

The background of the entire page is a pattern of interlocking puzzle pieces in various shades of blue and teal. In the top-left and bottom-left corners, there are illustrations of hands in a light orange-brown color. The top hand is shown placing a dark teal puzzle piece into the larger assembly. The bottom hand is shown holding a dark teal puzzle piece, ready to be placed. The text is centered on a white rectangular area that overlaps the puzzle pattern.

CITY OF KISSIMMEE, FL
**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

YEAR ENDED SEPTEMBER 30, 2023

CITY OF KISSIMMEE, FLORIDA
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

Year Ended September 30, 2023



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, 2023

Elected Officials

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

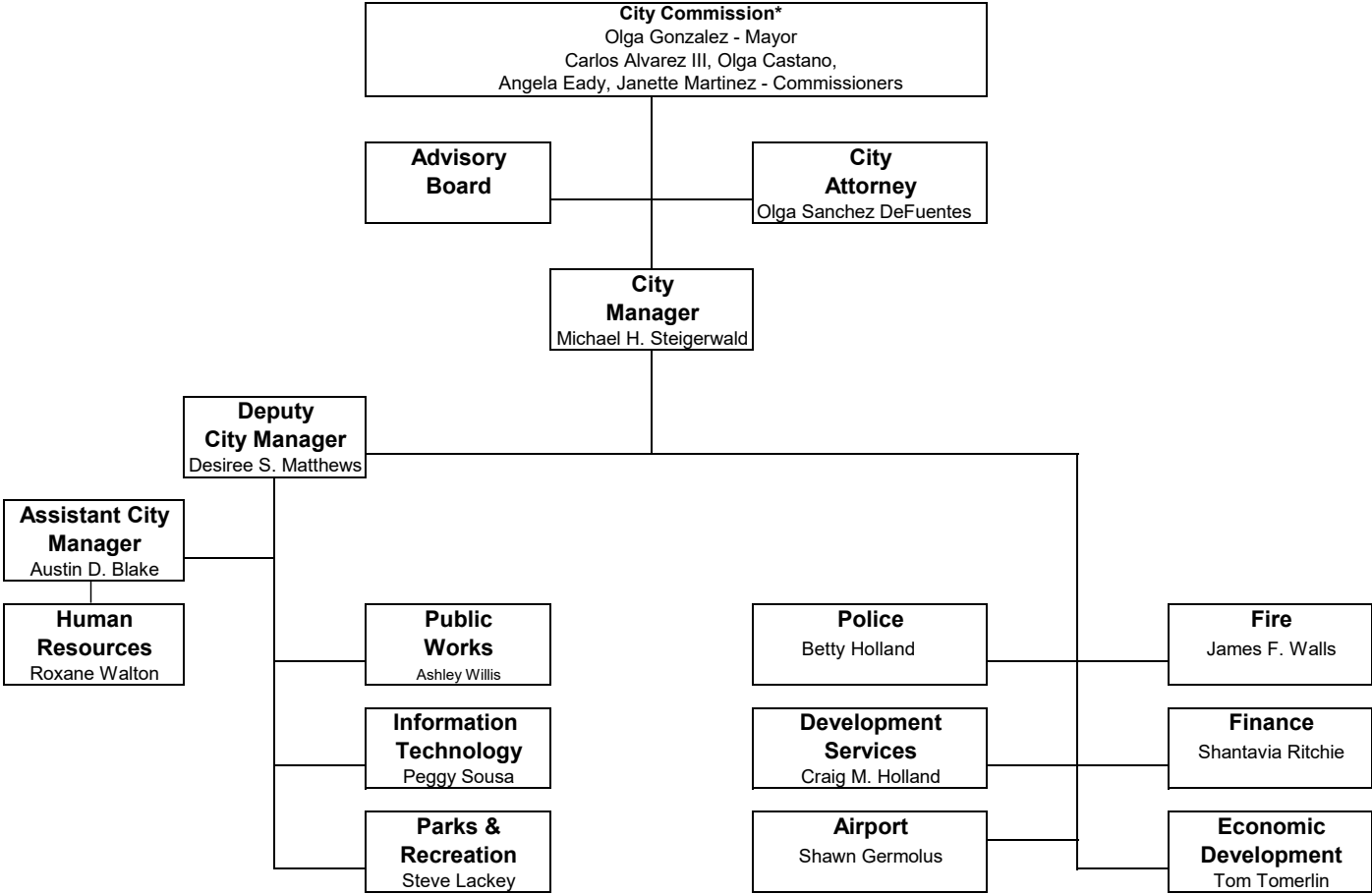
Financial Related Management

| | |
|---------------------------------|------------------------|
| 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 |
| Economic Director..... | Tom Tomerlin |
| Fire Chief..... | James F. Walls |
| Information Technology Director..... | Margaret R. Sousa |
| Parks & Recreation Director..... | Steven L. Lackey |
| Personnel & Risk Management Director..... | Roxane Walton |
| Police Chief..... | Betty Holland |
| Public Works & Engineering Director..... | Ashley Willis |

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, 2022

Christopher P. Morill

Executive Director/CEO



FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

April 11, 2024

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, 2023.

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, 2023, 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, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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 2023-2024 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 2024-2028 capital improvement plan totaled \$128,178,800.

MAJOR INITIATIVES

The City continues to make progress on the Building Division addition adjacent to City Hall. Progress was also made on its road improvement plan, stormwater improvement projects, the Shingle Creek Regional Trail and various grant funded projects. The municipally owned airport continued to embark on several improvement projects this past year as well through grant funding. In fiscal year 2023, the City completed the design of Fire Station 15, Hudson Street Improvements, and extended Flora Boulevard. A new mobile transit service was also added for residents. In addition to the myriad of capital projects the City worked on during FY 2023, a motel was purchased in a massive effort to expand Housing and Social Services Assistance programs. The former Motel 6 site, now known as the Haven on Vine, will serve as a one-stop location and provide housing-focused emergency, low barrier, non-congregate shelter; bridge housing; and homeless support services.

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. In fiscal year 2023, the City 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. Lastly, the City most recently implemented GASB 96 – Subscription-Based Information Technology Arrangements (SBITA) providing capitalization criteria, note disclosures, and establishing SBITA right-to-use subscription assets, intangible assets, and the corresponding subscription liabilities.



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, 2022. 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.

Respectfully submitted,

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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2023, 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 2023, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). Our opinion is not modified with respect to this matter.

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.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | 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

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.

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.

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

INDEPENDENT AUDITOR'S REPORT

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 fund 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 fund 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 April 11, 2024, 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.



April 11, 2024
Ocala, Florida

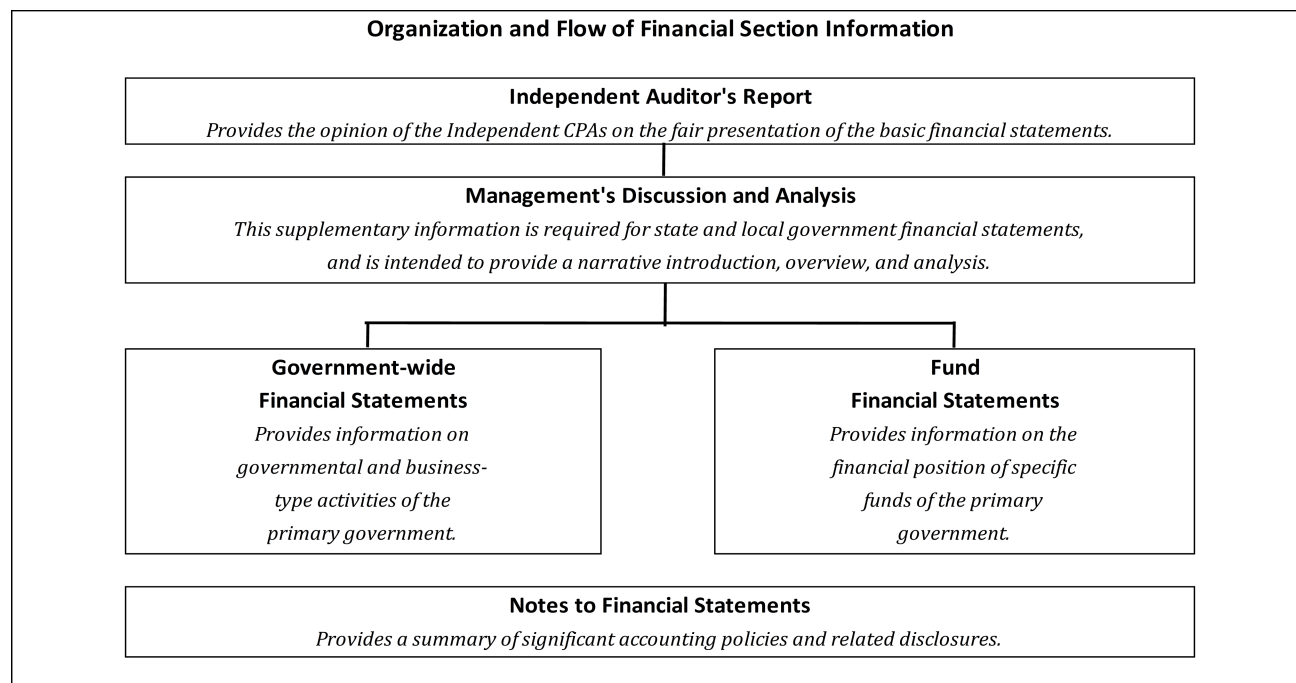
The City of Kissimmee, Florida's (the "City") Management's Discussion and Analysis (the "MD&A") presents an overview of the City's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the letter of transmittal in the introductory section, and the City's 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 2023 by \$333,817 (net position).
- The City's net position increased by \$33,016 from current year activities, of which governmental activities contributed \$26,667 of this increase.
- The fund balance for governmental funds increased by \$12,373 from the prior year. The majority of this increase resulted from increased revenues for the use of the City's services as operations returned to normal levels after the pandemic shutdowns and the City utilized available Federal grant funding for post-COVID improvements.

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 2023. 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, 2023
(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, Community Development Block Grant, 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, Community Development Block Grant 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, 2023
(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 \$333,817 at the close of the fiscal year ended September 30, 2023. At the end of fiscal year 2023, the City is able to report positive balances in all categories of net position for its business-type activities, and two for its governmental activities.

The largest portion of the City's net position of \$254,628 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 \$75,189 for construction projects, public safety programs, supplementary care, and other purposes. The remaining balance is unrestricted net position of \$4,000.

City of Kissimmee, Florida
Net Position
(In Thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|-------------------------------|-------------------------|------------|--------------------------|-----------|------------|------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Current and Other Assets | \$ 156,770 | \$ 144,331 | \$ 14,311 | \$ 9,245 | \$ 171,081 | \$ 153,576 |
| Capital Assets (Net) | 276,404 | 264,555 | 57,888 | 53,812 | 334,292 | 318,367 |
| Total Assets | 433,174 | 408,886 | 72,199 | 63,057 | 505,373 | 471,943 |
| Deferred Outflows | 22,377 | 36,522 | 1,606 | 2,493 | 23,983 | 39,015 |
| Current and Other Liabilities | 20,727 | 25,085 | 3,265 | 1,163 | 23,992 | 26,248 |
| Long-term Liabilities | 161,682 | 175,331 | 5,565 | 5,867 | 167,247 | 181,198 |
| Total Liabilities | 182,409 | 200,416 | 8,830 | 7,030 | 191,239 | 207,446 |
| Deferred Inflows | 4,029 | 2,546 | 271 | 165 | 4,300 | 2,711 |
| Net Position: | | | | | | |
| Net Investment in | | | | | | |
| Capital Assets | 199,077 | 186,416 | 55,551 | 53,546 | 254,628 | 239,962 |
| Restricted | 75,189 | 54,396 | - | - | 75,189 | 54,396 |
| Unrestricted | (5,153) | 1,634 | 9,153 | 4,809 | 4,000 | 6,443 |
| Total Net Position | \$ 269,113 | \$ 242,446 | \$ 64,704 | \$ 58,355 | \$ 333,817 | \$ 300,801 |

Prior year balances not restated for effects of GASB Statement No. 96, SBITAs.

There was a net increase of \$33,016 in the City's net position over fiscal year 2022. There was a net increase of \$26,667 in net position reported in connection with the City's governmental activities and a \$6,349 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 \$15,925 from the prior year due to several large park improvements, transportation projects and airport improvements. The City implemented GASB Statement No. 96, SBITAs, in the current year which resulted in the reporting of right to use intangible assets for certain software subscriptions. Long term liabilities decreased by \$(13,951) from the prior year, including a decrease of \$(13,649) in connection with governmental activities for a significant decrease in the net pension liability.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2023
(In Thousands)

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

| | Governmental Activities | | Business-type Activities | | Total | |
|------------------------------------|-------------------------|-------------------|--------------------------|------------------|-------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| REVENUES | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 47,466 | \$ 45,467 | \$ 14,899 | \$ 13,502 | \$ 62,365 | \$ 58,969 |
| Operating Grants and Contributions | 9,665 | 5,646 | 79 | 312 | 9,744 | 5,958 |
| Capital Grants and Contributions | 11,888 | 4,589 | 6,326 | 2,879 | 18,214 | 7,468 |
| General Revenues: | | | | | | |
| Property Taxes | 21,733 | 19,326 | - | - | 21,733 | 19,326 |
| Other Taxes | 36,178 | 31,993 | - | - | 36,178 | 31,993 |
| Other | 43,924 | 36,216 | 478 | 1,581 | 44,402 | 37,797 |
| Total Revenues | <u>170,854</u> | <u>143,237</u> | <u>21,782</u> | <u>18,274</u> | <u>192,636</u> | <u>161,511</u> |
| EXPENSES | | | | | | |
| General Government | 60,491 | 50,392 | - | - | 60,491 | 50,392 |
| Public Safety | 58,975 | 50,259 | - | - | 58,975 | 50,259 |
| Transportation | 11,297 | 14,312 | - | - | 11,297 | 14,312 |
| Economic Environment | 1,084 | 1,228 | - | - | 1,084 | 1,228 |
| Culture/Recreation | 10,171 | 9,211 | - | - | 10,171 | 9,211 |
| Interest on Long-term Debt | 2,878 | 2,944 | - | - | 2,878 | 2,944 |
| Stormwater | - | - | 5,262 | 5,258 | 5,262 | 5,258 |
| Airport | - | - | 2,755 | 2,423 | 2,755 | 2,423 |
| Sanitation | - | - | 6,707 | 6,020 | 6,707 | 6,020 |
| Total Expenses | <u>144,896</u> | <u>128,346</u> | <u>14,724</u> | <u>13,701</u> | <u>159,620</u> | <u>142,047</u> |
| Excess Before Transfers | 25,958 | 14,891 | 7,058 | 4,573 | 33,016 | 19,464 |
| Transfers | <u>709</u> | <u>664</u> | <u>(709)</u> | <u>(664)</u> | <u>-</u> | <u>-</u> |
| Change in Net Position | 26,667 | 15,555 | 6,349 | 3,909 | 33,016 | 19,464 |
| Net Position - Beginning | <u>242,446</u> | <u>226,891</u> | <u>58,355</u> | <u>54,446</u> | <u>300,801</u> | <u>281,337</u> |
| Net Position - Ending | <u>\$ 269,113</u> | <u>\$ 242,446</u> | <u>\$ 64,704</u> | <u>\$ 58,355</u> | <u>\$ 333,817</u> | <u>\$ 300,801</u> |

Governmental activities

Governmental activities accounted for an increase of \$26,667 from the prior year net position. Charges for services increased by \$1,999 from increased use of City services by citizens and businesses after the COVID-19 shutdowns of many City facilities. Capital grants and contributions increased by \$7,299 due to several transportation grant projects in the current year. Other taxes increased by \$4,185 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, 2023
(In Thousands)

Total governmental activities expenses increased by \$16,550 from the prior year. The majority of this increase resulted from the effects of change in net pension liability.

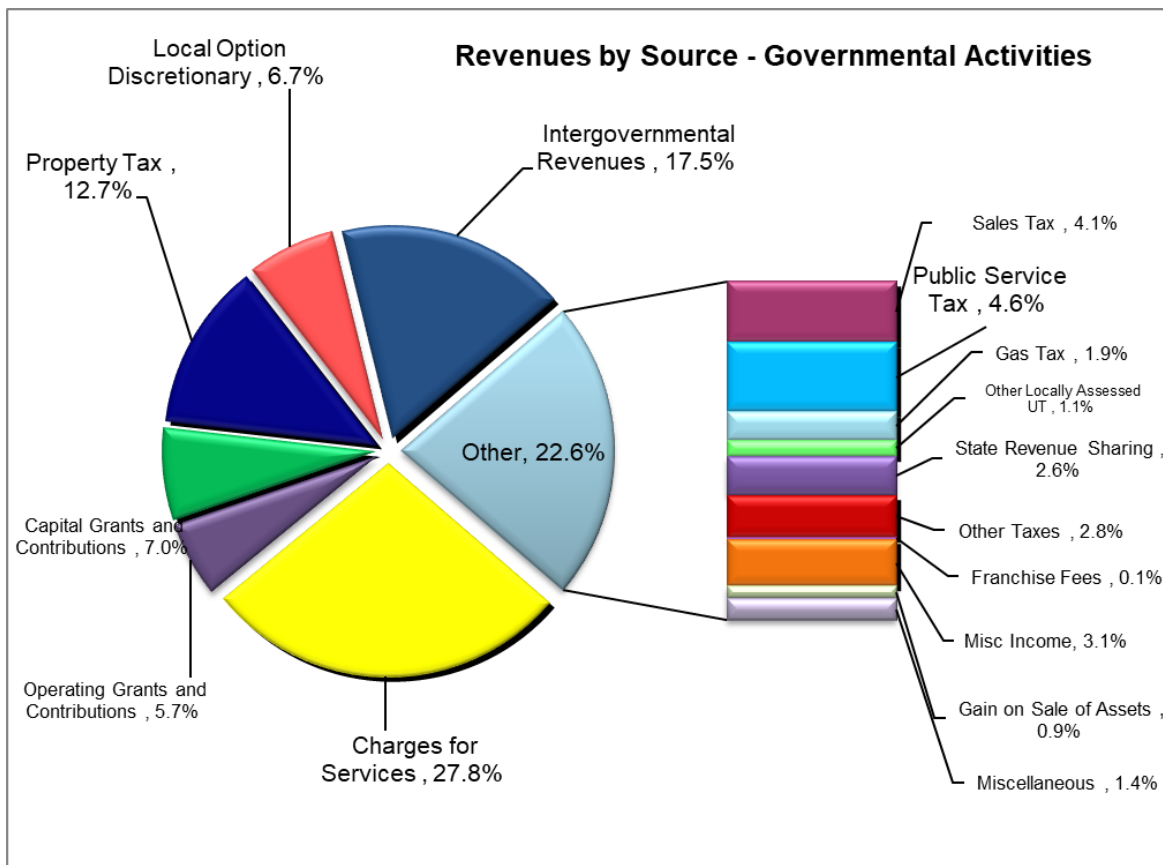
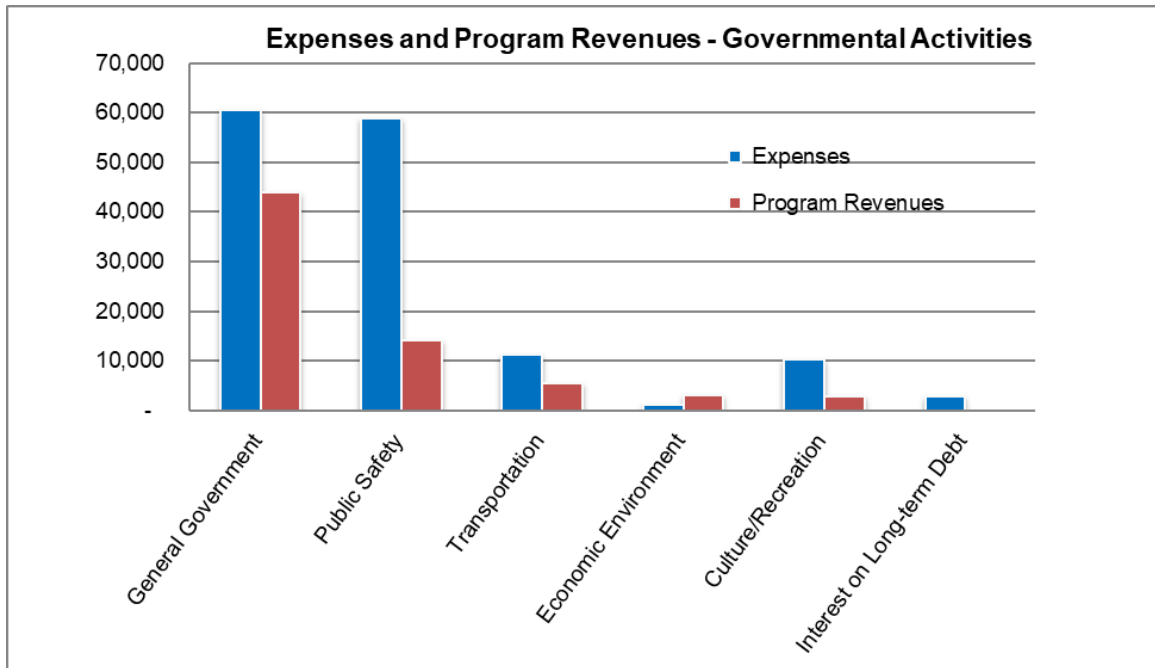
The following tables and graphs show the results of governmental activities for fiscal year ended 2023.

Expenses and Program Revenues – Governmental Activities
(In Thousands)

| | Expenses | | | | Net Cost of Services | | |
|----------------------------|-------------------|--------------|-------------------|----------|----------------------|--------------------|----------|
| | 2023 | % of Total | 2022 | % Change | 2023 | 2022 | % Change |
| Functions/Programs | | | | | | | |
| General Government | \$ 60,491 | 42 % | \$ 50,392 | 20 % | \$ (16,480) | \$ (14,829) | 11 % |
| Public Safety | 58,975 | 41 % | 50,259 | 17 % | (45,249) | (36,553) | 24 % |
| Transportation | 11,297 | 8 % | 14,312 | (21) % | (5,842) | (11,300) | (48) % |
| Economic Environment | 1,084 | 1 % | 1,228 | (12) % | 1,904 | (215) | (986) % |
| Culture/Recreation | 10,171 | 7 % | 9,211 | 10 % | (7,332) | (6,803) | 8 % |
| Interest on Long-term Debt | 2,878 | 2 % | 2,944 | (2) % | (2,878) | (2,944) | (2) % |
| | <u>\$ 144,896</u> | <u>100 %</u> | <u>\$ 128,346</u> | | <u>\$ (75,877)</u> | <u>\$ (72,644)</u> | |

Revenue by Source – Governmental Activities
(In Thousands)

| Description | 2023 | % of Total | 2022 | % Change |
|---|-------------------|--------------|-------------------|----------|
| Program Revenues | | | | |
| Charges for services | \$ 47,466 | 27 % | \$ 45,467 | 4 % |
| Operating grants and contributions | 9,665 | 6 % | 5,646 | 71 % |
| Capital grants and contributions | 11,888 | 7 % | 4,589 | 159 % |
| General Revenues | | | | |
| Property tax | 21,733 | 13 % | 19,326 | 12 % |
| Sales tax | 6,951 | 4 % | 6,618 | 5 % |
| Public service tax | 7,777 | 5 % | 7,459 | 4 % |
| Gas tax | 3,265 | 2 % | 2,968 | 10 % |
| Local option discretionary tax | 11,448 | 7 % | 10,783 | 6 % |
| Other locally assessed utility tax | 1,883 | 1 % | 1,838 | 2 % |
| Other taxes | 4,854 | 3 % | 2,327 | 109 % |
| State revenue sharing | 4,420 | 3 % | 3,941 | 12 % |
| Unrestricted intergovernmental revenues | 30,044 | 18 % | 30,159 | - % |
| Franchise fees | 216 | 0 % | 230 | (6)% |
| Investment income (loss) | 5,338 | 3 % | (406) | (1,415)% |
| Gain on sale of capital assets | 1,453 | 1 % | - | 100 % |
| Miscellaneous | 2,453 | 1 % | 2,292 | 7 % |
| Transfers | 709 | - % | 664 | 7 % |
| | <u>\$ 171,563</u> | <u>100 %</u> | <u>\$ 143,901</u> | |



CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2023
(In Thousands)

Business-type activities

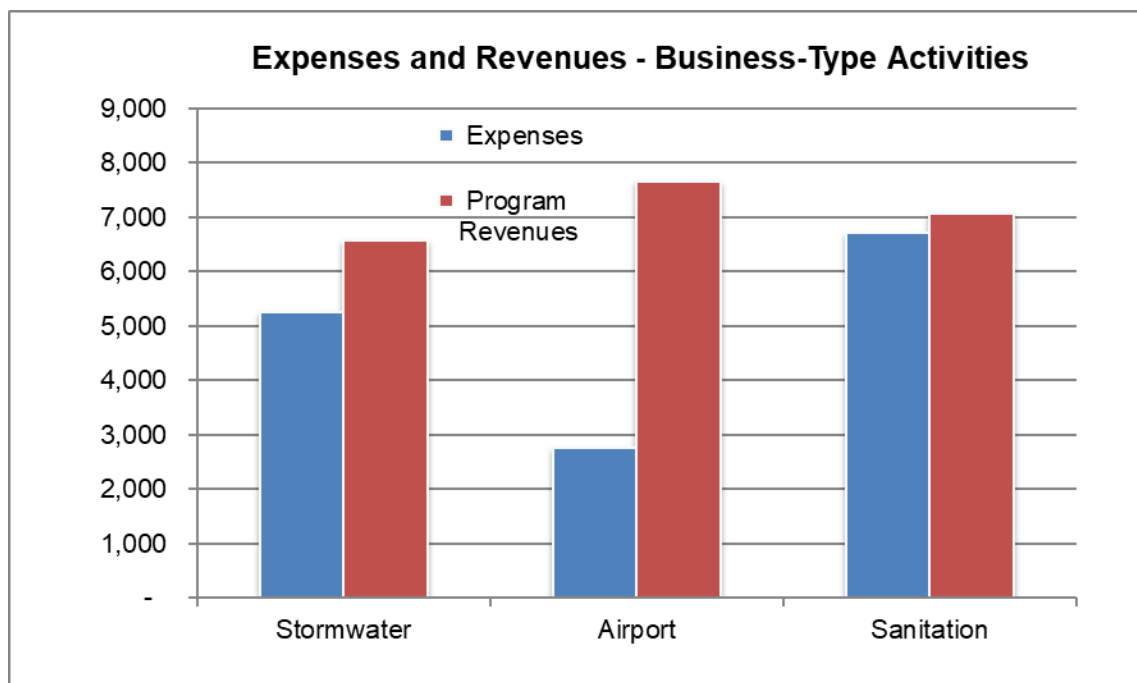
Business-type activities increased the City's net position by \$6,349, in line with the increase in the prior year. The Stormwater, Airport, and Sanitation expenses remained relatively unchanged from the prior year from operating strategies to provide cost effective services to users during the year. 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 | | |
|--------------------|------------------|------------------|----------|--|-----------------|----------|
| | 2023 | 2022 | % Change | 2023 | 2022 | % Change |
| Stormwater | \$ 5,262 | \$ 5,258 | - % | \$ 1,320 | \$ 995 | 33 % |
| Airport | 2,755 | 2,423 | 14 % | 4,892 | 1,788 | 174 % |
| Sanitation | 6,707 | 6,020 | 11 % | 368 | 209 | 76 % |
| | <u>\$ 14,724</u> | <u>\$ 13,701</u> | | <u>\$ 6,580</u> | <u>\$ 2,992</u> | |

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

| | 2023 | % of Total | 2022 | % Change |
|------------------------------------|------------------|--------------|------------------|-----------|
| Charges for services | \$ 14,899 | 68 % | \$ 13,502 | 10 % |
| Operating grants and contributions | 79 | - % | 312 | (75) % |
| Capital grants and contributions | 6,326 | 29 % | 2,879 | 120 % |
| Investment income | 470 | 2 % | (19) | (2,574) % |
| Miscellaneous | 6 | - % | 3 | 100 % |
| Gain on sale of capital assets | 2 | 0 % | 1,597 | (100) % |
| | <u>\$ 21,782</u> | <u>100 %</u> | <u>\$ 18,274</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 2023, the City's governmental funds reported combined ending fund balances of \$120,160, an increase of \$12,373 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 2023 was \$43,297 compared to \$43,755 for fiscal year 2022, a decrease of \$458 for all governmental funds. The main cause of this decrease was spending on additional provision of services out of available unrestricted funds.

The City has three major governmental funds - the General Fund, Community Development Block Grant 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 2023, the spendable unrestricted fund balance (assigned for budgetary carryforward \$9,352 and unassigned fund balance \$36,121) of the General Fund totaled \$45,473 compared to \$43,791 in fiscal year 2022, an increase of \$1,682. As a measure of the General Fund's liquidity, it may be useful to compare the spendable unrestricted fund balance of \$45,473 to the total fund's expenditures of \$96,569. This represents 9.7% 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 \$1,608 during the current fiscal year. The General Fund overall maintained the same level of spending as the prior year. Taxes increased by \$2,803 mainly from property taxes as property values continue to increase each year. Although expenditures increased from the prior year by \$15,959, this was offset by increased intergovernmental revenues of \$5,883 in line with that increase along with an increase of \$2,578 in investment income as the markets improved post-pandemic.

Community Development Block Grant

The Community Development Block Grant total fund balance decreased by \$1,541. Current year grant revenues were less than expenditures due to timing of projects. Revenue and expenditures remained close to the same as the prior year; however, there was a transfer out of \$1,571 in the current year for the CDBG program's contribution to the Haven project. This deficit fund balance should be alleviated in future periods by receipt of the grant funds.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2023
 (In Thousands)

Local Option Sales Tax

The Local Option Sales Tax total fund balance was increased by \$3,876. Current year tax revenues were \$665 greater than the prior year due to a spending increase in the City closer to pre-pandemic levels. Expenditures for capital improvement projects were \$2,256 greater than the prior year as several projects are in their 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 \$1,776, in the Airport Fund increased by \$2,651, and in the Sanitation Fund decreased by \$83 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 \$1,237. The minimal increase of \$1,237 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 \$4,915. The Airport benefited from capital contributions for current improvements of \$6,321; and the minimal increase in operating expenses over the prior year was offset by the revenue gain.

Sanitation Fund

The Sanitation Fund had a minimal decrease in net position of \$197 from the prior year. Operating revenues were greater than operating expenses by \$583 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 \$12,398 (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 | \$ 19,606 | \$ 29,561 | \$ 9,955 |
| Public Safety | 49,440 | 50,467 | 1,027 |
| Transportation | 6,343 | 7,070 | 727 |
| Culture/Recreation | 9,242 | 9,844 | 602 |
| Non-departmental | 31,540 | 31,627 | 87 |
| | <u>\$ 116,171</u> | <u>\$ 128,569</u> | <u>\$ 12,398</u> |

The General Fund under-spent the final budget by \$32,001 during fiscal year 2023. All departments except for the City Manager spent less than their final budget (from reduced personnel costs and delayed capital purchases) during the year while trying to provide the same levels of service to the City's citizens. The City Manager overspent the budget for project costs associated with The Haven project out of available reserves.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2023
(In Thousands)

The largest reduction resulted as the 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 | \$ 30,930 | \$ 29,561 | \$ (1,369) |
| Public Safety | 46,085 | 50,467 | 4,382 |
| Transportation | 5,168 | 7,070 | 1,902 |
| Culture/Recreation | 7,935 | 9,844 | 1,909 |
| Non-departmental | 6,451 | 31,627 | 25,176 |
| Transfers Out | 3,722 | 3,723 | 1 |
| | <u>\$ 100,291</u> | <u>\$ 132,292</u> | <u>\$ 32,001</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, 2023 amounts to \$334,292 (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 \$15,925. Governmental activities increased capital assets by \$11,849 and business-type activities increased by \$4,076.

Within governmental activities, the largest increases from the beginning balances were in buildings for \$12,308, and construction in progress for \$6,292. These were primarily attributed to transportation projects and the Haven housing project. Right to use intangible assets are now recorded for the City's SBITAs. Additionally, depreciation expense remained in line with the prior year.

The capital assets of business-type activities increased for improvements for \$5,121 attributed to airport improvements. Depreciation expense remained consistent with the prior year.

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

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------------|-------------------------|-------------------|--------------------------|------------------|-------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Land | \$ 45,083 | \$ 46,296 | \$ 1,892 | \$ 1,892 | \$ 46,975 | \$ 48,188 |
| Intangibles | 23,100 | 22,334 | 373 | 329 | 23,473 | 22,663 |
| Buildings | 30,925 | 18,617 | 13,679 | 13,679 | 44,604 | 32,296 |
| Improvements Other than Buildings | 209,408 | 207,154 | 50,745 | 50,181 | 260,153 | 257,335 |
| Equipment | 43,960 | 41,397 | 15,280 | 14,064 | 59,240 | 55,461 |
| Construction in Progress | 56,195 | 49,903 | 9,893 | 4,772 | 66,088 | 54,675 |
| | <u>408,671</u> | <u>385,701</u> | <u>91,862</u> | <u>84,917</u> | <u>500,533</u> | <u>470,618</u> |
| Less: Accumulated Depreciation | (132,267) | (121,146) | (33,974) | (31,105) | (166,241) | (152,251) |
| Capital Assets, net | <u>\$ 276,404</u> | <u>\$ 264,555</u> | <u>\$ 57,888</u> | <u>\$ 53,812</u> | <u>\$ 334,292</u> | <u>\$ 318,367</u> |

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2023
 (In Thousands)

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

Long-term Debt

At the end of fiscal year 2023, governmental activities had total debt outstanding of \$82,381. This is a decrease of \$(6,359) from the prior year, due to additional SBITAs payable. 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 \$(3,210) and revenue bonds decreased by \$(2,001) due to scheduled payments in the current year.

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

| | Governmental Activities | | Business-type Activities | | Total | |
|--|-------------------------|------------------|--------------------------|-------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Notes from Direct | | | | | | |
| Borrowings and Placements | \$ 13,325 | \$ 16,535 | \$ - | \$ - | \$ 13,325 | \$ 16,535 |
| Revenue Bonds | 63,394 | 65,395 | - | - | 63,394 | 65,395 |
| Financed Purchases, SBITAs Payable, Leases Payable | 5,662 | 6,810 | 30 | - | 5,692 | 6,810 |
| | <u>\$ 82,381</u> | <u>\$ 88,740</u> | <u>\$ 30</u> | <u>\$ -</u> | <u>\$ 82,411</u> | <u>\$ 88,740</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, 2023 was 3.3%, which is an increase of .4% from the 2.9% unemployment rate from the prior year.
- Population increased minimally by 559 to 79,995 compared to 79,436 in the prior fiscal year.
- The ad valorem tax rate for the General Fund stayed constant at 4.6253 for the 2024 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.

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION
September 30, 2023
(In Thousands)

| | Governmental Activities | Business-Type Activities | Total |
|---|------------------------------------|-------------------------------------|-------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 58,145 | \$ 11,915 | \$ 70,060 |
| Restricted Cash and Investments | 75,189 | - | 75,189 |
| Receivables (net) | 4,069 | 1,359 | 5,428 |
| Due from Other Governments | 12,852 | 3,541 | 16,393 |
| Due from KUA | 2,260 | - | 2,260 |
| Internal balances | 1,173 | (1,173) | - |
| Due from TWA | 726 | 3 | 729 |
| Inventories | 169 | - | 169 |
| Lease Receivable | 507 | - | 507 |
| Prepaid Items | 346 | - | 346 |
| Advances | 1,334 | (1,334) | - |
| Capital Assets: | | | |
| Capital Assets not Being Depreciated | 101,278 | 11,785 | 113,063 |
| Capital Assets Being Amortized (Net) | 779 | 236 | 1,015 |
| Capital Assets Being Depreciated (Net) | 174,347 | 45,867 | 220,214 |
| Total Capital Assets | <u>276,404</u> | <u>57,888</u> | <u>334,292</u> |
| Total Assets | <u>433,174</u> | <u>72,199</u> | <u>505,373</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Outflows Related to OPEB | 978 | 74 | 1,052 |
| Deferred Outflows Related to Pensions | 21,399 | 1,532 | 22,931 |
| Total Deferred Outflows of Resources | <u>22,377</u> | <u>1,606</u> | <u>23,983</u> |
| LIABILITIES | | | |
| Accounts Payable | 4,967 | 2,712 | 7,679 |
| Contracts Payable | 227 | 497 | 724 |
| Accrued Liabilities | 6,604 | 26 | 6,630 |
| Due to Other Governments | 1,291 | - | 1,291 |
| Unearned Revenue | 7,564 | 30 | 7,594 |
| Deposits | 74 | - | 74 |
| Long-term Liabilities: | | | |
| Due Within One Year | 8,420 | 55 | 8,475 |
| Due in More Than One Year | 153,262 | 5,510 | 158,772 |
| Total Liabilities | <u>182,409</u> | <u>8,830</u> | <u>191,239</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Inflows Related to OPEB | 3,185 | 266 | 3,451 |
| Deferred Inflows Related to Pensions | 402 | 5 | 407 |
| Deferred Inflows Related to Leases | 442 | - | 442 |
| Total Deferred Inflows of Resources | <u>4,029</u> | <u>271</u> | <u>4,300</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 199,077 | 55,551 | 254,628 |
| Restricted: | | | |
| Supplementary Care - Nonexpendable | 1,318 | - | 1,318 |
| Construction Projects | 41,224 | - | 41,224 |
| Public Safety | 663 | - | 663 |
| Charter School | 2,984 | - | 2,984 |
| Building Safety | 7,732 | - | 7,732 |
| Recreation Projects | 3,788 | - | 3,788 |
| Community Redevelopment | 11,036 | - | 11,036 |
| Other Purposes | 6,444 | - | 6,444 |
| Unrestricted | (5,153) | 9,153 | 4,000 |
| Total Net Position | <u>\$ 269,113</u> | <u>\$ 64,704</u> | <u>\$ 333,817</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, 2023
(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 | \$ 60,491 | \$ 32,535 | \$ 8,468 | \$ 3,008 | \$ (16,480) | \$ - | \$ (16,480) |
| Public Safety | 58,975 | 13,378 | 348 | - | (45,249) | - | (45,249) |
| Transportation | 11,297 | 371 | - | 5,084 | (5,842) | - | (5,842) |
| Economic Environment | 1,084 | - | 795 | 2,193 | 1,904 | - | 1,904 |
| Culture/Recreation | 10,171 | 1,182 | 54 | 1,603 | (7,332) | - | (7,332) |
| Interest on Long-term Debt | 2,878 | - | - | - | (2,878) | - | (2,878) |
| Total Governmental Activities | 144,896 | 47,466 | 9,665 | 11,888 | (75,877) | - | (75,877) |
| Business-Type Activities: | | | | | | | |
| Stormwater | 5,262 | 6,582 | - | - | - | 1,320 | 1,320 |
| Airport | 2,755 | 1,247 | 79 | 6,321 | - | 4,892 | 4,892 |
| Sanitation | 6,707 | 7,070 | - | 5 | - | 368 | 368 |
| Total Business-Type Activities | 14,724 | 14,899 | 79 | 6,326 | - | 6,580 | 6,580 |
| Total | \$ 159,620 | \$ 62,365 | \$ 9,744 | \$ 18,214 | (75,877) | 6,580 | (69,297) |

General revenues:

| | | | |
|---|-------------------|------------------|-------------------|
| Property Tax | 21,733 | - | 21,733 |
| Sales Tax | 6,951 | - | 6,951 |
| Public Service Tax | 7,777 | - | 7,777 |
| Gas Tax | 3,265 | - | 3,265 |
| Other Locally Assessed Utility Tax | 1,883 | - | 1,883 |
| Other Taxes | 4,854 | - | 4,854 |
| Local Option Discretionary Tax | 11,448 | - | 11,448 |
| State Revenue Sharing | 4,420 | - | 4,420 |
| Unrestricted Intergovernmental Revenues | 30,044 | - | 30,044 |
| Franchise Fees | 216 | - | 216 |
| Investment Income (Loss) | 5,338 | 470 | 5,808 |
| Gain on Sale of Capital Assets | 1,453 | 2 | 1,455 |
| Miscellaneous | 2,453 | 6 | 2,459 |
| Transfers | 709 | (709) | - |
| Total General Revenues and Transfers | 102,544 | (231) | 102,313 |
| Change in Net Position | 26,667 | 6,349 | 33,016 |
| Net Position - Beginning | 242,446 | 58,355 | 300,801 |
| Net Position - Ending | \$ 269,113 | \$ 64,704 | \$ 333,817 |

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

CITY OF KISSIMMEE, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2023
(In Thousands)

| | General | Community Development Block Grant | Local Option Sales Tax | Nonmajor Governmental Funds | Total Governmental Funds |
|---|------------------|---|---------------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 42,202 | \$ 307 | \$ 18,783 | \$ 52,472 | \$ 113,764 |
| Restricted Cash and Investments | 36 | - | - | 11,422 | 11,458 |
| Accounts Receivable (net) | 3,883 | - | - | 130 | 4,013 |
| Special Assessments Receivable (net) | 17 | - | - | - | 17 |
| Due from KUA | 2,260 | - | - | - | 2,260 |
| Due from Other Funds | 3,953 | - | - | - | 3,953 |
| Due from Other Governments | 6,459 | 1,617 | 1,855 | 2,497 | 12,428 |
| Prepaid Items | 293 | - | - | 53 | 346 |
| Inventories | 71 | - | - | - | 71 |
| Leases Receivable | 155 | - | - | - | 155 |
| Advance to Other Funds | - | - | - | 3,230 | 3,230 |
| Total Assets | \$ 59,329 | \$ 1,924 | \$ 20,638 | \$ 69,804 | \$ 151,695 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | \$ 1,416 | \$ 53 | \$ 749 | \$ 2,243 | \$ 4,461 |
| Contracts Payable | 12 | - | 2 | 213 | 227 |
| Accrued Liabilities | - | - | - | 6,604 | 6,604 |
| Due to Other Funds | - | 1,894 | - | 886 | 2,780 |
| Due to Other Governments | 1,291 | - | - | - | 1,291 |
| Advance from Other Funds | - | - | 1,896 | - | 1,896 |
| Deposits Payable | 74 | - | - | - | 74 |
| Advanced Grants | 6,109 | - | - | 1,455 | 7,564 |
| Total Liabilities | 8,902 | 1,947 | 2,647 | 11,401 | 24,897 |
| Deferred Inflows of Resources: | | | | | |
| Deferred Inflows - Leases | 150 | - | - | - | 150 |
| Unavailable Earned Revenues | 3,758 | 1,601 | - | 1,129 | 6,488 |
| Total Deferred Inflows of Resources | 3,908 | 1,601 | - | 1,129 | 6,638 |
| Fund Balances (Deficits): | | | | | |
| Nonspendable Prepaids and Inventories | 364 | - | - | 53 | 417 |
| Nonspendable Advances | - | - | - | 3,230 | 3,230 |
| Nonspendable Supplementary Care | - | - | - | 1,318 | 1,318 |
| Restricted for Transportation Projects | - | - | - | 18,006 | 18,006 |
| Restricted for Public Safety Projects | 657 | - | - | - | 657 |
| Restricted for Development Services | - | - | - | 7,732 | 7,732 |
| Restricted for Economic Development | - | - | - | 11,315 | 11,315 |
| Restricted for Recreation Projects | - | - | - | 3,788 | 3,788 |
| Restricted for Charter School | - | - | - | 2,984 | 2,984 |
| Restricted for Construction Projects | - | - | - | 6,248 | 6,248 |
| Restricted for Other Capital Improvements | 25 | - | 17,991 | 3,152 | 21,168 |
| Assigned for Budgetary Carryforward | 9,352 | - | - | - | 9,352 |
| Assigned for Debt Service | - | - | - | 96 | 96 |
| Unassigned (Deficits) | | | | | |
| Special Revenue Funds | 36,121 | (1,624) | - | (648) | 33,849 |
| Total Fund Balances (Deficits) | 46,519 | (1,624) | 17,991 | 57,274 | 120,160 |
| Total Liabilities, Deferred Inflows and Fund Balances (Deficits) | \$ 59,329 | \$ 1,924 | \$ 20,638 | \$ 69,804 | \$ 151,695 |

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, 2023
(In Thousands)

| | | |
|--|-------------|----------------|
| Total fund balances of governmental funds | \$ | 120,160 |
| 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 \$398,625, the accumulated depreciation is \$108,044, and the accumulated amortization is \$17,393. The difference does not include the net capital assets of the internal service funds which are included below. | | 273,188 |
| 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. | | 4,831 |
| 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 | \$ (59,683) | |
| Bonds premium | (3,711) | |
| Notes from direct borrowing and direct placements | (13,325) | |
| Financed purchases | (2,225) | |
| Leases and SBITAs payable | (3,224) | |
| Other postemployment benefits liability | (4,975) | |
| Compensated absences | (2,481) | (89,624) |
| Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. | | (63,922) |
| 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 | 918 | |
| Deferred outflows of resources related to pensions | 20,445 | |
| Deferred inflows of resources related to OPEB | (2,984) | |
| Deferred inflows of resources related to pensions | (387) | 17,992 |
| Amount for earned but unavailable revenues recognized as revenue of the current period | | 6,488 |
| Total net position of governmental activities | \$ | 269,113 |

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, 2023
(In Thousands)

| | General | Community Development Block Grant | Local Option Sales Tax | Nonmajor Governmental Funds | Total Governmental Funds |
|--|------------------|--|-----------------------------------|--|---|
| REVENUES | | | | | |
| Taxes | \$ 29,786 | \$ - | \$ 11,448 | \$ 3,265 | \$ 44,499 |
| Permits, Fees and Special Assessments | 226 | - | - | 8,319 | 8,545 |
| Intergovernmental Revenues | 52,128 | 657 | - | 12,686 | 65,471 |
| Charges for Services | 10,957 | - | - | 1,763 | 12,720 |
| Fines and Forfeitures | 568 | - | - | - | 568 |
| Investment Income (Loss) | 2,338 | - | 639 | 2,059 | 5,036 |
| Miscellaneous Revenues | 2,042 | - | - | 366 | 2,408 |
| Total Revenues | 98,045 | 657 | 12,087 | 28,458 | 139,247 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | 36,136 | - | 341 | 6,932 | 43,409 |
| Public Safety | 46,085 | - | 1,216 | 6,360 | 53,661 |
| Transportation | 5,168 | - | 1,716 | 3,973 | 10,857 |
| Economic Environment | - | 627 | - | 460 | 1,087 |
| Culture/Recreation | 7,935 | - | 52 | 460 | 8,447 |
| Debt Service: | | | | | |
| Principal Retirement | 1,215 | - | 351 | 5,050 | 6,616 |
| Interest and Fiscal Charges | 10 | - | 60 | 2,939 | 3,009 |
| Professional Fees | 20 | - | - | - | 20 |
| Capital Outlay | - | - | - | 1,945 | 1,945 |
| Total Expenditures | 96,569 | 627 | 3,736 | 28,119 | 129,051 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,476 | 30 | 8,351 | 339 | 10,196 |
| OTHER FINANCING SOURCES and (USES) | | | | | |
| Transfers In | 3,821 | - | 34 | 12,425 | 16,280 |
| Transfers (Out) | (3,722) | (1,571) | (4,509) | (5,784) | (15,586) |
| Proceeds from Sale of Capital Assets | - | - | - | 1,450 | 1,450 |
| Issuance of Leases | 33 | - | - | - | 33 |
| Total Other Financing Sources and (Uses) | 132 | (1,571) | (4,475) | 8,091 | 2,177 |
| Net Change in Fund Balances | 1,608 | (1,541) | 3,876 | 8,430 | 12,373 |
| Fund Balances (Deficit) - Beginning | 44,911 | (83) | 14,115 | 48,844 | 107,787 |
| Fund Balances (Deficit) - Ending | \$ 46,519 | \$ (1,624) | \$ 17,991 | \$ 57,274 | \$ 120,160 |

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, 2023
(In Thousands)

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

| | | |
|--|----|--------|
| Net change in fund balances - total governmental funds | \$ | 12,373 |
|--|----|--------|

| | | |
|---|--|--------|
| 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 (\$23,688) and donations (\$0) exceeds depreciation (\$10,601, which excludes the amount related to internal service funds accounted for below) and amortization (\$561). | | 12,526 |
|---|--|--------|

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 leases | \$ | (33) |
| Principal repayments: | | |
| Bonds | | 1,840 |
| Amortization of bond premium | | 161 |
| Notes from direct borrowings and direct placements | | 3,210 |
| Leases and SBITAs payable | | 990 |
| Financed purchases | | 576 |
| | | 6,744 |

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 | (28) | (28) |
|----------------------|------|------|

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, 2023
(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. | \$ (7,952) |
| 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. | 5,225 |
| 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. | (1,498) |
| 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>(723)</u> |
| Change in net position of governmental activities | <u>\$ 26,667</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, 2023
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | Governmental Activities - Internal Service Funds |
|---|--|----------------|-------------------|---------------|---|
| | Stormwater | Airport | Sanitation | Total | |
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | \$ 8,132 | \$ 578 | \$ 3,205 | \$ 11,915 | \$ 8,112 |
| Accounts Receivable (net) | 435 | 225 | 699 | 1,359 | 39 |
| Due from Other Governments | - | 3,541 | - | 3,541 | 424 |
| Due from TWA | - | - | 3 | 3 | 727 |
| Inventories | - | - | - | - | 98 |
| Leases Receivable | - | - | - | - | 352 |
| Total Current Assets | 8,567 | 4,344 | 3,907 | 16,818 | 9,752 |
| Capital Assets: | | | | | |
| Land | 1,583 | 309 | - | 1,892 | - |
| Buildings | 509 | 12,763 | 407 | 13,679 | 569 |
| Improvements Other Than Buildings | 30,242 | 20,298 | 205 | 50,745 | 5,453 |
| Software, Net | 37 | 199 | - | 236 | 299 |
| Machinery, Equipment and Vehicles | 6,725 | 811 | 7,744 | 15,280 | 3,475 |
| Construction in Progress | 840 | 9,053 | - | 9,893 | - |
| Less: Accumulated Depreciation | (13,944) | (14,758) | (5,135) | (33,837) | (6,580) |
| Total Capital Assets | 25,992 | 28,675 | 3,221 | 57,888 | 3,216 |
| Total Noncurrent Assets | 25,992 | 28,675 | 3,221 | 57,888 | 3,216 |
| Total Assets | 34,559 | 33,019 | 7,128 | 74,706 | 12,968 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Deferred Outflows Related to OPEB | 36 | 9 | 29 | 74 | 60 |
| Deferred Outflows Related to Pensions | 710 | 167 | 655 | 1,532 | 954 |
| Total Deferred Outflows of Resources | 746 | 176 | 684 | 1,606 | 1,014 |
| <i>Continued</i> | | | | | |

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2023
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | Governmental Activities - Internal Service Funds |
|--|--|------------------|-------------------|------------------|---|
| | Stormwater | Airport | Sanitation | Total | |
| LIABILITIES | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | \$ 113 | \$ 1,846 | \$ 753 | \$ 2,712 | \$ 506 |
| Contracts Payable | - | 497 | - | 497 | - |
| Accrued Liabilities | - | 26 | - | 26 | - |
| Due to KUA | - | - | - | - | 1 |
| Due to Other Funds | - | 1,173 | - | 1,173 | - |
| Deposits | - | 20 | 10 | 30 | - |
| Advances from Other Funds | - | - | 1,334 | 1,334 | - |
| Compensated Absences Payable | 18 | 7 | 15 | 40 | 40 |
| SBITA Liability Current | - | 15 | - | 15 | 51 |
| Estimated Claims Payable | - | - | - | - | 2,236 |
| Total Current Liabilities | 131 | 3,584 | 2,112 | 5,827 | 2,834 |
| Noncurrent Liabilities: | | | | | |
| Compensated Absences Payable | 73 | 26 | 61 | 160 | 160 |
| Other Postemployment Benefits | 299 | 61 | 246 | 606 | 334 |
| Net Pension Liability | 2,195 | 548 | 1,986 | 4,729 | 2,917 |
| SBITA Liability | - | 15 | - | 15 | 162 |
| Estimated Claims Payable | - | - | - | - | 2,236 |
| Total Noncurrent Liabilities | 2,567 | 650 | 2,293 | 5,510 | 5,809 |
| Total Liabilities | 2,698 | 4,234 | 4,405 | 11,337 | 8,643 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Deferred Inflows Related to Leases | - | - | - | - | 292 |
| Deferred Inflows Related to OPEB | 118 | 41 | 107 | 266 | 201 |
| Deferred Inflows Related to Pensions | 5 | - | - | 5 | 15 |
| Total Deferred Inflows of Resources | 123 | 41 | 107 | 271 | 508 |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 25,986 | 26,344 | 3,221 | 55,551 | 2,908 |
| Unrestricted | 6,498 | 2,576 | 79 | 9,153 | 1,923 |
| Total Net Position | \$ 32,484 | \$ 28,920 | \$ 3,300 | \$ 64,704 | \$ 4,831 |

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, 2023
(In Thousands)

| | Business-type Activities - Enterprise Funds | | | | Governmental Activities - Internal Service Funds |
|---|--|------------------|-------------------|------------------|---|
| | Stormwater | Airport | Sanitation | Total | |
| Operating Revenues: | | | | | |
| Charges for Services | \$ 6,582 | \$ 1,247 | \$ 7,070 | \$ 14,899 | \$ 24,157 |
| Miscellaneous Revenues | - | 3 | 3 | 6 | 192 |
| Total Operating Revenues | 6,582 | 1,250 | 7,073 | 14,905 | 24,349 |
| Operating Expenses: | | | | | |
| Personal Services | 2,640 | 868 | 2,504 | 6,012 | 4,258 |
| Contracted Services | 662 | 26 | 1,658 | 2,346 | 2,925 |
| Supplies and Materials | 223 | 27 | 369 | 619 | 207 |
| Repairs and Maintenance | 245 | 124 | 426 | 795 | 3,370 |
| Other Services and Charges | 75 | 212 | 457 | 744 | 2,474 |
| Depreciation and Amortization | 1,309 | 1,480 | 992 | 3,781 | 777 |
| Claims/Premium Expense | 80 | 17 | 84 | 181 | 11,649 |
| Total Operating Expenses | 5,234 | 2,754 | 6,490 | 14,478 | 25,660 |
| Operating Income (Loss) | 1,348 | (1,504) | 583 | 427 | (1,311) |
| Nonoperating Revenues (Expenses): | | | | | |
| Operating Grants | - | 79 | - | 79 | - |
| Interest Expense | - | (1) | (168) | (169) | (10) |
| Investment Income (Loss) | 271 | 20 | 179 | 470 | 297 |
| Lease Revenues | - | - | - | - | 93 |
| Insurance Recoveries | - | - | - | - | 190 |
| Gain or (Loss) from Sale of Capital Assets | (28) | 2 | (49) | (75) | 3 |
| Total Nonoperating Revenues (Expenses) | 243 | 100 | (38) | 305 | 573 |
| Income (Loss) Before Contributions and Transfers | 1,591 | (1,404) | 545 | 732 | (738) |
| Capital Contributions | - | 6,321 | 5 | 6,326 | - |
| Transfers In | - | - | - | - | 15 |
| Transfers (Out) | (354) | (2) | (353) | (709) | - |
| Change in Net Position | 1,237 | 4,915 | 197 | 6,349 | (723) |
| Net Position - Beginning | 31,247 | 24,005 | 3,103 | 58,355 | 5,554 |
| Net Position - Ending | \$ 32,484 | \$ 28,920 | \$ 3,300 | \$ 64,704 | \$ 4,831 |

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, 2023
(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 | \$ 6,559 | \$ 1,134 | \$ 6,941 | \$ 14,634 | \$ 24,797 |
| Payments to Suppliers | (1,471) | (513) | (2,906) | (4,890) | (21,180) |
| Payments to Employees | (2,345) | (758) | (2,226) | (5,329) | (3,787) |
| Net Cash Provided (Used) by Operating Activities | 2,743 | (137) | 1,809 | 4,415 | (170) |
| Cash Flows from Noncapital Financing Activities | | | | | |
| Operating Grants | - | 79 | - | 79 | - |
| Transfers (to) Other Funds | (354) | (2) | (353) | (709) | - |
| Transfers from Other Funds | - | 42 | - | 42 | 15 |
| Net Cash Provided (Used) by Noncapital Financing Activities | (354) | 119 | (353) | (588) | 15 |
| Cash Flows from Capital and Related Financing Activities | | | | | |
| Acquisition/Construction of Capital Assets | (822) | (3,512) | (1,316) | (5,650) | (799) |
| Capital Contributions | - | 3,436 | - | 3,436 | - |
| Repayment of Fund Advance | - | - | (2,306) | (2,306) | - |
| Proceeds from Leasing Activities | - | - | - | - | 36 |
| Lease, SBITA Payable Principal Payments | - | (14) | - | (14) | (319) |
| Lease, SBITA Payable Interest Payments | - | (1) | - | (1) | (10) |
| Proceeds from Insurance Recoveries | - | - | - | - | 190 |
| Proceeds from Sale of Capital Assets | 72 | 2 | - | 74 | 3 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (750) | (89) | (3,790) | (4,629) | (899) |
| Cash Flows from Investing Activities | | | | | |
| Income (Loss) on Investments | 271 | 20 | 179 | 470 | 297 |
| Net Cash Provided (Used) by Investing Activities | 271 | 20 | 179 | 470 | 297 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 1,910 | (87) | (2,155) | (332) | (757) |
| Cash and Cash Equivalents at Beginning of Year | 6,222 | 665 | 5,360 | 12,247 | 8,869 |
| Cash and Cash Equivalents at End of Year | \$ 8,132 | \$ 578 | \$ 3,205 | \$ 11,915 | \$ 8,112 |

Continued

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For The Year Ended September 30, 2023
(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) | \$ 1,348 | \$ (1,504) | \$ 583 | \$ 427 | \$ (1,311) |
| Depreciation and Amortization | 1,309 | 1,480 | 992 | 3,781 | 777 |
| Change in Assets and Liabilities: | | | | | |
| (Increase) Decrease in Accounts Receivable | (24) | (113) | (139) | (276) | (9) |
| (Increase) Decrease in Due from Other Governments | - | - | - | - | 147 |
| (Increase) Decrease in Due from KUA | 1 | - | 7 | 8 | 25 |
| (Increase) Decrease in Due from TWA | - | - | - | - | 285 |
| (Increase) Decrease in Inventories | - | - | - | - | (23) |
| (Increase) Decrease in Deferred Outflows OPEB | 7 | 3 | 8 | 18 | 14 |
| (Increase) Decrease in Deferred Outflows Pensions | 387 | 140 | 342 | 869 | 600 |
| Increase (Decrease) in Accounts Payable | (186) | (25) | 88 | (123) | (373) |
| Increase (Decrease) in Customer Deposits | - | (3) | - | (3) | - |
| Increase (Decrease) in Accrued Liabilities | - | 3 | - | 3 | - |
| Increase (Decrease) in OPEB | (60) | (26) | (62) | (148) | (113) |
| Increase (Decrease) in Compensated Absences | 3 | 1 | 16 | 20 | 18 |
| Increase (Decrease) in Claims Payable | - | - | - | - | (159) |
| Increase (Decrease) in Net Pension Liability | (91) | (33) | (80) | (204) | (141) |
| Increase (Decrease) in Deferred Inflows OPEB | 52 | 22 | 54 | 128 | 98 |
| Increase (Decrease) in Deferred Inflows Pensions | (3) | - | - | (3) | (5) |
| Total Adjustments | <u>1,395</u> | <u>1,367</u> | <u>1,226</u> | <u>3,988</u> | <u>1,141</u> |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 2,743</u> | <u>\$ (137)</u> | <u>\$ 1,809</u> | <u>\$ 4,415</u> | <u>\$ (170)</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, 2023
(In Thousands)

| ASSETS | |
|--------------------------------|-------------------|
| Cash and Cash Equivalents | \$ 8,297 |
| Receivables: | |
| Interest Receivable | 335 |
| Total Receivables | 335 |
| Investments, at Fair Value: | |
| Fixed Income | 52,636 |
| Equities | 141,474 |
| Mutual Funds | 36,794 |
| Commingled Funds | 22,310 |
| Total Investments | 253,214 |
| Total Assets | 261,846 |
| Net Position Restricted | |
| for Pension Benefits | \$ 261,846 |

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, 2023
(In Thousands)

ADDITIONS

| | |
|--|---------------|
| Contributions: | |
| Employer | \$ 8,669 |
| Plan Members | 1,584 |
| State | 2,051 |
| Total Contributions | 12,304 |
| Investment earnings: | |
| Net increase (decrease) in fair value of investments | 18,797 |
| Interest and dividends | 6,400 |
| Total Investment Earnings (Loss) | 25,197 |
| Less Investment Expense ¹ | 872 |
| Net Investment Earnings (Loss) | 24,325 |
| Other | 1,552 |
| Total Additions | 38,181 |

DEDUCTIONS

| | |
|-------------------------|---------------|
| Benefits | 17,373 |
| Administrative Expense | 282 |
| Total Deductions | 17,655 |

| | |
|---|-------------------|
| Change in Net Position | 20,526 |
| Net Position - Beginning of Year | 241,320 |
| Net Position - End of Year | \$ 261,846 |

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 *Community Development Block Grant (CDBG)* fund is a special revenue fund used to account for the revenues and expenditures of the CDBG program at the City.
- 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,

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
(In Thousands)

and certain capital projects funds. Budgets are not adopted for the Pension Trust Funds, Federal Grants Fund, State Grants Fund, Shingle Creek Regional Trail, Victim of Crime Act, CARES Act Relief, Police and Firefighters Premium Tax Fund, Section 8 HAPP Fund, Supplementary Care, FmHA Bond, 2017 Revenue Note, 2021 Line of Credit Debt, and all capital projects funds except the 2022 Bonds Capital Projects Fund.

- 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 2022-2023 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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
(In Thousands)

month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February.

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

Special Assessments Receivable

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

H. Inventories and 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, 2023. 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. Subscription-Based Information Technology Arrangements (SBITAs)

The City is a user of subscription-based software throughout its operations. To account for these types of subscription arrangements, a right-to-use intangible asset is recognized along with a corresponding SBITA liability. Right-to-use SBITA intangible assets are reported with capital assets and SBITA liabilities are reported with long-term liabilities on the government-wide and proprietary fund financial statements. At commencement of a subscription, the City initially measures the SBITA liability at present value of total payments over the subscription term. The SBITA asset is measured as the value of the SBITA liability, adjusted for any prepayments, plus certain initial direct development costs. A threshold of \$15 is used by the City for determining recognition.

Q. 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.

R. 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.

S. 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.

T. 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 or 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.

U. Net Position Restricted by Enabling Legislation

In the government-wide financial statements, governmental activities report restricted net position of \$75,189, of which management has determined \$7,732 for building code enforcement is restricted by enabling legislation.

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 \$6,690. The carrying amount of the demand deposits, cash with fiscal agent, and cash on hand at September 30, 2023 was \$9,454 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

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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.

The following is a summary of the City's pooled investments at September 30, 2023. The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is also presented.

| | Fair Value | Weighted Average Maturity | Credit Rating |
|--|-------------------|--|----------------------|
| <u>Measured using the net asset value:</u> | | | |
| FLGIT Day to Day Fund | \$ 10,550 | 38 days | Fitch AAAm |
| FL FIT Cash Pool | 34,733 | 23 days | Fitch AAAf/S1 |
| FL STAR | <u>41,057</u> | 7 days | S&P AAAm |
| Total fair value investments | <u>86,340</u> | | |
| <u>Measured at amortized cost:</u> | | | |
| Florida PRIME | <u>49,455</u> | 36 days | S&P AAAm |
| Total City investments | <u>\$ 135,795</u> | | |
| | | | |
| | <u>Fair Value</u> | <u>Unfunded Commitments</u> | |
| <u>Investments measured at NAV</u> | | | |
| FLGIT Day to Day Fund | \$ 10,550 | \$ - | |
| FL FIT Cash Pool | 34,733 | - | |
| FL STAR | 41,057 | - | |

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.

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The following is a summary of the City's Pension Trust Funds at September 30, 2023.

| | General Employees' Pension | | | Police Officers' Pension | | Firefighters' Pension | | |
|--------------------------------|----------------------------|-----------|----------|--------------------------|-----------|-----------------------|-----------|----------|
| | Quoted | Observ | Unobserv | Quoted | Observ | Quoted | Observ | Unobserv |
| | Prices | Input | Input | Prices | Input | Prices | Input | Input |
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 1 | Level 2 | Level 3 |
| Fixed Income | \$ 3,663 | \$ 25,781 | \$ - | \$ - | \$ 20,504 | \$ - | \$ 2,688 | \$ - |
| Equities | 88,989 | 412 | - | 13,632 | 15,059 | 14,892 | 8,490 | - |
| Mutual Funds | - | 9,038 | - | 13,423 | - | 14,333 | - | - |
| Commingled Funds & Real Estate | - | - | 5,721 | 3,008 | 8,655 | - | 1,977 | 2,949 |
| Total Investments | \$ 92,652 | \$ 35,231 | \$ 5,721 | \$ 30,063 | \$ 44,218 | \$ 29,225 | \$ 13,155 | \$ 2,949 |
| Money Market | 6,463 | | | 1,347 | | 487 | | |
| Total Investment Fair Values | \$ 140,067 | | | \$ 75,628 | | \$ 45,816 | | |

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

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

For the City's General Employees' Pension investments, the weighted average maturity (in years) for Eaton Vance is 5.43, Pimco Diversified Fund (PDIIX) is 8.43, and Vanguard Inflation Protected (VAIPX) is 7.00. For the City's Police Officers' Pension investments, the weighted average maturity (in years) for Galliard Intermediate Core is 5.84, Pimco Diversified Fund (PDIIX) is 8.43, and Vanguard Inflation Protected (VAIPX) is 7.00. For the City's Firefighters' Pension investments, the weighted average maturity (in years) for their collective portfolio is 7.69.

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.

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

| | |
|----------------------------------|-------------------|
| | <u>City</u> |
| Cash in Bank and On Hand | \$ 9,454 |
| Investments | 135,795 |
| | <u>145,249</u> |
| <u>Financial Statements:</u> | |
| Cash and Cash Equivalents | 70,060 |
| Restricted Cash and Investments | 75,189 |
| | <u>\$ 145,249</u> |

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, 2023. 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 Service Funds | Pension Funds | Total |
|------------------------------------|-----------------|---------------|---------------|---------------|--|------------------|-----------------|
| Accounts | \$ 7,057 | \$ 435 | \$ 206 | \$ 699 | \$ 169 | \$ - | \$ 8,566 |
| Interest | - | - | - | - | - | 335 | 335 |
| Special assessments | 17 | - | - | - | - | - | 17 |
| | <u>7,074</u> | <u>435</u> | <u>206</u> | <u>699</u> | <u>169</u> | <u>335</u> | <u>8,918</u> |
| Less: Allowance for uncollectibles | (3,174) | - | - | - | - | - | (3,174) |
| | <u>\$ 3,900</u> | <u>\$ 435</u> | <u>\$ 206</u> | <u>\$ 699</u> | <u>\$ 169</u> | <u>\$ 335</u> | <u>\$ 5,744</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%. The City entered into a 60-month lease with Uptown Tax Services, Doggone Beautiful, and GQ Uniform Outfitters for the use of facility space with fixed monthly payments of \$1 each at an interest rate of 3.445%. At September 30, 2023, the City had outstanding lease receivables of \$526. During the fiscal year, the City recognized \$150 in lease revenue and \$8 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 \$594 during the current fiscal year related to these leases.

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As of September 30, 2023, the remaining nominal amount of revenue that will be recognized over the lease term associated with these leases amounts to \$5,926 as outlined below.

| <u>Fiscal Year</u> | <u>Revenue</u> |
|--------------------|-----------------|
| 2024 | \$ 550 |
| 2025 | 541 |
| 2026 | 471 |
| 2027 | 471 |
| 2028 | 456 |
| 2029 - 2033 | 1,682 |
| 2034 - 2038 | 1,056 |
| 2039 - 2043 | 699 |
| Total | \$ 5,926 |

NOTE 4 – INTERFUND ACCOUNTS

Individual interfund receivables, payables and transfers with a description of their purpose at September 30, 2023 are:

| | <u>Due From</u> | <u>Due To</u> | <u>Purpose</u> |
|-----------------------------------|-----------------|-----------------|-------------------------------|
| General Fund | \$ 3,953 | \$ - | To cover negative pooled cash |
| Community Development Block Grant | - | 1,894 | position of funds |
| Airport | - | 1,173 | |
| Nonmajor Funds: | | | |
| Special Revenue Funds | - | 886 | |
| | <u>\$ 3,953</u> | <u>\$ 3,953</u> | |

| | <u>Advance To</u> | <u>Advance From</u> | <u>Purpose</u> |
|------------------------------|-------------------|---------------------|-----------------------------------|
| Local Option Sales Tax | \$ - | \$ 1,896 | To fund purchase of new equipment |
| Sanitation | - | 1,334 | from proceeds of governmental |
| 2022A Revenue Refunding Bond | 3,230 | - | 2022A Revenue bond |
| | <u>\$ 3,230</u> | <u>\$ 3,230</u> | |

| | <u>Transfer In</u> | <u>Transfers Out</u> | <u>Purpose</u> |
|-----------------------------------|--------------------|----------------------|---|
| General Fund | \$ 3,821 | \$ 3,722 | Transfer to cover debt service |
| Community Development Block Grant | - | 1,571 | Transfer for project expenditures |
| Local Option Sales Tax | 34 | 4,509 | Transfer to cover debt service |
| Stormwater | - | 354 | Transfer to General Fund for PILOT |
| Airport | - | 2 | |
| Sanitation | - | 353 | Transfer to General Fund for PILOT |
| Nonmajor Funds: | | | |
| Special Revenue Funds | 3,366 | 4,304 | Transfer for grant match and debt service |
| Debt Service Funds | 7,579 | - | Transfer to cover debt service |
| Capital Projects Funds | 1,480 | 1,480 | Transfer for project expenditures |
| Internal Service Funds | 15 | - | Building and software costs |
| | <u>\$ 16,295</u> | <u>\$ 16,295</u> | |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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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 10/01/2022 * | Increases | Decreases | Balance 9/30/2023 |
|---|---------------------------------------|------------------|------------------|------------------------------------|
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 46,296 | \$ 230 | \$ (1,443) | \$ 45,083 |
| Construction In Progress | 49,903 | 7,348 | (1,056) | 56,195 |
| Total Capital Assets, Not Being Depreciated | <u>96,199</u> | <u>7,578</u> | <u>(2,499)</u> | <u>101,278</u> |
| Capital Assets, Being Depreciated: | | | | |
| Buildings | | | | |
| Charter School | 1,504 | - | - | 1,504 |
| Other City | 17,113 | 12,308 | - | 29,421 |
| Improvements other than buildings | | | | |
| Charter School | 461 | - | - | 461 |
| Other City | 206,693 | 1,974 | 280 | 208,947 |
| Parking Capacity | | | | |
| Other City | 15,502 | - | - | 15,502 |
| Software | | | | |
| Charter School | 59 | - | - | 59 |
| Other City | 2,314 | 29 | - | 2,343 |
| Intangible Right-to-Use | | | | |
| Right-to-Use Leased Equipment | | | | |
| Other City | 4,459 | 33 | - | 4,492 |
| Right-to-Use Software Subscriptions | | | | |
| Other City | 704 | - | - | 704 |
| Equipment | | | | |
| Charter School | 1,147 | 42 | - | 1,189 |
| Other City | 40,250 | 3,677 | (1,156) | 42,771 |
| Total Capital Assets Being Depreciated | <u>290,206</u> | <u>18,063</u> | <u>(876)</u> | <u>307,393</u> |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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| Governmental Activities | Balance 10/01/2022 * | Increases | Decreases | Balance 9/30/2023 |
|--|---------------------------------|------------------|-------------------|------------------------------|
| Less Accumulated Depreciation For: | | | | |
| Buildings | | | | |
| Charter School | (767) | (84) | - | (851) |
| Other City | (9,577) | (572) | (289) | (10,438) |
| Improvements other than buildings | | | | |
| Charter School | (155) | (23) | - | (178) |
| Other City | (63,499) | (5,939) | 1 | (69,437) |
| Parking Capacity | | | | |
| Other City | (14,742) | - | - | (14,742) |
| Software | | | | |
| Charter School | (59) | - | - | (59) |
| Other City | (2,031) | (565) | - | (2,596) |
| Intangible Right-to-Use | | | | |
| Right-to-Use Leased Equipment | | | | |
| Other City | (495) | (894) | - | (1,389) |
| Right-to-Use Software Subscriptions | | | | |
| Other City | - | (298) | - | (298) |
| Equipment | | | | |
| Charter School | (1,081) | (30) | - | (1,111) |
| Other City | (28,740) | (3,536) | 1,108 | (31,168) |
| Total Accumulated Depreciation | <u>(121,146)</u> | <u>(11,941)</u> | <u>820</u> | <u>(132,267)</u> |
| Total Capital Assets, Being Depreciated, Net | <u>169,060</u> | <u>6,122</u> | <u>(56)</u> | <u>175,126</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 265,259</u> | <u>\$ 13,700</u> | <u>\$ (2,555)</u> | <u>\$ 276,404</u> |

* The beginning balance has been restated due to the effects of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

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| Business-type Activities | Beginning Balance 10/1/2022 * | Increases | Decreases | Ending Balance 9/30/2023 |
|--|--|------------------|------------------|---|
| <u>Stormwater Fund</u> | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 1,583 | \$ - | \$ - | \$ 1,583 |
| Construction In Progress | 914 | - | (74) | 840 |
| Total Capital Assets, Not Being Depreciated: | <u>2,497</u> | <u>-</u> | <u>(74)</u> | <u>2,423</u> |
| Capital Assets, Being Depreciated/Amortized: | | | | |
| Buildings | 509 | - | - | 509 |
| Improvements other than Buildings | 30,242 | - | - | 30,242 |
| Software | 57 | - | - | 57 |
| Equipment | 6,500 | 902 | (677) | 6,725 |
| Total Capital Assets Being Depreciated | <u>37,308</u> | <u>902</u> | <u>(677)</u> | <u>37,533</u> |
| Less Accumulated Depreciation For: | | | | |
| Buildings | (427) | (21) | - | (448) |
| Improvements other than Buildings | (8,467) | (739) | - | (9,206) |
| Software | (20) | - | - | (20) |
| Equipment | (4,318) | (549) | 577 | (4,290) |
| Total Accumulated Depreciation | <u>(13,232)</u> | <u>(1,309)</u> | <u>577</u> | <u>(13,964)</u> |
| Total Capital Assets, Being Depreciated, Net | <u>24,076</u> | <u>(407)</u> | <u>(100)</u> | <u>23,569</u> |
| Stormwater Fund Capital Assets, Net | <u>\$ 26,573</u> | <u>\$ (407)</u> | <u>\$ (174)</u> | <u>\$ 25,992</u> |
| <u>Airport Fund</u> | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 309 | \$ - | \$ - | \$ 309 |
| Construction In Progress | 3,858 | 5,759 | (564) | 9,053 |
| Total Capital Assets, Not Being Depreciated | <u>4,167</u> | <u>5,759</u> | <u>(564)</u> | <u>9,362</u> |
| Capital Assets, Being Depreciated/Amortized: | | | | |
| Buildings | 12,763 | - | - | 12,763 |
| Improvements other than Buildings | 19,734 | 564 | - | 20,298 |
| Software | 272 | - | - | 272 |
| Intangible Right-to-Use | | | | |
| Right-to-Use Software Subscriptions | 44 | - | - | 44 |
| Equipment | 776 | 54 | (19) | 811 |
| Total Capital Assets Being Depreciated | <u>33,589</u> | <u>618</u> | <u>(19)</u> | <u>34,188</u> |
| Less Accumulated Depreciation For: | | | | |
| Buildings | (7,928) | (343) | - | (8,271) |
| Improvements other than Buildings | (4,719) | (1,092) | - | (5,811) |
| Software | (97) | (5) | - | (102) |
| Intangible Right-to-Use | | | | |
| Right-to-Use Software Subscriptions | - | (15) | - | (15) |
| Equipment | (670) | (25) | 19 | (676) |
| Total Accumulated Depreciation | <u>(13,414)</u> | <u>(1,480)</u> | <u>19</u> | <u>(14,875)</u> |
| Total Capital Assets, Being Depreciated, Net | <u>20,175</u> | <u>(862)</u> | <u>-</u> | <u>19,313</u> |
| Airport Fund Capital Assets, Net | <u>\$ 24,342</u> | <u>\$ 4,897</u> | <u>\$ (564)</u> | <u>\$ 28,675</u> |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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| | Beginning Balance | | | Ending Balance |
|--|------------------------------|------------------|------------------|---------------------------|
| Sanitation Fund | 10/1/2022 * | Increases | Decreases | 9/30/2023 |
| 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 | 6,788 | 1,320 | (364) | 7,744 |
| Total Capital Assets Being Depreciated | 7,400 | 1,320 | (364) | 8,356 |
| Less Accumulated Depreciation For: | | | | |
| Buildings | (345) | (16) | - | (361) |
| Improvements other than Buildings | (146) | (23) | 15 | (154) |
| Equipment | (3,968) | (953) | 301 | (4,620) |
| Total Accumulated Depreciation | (4,459) | (992) | 316 | (5,135) |
| Total Capital Assets, Being Depreciated, Net | 2,941 | 328 | (48) | 3,221 |
| Sanitation Fund Capital Assets, Net | <u>\$ 2,941</u> | <u>\$ 328</u> | <u>\$ (48)</u> | <u>\$ 3,221</u> |
| Total Business-type Activities | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 1,892 | \$ - | \$ - | \$ 1,892 |
| Construction In Progress | 4,772 | 5,759 | (638) | 9,893 |
| Total Capital Assets, Not Being Depreciated | 6,664 | 5,759 | (638) | 11,785 |
| Capital Assets, Being Depreciated/Amortized: | | | | |
| Buildings | 13,679 | - | - | 13,679 |
| Improvements other than Buildings | 50,181 | 564 | - | 50,745 |
| Software | 329 | - | - | 329 |
| Intangible Right-to-Use | | | | |
| Right-to-Use Software Subscriptions | 44 | - | - | 44 |
| Equipment | 14,064 | 2,276 | (1,060) | 15,280 |
| Total Capital Assets Being Depreciated | 78,297 | 2,840 | (1,060) | 80,077 |
| Less Accumulated Depreciation For: | | | | |
| Buildings | (8,700) | (380) | - | (9,080) |
| Improvements other than Buildings | (13,332) | (1,854) | 15 | (15,171) |
| Software | (117) | (5) | - | (122) |
| Intangible Right-to-Use | | | | |
| Right-to-Use Software Subscriptions | - | (15) | - | (15) |
| Equipment | (8,956) | (1,527) | 897 | (9,586) |
| Total Accumulated Depreciation | (31,105) | (3,781) | 912 | (33,974) |
| Total Capital Assets, Being Depreciated, Net | 47,192 | (941) | (148) | 46,103 |
| Total Business-type Activities, Net | <u>\$ 53,856</u> | <u>\$ 4,818</u> | <u>\$ (786)</u> | <u>\$ 57,888</u> |

* The beginning balance has been restated due to the effects of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

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Governmental Activities:

Depreciation and Amortization Expense By Function

| | | |
|--|-----------|---------------|
| General Government | \$ | 2,704 |
| 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>777</u> |
| Total Governmental Activities Depreciation and Amortization | <u>\$</u> | <u>11,941</u> |

Business-type Activities:

Depreciation and Amortization Expense By Function

| | | |
|------------|-----------|--------------|
| Stormwater | \$ | 1,309 |
| Airport | | 1,480 |
| Sanitation | | <u>992</u> |
| | <u>\$</u> | <u>3,781</u> |

B. Net Capital Assets

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

| | Governmental Activities | Business-type Activities | Total |
|---|------------------------------------|-------------------------------------|-------------------|
| Land | \$ 45,083 | \$ 1,892 | \$ 46,975 |
| Buildings | 30,925 | 13,679 | 44,604 |
| Improvements other than Buildings | 209,408 | 50,745 | 260,153 |
| Parking Capacity | 15,502 | - | 15,502 |
| Software | 2,402 | 329 | 2,731 |
| Right to Use Leased Equipment | 4,492 | - | 4,492 |
| Right to Use Software Subscriptions | 704 | 44 | 748 |
| Equipment | 43,960 | 15,280 | 59,240 |
| Construction in Progress | <u>56,195</u> | <u>9,893</u> | <u>66,088</u> |
| | 408,671 | 91,862 | 500,533 |
| Less: Accumulated Depreciation and Amortization | <u>(132,267)</u> | <u>(33,974)</u> | <u>(166,241)</u> |
| Capital Assets, net | <u>\$ 276,404</u> | <u>\$ 57,888</u> | <u>\$ 334,292</u> |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
(In Thousands)

C. Construction Commitments

The following is a schedule of significant capital construction projects and large equipment orders with remaining commitment amounts of greater than \$1 million as of September 30, 2023:

| Projects | Spent-to-Date | Remaining Commitment |
|--|----------------------|---------------------------------|
| Fire Station 15 | \$ 462 | \$ 5,710 |
| Woodside Drainage Mitigation | - | 3,400 |
| Berlinsky Community House | 300 | 2,325 |
| Connect Kissimmee Complete Streets Project | 884 | 2,040 |
| ADA Compliance Program | - | 1,712 |
| West Oak Street at John Young Improvement | - | 1,391 |
| Sutphen Fire Trucks (2) | - | 1,896 |
| Total | \$ 1,646 | \$ 18,474 |

NOTE 6 – LEASES AND SBITAs 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%. In 2023, the City entered into 24-month leases for two Chevy Blazers with fixed monthly payments of \$12 and \$14 at an interest rate of 2.61%. At September 30, 2023, the City's lease liability is \$3,130. Debt service requirements to maturity for the City's leases payable are as follows.

| Governmental Activities: | Leases Payable | | |
|---------------------------------|-----------------------|------------------|-----------------|
| | Fiscal Year | Principal | Interest |
| | 2024 | \$ 900 | \$ 18 |
| | 2025 | 899 | 11 |
| | 2026 | 895 | 6 |
| | 2027 | 436 | 1 |
| Total | | \$ 3,130 | \$ 36 |

The City is the user of SBITAs throughout its operations. The subscriptions range from 18-36 months in length, with fixed monthly and annual payments, and interest rate ranges from 3.14-3.24%. At September 30, 2023, the SBITA liability for governmental activities is \$307 and for business-type activities is \$30. Debt service requirements to maturity for the City's SBITA payable are as follows:

| Fiscal Year | Governmental Activities | | Business-Type Activities | |
|--------------------|--------------------------------|-----------------|---------------------------------|-----------------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ 285 | \$ 10 | \$ 15 | \$ 1 |
| 2025 | 22 | 1 | 15 | 1 |
| Total | \$ 307 | \$ 11 | \$ 30 | \$ 2 |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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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, SBITAs 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, 2023:

| | Balance | | | Balance | Due Within | Long-term |
|----------------------------------|-------------------|------------------|--------------------|-------------------|-------------------|-------------------|
| | 10/01/22 * | Additions | Reductions | 9/30/23 | One Year | Portion |
| Governmental Activities: | | | | | | |
| Revenue Bonds | \$ 61,523 | \$ - | \$ (1,840) | \$ 59,683 | \$ 1,255 | \$ 58,428 |
| Bond Premium | 3,872 | - | (161) | 3,711 | - | 3,711 |
| subtotal Revenue Bonds | <u>65,395</u> | <u>-</u> | <u>(2,001)</u> | <u>63,394</u> | <u>1,255</u> | <u>62,139</u> |
| Notes from Direct Borrowings and | | | | | | |
| Direct Placements | 16,535 | - | (3,210) | 13,325 | 2,385 | 10,940 |
| Financed Purchases | 2,801 | - | (576) | 2,225 | 583 | 1,642 |
| Leases Payable | 4,009 | 33 | (912) | 3,130 | 900 | 2,230 |
| SBITAs Payable | 704 | - | (397) | 307 | 285 | 22 |
| Claims Payable | 4,631 | 11,434 | (11,593) | 4,472 | 2,236 | 2,236 |
| Net Pension Liability | 72,265 | - | (5,426) | 66,839 | - | 66,839 |
| Other Postemployment Benefits | 7,060 | - | (1,751) | 5,309 | 240 | 5,069 |
| Compensated Absences | <u>2,635</u> | <u>3,409</u> | <u>(3,363)</u> | <u>2,681</u> | <u>536</u> | <u>2,145</u> |
| Governmental Activity | | | | | | |
| Long-term Liabilities | <u>\$ 176,035</u> | <u>\$ 14,876</u> | <u>\$ (29,229)</u> | <u>\$ 161,682</u> | <u>\$ 8,420</u> | <u>\$ 153,262</u> |
| Business-type Activities: | | | | | | |
| Net Pension Liability | \$ 4,933 | \$ - | \$ (204) | \$ 4,729 | \$ - | \$ 4,729 |
| Other Postemployment Benefits | 754 | - | (148) | 606 | - | 606 |
| SBITAs Payable | 44 | - | (14) | 30 | 15 | 15 |
| Compensated Absences | <u>180</u> | <u>273</u> | <u>(253)</u> | <u>200</u> | <u>40</u> | <u>160</u> |
| Business-type Activity | | | | | | |
| Long-term Liabilities | <u>\$ 5,911</u> | <u>\$ 273</u> | <u>\$ (619)</u> | <u>\$ 5,565</u> | <u>\$ 55</u> | <u>\$ 5,510</u> |

* The beginning balance has been restated due to the effects of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
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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 | |
| 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 | 1,175 | 177 | 1,150 | 2,355 | 4,857 |
| 2029-2033 | 4,415 | 424 | 6,205 | 11,019 | 22,063 |
| 2034-2038 | 685 | 20 | 9,515 | 9,425 | 19,645 |
| 2039-2043 | - | - | 12,040 | 7,123 | 19,163 |
| 2044-2048 | - | - | 15,110 | 4,052 | 19,162 |
| 2049-2052 | - | - | 10,628 | 862 | 11,490 |
| Total | \$ 13,325 | \$ 1,767 | \$ 59,683 | \$ 44,801 | \$ 119,576 |

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, 2023, the City has no outstanding bonds issued by the City, which were funded in previous years by the placement of assets in an irrevocable trust to be used for satisfying debt service requirements.

D. 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 |
|------------------------------------|----------------------------|
| 2024 | \$ 631 |
| 2025 | 631 |
| 2026 | 582 |
| 2027 | 162 |
| 2028 | 362 |
| Total minimum payments | 2,368 |
| Less: amount representing interest | (143) |
| Present value of minimum payments | <u>\$ 2,225</u> |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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E. Bonds and Notes Outstanding

The City has revenue bonds and notes outstanding at September 30, 2023. 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 | \$ - | \$ - | 8.5% | \$ 939 | \$ 11,059 |
| 2010B Capital Improvement Revenue Note Maturity: 2025, Interest Rate: 2.79% Purpose: Road Improvements | Local option sales tax | 8,000 | 1,440 | 1,501 | 6.7% | 739 | 11,059 |
| 2010C Capital Improvement Revenue Note Maturity: 2030, Interest Rate: 2.69% Purpose: Road Improvements | N/A | 4,000 | 1,890 | 2,101 | N/A | 287 | N/A |
| 2011B Capital Improvement Refunding Note Maturity: 2025, Interest Rate: 2.86% Purpose: Road Improvements | Local option sales tax | 9,140 | 1,470 | 1,547 | 7.2% | 796 | 11,059 |
| 2014A Capital Improvement Revenue Note Maturity: 2034, Interest Rate: 2.86% Purpose: Lakefront Park and Road Improvements | Local option sales tax | 9,600 | 6,250 | 7,395 | 5.8% | 636 | 11,059 |
| 2015B CRA Refunding Revenue Note Maturity: 2030, Interest Rate: 2.81% Purpose: Refund 2009 CRA Note | N/A | 3,820 | <u>2,275</u> | 2,549 | N/A | 295 | N/A |
| | Total Revenue Notes | | <u>13,325</u> | | | | |

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

| <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 | \$ 33,523 | \$ 54,625 | 19.4% | \$ 2,935 | \$ 15,136 |
| 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 | 23,380 | 44,799 | 9.2% | 1,395 | 15,136 |
| 2022B Revenue Refunding Bonds Maturity: 2045, Interest Rate: 4.84% Purpose: Capital Improvements | 1/2 Cent Sales Tax, Public Serv & Comm Taxes | 2,780 | <u>2,780</u> | 5,063 | 0.9% | 135 | 15,136 |
| | Total Revenue Bonds | | <u>59,683</u> | | | | |
| Total Revenue Notes and Bonds - Governmental Activities | | | <u>\$ 73,008</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, 2022. 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.

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NOTES TO FINANCIAL STATEMENTS – Continued
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(In Thousands)

C. Membership and Contribution Information

Membership of each plan consisted of the following at October 1, 2022, the date of the latest actuarial valuations:

| | Pension Plans | | |
|---|---------------|-----------|---------------|
| | General | Police | Firefighters' |
| | Employees' | Officers' | |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 370 | 135 | 78 |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefits | 111 | 23 | 31 |
| Active Plan Members | 421 | 146 | 98 |
| Total | 902 | 304 | 207 |

The City's contributions to the plans are actuarially determined and during fiscal year ended September 30, 2023 the City contributed \$3,927 to the General Employees Plan, \$2,964 to the Police Officers Plan, and \$3,756 to the Firefighters Plan. For the fiscal year ended September 30, 2023, 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, 2023 is \$3,099.

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.

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NOTES TO FINANCIAL STATEMENTS – Continued
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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, 2023 is \$618.

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.

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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, 2023 is \$949.

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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, 2023 were as follows:

| | Pension Plans | | |
|---|------------------------|---------------------|---------------|
| | General* Employees' | Police Officers' | Firefighters' |
| Total Pension Liability | \$ 178,426 | \$ 98,050 | \$ 67,474 |
| Plan Fiduciary Net Position | 140,281 | 75,727 | 45,857 |
| Sponsor's Net Pension Liability | 38,145 | 22,323 | 21,617 |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 78.62% | 77.23% | 67.96% |

* 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, 2022 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, 2023 are summarized in the following table:

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| 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% | - | - | 46% | 7.2% |
| International Equity | 15% | 8.5% | 15% | 8.5% | 12% | 2.9% |
| 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% | 5.9% |
| Private Equity | - | - | - | - | - | - |
| Global Bond | - | 3.5% | 5% | 3.5% | - | - |
| Bonds | - | - | - | - | 16% | 1.7% |
| Convertibles | - | - | - | - | 7% | 5.9% |
| REITs | - | - | - | - | 5% | 6.1% |
| Infrastructure | - | - | - | - | 4% | 5.1% |
| Hedge Fund | - | - | - | - | 5% | 2.3% |

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, 2023:

| Fiscal Year 2023 | Pension Plans | | |
|--------------------------------------|--------------------|------------------|---------------|
| | General Employees' | Police Officers' | Firefighters' |
| Annual Money-Weighted Rate of Return | | | |
| Net of Investment Expense | 9.28% | 10.70% | 10.69% |

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 4.63% 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, 2023
(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 | \$ 58,948 | \$ 38,145 | \$ 20,693 |
| General Employees' Fund City only | 42,696 | 27,628 | 14,988 |

| Sponsor's Net Pension Liability | Current Discount | | |
|---------------------------------|----------------------|---------------|----------------------|
| | 1% Decrease 6.20% | Rate 7.20% | 1% Increase 8.20% |
| Police Officers' Fund | \$ 34,339 | \$ 22,323 | \$ 12,375 |

| Sponsor's Net Pension Liability | Current Discount | | |
|---------------------------------|----------------------|---------------|----------------------|
| | 1% Decrease 6.20% | Rate 7.20% | 1% Increase 8.20% |
| Firefighters' Fund | \$ 30,039 | \$ 21,617 | \$ 14,644 |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
(In Thousands)

| Changes in Net Pension Liability | | | |
|---|---------------------------|-------------------------|----------------------|
| | <u>General Employees'</u> | <u>Police Officers'</u> | <u>Firefighters'</u> |
| Total pension liability | | | |
| Service Cost | \$ 2,605 | \$ 2,194 | \$ 1,475 |
| Interest | 8,369 | 6,763 | 4,657 |
| Change in Excess State Money | - | - | - |
| Share Plan Allocation | - | 72 | - |
| Changes of Benefit Terms | 304 | - | - |
| Difference Between Actual & Expected Experience | 647 | (148) | (122) |
| Change in Employer's Proportion | 1,263 | - | - |
| Changes of Assumptions | - | - | - |
| Contributions - Buy Back | - | - | - |
| Benefit Payments | (6,324) | (5,151) | (3,491) |
| Net Change in Total Pension Liability | <u>6,864</u> | <u>3,730</u> | <u>2,519</u> |
| Total Pension Liability - Beginning | <u>122,370</u> | <u>94,320</u> | <u>64,955</u> |
| Total Pension Liability - Ending (a) | <u>\$ 129,234</u> | <u>\$ 98,050</u> | <u>\$ 67,474</u> |
| | | | |
| Plan Fiduciary Net Position | | | |
| Contributions - Employer | \$ 3,925 | \$ 1,786 | \$ 2,955 |
| Contributions - State | - | 1,250 | 801 |
| Contributions - Member | 673 | 480 | 174 |
| Change in Employer's Proportion | 964 | - | - |
| Net Investment Income | 8,967 | 7,426 | 4,484 |
| Benefit Payments | (6,324) | (5,151) | (3,491) |
| Administrative Expense | (50) | (63) | (63) |
| Net Change in Plan Fiduciary Net Position | <u>8,155</u> | <u>5,728</u> | <u>4,860</u> |
| | | | |
| Plan Fiduciary Net Position - Beginning | <u>93,451</u> | <u>69,999</u> | <u>40,997</u> |
| Plan Fiduciary Net Position - Ending (b) | <u>\$ 101,606</u> | <u>\$ 75,727</u> | <u>\$ 45,857</u> |
| | | | |
| Net Pension Liability - Ending (a)-(b) | 27,628 | 22,323 | 21,617 |
| | | | |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 78.62% | 77.23% | 67.96% |
| | | | |
| Covered Payroll | \$ 19,497 | \$ 11,049 | \$ 7,636 |
| | | | |
| Net Pension Liability as a Percentage of Covered Payroll | 141.70% | 202.04% | 283.09% |

* 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, 2023, the City recognized pension expense of \$19,806, and had ending balances of deferred outflows for pensions of \$22,931, net pension liability of \$71,568, and deferred inflows for pensions of \$407 for its activities in three pension plans. The City recognized a pension expense of \$8,072 related to the general employees' pension fund in 2023. The City's proportionate share of the total Plan's net position is 72.43%. Employer contributions were used as a basis to determine the allocation; the allocation increased 0.74% from the prior year allocation of 71.69%. 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, 2023
(In Thousands)

| | Deferred Outflow s of Resources | Deferred Inflow s of Resources | Net Deferred Outflow s of Resources |
|--|------------------------------------|-----------------------------------|--|
| Differences between expected and actual experience | \$ 472 | \$ 53 | \$ 419 |
| Change in cost-sharing allocation percentage | 377 | - | 377 |
| Assumptions changes | 1,435 | - | 1,435 |
| Net Difference between projected and actual earnings on pension plan investments | 6,685 | - | 6,685 |
| Total | \$ 8,969 | \$ 53 | \$ 8,916 |

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 |
|-----------------------------|-------------------------------|
| 2024 | \$ 2,612 |
| 2025 | 2,454 |
| 2026 | 4,358 |
| 2027 | (508) |
| Total | \$ 8,916 |

For the year ended September 30, 2023, the City recognized a pension expense of \$6,426 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 Outflow s of Resources |
|--|------------------------------------|-----------------------------------|--|
| Differences between expected and actual experience | \$ 1,086 | \$ 144 | \$ 942 |
| Change of assumptions | 896 | - | 896 |
| Net Difference between projected and actual earnings on pension plan investments | 5,670 | - | 5,670 |
| Total | \$ 7,652 | \$ 144 | \$ 7,508 |

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 |
|-----------------------------|-------------------------------|
| 2024 | \$ 2,333 |
| 2025 | 2,371 |
| 2026 | 3,323 |
| 2027 | (519) |
| Total | \$ 7,508 |

For the year ended September 30, 2023, the City recognized a pension expense of \$5,308 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, 2023
(In Thousands)

| | Deferred Outflow s of Resources | Deferred Inflow s of Resources | Net Deferred Outflow s of Resources |
|--|------------------------------------|-----------------------------------|--|
| Differences between expected and actual experience | \$ 1,550 | \$ 210 | \$ 1,340 |
| Change of assumptions | 1,258 | - | 1,258 |
| Net Difference between projected and actual earnings on pension plan investments | 3,502 | - | 3,502 |
| Total | \$ 6,310 | \$ 210 | \$ 6,100 |

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 |
|-----------------------------|-------------------------------|
| 2024 | \$ 2,020 |
| 2025 | 2,042 |
| 2026 | 2,366 |
| 2027 | (328) |
| Total | \$ 6,100 |

F. Combining Statements of the Pension Trust Funds

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2023
(In Thousands)

| | General | | | Totals |
|---|-----------------------|-----------------------------|--------------------------|------------|
| | Employees' Pension | Police Officers' Pension | Firefighters' Pension | |
| ASSETS | | | | |
| Cash and Cash Equivalents: | \$ 6,463 | \$ 1,347 | \$ 487 | \$ 8,297 |
| Receivable: | | | | |
| Interest Receivable | 214 | 100 | 21 | 335 |
| Total Receivable: | 214 | 100 | 21 | 335 |
| Investments, at Fair Value: | | | | |
| Fixed Income | 29,444 | 20,504 | 2,688 | 52,636 |
| Equities | 89,401 | 28,691 | 23,382 | 141,474 |
| Mutual Funds | 9,038 | 13,423 | 14,333 | 36,794 |
| Commingled Funds | 5,721 | 11,663 | 4,926 | 22,310 |
| Total Investments: | 133,604 | 74,281 | 45,329 | 253,214 |
| Total Assets | 140,281 | 75,728 | 45,837 | 261,846 |
| Net Position Restricted for Pension Benefits | \$ 140,281 | \$ 75,728 | \$ 45,837 | \$ 261,846 |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
(In Thousands)

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For The Year Ended September 30, 2023
(In Thousands)

| | General | | | Totals |
|--|-----------------------|-----------------------------|--------------------------|-------------------|
| | Employees' Pension | Police Officers' Pension | Firefighters' Pension | |
| ADDITIONS | | | | |
| Contributions: | | | | |
| Employer | \$ 3,927 | \$ 1,787 | \$ 2,955 | \$ 8,669 |
| Plan Members | 929 | 480 | 175 | 1,584 |
| State | - | 1,250 | 801 | 2,051 |
| Total Contributions | <u>4,856</u> | <u>3,517</u> | <u>3,931</u> | <u>12,304</u> |
| Investment earnings: | | | | |
| Net increase (decrease) in fair value of investments | 9,167 | 5,815 | 3,815 | 18,797 |
| Interest and dividends | 3,696 | 1,824 | 880 | 6,400 |
| Total investment earnings (losses) | <u>12,863</u> | <u>7,639</u> | <u>4,695</u> | <u>25,197</u> |
| Less investment expense | 504 | 153 | 215 | 872 |
| Net investment earnings (losses) | <u>12,359</u> | <u>7,486</u> | <u>4,480</u> | <u>24,325</u> |
| Other contributions (Toho Water Authority) | 1,493 | - | 59 | 1,552 |
| Total Additions | <u>18,708</u> | <u>11,003</u> | <u>8,470</u> | <u>38,181</u> |
| DEDUCTIONS | | | | |
| Benefits | 8,731 | 5,151 | 3,491 | 17,373 |
| Administrative Expense | 50 | 123 | 109 | 282 |
| Total Deductions | <u>8,781</u> | <u>5,274</u> | <u>3,600</u> | <u>17,655</u> |
| Change in Net Position | 9,927 | 5,729 | 4,870 | 20,526 |
| Net Position - Beginning of Year | <u>130,354</u> | <u>69,999</u> | <u>40,967</u> | <u>241,320</u> |
| Net Position - End of Year | <u>\$ 140,281</u> | <u>\$ 75,728</u> | <u>\$ 45,837</u> | <u>\$ 261,846</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, 2023
(In Thousands)

At measurement date September 30, 2022, the following employees were covered by the benefit terms:

| | |
|---|-----|
| Retirees and beneficiaries currently receiving benefits | 20 |
| Active employees | 594 |
| | 614 |

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, 2022, one year prior to the City’s fiscal reporting date of September 30, 2023. The measurement period for OPEB cost was October 1, 2021 to September 30, 2022. The components of the changes in the total OPEB liability are as follows:

| <u>Total OPEB Liability</u> | <u>Fiscal Year</u> <u>2023</u> |
|---|-----------------------------------|
| Service cost | \$ 516 |
| Interest | 179 |
| Change in benefit terms | - |
| Difference between expected and actual experience | (709) |
| Change of assumptions and other inputs | (1,577) |
| Benefit payments | (308) |
| Net change in total OPEB liability | (1,899) |
| Total OPEB liability - beginning | 7,814 |
| Total OPEB liability - ending | \$ 5,915 |

Changes of assumptions and other inputs reflect a change in the discount rate from 2.19% at the beginning of the measurement period to 4.40% as of September 30, 2022.

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

The total OPEB liability reported at September 30, 2023 was based on an actuarial valuation dated September 30, 2022 using the following actuarial assumptions:

| | |
|------------------|--|
| Inflation | 2.25% per annum |
| Discount rate | 4.40% |
| Salary increases | Rates used in Oct 1, 2021 valuations of City pension plans |
| Mortality rates | Tables used in July 1, 2022 valuation of the Florida Retirement System (based on results of statewide experience study covering period 2013 through 2018) |
| Healthcare trend | Trend starting at 6.50% for claims costs and 4.90% for premiums, and thereafter trends based on Getzen model, with trend rate of 6.25% (effective Jan 2024) and gradually decreasing to ultimate trend rate of 4.00% |

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, 2022 and September 30, 2023.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
(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.

| | 1% Decrease | Current Trend Rate | 1% Increase |
|----------------------|-------------|-----------------------|-------------|
| Total OPEB Liability | \$ 5,261 | \$ 5,915 | \$ 6,690 |

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, 2023 was 4.40%. 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.

| | 1% Decrease | Current Discount Rate | 1% Increase |
|----------------------|-------------|--------------------------|-------------|
| | 3.40% | 4.40% | 5.40% |
| Total OPEB Liability | \$ 6,536 | \$ 5,915 | \$ 5,371 |

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

For the year ended September 30, 2023, the City recognized OPEB expense of \$217. At September 30, 2023, the City had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 281 | \$ 715 |
| Change of assumptions | 531 | 2,736 |
| Transactions after measurement date | 240 | - |
| | <u>\$ 1,052</u> | <u>\$ 3,451</u> |

Deferred outflows of resources of \$240 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, 2024. Deferred inflows of resources shown above will be recognized in OPEB expense in the following years.

| Fiscal Year Ending | Net Inflows |
|--------------------|-------------------|
| 2024 | \$ (477) |
| 2025 | (467) |
| 2026 | (442) |
| 2027 | (315) |
| 2028 | (365) |
| Thereafter | (573) |
| | <u>\$ (2,639)</u> |

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2023
(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 2023, 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, 2023, the total outstanding unpaid claims were \$4,472 which includes an estimate for incurred but not reported claims. Insurance premiums paid out of the funds totaled \$11,593 for the fiscal year ended September 30, 2023. 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 |
|-----------|---|--|---|----------------------------------|
| 2022-2023 | \$ 4,631 | \$ 11,434 | \$ (11,593) | \$ 4,472 |
| 2021-2022 | 4,752 | 9,816 | (9,937) | 4,631 |

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) | \$ 276,404 | \$ 57,888 | \$ 334,292 |
| Debt Related to Capital Assets | (78,581) | (30) | (78,611) |
| Other Liabilities Related to Capital Assets | (3,314) | (2,307) | (5,621) |
| Unspent Proceeds of Capital-Related Debt | 4,568 | - | 4,568 |
| | <u>\$ 199,077</u> | <u>\$ 55,551</u> | <u>\$ 254,628</u> |

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

The following funds have a deficit fund balance at September 30, 2023:

| <u>Fund Name</u> | <u>Deficit Amounts</u> |
|-------------------------------------|------------------------|
| <u>Deficit Fund Balances</u> | |
| Nonmajor Funds: | |
| Special Revenue Fund: | |
| Justice Assistance Grant | \$ (56) |
| Victim of Crime Act | (3) |
| Paving Assessments | (16) |
| Neighborhood Stabilization and HOME | (573) |

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.

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

The Justice Assistance Grant, Neighborhood Stabilization and HOME, and Paving Assessments funds had excess of expenditures over appropriations of \$314, \$450, and \$21, respectively. Some of the excess was covered by transfers into the fund and the remaining excesses were not material.

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. At the end of fiscal year 2023, the City entered into an agreement to transfer the educational charter as the first step required to start the process of selling Kissimmee Charter Academy. To ensure the continued and uninterrupted education of the more than 700 students at the school, the City has elected to sell Kissimmee Charter Academy to Kissimmee Charter Academy, LLC, which is a subsidiary of the current educational management company at the site. City staff negotiated a selling price of \$10.4 million, which is supported by current market data and an appraisal. The purchase sale agreement should be finalized in 2024. The outstanding debt to initially acquire the Charter School will be paid in full in early fiscal year 2024.

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 2023, the Downtown CRA paid interest in the amount of \$274.

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, 2023, the payment made by KUA to the City was \$19.4 million. KUA's total operating revenues for the fiscal year ended September 30, 2023 were \$240.3 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 2023 was \$9.3 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.

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

Contingency - In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) pandemic. The outbreak of COVID-19 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 payments, 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. During fiscal year 2023, the City used the ARPA funds for provision of several social programs, and the acquisition of The Haven on Vine to aid in its program to address homelessness.

NOTE 14 – TAX ABATEMENT AND RELATED COMMITMENT

From time to time, the City determines that it is desirable to facilitate redevelopment opportunities within its boundaries through tax increment rebatement and other possible incentives. The Skyview project is a development project that includes construction of public parks and open spaces, sidewalks, landscaping, and other improvements within the City. Skyview is scheduled to receive a 15-year tax rebate for Phase I of the project in \$207 annual increments to total \$3.1 million. The tax rebate is set to commence in the first full year of Phase I occupancy and tax valuation. Phase I of the project is still currently underway and the City made no payment in the current fiscal year. As part of the master agreement with Skyview, the City has an additional commitment to reimburse for certain construction costs up to \$5.9 million. The total amount the City paid to Skyview during the fiscal year is \$1,937.

NOTE 15 – SUBSEQUENT EVENT

In October 2023, the City finalized a new collective bargaining agreement with its fire personnel that included a provision for some retroactive pay. The total retroactive pay was determined to be \$427 and was paid out during November and December 2023.

NOTE 16 – CHANGE IN ACCOUNTING PRINCIPLE

In fiscal year 2023, the City implemented a Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, which resulted in a change in accounting principle for certain software subscription arrangements including recognition of right-to-use intangible assets and corresponding liabilities in the government-wide (\$704) and proprietary fund (\$44) financial statements. The effect of this change in accounting principle resulted in a restatement of the City's assets and liabilities; however, it did not result in a change to beginning net position.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules (GAAP BASIS):

- General Fund
- Major Special Revenue Funds:
 - Community Development Block Grant
 - 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

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CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2023
(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 | | | | |
| Taxes: | | | | |
| Ad valorem | \$ 21,449 | \$ 21,449 | \$ 21,734 | \$ 285 |
| Utility taxes | 7,701 | 7,793 | 7,777 | (16) |
| Local business taxes | 270 | 270 | 275 | 5 |
| | <u>29,420</u> | <u>29,512</u> | <u>29,786</u> | <u>274</u> |
| Permits, Fees and Special Assessments: | | | | |
| Franchise fees | 210 | 210 | 216 | 6 |
| Other permits and fees | 2 | 2 | 10 | 8 |
| | <u>212</u> | <u>212</u> | <u>226</u> | <u>14</u> |
| Intergovernmental Revenues: | | | | |
| Federal grants | - | - | 7,679 | 7,679 |
| State grants | - | - | 5 | 5 |
| State revenue sharing | 3,480 | 3,480 | 4,420 | 940 |
| Half cent sales tax | 6,300 | 6,300 | 6,950 | 650 |
| Shared taxes and licenses | 1,252 | 1,252 | 1,387 | 135 |
| County shared revenue | 2,934 | 2,934 | 2,914 | (20) |
| Kissimmee Utility Authority | 18,676 | 18,676 | 19,433 | 757 |
| Tohopekaliga Water Authority | 8,381 | 8,381 | 9,340 | 959 |
| | <u>41,023</u> | <u>41,023</u> | <u>52,128</u> | <u>11,105</u> |
| Charges for Services: | | | | |
| General government charges | 840 | 840 | 804 | (36) |
| Public safety charges | 8,025 | 8,025 | 8,670 | 645 |
| Physical environment charges | 118 | 118 | 91 | (27) |
| Transportation charges | 313 | 313 | 300 | (13) |
| Culture/recreation charges | 1,032 | 1,032 | 1,092 | 60 |
| | <u>10,328</u> | <u>10,328</u> | <u>10,957</u> | <u>629</u> |
| Fines and Forfeitures: | | | | |
| Court fines and costs | 229 | 229 | 568 | 339 |
| Miscellaneous Revenue: | | | | |
| Investment income | 336 | 336 | 2,338 | 2,002 |
| Rents | 144 | 144 | 314 | 170 |
| Other revenue | 436 | 475 | 1,418 | 943 |
| Sales of cemetery lots | 380 | 380 | 310 | (70) |
| | <u>1,296</u> | <u>1,335</u> | <u>4,380</u> | <u>3,045</u> |

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget - Over (Under)</u> |
|---|-------------------------|---------------|---------------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES AND OTHER SOURCES - Continued | | | | |
| Transfers In: | | | | |
| Stormwater Utility Fund | \$ 305 | \$ 353 | \$ 354 | \$ 1 |
| Charter School | 637 | 759 | 759 | - |
| Airport | 85 | 85 | 2 | (83) |
| Sanitation Fund | 313 | 313 | 353 | 40 |
| Other Nonmajor Funds | 210 | 392 | 2,353 | 1,961 |
| | <u>1,550</u> | <u>1,902</u> | <u>3,821</u> | <u>1,919</u> |
| Other Sources: | | | | |
| Proceeds from Leases | - | - | 33 | 33 |
| | <u>-</u> | <u>-</u> | <u>33</u> | <u>33</u> |
| Total Revenues and Other Sources | <u>84,058</u> | <u>84,541</u> | <u>101,899</u> | <u>17,358</u> |
| EXPENDITURES AND OTHER (USES) | | | | |
| General Government: | | | | |
| City Commission: | | | | |
| Personal Services | 327 | 327 | 326 | (1) |
| Operating | 273 | 350 | 290 | (60) |
| | <u>600</u> | <u>677</u> | <u>616</u> | <u>(61)</u> |
| City Manager: | | | | |
| Personal Services | 1,830 | 1,837 | 1,862 | 25 |
| Operating | 685 | 7,521 | 2,206 | (5,315) |
| Capital Outlay | 156 | 1,512 | 12,520 | 11,008 |
| | <u>2,671</u> | <u>10,870</u> | <u>16,588</u> | <u>5,718</u> |
| Development Services: | | | | |
| Personal Services | 1,815 | 1,815 | 1,705 | (110) |
| Operating | 835 | 1,665 | 586 | (1,079) |
| Capital Outlay | 13 | 148 | 23 | (125) |
| | <u>2,663</u> | <u>3,628</u> | <u>2,314</u> | <u>(1,314)</u> |
| Legal: | | | | |
| Personal Services | 694 | 710 | 733 | 23 |
| Operating | 322 | 664 | 121 | (543) |
| Capital Outlay | 6 | 7 | 3 | (4) |
| | <u>1,022</u> | <u>1,381</u> | <u>857</u> | <u>(524)</u> |

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2023
(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 | \$ 1,361 | \$ 1,378 | \$ 1,392 | \$ 14 |
| Operating | 404 | 671 | 302 | (369) |
| Capital Outlay | 22 | 21 | 21 | - |
| | <u>1,787</u> | <u>2,070</u> | <u>1,715</u> | <u>(355)</u> |
| Personnel: | | | | |
| Personal Services | 1,050 | 1,053 | 869 | (184) |
| Operating | 226 | 293 | 184 | (109) |
| Capital Outlay | 10 | 12 | 5 | (7) |
| | <u>1,286</u> | <u>1,358</u> | <u>1,058</u> | <u>(300)</u> |
| Central Service and Self Insurance Charges: | | | | |
| Operating | 9,577 | 9,577 | 9,027 | (550) |
| | <u>9,577</u> | <u>9,577</u> | <u>9,027</u> | <u>(550)</u> |
| Total General Government | <u>19,606</u> | <u>29,561</u> | <u>32,175</u> | <u>2,614</u> |
| Public Safety: | | | | |
| Police: | | | | |
| Personal Services | 24,919 | 24,789 | 23,661 | (1,128) |
| Operating | 3,815 | 3,881 | 3,134 | (747) |
| Capital Outlay | 1,214 | 1,553 | 1,226 | (327) |
| | <u>29,948</u> | <u>30,223</u> | <u>28,021</u> | <u>(2,202)</u> |
| Fire: | | | | |
| Personal Services | 16,248 | 16,238 | 14,828 | (1,410) |
| Operating | 3,020 | 3,161 | 3,124 | (37) |
| Capital Outlay | 224 | 845 | 112 | (733) |
| | <u>19,492</u> | <u>20,244</u> | <u>18,064</u> | <u>(2,180)</u> |
| Total Public Safety | <u>49,440</u> | <u>50,467</u> | <u>46,085</u> | <u>(4,382)</u> |
| Transportation: | | | | |
| Public Works: | | | | |
| Personal Services | 3,177 | 3,140 | 2,904 | (236) |
| Operating | 3,091 | 3,395 | 2,157 | (1,238) |
| Capital Outlay | 75 | 535 | 107 | (428) |
| | <u>6,343</u> | <u>7,070</u> | <u>5,168</u> | <u>(1,902)</u> |
| Total Transportation | <u>6,343</u> | <u>7,070</u> | <u>5,168</u> | <u>(1,902)</u> |

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2023
(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 | \$ 6,815 | \$ 6,815 | \$ 5,875 | \$ (940) |
| Operating | 1,916 | 2,082 | 1,797 | (285) |
| Capital Outlay | 511 | 947 | 263 | (684) |
| | <hr/> | | | |
| Total Culture / Recreation | 9,242 | 9,844 | 7,935 | (1,909) |
| | <hr/> | | | |
| Non-Departmental | | | | |
| Special Pay Incentive | 1,462 | 1,454 | 1,211 | (243) |
| Bad Debt | 2,030 | 2,030 | 2,750 | 720 |
| Capital Reserves | 27,024 | 26,999 | - | (26,999) |
| Operating Reserves | 938 | 741 | - | (741) |
| Principal Retirement | 46 | 363 | 1,215 | 852 |
| Debt Service Interest and Costs | 40 | 40 | 30 | (10) |
| | <hr/> | | | |
| Total Non-Departmental | 31,540 | 31,627 | 5,206 | (26,421) |
| | <hr/> | | | |
| Other (Uses) | | | | |
| Transfers Out | - | 3,723 | 3,722 | (1) |
| Total Other (Uses) | - | 3,723 | 3,722 | (1) |
| | <hr/> | | | |
| Total Expenditures and Other (Uses) | 116,171 | 132,292 | 100,291 | (32,001) |
| | <hr/> | | | |
| Excess of Revenues and Other | | | | |
| Sources Over Expenditures | (32,113) | (47,751) | 1,608 | 49,359 |
| and Other (Uses) | | | | |
| Fund Balance - Beginning of Year | 32,113 | 47,751 | 44,911 | (2,840) |
| | <hr/> | | | |
| Fund Balance - End of Year | \$ - | \$ - | \$ 46,519 | \$ 46,519 |
| | <hr/> | | | |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
For the Year Ended September 30, 2023
(In Thousands)

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Over (Under) |
|--|------------------|--------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Intergovernmental Revenues | \$ 733 | \$ 1,733 | \$ 657 | \$ (1,076) |
| Total Revenues | <u>733</u> | <u>1,733</u> | <u>657</u> | <u>(1,076)</u> |
| EXPENDITURES | | | | |
| Economic Environment | 733 | 2,458 | 627 | 1,831 |
| Total Expenditures | <u>733</u> | <u>2,458</u> | <u>627</u> | <u>1,831</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | (725) | 30 | 755 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | 1,175 | - | (1,175) |
| Transfers (Out) | - | (800) | (1,571) | (771) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>375</u> | <u>(1,571)</u> | <u>(1,946)</u> |
| Net Change in Fund Balance | - | (350) | (1,541) | (1,191) |
| Fund Balance (Deficit) - Beginning | - | 350 | (83) | (433) |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (1,624)</u> | <u>\$ (1,624)</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION SALES TAX
For the Year Ended September 30, 2023
(In Thousands)

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Over (Under) |
|--|------------------|-----------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 9,436 | \$ 9,436 | \$ 11,448 | \$ 2,012 |
| Investment Income (Loss) | 20 | 20 | 639 | 619 |
| Total Revenues | 9,456 | 9,456 | 12,087 | 2,631 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 313 | 1,130 | 341 | 789 |
| Public Safety | 7,855 | 10,536 | 1,216 | 9,320 |
| Transportation | 760 | 6,092 | 1,716 | 4,376 |
| Culture/Recreation | 950 | 1,410 | 52 | 1,358 |
| Debt Service | | | | |
| Principal Retirement | 389 | 335 | 351 | (16) |
| Interest and Fiscal Charges | - | 55 | 60 | (5) |
| Capital Outlay | 4,391 | 4,391 | - | 4,391 |
| Total Expenditures | 14,658 | 23,949 | 3,736 | 20,213 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (5,202) | (14,493) | 8,351 | 22,844 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 9,803 | 15,558 | 34 | (15,524) |
| Transfers (Out) | (4,602) | (4,617) | (4,509) | 108 |
| Total Other Financing Sources (Uses) | 5,201 | 10,941 | (4,475) | (15,416) |
| Net Change in Fund Balance | (1) | (3,552) | 3,876 | 7,428 |
| Fund Balance (Deficit) - Beginning | 1 | 3,552 | 14,115 | 10,563 |
| Fund Balance (Deficit) - Ending | \$ - | \$ - | \$ 17,991 | \$ 17,991 |

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023
(In Thousands)

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$ 3,596 | \$ 3,397 | \$ 3,023 | \$ 2,765 | \$ 2,651 | \$ 2,535 | \$ 2,440 | \$ 2,437 | \$ 2,362 | \$ 2,383 |
| Interest | 11,555 | 11,191 | 11,086 | 10,588 | 10,108 | 9,687 | 9,095 | 8,589 | 8,227 | 7,758 |
| Benefit changes | 420 | - | - | - | 1,063 | - | - | - | - | 339 |
| Assumption changes | - | 3,622 | 1,414 | 1,632 | - | 1,492 | 1,397 | - | - | - |
| Difference Between Actual & Expected Experience | 893 | (90) | (154) | 938 | (460) | (54) | 595 | 919 | (952) | (12) |
| Benefit Payments and Refunds | (8,731) | (7,799) | (7,675) | (7,116) | (6,865) | (5,822) | (5,592) | (4,857) | (4,902) | (3,483) |
| Net Change in Total Pension Liability | 7,733 | 10,321 | 7,694 | 8,807 | 6,497 | 7,838 | 7,935 | 7,088 | 4,735 | 6,985 |
| Total Pension Liability - Beginning | 170,693 | 160,372 | 152,678 | 143,871 | 137,374 | 129,536 | 121,601 | 114,513 | 109,778 | 102,793 |
| Total Pension Liability - Ending (a) | \$ 178,426 | \$ 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) | \$ 5,418 | \$ 5,315 | \$ 4,825 | \$ 4,361 | \$ 4,338 | \$ 4,119 | \$ 3,851 | \$ 3,579 | \$ 3,587 | \$ 3,135 |
| Contributions - Member | 929 | 946 | 942 | 939 | 875 | 880 | 849 | 856 | 841 | 844 |
| Net Investment Income | 12,380 | (22,171) | 27,623 | 10,509 | 4,225 | 7,866 | 12,906 | 8,257 | 1,129 | 7,817 |
| Benefit Payments | (8,731) | (7,799) | (7,675) | (7,116) | (6,865) | (5,822) | (5,592) | (4,857) | (4,902) | (3,483) |
| Administrative Expense | (69) | (78) | (87) | (58) | (79) | (47) | (54) | (76) | (76) | (65) |
| Net Change in Plan Fiduciary Net Position | 9,927 | (23,787) | 25,628 | 8,635 | 2,494 | 6,996 | 11,960 | 7,759 | 579 | 8,248 |
| Plan Fiduciary Net Position - Beginning | 130,354 | 154,141 | 128,513 | 119,878 | 117,384 | 110,388 | 98,428 | 90,669 | 90,090 | 81,842 |
| Plan Fiduciary Net Position - Ending (b) | \$ 140,281 | \$ 130,354 | \$ 154,141 | \$ 128,513 | \$ 119,878 | \$ 117,384 | \$ 110,388 | \$ 98,428 | \$ 90,669 | \$ 90,090 |
| Net Pension Liability - Ending (a)-(b) | 38,145 | 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 | 78.62% | 76.37% | 96.11% | 84.17% | 83.32% | 85.45% | 85.22% | 80.94% | 79.18% | 82.07% |
| Covered Payroll | \$ 24,070 | \$ 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 | 158.48% | 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.

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, 2023
(In Thousands)

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$ 2,605 | \$ 2,435 | \$ 2,074 | \$ 1,860 | \$ 1,654 | \$ 1,594 | \$ 1,485 | \$ 1,442 | \$ 1,378 | \$ 1,390 |
| Interest | 8,369 | 8,023 | 7,606 | 7,123 | 6,308 | 6,090 | 5,535 | 5,084 | 4,798 | 4,524 |
| Benefit Changes | 304 | - | - | - | 664 | - | - | - | - | 198 |
| Change in Employer's Proportion | 1,263 | 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 | 647 | (65) | (106) | 631 | (287) | (34) | 362 | 544 | (555) | (7) |
| Benefit Payments | (6,324) | (5,591) | (5,266) | (4,787) | (4,284) | (3,661) | (3,403) | (2,875) | (2,859) | (2,032) |
| Net Change in Total Pension Liability | 6,864 | 12,339 | 7,325 | 12,916 | 3,423 | 7,532 | 6,859 | 5,192 | 2,762 | 4,073 |
| Total Pension Liability - Beginning | 122,370 | 110,031 | 102,706 | 89,790 | 86,367 | 78,835 | 71,976 | 66,784 | 64,022 | 59,949 |
| Total Pension Liability - Ending (a) | \$ 129,234 | \$ 122,370 | \$ 110,031 | \$ 102,706 | \$ 89,790 | \$ 86,367 | \$ 78,835 | \$ 71,976 | \$ 66,784 | \$ 64,022 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - Employer | \$ 3,925 | \$ 3,811 | \$ 3,311 | \$ 2,935 | \$ 2,708 | \$ 2,591 | \$ 2,345 | \$ 2,119 | \$ 2,088 | \$ 1,984 |
| Contributions - Member | 673 | 678 | 646 | 632 | 546 | 554 | 517 | 507 | 490 | 492 |
| Change in Employer's Proportion | 964 | 4,746 | 1,723 | 5,824 | (541) | 2,218 | 1,641 | 789 | - | - |
| Net Investment Income | 8,967 | (15,894) | 18,952 | 7,069 | 2,637 | 4,945 | 7,855 | 4,887 | 663 | 4,404 |
| Benefit Payments | (6,324) | (5,591) | (5,266) | (4,787) | (4,284) | (3,661) | (3,403) | (2,875) | (2,859) | (2,032) |
| Administrative Expense | (50) | (55) | (60) | (39) | (49) | (30) | (33) | (45) | (44) | (38) |
| Net Change in Plan Fiduciary Net Position | 8,155 | (12,305) | 19,306 | 11,634 | 1,017 | 6,617 | 8,922 | 5,382 | 338 | 4,810 |
| Plan Fiduciary Net Position - Beginning | 93,451 | 105,756 | 86,450 | 74,816 | 73,799 | 67,182 | 58,260 | 52,878 | 52,540 | 47,730 |
| Plan Fiduciary Net Position - Ending (b) | \$ 101,606 | \$ 93,451 | \$ 105,756 | \$ 86,450 | \$ 74,816 | \$ 73,799 | \$ 67,182 | \$ 58,260 | \$ 52,878 | \$ 52,540 |
| City's Proportionate % of Total Plan Net Position | 72.43% | 71.69% | 68.61% | 72.11% | 62.41% | 62.87% | 60.86% | 59.19% | 58.32% | 58.32% |
| Net Pension Liability - Ending (a)-(b) | 27,628 | 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 | 78.62% | 76.37% | 96.11% | 84.17% | 83.32% | 85.45% | 85.22% | 80.94% | 79.18% | 82.07% |
| Covered Payroll | \$ 19,497 | \$ 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 | 141.70% | 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.

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, 2023
(In Thousands)

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$ 2,194 | \$ 2,024 | \$ 1,902 | \$ 1,835 | \$ 1,773 | \$ 2,008 | \$ 1,838 | \$ 1,911 | \$ 1,841 | \$ 1,815 |
| Interest | 6,763 | 6,502 | 6,101 | 5,852 | 5,590 | 5,544 | 5,299 | 4,818 | 4,577 | 4,317 |
| Change in Excess State Money | 72 | - | - | - | - | - | - | (328) | - | - |
| Share Plan Allocation | - | - | - | - | - | - | - | 218 | - | - |
| Change of Benefit Terms | - | - | - | 616 | - | - | - | (68) | - | - |
| Difference Between Actual & Expected Experience | (148) | (42) | 2,364 | 702 | (88) | 953 | (889) | 1,136 | (427) | - |
| Changes of Assumptions | - | - | 1,985 | 508 | - | 861 | - | 1,127 | - | - |
| Benefit Payments | (5,151) | (4,885) | (4,337) | (4,761) | (4,171) | (3,611) | (3,116) | (3,122) | (2,849) | (2,957) |
| Net Change in Total Pension Liability | 3,730 | 3,599 | 8,015 | 4,752 | 3,104 | 5,755 | 3,132 | 5,692 | 3,142 | 3,175 |
| Total Pension Liability - Beginning | 94,320 | 90,721 | 82,706 | 77,954 | 74,850 | 69,095 | 65,963 | 60,271 | 57,129 | 53,954 |
| Total Pension Liability - Ending (a) | \$98,050 | \$94,320 | \$90,721 | \$82,706 | \$77,954 | \$74,850 | \$69,095 | \$65,963 | \$60,271 | \$57,129 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - Employer | \$ 1,786 | \$ 2,100 | \$ 1,597 | \$ 1,871 | \$ 1,893 | \$ 1,971 | \$ 1,882 | \$ 1,948 | \$ 1,907 | \$ 2,476 |
| Contributions - State | 1,250 | 1,096 | 951 | 1,081 | 799 | 747 | 655 | 582 | 521 | 501 |
| Contributions - Member | 480 | 426 | 397 | 378 | 366 | 321 | 295 | 275 | 270 | 253 |
| Net Investment Income | 7,426 | (13,211) | 14,352 | 6,349 | 2,480 | 6,229 | 5,845 | 4,519 | 1,144 | 4,412 |
| Benefit Payments | (5,151) | (4,885) | (4,337) | (4,761) | (4,171) | (3,611) | (3,116) | (3,122) | (2,849) | (2,957) |
| Administrative Expense | (63) | (61) | (47) | (49) | (65) | (47) | (42) | (46) | (48) | (51) |
| Net Change in Plan Fiduciary Net Position | 5,728 | (14,535) | 12,913 | 4,869 | 1,302 | 5,610 | 5,519 | 4,156 | 945 | 4,634 |
| Plan Fiduciary Net Position - Beginning | 69,999 | 84,534 | 71,621 | 66,752 | 65,450 | 59,840 | 54,321 | 50,165 | 49,220 | 44,586 |
| Plan Fiduciary Net Position - Ending (b) | \$75,727 | \$69,999 | \$84,534 | \$71,621 | \$66,752 | \$65,450 | \$59,840 | \$54,321 | \$50,165 | \$49,220 |
| Net Pension Liability - Ending (a)-(b) | 22,323 | 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 | 77.23% | 74.21% | 93.18% | 86.60% | 85.63% | 87.44% | 86.61% | 82.35% | 83.23% | 86.16% |
| Covered Payroll | \$11,049 | \$ 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 | 202.04% | 245.78% | 66.15% | 122.25% | 131.03% | 118.68% | 119.81% | 155.10% | 130.33% | 115.61% |

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023
(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, 2023
(In Thousands)

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$ 1,475 | \$ 1,405 | \$ 1,174 | \$ 1,070 | \$ 992 | \$ 915 | \$ 693 | \$ 761 | \$ 826 | \$ 846 |
| Interest | 4,657 | 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 | (122) | 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 | (3,491) | (2,987) | (4,832) | (3,560) | (3,475) | (3,700) | (3,713) | (3,168) | (2,657) | (2,063) |
| Net Change in Total Pension Liability | 2,519 | 4,629 | 4,205 | 2,214 | 1,353 | 3,138 | 61 | 3,321 | 1,075 | 1,594 |
| Total Pension Liability - Beginning | 64,955 | 60,326 | 56,121 | 53,907 | 52,554 | 49,416 | 49,355 | 46,034 | 44,959 | 43,365 |
| Total Pension Liability - Ending (a) | \$ 67,474 | \$ 64,955 | \$ 60,326 | \$ 56,121 | \$ 53,907 | \$ 52,554 | \$ 49,416 | \$ 49,355 | \$ 46,034 | \$ 44,959 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - Employer | \$ 2,955 | \$ 2,509 | \$ 2,246 | \$ 2,089 | \$ 1,908 | \$ 2,095 | \$ 1,542 | \$ 834 | \$ 1,434 | \$ 1,392 |
| Contributions - State | 801 | 573 | 452 | 401 | 368 | 377 | 370 | 337 | 385 | 417 |
| Contributions - Member | 174 | 195 | 165 | 142 | 136 | 117 | 104 | 74 | 63 | 68 |
| Net Investment Income | 4,484 | (8,097) | 8,460 | 3,723 | 1,671 | 2,986 | 3,709 | 2,985 | (1,773) | 4,343 |
| Benefit Payments | (3,491) | (2,987) | (4,832) | (3,560) | (3,475) | (3,700) | (3,713) | (3,168) | (2,657) | (2,063) |
| Administrative Expense | (63) | (67) | (62) | (51) | (55) | (62) | (59) | (54) | (52) | (52) |
| Net Change in Plan Fiduciary Net Position | 4,860 | (7,874) | 6,429 | 2,744 | 553 | 1,813 | 1,953 | 1,008 | (2,600) | 4,105 |
| Plan Fiduciary Net Position - Beginning | 40,997 | 48,871 | 42,442 | 39,698 | 39,145 | 37,332 | 35,379 | 34,371 | 36,971 | 32,866 |
| Plan Fiduciary Net Position - Ending (b) | \$ 45,857 | \$ 40,997 | \$ 48,871 | \$ 42,442 | \$ 39,698 | \$ 39,145 | \$ 37,332 | \$ 35,379 | \$ 34,371 | \$ 36,971 |
| Net Pension Liability - Ending (a)-(b) | 21,617 | 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 | 67.96% | 63.12% | 81.01% | 75.63% | 73.64% | 74.49% | 75.55% | 71.68% | 74.66% | 82.23% |
| Covered Payroll | \$ 7,636 | \$ 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 | 283.09% | 317.41% | 151.58% | 203.80% | 229.81% | 232.96% | 207.33% | 306.71% | 233.87% | 189.39% |

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023
(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 to 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, 2023
(In Thousands)

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

| | <u>2023</u> | <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 | \$ 3,930 | \$ 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 | 3,927 | 3,811 | 3,311 | 2,930 | 2,707 | 2,590 | 2,344 | 2,119 | 2,088 | 1,984 |
| Contribution Deficiency (Excess) | <u>3</u> | <u>-</u> | <u>-</u> | <u>(3)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>72</u> | <u>(4)</u> |
| Covered Payroll | \$19,497 | \$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 | 20.14% | 20.71% | 18.39% | 16.74% | 16.88% | 17.57% | 16.81% | 15.52% | 16.25% | 15.55% |

Notes to Schedule:

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

Valuation Date: 10/1/22

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: | 11 Years (as of 10/01/2021) |
| 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 | 6.8% |
| 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, 2023
(In Thousands)

Schedule of Actuarially Determined Contributions (Police Officers')

| | <u>2023</u> | <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 | \$ 3,417 | \$ 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 | 2,964 | 3,196 | 2,548 | 2,951 | 2,693 | 2,717 | 2,537 | 2,530 | 2,428 | 2,977 |
| Contribution Deficiency (Excess) | <u>453</u> | <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 | \$11,049 | \$ 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 | 26.83% | 32.30% | 27.24% | 32.54% | 31.50% | 34.30% | 32.84% | 33.71% | 31.31% | 43.52% |

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: 10/1/22

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 10/01/2022) |
| Asset Valuation Method: | 4 Year geometric average of market value returns |
| Salary Increase: | Service based |
| Inflation: | 2.50% |
| 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, 2023
(In Thousands)

Schedule of Actuarially Determined Contributions (Firefighters')

| | <u>2023</u> | <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 | \$ 3,684 | \$ 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 | 3,756 | 3,082 | 2,698 | 2,490 | 2,276 | 2,472 | 1,912 | 1,171 | 1,819 | 2,363 |
| Contribution Deficiency (Excess) | <u>(72)</u> | <u>445</u> | <u>264</u> | <u>157</u> | <u>174</u> | <u>(186)</u> | <u>553</u> | <u>709</u> | <u>(45)</u> | <u>(512)</u> |
| Covered Payroll | \$ 7,636 | \$ 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 | 49.19% | 40.83% | 35.70% | 37.10% | 36.81% | 42.95% | 32.80% | 25.70% | 36.47% | 56.02% |

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: 10/1/22

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 10/01/2022) |
| 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, 2023
(In Thousands)**

Money-weighted Rate of Return

| | | General Employees' | | | | | | | | | |
|--------------------------------------|--|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | <u>2023</u> | <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 | | 9.28% | -14.35% | 22.21% | 8.06% | 3.53% | 7.04% | 6.09% | 6.09% | 1.54% | 11.45% |
| | | Police Officers' | | | | | | | | | |
| | | <u>2023</u> | <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 | | 10.70% | -15.70% | 20.17% | 9.61% | 3.82% | 10.42% | 10.74% | 8.99% | 2.29% | 9.71% |
| | | Firefighters' | | | | | | | | | |
| | | <u>2023</u> | <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 | | 10.69% | -16.37% | 20.18% | 9.42% | 4.27% | 8.03% | 10.75% | 8.90% | -4.79% | 13.20% |

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023
(In Thousands)

Schedule of Changes in the Total OPEB Liability and Related Ratios

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total OPEB Liability | | | | | | |
| Service cost | \$ 516 | \$ 477 | \$ 518 | \$ 402 | \$ 531 | \$ 544 |
| Interest | 179 | 183 | 226 | 267 | 271 | 233 |
| Change of benefit terms | - | - | - | 1 | - | - |
| Difference between expected and actual experience | (709) | - | 434 | - | (255) | - |
| Change of assumptions and other inputs | (1,577) | 176 | (1,482) | 772 | (894) | (270) |
| Benefit payments | (308) | (266) | (318) | (278) | (323) | (234) |
| Net change in total OPEB liability | (1,899) | 570 | (622) | 1,164 | (670) | 273 |
| Total OPEB liability - beginning | 7,814 | 7,244 | 7,866 | 6,702 | 7,372 | 7,099 |
| Total OPEB liability - ending | <u>\$ 5,915</u> | <u>\$ 7,814</u> | <u>\$ 7,244</u> | <u>\$ 7,866</u> | <u>\$ 6,702</u> | <u>\$ 7,372</u> |
| | | | | | | |
| Covered-employee payroll | \$ 35,397 | \$ 37,040 | \$ 34,141 | \$ 30,714 | \$ 28,415 | \$ 26,226 |
| | | | | | | |
| Total OPEB liability as a percentage of covered-employee payroll | 16.71% | 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 2023: discount rate increased to 4.40% from 2.19%.

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

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023
(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 | \$ 49,184 | \$ 3,288 | \$ - | \$ 52,472 |
| Restricted Cash and Investments | 1,603 | 3,412 | 6,407 | 11,422 |
| Accounts Receivable (net) | 130 | - | - | 130 |
| Due from Other Governments | 2,497 | - | - | 2,497 |
| Prepaid Items | 53 | - | - | 53 |
| Advance to Other Funds | - | 3,230 | - | 3,230 |
| Total Assets | \$ 53,467 | \$ 9,930 | \$ 6,407 | \$ 69,804 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts Payable | \$ 2,243 | \$ - | \$ - | \$ 2,243 |
| Contracts Payable | 54 | - | 159 | 213 |
| Accrued Liabilities | - | 6,604 | - | 6,604 |
| Due to Other Funds | 886 | - | - | 886 |
| Advanced Grants | 1,455 | - | - | 1,455 |
| Total Liabilities | 4,638 | 6,604 | 159 | 11,401 |
| Deferred Inflows of Resources | | | | |
| Unavailable Earned Revenues | 1,129 | - | - | 1,129 |
| Total Deferred Inflows of Resources | 1,129 | - | - | 1,129 |
| Fund Balances: | | | | |
| Nonspendable Prepays and Inventories | 53 | - | - | 53 |
| Nonspendable Advances | - | 3,230 | - | 3,230 |
| Nonspendable Supplementary Care | 1,318 | - | - | 1,318 |
| Restricted for Transportation Projects | 18,006 | - | - | 18,006 |
| Restricted for Development Services | 7,732 | - | - | 7,732 |
| Restricted for Economic Development | 11,315 | - | - | 11,315 |
| Restricted for Recreation Projects | 3,788 | - | - | 3,788 |
| Restricted for Charter School | 2,984 | - | - | 2,984 |
| Restricted for Construction Projects | - | - | 6,248 | 6,248 |
| Restricted for Other Capital Improvements | 3,152 | - | - | 3,152 |
| Assigned for Debt Service | - | 96 | - | 96 |
| Unassigned (Deficit) | (648) | - | - | (648) |
| Total Fund Balances | 47,700 | 3,326 | 6,248 | 57,274 |
| Total Liabilities, Deferred Inflows and Fund Balances | \$ 53,467 | \$ 9,930 | \$ 6,407 | \$ 69,804 |

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended September 30, 2023
(In Thousands)

| | Total Nonmajor Special Revenue Funds | Total Nonmajor Debt Service Funds | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|--|--|--|---|--|
| REVENUES | | | | |
| Taxes | \$ 3,265 | \$ - | \$ - | \$ 3,265 |
| Permits, Fees and Special Assessments | 8,319 | - | - | 8,319 |
| Intergovernmental Revenues | 12,686 | - | - | 12,686 |
| Charges for Services | 1,763 | - | - | 1,763 |
| Investment Income (Loss) | 1,747 | - | 312 | 2,059 |
| Miscellaneous Revenues | 366 | - | - | 366 |
| Total Revenues | 28,146 | - | 312 | 28,458 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | 6,932 | - | - | 6,932 |
| Public Safety | 6,360 | - | - | 6,360 |
| Transportation | 3,973 | - | - | 3,973 |
| Economic Environment | 460 | - | - | 460 |
| Culture/Recreation | 460 | - | - | 460 |
| Debt Service: | | | | |
| Principal Retirement | - | 5,050 | - | 5,050 |
| Interest and Fiscal Charges | - | 2,939 | - | 2,939 |
| Capital Outlay | - | - | 1,945 | 1,945 |
| Total Expenditures | 18,185 | 7,989 | 1,945 | 28,119 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 9,961 | (7,989) | (1,633) | 339 |
| OTHER FINANCING SOURCES and (USES) | | | | |
| Transfers In | 3,366 | 7,579 | 1,480 | 12,425 |
| Transfers (Out) | (4,304) | - | (1,480) | (5,784) |
| Proceeds from Sale of Capital Assets | 1,450 | - | - | 1,450 |
| Total Other Financing Sources and (Uses) | 512 | 7,579 | - | 8,091 |
| Net Change in Fund Balances | 10,473 | (410) | (1,633) | 8,430 |
| Fund Balances - Beginning | 37,227 | 3,736 | 7,881 | 48,844 |
| Fund Balances - Ending | \$ 47,700 | \$ 3,326 | \$ 6,248 | \$ 57,274 |

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.

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.

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.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

Non-Budgeted Special Revenue Funds

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.

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.

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)

2015B Refunding Note

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

2014A Revenue Note

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

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.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

2010A Refunding Revenue Note

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

2010B Refunding Revenue Note

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

2010C Refunding Revenue Note

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

2011B Capital Refunding Note

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

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.

Non-Budgeted Debt Service Fund

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.

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.

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)

2022 Bonds Capital Projects

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

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

Non-Budgeted Capital Project Funds

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.

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.

2017 Note Capital Projects

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

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2023
(In Thousands)

| | Local Option Gas Tax | Recreation Impact Fee Fund | Community Redevelopment Agency Downtown | Community Redevelopment Agency Vine Street |
|--|-------------------------|----------------------------------|--|---|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 6,887 | \$ 3,804 | \$ 6,546 | \$ 4,516 |
| Restricted Cash and Investments | - | - | - | - |
| Accounts Receivable (net) | - | - | - | - |
| Due from Other Governments | 273 | - | - | - |
| Prepaid Items | - | - | - | - |
| Total Assets | \$ 7,160 | \$ 3,804 | \$ 6,546 | \$ 4,516 |
| LIABILITIES | | | | |
| Accounts Payable | \$ 1,077 | \$ 16 | \$ 24 | \$ 2 |
| Contracts Payable | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Advanced Grants | - | - | - | - |
| Total Liabilities | 1,077 | 16 | 24 | 2 |
| 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 | 6,083 | - | - | - |
| Restricted for Development Services | - | - | - | - |
| Restricted for Economic Development | - | - | 6,522 | 4,514 |
| Restricted for Recreation Projects | - | 3,788 | - | - |
| Restricted for Charter School | - | - | - | - |
| Restricted for Other Capital | - | - | - | - |
| Improvements | - | - | - | - |
| Unassigned (Deficit) | - | - | - | - |
| Total Fund Balances (Deficits) | 6,083 | 3,788 | 6,522 | 4,514 |
| Total Liabilities, Deferred Inflows and Fund Balances | \$ 7,160 | \$ 3,804 | \$ 6,546 | \$ 4,516 |

| Building Division | Federal Grants Fund | State Grants Fund | Shingle Creek Regional Trail | Mobility Fee Fund | State Housing Initiative Program | Victim of Crime Act |
|-------------------|---------------------|-------------------|------------------------------|-------------------|----------------------------------|---------------------|
| \$ 7,983 | \$ 173 | \$ 2,753 | \$ 384 | \$ 11,539 | \$ 1,687 | \$ 5 |
| - | - | - | - | - | - | - |
| 130 | - | - | - | - | - | - |
| - | 394 | 671 | - | - | 35 | 17 |
| - | - | 49 | - | - | 4 | - |
| <u>\$ 8,113</u> | <u>\$ 567</u> | <u>\$ 3,473</u> | <u>\$ 384</u> | <u>\$ 11,539</u> | <u>\$ 1,726</u> | <u>\$ 22</u> |
| \$ 331 | \$ 8 | \$ 163 | \$ - | \$ - | \$ - | \$ - |
| 50 | - | 4 | - | - | - | - |
| - | - | - | - | - | 110 | 19 |
| - | 117 | - | - | - | 1,338 | - |
| <u>381</u> | <u>125</u> | <u>167</u> | <u>-</u> | <u>-</u> | <u>1,448</u> | <u>19</u> |
| - | 261 | 286 | - | - | - | 6 |
| - | 261 | 286 | - | - | - | 6 |
| - | - | 49 | - | - | 4 | - |
| - | - | - | - | - | - | - |
| - | - | - | 384 | 11,539 | - | - |
| 7,732 | - | - | - | - | - | - |
| - | - | - | - | - | 274 | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 181 | 2,971 | - | - | - | - |
| - | - | - | - | - | - | (3) |
| <u>7,732</u> | <u>181</u> | <u>3,020</u> | <u>384</u> | <u>11,539</u> | <u>278</u> | <u>(3)</u> |
| <u>\$ 8,113</u> | <u>\$ 567</u> | <u>\$ 3,473</u> | <u>\$ 384</u> | <u>\$ 11,539</u> | <u>\$ 1,726</u> | <u>\$ 22</u> |

Continued

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2023
(In Thousands)

| | Justice Assistance Grant | Paving Assessments | Charter School | CARES Act Relief |
|--|---|-------------------------------|-----------------------|-----------------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ - | \$ 1 | \$ 1,583 | \$ 1 |
| Restricted Cash and Investments | - | - | 1,603 | - |
| Accounts Receivable (net) | - | - | - | - |
| Due from Other Governments | - | - | 403 | - |
| Prepaid Items | - | - | - | - |
| Total Assets | \$ - | \$ 1 | \$ 3,589 | \$ 1 |
| LIABILITIES | | | | |
| Accounts Payable | \$ - | \$ 17 | \$ 605 | \$ - |
| Contracts Payable | - | - | - | - |
| Due to Other Funds | 56 | - | - | - |
| Advanced Grants | - | - | - | - |
| Total Liabilities | 56 | 17 | 605 | - |
| 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 | - | - | - | - |
| Restricted for Development Services | - | - | - | - |
| Restricted for Economic Development | - | - | - | 1 |
| Restricted for Recreation Projects | - | - | - | - |
| Restricted for Charter School | - | - | 2,984 | - |
| Restricted for Other Capital Improvements | - | - | - | - |
| Unassigned (Deficit) | (56) | (16) | - | - |
| Total Fund Balances (Deficits) | (56) | (16) | 2,984 | 1 |
| Total Liabilities, Deferred Inflows and Fund Balances | \$ - | \$ 1 | \$ 3,589 | \$ 1 |

| Neighborhood Stabilization and Home | Section 8 HAPP Fund | Police and Firefighters Premium Tax Trust | Supplementary Care | Total Nonmajor Special Revenue Funds |
|---|------------------------|--|-----------------------|--|
| \$ - | \$ 4 | \$ - | \$ 1,318 | \$ 49,184 |
| - | - | - | - | 1,603 |
| - | - | - | - | 130 |
| 704 | - | - | - | 2,497 |
| - | - | - | - | 53 |
| <u>\$ 704</u> | <u>\$ 4</u> | <u>\$ -</u> | <u>\$ 1,318</u> | <u>\$ 53,467</u> |
| \$ - | \$ - | \$ - | \$ - | \$ 2,243 |
| - | - | - | - | 54 |
| 701 | - | - | - | 886 |
| - | - | - | - | 1,455 |
| <u>701</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,638</u> |
| <u>576</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,129</u> |
| <u>576</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,129</u> |
| - | - | - | - | 53 |
| - | - | - | 1,318 | 1,318 |
| - | - | - | - | 18,006 |
| - | - | - | - | 7,732 |
| - | 4 | - | - | 11,315 |
| - | - | - | - | 3,788 |
| - | - | - | - | 2,984 |
| - | - | - | - | 3,152 |
| <u>(573)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(648)</u> |
| <u>(573)</u> | <u>4</u> | <u>-</u> | <u>1,318</u> | <u>47,700</u> |
| <u>\$ 704</u> | <u>\$ 4</u> | <u>\$ -</u> | <u>\$ 1,318</u> | <u>\$ 53,467</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, 2023
(In Thousands)

| | Local Option Gas Tax | Recreation Impact Fee Fund | Community Redevelopment Agency Downtown | Community Redevelopment Agency Vine Street |
|--|-------------------------|----------------------------------|--|---|
| REVENUES | | | | |
| Taxes | \$ 3,265 | \$ - | \$ - | \$ - |
| Permits, Fees and Special Assessments | - | - | - | - |
| Intergovernmental Revenues | - | - | 1,585 | 826 |
| Charges for Services | 2 | 1,334 | - | - |
| Investment Income (Loss) | 274 | 137 | 262 | 171 |
| Miscellaneous Revenues | - | - | 66 | - |
| Total Revenues | 3,541 | 1,471 | 1,913 | 997 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | - | - | 554 | 213 |
| Public Safety | - | - | - | - |
| Transportation | 2,853 | - | - | - |
| Economic Environment | - | - | - | - |
| Culture/Recreation | - | 309 | - | - |
| Total Expenditures | 2,853 | 309 | 554 | 213 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 688 | 1,162 | 1,359 | 784 |
| OTHER FINANCING SOURCES and (USES) | | | | |
| Transfers In | 875 | - | 1,095 | 774 |
| Transfers (Out) | (930) | (97) | (1,503) | - |
| Proceeds from Sale of Capital Assets | - | - | 1,450 | - |
| Total Other Financing Sources and (Uses) | (55) | (97) | 1,042 | 774 |
| Net Change in Fund Balances | 633 | 1,065 | 2,401 | 1,558 |
| Fund Balances (Deficits) - Beginning | 5,450 | 2,723 | 4,121 | 2,956 |
| Fund Balances (Deficits) - Ending | \$ 6,083 | \$ 3,788 | \$ 6,522 | \$ 4,514 |

| Building Division | Federal Grants Fund | State Grants Fund | Shingle Creek Regional Trail | Mobility Fee Fund | State Housing Initiative Program | Victim of Crime Act |
|-------------------|---------------------|-------------------|------------------------------|-------------------|----------------------------------|---------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4,140 | - | - | - | 4,166 | - | - |
| - | 16 | 926 | 96 | - | 170 | 55 |
| 427 | - | - | - | - | - | - |
| 290 | - | - | - | 406 | 24 | - |
| - | - | - | - | - | 40 | - |
| <u>4,857</u> | <u>16</u> | <u>926</u> | <u>96</u> | <u>4,572</u> | <u>234</u> | <u>55</u> |
| - | - | - | - | - | - | - |
| 3,897 | 11 | 27 | - | - | - | 60 |
| - | 1 | 1,083 | 4 | 1 | - | - |
| - | 1 | - | - | - | 170 | - |
| - | 49 | 102 | - | - | - | - |
| <u>3,897</u> | <u>62</u> | <u>1,212</u> | <u>4</u> | <u>1</u> | <u>170</u> | <u>60</u> |
| 960 | (46) | (286) | 92 | 4,571 | 64 | (5) |
| 30 | 10 | 224 | 97 | - | - | - |
| - | - | - | - | (439) | - | - |
| - | - | - | - | - | - | - |
| <u>30</u> | <u>10</u> | <u>224</u> | <u>97</u> | <u>(439)</u> | <u>-</u> | <u>-</u> |
| 990 | (36) | (62) | 189 | 4,132 | 64 | (5) |
| 6,742 | 217 | 3,082 | 195 | 7,407 | 214 | 2 |
| <u>\$ 7,732</u> | <u>\$ 181</u> | <u>\$ 3,020</u> | <u>\$ 384</u> | <u>\$ 11,539</u> | <u>\$ 278</u> | <u>\$ (3)</u> |

Continued

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2023
(In Thousands)

| | Justice Assistance Grant | Paving Assessments | Charter School | CARES Act Relief |
|--|---|-------------------------------|-----------------------|-----------------------------|
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Permits, Fees and Special Assessments | - | 13 | - | - |
| Intergovernmental Revenues | 46 | - | 6,826 | - |
| Charges for Services | - | - | - | - |
| Investment Income (Loss) | - | - | 134 | - |
| Miscellaneous Revenues | - | - | - | - |
| Total Revenues | 46 | 13 | 6,960 | - |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | - | - | 6,165 | - |
| Public Safety | 314 | - | - | - |
| Transportation | - | 31 | - | - |
| Economic Environment | - | - | - | - |
| Culture/Recreation | - | - | - | - |
| Total Expenditures | 314 | 31 | 6,165 | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (268) | (18) | 795 | - |
| OTHER FINANCING SOURCES and (USES) | | | | |
| Transfers In | 261 | - | - | - |
| Transfers (Out) | - | - | (759) | - |
| Proceeds from Sale of Capital Assets | - | - | - | - |
| Total Other Financing Sources and (Uses) | 261 | - | (759) | - |
| Net Change in Fund Balances | (7) | (18) | 36 | - |
| Fund Balances (Deficits) - Beginning | (49) | 2 | 2,948 | 1 |
| Fund Balances (Deficits) - Ending | \$ (56) | \$ (16) | \$ 2,984 | \$ 1 |

| Neighborhood Stabilization and Home | Section 8 HAPP Fund | Police and Firefighters Premium Tax Trust | Supplementary Care | Total Nonmajor Special Revenue Funds |
|---|------------------------|--|-----------------------|--|
| \$ - | \$ - | \$ - | \$ - | \$ 3,265 |
| - | - | - | - | 8,319 |
| 89 | - | 2,051 | - | 12,686 |
| - | - | - | - | 1,763 |
| - | - | - | 49 | 1,747 |
| 200 | - | - | 60 | 366 |
| <u>289</u> | <u>-</u> | <u>2,051</u> | <u>109</u> | <u>28,146</u> |
| - | - | - | - | 6,932 |
| - | - | 2,051 | - | 6,360 |
| - | - | - | - | 3,973 |
| 289 | - | - | - | 460 |
| - | - | - | - | 460 |
| <u>289</u> | <u>-</u> | <u>2,051</u> | <u>-</u> | <u>18,185</u> |
| - | - | - | 109 | 9,961 |
| - | - | - | - | 3,366 |
| (576) | - | - | - | (4,304) |
| - | - | - | - | 1,450 |
| <u>(576)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>512</u> |
| (576) | - | - | 109 | 10,473 |
| 3 | 4 | - | 1,209 | 37,227 |
| <u>\$ (573)</u> | <u>\$ 4</u> | <u>\$ -</u> | <u>\$ 1,318</u> | <u>\$ 47,700</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION GAS TAX
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Taxes | \$ 2,936 | \$ 3,265 | \$ 329 |
| Charges for Services | 3 | 2 | (1) |
| Investment Income (Loss) | 15 | 274 | 259 |
| Miscellaneous Revenues | 1 | - | (1) |
| Total Revenues | <u>2,955</u> | <u>3,541</u> | <u>586</u> |
| EXPENDITURES | | | |
| Transportation | 6,062 | 2,853 | 3,209 |
| Capital Outlay | 1,868 | - | 1,868 |
| Total Expenditures | <u>7,930</u> | <u>2,853</u> | <u>5,077</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(4,975)</u> | <u>688</u> | <u>5,663</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 5,617 | 875 | (4,742) |
| Transfers (Out) | (938) | (930) | 8 |
| Total Other Financing Sources and (Uses) | <u>4,679</u> | <u>(55)</u> | <u>(4,734)</u> |
| Net Change in Fund Balance | (296) | 633 | 929 |
| Fund Balance (Deficit) - Beginning | <u>296</u> | <u>5,450</u> | <u>5,154</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 6,083</u> | <u>\$ 6,083</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RECREATION IMPACT FEE FUND
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Charges for Services | \$ 675 | \$ 1,334 | \$ 659 |
| Investment Income (Loss) | 5 | 137 | 132 |
| Total Revenues | <u>680</u> | <u>1,471</u> | <u>791</u> |
| EXPENDITURES | | | |
| Culture/Recreation | 1,625 | 309 | 1,316 |
| Capital Outlay | 1,832 | - | 1,832 |
| Total Expenditures | <u>3,457</u> | <u>309</u> | <u>3,148</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(2,777)</u> | <u>1,162</u> | <u>3,939</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 2,677 | - | (2,677) |
| Transfers (Out) | (97) | (97) | - |
| Total Other Financing Sources and (Uses) | <u>2,580</u> | <u>(97)</u> | <u>(2,677)</u> |
| Net Change in Fund Balance | (197) | 1,065 | 1,262 |
| Fund Balance (Deficit) - Beginning | <u>197</u> | <u>2,723</u> | <u>2,526</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 3,788</u> | <u>\$ 3,788</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY DOWNTOWN
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Intergovernmental Revenues | \$ 1,586 | \$ 1,585 | \$ (1) |
| Investment Income (Loss) | 10 | 262 | 252 |
| Miscellaneous Revenues | 66 | 66 | - |
| Total Revenues | <u>1,662</u> | <u>1,913</u> | <u>251</u> |
| EXPENDITURES | | | |
| General Government | 1,054 | 554 | 500 |
| Capital Outlay | 3,810 | - | 3,810 |
| Total Expenditures | <u>4,864</u> | <u>554</u> | <u>4,310</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,202)</u> | <u>1,359</u> | <u>4,561</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 4,554 | 1,095 | (3,459) |
| Transfers (Out) | (1,503) | (1,503) | - |
| Proceeds from Sale of Capital Assets | - | 1,450 | 1,450 |
| Total Other Financing Sources and (Uses) | <u>3,051</u> | <u>1,042</u> | <u>(2,009)</u> |
| Net Change in Fund Balance | (151) | 2,401 | 2,552 |
| Fund Balance (Deficit) - Beginning | <u>151</u> | <u>4,121</u> | <u>3,970</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 6,522</u> | <u>\$ 6,522</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY VINE STREET
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Intergovernmental Revenues | \$ 827 | \$ 826 | \$ (1) |
| Investment Income (Loss) | 5 | 171 | 166 |
| Total Revenues | <u>832</u> | <u>997</u> | <u>165</u> |
| EXPENDITURES | | | |
| General Government | 2,753 | 213 | 2,540 |
| Capital Outlay | 2,026 | - | 2,026 |
| Total Expenditures | <u>4,779</u> | <u>213</u> | <u>4,566</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,947)</u> | <u>784</u> | <u>4,731</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 3,610 | 774 | (2,836) |
| Total Other Financing Sources and (Uses) | <u>3,610</u> | <u>774</u> | <u>(2,836)</u> |
| Net Change in Fund Balance | (337) | 1,558 | 1,895 |
| Fund Balance (Deficit) - Beginning | <u>337</u> | <u>2,956</u> | <u>2,619</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 4,514</u> | <u>\$ 4,514</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING DIVISION
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Permits, Fees and Special Assessments | \$ 3,630 | \$ 4,140 | \$ 510 |
| Charges for Services | 150 | 427 | 277 |
| Investment Income (Loss) | - | 290 | 290 |
| Miscellaneous Revenues | - | - | - |
| Total Revenues | <u>3,780</u> | <u>4,857</u> | <u>1,077</u> |
| EXPENDITURES | | | |
| Public Safety | 7,661 | 3,897 | 3,764 |
| Capital Outlay | 1,878 | - | 1,878 |
| Total Expenditures | <u>9,539</u> | <u>3,897</u> | <u>5,642</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(5,759)</u> | <u>960</u> | <u>6,719</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 5,679 | 30 | (5,649) |
| Total Other Financing Sources and (Uses) | <u>5,679</u> | <u>30</u> | <u>(5,649)</u> |
| Net Change in Fund Balance | (80) | 990 | 1,070 |
| Fund Balance (Deficit) - Beginning | 80 | 6,742 | 6,662 |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 7,732</u> | <u>\$ 7,732</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MOBILITY FEE FUND
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Permits, Fees and Special Assessments | \$ 846 | \$ 4,166 | \$ 3,320 |
| Investment Income (Loss) | 25 | 406 | 381 |
| Total Revenues | <u>871</u> | <u>4,572</u> | <u>3,701</u> |
| EXPENDITURES | | | |
| Transportation | 4,179 | 1 | 4,178 |
| Capital Outlay | 4,189 | - | 4,189 |
| Total Expenditures | <u>8,368</u> | <u>1</u> | <u>8,367</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(7,497)</u> | <u>4,571</u> | <u>12,068</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 7,935 | - | (7,935) |
| Transfers (Out) | (439) | (439) | - |
| Total Other Financing Sources and (Uses) | <u>7,496</u> | <u>(439)</u> | <u>(7,935)</u> |
| Net Change in Fund Balance | (1) | 4,132 | 4,133 |
| Fund Balance (Deficit) - Beginning | <u>1</u> | <u>7,407</u> | <u>7,406</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 11,539</u> | <u>\$ 11,539</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING INITIATIVE PROGRAM
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|---------------|---------------------------|--|
| REVENUES | | | |
| Intergovernmental Revenues | \$ 876 | \$ 170 | \$ (706) |
| Investment Income (Loss) | - | 24 | 24 |
| Miscellaneous Revenues | - | 40 | 40 |
| Total Revenues | <u>876</u> | <u>234</u> | <u>(642)</u> |
| EXPENDITURES | | | |
| Economic Environment | 1,472 | 170 | 1,302 |
| Total Expenditures | <u>1,472</u> | <u>170</u> | <u>1,302</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(596)</u> | <u>64</u> | <u>660</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 431 | - | (431) |
| Total Other Financing Sources and (Uses) | <u>431</u> | <u>-</u> | <u>(431)</u> |
| Net Change in Fund Balance | (165) | 64 | 229 |
| Fund Balance (Deficit) - Beginning | <u>165</u> | <u>214</u> | <u>49</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 278</u> | <u>\$ 278</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
JUSTICE ASSISTANCE GRANT
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|---------------|---------------------------|--|
| REVENUES | | | |
| Intergovernmental Revenues | \$ 54 | \$ 46 | \$ (8) |
| Total Revenues | <u>54</u> | <u>46</u> | <u>(8)</u> |
| EXPENDITURES | | | |
| Public Safety | - | 314 | (314) |
| Total Expenditures | <u>-</u> | <u>314</u> | <u>(314)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>54</u> | <u>(268)</u> | <u>(322)</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 | 315 | (7) | (322) |
| Fund Balance (Deficit) - Beginning | <u>(315)</u> | <u>(49)</u> | <u>266</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ (56)</u> | <u>\$ (56)</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PAVING ASSESSMENTS
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|---------------|---------------------------|--|
| REVENUES | | | |
| Permits, Fees and Special Assessments | \$ 10 | \$ 13 | \$ 3 |
| Investment Income (Loss) | - | - | - |
| Total Revenues | <u>10</u> | <u>13</u> | <u>3</u> |
| EXPENDITURES | | | |
| Transportation | 5 | 31 | (26) |
| Total Expenditures | <u>5</u> | <u>31</u> | <u>(26)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>5</u> | <u>(18)</u> | <u>(23)</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers (Out) | (5) | - | 5 |
| Total Other Financing Sources and (Uses) | <u>(5)</u> | <u>-</u> | <u>5</u> |
| Net Change in Fund Balance | - | (18) | (18) |
| Fund Balance (Deficit) - Beginning | - | 2 | 2 |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ (16)</u> | <u>\$ (16)</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CHARTER SCHOOL
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Intergovernmental Revenues | \$ 6,665 | \$ 6,826 | \$ 161 |
| Investment Income (Loss) | 15 | 134 | 119 |
| Total Revenues | <u>6,680</u> | <u>6,960</u> | <u>280</u> |
| EXPENDITURES | | | |
| General Government | 6,168 | 6,165 | 3 |
| Capital Outlay | 2,527 | - | 2,527 |
| Total Expenditures | <u>8,695</u> | <u>6,165</u> | <u>2,530</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(2,015)</u> | <u>795</u> | <u>2,810</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers In | 2,773 | - | (2,773) |
| Transfers (Out) | (759) | (759) | - |
| Total Other Financing Sources and (Uses) | <u>2,014</u> | <u>(759)</u> | <u>(2,773)</u> |
| Net Change in Fund Balance | (1) | 36 | 37 |
| Fund Balance (Deficit) - Beginning | <u>1</u> | <u>2,948</u> | <u>2,947</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ 2,984</u> | <u>\$ 2,984</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION AND HOME
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|---------------|---------------------------|--|
| REVENUES | | | |
| Intergovernmental Revenues | \$ - | \$ 89 | \$ 89 |
| Miscellaneous Revenues | 373 | 200 | (173) |
| Total Revenues | <u>373</u> | <u>289</u> | <u>(84)</u> |
| EXPENDITURES | | | |
| Economic Environment | 415 | 289 | 126 |
| Total Expenditures | <u>415</u> | <u>289</u> | <u>126</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(42)</u> | <u>-</u> | <u>42</u> |
| OTHER FINANCING SOURCES AND (USES) | | | |
| Transfers (Out) | - | (576) | (576) |
| Total Other Financing Sources and (Uses) | <u>-</u> | <u>(576)</u> | <u>(576)</u> |
| Net Change in Fund Balance | (42) | (576) | (534) |
| Fund Balance (Deficit) - Beginning | <u>42</u> | <u>3</u> | <u>(39)</u> |
| Fund Balance (Deficit) - Ending | <u>\$ -</u> | <u>\$ (573)</u> | <u>\$ (573)</u> |

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CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2023
(In Thousands)

| | FmHA Bond | 2015B Refunding Note | 2014A Revenue Note | 2016 Revenue Note | 2010A Refunding Revenue Note |
|--|--------------|----------------------------|--------------------------|-------------------------|---------------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 42 | \$ - | \$ 541 | \$ 17 | \$ 924 |
| Restricted Cash and Investments | - | 260 | - | 2,182 | - |
| Advance to Other Funds | - | - | - | - | - |
| Total Assets | <u>\$ 42</u> | <u>\$ 260</u> | <u>\$ 541</u> | <u>\$ 2,199</u> | <u>\$ 924</u> |
| LIABILITIES | | | | | |
| Accrued Liabilities | \$ - | \$ 260 | \$ 541 | \$ 2,182 | \$ 924 |
| Total Liabilities | <u>-</u> | <u>260</u> | <u>541</u> | <u>2,182</u> | <u>924</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>\$ 260</u> | <u>\$ 541</u> | <u>\$ 2,199</u> | <u>\$ 924</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 |
|---------------------------------------|---------------------------------------|---------------------------------------|--------------------------------|--|--|---|
| \$ 710 | \$ 259 | \$ 758 | \$ 17 | \$ 15 | \$ 5 | \$ 3,288 |
| - | - | - | - | 903 | 67 | 3,412 |
| - | - | - | - | 3,230 | - | 3,230 |
| <u>\$ 710</u> | <u>\$ 259</u> | <u>\$ 758</u> | <u>\$ 17</u> | <u>\$ 4,148</u> | <u>\$ 72</u> | <u>\$ 9,930</u> |
| \$ 710 | \$ 259 | \$ 758 | \$ - | \$ 903 | \$ 67 | \$ 6,604 |
| 710 | 259 | 758 | - | 903 | 67 | 6,604 |
| - | - | - | - | 3,230 | - | 3,230 |
| - | - | - | 17 | 15 | 5 | 96 |
| - | - | - | 17 | 3,245 | 5 | 3,326 |
| <u>\$ 710</u> | <u>\$ 259</u> | <u>\$ 758</u> | <u>\$ 17</u> | <u>\$ 4,148</u> | <u>\$ 72</u> | <u>\$ 9,930</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, 2023
(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 | - | 225 | 445 | 1,430 | 910 |
| Interest and Fiscal Charges | - | 70 | 191 | 1,505 | 29 |
| Total Expenditures | <u>-</u> | <u>295</u> | <u>636</u> | <u>2,935</u> | <u>939</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>-</u> | <u>(295)</u> | <u>(636)</u> | <u>(2,935)</u> | <u>(939)</u> |
| OTHER FINANCING SOURCES AND (USES) | | | | | |
| Transfers In | - | 295 | 636 | 2,935 | 939 |
| Total Other Financing Sources And (Uses) | <u>-</u> | <u>295</u> | <u>636</u> | <u>2,935</u> | <u>939</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 |
|---------------------------------------|---------------------------------------|---------------------------------------|--------------------------------|--|--|---|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - |
| 680 | 230 | 720 | - | 410 | - | 5,050 |
| 59 | 57 | 76 | - | 817 | 135 | 2,939 |
| 739 | 287 | 796 | - | 1,227 | 135 | 7,989 |
| (739) | (287) | (796) | - | (1,227) | (135) | (7,989) |
| 739 | 287 | 796 | - | 817 | 135 | 7,579 |
| 739 | 287 | 796 | - | 817 | 135 | 7,579 |
| - | - | - | - | (410) | - | (410) |
| - | - | - | 17 | 3,655 | 5 | 3,736 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 17</u> | <u>\$ 3,245</u> | <u>\$ 5</u> | <u>\$ 3,326</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2015B REFUNDING NOTE
For the Year Ended September 30, 2023
(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 | 225 | 225 | - |
| Interest and Fiscal Charges | 70 | 70 | - |
| Total Expenditures | <u>295</u> | <u>295</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(295)</u> | <u>(295)</u> | <u>-</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 295 | 295 | - |
| Total Other Financing Sources | <u>295</u> | <u>295</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, 2023
(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 | 445 | 445 | - |
| Interest and Fiscal Charges | 191 | 191 | - |
| Total Expenditures | <u>636</u> | <u>636</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(636)</u> | <u>(636)</u> | <u>-</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 636 | 636 | - |
| Total Other Financing Sources | <u>636</u> | <u>636</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, 2023
(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 | 1,430 | 1,430 | - |
| Interest and Fiscal Charges | 1,505 | 1,505 | - |
| Capital Outlay | 17 | - | 17 |
| Total Expenditures | <u>2,952</u> | <u>2,935</u> | <u>17</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(2,952)</u> | <u>(2,935)</u> | <u>17</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 2,952 | 2,935 | (17) |
| Total Other Financing Sources | <u>2,952</u> | <u>2,935</u> | <u>(17)</u> |
| Net Change in Fund Balance | - | - | - |
| Fund Balance - Beginning | - | 17 | 17 |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ 17</u> | <u>\$ 17</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010A REFUNDING REVENUE NOTE
For the Year Ended September 30, 2023
(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 | 910 | 910 | - |
| Interest and Fiscal Charges | 29 | 29 | - |
| Total Expenditures | <u>939</u> | <u>939</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(939)</u> | <u>(939)</u> | <u>-</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 939 | 939 | - |
| Total Other Financing Sources | <u>939</u> | <u>939</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
2010B REFUNDING REVENUE NOTE
For the Year Ended September 30, 2023
(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 | 680 | 680 | - |
| Interest and Fiscal Charges | 59 | 59 | - |
| Total Expenditures | <u>739</u> | <u>739</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(739)</u> | <u>(739)</u> | <u>-</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 739 | 739 | - |
| Total Other Financing Sources | <u>739</u> | <u>739</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, 2023
(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 | 230 | 230 | - |
| Interest and Fiscal Charges | 57 | 57 | - |
| Total Expenditures | <u>287</u> | <u>287</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(287)</u> | <u>(287)</u> | <u>-</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 287 | 287 | - |
| Total Other Financing Sources | <u>287</u> | <u>287</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, 2023
(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 | 720 | 720 | - |
| Interest and Fiscal Charges | 76 | 76 | - |
| Total Expenditures | <u>796</u> | <u>796</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(796)</u> | <u>(796)</u> | <u>-</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 796 | 796 | - |
| Total Other Financing Sources | <u>796</u> | <u>796</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
2022A REVENUE REFUNDING BOND DEBT
For the Year Ended September 30, 2023
(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 | | | |
| Principal Retirement | 410 | 410 | - |
| Interest and Fiscal Charges | 1,120 | 817 | 303 |
| Total Expenditures | <u>1,530</u> | <u>1,227</u> | <u>303</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(1,530)</u> | <u>(1,227)</u> | <u>303</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 1,530 | 817 | (713) |
| Total Other Financing Sources | <u>1,530</u> | <u>817</u> | <u>(713)</u> |
| Net Change in Fund Balance | - | (410) | (410) |
| Fund Balance - Beginning | - | 3,655 | 3,655 |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ 3,245</u> | <u>\$ 3,245</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2022B REVENUE REFUNDING BOND DEBT
For the Year Ended September 30, 2023
(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 | | | |
| Interest and Fiscal Charges | 135 | 135 | - |
| Total Expenditures | <u>135</u> | <u>135</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(135)</u> | <u>(135)</u> | <u>-</u> |
| OTHER FINANCING SOURCES | | | |
| Transfers In | 135 | 135 | - |
| Total Other Financing Sources | <u>135</u> | <u>135</u> | <u>-</u> |
| Net Change in Fund Balance | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance - Beginning | <u>-</u> | <u>5</u> | <u>5</u> |
| Fund Balance - Ending | <u><u>\$ -</u></u> | <u><u>\$ 5</u></u> | <u><u>\$ 5</u></u> |

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CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2023
(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 | \$ 154 | \$ 15 | \$ 740 | \$ 2 | \$ 10 |
| Total Assets | \$ 154 | \$ 15 | \$ 740 | \$ 2 | \$ 10 |
| LIABILITIES | | | | | |
| Contracts Payable | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Liabilities | - | - | - | - | - |
| FUND BALANCES | | | | | |
| Restricted for Construction Projects | 154 | 15 | 740 | 2 | 10 |
| Total Fund Balances | 154 | 15 | 740 | 2 | 10 |
| Total Liabilities and Fund Balances | \$ 154 | \$ 15 | \$ 740 | \$ 2 | \$ 10 |

| 2017 Note Capital Project | 2022 Bonds Capital Projects | Total Nonmajor Capital Projects Funds |
|---------------------------------|-----------------------------------|---|
| \$ 18 | \$ 5,468 | \$ 6,407 |
| <u>\$ 18</u> | <u>\$ 5,468</u> | <u>\$ 6,407</u> |
| \$ - | \$ 159 | \$ 159 |
| - | 159 | 159 |
| <u>18</u> | <u>5,309</u> | <u>6,248</u> |
| <u>18</u> | <u>5,309</u> | <u>6,248</u> |
| <u>\$ 18</u> | <u>\$ 5,468</u> | <u>\$ 6,407</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, 2023
(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) | \$ 6 | \$ 1 | \$ 27 | \$ - | \$ 25 |
| Total Revenues | <u>6</u> | <u>1</u> | <u>27</u> | <u>-</u> | <u>25</u> |
| EXPENDITURES | | | | | |
| Capital Outlay | - | - | 8 | - | - |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>8</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>6</u> | <u>1</u> | <u>19</u> | <u>-</u> | <u>25</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | - | - | - |
| Transfers (Out) | - | - | - | - | (641) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(641)</u> |
| Net Change in Fund Balances | <u>6</u> | <u>1</u> | <u>19</u> | <u>-</u> | <u>(616)</u> |
| Fund Balances - Beginning | <u>148</u> | <u>14</u> | <u>721</u> | <u>2</u> | <u>626</u> |
| Fund Balances - Ending | <u>\$ 154</u> | <u>\$ 15</u> | <u>\$ 740</u> | <u>\$ 2</u> | <u>\$ 10</u> |

| 2017 Note Capital Project | 2022 Bonds Capital Projects | Total Nonmajor Capital Projects Funds |
|---------------------------------|-----------------------------------|---|
| \$ 32 | \$ 221 | \$ 312 |
| <u>32</u> | <u>221</u> | <u>312</u> |
| - | 1,937 | 1,945 |
| - | 1,937 | 1,945 |
| <u>32</u> | <u>(1,716)</u> | <u>(1,633)</u> |
| - | 1,480 | 1,480 |
| <u>(839)</u> | <u>-</u> | <u>(1,480)</u> |
| <u>(839)</u> | <u>1,480</u> | <u>-</u> |
| (807) | (236) | (1,633) |
| <u>825</u> | <u>5,545</u> | <u>7,881</u> |
| <u>\$ 18</u> | <u>\$ 5,309</u> | <u>\$ 6,248</u> |

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2022 BONDS CAPITAL PROJECTS
For the Year Ended September 30, 2023
(In Thousands)

| | <u>Budget</u> | <u>Actual Amounts</u> | <u>Variance with Budget - Over (Under)</u> |
|--|----------------|---------------------------|--|
| REVENUES | | | |
| Investment Income (Loss) | \$ - | \$ 221 | \$ 221 |
| Total Revenues | <u>-</u> | <u>221</u> | <u>221</u> |
| EXPENDITURES | | | |
| Capital Outlay | 5,957 | 1,937 | 4,020 |
| Total Expenditures | <u>5,957</u> | <u>1,937</u> | <u>4,020</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(5,957)</u> | <u>(1,716)</u> | <u>4,241</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 7,399 | 1,480 | (5,919) |
| Total Other Financing Sources (Uses) | <u>7,399</u> | <u>1,480</u> | <u>(5,919)</u> |
| Net Change in Fund Balance | 1,442 | (236) | (1,678) |
| Fund Balance - Beginning | <u>(1,442)</u> | <u>5,545</u> | <u>6,987</u> |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ 5,309</u> | <u>\$ 5,309</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, 2023
(In Thousands)

| | Central Services | Health Insurance | Risk Management | Total |
|---|---------------------|---------------------|--------------------|-----------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and Cash Equivalents | \$ 1,481 | \$ 1,367 | \$ 5,264 | \$ 8,112 |
| Accounts Receivable (net) | 16 | 23 | - | 39 |
| Due from Other Governments | 424 | - | - | 424 |
| Due from TWA | 138 | 40 | 549 | 727 |
| Inventories | 98 | - | - | 98 |
| Leases Receivable | 352 | - | - | 352 |
| Total Current Assets | <u>2,509</u> | <u>1,430</u> | <u>5,813</u> | <u>9,752</u> |
| Capital Assets: | | | | |
| Buildings | 569 | - | - | 569 |
| Improvements Other Than Buildings | 4,817 | 91 | 545 | 5,453 |
| Software, Net | 299 | - | - | 299 |
| Machinery, Equipment and Vehicles | 3,147 | 56 | 272 | 3,475 |
| Less: Accumulated Depreciation | (6,203) | (53) | (324) | (6,580) |
| Total Capital Assets | <u>2,629</u> | <u>94</u> | <u>493</u> | <u>3,216</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Outflows Related to OPEB | 60 | - | - | 60 |
| Deferred Outflows Related to Pensions | 954 | - | - | 954 |
| Total Deferred Outflows of Resources | <u>1,014</u> | <u>-</u> | <u>-</u> | <u>1,014</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts Payable | 506 | - | - | 506 |
| Due to KUA | 1 | - | - | 1 |
| Compensated Absences Payable | 40 | - | - | 40 |
| SBITA Liability Current | 51 | - | - | 51 |
| Estimated Claims Payable | - | 276 | 1,960 | 2,236 |
| Total current liabilities | <u>598</u> | <u>276</u> | <u>1,960</u> | <u>2,834</u> |
| Noncurrent liabilities: | | | | |
| Compensated Absences Payable | 160 | - | - | 160 |
| Other Postemployment Benefits | 334 | - | - | 334 |
| Net Pension Liability | 2,917 | - | - | 2,917 |
| SBITA Liability | 162 | - | - | 162 |
| Estimated Claims Payable | - | 276 | 1,960 | 2,236 |
| Total Noncurrent Liabilities | <u>3,573</u> | <u>276</u> | <u>1,960</u> | <u>5,809</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Inflows Related to Leases | 292 | - | - | 292 |
| Deferred Inflows Related to OPEB | 201 | - | - | 201 |
| Deferred Inflows Related to Pensions | 15 | - | - | 15 |
| Total Deferred Inflows of Resources | <u>508</u> | <u>-</u> | <u>-</u> | <u>508</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 2,321 | 94 | 493 | 2,908 |
| Unrestricted | (848) | 878 | 1,893 | 1,923 |
| Total Net Position | <u>\$ 1,473</u> | <u>\$ 972</u> | <u>\$ 2,386</u> | <u>\$ 4,831</u> |

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(In Thousands)

| | Central Services | Health Insurance | Risk Management | Total |
|---|---------------------|---------------------|--------------------|-----------------|
| Operating Revenues: | | | | |
| Charges for Services | \$ 10,999 | \$ 10,367 | \$ 2,791 | \$ 24,157 |
| Miscellaneous Revenues | 171 | 21 | - | 192 |
| Total Operating Revenues | <u>11,170</u> | <u>10,388</u> | <u>2,791</u> | <u>24,349</u> |
| Operating Expenses: | | | | |
| Personal Services | 4,251 | - | 7 | 4,258 |
| Contracted Services | 797 | 2,112 | 16 | 2,925 |
| Supplies and Materials | 127 | 77 | 3 | 207 |
| Repairs and Maintenance | 3,209 | - | 161 | 3,370 |
| Other Services and Charges | 2,206 | 8 | 260 | 2,474 |
| Depreciation and Amortization | 739 | 9 | 29 | 777 |
| Claims/Premium Expense | 159 | 7,972 | 3,518 | 11,649 |
| Total Operating Expenses | <u>11,488</u> | <u>10,178</u> | <u>3,994</u> | <u>25,660</u> |
| Operating Income (Loss) | <u>(318)</u> | <u>210</u> | <u>(1,203)</u> | <u>(1,311)</u> |
| Nonoperating Revenues and Expenses: | | | | |
| Interest Expense | (10) | - | - | (10) |
| Investment Income | 38 | 42 | 217 | 297 |
| Lease Revenues | 93 | - | - | 93 |
| Insurance Recoveries | - | - | 190 | 190 |
| Gain or (Loss) from Sale of Capital Assets | 3 | - | - | 3 |
| Total Nonoperating Revenues and Expenses | <u>124</u> | <u>42</u> | <u>407</u> | <u>573</u> |
| Income (Loss) Before Contributions and Transfers | <u>(194)</u> | <u>252</u> | <u>(796)</u> | <u>(738)</u> |
| Transfers In | - | 15 | - | 15 |
| Change in Net Position | <u>(194)</u> | <u>267</u> | <u>(796)</u> | <u>(723)</u> |
| Total Net Position - Beginning | <u>1,667</u> | <u>705</u> | <u>3,182</u> | <u>5,554</u> |
| Total Net Position - Ending | <u>\$ 1,473</u> | <u>\$ 972</u> | <u>\$ 2,386</u> | <u>\$ 4,831</u> |

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2023
(In Thousands)

| | Central Services | Health Insurance | Risk Management | Total |
|--|---------------------|---------------------|--------------------|-----------------|
| Cash Flows from Operating Activities | | | | |
| Receipts from Customers and Users | \$ 11,761 | \$ 10,378 | \$ 2,658 | \$ 24,797 |
| Payments to Suppliers | (6,894) | (10,402) | (3,884) | (21,180) |
| Payments to Employees | (3,780) | - | (7) | (3,787) |
| Net Cash Provided (Used) by Operating Activities | <u>1,087</u> | <u>(24)</u> | <u>(1,233)</u> | <u>(170)</u> |
| Cash Flows from Noncapital Financing Activities | | | | |
| Transfers in | - | 15 | - | 15 |
| Net Cash Provided (Used) by Noncapital Financing Activities | <u>-</u> | <u>15</u> | <u>-</u> | <u>15</u> |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Acquisition/Construction of Capital Assets | (672) | (16) | (111) | (799) |
| Proceeds from Leasing Activities | 36 | - | - | 36 |
| SBITA Payable Principal Payments | (319) | - | - | (319) |
| SBITA Payable Interest Payments | (10) | - | - | (10) |
| Proceeds from Sales of Capital Assets | 3 | - | - | 3 |
| Proceeds from Insurance Recoveries | - | - | 190 | 190 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(962)</u> | <u>(16)</u> | <u>79</u> | <u>(899)</u> |
| Cash Flows from Investing Activities | | | | |
| Gain (Loss) on Investments | 38 | 42 | 217 | 297 |
| Net Cash Provided (Used) by Investing Activities | <u>38</u> | <u>42</u> | <u>217</u> | <u>297</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 163 | 17 | (937) | (757) |
| Cash and Cash Equivalents at Beginning of Year | 1,318 | 1,350 | 6,201 | 8,869 |
| Cash and Cash Equivalents at End of Year | <u>\$ 1,481</u> | <u>\$ 1,367</u> | <u>\$ 5,264</u> | <u>\$ 8,112</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | | |
| Operating Income (Loss) | \$ (318) | \$ 210 | \$ (1,203) | \$ (1,311) |
| Depreciation and Amortization | 739 | 9 | 29 | 777 |
| Changes in Assets and Liabilities: | | | | |
| (Increase) Decrease in Due from KUA | 25 | - | - | 25 |
| (Increase) Decrease in Due from TWA | 416 | 2 | (133) | 285 |
| (Increase) Decrease in Accounts Receivable | 3 | (12) | - | (9) |
| (Increase) Decrease in Due from Other Governments | 147 | - | - | 147 |
| (Increase) Decrease in Deferred Outflows OPEB | 14 | - | - | 14 |
| (Increase) Decrease in Deferred Outflows Pensions | 600 | - | - | 600 |
| (Increase) Decrease in Inventories | (23) | - | - | (23) |
| Increase (Decrease) in Accounts Payable | (373) | - | - | (373) |
| Increase (Decrease) in Claims Payable | - | (233) | 74 | (159) |
| Increase (Decrease) in OPEB | (113) | - | - | (113) |
| Increase (Decrease) in Compensated Absences | 18 | - | - | 18 |
| Increase (Decrease) in Net Pension Liability | (141) | - | - | (141) |
| Increase (Decrease) in Deferred Inflows OPEB | 98 | - | - | 98 |
| Increase (Decrease) in Deferred Inflows Pensions | (5) | - | - | (5) |
| Total Adjustments | <u>1,405</u> | <u>(234)</u> | <u>(30)</u> | <u>1,141</u> |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 1,087</u> | <u>\$ (24)</u> | <u>\$ (1,233)</u> | <u>\$ (170)</u> |

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

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City of Kissimmee, Florida
Statistical Section
September 30, 2023

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Governmental activities | | | | | | | | | | |
| Net investment | | | | | | | | | | |
| in capital assets | \$ 148,239 | \$ 163,458 | \$ 159,525 | \$ 171,862 | \$ 160,750 | \$ 168,706 | \$ 178,154 | \$ 184,731 | \$ 186,416 | \$ 199,077 |
| Restricted | 12,220 | 16,865 | 20,474 | 21,469 | 26,878 | 32,621 | 33,231 | 40,052 | 54,396 | 75,189 |
| Unrestricted | 25,233 | (5,079) | (3,698) | (2,528) | (4,692) | 125 | (3,503) | 2,108 | 1,634 | (5,153) |
| Total governmental activities net position | <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> | <u>\$ 269,113</u> |
| Business-type activities | | | | | | | | | | |
| Net investment | | | | | | | | | | |
| in capital assets | \$ 41,655 | \$ 42,959 | \$ 42,126 | \$ 43,725 | \$ 49,095 | \$ 49,355 | \$ 49,204 | \$ 51,601 | \$ 53,546 | \$ 55,551 |
| Restricted | 12 | 488 | 24 | - | 36 | 73 | 69 | - | - | - |
| Unrestricted | 4,509 | 1,858 | 2,996 | 1,879 | 1,874 | 3,277 | 4,273 | 2,845 | 4,809 | 9,153 |
| Total business-type activities net position | <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> | <u>\$ 64,704</u> |
| Primary government | | | | | | | | | | |
| Net investment | | | | | | | | | | |
| in capital assets | \$ 189,894 | \$ 206,417 | \$ 201,651 | \$ 215,587 | \$ 209,845 | \$ 218,061 | \$ 227,358 | \$ 236,332 | \$ 239,962 | \$ 254,628 |
| Restricted | 12,232 | 17,353 | 20,498 | 21,469 | 26,914 | 32,694 | 33,300 | 40,052 | 54,396 | 75,189 |
| Unrestricted | 29,742 | (3,221) | (702) | (649) | (2,818) | 3,402 | 770 | 4,953 | 6,443 | 4,000 |
| Total primary government net position | <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> | <u>\$ 333,817</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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 34,892 | \$ 32,649 | \$ 38,386 | \$ 37,622 | \$ 38,402 | \$ 41,436 | \$ 48,354 | \$ 46,066 | \$ 50,392 | \$ 60,491 |
| Public safety | 32,134 | 33,644 | 36,631 | 40,187 | 39,039 | 42,946 | 45,599 | 44,709 | 50,259 | 58,975 |
| Physical environment | - | - | - | - | - | - | - | - | - | - |
| Transportation | 7,738 | 8,437 | 18,435 | 6,651 | 10,834 | 13,908 | 8,049 | 9,079 | 14,312 | 11,297 |
| Economic environment | 1,053 | 962 | 389 | 1,103 | 1,944 | 1,302 | 997 | 1,468 | 1,228 | 1,084 |
| Culture/Recreation | 5,499 | 4,255 | 8,360 | 7,534 | 7,659 | 3,940 | 8,110 | 8,183 | 9,211 | 10,171 |
| Interest on long-term debt | 1,352 | 1,499 | 3,028 | 2,620 | 2,791 | 2,854 | 2,644 | 2,495 | 2,944 | 2,878 |
| Total governmental activities expenses | \$ 82,668 | \$ 81,446 | \$ 105,229 | \$ 95,717 | \$ 100,669 | \$ 106,386 | \$ 113,753 | \$ 112,000 | \$ 128,346 | \$ 144,896 |
| Business-type activities: | | | | | | | | | | |
| Stormwater | \$ 3,546 | \$ 3,725 | \$ 4,029 | \$ 3,998 | \$ 4,633 | \$ 4,941 | \$ 4,885 | \$ 5,363 | \$ 5,258 | \$ 5,262 |
| Airport | 1,231 | 1,425 | 2,160 | 2,497 | 1,564 | 1,707 | 1,640 | 1,751 | 2,423 | 2,755 |
| Solid waste | 4,107 | 4,288 | 4,436 | 4,497 | 4,559 | 5,131 | 5,335 | 5,489 | 6,020 | 6,707 |
| Total business-type activities expenses | \$ 8,884 | \$ 9,438 | \$ 10,625 | \$ 10,992 | \$ 10,756 | \$ 11,779 | \$ 11,860 | \$ 12,603 | \$ 13,701 | \$ 14,724 |
| Total primary government net expenses | \$ 91,552 | \$ 90,884 | \$ 115,854 | \$ 106,709 | \$ 111,425 | \$ 118,165 | \$ 125,613 | \$ 124,603 | \$ 142,047 | \$ 159,620 |
| Program revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services - general government | \$ 21,352 | \$ 21,837 | \$ 21,855 | \$ 22,162 | \$ 22,737 | \$ 25,376 | \$ 26,837 | \$ 28,541 | \$ 30,526 | \$ 32,535 |
| Charges for services - public safety | 8,136 | 6,567 | 8,373 | 8,574 | 10,223 | 11,071 | 9,077 | 8,776 | 13,321 | 13,378 |
| Charges for services - all others | 2,030 | 2,454 | 2,064 | 1,981 | 2,094 | 1,928 | 824 | 1,247 | 1,620 | 1,553 |
| Operating grants and contributions | 894 | 594 | 951 | 1,374 | 1,296 | 2,900 | 1,236 | 2,400 | 5,646 | 9,665 |
| Capital grants and contributions | 7,455 | 7,040 | 11,361 | 5,322 | 10,921 | 7,545 | 5,815 | 9,125 | 4,589 | 11,888 |
| Total governmental activities program revenues | \$ 39,867 | \$ 38,492 | \$ 44,604 | \$ 39,413 | \$ 47,271 | \$ 48,820 | \$ 43,789 | \$ 50,089 | \$ 55,702 | \$ 69,019 |
| Business-type activities: | | | | | | | | | | |
| Charges for services - stormwater | \$ 4,432 | \$ 4,659 | \$ 4,732 | \$ 5,105 | \$ 5,188 | \$ 5,561 | \$ 5,786 | \$ 5,860 | \$ 6,088 | \$ 6,582 |
| Charges for services - airport | 925 | 844 | 856 | 868 | 932 | 875 | 828 | 956 | 1,185 | 1,247 |
| Charges for services - solid waste | 4,822 | 4,773 | 4,772 | 5,066 | 5,010 | 5,362 | 5,844 | 5,938 | 6,229 | 7,070 |
| Operating grants and contributions | - | - | - | - | - | - | 157 | 254 | 312 | 79 |
| Capital grants and contributions | 3,890 | 934 | 1,007 | 651 | 2,615 | 2,022 | 580 | 1,007 | 2,879 | 6,326 |
| Total business-type activities program revenues | \$ 14,069 | \$ 11,210 | \$ 11,367 | \$ 11,690 | \$ 13,745 | \$ 13,820 | \$ 13,195 | \$ 14,015 | \$ 16,693 | \$ 21,304 |
| Total primary government program revenues | \$ 53,936 | \$ 49,702 | \$ 55,971 | \$ 51,103 | \$ 61,016 | \$ 62,640 | \$ 56,984 | \$ 64,104 | \$ 72,395 | \$ 90,323 |
| Net (expense) / revenue | | | | | | | | | | |
| Governmental activities | \$ (42,801) | \$ (42,954) | \$ (60,625) | \$ (56,304) | \$ (53,398) | \$ (57,566) | \$ (69,964) | \$ (61,911) | \$ (72,644) | \$ (75,877) |
| Business-type activities | 5,185 | 1,772 | 742 | 698 | 2,989 | 2,041 | 1,335 | 1,412 | 2,992 | 6,580 |
| Total primary government net expense | \$ (37,616) | \$ (41,182) | \$ (59,883) | \$ (55,606) | \$ (50,409) | \$ (55,525) | \$ (68,629) | \$ (60,499) | \$ (69,652) | \$ (69,297) |

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| General revenues and other changes in net position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property tax | \$ 11,456 | \$ 11,756 | \$ 11,620 | \$ 12,275 | \$ 13,228 | \$ 14,608 | \$ 16,382 | \$ 17,739 | \$ 19,326 | \$ 21,733 |
| Sales tax | 10,420 | 11,106 | 11,885 | 12,412 | 5,318 | 5,434 | 4,567 | 5,460 | 6,618 | 6,951 |
| Public service tax | 6,572 | 6,556 | 6,703 | 6,892 | 6,979 | 7,024 | 7,141 | 7,233 | 7,459 | 7,777 |
| Gas tax | 2,581 | 2,582 | 2,773 | 2,657 | 2,811 | 2,831 | 2,525 | 2,767 | 2,968 | 3,265 |
| Local option discretionary tax | - | - | - | - | 7,986 | 8,144 | 7,048 | 8,555 | 10,783 | 11,448 |
| State revenue sharing | 2,517 | 2,564 | 2,339 | 2,579 | 2,735 | 2,914 | 2,654 | 3,178 | 3,941 | 4,420 |
| Other Locally Assessed Utility Tax | - | - | - | - | - | 1,650 | 1,664 | 1,727 | 1,838 | 1,883 |
| Other taxes | 2,032 | 2,257 | 2,738 | 2,872 | 3,109 | 1,914 | 2,397 | 3,629 | 2,327 | 4,854 |
| Franchise fees (1) | 140 | 159 | 165 | 154 | 179 | 184 | 177 | 197 | 230 | 216 |
| Unrestricted intergovernmental revenues | 19,616 | 21,069 | 23,911 | 23,371 | 25,531 | 25,546 | 25,641 | 27,090 | 30,159 | 30,044 |
| Investment income (loss) | 138 | 233 | 418 | 688 | 881 | 2,448 | 1,816 | (71) | (406) | 5,338 |
| Miscellaneous revenues | 765 | 1,095 | 1,385 | 1,092 | 1,201 | 2,557 | 1,708 | 1,916 | 2,292 | 2,453 |
| Gain on sale of capital assets | 171 | - | - | 168 | 26 | 127 | 2,062 | 942 | - | 1,453 |
| Transfers in (out) | 325 | 651 | 780 | 1,212 | 669 | 701 | 612 | 558 | 664 | 709 |
| Total governmental activities | \$ 56,733 | \$ 60,028 | \$ 64,717 | \$ 66,372 | \$ 70,653 | \$ 76,082 | \$ 76,394 | \$ 80,920 | \$ 88,199 | \$ 102,544 |
| Business-type activities: | | | | | | | | | | |
| Investment income (loss) | \$ 5 | \$ 17 | \$ 24 | \$ 29 | \$ 45 | \$ 143 | \$ 105 | \$ 5 | \$ (19) | \$ 470 |
| Miscellaneous revenues | - | - | - | - | 37 | 48 | 7 | 4 | 3 | 6 |
| Gain on sale of capital assets | - | - | 48 | 27 | 52 | 169 | 6 | 37 | 1,597 | 2 |
| Transfers in (out) | (325) | (651) | (780) | (1,212) | (669) | (701) | (612) | (558) | (664) | (709) |
| Total business-type activities | \$ (320) | \$ (634) | \$ (708) | \$ (1,156) | \$ (535) | \$ (341) | \$ (494) | \$ (512) | \$ 917 | \$ (231) |
| Total primary government | \$ 56,413 | \$ 59,394 | \$ 64,009 | \$ 65,216 | \$ 70,118 | \$ 75,741 | \$ 75,900 | \$ 80,408 | \$ 89,116 | \$ 102,313 |
| Change in net position | | | | | | | | | | |
| Governmental activities | \$ 13,932 | \$ 17,074 | \$ 4,092 | \$ 10,068 | \$ 17,255 | \$ 18,516 | \$ 6,430 | \$ 19,009 | \$ 15,555 | \$ 26,667 |
| Business-type activities | 4,865 | 1,138 | 34 | (458) | 2,454 | 1,700 | 841 | 900 | 3,909 | 6,349 |
| | \$ 18,797 | \$ 18,212 | \$ 4,126 | \$ 9,610 | \$ 19,709 | \$ 20,216 | \$ 7,271 | \$ 19,909 | \$ 19,464 | \$ 33,016 |

- (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)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| General fund | | | | | | | | | | |
| Nonspendable | \$ 199 | \$ 199 | \$ 330 | \$ 339 | \$ 334 | \$ 361 | \$ 318 | \$ 317 | \$ 317 | \$ 364 |
| Restricted | 1,355 | 1,347 | 1,287 | 930 | 634 | 667 | 479 | 560 | 803 | 682 |
| Assigned | 1,695 | 990 | 2,188 | 1,814 | 1,971 | 736 | 3,768 | 3,448 | 7,203 | 9,352 |
| Unassigned | 21,729 | 23,023 | 23,449 | 25,435 | 28,350 | 31,723 | 30,432 | 35,067 | 36,588 | 36,121 |
| Total general fund | \$ 24,978 | \$ 25,559 | \$ 27,254 | \$ 28,518 | \$ 31,289 | \$ 33,487 | \$ 34,997 | \$ 39,392 | \$ 44,911 | \$ 46,519 |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | \$ 762 | \$ 802 | \$ 839 | \$ 883 | \$ 1,033 | \$ 995 | \$ 1,059 | \$ 1,135 | \$ 4,898 | \$ 4,601 |
| Restricted | 15,863 | 20,123 | 52,800 | 48,117 | 45,341 | 40,641 | 31,640 | 37,156 | 58,014 | 35,095 |
| Assigned | 42 | 86 | 103 | 59 | 59 | 59 | 59 | 76 | 96 | 96 |
| Unassigned | (527) | (1,005) | (1,397) | (816) | (400) | (981) | (1,460) | (56) | (132) | 33,849 |
| Total all other governmental funds | \$ 16,140 | \$ 20,006 | \$ 52,345 | \$ 48,243 | \$ 46,033 | \$ 40,714 | \$ 31,298 | \$ 38,311 | \$ 62,876 | \$ 73,641 |
| Total fund balances all governmental funds | \$ 41,118 | \$ 45,565 | \$ 79,599 | \$ 76,761 | \$ 77,322 | \$ 74,201 | \$ 66,295 | \$ 77,703 | \$ 107,787 | \$ 120,160 |

Schedule 4
City of Kissimmee, Florida

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | | | | | | | | | | |
| Taxes | \$ 27,032 | \$ 26,866 | \$ 28,398 | \$ 29,524 | \$ 31,276 | \$ 32,873 | \$ 33,367 | \$ 36,579 | \$ 40,734 | \$ 44,499 |
| Permits, fees and special assessments | 2,276 | 3,702 | 3,452 | 5,252 | 5,674 | 5,167 | 3,213 | 2,027 | 5,675 | 8,545 |
| Intergovernmental revenues | 39,955 | 41,566 | 41,969 | 42,524 | 45,836 | 48,997 | 47,542 | 57,318 | 59,580 | 65,471 |
| Charges for services | 8,397 | 7,930 | 8,689 | 8,483 | 9,881 | 10,090 | 8,871 | 10,627 | 12,216 | 12,720 |
| Fines and forfeitures | 1,561 | 572 | 455 | 697 | 387 | 923 | 403 | 326 | 655 | 568 |
| Investment income (loss) | 137 | 211 | 390 | 643 | 823 | 2,277 | 1,669 | (53) | (355) | 5,036 |
| Miscellaneous revenues | 592 | 722 | 766 | 743 | 810 | 1,901 | 999 | 1,573 | 1,640 | 2,408 |
| Total revenues | \$ 79,950 | \$ 81,569 | \$ 84,119 | \$ 87,866 | \$ 94,687 | \$ 102,228 | \$ 96,064 | \$ 108,397 | \$ 120,145 | \$ 139,247 |
| Expenditures | | | | | | | | | | |
| General government | \$ 18,438 | \$ 16,524 | \$ 22,951 | \$ 23,576 | \$ 21,181 | \$ 24,413 | \$ 26,866 | \$ 24,340 | \$ 25,806 | \$ 43,409 |
| Public safety | 31,708 | 33,638 | 33,906 | 37,393 | 39,453 | 43,991 | 44,549 | 49,929 | 48,352 | 53,661 |
| Transportation | 16,184 | 13,239 | 10,803 | 10,017 | 10,691 | 11,972 | 9,923 | 11,689 | 12,854 | 10,857 |
| Economic environment | 1,067 | 757 | 429 | 899 | 1,943 | 1,302 | 997 | 1,468 | 1,937 | 1,087 |
| Culture/Recreation | 6,686 | 7,048 | 7,546 | 7,231 | 6,956 | 7,543 | 7,127 | 7,436 | 7,767 | 8,447 |
| Debt service: | | | | | | | | | | |
| Principal retirement | 3,906 | 3,853 | 3,832 | 4,163 | 4,144 | 4,088 | 4,226 | 4,969 | 5,669 | 6,616 |
| Interest and fiscal charges | 1,352 | 1,498 | 2,246 | 2,764 | 2,939 | 2,991 | 2,782 | 2,620 | 2,715 | 3,009 |
| Professional fees | - | - | 438 | 17 | 13 | 24 | 23 | 36 | 390 | 20 |
| Capital Outlay | 6,784 | 1,450 | 6,504 | 10,778 | 14,058 | 15,391 | 10,444 | 43 | 18 | 1,945 |
| Total expenditures | \$ 86,125 | \$ 78,007 | \$ 88,655 | \$ 96,838 | \$ 101,378 | \$ 111,715 | \$ 106,937 | \$ 102,530 | \$ 105,508 | \$ 129,051 |
| Excess of revenues over (under) expenditures | \$ (6,175) | \$ 3,562 | \$ (4,536) | \$ (8,972) | \$ (6,691) | \$ (9,487) | \$ (10,873) | \$ 5,867 | \$ 14,637 | \$ 10,196 |
| Other financing sources (uses) | | | | | | | | | | |
| Transfers in | \$ 7,218 | \$ 12,419 | \$ 51,835 | \$ 11,351 | \$ 10,224 | \$ 10,909 | \$ 10,796 | \$ 11,001 | \$ 13,393 | \$ 16,280 |
| Transfers (out) | (6,893) | (11,751) | (50,716) | (10,112) | (9,537) | (10,162) | (10,184) | (10,472) | (12,759) | (15,586) |
| Proceeds from sale of capital assets | 508 | 110 | 147 | 165 | 126 | 219 | 2,355 | 1,108 | - | 1,450 |
| Issuance of notes payable | 9,600 | 3,875 | 42,930 | 4,730 | 6,220 | 5,400 | - | 16,350 | 26,730 | - |
| Issuance of leases | - | - | - | - | 219 | - | - | 3,904 | 4,433 | 33 |
| Issuance premium | - | - | 4,838 | - | - | - | - | - | - | - |
| Payment to bond escrow agent | - | (3,768) | (10,464) | - | - | - | - | (16,350) | (16,350) | - |
| Total other financing sources (uses) | \$ 10,433 | \$ 885 | \$ 38,570 | \$ 6,134 | \$ 7,252 | \$ 6,366 | \$ 2,967 | \$ 5,541 | \$ 15,447 | \$ 2,177 |
| Net change in fund balances | \$ 4,258 | \$ 4,447 | \$ 34,034 | \$ (2,838) | \$ 561 | \$ (3,121) | \$ (7,906) | \$ 11,408 | \$ 30,084 | \$ 12,373 |
| Debt service as a percentage of non-capital expenditures | 7.1% | 8.3% | 9.0% | 9.4% | 9.2% | 8.9% | 8.1% | 8.6% | 9.2% | 9.1% |

**Schedule 5
City of Kissimmee, Florida**

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

| Fiscal Year | Assessed Values | | | Less: Tax Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|-------------|-----------------|-------------------|-----------|---------------------------|------------------------------|-----------------------|--------------------------------|--|
| | Real Property | Personal Property | Total | | | | | |
| 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% |
| 2023 | 6,854,704 | 760,357 | 7,615,061 | 1,930,410 | 5,684,651 | 4.6253 | 5,684,651 | 133.958% |

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 | | | | |
| 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 | |
| 2023 | 4.625 | 6.700 | 0.300 | 5.504 | 0.135 | 0.095 | 17.359 | |

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 |
|--------------------|-----------------------|--------------------------------|----------------------------------|-----------------------------------|------------------------------|---|
| 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% |
| 2023 | 22,549 | 21,228 | 94.1% | 505 | 21,733 | 96.4% |

Source: Osceola County Tax Collector's Office.

Schedule 8
City of Kissimmee, Florida

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

| Property Description | Use | Taxpayer | Fiscal Year 2022 / 2023 (a) | | | Fiscal Year 2013 / 2014 (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. | \$ 129,535 | 20.30% | 1 | \$ 97,273 | 32.64% | 1 |
| Apartment complex | Rentals | Kissimmee Lakes Owner | 87,741 | 13.75% | 2 | - | - | - |
| Apartment complex | Rentals | CLPF | 74,339 | 11.65% | 3 | - | - | - |
| Apartment complex | Rentals | Sonceto (Kissimmee) Owner LLC | 66,044 | 10.35% | 4 | - | - | - |
| Apartment complex | Rentals | 1880 Destiny Blvd | 59,508 | 9.33% | 5 | - | - | - |
| Apartment complex | Rentals | BMF IV FL Lake Tivoli | 51,658 | 8.10% | 6 | - | - | - |
| Apartment complex | Rentals | Continental 330 Fund LLC | 47,497 | 7.44% | 7 | - | - | - |
| Apartment complex | Rentals | FL Arrow Ridge Apts | 43,038 | 6.74% | 8 | - | - | - |
| Retail store | Merchandising | Loop West LLC | 41,501 | 6.50% | 9 | 37,111 | 12.45% | 2 |
| Warehouse Distribution | Merchandising | First Industrial LP | 37,268 | 5.84% | 10 | - | - | - |
| Retail store | Merchandising | Wal-Mart Stores, Inc. | - | - | - | 29,502 | 9.90% | 3 |
| Condominiums | Rentals | G&I Vineyards LLC | - | - | - | 25,304 | 8.49% | 4 |
| Condominiums | Timeshare sales | Oak Plantation Realty Partners | - | - | - | 23,404 | 7.85% | 5 |
| Apartment complex | Rentals | Reef Club Apartments | - | - | - | 20,226 | 6.78% | 6 |
| Apartment complex | Rentals | Lake Tivoli LLC | - | - | - | 18,804 | 6.31% | 7 |
| Apartment complex | Rentals | Alliance HTFL Ltd Partnership | - | - | - | 17,408 | 5.84% | 8 |
| Apartment complex | Rentals | TNP SRT Osceola Village LLC | - | - | - | 14,612 | 4.90% | 9 |
| Retail store | Merchandising | Vine Street Shoppes LP | - | - | - | 14,403 | 4.83% | 10 |
| Totals | | | <u>\$ 638,129</u> | <u>100.00%</u> | | <u>\$ 298,047</u> | <u>99.99%</u> | |

(a) The fiscal year ended September 30, 2023 tax levy is based on the 2022 taxable value.

(b) The fiscal year ended September 30, 2014 tax levy is based on the 2013 taxable value.

Source: Osceola County Property Appraiser's Office.

Schedule 9
City of Kissimmee, Florida

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

| Fiscal Year | Governmental Activities | | | | | | Business-type Activities | | Total Primary Government | City of Kissimmee Personal Income | Percentage of Personal Income | Per Capita |
|-------------|-------------------------|-------------------------|------------------|------------------------|---------------------------|--------------------|-------------------------------|-----------|--------------------------|-----------------------------------|-------------------------------|------------|
| | Tax Revenue Bonds | Sales Tax Revenue Notes | Commercial Notes | Covenant Revenue Notes | SBITAs and Leases Payable | Financed Purchases | SBITAs and Financed Purchases | | | | | |
| 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 | |
| 2023 | 63,394 | 9,160 | - | 4,165 | 3,437 | 2,225 | 30 | 82,411 | 2,478,013 | 3.2% | 0.98 | |

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.

Schedule 10
City of Kissimmee, Florida

DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
September 30, 2023
(dollar amounts are expressed in thousands)

| Taxing District | Net Debt Outstanding | Estimated Overlapping (1) | City's Share of Debt |
|--|---------------------------------|--------------------------------------|---------------------------------|
| Osceola County School District | | | |
| State School Bonds: | | | |
| Series 2014A | \$ 344 | 10.7% | \$ 37 |
| Series 2017ARFD | 419 | 10.7% | 45 |
| District Revenue Bonds: | | | |
| Sales Tax Revenue Bonds, Series 2015 | 10,230 | 10.7% | 1,095 |
| Sales Tax Revenue Bonds, Series 2017 | 2,920 | 10.7% | 312 |
| Capital Sales Tax Revenue Bonds, Series 2017 | 61,315 | 10.7% | 6,561 |
| Capital Sales Tax Revenue Bonds, Series 2021 | 61,055 | 10.7% | 6,533 |
| Certificates of Participation: | | | |
| Series 2014A | 3,605 | 10.7% | 386 |
| Series 2015A | 2,020 | 10.7% | 216 |
| Series 2017A | 32,435 | 10.7% | 3,471 |
| Series 2020A | 1,600 | 10.7% | 171 |
| Series 2023A | 20,570 | 10.7% | 2,201 |
| Qualified School Construction Bonds: | | | |
| Series 2010A | 40,500 | 10.7% | 4,334 |
| Education Benefit Districts: | | | |
| Bellalago Benefit District | 7,313 | 10.7% | 782 |
| Total Osceola County School District | <u>244,326</u> | 10.7% | <u>26,143</u> |
| Osceola County | | | |
| Limited General Obligation Debt, Series 2006 | 3,285 | 12.3% | 404 |
| Environmental Land, Series 2010 | 5,845 | 12.3% | 719 |
| Total Osceola County | <u>9,130</u> | 12.3% | <u>1,123</u> |
| Total Overlapping Debt | <u>\$ 253,456</u> | | <u>\$ 27,266</u> |
| Total Direct Governmental Activities Debt | \$ 78,945 | 100.0% | 78,945 |
| Total Direct and Overlapping Debt | <u>\$ 332,401</u> | | <u>\$ 106,211</u> |

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

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

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

**Schedule 11
City of Kissimmee, Florida**

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

| <u>Excise Tax Revenue Bonds</u> | | | | | | <u>Sales Tax Revenue Bonds</u> | | | | |
|---------------------------------|----------------------------|----------------------------------|-----------------|-----------------|-----------------|--------------------------------|----------------------------------|-----------------|-----------------|-----------------|
| <u>Fiscal Year</u> | <u>Excise Tax Revenues</u> | <u>Debt Service Requirements</u> | | | <u>Coverage</u> | <u>Sales Tax Revenues</u> | <u>Debt Service Requirements</u> | | | <u>Coverage</u> |
| | | <u>Principal</u> | <u>Interest</u> | <u>Coverage</u> | | | <u>Principal</u> | <u>Interest</u> | <u>Coverage</u> | |
| 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 | | |
| 2023 | - | - | - | - | 11,059 | 2,755 | 356 | 3.55 | | |

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

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

Source: City of Kissimmee Finance Department.

Continued on next page

Tax Revenue Bonds (1)

Debt Service Requirements

| Fiscal Year | Revenues (1) | Principal | Interest | Coverage |
|--------------------|-------------------------|------------------|-----------------|-----------------|
| 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 |
| 2023 | 15,136 | 1,840 | 2,625 | 3.39 |

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) |
|--------------------|-----------------------|---------------------------------------|----------------------------|------------------------------|------------------------------|
| 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% |
| 2023 | 79,995 | 30,977 | 2,478,013 | 81,375 | 3.3% |

Sources:

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

**Schedule 13
City of Kissimmee, Florida**

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

| Employer | Business | Fiscal Year 2022 / 2023 (1) | | | Fiscal Year 2013 / 2014 | | |
|--------------------------------|---------------|-----------------------------|----------------------------------|------|-------------------------|----------------------------------|------|
| | | Employees | Percent of Total City Employment | Rank | Employees | Percent of Total City Employment | Rank |
| Osceola County School District | Education | 7,300 | 8.83% | 1 | 6,593 | 10.36% | 1 |
| Adventist Health System | Healthcare | 3,565 | 4.31% | 2 | - | | |
| Disney Destinations | Entertainment | 3,419 | 4.13% | 3 | - | | |
| Publix Supermarkets | Retail | 1,795 | 2.17% | 4 | 1,350 | 2.12% | 7 |
| Osceola County Government | Government | 1,700 | 2.06% | 5 | 1,334 | 2.10% | 8 |
| HCA Healthcare | Healthcare | 1,593 | 1.93% | 6 | - | | |
| Buena Vista Construction | Construction | 1,296 | 1.57% | 7 | - | | |
| McLane/Suneast | Distribution | 1,270 | 1.54% | 8 | 900 | 1.41% | 9 |
| Lowe's Distribution Center | Distribution | 1,035 | 1.25% | 9 | - | | |
| Jr. Davis Construction Company | Construction | 928 | 1.12% | 10 | - | | |
| Walt Disney Company | Entertainment | | | | 3,700 | 5.81% | 2 |
| Walmart Stores | Retail | | | | 2,730 | 4.29% | 3 |
| Florida Hospital Celebration | Healthcare | | | | 1,600 | 2.51% | 4 |
| Gaylord Palms | Hospitality | - | | | 1,553 | 2.44% | 5 |
| Osceola Regional Medical | Healthcare | - | | | 1,400 | 2.51% | 6 |
| Omni Champions Gate | Hospitality | - | | | 750 | 1.18% | 10 |
| Total | | <u>23,901</u> | | | <u>21,910</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 | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| <u>General government</u> | | | | | | | | | | |
| Central Services | 35 | 35 | 32 | 35 | 35 | 40 | 42 | 40 | 41 | 42 |
| City Attorney | 4 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| City Commission | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| City Manager | 14 | 14 | 13 | 13 | 13 | 13 | 14 | 14 | 16 | 15 |
| Finance | 12 | 13 | 12 | 13 | 13 | 13 | 13 | 14 | 14 | 14 |
| Personnel | 8 | 8 | 12 | 10 | 10 | 9 | 10 | 10 | 10 | 10 |
| <u>Public safety</u> | | | | | | | | | | |
| Fire | 105 | 105 | 106 | 112 | 112 | 113 | 111 | 112 | 113 | 120 |
| Police | 201 | 204 | 208 | 208 | 210 | 227 | 230 | 233 | 236 | 250 |
| Law Enforcement Grant | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| School Crossing Guard | 11 | 11 | 11 | - | - | - | - | - | - | - |
| <u>Physical environment</u> | | | | | | | | | | |
| Public Works | 40 | 40 | 40 | 39 | 40 | 41 | 45 | 40 | 36 | 40 |
| Sanitation | 26 | 26 | 26 | 27 | 27 | 27 | 28 | 29 | 29 | 29 |
| Stormwater | 34 | 33 | 34 | 34 | 36 | 36 | 37 | 37 | 35 | 36 |
| <u>Transportation</u> | | | | | | | | | | |
| Airport | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 9 |
| Local Option Gas Tax | 10 | 10 | 12 | 12 | 12 | 12 | 12 | 13 | 12 | 14 |
| <u>Economic Environment</u> | | | | | | | | | | |
| Development Services | 23 | 24 | 31 | 33 | 33 | 33 | 40 | 40 | 38 | 41 |
| Economic Development | - | - | - | - | - | - | - | - | - | 5 |
| Community Development | | | | | | | | | | |
| Blk Grant | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 5 |
| <u>Culture / Recreation</u> | | | | | | | | | | |
| Parks & Recreation | 80 | 82 | 85 | 69 | 67 | 68 | 68 | 70 | 70 | 72 |
| Civic Center | - | - | - | - | - | - | - | - | - | - |
| Total | 621 | 628 | 645 | 628 | 631 | 655 | 673 | 675 | 675 | 715 |

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

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

**Schedule 15
City of Kissimmee, Florida**

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

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <u>Building Inspections</u> | | | | | | | | | | |
| Building permits issued | 4,099 | 4,206 | 4,371 | 5,894 | 7,855 | 5,374 | 5,564 | 7,174 | 11,576 | 17,971 |
| <u>Law Enforcement</u> | | | | | | | | | | |
| Physical arrests | 2,498 | 1,964 | 1,848 | 2,022 | 2,160 | 2,262 | 1,870 | 2,241 | 2,255 | 2,414 |
| Traffic and parking violations | 11,613 | 11,390 | 9,603 | 11,225 | 7,449 | 7,083 | 4,536 | 9,907 | 12,265 | 6,377 |
| <u>Fire</u> | | | | | | | | | | |
| Emergency responses | 11,875 | 12,191 | 12,879 | 13,394 | 13,322 | 13,817 | 12,131 | 14,542 | 15,041 | 14,549 |
| Fire incidents | 244 | 226 | 274 | 334 | 273 | 231 | 269 | 276 | 294 | 200 |
| Emergency medical services incidents | 9,863 | 10,194 | 10,547 | 10,988 | 10,562 | 11,113 | 9,699 | 11,654 | 12,041 | 11,961 |
| Fire safety inspections | 995 | 888 | 968 | 1,326 | 1,345 | 1,193 | 680 | 1,054 | 1,619 | 1,485 |
| Fire plan reviews | 871 | 1,065 | 1,041 | 1,002 | 889 | 853 | 719 | 897 | 1,087 | 903 |
| <u>Other Public Works</u> | | | | | | | | | | |
| Street resurfacing (tons of asphalt) | 3,582 | 5,134 | - | 1,524 | 3,067 | 1,524 | 2,589 | - | - | 6,302 |
| Other street repairs (tons of asphalt) 1 | 193 | 109 | 175 | 107 | 96 | 119 | 558 | 296 | - | 148 |

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**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|------|------|------|------|------|------|------|------|------|------|
| <u>Transportation</u> | | | | | | | | | | |
| Miles of streets (lane miles) | 342 | 486 | 352 | 352 | 356 | 358 | 407 | 459 | 459 | 376 |
| <u>Refuse collection trucks</u> | | | | | | | | | | |
| | 16 | 16 | 16 | 17 | 18 | 18 | 18 | 18 | 18 | 20 |
| <u>Other public works</u> | | | | | | | | | | |
| Traffic signals | 52 | 52 | 52 | 52 | 52 | 50 | 51 | 42 | 42 | 42 |
| Highways (miles) | 17 | 15 | 8 | 8 | 8 | 8 | 8 | 10 | 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 | 131 | 118 | 120 | 127 | 140 | 147 | 147 | 124 | 136 | 136 |
| Motorcycles | 6 | 3 | 3 | 3 | 3 | 7 | 7 | 7 | 7 | 7 |
| <u>Parks and Recreation</u> | | | | | | | | | | |
| Park acreage | 832 | 832 | 832 | 885 | 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 | 6 | 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 11, 2024.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

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*.

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.



April 11, 2024
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 OMB *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, 2023. 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, 2023.

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.



April 11, 2024
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2023

| Agency/Program | Assistance Listing # | Grant # | Federal Expenditures | Through to Subrecipients |
|---|----------------------|------------------------------------|-------------------------|--------------------------|
| Clustered | | | | |
| Child Nutrition Cluster | | | | |
| <u>U.S. Department of Agriculture</u> | | | | |
| <i>Passed through the Florida Dept of Agriculture and Consumer Services</i> | | | | |
| School Breakfast Program | 10.553 | | \$ 123,382 | \$ 123,382 |
| National School Lunch Program | 10.555 | | 436,020 | 436,020 |
| Supply Chain Assistance Funding | 10.555 | | 9,871 | 9,871 |
| | | | <u>445,891</u> | <u>445,891</u> |
| Total U.S. Department of Agriculture - Child Nutrition Cluster | | | <u>569,273</u> | <u>569,273</u> |
| Not Clustered | | | | |
| <u>U.S. Department of Housing and Urban Development</u> | | | | |
| <i>CDBG - Entitlement Grants Cluster</i> | | | | |
| Community Development Block Grant 2019 | 14.218 | B-19-MC-12-0051 | 85,478 | - |
| Community Development Block Grant 2020 | 14.218 | B-20-MC-12-0051 | 274,523 | - |
| Community Development Block Grant 2021 | 14.218 | B-21-MC-12-0051 | 202,918 | 6,475 |
| Community Development Block Grant 2022 | 14.218 | B-22-MC-12-0051 | 608,513 | 102,995 |
| | | | <u>1,171,432</u> | <u>109,470</u> |
| <i>Passed through the Florida Department of Economic Opportunity</i> | | | | |
| Community Development Block Grant - MIT | 14.228 | IR033 | 1,257 | - |
| <i>Home Investment Partnerships Program</i> | | | | |
| Home Investment Partnerships Program 2018 | 14.239 | None | 270,763 | - |
| Home Investment Partnerships Program 2019 | 14.239 | None | 13,006 | - |
| Home Investment Partnerships Program 2020 | 14.239 | None | 257,038 | - |
| Home Investment Partnerships Program 2022 | 14.239 | None | 324,166 | - |
| | | | <u>864,973</u> | <u>-</u> |
| Total U.S. Department of Housing and Urban Development | | | <u>2,037,662</u> | <u>109,470</u> |
| <u>U.S. Department of Justice</u> | | | | |
| <i>Passed through the Florida Office of the Attorney General</i> | | | | |
| Victims of Crime Act | 16.575 | VOCA2021-City of Kissimmee - 00575 | 61,404 | - |
| Bulletproof Vest Partnership | 16.607 | Unk | 16,569 | - |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | 2021-JAGC-ERT-8C215 | 26,219 | - |
| Edward Byrne Memorial Justice Assistance Grant (JAG) | 16.738 | 2021-JAG-15PBJA-21-FF-01313-JAGX | 27,369 | - |
| | | | <u>53,588</u> | <u>-</u> |
| Equitable Sharing Program | 16.922 | Unk | 15,000 | - |
| Total U.S. Department of Justice | | | <u>146,561</u> | <u>-</u> |
| <u>U.S. Department of Transportation</u> | | | | |
| Airport Improvement Program | 20.106 | 3-12-0038-040-2021 | 135,138 | - |
| Airport Improvement Program | 20.106 | 3-12-0038-043-2023 | 11,634 | - |
| Airport Improvement Program | 20.106 | 3-12-0038-044-2023 | 5,310 | - |
| Airport Improvement Program | 20.106 | 3-12-0038-042-2022 | 4,653,303 | - |
| Airport Improvement Program | 20.106 | 3-12-0038-037-2020 | 829,363 | - |
| | | | <u>5,634,748</u> | <u>-</u> |
| <i>Highway Planning and Construction Cluster</i> | | | | |
| <i>Passed through the Florida Department of Transportation</i> | | | | |
| Highway Planning and Construction | 20.205 | 437472-2-38-01/G2473 | 682,357 | - |
| Highway Planning and Construction | 20.205 | 434916-1-48-01/G0140 | 199,016 | - |
| | | | <u>881,373</u> | <u>-</u> |
| Total U.S. Department of Transportation | | | <u>6,516,121</u> | <u>-</u> |
| <u>U.S. Department of the Treasury</u> | | | | |
| <i>Passed through the Florida Department of State</i> | | | | |
| Covid-19 Coronavirus State and Local Fiscal Recovery Fund | 21.027 | 23.s.aa.900.040 | 7,750 | - |
| Covid-19 Coronavirus State and Local Fiscal Recovery Fund | 21.027 | SLT 3338 | 7,633,078 | 462,227 |
| Total U.S. Department of the Treasury | | | <u>7,640,828</u> | <u>462,227</u> |

Continued

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2023

| Agency/Program | Assistance Listing # | Grant # | Federal Expenditures | Through to Subrecipients |
|--|----------------------|--------------------|----------------------|--------------------------|
| U.S. Department of Energy | | | | |
| <i>Passed thru the Florida Department of Agriculture and Consumer Services</i> | | | | |
| State Energy Program | 81.041 | URF012 | \$ 32,450 | \$ - |
| Total U.S. Department of Energy | | | 32,450 | - |
| U.S. Department of Homeland Security / FEMA | | | | |
| <i>Passed thru the Florida Department of Emergency Management</i> | | | | |
| Public Assistance - Hurricane Irma | 97.036 | PA-00-06-59-01-232 | 82,658 * | |
| <i>Passed thru the Florida Department of Emergency Management</i> | | | | |
| <i>Passed thru the Orange County Sheriff's Office</i> | | | | |
| Homeland Security Grant Program | 97.067 | R0500 | 47,840 ** | |
| Total U.S. Department of Homeland Security | | | 130,498 | - |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | \$ 17,073,393 | \$ 1,140,970 |

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 Ian occurred in FY2022; however, project amounts were obligated and paid in FY23.

** Amount presented is value of equipment received from the sub-grantee, Orange County Sheriff's Office, during 2023.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2023**

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? | None Reported |
| 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: | |
| Home Investment Partnerships Program | Assistance Listing No. 14.239 |
| U.S. Department of Treasury | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | Assistance Listing No. 21.027 |
| US Department of Transportation | |
| Highway Planning and Construction | Assistance Listing No. 20.205 |

| | |
|--|-----------|
| 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, 2023**

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

See Management Letter Comment.

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, 2023, and have issued our report thereon dated April 11, 2024.

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 AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated April 11, 2024, 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. All prior year findings have been resolved.

Official Title and Legal Authority

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

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

MANAGEMENT LETTER

Financial Condition and Management

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

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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. Please see management letter comment and 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.



April 11, 2024
Ocala, Florida

MANAGEMENT LETTER COMMENT

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

Current Year Comments and Recommendations

2023-1 Enterprise Resource Planning (ERP) System

During the fiscal year ended 2023, the City of Kissimmee, Florida (the City) experienced several issues related to various accounting functions within the ERP system. The issues were related to reporting, compilation of detailed accounting data, and summary information. The key accounting areas experiencing these issues were:

- Capital Assets Subsidiary Reconciliations
- Building Permit Receivables
- Building Permitting Fees
- Pooled Cash Reconciliation Differences

We recommend that the City continue their efforts to work with the ERP provider to determine the cause and correction of the issues outlined above.



April 11, 2024
Ocala, Florida

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**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, 2023, 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, 2023.

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.



April 11, 2024
Ocala, Florida



FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

April 11, 2024

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:

2023-1 Enterprise Resource Planning (ERP) system

Management's Response

The key accounting areas presented in the management letter comment are a direct result of the City's Enterprise Resource Planning (ERP) system. The City implemented a new (ERP) system in March 2020 and building permitting software in November 2021. Like most ERP implementations, the process did not go smoothly and despite being on the most recent software version, the City still experiences difficulty with functionality performance of the system including patch updates. Support is tremendously delayed, lacking or takes multiple escalations. For example, we recently received a software fix for a problem that was reported two years ago.

Finance will continue our efforts to work with our ERP provider to determine the cause and correction of the issues outlined in the comment. Many of the fixes are currently in progress or staff is waiting on a fix from the ERP system.

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



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
Tavia Ritchie

STATE OF FLORIDA

COUNTY OF OSCEOLA

SWORN TO AND SUBSCRIBED before me this 2 day of January, 2024.

Deborah Lyn Luke
NOTARY PUBLIC

Print Name Deborah Lyn Luke

Personally known or produced identification _____

Type of identification produced:

My Commission Expires:

