72,395
Net (expense) / revenue										
Governmental activities	\$ (44,751)	\$ (42,801)	\$ (42,954)	\$ (60,625)	\$ (56,304)	\$ (53,398)	\$ (57,566)	\$ (69,964)	\$ (61,911)	\$ (72,644)
Business-type activities	3,150	5,185	1,772	742	698	2,989	2,041	1,335	1,412	2,992
Total primary government net expense	\$ (41,601)	\$ (37,616)	\$ (41,182)	\$ (59,883)	\$ (55,606)	\$ (50,409)	\$ (55,525)	\$ (68,629)	\$ (60,499)	\$ (69,652)

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes in net position										
Governmental activities:										
Property tax	\$ 11,085	\$ 11,456	\$ 11,756	\$ 11,620	\$ 12,275	\$ 13,228	\$ 14,608	\$ 16,382	\$ 17,739	\$ 19,326
Sales tax	9,601	10,420	11,106	11,885	12,412	5,318	5,434	4,567	5,460	6,618
Public service tax	6,389	6,572	6,556	6,703	6,892	6,979	7,024	7,141	7,233	7,459
Gas tax	2,634	2,581	2,582	2,773	2,657	2,811	2,831	2,525	2,767	2,968
Local option discretionary tax	-	-	-	-	-	7,986	8,144	7,048	8,555	10,783
State revenue sharing	1,838	2,517	2,564	2,339	2,579	2,735	2,914	2,654	3,178	3,941
Other Locally Assessed Utility Tax	-	-	-	-	-	-	1,650	1,664	1,727	1,838
Other taxes	2,389	2,032	2,257	2,738	2,872	3,109	1,914	2,397	3,629	2,327
Franchise fees (1)	141	140	159	165	154	179	184	177	197	230
Unrestricted intergovernmental revenues	15,000	19,616	21,069	23,911	23,371	25,531	25,546	25,641	27,090	30,159
Investment income (loss)	178	138	233	418	688	881	2,448	1,816	(71)	(406)
Miscellaneous revenues	1,116	765	1,095	1,385	1,092	1,201	2,557	1,708	1,916	2,292
Gain on sale of capital assets	202	171	-	-	168	26	127	2,062	942	-
Transfers in (out)	566	325	651	780	1,212	669	701	612	558	664
Total governmental activities	\$ 51,139	\$ 56,733	\$ 60,028	\$ 64,717	\$ 66,372	\$ 70,653	\$ 76,082	\$ 76,394	\$ 80,920	\$ 88,199
Business-type activities:										
Investment income (loss)	\$ 14	\$ 5	\$ 17	\$ 24	\$ 29	\$ 45	\$ 143	\$ 105	\$ 5	\$ (19)
Miscellaneous revenues	-	-	-	-	-	37	48	7	4	3
Gain on sale of capital assets	-	-	-	48	27	52	169	6	37	1,597
Transfers in (out)	(566)	(325)	(651)	(780)	(1,212)	(669)	(701)	(612)	(558)	(664)
Total business-type activities	\$ (552)	\$ (320)	\$ (634)	\$ (708)	\$ (1,156)	\$ (535)	\$ (341)	\$ (494)	\$ (512)	\$ 917
Total primary government	\$ 50,587	\$ 56,413	\$ 59,394	\$ 64,009	\$ 65,216	\$ 70,118	\$ 75,741	\$ 75,900	\$ 80,408	\$ 89,116
Change in net position										
Governmental activities	\$ 6,388	\$ 13,932	\$ 17,074	\$ 4,092	\$ 10,068	\$ 17,255	\$ 18,516	\$ 6,430	\$ 19,009	\$ 15,555
Business-type activities	2,598	4,865	1,138	34	(458)	2,454	1,700	841	900	3,909
Total	\$ 8,986	\$ 18,797	\$ 18,212	\$ 4,126	\$ 9,610	\$ 19,709	\$ 20,216	\$ 7,271	\$ 19,909	\$ 19,464

- (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)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Nonspendable	\$ 378	\$ 199	\$ 199	\$ 330	\$ 339	\$ 334	\$ 361	\$ 318	\$ 317	\$ 317
Restricted	599	1,355	1,347	1,287	930	634	667	479	560	803
Assigned	1,614	1,695	990	2,188	1,814	1,971	736	3,768	3,448	7,203
Unassigned	19,724	21,729	23,023	23,449	25,435	28,350	31,723	30,432	35,067	36,588
Total general fund	\$ 22,315	\$ 24,978	\$ 25,559	\$ 27,254	\$ 28,518	\$ 31,289	\$ 33,487	\$ 34,997	\$ 39,392	\$ 44,911
All other governmental funds										
Nonspendable	\$ 739	\$ 762	\$ 802	\$ 839	\$ 883	\$ 1,033	\$ 995	\$ 1,059	\$ 1,135	\$ 4,898
Restricted	15,199	15,863	20,123	52,800	48,117	45,341	40,641	31,640	37,156	58,014
Assigned	42	42	86	103	59	59	59	59	76	96
Unassigned	(1,435)	(527)	(1,005)	(1,397)	(816)	(400)	(981)	(1,460)	(56)	(132)
Total all other governmental funds	\$ 14,545	\$ 16,140	\$ 20,006	\$ 52,345	\$ 48,243	\$ 46,033	\$ 40,714	\$ 31,298	\$ 38,311	\$ 62,876
Total fund balances all governmental funds	\$ 36,860	\$ 41,118	\$ 45,565	\$ 79,599	\$ 76,761	\$ 77,322	\$ 74,201	\$ 66,295	\$ 77,703	\$ 107,787

Schedule 4
City of Kissimmee, Florida

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 25,967	\$ 27,032	\$ 26,866	\$ 28,398	\$ 29,524	\$ 31,276	\$ 32,873	\$ 33,367	\$ 36,579	\$ 40,734
Permits, fees and special assessments	4,218	2,276	3,702	3,452	5,252	5,674	5,167	3,213	2,027	5,675
Intergovernmental revenues	30,014	39,955	41,566	41,969	42,524	45,836	48,997	47,542	57,318	59,580
Charges for services	8,288	8,397	7,930	8,689	8,483	9,881	10,090	8,871	10,627	12,216
Fines and forfeitures	910	1,561	572	455	697	387	923	403	326	655
Investment income (loss)	157	137	211	390	643	823	2,277	1,669	(53)	(355)
Miscellaneous revenues	540	592	722	766	743	810	1,901	999	1,573	1,640
Total revenues	\$ 70,094	\$ 79,950	\$ 81,569	\$ 84,119	\$ 87,866	\$ 94,687	\$ 102,228	\$ 96,064	\$ 108,397	\$ 120,145
Expenditures										
General government	\$ 16,136	\$ 18,438	\$ 16,524	\$ 22,951	\$ 23,576	\$ 21,181	\$ 24,413	\$ 26,866	\$ 24,340	\$ 25,806
Public safety	33,003	31,708	33,638	33,906	37,393	39,453	43,991	44,549	49,929	48,352
Transportation	8,113	16,184	13,239	10,803	10,017	10,691	11,972	9,923	11,689	12,854
Economic environment	1,322	1,067	757	429	899	1,943	1,302	997	1,468	1,937
Culture/Recreation	11,500	6,686	7,048	7,546	7,231	6,956	7,543	7,127	7,436	7,767
Debt service:										
Principal retirement	3,661	3,906	3,853	3,832	4,163	4,144	4,088	4,226	4,969	5,669
Interest and fiscal charges	1,332	1,352	1,498	2,246	2,764	2,939	2,991	2,782	2,620	2,715
Professional fees	-	-	-	438	17	13	24	23	36	390
Capital Outlay	2,615	6,784	1,450	6,504	10,778	14,058	15,391	10,444	43	18
Total expenditures	\$ 77,682	\$ 86,125	\$ 78,007	\$ 88,655	\$ 96,838	\$ 101,378	\$ 111,715	\$ 106,937	\$ 102,530	\$ 105,508
Excess of revenues over (under) expenditures	\$ (7,588)	\$ (6,175)	\$ 3,562	\$ (4,536)	\$ (8,972)	\$ (6,691)	\$ (9,487)	\$ (10,873)	\$ 5,867	\$ 14,637
Other financing sources (uses)										
Transfers in	\$ 9,381	\$ 7,218	\$ 12,419	\$ 51,835	\$ 11,351	\$ 10,224	\$ 10,909	\$ 10,796	\$ 11,001	\$ 13,393
Transfers (out)	(8,772)	(6,893)	(11,751)	(50,716)	(10,112)	(9,537)	(10,162)	(10,184)	(10,472)	(12,759)
Proceeds from sale of capital assets	202	508	110	147	165	126	219	2,355	1,108	-
Issuance of notes payable	-	9,600	3,875	42,930	4,730	6,220	5,400	-	16,350	26,730
Issuance of leases	1,891	-	-	-	-	219	-	-	3,904	4,433
Issuance premium	-	-	-	4,838	-	-	-	-	-	-
Payment to bond escrow agent	-	-	(3,768)	(10,464)	-	-	-	-	(16,350)	(16,350)
Total other financing sources (uses)	\$ 2,702	\$ 10,433	\$ 885	\$ 38,570	\$ 6,134	\$ 7,252	\$ 6,366	\$ 2,967	\$ 5,541	\$ 15,447
Net change in fund balances	\$ (4,886)	\$ 4,258	\$ 4,447	\$ 34,034	\$ (2,838)	\$ 561	\$ (3,121)	\$ (7,906)	\$ 11,408	\$ 30,084
Debt service as a percentage of non-capital expenditures	8.4%	7.1%	8.3%	9.0%	9.4%	9.2%	8.9%	8.1%	8.6%	9.2%

**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					
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%
2021	5,349,402	741,001	6,090,403	1,743,350	4,347,053	4.6253	4,347,053	140.104%
2022	5,995,371	756,969	6,752,340	1,355,470	5,396,870	4.6253	5,396,870	125.116%

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				
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	
2021	4.625	6.700	0.300	5.897	0.151	0.133	17.806	
2022	4.625	6.700	0.300	5.516	0.135	0.095	17.371	

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
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%
2021	18,411	17,279	93.9%	459	17,738	96.3%
2022	20,081	18,943	94.3%	383	19,326	96.2%

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 2021 / 2022 (a)			Fiscal Year 2012 / 2013 (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.	\$ 129,884	24.61%	1	\$ 62,205	26.22%	1
Apartment complex	Rentals	CLPF	63,339	12.00%	2	-	-	-
Apartment complex	Rentals	Sonceto (Kissimmee) Owner LLC	60,280	11.42%	3	-	-	-
Apartment complex	Rentals	BMF IV FL Lake Tivoli	46,929	8.89%	4	-	-	-
Apartment complex	Rentals	Continental 330 Fund LLC	42,892	8.13%	5	-	-	-
Apartment complex	Rentals	FL Arrow Ridge Apts	38,924	7.38%	6	-	-	-
Retail store	Merchandising	Loop West LLC	37,728	7.15%	7	29,635	12.49%	3
Apartment complex	Rentals	Kissimmee Lakes Owner	37,314	7.07%	8	-	-	-
Retail store	Merchandising	PR Kissimmee Active Adult	35,474	6.72%	9	-	-	-
Apartment complex	Rentals	1880 Destiny Blvd	34,977	6.63%	10	-	-	-
Retail store	Merchandising	Wal-Mart Stores, Inc.	-	-	-	20,746	8.75%	5
Condominiums	Rentals	G&I Vineyards LLC	-	-	-	29,928	12.62%	2
Condominiums	Timeshare sales	Oak Plantation Realty Partners	-	-	-	35,418	10.71%	4
Apartment complex	Rentals	Alliance HTFL Ltd Partnership	-	-	-	18,603	7.84%	6
Apartment complex	Rentals	Fountainhead Phase I, Inc.	-	-	-	18,471	7.79%	7
Apartment complex	Rentals	Dalcor Reef Club Apartments	-	-	-	16,305	6.87%	8
Apartment complex	Rentals	MPG Osceola Ltd	-	-	-	14,612	6.16%	9
Apartment complex	Rentals	Grande Court Associates	-	-	-	1,296	0.55%	10
Totals			<u>\$ 527,741</u>	<u>100.00%</u>		<u>\$ 247,219</u>	<u>100.00%</u>	

(a) The fiscal year ended September 30, 2022 tax levy is based on the 2021 taxable value.

(b) The fiscal year ended September 30, 2013 tax levy is based on the 2012 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				City of Kissimmee Personal Income	Percentage of Personal Income	Per Capita
	Tax Revenue Bonds	Sales Tax Revenue Notes	Commercial Notes	Covenant Revenue Notes	Leases Payable	Financed Purchases	Financed Purchases	Total Primary Government					
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		
2021	40,389	14,590	16,350	5,045	-	3,369	-	79,743	2,437,132	3.3%	1.01		
2022	65,395	11,915	-	4,620	4,009	2,802	-	88,741	2,460,697	3.4%	1.01		

Sources: Population and personal income data from University of Florida, Bureau of Economics and Business Research. 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.

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**Schedule 10
City of Kissimmee, Florida**

**DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
September 30, 2022
(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	\$ 165	11.0%	\$ 18
Series 2014A	559	11.0%	61
Series 2017ARFD	536	11.0%	59
District Revenue Bonds:			
Sales Tax Revenue Bonds, Series 2015	13,582	11.0%	1,494
Sales Tax Revenue Bonds, Series 2017	5,785	11.0%	636
Capital Sales Tax Revenue Bonds, Series 2017	66,575	11.0%	7,323
Capital Sales Tax Revenue Bonds, Series 2021	68,180	11.0%	7,500
Certificates of Participation:			
Series 2013A	2,820	11.0%	310
Series 2014A	3,605	11.0%	397
Series 2015A	2,990	11.0%	329
Series 2017A	38,335	11.0%	4,217
Series 2020A	3,190	11.0%	351
Series 2021A	20,885	11.0%	2,297
Qualified School Construction Bonds:			
Series 2010A	40,500	11.0%	4,455
Education Benefit Districts:			
Bellalago Benefit District	7,351	11.0%	809
Total Osceola County School District	<u>275,058</u>	11.0%	<u>30,256</u>
Osceola County			
Limited General Obligation Debt, Series 2006	4,285	12.3%	527
Environmental Land, Series 2010	7,680	12.3%	945
Total Osceola County	<u>11,965</u>	12.3%	<u>1,472</u>
Total Overlapping Debt	<u>\$ 287,023</u>		<u>\$ 31,728</u>
Total Direct Governmental Activities Debt	\$ 88,740	100.0%	88,740
Total Direct and Overlapping Debt	<u>\$ 375,763</u>		<u>\$ 120,468</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)**

Fiscal Year	Excise Tax Revenue Bonds					Sales Tax Revenue Bonds				
	Excise Tax Revenues	Debt Service Requirements			Coverage	Sales Tax Revenues	Debt Service Requirements			Coverage
		Principal	Interest				Principal	Interest		
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		
2021	286	26	3	8.67	8,555	2,580	519	2.76		
2022	198	28	1	6.00	10,783	2,675	439	3.46		

(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.

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Tax Revenue Bonds (1)

Debt Service Requirements

Fiscal Year	Revenues (1)	Principal	Interest	Coverage
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
2021	12,692	1,325	1,640	4.28
2022	14,076	1,535	2,012	3.97

**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)
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%
2021	79,226	30,762	2,437,132	75,343	4.5%
2022	79,436	30,977	2,460,697	75,571	2.9%

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/LFSoc2.xls>

**Schedule 13
City of Kissimmee, Florida**

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

Employer	Business	Fiscal Year 2021 / 2022 (1)			Fiscal Year 2012 / 2013		
		Employees	Percent of Total City Employment	Rank	Employees	Percent of Total City Employment	Rank
Osceola County School District	Education	7,900	9.61%	1	7,087	11.13%	1
Walt Disney Company	Entertainment	3,400	4.14%	2	3,700	5.81%	2
Adventist Health System	Healthcare	2,998	3.65%	3	-		
HCA Healthcare	Healthcare	2,190	2.67%	4	1,357	2.13%	5
Osceola County Government	Government	1,410	1.72%	5	1,311	2.06%	6
Buena Vista Construction	Construction	1,296	1.58%	6	-		
McLane/Suneast	Distribution	1,270	1.55%	7	900	1.41%	8
Lowe's Distribution Center	Distribution	1,035	1.26%	8	-		
Jr. Davis Construction Company	Construction	928	1.13%	9	-		
Omni Orlando Resort	Hospitality	831	1.01%	10	900	1.41%	9
Walmart Stores	Retail	-			2,730	4.29%	3
Gaylord Palms	Hospitality	-			1,445	2.27%	4
Publix Supermarket	Retail	-			1,350	2.12%	7
City of Kissimmee	Government	-			684	1.07%	10
Total		<u>23,258</u>			<u>21,464</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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>General government</u>										
Central Services	34	35	35	32	35	35	40	42	40	41
City Attorney	3	4	5	5	5	5	5	5	5	5
City Commission	5	5	5	5	5	5	5	5	5	5
City Manager	14	14	14	13	13	13	13	14	14	16
Finance	12	12	13	12	13	13	13	13	14	14
Personnel	8	8	8	12	10	10	9	10	10	10
<u>Public safety</u>										
Fire	105	105	105	106	112	112	113	111	112	113
Police	199	201	204	208	208	210	227	230	233	236
Law Enforcement Grant	3	3	3	3	3	3	3	3	3	3
School Crossing Guard	11	11	11	11	-	-	-	-	-	-
<u>Physical environment</u>										
Public Works	38	40	40	40	39	40	41	45	40	36
Sanitation	26	26	26	26	27	27	27	28	29	29
Stormwater	30	34	33	34	34	36	36	37	37	35
<u>Transportation</u>										
Airport	8	8	8	8	8	8	8	8	8	8
Local Option Gas Tax	12	10	10	12	12	12	12	12	13	12
<u>Economic Environment</u>										
Development Services	23	23	24	31	33	33	33	40	40	38
Community Development Blk Grant	2	2	2	2	2	2	2	2	2	4
<u>Culture / Recreation</u>										
Parks & Recreation	78	80	82	85	69	67	68	68	70	70
Civic Center	-	-	-	-	-	-	-	-	-	-
Total	611	621	628	645	628	631	655	673	675	675

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**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>Building Inspections</u>										
Building permits issued	2,964	4,099	4,206	4,371	5,894	7,855	5,374	5,564	7,174	11,576
<u>Law Enforcement</u>										
Physical arrests	2,221	2,498	1,964	1,848	2,022	2,160	2,262	1,870	2,241	2,255
Traffic and parking violations	14,499	11,613	11,390	9,603	11,225	7,449	7,083	4,536	9,907	12,265
<u>Fire</u>										
Emergency responses	11,273	11,875	12,191	12,879	13,394	13,322	13,817	12,131	14,542	15,041
Fire incidents	257	244	226	274	334	273	231	269	276	294
Emergency medical services incidents	9,553	9,863	10,194	10,547	10,988	10,562	11,113	9,699	11,654	12,041
Fire safety inspections	740	995	888	968	1,326	1,345	1,193	680	1,054	1,619
Fire plan reviews	760	871	1,065	1,041	1,002	889	853	719	897	1,087
<u>Other Public Works</u>										
Street resurfacing (tons of asphalt)	3,013	3,582	5,134	-	1,524	3,067	1,524	2,589	-	-
Other street repairs (tons of asphalt) 1	40,104	193	109	175	107	96	119	558	296	-

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 and FY 2022, 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**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>Transportation</u>										
Miles of streets (lane miles)	342	342	486	352	352	356	358	407	459	459
<u>Refuse collection trucks</u>										
	17	16	16	16	17	18	18	18	18	18
<u>Other public works</u>										
Traffic signals	52	52	52	52	52	52	50	51	42	42
Highways (miles)	17	17	15	8	8	8	8	8	10	10
<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	126	131	118	120	127	140	147	147	124	136
Motorcycles	6	6	3	3	3	3	7	7	7	7
<u>Parks and Recreation</u>										
Park acreage	832	832	832	832	885	885	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	7	7	7	7	7	7	7	7	7	7
Number of neighborhood parks	8	8	8	8	8	8	8	8	8	8
Number of special use parks	5	5	5	5	5	5	5	6	6	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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 23, 2023.

Report on 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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that are not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as **2022-01 Period End Closing Routine for Financial Reporting** that we consider to be a significant deficiency.

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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***

Report on 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* and which are described in the accompanying schedule of findings and questioned costs.

City of Kissimmee, Florida's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Purvis Gray

May 23, 2023
Ocala, Florida

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Kissimmee, Florida's (the City) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

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; and 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

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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 ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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 ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.



May 23, 2023
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2022

Agency/Program	Assistance Listing #	Grant #	Federal Expenditures	Through to Subrecipients
FEDERAL AWARDS				
Clustered				
Child Nutrition Cluster				
U.S. Department of Agriculture				
<i>Passed through the Florida Dept of Agriculture and Consumer Services</i>				
School Breakfast Program	10.553		\$ 99,846	\$ 99,846
National School Lunch Program	10.555		417,660	417,660
Supply Chain Assistance Funding	10.555		18,304	18,304
			<u>435,964</u>	<u>435,964</u>
Total U.S. Department of Agriculture - Child Nutrition Cluster			<u>535,810</u>	<u>535,810</u>
Not Clustered				
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Community Development Block Grant 2015	14.218	B-15-MC-12-0051	90,606	29,852
Community Development Block Grant 2018	14.218	B-18-MC-12-0051	125,587	-
Community Development Block Grant 2019	14.218	B-19-MC-12-0051	166,089	146,759
Community Development Block Grant 2020	14.218	B-20-MC-12-0051	38,359	35,892
Community Development Block Grant 2021	14.218	B-21-MC-12-0051	403,104	213,933
Subtotal			<u>823,745</u>	<u>426,436</u>
Home Investment Partnerships Program				
Home Investment Partnerships Program 2020	14.239	Unk	164,432	
Subtotal			<u>164,432</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>988,177</u>	<u>426,436</u>
U.S. Department of Justice				
<i>Passed through the Florida Office of the Attorney General</i>				
Victims of Crime Act	16.575	VOCA2021-City of Kissimmee	58,331	
Bulletproof Vest Partnership	16.607	Unk	11,830	
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2022-JAGC-OSCE-1-3B-150	17,450	
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2021-JAGC-OSCE-3-5R-147	27,644	
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2021-JAGC-OSCE-2-5R-149	6,505	
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2020-JAG-DJ-BX-0767	26,121	
Subtotal			<u>77,720</u>	<u>-</u>
Total U.S. Department of Justice			<u>147,881</u>	<u>-</u>
U.S. Department of Transportation				
Airport Improvement Program	20.106	3-12-0038-040-2021	293,090	
Airport Improvement Program - ARPA	20.106	COVID-19 3-12-0038-041-2022	148,000	
Airport Improvement Program	20.106	3-12-0038-42-2022	38,232	
Airport Improvement Program	20.106	3-12-0038-037-2020	2,204,152	
Subtotal			<u>2,683,474</u>	<u>-</u>
Highway Planning and Construction Cluster				
<i>Passed through the Florida Department of Transportation</i>				
Highway Planning and Construction	20.205	439084-1-58-01/G1W42	297,735	
Highway Planning and Construction	20.205	437472-2-38-01/G2473	386,275	
Highway Planning and Construction	20.205	434916-1-48-01/G0I40	408,314	
Highway Planning and Construction	20.205	430225-1-38-90/AQQ79	158,372	
Subtotal			<u>1,250,696</u>	<u>-</u>
Total U.S. Department of Transportation			<u>3,934,170</u>	<u>-</u>
U.S. Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Fund	21.027	COVID-19 SLT-3338	4,327,825	-
Total U.S. Department of the Treasury			<u>4,327,825</u>	<u>-</u>
U.S. Department of Homeland Security / FEMA				
<i>Passed thru the Florida Department of Emergency Management</i>				
Public Assistance - Hurricane Dorian	97.036	PA-00-06-59-01-064	1,835	*
<i>Passed thru the Florida Department of Emergency Management</i>				
Homeland Security Grant Program	97.067	R0500	31,312	**
Total U.S. Department of Homeland Security			<u>33,147</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 9,967,010</u>	<u>\$ 962,246</u>

Continued

CITY OF KISSIMMEE, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2022

NOTE 1 Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal 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). 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.

NOTE 3 Differences between Timing of Expenditures and Reporting on SEFA

* Expenditures for Hurricane Dorian occurred in FY2019; however, project amounts were obligated and paid in FY22.

** Amount presented is value of equipment received from the sub-grantee, Orange County Sheriff's Office, during 2021.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2022**

SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of Auditor’s Report Issued:	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	Yes
Non-compliance material to financial statements noted?	No

Federal Awards

Internal Control Over Major Programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of Auditor’s Report Issued on Compliance for Major Programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(A)	No

Identification of Major Programs:

Federal Program

U.S. Department of Housing and Urban Development: Community Development Block Grant	Assistance Listing No. 14.218
U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds	Assistance Listing No. 21.027

Dollar Threshold Used to Distinguish Between Type A and Type B Programs – Federal Programs	\$750,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	Yes

Other Issues

The following statement, as applicable to the situation, may be required in the Schedule of Findings and Questioned Costs:

- No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal Programs.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2022**

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

2022-01 Period End Closing Routine for Financial Reporting (significant deficiency) (Updated from previous year's 2021 recommendation).

For the past several years the City's Annual Comprehensive Financial Report (ACFR) has been issued subsequent to the March deadline, more than a full 6 months after year-end, which is an indication that the City's monthly and year-end closing routines are not functioning as intended. Accurate and timely financial reporting is dependent upon regular monthly and year-end closing routine procedures. This includes timely reconciliations and analysis of key financial statement accounts to facilitate interim and year-end financial reporting.

During our audit process, we identified several areas where reconciliations were incomplete, requiring journal entries to accurately report year-end financial information:

- Capital Assets
- GASB 87, Leases
- Allowance for Doubtful accounts
- Grant Reporting
- Investments

In summary, we recommend management review their monthly and year-end close processes for areas of improvement and all other areas to ensure timely and more frequent reporting and preparation of the year-end financial statements. After this initial review has been completed with changes implemented, we would expect these efforts to benefit the City for many years.

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

Noted no current year recommendations.

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, 2022, and have issued our report thereon dated May 23, 2023.

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 Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315. Disclosures in those reports and schedule, which are dated May 23, 2023, 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 Schedule of Findings and Questioned Costs.

Current Year Finding #	2021-2022 FY Finding #	2019-2021 FY Finding #
2022-1	2021-1	2019-1

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

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

MANAGEMENT LETTER

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.

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 Schedule of Findings and Questioned Costs for such recommendation.

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, state, 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.



May 23, 2023
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, 2022, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

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.



May 23, 2023
Ocala, Florida

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FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

May 23, 2023

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

Re: Response to Auditor's Management Letter Comment

Honorable Mayor and Commissioners,

The following is the response to the independent auditor's management letter comment:
2022-01 Period End Closing Routine for Financial Reporting (significant deficiency)

Management's Response

The Finance Department has a new staff member in 10 of its 14 authorized positions. Most Finance Departments struggle to close on time even without the complications of losing a combined 60 years of institutional knowledge, implementing a full suite Enterprise Resource Planning system, and new GASB pronouncements all while trying to play catch up. In fully staffed years and absent all of the aforementioned complications, the City's closing routine was an issue of contention. Despite continuing to work through issues with the new software making routine transactions difficult and delayed, this past year an annual audit task list was used to guide the closing process. Timing this year was also exacerbated by scheduling and engagement management.

Finance agrees that accurate and timely financial reporting is dependent upon regular and monthly and year-end closing routine procedures. We have evaluated our period end closing routine process and implemented a monthly close process in conjunction with the year-end process incorporated this year. Furthermore, staff has already began catch up reconciliation efforts to ensure timely reporting despite tremendous setbacks.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Tavia Ritchie".

Tavia Ritchie, CPA, CGFO
Finance Director

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



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CITY OF KISSIMMEE

Finance Department
101 Church Street . Kissimmee, Florida 34741-5054 . Phone 407-518-2210 . FAX 407-518-2208

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Tavia Ritchie, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of City of Kissimmee which is a local governmental entity of the State of Florida.
2. The governing body of City of Kissimmee adopted (Ordinance No. 1067 implementing an impact fee or authorized City of Kissimmee to receive and expend proceeds of an impact fee implemented by City of Kissimmee.
3. City of Kissimmee has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.


FURTHER AFFIANT SAYETH NAUGHT.



Tavia Ritchie

STATE OF FLORIDA
COUNTY OF OSCEOLA

SWORN TO AND SUBSCRIBED before me this 24th day of April, 2023.



NOTARY PUBLIC
Print Name Debora L Luke

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:

