

CITY OF KISSIMMEE, FLORIDA

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

Year Ended September 30, 2021



Prepared by Department of Finance

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CITY OF KISSIMMEE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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The City of Kissimmee, Florida
City Officials
As of September 30, 2021

Elected Officials

Mayor/Commissioner.....	Olga Gonzalez
Commissioner/Vice Mayor.....	Felix Ortiz
Commissioner/Mayor Pro Tem.....	Jim Fisher
Commissioner.....	Carlos Alvarez III
Commissioner.....	Olga Castano

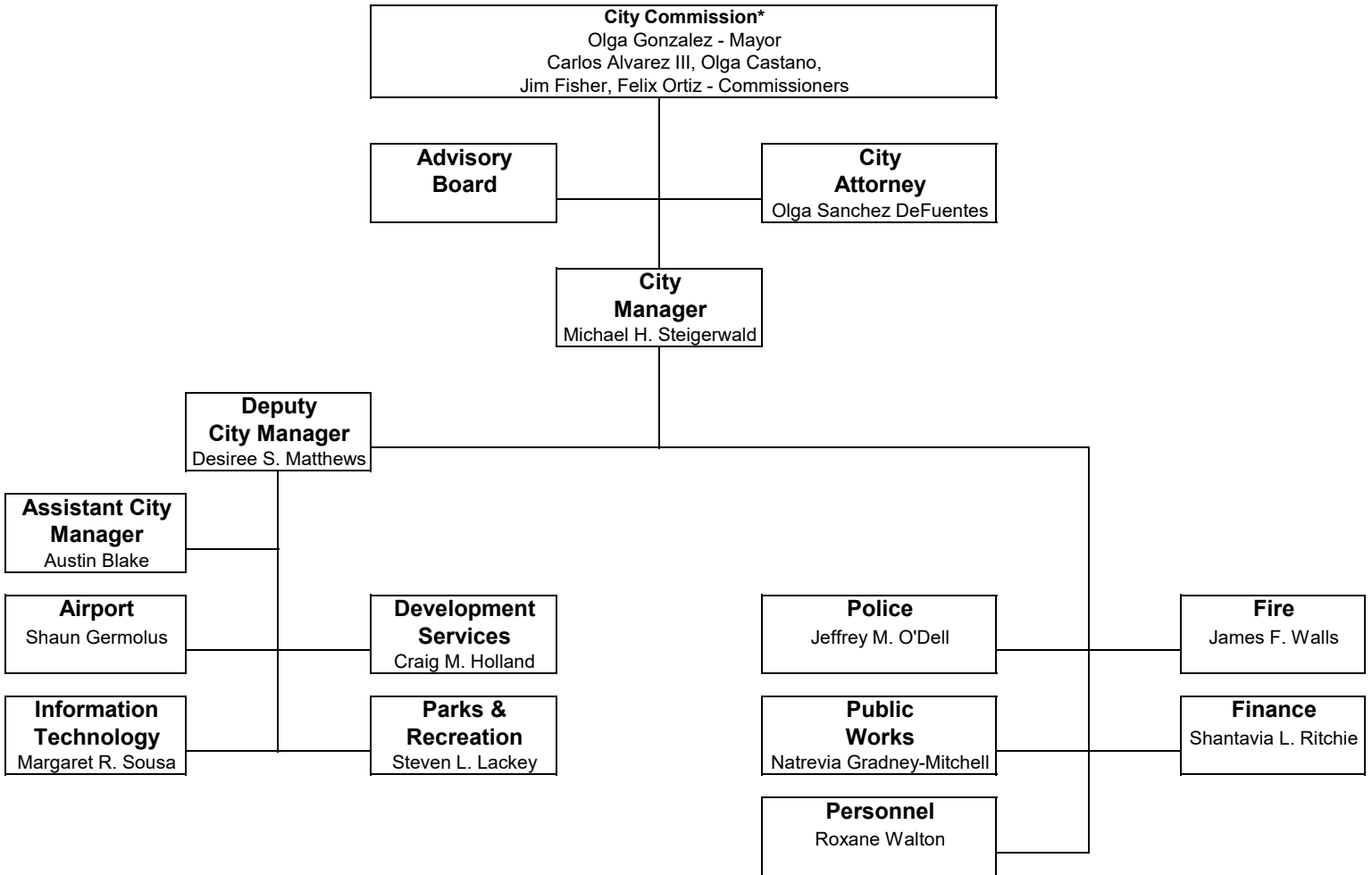
Financial Related Management

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

Other Departmental Officials

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

CITY OF KISSIMMEE ORGANIZATION CHART



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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Kissimmee
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO



FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

June 17, 2022

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

Florida Statutes require that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit the comprehensive annual financial report of the City of Kissimmee, Florida for the fiscal year ended September 30, 2021.

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, 2021, 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, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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 21.9 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 80,999.

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.



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THE REPORTING ENTITY AND ITS SERVICES

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

ECONOMIC CONDITION AND OUTLOOK

The City is primarily residential in character but also serves as a regional retail and commercial center. It derives a substantial portion of its economic activity from its proximity to Walt Disney World, its medical district which is the third largest in central Florida, its 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 2019-2020 capital budget process, various projects for continued road and road related improvements, technology improvements, drainage projects, airport enhancements, parks and park land projects, and various pieces of heavy equipment were planned. The total projected cost for capital improvements identified in the 2021-2025 capital improvement plan totaled \$101,463,270.

MAJOR INITIATIVES

The City continues to make progress on the Shingle Creek Regional Trail. Progress was also made on its road improvement plan, stormwater improvement projects, the Quiet Zone project and various grant funded projects. The municipally owned airport continued to embark on several improvement projects this past year as well. In fiscal year 2021, the City completed Church Street improvements including parking. The implementation of a City-wide ERP conversion was also completed. In addition to the myriad of capital projects that the City worked on during FY 2021, a tremendous amount of effort was focused on the City's response to the global pandemic. Since many City residents were negatively impacted by the pandemic, the City received and administered grant monies focused on assisting residents with rental/mortgage assistance as a result of the significant job loss experienced in the Kissimmee community.

FUND BALANCE

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

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.

FIDUCIARY OPERATIONS

The City has fiduciary responsibility for the self-directed deferred compensation plan that allows employees to defer a portion of salary for future years. The City also has separate Pension Trust Funds for General Employees, Police Officers and Firefighters.



These Funds were created to account for the accumulation of resources to be used for the retirement annuities of all City employees. The City continues to contribute to these funds in accordance with City Commission established criteria that includes annual independent actuarial analyses.

STATUTORY REQUIREMENTS – INDEPENDENT AUDIT

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

CERTIFICATE OF ACHIEVEMENT PROGRAM

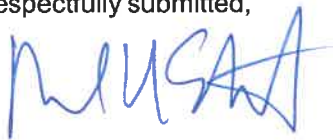
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Kissimmee, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

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

Respectfully submitted,



Mike Steigerwald
City Manager



Tavia Ritchie, CPA
Finance Director



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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kissimmee, Florida (the City) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

CERTIFIED PUBLIC ACCOUNTANTS

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, 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.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual non-major fund and internal service funds financial statements, budgetary comparison schedules, and the schedule of expenditures of federal awards and state projects are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

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

INDEPENDENT AUDITOR'S REPORT

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund and internal service funds financial statements, budgetary comparison schedules, and the schedule of expenditures of federal awards and state projects are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2022, 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.



June 17, 2022
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 September 30, 2021
 (In Thousands)

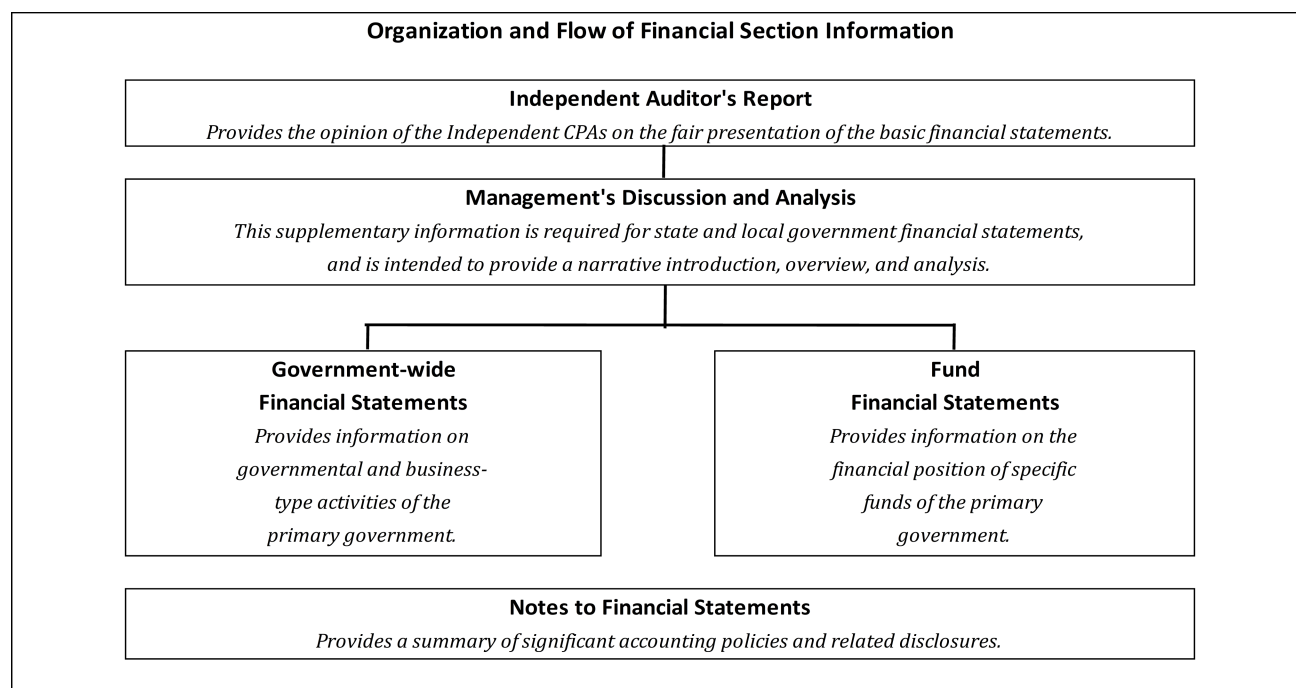
The City of Kissimmee, Florida's (the "City") Management's Discussion and Analysis (the "MD&A") presents an overview of the City's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the letter of transmittal in the introductory section, and the City's 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 2021 by \$281,337 (net position).
- The City's net position increased by \$19,909 from current year activities, of which governmental activities contributed \$19,009 of this increase.
- The fund balance for governmental funds increased by \$11,408 from the prior year. The majority of this increase resulted from increased revenues for the use of the City's services as operations opened back up after the pandemic shutdowns.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.



Government-wide financial statements

The *government-wide financial statements*, which consist of the following two statements, are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Additionally, nonfinancial factors, such as a change in the City's property tax base or the condition of City facilities and infrastructure, should be considered to assess the overall financial health of the City.

The *statement of activities* presents information showing how the government's net position changed during fiscal year 2021. 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 basic and fund financial statements. The City's component units (the Community Redevelopment Agencies) are major funds of the City and will be addressed in this MD&A.

Fund financial statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(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, State Grants, Community Redevelopment Agency Downtown (CRA Downtown), Community Redevelopment Agency Vine Street (CRA Vine Street), and 2016 Revenue Note Debt Service, 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, State Grants, CRA Downtown and CRA Vine Street; 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 budgetary comparison schedule for the 2016 Revenue Note Debt Service major fund. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are also presented in this section. Combining and individual fund budgetary comparison schedules for nonmajor funds can be found after the required supplementary information.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(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 \$281,337 at the close of the fiscal year ended September 30, 2021. At the end of fiscal year 2021, the City is able to report positive balances in all categories of net position for its business-type activities, and its governmental activities.

The largest portion of the City's net position of \$236,332 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 \$40,052 for construction projects, public safety programs, supplementary care, and other purposes. The remaining balance is unrestricted net position of \$4,953.

City of Kissimmee, Florida
Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 104,984	\$ 91,400	\$ 9,050	\$ 8,487	\$ 114,034	\$ 99,887
Capital Assets (Net)	263,993	259,903	51,688	49,292	315,681	309,195
Total Assets	368,977	351,303	60,738	57,779	429,715	409,082
Deferred Outflows	11,807	6,840	494	529	12,301	7,369
Current and Other Liabilities	18,274	14,005	1,611	848	19,885	14,853
Long-term Liabilities	114,722	133,358	1,804	3,806	116,526	137,164
Total Liabilities	132,996	147,363	3,415	4,654	136,411	152,017
Deferred Inflows	22,487	2,898	1,781	107	24,268	3,005
Net Position:						
Net Investment in						
Capital Assets	184,731	178,154	51,601	49,204	236,332	227,358
Restricted	40,052	33,231	-	69	40,052	33,300
Unrestricted	2,108	(3,503)	2,845	4,273	4,953	770
Total Net Position	\$ 226,891	\$ 207,882	\$ 54,446	\$ 53,546	\$ 281,337	\$ 261,428

There was a net increase of \$19,909 in the City's net position over fiscal year 2020. There was a net increase of \$19,009 in net position reported in connection with the City's governmental activities and an \$900 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 \$6,486 from the prior year due to several large park improvements and transportation projects. Long term liabilities decreased by \$(20,638) from the prior year, including a decrease of \$(18,636) in connection with governmental activities for scheduled debt service payments made in the current year along with a decrease in the net pension liability.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(In Thousands)

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

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues:						
Charges for Services	\$ 38,564	\$ 36,738	\$ 12,754	\$ 12,458	\$ 51,318	\$ 49,196
Operating Grants and Contributions	2,400	1,236	254	157	2,654	1,393
Capital Grants and Contributions	9,125	5,815	1,007	580	10,132	6,395
General Revenues:						
Property Taxes	17,739	16,382	-	-	17,739	16,382
Other Taxes	29,371	25,342	-	-	29,371	25,342
Other	33,252	34,058	46	118	33,298	34,176
Total Revenues	130,451	119,571	14,061	13,313	144,512	132,884
EXPENSES						
General Government	46,066	48,354	-	-	46,066	48,354
Public Safety	44,709	45,599	-	-	44,709	45,599
Transportation	9,079	8,049	-	-	9,079	8,049
Economic Environment	1,468	997	-	-	1,468	997
Culture/Recreation	8,183	8,110	-	-	8,183	8,110
Interest on Long-term Debt	2,495	2,644	-	-	2,495	2,644
Stormwater	-	-	5,363	4,885	5,363	4,885
Airport	-	-	1,751	1,640	1,751	1,640
Sanitation	-	-	5,489	5,335	5,489	5,335
Total Expenses	112,000	113,753	12,603	11,860	124,603	125,613
Excess Before Transfers	18,451	5,818	1,458	1,453	19,909	7,271
Transfers	558	612	(558)	(612)	-	-
Change in Net Position	19,009	6,430	900	841	19,909	7,271
Net Position - Beginning	207,882	201,452	53,546	52,705	261,428	254,157
Net Position - Ending	\$ 226,891	\$ 207,882	\$ 54,446	\$ 53,546	\$ 281,337	\$ 261,428

Governmental activities

Governmental activities accounted for an increase of \$19,009 from the prior year net position. Charges for services increased by \$1,826 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 \$3,310 due to grantor reimbursement of large construction projects. Other taxes increased by \$4,029 from the prior year as spending within the State increased to normal levels.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(In Thousands)

Total governmental activities expenses decreased by \$(1,753) from the prior year. The majority of this decrease resulted from the effects of change in net pension liability.

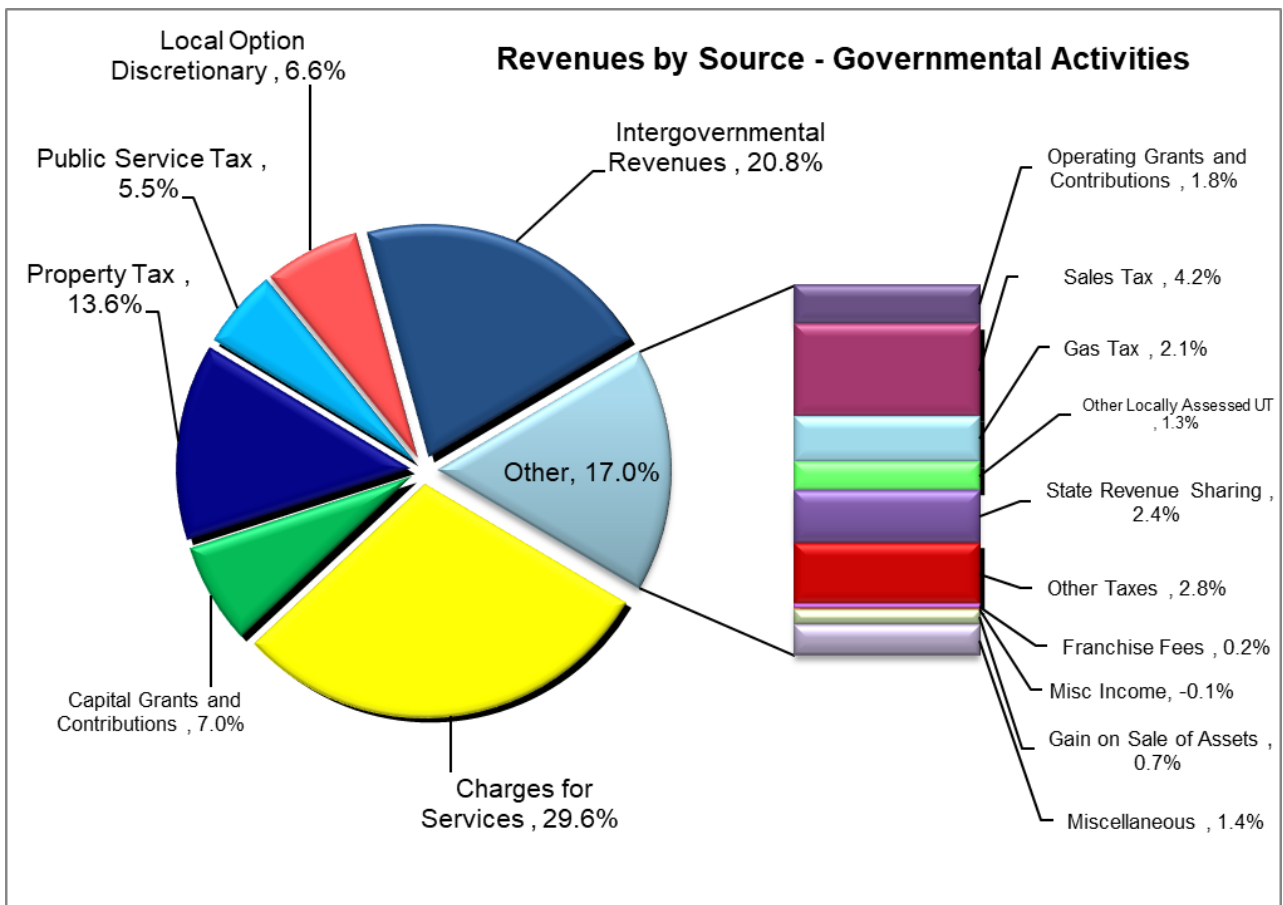
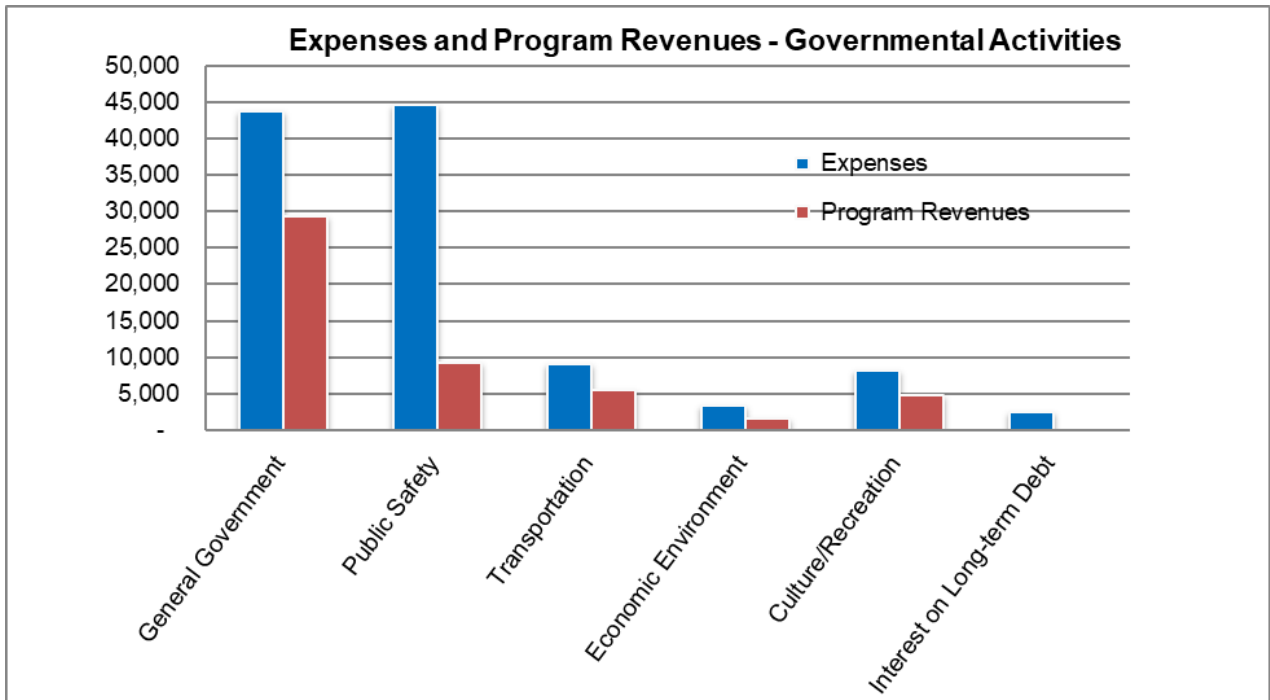
The following tables and graphs show the results of governmental activities for fiscal year ended 2021.

Expenses and Program Revenues – Governmental Activities
(In Thousands)

	Expenses				Net Cost of Services		
	2021	% of Total	2020	% Change	2021	2020	% Change
Functions/Programs							
General Government	\$ 46,066	41 %	\$ 48,354	(5) %	\$ (16,811)	\$ (20,625)	(18) %
Public Safety	44,709	40 %	45,599	(2) %	(35,506)	(34,805)	2 %
Transportation	9,079	8 %	8,049	13 %	(3,660)	(4,240)	(14) %
Economic Environment	1,468	1 %	997	47 %	137	(560)	(124) %
Culture/Recreation	8,183	7 %	8,110	1 %	(3,576)	(7,090)	(50) %
Interest on Long-term Debt	2,495	2 %	2,644	(6) %	(2,495)	(2,644)	(6) %
	<u>\$ 112,000</u>	<u>100 %</u>	<u>\$ 113,753</u>		<u>\$ (61,911)</u>	<u>\$ (69,964)</u>	

Revenue by Source – Governmental Activities
(In Thousands)

Description	2021	% of Total	2020	% Change
Program Revenues				
Charges for services	\$ 38,564	28 %	\$ 36,738	5 %
Operating grants and contributions	2,400	2 %	1,236	94 %
Capital grants and contributions	9,125	7 %	5,815	57 %
General Revenues				
Property tax	17,739	14 %	16,382	8 %
Sales tax	5,460	4 %	4,567	20 %
Public service tax	7,233	6 %	7,141	1 %
Gas tax	2,767	2 %	2,525	10 %
Local option discretionary tax	8,555	7 %	7,048	21 %
Other locally assessed utility tax	1,727	1 %	1,664	4 %
Other taxes	3,629	3 %	2,397	51 %
State revenue sharing	3,178	2 %	2,654	20 %
Unrestricted intergovernmental revenues	27,090	21 %	25,641	6 %
Franchise fees	197	0 %	177	11 %
Investment income (loss)	(71)	- %	1,816	(104) %
Gain on sale of capital assets	942	1 %	2,062	(54) %
Miscellaneous	1,916	1 %	1,708	12 %
Transfers	558	- %	612	(9) %
	<u>\$ 131,009</u>	<u>100 %</u>	<u>\$ 120,183</u>	



CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(In Thousands)

Business-type activities

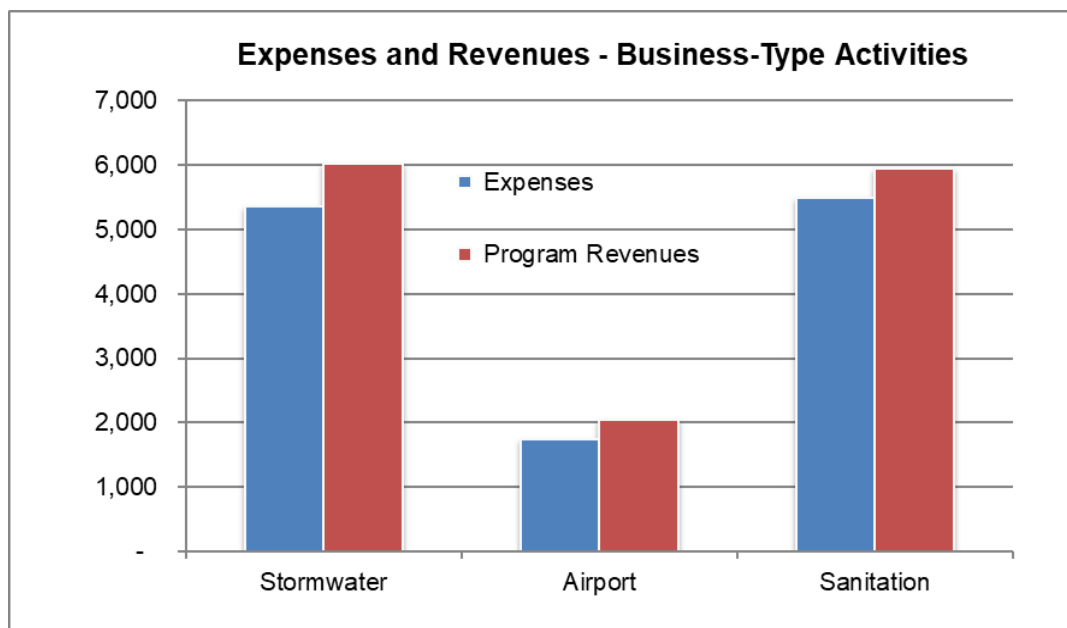
Business-type activities increased the City's net position by \$900, a minimal increase from the prior year. The Stormwater, Airport, and Sanitation expenses remained relatively unchanged from the prior year from operating strategies to provide cost effective services to users during the year. Additional 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		
	2021	2020	% Change	2021	2020	% Change
Stormwater	\$ 5,363	\$ 4,885	10 %	\$ 660	\$ 1,365	(52) %
Airport	1,751	1,640	7 %	303	(539)	(156) %
Sanitation	5,489	5,335	3 %	449	509	(12) %
	<u>\$ 12,603</u>	<u>\$ 11,860</u>		<u>\$ 1,412</u>	<u>\$ 1,335</u>	

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

	2021	% of Total	2020	% Change
Charges for services	\$ 12,754	91 %	\$ 12,458	2 %
Operating grants and contributions	254	2 %	157	100 %
Capital grants and contributions	1,007	7 %	580	74 %
Investment income	5	- %	105	(95) %
Miscellaneous	4	- %	7	(43) %
Gain on sale of capital assets	37	0 %	6	517 %
	<u>\$ 14,061</u>	<u>100 %</u>	<u>\$ 13,313</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 2021, the City's governmental funds reported combined ending fund balances of \$77,703, an increase of \$11,408 in comparison with the prior year. This increase was largely the result of COVID-19 relief funds that reimbursed the City for some public safety and general government operating costs. 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 2021 was \$38,535 compared to \$32,799 for fiscal year 2020, an increase of \$5,736 for all governmental funds. The main cause of this increase was effective budgeting for services provided primarily from general revenue sources along with receipt of COVID-19 pandemic relief.

The City has five major governmental funds - the General Fund, State Grants, CRA Downtown, CRA Vine Street and 2016 Revenue Note Debt Service 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 2021, the spendable unrestricted fund balance (assigned for budgetary carryforward \$3,448 and unassigned fund balance \$35,067) of the General Fund totaled \$38,515 compared to \$34,200 in fiscal year 2020, an increase of \$4,315. As a measure of the General Fund's liquidity, it may be useful to compare the spendable unrestricted fund balance of \$38,515 to the total fund's expenditures of \$72,538. This represents 53.1% of total expenditures compared to 48.4% in the prior fiscal year. Thus, the City was able to maintain its liquidity available to meet upcoming expenditures. The fund balance in the General Fund increased by \$5,904 during the current fiscal year. The General Fund overall maintained the same level of spending as the prior year. Taxes increased by \$1,463 mainly from property taxes as property values continue to increase each year. Although expenditures increased from the prior year by \$1,086, this was offset by increased intergovernmental revenues of \$2,530 in line with that increase.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(In Thousands)

State Grants

The State Grants total fund balance was by \$2,284. Current year grant revenues were \$2,500 greater than expenditures for reimbursement of prior year capital improvement projects. As this fund is used to track grant-related project expenditures, timing of reimbursement requests will affect fund balance each year.

The CRA Downtown

The CRA Downtown total fund balance increased by \$716 from the prior year. There were no significant changes in revenues and expenditures from the prior year. The fund balance of \$2,978 is restricted for economic development.

The CRA Vine Street

The CRA Vine Street total fund balance increased by \$836 from the prior year. There were no significant changes in revenues and expenditures from the prior year. The fund balance of \$1,992 is restricted for economic development.

2016 Revenue Note Debt Service

The 2016 Revenue Note Debt Service fund is used to account for debt service on the 2016 Revenue Note. Current year transfers in covered the cost of debt service expenditures of \$2,965. Debt service expenditures were the same as the prior year. The fund had an ending fund balance of \$17 from bond refunding transactions and transfers for current debt service payments that is assigned for future debt service.

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 \$479, in the Airport Fund decreased by \$1,487, and in the Sanitation Fund decreased by \$420 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 \$407. The minimal increase of \$407 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 \$345. The Airport benefited from capital contributions for current improvements of \$1,007; however, operating expenses increased by \$111 for personnel and contracted costs.

Sanitation Fund

The Sanitation Fund had an increase in net position of \$148 from the prior year. Operating revenues were greater than operating expenses by \$597 in the current year, confirming that the City's rates are sufficient to cover operational costs of the solid waste system.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(In Thousands)

General Fund Budgetary Highlights

The General Fund's original budget was amended to increase expenditures by \$2,211 (not including transfers out). The changes for expenditures within functions are summarized in the table below. Adjustments were made for additional grant-funded expenditures, COVID-19 related expenditures, and personnel changes during the course of the year.

	Original Budget	Final Budget	Change
General Government	\$ 16,751	\$ 18,488	\$ 1,737
Public Safety	44,495	45,633	1,138
Transportation	5,638	6,018	380
Culture/Recreation	8,114	8,521	407
Non-departmental	28,509	27,058	(1,451)
	<u>\$ 103,507</u>	<u>\$ 105,718</u>	<u>\$ 2,211</u>

The General Fund under-spent the final budget by \$35,097 during fiscal year 2021. All departments spent less than their final budget (from reduced personnel costs and delayed capital purchases) during the year while trying to provide the same levels of service to the City's citizens. The largest reduction resulted as the non-departmental budget included reserves for 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	\$ 15,066	\$ 18,488	\$ 3,422
Public Safety	43,004	45,633	2,629
Transportation	5,275	6,018	743
Culture/Recreation	6,814	8,521	1,707
Non-departmental	2,379	27,058	24,679
Transfers Out	2,945	4,862	1,917
	<u>\$ 75,483</u>	<u>\$ 110,580</u>	<u>\$ 35,097</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, 2021 amounts to \$315,681 (net of accumulated depreciation). These capital assets include land, software, parking capacity, buildings, improvements other than buildings (including leasehold improvements), equipment, vehicles, infrastructure, and construction in progress. The total increase in the City's capital assets for the current fiscal year was \$6,486. Governmental activities increased capital assets by \$4,090 and business-type activities increased by \$2,396.

Within governmental activities, the largest increases from the beginning balances were in improvements for \$3,097, construction in progress for \$3,392 and equipment for \$4,048. These were primarily attributed to the Lakefront Park improvements project, Shingle Creek Regional Trail, and other major transportation projects. Additionally, depreciation expense remained in line with the prior year.

The capital assets of business-type activities increased for equipment for \$1,278. Depreciation expense remained consistent with the prior year.

CITY OF KISSIMMEE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021
(In Thousands)

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

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 45,857	\$ 44,082	\$ 1,892	\$ 1,892	\$ 47,749	\$ 45,974
Intangibles	17,846	17,743	329	329	18,175	18,072
Buildings	18,525	18,525	13,666	12,076	32,191	30,601
Improvements Other than Buildings	204,878	201,781	47,147	46,283	252,025	248,064
Equipment	39,785	35,737	13,050	11,772	52,835	47,509
Construction in Progress	47,637	44,245	3,748	3,155	51,385	47,400
	<u>374,528</u>	<u>362,113</u>	<u>79,832</u>	<u>75,507</u>	<u>454,360</u>	<u>437,620</u>
Less: Accumulated Depreciation	(110,535)	(102,210)	(28,144)	(26,215)	(138,679)	(128,425)
Capital Assets, net	<u>\$ 263,993</u>	<u>\$ 259,903</u>	<u>\$ 51,688</u>	<u>\$ 49,292</u>	<u>\$ 315,681</u>	<u>\$ 309,195</u>

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

Long-term Debt

At the end of fiscal year 2021, governmental activities had total debt outstanding of \$79,743. This is a decrease of \$1,226 from the prior year, due to scheduled debt service payments and amortization of premium offset by issuance of capital leases of \$3,904 for public safety equipment. Notes from direct borrowings and direct placements and revenue bonds account for the majority of the City's overall outstanding debt.

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

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Notes from Direct						
Borrowings and Placements	\$ 35,985	\$ 38,975	\$ -	\$ -	\$ 35,985	\$ 38,975
Revenue Bonds	40,389	41,902	-	-	40,389	41,902
Capital Lease Payable	3,369	92	-	-	3,369	92
	<u>\$ 79,743</u>	<u>\$ 80,969</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,743</u>	<u>\$ 80,969</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, 2021 was 4.5%, which is a decrease of 2.4% from the 6.9% unemployment rate from the prior year, primarily due to lifting of local COVID-19 lockdowns.
- Population increased by 3,582 to 79,226 compared to 75,644 in the prior fiscal year.
- The ad valorem tax rate for the General Fund stayed constant at 4.6253 for the 2022 approved fiscal year budget.

Requests for Information

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

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CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION
September 30, 2021
(In Thousands)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 48,147	\$ 7,040	\$ 55,187
Restricted Cash and Investments	40,052	-	40,052
Receivables (net)	2,694	1,200	3,894
Due from Other Governments	9,641	800	10,441
Due from KUA	2,267	-	2,267
Internal balances	1,590	(1,590)	-
Due from TWA	1,789	10	1,799
Inventories	170	-	170
Prepaid Items	224	-	224
Capital Assets:			
Capital Assets not Being Depreciated	93,494	5,640	99,134
Capital Assets Being Amortized (Net)	1,790	218	2,008
Capital Assets Being Depreciated (Net)	168,709	45,830	214,539
Total Capital Assets	<u>263,993</u>	<u>51,688</u>	<u>315,681</u>
Total Assets	<u>370,567</u>	<u>59,148</u>	<u>429,715</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to OPEB	1,147	88	1,235
Deferred Outflows Related to Pensions	10,660	406	11,066
Total Deferred Outflows of Resources	<u>11,807</u>	<u>494</u>	<u>12,301</u>
LIABILITIES			
Accounts Payable	2,326	1,466	3,792
Contracts Payable	77	87	164
Accrued Liabilities	5,470	22	5,492
Due to Other Governments	1,192	-	1,192
Unearned Revenue	9,199	36	9,235
Deposits	10	-	10
Long-term Liabilities:			
Due Within One Year	8,307	42	8,349
Due in More Than One Year	106,415	1,762	108,177
Total Liabilities	<u>132,996</u>	<u>3,415</u>	<u>136,411</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to OPEB	1,996	165	2,161
Deferred Inflows Related to Pensions	20,491	1,616	22,107
Total Deferred Inflows of Resources	<u>22,487</u>	<u>1,781</u>	<u>24,268</u>
NET POSITION			
Net Investment in Capital Assets	184,731	51,601	236,332
Restricted:			
Supplementary Care - Nonexpendable	1,135	-	1,135
Construction Projects	20,228	-	20,228
Public Safety	556	-	556
Charter School	2,913	-	2,913
Building Safety	4,714	-	4,714
Community Redevelopment	4,970	-	4,970
Other Purposes	5,536	-	5,536
Unrestricted	2,108	2,845	4,953
Total Net Position	<u>\$ 226,891</u>	<u>\$ 54,446</u>	<u>\$ 281,337</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, 2021
(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	\$ 46,066	\$ 28,541	\$ 714	\$ -	\$ (16,811)	\$ -	\$ (16,811)
Public Safety	44,709	8,776	427	-	(35,506)	-	(35,506)
Transportation	9,079	358	-	5,061	(3,660)	-	(3,660)
Economic Environment	1,468	-	1,254	351	137	-	137
Culture/Recreation	8,183	889	5	3,713	(3,576)	-	(3,576)
Interest on Long-term Debt	2,495	-	-	-	(2,495)	-	(2,495)
Total Governmental Activities	112,000	38,564	2,400	9,125	(61,911)	-	(61,911)
Business-Type Activities:							
Stormwater	5,363	5,860	163	-	-	660	660
Airport	1,751	956	91	1,007	-	303	303
Sanitation	5,489	5,938	-	-	-	449	449
Total Business-Type Activities	12,603	12,754	254	1,007	-	1,412	1,412
Total	\$ 124,603	\$ 51,318	\$ 2,654	\$ 10,132	(61,911)	1,412	(60,499)
General revenues:							
Property Tax					17,739	-	17,739
Sales Tax					5,460	-	5,460
Public Service Tax					7,233	-	7,233
Gas Tax					2,767	-	2,767
Other Locally Assessed Utility Tax					1,727	-	1,727
Other Taxes					3,629	-	3,629
Local Option Discretionary Tax					8,555	-	8,555
State Revenue Sharing					3,178	-	3,178
Unrestricted Intergovernmental Revenues					27,090	-	27,090
Franchise Fees					197	-	197
Investment Income					(71)	5	(66)
Gain on Sale of Capital Assets					942	37	979
Miscellaneous					1,916	4	1,920
Transfers					558	(558)	-
Total General Revenues and Transfers					80,920	(512)	80,408
Change in Net Position					19,009	900	19,909
Net Position - Beginning					207,882	53,546	261,428
Net Position - Ending					\$ 226,891	\$ 54,446	\$ 281,337

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

CITY OF KISSIMMEE, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2021
(In Thousands)

	General	State Grants	Community Redevelopment Agency Downtown
ASSETS			
Cash and Cash Equivalents	\$ 40,331	\$ -	\$ 3,134
Restricted Cash and Investments	150	-	-
Accounts Receivable (net)	2,654	-	-
Special Assessments Receivable (net)	24	-	-
Due from KUA	2,242	-	-
Due from TWA	718	-	-
Due from Other Funds	2,680	-	-
Due from Other Governments	2,617	4,435	-
Prepaid Items	224	-	-
Inventories	93	-	-
Total Assets	\$ 51,733	\$ 4,435	\$ 3,134
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 1,252	\$ 65	\$ 108
Contracts Payable	-	-	48
Accrued Liabilities	-	-	-
Due to Other Funds	-	1,173	-
Due to Other Governments	1,192	-	-
Deposits Payable	10	-	-
Advanced Grants	9,035	-	-
Total Liabilities	11,489	1,238	156
Deferred Inflows of Resources:			
Unavailable Earned Revenues	852	913	-
Total Deferred Inflows of Resources	852	913	-
Fund Balances (Deficits):			
Nonspendable Prepaids and Inventories	317	-	-
Nonspendable Supplementary Care	-	-	-
Restricted for Transportation Projects	-	-	-
Restricted for Public Safety Projects	543	-	-
Restricted for Development Services	-	-	-
Restricted for Economic Development	-	-	2,978
Restricted for Recreation Projects	-	-	-
Restricted for Charter School	-	-	-
Restricted for Construction Projects	-	-	-
Restricted for Other Capital Improvements	17	2,284	-
Assigned for Budgetary Carryforward	3,448	-	-
Assigned for Debt Service	-	-	-
Unassigned (Deficits)			
General Fund	35,067	-	-
Special Revenue Funds	-	-	-
Total Fund Balances (Deficits)	39,392	2,284	2,978
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ 51,733	\$ 4,435	\$ 3,134

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

Community Redevelopment Agency Vine Street	2016 Revenue Note Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,011	\$ 2,162	\$ 29,366	\$ 77,004
-	-	3,507	3,657
-	-	-	2,654
-	-	-	24
-	-	-	2,242
-	-	3	721
-	-	460	3,140
-	-	2,299	9,351
-	-	-	224
-	-	-	93
<u>\$ 2,011</u>	<u>\$ 2,162</u>	<u>\$ 35,635</u>	<u>\$ 99,110</u>

\$ 19	\$ -	\$ 485	\$ 1,929
-	-	29	77
-	2,145	3,325	5,470
-	-	377	1,550
-	-	-	1,192
-	-	-	10
-	-	164	9,199
<u>19</u>	<u>2,145</u>	<u>4,380</u>	<u>19,427</u>

-	-	215	1,980
-	-	215	1,980

-	-	-	317
-	-	1,135	1,135
-	-	10,989	10,989
-	-	8	551
-	-	4,714	4,714
1,992	-	226	5,196
-	-	1,795	1,795
-	-	2,913	2,913
-	-	2,387	2,387
-	-	6,870	9,171
-	-	-	3,448
-	17	59	76
-	-	-	35,067
-	-	(56)	(56)
<u>1,992</u>	<u>17</u>	<u>31,040</u>	<u>77,703</u>
<u>\$ 2,011</u>	<u>\$ 2,162</u>	<u>\$ 35,635</u>	<u>\$ 99,110</u>

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CITY OF KISSIMMEE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
as of September 30, 2021
(In Thousands)

Total fund balances of governmental funds	\$	77,703
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 \$366,736, the accumulated depreciation is \$89,121, and the accumulated amortization is \$16,058. The difference does not include the net capital assets of the internal service funds which are included below.		261,557
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.		4,393
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	\$ (36,356)	
Bonds premium	(4,033)	
Notes from direct borrowing and direct placements	(35,985)	
Capital leases	(3,369)	
Other postemployment benefits liability	(6,120)	
Compensated absences	(2,455)	(88,318)
<hr/>		
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(20,589)
Deferred inflows and outflows of resources related to pensions and OPEB are not recognized in the governmental funds; however, they are recorded in the statement of net position.		
Deferred outflows of resources related to OPEB	1,076	
Deferred outflows of resources related to pensions	10,409	
Deferred inflows of resources related to OPEB	(1,873)	
Deferred inflows of resources related to pensions	(19,447)	(9,835)
<hr/>		
Amount for earned but unavailable revenues recognized as revenue of the current period		1,980
Total net position of governmental activities	\$	226,891
<i>The notes to the financial statements are an integral part of the financial statements.</i>		

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021
(In Thousands)

	<u>General</u>	<u>State Grants</u>	<u>Community Redevelopment Agency Downtown</u>
REVENUES			
Taxes	\$ 25,257	\$ -	\$ -
Permits, Fees and Special Assessments	200	-	-
Intergovernmental Revenues	38,827	5,044	1,316
Charges for Services	9,849	-	-
Fines and Forfeitures	326	-	-
Investment Income (Loss)	134	-	(1)
Miscellaneous Revenues	1,074	-	97
Total Revenues	<u>75,667</u>	<u>5,044</u>	<u>1,412</u>
EXPENDITURES			
Current:			
General Government	16,999	-	791
Public Safety	43,004	-	-
Transportation	5,275	2,506	-
Economic Environment	-	-	-
Culture/Recreation	6,814	38	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	410	-	-
Interest and Fiscal Charges	-	-	-
Professional Fees	36	-	-
Total Expenditures	<u>72,538</u>	<u>2,544</u>	<u>791</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,129</u>	<u>2,500</u>	<u>621</u>
OTHER FINANCING SOURCES and (USES)			
Transfers In	1,519	63	909
Transfers (Out)	(2,945)	(50)	(814)
Issuance of Notes Payable/Refunded Notes Payable	-	-	-
Payment to Refunded Notes Escrow Agent	-	-	-
Proceeds from Sale of Capital Assets	1,108	-	-
Issuance of Capital Lease	1,584	-	-
Total Other Financing Sources and (Uses)	<u>1,266</u>	<u>13</u>	<u>95</u>
Net Change in Fund Balances	4,395	2,513	716
Fund Balances (Deficits) - Beginning	34,997	(229)	2,262
Fund Balances (Deficits) - Ending	<u>\$ 39,392</u>	<u>\$ 2,284</u>	<u>\$ 2,978</u>

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

Community Redevelopment Agency Vine Street	2016 Revenue Note Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 11,322	\$ 36,579
-	-	1,827	2,027
508	-	11,623	57,318
-	-	778	10,627
-	-	-	326
6	-	(192)	(53)
-	-	402	1,573
<u>514</u>	<u>-</u>	<u>25,760</u>	<u>108,397</u>
154	-	6,396	24,340
-	-	6,925	49,929
-	-	3,908	11,689
-	-	1,468	1,468
-	-	584	7,436
-	-	43	43
-	1,325	3,234	4,969
-	1,640	980	2,620
-	-	-	36
<u>154</u>	<u>2,965</u>	<u>23,538</u>	<u>102,530</u>
360	(2,965)	2,222	5,867
476	2,965	5,069	11,001
-	-	(6,663)	(10,472)
-	-	16,350	16,350
-	-	(16,350)	(16,350)
-	-	-	1,108
-	-	2,320	3,904
<u>476</u>	<u>2,965</u>	<u>726</u>	<u>5,541</u>
836	-	2,948	11,408
1,156	17	28,092	66,295
<u>\$ 1,992</u>	<u>\$ 17</u>	<u>\$ 31,040</u>	<u>\$ 77,703</u>

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, 2021
(In Thousands)

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

Net change in fund balances - total governmental funds \$ 11,408

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 (\$13,909) and donations (\$0) exceeds depreciation (\$8,413, which excludes the amount related to internal service funds accounted for below) and amortization (\$1,259). 4,237

The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:

Debt issued or incurred:			
Proceeds from notes	\$	(16,350)	
Proceeds from capital leases		(3,904)	
Principal repayments:			
Bonds		1,352	
Amortization of bond premium		161	
Notes from direct borrowings and direct placements		19,340	
Capital leases		627	1,226

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		(58)	
		-	(58)

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, 2021
(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.	\$ 2,917
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.	(1,081)
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.	(166)
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.	526
Change in net position of governmental activities	\$ 19,009

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

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2021
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Stormwater	Airport	Sanitation	Total	Activities - Internal Service Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 4,263	\$ 320	\$ 2,457	\$ 7,040	\$ 7,538
Accounts Receivable (net)	401	254	545	1,200	16
Due from Other Governments	336	464	-	800	290
Due from KUA	-	-	-	-	25
Due from TWA	-	-	10	10	1,068
Inventories	-	-	-	-	77
Total Current Assets	5,000	1,038	3,012	9,050	9,014
Capital Assets:					
Land	1,583	309	-	1,892	-
Buildings	509	12,750	407	13,666	289
Improvements Other Than Buildings	30,242	16,700	205	47,147	4,477
Software, Net	37	181	-	218	2
Machinery, Equipment and Vehicles	6,584	809	5,657	13,050	3,024
Construction in Progress	469	3,279	-	3,748	-
Less: Accumulated Depreciation	(12,097)	(12,143)	(3,793)	(28,033)	(5,356)
Total Capital Assets	27,327	21,885	2,476	51,688	2,436
Total Noncurrent Assets	27,327	21,885	2,476	51,688	2,436
Total Assets	32,327	22,923	5,488	60,738	11,450
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows Related to OPEB	41	11	36	88	71
Deferred Outflows Related to Pensions	192	41	173	406	251
Total Deferred Outflows of Resources	233	52	209	494	322

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2021
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Sanitation	Total	
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 246	\$ 209	\$ 1,011	\$ 1,466	\$ 397
Contracts Payable	-	87	-	87	-
Accrued Liabilities	-	22	-	22	-
Due to Other Funds	-	1,590	-	1,590	-
Deposits	-	26	10	36	-
Compensated Absences Payable	23	6	13	42	41
Estimated Claims Payable	-	-	-	-	2,375
Total Current Liabilities	269	1,940	1,034	3,243	2,813
Noncurrent Liabilities:					
Compensated Absences Payable	91	23	52	166	166
Other Postemployment Benefits	340	79	291	710	414
Net Pension Liability	446	42	398	886	442
Estimated Claims Payable	-	-	-	-	2,377
Total Noncurrent Liabilities	877	144	741	1,762	3,399
Total Liabilities	1,146	2,084	1,775	5,005	6,212
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Related to OPEB	78	23	64	165	123
Deferred Inflows Related to Pensions	742	213	661	1,616	1,044
Total Deferred Inflows of Resources	820	236	725	1,781	1,167
NET POSITION					
Net Investment in Capital Assets	27,327	21,798	2,476	51,601	2,436
Unrestricted	3,267	(1,143)	721	2,845	1,957
Total Net Position	\$ 30,594	\$ 20,655	\$ 3,197	\$ 54,446	\$ 4,393

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, 2021
(In Thousands)

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Funds
	<u>Stormwater</u>	<u>Airport</u>	<u>Sanitation</u>	<u>Total</u>	
Operating Revenues:					
Charges for Services	\$ 5,860	\$ 956	\$ 5,938	\$ 12,754	\$ 21,770
Miscellaneous Revenues	1	-	3	4	232
Total Operating Revenues	<u>5,861</u>	<u>956</u>	<u>5,941</u>	<u>12,758</u>	<u>22,002</u>
Operating Expenses:					
Personal Services	2,313	652	1,978	4,943	3,197
Contracted Services	772	28	1,604	2,404	2,436
Supplies and Materials	211	18	288	517	154
Repairs and Maintenance	347	123	391	861	2,794
Other Services and Charges	238	155	368	761	1,977
Depreciation	1,405	759	634	2,798	677
Claims/Premium Expense	77	16	81	174	10,456
Total Operating Expenses	<u>5,363</u>	<u>1,751</u>	<u>5,344</u>	<u>12,458</u>	<u>21,691</u>
Operating Income (Loss)	<u>498</u>	<u>(795)</u>	<u>597</u>	<u>300</u>	<u>311</u>
Nonoperating Revenues (Expenses):					
Operating Grants	163	91	-	254	-
Investment Income	18	(6)	(7)	5	(18)
Insurance Recoveries	-	-	-	-	209
Gain or (Loss) from Sale of Capital Assets	22	15	(145)	(108)	(5)
Total Nonoperating Revenues (Expenses)	<u>203</u>	<u>100</u>	<u>(152)</u>	<u>151</u>	<u>186</u>
Income (Loss) Before Contributions and Transfers	<u>701</u>	<u>(695)</u>	<u>445</u>	<u>451</u>	<u>497</u>
Capital Contributions	-	1,007	-	1,007	-
Transfers In	-	35	-	35	29
Transfers (Out)	(294)	(2)	(297)	(593)	-
Change in Net Position	<u>407</u>	<u>345</u>	<u>148</u>	<u>900</u>	<u>526</u>
Net Position - Beginning	<u>30,187</u>	<u>20,310</u>	<u>3,049</u>	<u>53,546</u>	<u>3,867</u>
Net Position - Ending	<u>\$ 30,594</u>	<u>\$ 20,655</u>	<u>\$ 3,197</u>	<u>\$ 54,446</u>	<u>\$ 4,393</u>

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, 2021
(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	\$ 7,990	\$ 805	\$ 5,952	\$ 14,747	\$ 21,376
Payments to Suppliers	(1,608)	(193)	(2,332)	(4,133)	(17,608)
Payments to Employees	(2,445)	(681)	(2,100)	(5,226)	(3,368)
Net Cash Provided (Used) by Operating Activities	3,937	(69)	1,520	5,388	400
Cash Flows from Noncapital Financing Activities					
Grants	163	91	-	254	-
Transfers (to) Other Funds	(294)	(2)	(297)	(593)	-
Transfers from Other Funds	-	1,625	-	1,625	29
Net Cash Provided (Used) by Noncapital Financing Activities	(131)	1,714	(297)	1,286	29
Cash Flows from Capital and Related Financing Activities					
Acquisition/Construction of Capital Assets	(1,212)	(2,623)	(1,344)	(5,179)	(703)
Capital Contributions	-	581	-	581	-
Proceeds from Insurance Recoveries	-	-	-	-	209
Proceeds from Sale of Capital Assets	24	15	-	39	2
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,188)	(2,027)	(1,344)	(4,559)	(492)
Cash Flows from Investing Activities					
Investment Income	18	(6)	(7)	5	(18)
Net Cash Provided (Used) by Investing Activities	18	(6)	(7)	5	(18)
Net Increase (Decrease) in Cash and Cash Equivalents	2,636	(388)	(128)	2,120	(81)
Cash and Cash Equivalents at Beginning of Year	1,627	708	2,585	4,920	7,619
Cash and Cash Equivalents at End of Year	\$ 4,263	\$ 320	\$ 2,457	\$ 7,040	\$ 7,538

Continued

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For The Year Ended September 30, 2021
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	Airport	Sanitation	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	\$ 498	\$ (795)	\$ 597	\$ 300	\$ 311
Depreciation	1,405	759	634	2,798	677
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	19	(148)	10	(119)	(15)
(Increase) Decrease in Due from Other Governments	-	-	-	-	(98)
(Increase) Decrease in Due from KUA	2,110	-	(10)	2,100	(25)
(Increase) Decrease in Due from TWA	-	-	1	1	(487)
(Increase) Decrease in Inventories	-	-	-	-	64
(Increase) Decrease in Deferred Outflows OPEB	(8)	(3)	(8)	(19)	(14)
(Increase) Decrease in Deferred Outflows Pensions	25	7	22	54	35
Increase (Decrease) in Accounts Payable	37	147	400	584	(98)
Increase (Decrease) in Customer Deposits	-	(3)	10	7	-
Increase (Decrease) in Accrued Liabilities	-	10	-	10	-
Increase (Decrease) in OPEB	(24)	(8)	(20)	(52)	(37)
Increase (Decrease) in Compensated Absences	-	-	(4)	(4)	17
Increase (Decrease) in Claims Payable	-	-	-	-	242
Increase (Decrease) in Net Pension Liability	(897)	(260)	(789)	(1,946)	(1,267)
Increase (Decrease) in Deferred Inflows OPEB	43	14	36	93	66
Increase (Decrease) in Deferred Inflows Pensions	729	211	641	1,581	1,029
Total Adjustments	3,439	726	923	5,088	89
Net Cash Provided (Used) by Operating Activities	\$ 3,937	\$ (69)	\$ 1,520	\$ 5,388	\$ 400

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, 2021
(In Thousands)

ASSETS

Cash and Cash Equivalents	\$	10,209
Receivables:		
Interest Receivable		155
Total Receivables		155
Investments, at Fair Value:		
Fixed Income		62,319
Equities		149,767
Mutual Funds		49,235
Commingled Funds		15,860
Total Investments		277,181
Total Assets		287,545

Net Position Restricted for Pension Benefits	\$	287,545
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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, 2021
(In Thousands)

ADDITIONS

Contributions:	
Employer	\$ 7,154
Plan Members	1,504
State	1,403
Total Contributions	10,061
Investment earnings:	
Net increase (decrease) in fair value of investments	44,945
Interest and dividends	6,412
Total Investment Earnings	51,357
Less Investment Expense ¹	973
Net Investment Earnings	50,384
Other	1,517
Total Additions	61,962

DEDUCTIONS

Benefits	16,844
Administrative Expense	148
Total Deductions	16,992

Change in Net Position	44,970
Net Position - Beginning of Year	242,575
Net Position - End of Year	\$ 287,545

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

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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

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CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

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

The accompanying financial statements present the City and its component 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 *State Grants* fund is a special revenue fund used to account for the revenues and expenditures related to the City's grants from State agencies for various programs and projects.
- The *Community Redevelopment Agency Downtown Fund* is a special revenue fund used to account for operations of the Downtown Community Redevelopment Agency (Downtown CRA). Costs will ultimately be funded with restricted incremental tax increases of property located within the Downtown CRA.
- The *Community Redevelopment Agency Vine Street Fund* is a special revenue fund used to account for operations of the Vine St. Community Redevelopment Agency (Vine St CRA). Costs will ultimately be funded with restricted incremental tax increases of property located within the Vine St CRA.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

- The *2016 Revenue Note Debt Service* fund is a debt service fund used to account for the proceeds and refunding payments from the 2016 Refunding Revenue Note.

The City reports the following major enterprise funds:

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

Additionally, the City reports the following fund types:

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

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

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

D. Budgetary Requirements

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

- 1) The City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. Work sessions are held to review the proposed budget.
- 2) Public hearings are held to obtain taxpayer comments.
- 3) Prior to October 1, the City Commission conducts the final budget hearing to consider additional public comments and to adopt the final ad valorem millage and final budget.
- 4) Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the general fund, certain special revenue funds, certain debt service funds, and certain capital projects funds. Budgets are not adopted for the Pension Trust Funds, Police and Firefighters Premium Tax Fund, Section 8 HAPP Fund, Supplementary Care, 2021 Line of Credit debt service, 2010C Capital Project, Lakefront Sales Tax 2009A Capital Project and 2021 Line of Credit capital project funds.
- 5) Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 6) The City Manager is authorized to approve transfers between line items other than salary accounts within any department, with all such adjustments reported on a monthly basis to the City Commission. However, the City Manager can approve transfers of unused amounts in salary account line items to advertising, recruiting and/or professional service account line items. Transfers between departments, other transfers between salary account line items and changes in total budget appropriations for a fund must have prior approval of the City Commission. During the current fiscal year, various appropriations were approved in accordance with this policy. Budgeted amounts shown in the financial statements are as originally adopted and as further amended.
- 7) Budget appropriations lapse at year-end. Encumbrances outstanding at year-end are charged against the ensuing year's budget, and thus are not shown in budget to actual presentations and are carried forward.

E. Cash and Cash Equivalents

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

F. Investments

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

G. Receivables

Property Taxes Receivable

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City's millage for the fiscal year 2020-2021 is 4.6253 mills. All real and tangible personal property taxes are due and payable on the levy date of November 1 of each year or as soon thereafter as the assessment roll is certified by the Osceola County Property Appraiser (levy date). Osceola County mails to each property owner on the assessment roll a notice of the taxes due and the County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February.

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

Special Assessments Receivable

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

H. Inventories and 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, 2021. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

I. Restricted Assets

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

J. Capital Assets

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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
 September 30, 2021
(In Thousands)

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

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

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

K. Bond/Note Issuance Costs

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

L. Compensated Absences

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

M. Total Other Postemployment Benefits (OPEB) Liability

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

N. Unearned Revenue

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

O. Deferred Outflows/Inflows of Resources

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

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

P. Pensions/Net Pension Liability

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

Q. Contributions

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

R. Fund Balances

The City classified governmental fund balances as follows:

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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

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

S. Net Position Restricted by Enabling Legislation

In the government-wide financial statements, governmental activities report restricted net position of \$40,052, of which management has determined \$4,714 for building code enforcement is restricted by enabling legislation.

T. Tax Abatements

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

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits

Deposits consist of demand accounts (interest and non-interest bearing). All deposits with financial institutions were 100% insured by Federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida. The bank balance of demand accounts was \$18,712. The carrying amount of the demand deposits, cash with fiscal agent, and cash on hand at September 30, 2021 was \$18,793 due to timing of transactions.

Investments

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

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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

The following is a summary of the City's pooled investments at September 30, 2021. The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is also presented.

<u>Measured using the net asset value:</u>	Fair Value	Weighted Average	
		Maturity (Yrs)	Credit Rating
FLGIT Short Term Bond Fund	\$ 21,916	2.10	Fitch AAf/S1
FL FIT Enhanced Cash Pool	438	.95 *	Fitch AAf/S1
FL FIT Select Pool	32,068	94 days	Fitch AAf/S1
Total fair value investments	<u>54,422</u>		
<u>Measured at amortized cost:</u>			
Florida PRIME	22,024	49 days	S&P AAf
Total City investments	<u>\$ 76,446</u>		

<u>Investments measured at NAV</u>	Fair Value	Unfunded	
		Commitments	
FLGIT Short Term Bond Fund	\$ 21,916	\$ -	
FL FIT Enhanced Cash Pool	438	-	
FL FIT Select Pool	32,068	-	

* Weighted average life in years

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

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

The following is a summary of the City's Pension Trust Funds at September 30, 2021.

	General Employees' Pension			Police Officers' Pension		Firefighters' Pension	
	Quoted	Observ	Unobserv	Quoted	Observ	Quoted	Observ
	Prices	Input	Input	Prices	Input	Prices	Input
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 1	Level 2
Fixed Income	\$ 14,909	\$ 25,103	\$ -	\$ -	\$ 17,861	\$ -	\$ 3,569
Equities	94,020	-	-	13,446	19,717	13,748	11,134
Mutual Funds	-	9,654	-	14,904	-	17,519	-
Commingled Funds & Real Estate	-	-	7,158	4,130	7,905	-	2,404
Total Investments	<u>\$ 108,929</u>	<u>\$ 34,757</u>	<u>\$ 7,158</u>	<u>\$ 32,480</u>	<u>\$ 45,483</u>	<u>\$ 31,267</u>	<u>\$ 17,107</u>
Money Market	3,202			6,524		483	
Total Investment Fair Values	<u>\$ 154,046</u>			<u>\$ 84,487</u>		<u>\$ 48,857</u>	

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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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 4.47, Pimco Diversified Fund (PDIX) is 9.27, and Vanguard Inflation Protected (VAIPX) is 7.90. For the City’s Police Officers’ Pension investments, the weighted average maturity (in years) for Galliard Intermediate Core is 4.49, Pimco Diversified Fund (PDIX) is 9.27, and Vanguard Inflation Protected (VAIPX) is 7.90. For the City’s Firefighters’ Pension investments, the weighted average maturity (in years) for their collective portfolio is 8.62.

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

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

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

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

	<u>City</u>
Cash in Bank and On Hand	\$ 18,793
Investments	<u>76,446</u>
	<u>95,239</u>
<u>Financial Statements:</u>	
Cash and Cash Equivalents	55,187
Restricted Cash and Investments	<u>40,052</u>
	<u>\$ 95,239</u>

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NOTE 3 – RECEIVABLES

The following is a detail listing of receivables for the City's individual major funds and the aggregate of nonmajor funds at September 30, 2021. Special assessment receivables are secured by liens placed on benefited properties at the time of the original assessment.

Description	General	Stormwater	Airport	Sanitation	Nonmajor and Internal		Total
					Service Funds	Pension Funds	
Accounts	\$ 7,466	\$ 401	\$ 254	\$ 545	\$ 16	\$ -	\$ 8,682
Interest	-	-	-	-	-	155	155
Special assessments	<u>28</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28</u>
	7,494	401	254	545	16	155	8,865
Less: Allowance for uncollectibles	<u>(4,816)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,816)</u>
	<u>\$ 2,678</u>	<u>\$ 401</u>	<u>\$ 254</u>	<u>\$ 545</u>	<u>\$ 16</u>	<u>\$ 155</u>	<u>\$ 4,049</u>

NOTE 4 – INTERFUND ACCOUNTS

Individual interfund receivables, payables and transfers with a description of their purpose at September 30, 2021 are:

	<u>Due From</u>	<u>Due To</u>	<u>Purpose</u>
General Fund	\$ 2,680	\$ -	To cover negative pooled cash position of funds
State Grants	-	1,173	To cover negative pooled cash position of funds
Airport	-	1,590	Transfer for project expenditures
Nonmajor Funds:			
Special Revenue Funds	-	377	To cover negative pooled cash position of funds
Capital Projects Funds	<u>460</u>	<u>-</u>	Transfer for hanger expenditures
	<u>\$ 3,140</u>	<u>\$ 3,140</u>	
	<u>Transfer In</u>	<u>Transfers Out</u>	<u>Purpose</u>
General Fund	\$ 1,519	\$ 2,945	Transfer to cover debt service payments
State Grants	63	50	Transfer for grant project expenditures and match
CRA Downtown	909	814	Transfer to cover debt service and tax increment funds
CRA Vine Street	476	-	Transfer for tax increment funds
2016 Revenue Note Debt Service	2,965	-	Transfer to cover debt service payments
Stormwater	-	294	Transfer to General Fund for PILOT
Airport	35	2	
Sanitation	-	297	Transfer to General Fund for PILOT
Nonmajor Funds:			
Special Revenue Funds	1,152	6,663	Transfer for grant match funding and debt service
Debt Service Funds	3,917	-	Transfer to cover debt service payments
Internal Service Funds	<u>29</u>	<u>-</u>	Building and software costs
	<u>\$ 11,065</u>	<u>\$ 11,065</u>	

CITY OF KISSIMMEE, FLORIDA
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NOTE 5 – CAPITAL ASSETS

A. Changes in Capital Assets

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

Governmental Activities	Balance			Balance
	10/01/2020	Increases	Decreases	
Capital Assets, Not Being Depreciated:				
Land	\$ 44,082	\$ 1,775	\$ -	\$ 45,857
Construction In Progress	44,245	5,900	(2,508)	47,637
Total Capital Assets, Not Being Depreciated	<u>88,327</u>	<u>7,675</u>	<u>(2,508)</u>	<u>93,494</u>
Capital Assets, Being Depreciated:				
Buildings				
Charter School	1,464	-	-	1,464
Other City	17,061	-	-	17,061
Improvements other than buildings				
Charter School	183	-	-	183
Other City	201,598	3,134	(37)	204,695
Parking Capacity				
Other City	15,502	-	-	15,502
Software				
Charter School	59	-	-	59
Other City	2,182	117	(14)	2,285
Equipment				
Charter School	1,116	28	-	1,144
Other City	34,621	5,881	(1,861)	38,641
Total Capital Assets Being Depreciated	<u>273,786</u>	<u>9,160</u>	<u>(1,912)</u>	<u>281,034</u>
Less Accumulated Depreciation For:				
Buildings				
Charter School	(600)	(85)	-	(685)
Other City	(8,825)	(511)	-	(9,336)
Improvements other than buildings				
Charter School	(124)	(9)	-	(133)
Other City	(52,574)	(5,206)	9	(57,771)
Parking Capacity				
Other City	(13,503)	(1,239)	-	(14,742)
Software				
Charter School	(56)	(3)	-	(59)
Other City	(1,246)	(17)	6	(1,257)
Equipment				
Charter School	(1,007)	(38)	-	(1,045)
Other City	(24,275)	(2,907)	1,675	(25,507)
Total Accumulated Depreciation	<u>(102,210)</u>	<u>(10,015)</u>	<u>1,690</u>	<u>(110,535)</u>
Total Capital Assets, Being Depreciated, Net	<u>171,576</u>	<u>(855)</u>	<u>(222)</u>	<u>170,499</u>
Governmental Activities Capital Assets, Net	<u>\$ 259,903</u>	<u>\$ 6,820</u>	<u>\$ (2,730)</u>	<u>\$ 263,993</u>

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Business-type Activities	Balance			Balance
	10/01/2020	Increases	Decreases	9/30/2021
<u>Stormwater Fund</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,583	\$ -	\$ -	\$ 1,583
Construction In Progress	324	145	-	469
Total Capital Assets, Not Being Depreciated:	<u>1,907</u>	<u>145</u>	<u>-</u>	<u>2,052</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings	509	-	-	509
Improvements other than Buildings	30,067	175	-	30,242
Software	57	-	-	57
Equipment	6,289	928	(633)	6,584
Total Capital Assets Being Depreciated	<u>36,922</u>	<u>1,103</u>	<u>(633)</u>	<u>37,392</u>
Less Accumulated Depreciation For:				
Buildings	(386)	(20)	-	(406)
Improvements other than Buildings	(7,010)	(729)	-	(7,739)
Software	(17)	(3)	-	(20)
Equipment	(3,929)	(653)	630	(3,952)
Total Accumulated Depreciation	<u>(11,342)</u>	<u>(1,405)</u>	<u>630</u>	<u>(12,117)</u>
Total Capital Assets, Being Depreciated, Net	<u>25,580</u>	<u>(302)</u>	<u>(3)</u>	<u>25,275</u>
Stormwater Fund Capital Assets, Net	<u>\$ 27,487</u>	<u>\$ (157)</u>	<u>\$ (3)</u>	<u>\$ 27,327</u>
<u>Airport Fund</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 309	\$ -	\$ -	\$ 309
Construction In Progress	2,831	448	-	3,279
Total Capital Assets, Not Being Depreciated	<u>3,140</u>	<u>448</u>	<u>-</u>	<u>3,588</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings	11,160	1,590	-	12,750
Improvements other than Buildings	16,011	689	-	16,700
Software	272	-	-	272
Equipment	804	20	(15)	809
Total Capital Assets Being Depreciated	<u>28,247</u>	<u>2,299</u>	<u>(15)</u>	<u>30,531</u>
Less Accumulated Depreciation For:				
Buildings	(7,263)	(323)	-	(7,586)
Improvements other than Buildings	(3,470)	(402)	-	(3,872)
Software	(86)	(5)	-	(91)
Equipment	(671)	(29)	15	(685)
Total Accumulated Depreciation	<u>(11,490)</u>	<u>(759)</u>	<u>15</u>	<u>(12,234)</u>
Total Capital Assets, Being Depreciated, Net	<u>16,757</u>	<u>1,540</u>	<u>-</u>	<u>18,297</u>
Airport Fund Capital Assets, Net	<u>\$ 19,897</u>	<u>\$ 1,988</u>	<u>\$ -</u>	<u>\$ 21,885</u>

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	Balance			Balance
	10/01/2020	Increases	Decreases	9/30/2021
Sanitation Fund				
Capital Assets, Not Being Depreciated:				
Construction In Progress	\$ -	\$ -	\$ -	\$ -
Total Capital Assets, Not Being Depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Assets, Being Depreciated:				
Buildings	\$ 407	\$ -	\$ -	\$ 407
Improvements other than Buildings	205	-	-	205
Equipment	<u>4,679</u>	<u>1,347</u>	<u>(369)</u>	<u>5,657</u>
Total Capital Assets Being Depreciated	<u>5,291</u>	<u>1,347</u>	<u>(369)</u>	<u>6,269</u>
Less Accumulated Depreciation For:				
Buildings	(314)	(16)	-	(330)
Improvements other than Buildings	(89)	(28)	-	(117)
Equipment	<u>(2,980)</u>	<u>(590)</u>	<u>224</u>	<u>(3,346)</u>
Total Accumulated Depreciation	<u>(3,383)</u>	<u>(634)</u>	<u>224</u>	<u>(3,793)</u>
Total Capital Assets, Being Depreciated, Net	<u>1,908</u>	<u>713</u>	<u>(145)</u>	<u>2,476</u>
Sanitation Fund Capital Assets, Net	<u>\$ 1,908</u>	<u>\$ 713</u>	<u>\$ (145)</u>	<u>\$ 2,476</u>
Total Business-type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,892	\$ -	\$ -	\$ 1,892
Construction In Progress	<u>3,155</u>	<u>593</u>	<u>-</u>	<u>3,748</u>
Total Capital Assets, Not Being Depreciated	<u>5,047</u>	<u>593</u>	<u>-</u>	<u>5,640</u>
Capital Assets, Being Depreciated/Amortized:				
Buildings	12,076	1,590	-	13,666
Improvements other than Buildings	46,283	864	-	47,147
Software	329	-	-	329
Equipment	<u>11,772</u>	<u>2,295</u>	<u>(1,017)</u>	<u>13,050</u>
Total Capital Assets Being Depreciated	<u>70,460</u>	<u>4,749</u>	<u>(1,017)</u>	<u>74,192</u>
Less Accumulated Depreciation For:				
Buildings	(7,963)	(359)	-	(8,322)
Improvements other than Buildings	(10,569)	(1,159)	-	(11,728)
Software	(103)	(8)	-	(111)
Equipment	<u>(7,580)</u>	<u>(1,272)</u>	<u>869</u>	<u>(7,983)</u>
Total Accumulated Depreciation	<u>(26,215)</u>	<u>(2,798)</u>	<u>869</u>	<u>(28,144)</u>
Total Capital Assets, Being Depreciated, Net	<u>44,245</u>	<u>1,951</u>	<u>(148)</u>	<u>46,048</u>
Total Business-type Activities, Net	<u>\$ 49,292</u>	<u>\$ 2,544</u>	<u>\$ (148)</u>	<u>\$ 51,688</u>

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Governmental Activities:

Depreciation and Amortization Expense By Function

General Government	\$	2,493
Public Safety		2,334
Transportation		2,648
Culture/Recreation		1,863
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		<u>677</u>
Total Governmental Activities Depreciation and Amortization	\$	<u>10,015</u>

Business-type Activities:

Depreciation Expense By Function

Stormwater	\$	1,405
Airport		759
Sanitation		<u>634</u>
	\$	<u>2,798</u>

B. Net Capital Assets

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

	Governmental	Business-type	Total
	Activities	Activities	
Land	\$ 45,857	\$ 1,892	\$ 47,749
Buildings	18,525	13,666	32,191
Improvements other than Buildings	204,878	47,147	252,025
Parking Capacity	15,502	-	15,502
Software	2,344	329	2,673
Equipment	39,785	13,050	52,835
Construction in Progress	<u>47,637</u>	<u>3,748</u>	<u>51,385</u>
	374,528	79,832	454,360
Less: Accumulated Depreciation	<u>(110,535)</u>	<u>(28,144)</u>	<u>(138,679)</u>
Capital Assets, net	<u>\$ 263,993</u>	<u>\$ 51,688</u>	<u>\$ 315,681</u>

C. Construction Commitments

The following is a schedule of significant capital construction projects with remaining commitment amounts of greater than \$1 million as of September 30, 2021:

Projects	Spent-to-Date	Remaining Commitment
ROW Acquisitions for JYP @ Oak St Intersection	\$ 1,784	\$ 1,283
Mill Slough Restoration	-	1,476
Permitting Service Center	469	1,958
Berlinsky Community House	-	2,000
Hoagland Boulevard: US 192/Carroll	<u>-</u>	<u>2,500</u>
Total	<u>\$ 2,253</u>	<u>\$ 9,217</u>

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NOTE 6 – INCOME FROM LEASED PROPERTY

The City is the lessor on various leases at the Airport. Assets available for lease consist primarily of land, land improvements and buildings. As of September 30, 2021, the book value of assets in these categories is \$13,059 with accumulated depreciation of \$7,586. The following is a schedule of minimum future lease income on noncancelable operating leases:

<u>Year</u>	<u>Amount</u>
2022	\$ 637
2023	608
2024	611
2025	613
2026	620
After 2026	<u>628</u>
Total minimum lease income	<u>\$ 3,717</u>

Total income on noncancelable operating leases for the year ended September 30, 2021 was \$741.

NOTE 7 – LONG-TERM LIABILITIES

A. Schedule of Changes in Long-term Liabilities

The City's outstanding long-term liabilities includes revenue bonds payable, notes from direct borrowings and direct placements, capital leases payable, claims payable, net pension liability, other postemployment benefits, and compensated absences. The following is a schedule of changes in the City's long-term liabilities for the fiscal year ended September 30, 2021:

	Balance			Balance			Due Within	Long-term
	<u>10/01/20</u>	<u>Additions</u>	<u>Reductions</u>	<u>9/30/21</u>	<u>One Year</u>	<u>Portion</u>		
Governmental Activities:								
Notes from Direct Borrowings and								
Direct Placements	\$ 38,975	\$ 16,350	\$ (19,340)	\$ 35,985	\$ 3,100	\$	32,885	
Revenue Bonds	37,708	-	(1,352)	36,356	1,403	-	34,953	
Bond Premium	4,194	-	(161)	4,033	-	-	4,033	
subtotal Revenue Bonds	<u>41,902</u>	<u>-</u>	<u>(1,513)</u>	<u>40,389</u>	<u>1,403</u>	<u>-</u>	<u>38,986</u>	
Capital Lease Payable	92	3,904	(627)	3,369	631	-	2,738	
Claims Payable	4,510	9,300	(9,058)	4,752	2,375	-	2,377	
Net Pension Liability	38,188	474	(17,631)	21,031	-	-	21,031	
Other Postemployment Benefits	7,104	-	(570)	6,534	266	-	6,268	
Compensated Absences	<u>2,587</u>	<u>2,825</u>	<u>(2,750)</u>	<u>2,662</u>	<u>532</u>	<u>-</u>	<u>2,130</u>	
Governmental Activity								
Long-term Liabilities	<u>\$ 133,358</u>	<u>\$ 32,853</u>	<u>\$ (51,489)</u>	<u>\$ 114,722</u>	<u>\$ 8,307</u>	<u>\$</u>	<u>106,415</u>	
Business-type Activities:								
Net Pension Liability	\$ 2,832	\$ -	\$ (1,946)	\$ 886	\$ -	\$	886	
Other Postemployment Benefits	762	-	(52)	710	-	-	710	
Compensated Absences	<u>212</u>	<u>361</u>	<u>(365)</u>	<u>208</u>	<u>42</u>	<u>-</u>	<u>166</u>	
Business-type Activity								
Long-term Liabilities	<u>\$ 3,806</u>	<u>\$ 361</u>	<u>\$ (2,363)</u>	<u>\$ 1,804</u>	<u>\$ 42</u>	<u>\$</u>	<u>1,762</u>	

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

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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	
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2022	\$ 3,100	\$ 839	\$ 1,403	\$ 1,575	\$ 6,917
2023	3,210	483	1,430	1,505	6,628
2024	2,385	385	820	1,476	5,066
2025	2,475	313	855	1,443	5,086
2026	17,400	239	890	1,409	19,938
2027-2031	5,430	716	3,895	6,621	16,662
2032-2036	1,985	115	7,943	5,348	15,391
2037-2041	-	-	9,650	3,645	13,295
2042-2046	-	-	9,470	1,157	10,627
Total	\$ 35,985	\$ 3,090	\$ 36,356	\$ 24,179	\$ 99,610

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, 2021, the City has no outstanding bonds issued by the City, which were funded in previous years by the placement of assets in an irrevocable trust to be used for satisfying debt service requirements. During the fiscal year, the City refinanced the 2017 commercial paper loan with the issuance of the 2021 commercial paper loan in the amount of \$16,350 to extend the final maturity on the loan. There was no material savings/loss on the refinancing.

D. Capital Leases

The City has capital leases outstanding at year-end. The gross cost of the equipment acquired with capital lease proceeds is \$7,127 for governmental activities. The following is a summary schedule of these capital lease obligations and their net present value.

<u>Year Ending September 30</u>	<u>Governmental Activities</u>
2022	\$ 631
2023	631
2024	631
2025	631
2026	581
2027 - 2031	525
Total minimum lease payments	3,630
Less: amount representing interest	(261)
Present value of minimum lease payments	<u>\$ 3,369</u>

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E. Bonds and Notes Outstanding

The City has revenue bonds and notes outstanding at September 30, 2021. The revenue bonds and notes under governmental activities are secured by several pledged revenue sources. The following is a summary schedule of these long-term obligations of the City including purpose of issue, interest rate, debt maturity, and their impact on those present and future pledged revenue sources:

<u>Governmental Activities:</u>	<u>Revenue Pledged</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Total Pledged Revenue (1)</u>	<u>Future Pledged Revenue Over Debt Service Required (2)</u>	<u>Current Year Debt Srvc Paid</u>	<u>Current Year Total Revenue</u>
Notes from Direct Borrowings and Direct Placements:							
2010A Capital Improvement Refunding Note Maturity: 2023, Interest Rate: 2.61% Purpose: Refunding 2005 Series Note	Local option sales tax	\$ 9,500	\$ 1,785	\$ 1,870	9.9%	\$ 845	\$ 8,555
2010B Capital Improvement Revenue Note Maturity: 2025, Interest Rate: 2.79% Purpose: Road Improvements	Local option sales tax	8,000	2,790	2,988	7.5%	645	8,555
2010C Capital Improvement Revenue Note Maturity: 2030, Interest Rate: 2.69% Purpose: Road Improvements	N/A	4,000	2,340	2,671	N/A	210	N/A
2021 Commercial Paper Note Maturity: 2026, Interest Rate: 1.60% Purpose: Various	N/A	16,350	16,350	16,612	N/A	-	N/A
2011B Capital Improvement Refunding Note Maturity: 2025, Interest Rate: 2.86% Purpose: Road Improvements	Local option sales tax	9,140	2,900	3,154	8.0%	680	8,555
2014A Capital Improvement Revenue Note Maturity: 2034, Interest Rate: 2.86% Purpose: Lakefront Park and Road Improvements	Local option sales tax	9,600	7,115	8,655	4.8%	410	8,555
2015B CRA Refunding Revenue Note Maturity: 2030, Interest Rate: 2.81% Purpose: Refund 2009 CRA Note	N/A	3,820	<u>2,705</u>	N/A	N/A	200	N/A
	Total Revenue Notes		<u>35,985</u>				

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<u>Governmental Activities:</u>	<u>Revenue Pledged</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Total Pledged Revenue (1)</u>	<u>Future Pledged Revenue Over Debt Service Required (2)</u>	<u>Current Year Debt Srvc Paid</u>	<u>Current Year Total Revenue</u>
Revenue Bonds:							
2016 Capital Improvement Revenue Bonds Maturity: 2045, Interest Rate: 4.803% Purpose: Capital Improvements and Refunding	1/2 Cent Sales Tax, Public Serv & Comm Taxes	\$ 42,930	\$ 36,328	\$ 60,508	10.4%	\$ 1,325	\$ 12,692
Excise Tax Revenue Bonds, Series 1982 Maturity: 2022, Interest Rate: 5.00% Purpose: Refunding	Occupational License Tax	500	<u>28</u>	29	9.2%	25	286
	Total Revenue Bonds		<u>36,356</u>				
Total Revenue Notes and Bonds - Governmental Activities			<u>\$ 72,341</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.

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

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

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS

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

Actuarial studies were conducted on all three plans as of October 1, 2021. None of the three plans issue audited GAAP-basis stand-alone reports. All required disclosures and financial data are contained in the City's Annual Comprehensive Financial Report.

A. Description of Plans

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

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

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

B. Summary of Significant Accounting Policies

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

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

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

C. Membership and Contribution Information

Membership of each plan consisted of the following at October 1, 2020, the date of the latest actuarial valuations:

	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	333	128	75
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	117	26	27
Active Plan Members	<u>439</u>	<u>132</u>	<u>95</u>
Total	<u>889</u>	<u>286</u>	<u>197</u>

The City's contributions to the plans are actuarially determined and during fiscal year ended September 30, 2021 the City contributed \$3,311 to the General Employees Plan, \$2,548 to the Police Officers Plan, and \$2,698 to the Firefighters Plan. For the fiscal year ended September 30, 2021, 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	26 Years	26 Years
Asset Valuation Method	20% of the difference between FMV and expected actuarial value	4 yr geometric average of market value returns	5 yr smooth mkt
Actuarial Assumptions:			
Investment rate of return	7.00%	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, 2021 is \$2,335.

Police Officers’

Retirement Age

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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
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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, 2021 is \$861.

Firefighters'

Retirement Age

Normal: Earlier of 1) age 55 with 10 years of credited service, 2) age 52 with 25 years credited service or 3) the attainment of 30 years of credited service, regardless of age. For members hired prior to January 1, 2013, the normal retirement date is the earlier of 1) age 50 and 10 years of credited service and 2) the completion of 25 years of credited service, regardless of age.

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

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
 September 30, 2021
 (In Thousands)

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, 2021 is \$835.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

E. Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor as of September 30, 2021 were as follows:

	Pension Plans		
	General*	Police	Firefighters'
	Employees'	Officers'	
Total Pension Liability	\$ 160,372	\$ 90,721	\$ 60,326
Plan Fiduciary Net Position	154,141	84,534	48,871
Sponsor's Net Pension Liability	6,231	6,187	11,455
Plan Fiduciary Net Position as a Percentage of			
Total Pension Liability	96.11%	93.18%	81.01%

* Information shown above is for the City and Toho combined

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

	General	Police	Firefighters'
	Employees'	Officers'	
Inflation	2.25%	2.50%	2.70%
Salary Increases	3.40% to 6.50%	Service based	Service based
Investment Rate of Return	7.00%	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, 2021 are summarized in the following table:

Asset Class	Pension Plans					
	General Employees'		Police Officers'		Firefighters'	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	45%	7.5%	-	-	38%	8.3%
International Equity	15%	8.5%	15%	8.5%	15%	4.1%
All Cap Value Equity	-	-	20%	7.5%	-	-
Broad Growth Equity	-	-	20%	7.5%	-	-
Domestic Fixed	20%	2.5%	-	-	-	-
Broad Market Fixed	-	-	25%	2.5%	-	-
Global Fixed	10%	6.2%	-	-	-	-
Real Estate	10%	4.5%	10%	4.5%	5%	5.5%
Private Equity	-	-	5%	8.5%	-	-
Global Bond	-	-	5%	3.5%	-	-
Bonds	-	-	-	-	16%	3.1%
Convertibles	-	-	-	-	10%	7.8%
REITs	-	-	-	-	5%	8.2%
Infrastructure	-	-	-	-	6%	7.0%
Hedge Fund	-	-	-	-	5%	3.7%

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

Rate of Return – The following is a schedule for the annual money-weighted rate of return on Pension Plan investments, net of plan investment expense as of September 30, 2021:

Fiscal Year 2021	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Annual Money-Weighted Rate of Return			
Net of Investment Expense	22.21%	20.17%	20.18%

Discount Rate – The discount rate used to measure the total General Employees' pension liability was 7.00%, 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 2.19% was used based on the Fidelity 20-Year Municipal GO Bond Index.

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

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease	Rate	1% Increase
	6.00%	7.00%	8.00%
General Employees' Fund City and Toho	\$ 25,285	\$ 6,231	\$ (9,761)
General Employees' Fund City only	17,348	4,275	(6,697)

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease	Rate	1% Increase
	6.20%	7.20%	8.20%
Police Officers' Fund	\$ 17,411	\$ 6,187	\$ (3,092)

Sponsor's Net Pension Liability	Current Discount		
	1% Decrease	Rate	1% Increase
	6.20%	7.20%	8.20%
Firefighters' Fund	\$ 18,902	\$ 11,455	\$ 5,295

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

Changes in Net Pension Liability			
	General Employees'	Police Officers'	Firefighters'
Total pension liability			
Service Cost	\$ 2,074	\$ 1,902	\$ 1,174
Interest	7,606	6,101	4,171
Change in Excess State Money	-	-	-
Share Plan Allocation	-	-	-
Changes of Benefit Terms	-	-	-
Difference Between Actual & Expected Experience	(106)	2,364	1,103
Change in Employer's Proportion	2,047	-	-
Changes of Assumptions	970	1,985	2,589
Contributions - Buy Back	-	-	-
Benefit Payments	(5,266)	(4,337)	(4,832)
Net Change in Total Pension Liability	7,325	8,015	4,205
Total Pension Liability - Beginning	102,706	82,706	56,121
Total Pension Liability - Ending (a)	\$ 110,031	\$ 90,721	\$ 60,326
Plan Fiduciary Net Position			
Contributions - Employer	\$ 3,311	\$ 1,597	\$ 2,246
Contributions - State	-	951	452
Contributions - Member	646	397	165
Change in Employer's Proportion	1,723	-	-
Net Investment Income	18,952	14,352	8,460
Benefit Payments	(5,266)	(4,337)	(4,832)
Administrative Expense	(60)	(47)	(62)
Net Change in Plan Fiduciary Net Position	19,306	12,913	6,429
Plan Fiduciary Net Position - Beginning	86,450	71,621	42,442
Plan Fiduciary Net Position - Ending (b)	\$ 105,756	\$ 84,534	\$ 48,871
Net Pension Liability - Ending (a)-(b)	4,275	6,187	11,455
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	96.11%	93.18%	81.01%
Covered Payroll	\$ 18,002	\$ 9,354	\$ 7,557
Net Pension Liability as a Percentage of Covered Payroll	23.75%	66.15%	151.58%

* 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, 2021, the City recognized pension expense of \$4,894, and had ending balances of deferred outflows for pensions of \$11,066, net pension liability of \$21,917, and deferred inflows for pensions of \$22,107 for its activities in three pension plans. The City recognized a pension expense of \$1,396 related to the general employees' pension fund in 2021. The City's proportionate share of the total Plan's net position is 68.61%. Employer contributions were used as a basis to determine the allocation; the allocation increased 1.34% from the prior year allocation of 67.27%. 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, 2021
(In Thousands)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ 299	\$ 144	\$ 155
Change in cost-sharing allocation percentage	791	21	770
Assumptions changes	1,235	-	1,235
Net Difference between projected and actual earnings on pension plan investments	-	9,760	(9,760)
Total	\$ 2,325	\$ 9,925	\$ (7,600)

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 Inflows of Resources
2022	\$ (1,199)
2023	(1,308)
2024	(2,539)
2025	(2,554)
Total	\$ (7,600)

For the year ended September 30, 2021, the City recognized a pension expense of \$1,466 related to the police officers' pension fund. The City also reported deferred outflows of resources and deferred inflows of resources related to the police officers' pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,503	\$ 35	\$ 2,468
Change of assumptions	2,065	-	2,065
Net Difference between projected and actual earnings on pension plan investments	-	7,463	(7,463)
Total	\$ 4,568	\$ 7,498	\$ (2,930)

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 Inflows of Resources
2022	\$ (461)
2023	(530)
2024	(989)
2025	(950)
Total	\$ (2,930)

For the year ended September 30, 2021, the City recognized a pension expense of \$2,032 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
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	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,193	\$ 563	\$ 630
Change of assumptions	2,980	-	2,980
Net Difference between projected and actual earnings on pension plan investments	-	4,121	(4,121)
Total	\$ 4,173	\$ 4,684	\$ (511)

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 Inflows of Resources
2022	\$ 273
2023	(114)
2024	(346)
2025	(324)
Total	\$ (511)

F. Combining Statements of the Pension Trust Funds

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2021
(In Thousands)

	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Totals
ASSETS				
Cash and Cash Equivalents:	\$ 3,202	\$ 6,524	\$ 483	\$ 10,209
Receivable:				
Interest Receivable	94	47	14	155
Total Receivable:	94	47	14	155
Investments, at Fair Value:				
Fixed Income	40,012	17,861	4,446	62,319
Equities	94,020	33,163	22,584	149,767
Mutual Funds	16,812	14,904	17,519	49,235
Commingled Funds	-	12,035	3,825	15,860
Total Investments:	150,844	77,963	48,374	277,181
Total Assets	154,140	84,534	48,871	287,545
Net Position Restricted for Pension Benefits	\$ 154,140	\$ 84,534	\$ 48,871	\$ 287,545

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

CITY OF KISSIMMEE, FLORIDA				
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION				
PENSION TRUST FUNDS				
For The Year Ended September 30, 2021				
(In Thousands)				
	General			
	Employees'	Police Officers'	Firefighters'	
	Pension	Pension	Pension	Totals
ADDITIONS				
Contributions:				
Employer	\$ 3,311	\$ 1,597	\$ 2,246	\$ 7,154
Plan Members	942	397	165	1,504
State	-	951	452	1,403
Total Contributions	<u>4,253</u>	<u>2,945</u>	<u>2,863</u>	<u>10,061</u>
Investment earnings:				
Net increase (decrease) in fair value of investments	24,224	12,865	7,856	44,945
Interest and dividends	<u>3,910</u>	<u>1,721</u>	<u>781</u>	<u>6,412</u>
Total investment earnings	28,134	14,586	8,637	51,357
Less investment expense	<u>542</u>	<u>233</u>	<u>177</u>	<u>952</u>
Net investment earnings	<u>27,592</u>	<u>14,353</u>	<u>8,460</u>	<u>50,405</u>
Other	<u>1,517</u>	-	-	<u>1,517</u>
Total Additions	<u>33,362</u>	<u>17,298</u>	<u>11,323</u>	<u>61,983</u>
DEDUCTIONS				
Benefits	7,675	4,337	4,832	16,844
Administrative Expense	<u>60</u>	<u>47</u>	<u>62</u>	<u>169</u>
Total Deductions	<u>7,735</u>	<u>4,384</u>	<u>4,894</u>	<u>17,013</u>
Change in Net Position	25,627	12,914	6,429	44,970
Net Position - Beginning of Year	<u>128,513</u>	<u>71,620</u>	<u>42,442</u>	<u>242,575</u>
Net Position - End of Year	<u>\$ 154,140</u>	<u>\$ 84,534</u>	<u>\$ 48,871</u>	<u>\$ 287,545</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, 2021
(In Thousands)

At measurement date September 30, 2020, the following employees were covered by the benefit terms:

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

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

B. Total OPEB Liability and Changes in Total OPEB Liability

The measurement date for the City's total/net OPEB liability was September 30, 2020, one year prior to the City's fiscal reporting date of September 30, 2021. The measurement period for OPEB cost was October 1, 2019 to September 30, 2020. The components of the changes in the total OPEB liability are as follows:

	Fiscal Year 2021
<u>Total OPEB Liability</u>	
Service cost	\$ 518
Interest	226
Change in benefit terms	-
Difference between expected and actual experience	434
Change of assumptions and other inputs	(1,482)
Benefit payments	<u>(318)</u>
Net change in total OPEB liability	(622)
Total OPEB liability - beginning	<u>7,866</u>
Total OPEB liability - ending	<u>\$ 7,244</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.75% at the beginning of the measurement period to 2.41% as of September 30, 2020.

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

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

Inflation	2.25% per annum
Discount rate	2.41%
Salary increases	Rates used in Oct 1, 2020 valuations of City pension plans
Mortality rates	Tables used in July 1, 2020 valuation of the Florida Retirement System (based on results of statewide experience study covering period 2013 through 2018)
Healthcare trend	Trend starting at 6.25% for claims costs and 15.07% for premiums, and thereafter trends based on Getzen model, with trend rate of 6.00% (effective Jan 2022) and gradually decreasing to ultimate trend rate of 3.99%

The development of per capita costs included aging factors based on the 2013 Society of Actuaries Study "Healthcare Costs – From Birth to Death". There have been no significant changes (other than premium rate increases) in any health benefits or life insurance benefits between September 30, 2020 and September 30, 2021.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(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	\$ 6,379	\$ 7,244	\$ 8,281

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, 2021 was 2.41%. 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
	1.41%	2.41%	3.41%
Total OPEB Liability	\$ 8,058	\$ 7,244	\$ 6,537

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

For the year ended September 30, 2021, the City recognized OPEB expense of \$537. At September 30, 2021, 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	\$ 383	\$ 161
Change of assumptions	586	2,000
Transactions after measurement date	266	-
	\$ 1,235	\$ 2,161

Deferred outflows of resources of \$266 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, 2022. Deferred inflows of resources shown above will be recognized in OPEB expense in the following years.

Fiscal Year Ending	Net Inflows
2022	\$ (207)
2023	(207)
2024	(207)
2025	(197)
2026	(172)
Thereafter	(202)
	\$ (1,192)

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(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 2021, 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, 2021, the total outstanding unpaid claims were \$4,752 which includes an estimate for incurred but not reported claims. Insurance premiums paid out of the funds totaled \$9,058 for the fiscal year ended September 30, 2021. 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
2020-2021	\$ 4,510	\$ 9,300	\$ (9,058)	\$ 4,752
2019-2020	3,783	10,122	(9,395)	4,510

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)	\$ 263,993	\$ 51,688	\$ 315,681
Debt Related to Capital Assets	(79,743)	-	(79,743)
Other Liabilities Related to Capital Assets	(298)	(87)	(385)
Unspent Proceeds of Capital-Related Debt	779	-	779
	<u>\$ 184,731</u>	<u>\$ 51,601</u>	<u>\$ 236,332</u>

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

The following funds have a deficit fund balance at September 30, 2021:

<u>Fund Name</u>	<u>Deficit Amounts</u>
<u>Deficit Fund Balances</u>	
Nonmajor Funds:	
Special Revenue Fund:	
Victim of Crime Act	\$ (7)
Neighborhood Stabilization and HOME	(30)
Community Development Block Grant	(19)

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
September 30, 2021
(In Thousands)

The CARES Act Relief, 2010A Refunding Revenue Note, and 2011B Capital Refunding Note funds had excess of expenditures over appropriations of \$427, \$14, and \$22, respectively. There were sufficient transfers in and available fund balance to cover the excesses.

NOTE 13 – COMMITMENTS, RELATED PARTIES, AND CONTINGENCIES

Charter School - The City entered into an interlocal agreement with the Osceola County School Board to operate a charter elementary school within the City. Originally the City issued a tax-exempt note and built the school facilities. In 2011, the debt was refinanced at a fixed rate. The City entered into a contract with a management company to run the day-to-day operation of the school. The management company is required to report to the City Commission all activities and results of operations on a monthly and an annual basis. The City pays the management company based upon an approved operating budget. The City records revenue received from the Osceola County School Board, makes debt service payments on the notes, and pays the management company. The charter school is a separate legal entity. Financial activity for the revenues received and payments to the management company is reflected in the City's financial statements as part of the City's governmental funds.

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, 2021, the payment made by KUA to the City was \$18.3 million. KUA's total operating revenues for the fiscal year ended September 30, 2021 were \$192.3 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 2021 was \$7.9 million and all future annual amounts will be calculated based on the gross annual revenues of the system for an additional 9 years.

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

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

Contingency - In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) pandemic. The outbreak of COVID-19 affected communities and business operations, as well as the City and US economy. 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 will be provided in two tranches, with the first portion of \$9,035 received in late fiscal year 2021 and the second anticipated in late fiscal year 2022. The City is currently determining the best use of these funds to benefit the community.

CITY OF KISSIMMEE, FLORIDA
NOTES TO FINANCIAL STATEMENTS – Continued
September 30, 2021
(In Thousands)

NOTE 14 – FUND BALANCE RESTRUCTURING

During the fiscal year, the City implemented a new ERP general ledger system. As part of the implementation, the City restructured its special revenue funds for ease in future reporting. This restructuring resulted in fund balance movement from the creation of new funds and consolidation of funds from the prior year's presentation. Total fund balance for governmental funds did not change from the prior year. Below is a summary of the effects of this restructuring.

	Major Fund	Nonmajor Funds				
	State Grants	Recreation Impact	Local Option Sales	Federal Grants	CARES Relief	W Oak Street
Prior Fund Balance	\$ -	\$ 1,516	\$ 5,175	\$ -	\$ (92)	\$ (148)
Movement from Restructure	(229)	58	25	(103)	101	148
Fund Balance	\$ (229)	\$ 1,574	\$ 5,200	\$ (103)	\$ 9	\$ -

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REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules (GAAP BASIS):

- General Fund
- Major Special Revenue Funds:
 - State Grants
 - Community Redevelopment Agency Downtown
 - Community Redevelopment Agency Vine Street

City Retirement Plans Schedules and Notes:

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

City Other Postemployment Benefits Plan Schedule:

- Schedule of Total OPEB Liability and Related Ratios

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES AND OTHER SOURCES				
Taxes:				
Ad valorem	\$ 17,696	\$ 17,696	\$ 17,739	\$ 43
Utility taxes	7,405	7,405	7,232	(173)
Local business taxes	250	250	286	36
	<u>25,351</u>	<u>25,351</u>	<u>25,257</u>	<u>(94)</u>
Permits, Fees and Special Assessments:				
Franchise fees	189	189	198	9
Other permits and fees	2	2	2	-
	<u>191</u>	<u>191</u>	<u>200</u>	<u>9</u>
Intergovernmental Revenues:				
Federal grants	-	9,043	363	(8,680)
State grants	-	-	30	30
State revenue sharing	3,000	3,000	3,177	177
Half cent sales tax	5,400	5,400	5,460	60
Shared taxes and licenses	848	848	988	140
County shared revenue	2,484	2,511	2,596	85
Kissimmee Utility Authority	18,525	18,525	18,288	(237)
Tohopekaliga Water Authority	7,950	7,950	7,925	(25)
	<u>38,207</u>	<u>47,277</u>	<u>38,827</u>	<u>(8,450)</u>
Charges for Services:				
General government charges	642	642	685	43
Public safety charges	7,069	7,069	7,955	886
Physical environment charges	59	59	110	51
Transportation charges	310	310	320	10
Culture/recreation charges	1,078	1,078	779	(299)
	<u>9,158</u>	<u>9,158</u>	<u>9,849</u>	<u>691</u>
Fines and Forfeitures:				
Court fines and costs	505	505	326	(179)
Miscellaneous Revenue:				
Investment income	487	487	134	(353)
Rents	140	140	150	10
Other revenue	437	501	557	56
Sales of cemetery lots	176	176	367	191
	<u>1,240</u>	<u>1,304</u>	<u>1,208</u>	<u>(96)</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2021
(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	\$ 298	\$ 298	\$ 294	\$ (4)
Charter School	646	646	646	-
Airport	2	2	2	-
Sanitation Fund	291	291	292	1
Other Nonmajor Funds	233	233	285	52
	<u>1,470</u>	<u>1,470</u>	<u>1,519</u>	<u>49</u>
Other Sources:				
Proceeds from Sale of Capital Assets	-	-	1,108	1,108
Proceeds from Capital Lease	-	-	1,584	1,584
	<u>-</u>	<u>-</u>	<u>2,692</u>	<u>2,692</u>
Total Revenues and Other Sources	<u>76,122</u>	<u>85,256</u>	<u>79,878</u>	<u>(5,378)</u>
EXPENDITURES AND OTHER (USES)				
General Government:				
City Commission:				
Personal Services	311	313	262	(51)
Operating	610	662	263	(399)
	<u>921</u>	<u>975</u>	<u>525</u>	<u>(450)</u>
City Manager:				
Personal Services	1,470	1,474	1,446	(28)
Operating	678	1,232	466	(766)
Capital Outlay	167	258	189	(69)
	<u>2,315</u>	<u>2,964</u>	<u>2,101</u>	<u>(863)</u>
Development Services:				
Personal Services	1,536	1,536	1,514	(22)
Operating	1,002	1,663	555	(1,108)
Capital Outlay	6	186	4	(182)
	<u>2,544</u>	<u>3,385</u>	<u>2,073</u>	<u>(1,312)</u>
Legal:				
Personal Services	634	637	610	(27)
Operating	305	344	161	(183)
Capital Outlay	2	5	1	(4)
	<u>941</u>	<u>986</u>	<u>772</u>	<u>(214)</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED

GENERAL FUND

For the Year Ended September 30, 2021

(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES AND OTHER (USES) - Continued				
General Government:				
Finance:				
Personal Services	\$ 1,305	\$ 1,200	\$ 1,165	\$ (35)
Operating	294	437	260	(177)
Capital Outlay	13	91	17	(74)
	<u>1,612</u>	<u>1,728</u>	<u>1,442</u>	<u>(286)</u>
Personnel:				
Personal Services	1,009	1,009	788	(221)
Operating	171	203	129	(74)
Capital Outlay	14	14	12	(2)
	<u>1,194</u>	<u>1,226</u>	<u>929</u>	<u>(297)</u>
Central Service and Self Insurance Charges:				
Operating	7,224	7,224	7,224	-
	<u>7,224</u>	<u>7,224</u>	<u>7,224</u>	<u>-</u>
Total General Government	<u>16,751</u>	<u>18,488</u>	<u>15,066</u>	<u>(3,422)</u>
Public Safety:				
Police:				
Personal Services	23,179	23,204	21,515	(1,689)
Operating	3,297	3,378	3,326	(52)
Capital Outlay	1,134	1,902	1,828	(74)
	<u>27,610</u>	<u>28,484</u>	<u>26,669</u>	<u>(1,815)</u>
Fire:				
Personal Services	13,706	13,702	13,479	(223)
Operating	2,471	2,562	2,267	(295)
Capital Outlay	708	885	589	(296)
	<u>16,885</u>	<u>17,149</u>	<u>16,335</u>	<u>(814)</u>
Total Public Safety	<u>44,495</u>	<u>45,633</u>	<u>43,004</u>	<u>(2,629)</u>
Transportation:				
Public Works:				
Personal Services	3,023	2,969	2,862	(107)
Operating	2,448	2,522	2,330	(192)
Capital Outlay	167	527	83	(444)
Total Transportation	<u>5,638</u>	<u>6,018</u>	<u>5,275</u>	<u>(743)</u>

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES AND OTHER (USES) - Continued				
Culture/Recreation				
Recreation:				
Personal Services	\$ 5,751	\$ 5,751	\$ 5,043	\$ (708)
Operating	1,782	1,818	1,389	(429)
Capital Outlay	581	952	382	(570)
Total Culture / Recreation	<u>8,114</u>	<u>8,521</u>	<u>6,814</u>	<u>(1,707)</u>
Non-Departmental				
Bad Debt	2,030	2,030	1,933	(97)
Capital Reserves	25,468	24,031	-	(24,031)
Operating Reserves	925	911	-	(911)
Principal Retirement	46	46	410	364
Debt Service Interest and Costs	40	40	36	(4)
Total Non-Departmental	<u>28,509</u>	<u>27,058</u>	<u>2,379</u>	<u>(24,679)</u>
Other (Uses)				
Transfers Out	2,847	4,862	2,945	(1,917)
Total Other (Uses)	<u>2,847</u>	<u>4,862</u>	<u>2,945</u>	<u>(1,917)</u>
Total Expenditures and Other (Uses)	<u>106,354</u>	<u>110,580</u>	<u>75,483</u>	<u>(35,097)</u>
Excess of Revenues and Other Sources Over Expenditures and Other (Uses)				
Fund Balance - Beginning of Year	(30,232)	(25,324)	4,395	29,719
	<u>30,232</u>	<u>25,324</u>	<u>34,997</u>	<u>9,673</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,392</u>	<u>\$ 39,392</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE GRANTS
For the Year Ended September 30, 2021
(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				
Intergovernmental Revenues	\$ -	\$ 414	\$ 5,044	\$ 4,630
Miscellaneous Revenues	19	19	-	(19)
Total Revenues	<u>19</u>	<u>433</u>	<u>5,044</u>	<u>4,611</u>
EXPENDITURES				
Public Safety	-	14	-	14
Transportation	46	3,998	2,506	1,492
Culture/Recreation	50	450	38	412
Total Expenditures	<u>96</u>	<u>4,462</u>	<u>2,544</u>	<u>1,918</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77)	(4,029)	2,500	6,529
OTHER FINANCING SOURCES (USES)				
Transfers In	27	63	63	-
Transfers (Out)	-	-	(50)	(50)
Total Other Financing Sources (Uses)	<u>27</u>	<u>63</u>	<u>13</u>	<u>(50)</u>
Net Change in Fund Balance	(50)	(3,966)	2,513	6,479
Fund Balance (Deficit) - Beginning	50	3,966	(229)	(4,195)
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,284</u>	<u>\$ 2,284</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY DOWNTOWN
For the Year Ended September 30, 2021
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 1,315	\$ 1,315	\$ 1,316	\$ 1
Investment Income (Loss)	30	30	(1)	(31)
Miscellaneous Revenues	62	62	97	35
Total Revenues	<u>1,407</u>	<u>1,407</u>	<u>1,412</u>	<u>5</u>
EXPENDITURES				
General Government	2,619	3,610	791	2,819
Total Expenditures	<u>2,619</u>	<u>3,610</u>	<u>791</u>	<u>2,819</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,212)	(2,203)	621	2,824
OTHER FINANCING SOURCES (USES)				
Transfers In	908	908	909	1
Transfers (Out)	(872)	(872)	(814)	58
Total Other Financing Sources (Uses)	<u>36</u>	<u>36</u>	<u>95</u>	<u>59</u>
Net Change in Fund Balance	(1,176)	(2,167)	716	2,883
Fund Balance (Deficit) - Beginning	1,176	2,167	2,262	95
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,978</u>	<u>\$ 2,978</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY VINE STREET
For the Year Ended September 30, 2021
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Intergovernmental Revenues	\$ 511	\$ 511	\$ 508	\$ (3)
Investment Income (Loss)	8	8	6	(2)
Total Revenues	519	519	514	(5)
EXPENDITURES				
General Government	1,887	2,132	154	1,978
Total Expenditures	1,887	2,132	154	1,978
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,368)	(1,613)	360	1,973
OTHER FINANCING SOURCES (USES)				
Transfers In	479	479	476	(3)
Total Other Financing Sources (Uses)	479	479	476	(3)
Net Change in Fund Balance	(889)	(1,134)	836	1,970
Fund Balance (Deficit) - Beginning	889	1,134	1,156	22
Fund Balance (Deficit) - Ending	\$ -	\$ -	\$ 1,992	\$ 1,992

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

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

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 3,023	\$ 2,765	\$ 2,651	\$ 2,535	\$ 2,440	\$ 2,437	\$ 2,362	\$ 2,383
Interest	11,086	10,588	10,108	9,687	9,095	8,589	8,227	7,758
Benefit changes	-	-	1,063	-	-	-	-	339
Assumption changes	1,414	1,632	-	1,492	1,397	-	-	-
Difference Between Actual & Expected Experience	(154)	938	(460)	(54)	595	919	(952)	(12)
Benefit Payments and Refunds	(7,675)	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)	(4,902)	(3,483)
Net Change in Total Pension Liability	7,694	8,807	6,497	7,838	7,935	7,088	4,735	6,985
Total Pension Liability - Beginning	152,678	143,871	137,374	129,536	121,601	114,513	109,778	102,793
Total Pension Liability - Ending (a)	<u>\$160,372</u>	<u>\$152,678</u>	<u>\$143,871</u>	<u>\$137,374</u>	<u>\$129,536</u>	<u>\$121,601</u>	<u>\$114,513</u>	<u>\$109,778</u>
Plan Fiduciary Net Position								
Contributions - Employer (from City and Toho)	\$ 4,825	\$ 4,361	\$ 4,338	\$ 4,119	\$ 3,851	\$ 3,579	\$ 3,587	\$ 3,135
Contributions - Member	942	939	875	880	849	856	841	844
Net Investment Income	27,623	10,509	4,225	7,866	12,906	8,257	1,129	7,817
Benefit Payments	(7,675)	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)	(4,902)	(3,483)
Administrative Expense	(87)	(58)	(79)	(47)	(54)	(76)	(76)	(65)
Net Change in Plan Fiduciary Net Position	25,628	8,635	2,494	6,996	11,960	7,759	579	8,248
Plan Fiduciary Net Position - Beginning	128,513	119,878	117,384	110,388	98,428	90,669	90,090	81,842
Plan Fiduciary Net Position - Ending (b)	<u>\$154,141</u>	<u>\$128,513</u>	<u>\$119,878</u>	<u>\$117,384</u>	<u>\$110,388</u>	<u>\$ 98,428</u>	<u>\$ 90,669</u>	<u>\$ 90,090</u>
Net Pension Liability - Ending (a)-(b)	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	96.11%	84.17%	83.32%	85.45%	85.22%	80.94%	79.18%	82.07%
Covered Payroll	\$ 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	26.25%	102.74%	108.14%	94.00%	92.63%	113.92%	119.99%	97.97%

This schedule represents entire plan with City and Toho combined.

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

Notes to the Schedule:

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

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

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 2,074	\$ 1,860	\$ 1,654	\$ 1,594	\$ 1,485	\$ 1,442	\$ 1,378	\$ 1,390
Interest	7,606	7,123	6,308	6,090	5,535	5,084	4,798	4,524
Benefit Changes	-	-	664	-	-	-	-	198
Change in Employer's Proportion	2,047	6,991	(632)	2,605	2,030	997	-	-
Change in Assumptions	970	1,098	-	938	850	-	-	-
Difference Between Actual & Expected Experience	(106)	631	(287)	(34)	362	544	(555)	(7)
Benefit Payments	(5,266)	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)	(2,859)	(2,032)
Net Change in Total Pension Liability	7,325	12,916	3,423	7,532	6,859	5,192	2,762	4,073
Total Pension Liability - Beginning	102,706	89,790	86,367	78,835	71,976	66,784	64,022	59,949
Total Pension Liability - Ending (a)	\$110,031	\$102,706	\$ 89,790	\$ 86,367	\$ 78,835	\$ 71,976	\$ 66,784	\$ 64,022
Plan Fiduciary Net Position								
Contributions - Employer	\$ 3,311	\$ 2,935	\$ 2,708	\$ 2,591	\$ 2,345	\$ 2,119	\$ 2,088	\$ 1,984
Contributions - Member	646	632	546	554	517	507	490	492
Change in Employer's Proportion	1,723	5,824	(541)	2,218	1,641	789	-	-
Net Investment Income	18,952	7,069	2,637	4,945	7,855	4,887	663	4,404
Benefit Payments	(5,266)	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)	(2,859)	(2,032)
Administrative Expense	(60)	(39)	(49)	(30)	(33)	(45)	(44)	(38)
Net Change in Plan Fiduciary Net Position	19,306	11,634	1,017	6,617	8,922	5,382	338	4,810
Plan Fiduciary Net Position - Beginning	86,450	74,816	73,799	67,182	58,260	52,878	52,540	47,730
Plan Fiduciary Net Position - Ending (b)	\$105,756	\$ 86,450	\$ 74,816	\$ 73,799	\$ 67,182	\$ 58,260	\$ 52,878	\$ 52,540
City's Proportionate % of Total Plan Net Position	68.61%	72.11%	62.41%	62.87%	60.86%	59.19%	58.32%	58.32%
Net Pension Liability - Ending (a)-(b)	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	96.11%	84.17%	83.32%	85.45%	85.22%	80.94%	79.18%	82.07%
Covered Payroll	\$ 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	23.75%	92.86%	93.40%	85.26%	83.55%	100.46%	108.20%	90.00%

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

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

Notes to the Schedule:

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

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

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

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

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

Notes to the Schedule:

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

Changes of Benefit Terms:

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

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

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

Changes of Assumptions:

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

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

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

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

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

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 1,174	\$ 1,070	\$ 992	\$ 915	\$ 693	\$ 761	\$ 826	\$ 846
Interest	4,171	4,149	4,064	3,836	3,787	3,573	3,512	3,366
Change in Excess State Money	-	-	-	-	-	-	-	(555)
Change in Benefit Terms	-	-	(31)	72	-	-	-	-
Difference Between Actual & Expected Experience	1,103	(560)	(567)	1,552	(920)	58	(606)	-
Changes of Assumptions	2,589	1,115	370	463	211	2,097	-	-
Contributions - Buy Back	-	-	-	-	3	-	-	-
Benefit Payments	(4,832)	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)	(2,657)	(2,063)
Net Change in Total Pension Liability	4,205	2,214	1,353	3,138	61	3,321	1,075	1,594
Total Pension Liability - Beginning	56,121	53,907	52,554	49,416	49,355	46,034	44,959	43,365
Total Pension Liability - Ending (a)	<u>\$ 60,326</u>	<u>\$ 56,121</u>	<u>\$ 53,907</u>	<u>\$ 52,554</u>	<u>\$ 49,416</u>	<u>\$ 49,355</u>	<u>\$ 46,034</u>	<u>\$ 44,959</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 2,246	\$ 2,089	\$ 1,908	\$ 2,095	\$ 1,542	\$ 834	\$ 1,434	\$ 1,392
Contributions - State	452	401	368	377	370	337	385	417
Contributions - Member	165	142	136	117	104	74	63	68
Net Investment Income	8,460	3,723	1,671	2,986	3,709	2,985	(1,773)	4,343
Benefit Payments	(4,832)	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)	(2,657)	(2,063)
Administrative Expense	(62)	(51)	(55)	(62)	(59)	(54)	(52)	(52)
Net Change in Plan Fiduciary Net Position	6,429	2,744	553	1,813	1,953	1,008	(2,600)	4,105
Plan Fiduciary Net Position - Beginning	42,442	39,698	39,145	37,332	35,379	34,371	36,971	32,866
Plan Fiduciary Net Position - Ending (b)	<u>\$ 48,871</u>	<u>\$ 42,442</u>	<u>\$ 39,698</u>	<u>\$ 39,145</u>	<u>\$ 37,332</u>	<u>\$ 35,379</u>	<u>\$ 34,371</u>	<u>\$ 36,971</u>
Net Pension Liability - Ending (a)-(b)	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	81.01%	75.63%	73.64%	74.49%	75.55%	71.68%	74.66%	82.23%
Covered Payroll	\$ 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	151.58%	203.80%	229.81%	232.96%	207.33%	306.71%	233.87%	189.39%

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(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, 2021
(In Thousands)

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

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,311	\$ 2,927	\$ 2,707	\$ 2,590	\$ 2,344	\$ 2,119	\$ 2,160	\$ 1,980
Contributions in Relation to the								
Actuarially Determined Contributions	3,311	2,930	2,707	2,590	2,344	2,119	2,088	1,984
Contribution Deficiency (Excess)	-	(3)	-	-	-	-	72	(4)
Covered Payroll	\$ 18,002	\$ 17,506	\$ 16,032	\$ 14,740	\$ 13,947	\$ 13,653	\$ 12,852	\$ 12,758
Contributions as a percentage of								
Covered Payroll	18.39%	16.74%	16.88%	17.57%	16.81%	15.52%	16.25%	15.55%

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

Notes to Schedule:

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

Valuation Date: 10/1/19

General Employees' only includes the City portion.

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

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

Methods and assumptions used to determine contribution rates:

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

Changes of Benefit Terms:

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

Changes of Assumptions:

For 2021, there were no significant assumption changes to calculate the contribution.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

Schedule of Actuarially Determined Contributions (Police Officers')

	<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	\$ 3,051	\$ 2,793	\$ 2,554	\$ 2,640	\$ 2,626	\$ 2,464	\$ 2,469	\$ 2,408
Contributions in Relation to the								
Actuarially Determined Contributions	<u>2,548</u>	<u>2,951</u>	<u>2,693</u>	<u>2,717</u>	<u>2,537</u>	<u>2,530</u>	<u>2,428</u>	<u>2,977</u>
Contribution Deficiency (Excess)	<u>503</u>	<u>(158)</u>	<u>(139)</u>	<u>(77)</u>	<u>89</u>	<u>(66)</u>	<u>41</u>	<u>(569)</u>
Covered Payroll	\$ 9,354	\$ 9,068	\$ 8,550	\$ 7,921	\$ 7,725	\$ 7,506	\$ 7,754	\$ 6,841
Contributions as a percentage of								
Covered Payroll	27.24%	32.54%	31.50%	34.30%	32.84%	33.71%	31.31%	43.52%

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

Notes to Schedule:

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

Valuation Date: 10/1/20

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 10/01/2020)
Asset Valuation Method:	4 Year geometric average of market value returns
Salary Increase:	Service based
Interest Rate	7.2%, net of investment related expenses
Mortality:	PubG.H-2010 and PubS.H-2010, separate assumptions for Healthy Active Lives, Healthy Inactive Lives, and Disabled Lives
Retirement Age	Age 50 and 25 years of credited service
Early Retirement	Subsidized benefit - 2% age 40-44, 10% age 45 and older
Cost-of-Living Adjustment	1% increase in benefits annually

Changes of Benefit Terms:

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

Changes of Assumptions:

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

Schedule of Actuarially Determined Contributions (Firefighters')

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 2,962	\$ 2,647	\$ 2,450	\$ 2,286	\$ 2,465	\$ 1,880	\$ 1,774	\$ 1,851
Contributions in Relation to the								
Actuarially Determined Contributions	<u>2,698</u>	<u>2,490</u>	<u>2,276</u>	<u>2,472</u>	<u>1,912</u>	<u>1,171</u>	<u>1,819</u>	<u>2,363</u>
Contribution Deficiency (Excess)	<u>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	\$ 7,557	\$ 6,712	\$ 6,183	\$ 5,756	\$ 5,829	\$ 4,557	\$ 4,987	\$ 4,218
Contributions as a percentage of Covered Payroll	35.70%	37.10%	36.81%	42.95%	32.80%	25.70%	36.47%	56.02%

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

Notes to Schedule:

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

Valuation Date: 10/1/19

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

Methods and assumptions used to determine contribution rates:

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

Changes in Benefit Terms:

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

Changes of Assumptions:

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

**CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)**

Money-weighted Rate of Return

		General Employees'							
		<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		22.21%	8.06%	3.53%	7.04%	6.09%	6.09%	1.54%	11.45%
		Police Officers'							
		<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		20.17%	9.61%	3.82%	10.42%	10.74%	8.99%	2.29%	9.71%
		Firefighters'							
		<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		20.18%	9.42%	4.27%	8.03%	10.75%	8.90%	-4.79%	13.20%

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2021
(In Thousands)

Schedule of Changes in the Total OPEB Liability and Related Ratios

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 518	\$ 402	\$ 531	\$ 544
Interest	226	267	271	233
Change of benefit terms	-	1	-	-
Difference between expected and actual experience	434	-	(255)	-
Change of assumptions and other inputs	(1,482)	772	(894)	(270)
Benefit payments	(318)	(278)	(323)	(234)
Net change in total OPEB liability	(622)	1,164	(670)	273
Total OPEB liability - beginning	7,866	6,702	7,372	7,099
Total OPEB liability - ending	\$ 7,244	\$ 7,866	\$ 6,702	\$ 7,372
Covered-employee payroll	\$ 34,141	\$ 30,714	\$ 28,415	\$ 26,226
Total OPEB liability as a percentage of covered-employee payroll	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 2021: discount rate decreased to 2.41% from 2.75%.

OTHER SUPPLEMENTAL INFORMATION

Budgetary Comparison Schedules (GAAP BASIS):

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

Non-Major Governmental Funds:

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

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE DEBT SERVICE
For the Year Ended September 30, 2021
(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			
Capital Outlay	-	-	-
Principal Retirement	1,325	1,325	-
Interest and Fiscal Charges	1,657	1,640	17
Total Expenditures	<u>2,982</u>	<u>2,965</u>	<u>17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,982)</u>	<u>(2,965)</u>	<u>17</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	2,965	2,965	-
Total Other Financing Sources and (Uses)	<u>2,965</u>	<u>2,965</u>	<u>-</u>
Net Change in Fund Balance	(17)	-	17
Fund Balance - Beginning	<u>17</u>	<u>17</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ 17</u></u>	<u><u>\$ 17</u></u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Budgeted Special Revenue Funds (GAAP Basis)

Local Option Gas Tax

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

Recreation Impact Fee Fund

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

Local Option Sales Tax

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

Building Division

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

Federal Grants Fund

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

Shingle Creek Regional Trail

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

Mobility Fee Fund

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

State Housing Initiative Program

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

Victims of Crime Act Grant

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

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.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

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.

CARES Act Relief

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

Neighborhood Stabilization and HOME

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

Community Development Block Grant

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

Non-Budgeted Special Revenue Funds

Section 8 HAPP

To account for expenditures associated with various housing related projects.

Police and Firefighters Premium Tax Trust

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

Supplementary Care

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

DEBT SERVICE FUNDS

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

Budgeted Debt Service Funds (GAAP Basis)

FmHA Bond

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

2015B Refunding Note

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

2014A Revenue Note

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

Series 2017 Revenue Note

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

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

2010A Refunding Revenue Note

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

2010B Refunding Revenue Note

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

2010C Refunding Revenue Note

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

2011B Capital Refunding Note

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

Non-Budgeted Debt Service Fund

2021 Line of Credit Debt

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

CAPITAL PROJECTS FUNDS

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

Budgeted Capital Projects Fund (GAAP Basis)

2014A Note Capital Project

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

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.

2017 Note Capital Projects

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

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

Non-Budgeted Capital Project Funds

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.

2021 Line of Credit

To account for the proceeds of the 2021 Line of Credit to be used for refinancing previous lines of credit.

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2021
(In Thousands)

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 25,982	\$ 3,384	\$ -	\$ 29,366
Restricted Cash and Investments	1,572	-	1,935	3,507
Due from TWA	3	-	-	3
Due from Other Funds	-	-	460	460
Due from Other Governments	2,299	-	-	2,299
Total Assets	<u>\$ 29,856</u>	<u>\$ 3,384</u>	<u>\$ 2,395</u>	<u>\$ 35,635</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 477	\$ -	\$ 8	\$ 485
Contracts Payable	29	-	-	29
Accrued Liabilities	-	3,325	-	3,325
Due to Other Funds	377	-	-	377
Advanced Grants	164	-	-	164
Total Liabilities	<u>1,047</u>	<u>3,325</u>	<u>8</u>	<u>4,380</u>
Deferred Inflows of Resources				
Unavailable Earned Revenues	215	-	-	215
Total Deferred Inflows of Resources	<u>215</u>	<u>-</u>	<u>-</u>	<u>215</u>
Fund Balances:				
Nonspendable Supplementary Care	1,135	-	-	1,135
Restricted for Transportation Projects	10,989	-	-	10,989
Restricted for Public Safety Projects	8	-	-	8
Restricted for Development Services	4,714	-	-	4,714
Restricted for Economic Development	226	-	-	226
Restricted for Recreation Projects	1,795	-	-	1,795
Restricted for Charter School	2,913	-	-	2,913
Restricted for Construction Projects	-	-	2,387	2,387
Restricted for Other Capital Improvements	6,870	-	-	6,870
Assigned for Debt Service	-	59	-	59
Unassigned (Deficit)	(56)	-	-	(56)
Total Fund Balances	<u>28,594</u>	<u>59</u>	<u>2,387</u>	<u>31,040</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 29,856</u>	<u>\$ 3,384</u>	<u>\$ 2,395</u>	<u>\$ 35,635</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended September 30, 2021
(In Thousands)

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 11,322	\$ -	\$ -	\$ 11,322
Permits, Fees and Special Assessments	1,827	-	-	1,827
Intergovernmental Revenues	11,623	-	-	11,623
Charges for Services	778	-	-	778
Investment Income (Loss)	(157)	-	(35)	(192)
Miscellaneous Revenues	324	-	78	402
Total Revenues	25,717	-	43	25,760
EXPENDITURES				
Current:				
General Government	6,396	-	-	6,396
Public Safety	6,925	-	-	6,925
Transportation	3,908	-	-	3,908
Economic Environment	1,468	-	-	1,468
Culture/Recreation	584	-	-	584
Capital Outlay	-	-	43	43
Debt Service:				
Principal Retirement	218	3,016	-	3,234
Interest and Fiscal Charges	96	884	-	980
Total Expenditures	19,595	3,900	43	23,538
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,122	(3,900)	-	2,222
OTHER FINANCING SOURCES and (USES)				
Transfers In	1,152	3,917	-	5,069
Transfers (Out)	(6,663)	-	-	(6,663)
Issuance of Notes Payable/Refunded Notes Payable	-	-	16,350	16,350
Payment to Refunded Notes Escrow Agent	-	-	(16,350)	(16,350)
Issuance of Capital Lease	2,320	-	-	2,320
Total Other Financing Sources and (Uses)	(3,191)	3,917	-	726
Net Change in Fund Balances	2,931	17	-	2,948
Fund Balances - Beginning	25,663	42	2,387	28,092
Fund Balances - Ending	\$ 28,594	\$ 59	\$ 2,387	\$ 31,040

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2021
(In Thousands)

	Local Option Gas Tax	Recreation Impact Fee Fund	Local Option Sales Tax	Building Division
ASSETS				
Cash and Cash Equivalents	\$ 3,781	\$ 1,871	\$ 5,253	\$ 4,742
Restricted Cash and Investments	-	-	-	-
Due from TWA	3	-	-	-
Due from Other Governments	260	-	1,534	-
Total Assets	<u>\$ 4,044</u>	<u>\$ 1,871</u>	<u>\$ 6,787</u>	<u>\$ 4,742</u>
LIABILITIES				
Accounts Payable	\$ 47	\$ 76	\$ 106	\$ 28
Contracts Payable	-	-	29	-
Due to Other Funds	-	-	-	-
Advanced Grants	-	-	-	-
Total Liabilities	<u>47</u>	<u>76</u>	<u>135</u>	<u>28</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	3,997	-	-	-
Restricted for Public Safety Projects	-	-	-	-
Restricted for Development Services	-	-	-	4,714
Restricted for Economic Development	-	-	-	-
Restricted for Recreation Projects	-	1,795	-	-
Restricted for Charter School	-	-	-	-
Restricted for Other Capital	-	-	-	-
Improvements	-	-	6,652	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficits)	<u>3,997</u>	<u>1,795</u>	<u>6,652</u>	<u>4,714</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 4,044</u>	<u>\$ 1,871</u>	<u>\$ 6,787</u>	<u>\$ 4,742</u>

Federal Grants Fund	Shingle Creek Regional Trail	Mobility Fee Fund	State Housing Initiative Program	Victim of Crime Act	Justice Assistance Grant	Paving Assessments
\$ 218	\$ 239	\$ 6,767	\$ 382	\$ 1	\$ 34	\$ 1
-	-	-	-	-	-	-
-	-	-	-	-	-	-
98	127	-	-	10	32	-
<u>\$ 316</u>	<u>\$ 366</u>	<u>\$ 6,767</u>	<u>\$ 382</u>	<u>\$ 11</u>	<u>\$ 66</u>	<u>\$ 1</u>
\$ -	\$ 75	\$ -	\$ -	\$ 1	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	12	58	-
-	-	-	164	-	-	-
-	75	-	164	13	58	-
98	67	-	-	5	-	-
98	67	-	-	5	-	-
-	-	-	-	-	-	-
-	224	6,767	-	-	-	1
-	-	-	-	-	8	-
-	-	-	-	-	-	-
-	-	-	218	-	-	-
-	-	-	-	-	-	-
218	-	-	-	-	-	-
-	-	-	-	(7)	-	-
218	224	6,767	218	(7)	8	1
<u>\$ 316</u>	<u>\$ 366</u>	<u>\$ 6,767</u>	<u>\$ 382</u>	<u>\$ 11</u>	<u>\$ 66</u>	<u>\$ 1</u>

Continued

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2021
(In Thousands)

	Charter School	CARES Act Relief	Neighborhood Stabilization and Home	Community Development Block Grant
ASSETS				
Cash and Cash Equivalents	\$ 1,361	\$ 5	\$ -	\$ 188
Restricted Cash and Investments	1,572	-	-	-
Due from TWA	-	-	-	-
Due from Other Governments	82	-	35	121
Total Assets	<u>\$ 3,015</u>	<u>\$ 5</u>	<u>\$ 35</u>	<u>\$ 309</u>
LIABILITIES				
Accounts Payable	\$ 102	\$ 1	\$ -	\$ 41
Contracts Payable	-	-	-	-
Due to Other Funds	-	-	30	277
Advanced Grants	-	-	-	-
Total Liabilities	<u>102</u>	<u>1</u>	<u>30</u>	<u>318</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	-	-	35	10
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>35</u>	<u>10</u>
FUND BALANCES (DEFICITS)				
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	-	-	-	-
Restricted for Public Safety Projects	-	-	-	-
Restricted for Development Services	-	-	-	-
Restricted for Economic Development	-	4	-	-
Restricted for Recreation Projects	-	-	-	-
Restricted for Charter School	2,913	-	-	-
Restricted for Other Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	-	(30)	(19)
Total Fund Balances (Deficits)	<u>2,913</u>	<u>4</u>	<u>(30)</u>	<u>(19)</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 3,015</u>	<u>\$ 5</u>	<u>\$ 35</u>	<u>\$ 309</u>

Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
\$ 4	\$ -	\$ 1,135	\$ 25,982
-	-	-	1,572
-	-	-	3
-	-	-	2,299
<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,135</u>	<u>\$ 29,856</u>
\$ -	\$ -	\$ -	\$ 477
-	-	-	29
-	-	-	377
-	-	-	164
-	-	-	1,047
-	-	-	215
-	-	-	215
-	-	1,135	1,135
-	-	-	10,989
-	-	-	8
-	-	-	4,714
4	-	-	226
-	-	-	1,795
-	-	-	2,913
-	-	-	6,870
-	-	-	(56)
<u>4</u>	<u>-</u>	<u>1,135</u>	<u>28,594</u>
<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,135</u>	<u>\$ 29,856</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, 2021
(In Thousands)

	<u>Local Option Gas Tax</u>	<u>Recreation Impact Fee Fund</u>	<u>Local Option Sales Tax</u>
REVENUES			
Taxes	\$ 2,767	\$ -	\$ 8,555
Permits, Fees and Special Assessments	-	-	-
Intergovernmental Revenues	-	-	-
Charges for Services	18	583	-
Investment Income (Loss)	(10)	2	(97)
Miscellaneous Revenues	1	-	-
Total Revenues	<u>2,776</u>	<u>585</u>	<u>8,458</u>
EXPENDITURES			
Current:			
General Government	-	-	936
Public Safety	-	-	2,584
Transportation	1,761	-	620
Economic Environment	-	-	-
Culture/Recreation	-	137	447
Principal Retirement	-	-	218
Interest and Fiscal Charges	-	-	96
Total Expenditures	<u>1,761</u>	<u>137</u>	<u>4,901</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,015</u>	<u>448</u>	<u>3,557</u>
OTHER FINANCING SOURCES and (USES)			
Transfers In	611	-	-
Transfers (Out)	(905)	(227)	(4,425)
Issuance of Capital Lease	-	-	2,320
Total Other Financing Sources and (Uses)	<u>(294)</u>	<u>(227)</u>	<u>(2,105)</u>
Net Change in Fund Balances	721	221	1,452
Fund Balances (Deficits) - Beginning	3,276	1,574	5,200
Fund Balances (Deficits) - Ending	<u>\$ 3,997</u>	<u>\$ 1,795</u>	<u>\$ 6,652</u>

Building Division	Federal Grants Fund	Shingle Creek Regional Trail	Mobility Fee Fund	State Housing Initiative Program	Victim of Crime Act
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
494	-	-	1,305	-	-
-	101	2,527	-	-	24
177	-	-	-	-	-
(31)	2	-	(7)	3	-
-	218	-	-	28	-
640	321	2,527	1,298	31	24
-	-	-	-	-	-
2,577	-	-	-	-	68
-	-	1,514	2	-	-
-	-	-	-	12	-
-	-	-	-	-	-
-	-	-	-	-	-
2,577	-	1,514	2	12	68
(1,937)	321	1,013	1,296	19	(44)
5	-	227	-	-	39
-	-	-	(443)	-	-
-	-	-	-	-	-
5	-	227	(443)	-	39
(1,932)	321	1,240	853	19	(5)
6,646	(103)	(1,016)	5,914	199	(2)
\$ 4,714	\$ 218	\$ 224	\$ 6,767	\$ 218	\$ (7)

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, 2021
(In Thousands)

	Justice Assistance Grant	Paving Assessments	Charter School	CARES Act Relief
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits, Fees and Special Assessments	-	28	-	-
Intergovernmental Revenues	66	-	5,928	1,115
Charges for Services	-	-	-	-
Investment Income (Loss)	-	1	(14)	(5)
Miscellaneous Revenues	-	-	-	-
Total Revenues	66	29	5,914	1,110
EXPENDITURES				
Current:				
General Government	-	-	5,460	-
Public Safety	293	-	-	-
Transportation	-	11	-	-
Economic Environment	-	-	-	1,115
Culture/Recreation	-	-	-	-
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	293	11	5,460	1,115
Excess (Deficiency) of Revenues Over (Under) Expenditures	(227)	18	454	(5)
OTHER FINANCING SOURCES and (USES)				
Transfers In	270	-	-	-
Transfers (Out)	-	(17)	(646)	-
Issuance of Capital Lease	-	-	-	-
Total Other Financing Sources and (Uses)	270	(17)	(646)	-
Net Change in Fund Balances	43	1	(192)	(5)
Fund Balances (Deficits) - Beginning	(35)	-	3,105	9
Fund Balances (Deficits) - Ending	\$ 8	\$ 1	\$ 2,913	\$ 4

Neighborhood Stabilization and Home	Community Development Block Grant	Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,322
-	-	-	-	-	1,827
-	459	-	1,403	-	11,623
-	-	-	-	-	778
-	-	-	-	(1)	(157)
-	-	-	-	77	324
-	459	-	1,403	76	25,717
-	-	-	-	-	6,396
-	-	-	1,403	-	6,925
-	-	-	-	-	3,908
18	323	-	-	-	1,468
-	-	-	-	-	584
-	-	-	-	-	218
-	-	-	-	-	96
18	323	-	1,403	-	19,595
(18)	136	-	-	76	6,122
-	-	-	-	-	1,152
-	-	-	-	-	(6,663)
-	-	-	-	-	2,320
-	-	-	-	-	(3,191)
(18)	136	-	-	76	2,931
(12)	(155)	4	-	1,059	25,663
<u>\$ (30)</u>	<u>\$ (19)</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 1,135</u>	<u>\$ 28,594</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION GAS TAX
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Taxes	\$ 2,725	\$ 2,767	\$ 42
Charges for Services	3	18	15
Investment Income (Loss)	20	(10)	(30)
Miscellaneous Revenues	1	1	-
Total Revenues	<u>2,749</u>	<u>2,776</u>	<u>27</u>
EXPENDITURES			
Transportation	5,510	1,761	3,749
Capital Outlay	-	-	-
Total Expenditures	<u>5,510</u>	<u>1,761</u>	<u>3,749</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,761)</u>	<u>1,015</u>	<u>3,776</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	599	611	12
Transfers (Out)	(917)	(905)	12
Total Other Financing Sources and (Uses)	<u>(318)</u>	<u>(294)</u>	<u>24</u>
Net Change in Fund Balance	<u>(3,079)</u>	<u>721</u>	<u>3,800</u>
Fund Balance (Deficit) - Beginning	<u>3,079</u>	<u>3,276</u>	<u>197</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 3,997</u>	<u>\$ 3,997</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RECREATION IMPACT FEE FUND
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Charges for Services	\$ 300	\$ 583	\$ 283
Investment Income (Loss)	10	2	(8)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>310</u>	<u>585</u>	<u>275</u>
EXPENDITURES			
Culture/Recreation	1,637	137	1,500
Capital Outlay	-	-	-
Total Expenditures	<u>1,637</u>	<u>137</u>	<u>1,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,327)</u>	<u>448</u>	<u>1,775</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(227)	(227)	-
Total Other Financing Sources and (Uses)	<u>(227)</u>	<u>(227)</u>	<u>-</u>
Net Change in Fund Balance	(1,554)	221	1,775
Fund Balance (Deficit) - Beginning	<u>1,554</u>	<u>1,574</u>	<u>20</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 1,795</u>	<u>\$ 1,795</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION SALES TAX
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Taxes	\$ 8,700	\$ 8,555	\$ (145)
Intergovernmental Revenues	500	-	(500)
Investment Income (Loss)	30	(97)	(127)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>9,230</u>	<u>8,458</u>	<u>(772)</u>
EXPENDITURES			
General Government	3,199	936	2,263
Public Safety	537	2,584	(2,047)
Transportation	3,432	620	2,812
Culture/Recreation	2,791	447	2,344
Debt Service:			
Principal Retirement	314	218	96
Interest and Fiscal Charges	-	96	(96)
Total Expenditures	<u>10,273</u>	<u>4,901</u>	<u>5,372</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,043)</u>	<u>3,557</u>	<u>4,600</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(4,525)	(4,425)	100
Issuance of Capital Lease	-	2,320	2,320
Total Other Financing Sources and (Uses)	<u>(4,525)</u>	<u>(2,105)</u>	<u>2,420</u>
Net Change in Fund Balance	<u>(5,568)</u>	<u>1,452</u>	<u>7,020</u>
Fund Balance (Deficit) - Beginning	<u>5,568</u>	<u>5,200</u>	<u>(368)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 6,652</u>	<u>\$ 6,652</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING DIVISION
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 868	\$ 494	\$ (374)
Charges for Services	57	177	120
Investment Income (Loss)	75	(31)	(106)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>1,000</u>	<u>640</u>	<u>(360)</u>
EXPENDITURES			
Public Safety	7,276	2,577	4,699
Capital Outlay	-	-	-
Total Expenditures	<u>7,276</u>	<u>2,577</u>	<u>4,699</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,276)</u>	<u>(1,937)</u>	<u>4,339</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	5	5	-
Total Other Financing Sources and (Uses)	<u>5</u>	<u>5</u>	<u>-</u>
Net Change in Fund Balance	(6,271)	(1,932)	4,339
Fund Balance (Deficit) - Beginning	<u>6,271</u>	<u>6,646</u>	<u>375</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 4,714</u>	<u>\$ 4,714</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANTS FUND
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ -	\$ 101	\$ 101
Investment Income (Loss)	-	2	2
Miscellaneous Revenues	218	218	-
Total Revenues	<u>218</u>	<u>321</u>	<u>103</u>
EXPENDITURES			
General Government	18	-	18
Economic Environment	398	-	398
Total Expenditures	<u>416</u>	<u>-</u>	<u>416</u>
Net Change in Fund Balance	(198)	321	519
Fund Balance (Deficit) - Beginning	<u>198</u>	<u>(103)</u>	<u>(301)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 218</u>	<u>\$ 218</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SHINGLE CREEK REGIONAL TRAIL
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 206	\$ 2,527	\$ 2,321
Investment Income (Loss)	-	-	-
Miscellaneous Revenues	-	-	-
Total Revenues	<u>206</u>	<u>2,527</u>	<u>2,321</u>
EXPENDITURES			
Transportation	<u>2,206</u>	<u>1,514</u>	<u>692</u>
Total Expenditures	<u>2,206</u>	<u>1,514</u>	<u>692</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,000)</u>	<u>1,013</u>	<u>3,013</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	<u>227</u>	<u>227</u>	<u>-</u>
Total Other Financing Sources and (Uses)	<u>227</u>	<u>227</u>	<u>-</u>
Net Change in Fund Balance	(1,773)	1,240	3,013
Fund Balance (Deficit) - Beginning	<u>1,773</u>	<u>(1,016)</u>	<u>(2,789)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 224</u>	<u>\$ 224</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MOBILITY FEE FUND
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 1,237	\$ 1,305	\$ 68
Investment Income (Loss)	30	(7)	(37)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>1,267</u>	<u>1,298</u>	<u>31</u>
EXPENDITURES			
Transportation	6,767	2	6,765
Capital Outlay	-	-	-
Total Expenditures	<u>6,767</u>	<u>2</u>	<u>6,765</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,500)</u>	<u>1,296</u>	<u>6,796</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(443)	(443)	-
Total Other Financing Sources and (Uses)	<u>(443)</u>	<u>(443)</u>	<u>-</u>
Net Change in Fund Balance	(5,943)	853	6,796
Fund Balance (Deficit) - Beginning	<u>5,943</u>	<u>5,914</u>	<u>(29)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 6,767</u>	<u>\$ 6,767</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING INITIATIVE PROGRAM
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Investment Income (Loss)	-	3	3
Miscellaneous Revenues	57	28	(29)
Total Revenues	<u>57</u>	<u>31</u>	<u>(26)</u>
EXPENDITURES			
Economic Environment	225	12	213
Total Expenditures	<u>225</u>	<u>12</u>	<u>213</u>
Net Change in Fund Balance	(168)	19	187
Fund Balance (Deficit) - Beginning	<u>168</u>	<u>199</u>	<u>31</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 218</u>	<u>\$ 218</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
VICTIM OF CRIME ACT
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 85	\$ 24	\$ (61)
Total Revenues	<u>85</u>	<u>24</u>	<u>(61)</u>
EXPENDITURES			
Public Safety	85	68	17
Total Expenditures	<u>85</u>	<u>68</u>	<u>17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(44)</u>	<u>(44)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	-	39	39
Total Other Financing Sources and (Uses)	<u>-</u>	<u>39</u>	<u>39</u>
Net Change in Fund Balance	-	(5)	(5)
Fund Balance (Deficit) - Beginning	<u>-</u>	<u>(2)</u>	<u>(2)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (7)</u>	<u>\$ (7)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
JUSTICE ASSISTANCE GRANT
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 31	\$ 66	\$ 35
Total Revenues	<u>31</u>	<u>66</u>	<u>35</u>
EXPENDITURES			
Public Safety	302	293	9
Total Expenditures	<u>302</u>	<u>293</u>	<u>9</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(271)</u>	<u>(227)</u>	<u>44</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	270	270	-
Total Other Financing Sources and (Uses)	<u>270</u>	<u>270</u>	<u>-</u>
Net Change in Fund Balance	(1)	43	44
Fund Balance (Deficit) - Beginning	<u>1</u>	<u>(35)</u>	<u>(36)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 8</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PAVING ASSESSMENTS
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Permits, Fees and Special Assessments	\$ 28	\$ 28	\$ -
Investment Income (Loss)	-	1	1
Total Revenues	<u>28</u>	<u>29</u>	<u>1</u>
EXPENDITURES			
Transportation	11	11	-
Total Expenditures	<u>11</u>	<u>11</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17</u>	<u>18</u>	<u>1</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(17)	(17)	-
Total Other Financing Sources and (Uses)	<u>(17)</u>	<u>(17)</u>	<u>-</u>
Net Change in Fund Balance	-	1	1
Fund Balance (Deficit) - Beginning	-	-	-
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CHARTER SCHOOL
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 5,600	\$ 5,928	\$ 328
Investment Income (Loss)	40	(14)	(54)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>5,640</u>	<u>5,914</u>	<u>274</u>
EXPENDITURES			
General Government	7,977	5,460	2,517
Capital Outlay	-	-	-
Total Expenditures	<u>7,977</u>	<u>5,460</u>	<u>2,517</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,337)</u>	<u>454</u>	<u>2,791</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(646)	(646)	-
Total Other Financing Sources and (Uses)	<u>(646)</u>	<u>(646)</u>	<u>-</u>
Net Change in Fund Balance	(2,983)	(192)	2,791
Fund Balance (Deficit) - Beginning	<u>2,983</u>	<u>3,105</u>	<u>122</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 2,913</u>	<u>\$ 2,913</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CARES ACT RELIEF
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 687	\$ 1,115	\$ 428
Investment Income (Loss)	-	(5)	(5)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>687</u>	<u>1,110</u>	<u>423</u>
EXPENDITURES			
Economic Environment	<u>688</u>	<u>1,115</u>	<u>(427)</u>
Total Expenditures	<u>688</u>	<u>1,115</u>	<u>(427)</u>
Net Change in Fund Balance	(1)	(5)	(4)
Fund Balance (Deficit) - Beginning	<u>1</u>	<u>9</u>	<u>8</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION AND HOME
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Miscellaneous Revenues	\$ 345	\$ -	\$ (345)
Total Revenues	<u>345</u>	<u>-</u>	<u>(345)</u>
EXPENDITURES			
Economic Environment	772	18	754
Total Expenditures	<u>772</u>	<u>18</u>	<u>754</u>
Net Change in Fund Balance	(427)	(18)	409
Fund Balance (Deficit) - Beginning	<u>427</u>	<u>(12)</u>	<u>(439)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (30)</u>	<u>\$ (30)</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Intergovernmental Revenues	\$ 725	\$ 459	\$ (266)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>725</u>	<u>459</u>	<u>(266)</u>
EXPENDITURES			
Economic Environment	<u>1,706</u>	<u>323</u>	<u>1,383</u>
Total Expenditures	<u>1,706</u>	<u>323</u>	<u>1,383</u>
Net Change in Fund Balance	(981)	136	1,117
Fund Balance (Deficit) - Beginning	<u>981</u>	<u>(155)</u>	<u>(1,136)</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (19)</u>	<u>\$ (19)</u>

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CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2021
(In Thousands)

	FmHA Bond	2015B Refunding Note	2014A Revenue Note	Series 2017 Revenue Note	2010A Refunding Revenue Note
ASSETS					
Cash and Cash Equivalents	\$ 42	\$ 241	\$ 518	\$ -	\$ 887
Total Assets	<u>\$ 42</u>	<u>\$ 241</u>	<u>\$ 518</u>	<u>\$ -</u>	<u>\$ 887</u>
LIABILITIES					
Accrued Liabilities	\$ -	\$ 241	\$ 518	\$ -	\$ 887
Total Liabilities	<u>-</u>	<u>241</u>	<u>518</u>	<u>-</u>	<u>887</u>
FUND BALANCE					
Assigned for Debt Service	42	-	-	-	-
Total Fund Balances	<u>42</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 42</u>	<u>\$ 241</u>	<u>\$ 518</u>	<u>\$ -</u>	<u>\$ 887</u>

2010B Refunding Revenue Note	2010C Refunding Revenue Note	2011B Capital Refunding Note	2021 Line of Credit Debt	Total Nonmajor Debt Service Funds
\$ 693	\$ 244	\$ 742	\$ 17	\$ 3,384
<u>\$ 693</u>	<u>\$ 244</u>	<u>\$ 742</u>	<u>\$ 17</u>	<u>\$ 3,384</u>
\$ 693	\$ 244	\$ 742	\$ -	\$ 3,325
<u>693</u>	<u>244</u>	<u>742</u>	<u>-</u>	<u>3,325</u>
-	-	-	17	59
-	-	-	17	59
<u>\$ 693</u>	<u>\$ 244</u>	<u>\$ 742</u>	<u>\$ 17</u>	<u>\$ 3,384</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, 2021
(In Thousands)

	FmHA Bond	2015B Refunding Note	2014A Revenue Note	Series 2017 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	26	200	410	-	845
Interest and Fiscal Charges	3	82	215	178	83
Total Expenditures	<u>29</u>	<u>282</u>	<u>625</u>	<u>178</u>	<u>928</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(29)</u>	<u>(282)</u>	<u>(625)</u>	<u>(178)</u>	<u>(928)</u>
OTHER FINANCING SOURCES AND (USES)					
Transfers In	29	282	625	178	928
Total Other Financing Sources And (Uses)	<u>29</u>	<u>282</u>	<u>625</u>	<u>178</u>	<u>928</u>
Net Change in Fund Balances	-	-	-	-	-
Fund Balances - Beginning	42	-	-	-	-
Fund Balances - Ending	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2010B Refunding Revenue Note	2010C Refunding Revenue Note	2011B Capital Refunding Note	2021 Line of Credit Debt	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
645	210	680	-	3,016
96	69	124	34	884
741	279	804	34	3,900
(741)	(279)	(804)	(34)	(3,900)
741	279	804	51	3,917
741	279	804	51	3,917
-	-	-	17	17
-	-	-	-	42
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 59</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FmHA BOND
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
General Government	42	-	42
Debt Service			
Principal Retirement	26	26	-
Interest and Fiscal Charges	3	3	-
Total Expenditures	<u>71</u>	<u>29</u>	<u>42</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(71)</u>	<u>(29)</u>	<u>42</u>
OTHER FINANCING SOURCES			
Transfers In	29	29	-
Total Other Financing Sources	<u>29</u>	<u>29</u>	<u>-</u>
Net Change in Fund Balance	<u>(42)</u>	<u>-</u>	<u>42</u>
Fund Balance - Beginning	<u>42</u>	<u>42</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ 42</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2015B REFUNDING NOTE
For the Year Ended September 30, 2021
(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	200	200	-
Interest and Fiscal Charges	82	82	-
Total Expenditures	<u>282</u>	<u>282</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(282)</u>	<u>(282)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	282	282	-
Total Other Financing Sources	<u>282</u>	<u>282</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2014A REVENUE NOTE
For the Year Ended September 30, 2021
(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	410	410	-
Interest and Fiscal Charges	215	215	-
Total Expenditures	<u>625</u>	<u>625</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(625)</u>	<u>(625)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	625	625	-
Total Other Financing Sources	<u>625</u>	<u>625</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
2017 REVENUE NOTE
For the Year Ended September 30, 2021
(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			
Interest and Fiscal Charges	420	178	242
Total Expenditures	<u>420</u>	<u>178</u>	<u>242</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(420)</u>	<u>(178)</u>	<u>242</u>
OTHER FINANCING SOURCES			
Transfers In	420	178	(242)
Total Other Financing Sources	<u>420</u>	<u>178</u>	<u>(242)</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010A REFUNDING REVENUE NOTE
For the Year Ended September 30, 2021
(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	845	845	-
Interest and Fiscal Charges	69	83	(14)
Total Expenditures	<u>914</u>	<u>928</u>	<u>(14)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(914)</u>	<u>(928)</u>	<u>(14)</u>
OTHER FINANCING SOURCES			
Transfers In	914	928	14
Total Other Financing Sources	<u>914</u>	<u>928</u>	<u>14</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, 2021
(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	645	645	-
Interest and Fiscal Charges	96	96	-
Total Expenditures	<u>741</u>	<u>741</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(741)</u>	<u>(741)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	741	741	-
Total Other Financing Sources	<u>741</u>	<u>741</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, 2021
(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	210	210	-
Interest and Fiscal Charges	69	69	-
Total Expenditures	<u>279</u>	<u>279</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(279)</u>	<u>(279)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers In	279	279	-
Total Other Financing Sources	<u>279</u>	<u>279</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, 2021
(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	102	124	(22)
Total Expenditures	<u>782</u>	<u>804</u>	<u>(22)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(782)</u>	<u>(804)</u>	<u>(22)</u>
OTHER FINANCING SOURCES			
Transfers In	782	804	22
Total Other Financing Sources	<u>782</u>	<u>804</u>	<u>22</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
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2021
(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 Due from Other Funds	\$ 149	\$ 14	\$ 768	\$ 2	\$ 631
	-	-	-	-	-
Total Assets	\$ 149	\$ 14	\$ 768	\$ 2	\$ 631
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 8	\$ -	\$ -
Total Liabilities	-	-	8	-	-
FUND BALANCES					
Restricted for Construction Projects	149	14	760	2	631
Total Fund Balances	149	14	760	2	631
Total Liabilities and Fund Balances	\$ 149	\$ 14	\$ 768	\$ 2	\$ 631

2017 Note Capital Project	2021 Line of Credit	Total Nonmajor Capital Projects Funds
\$ 371	\$ -	\$ 1,935
<u>460</u>	<u>-</u>	<u>460</u>
<u>\$ 831</u>	<u>\$ -</u>	<u>\$ 2,395</u>
\$ -	\$ -	\$ 8
<u>-</u>	<u>-</u>	<u>8</u>
831	-	2,387
<u>831</u>	<u>-</u>	<u>2,387</u>
<u>\$ 831</u>	<u>\$ -</u>	<u>\$ 2,395</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, 2021
(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)	\$ -	\$ -	\$ (28)	\$ -	\$ (2)
Miscellaneous Revenues	-	-	78	-	-
Total Revenues	-	-	50	-	(2)
EXPENDITURES					
Capital Outlay	11	-	32	-	-
Total Expenditures	11	-	32	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11)	-	18	-	(2)
OTHER FINANCING SOURCES (USES)					
Issuance of Notes Payable/Refunded Notes Payable	-	-	-	-	-
Payment to Refunded Notes Escrow Agent	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(11)	-	18	-	(2)
Fund Balances - Beginning	160	14	742	2	633
Fund Balances - Ending	\$ 149	\$ 14	\$ 760	\$ 2	\$ 631

2017 Note Capital Project	2021 Line of Credit	Total Nonmajor Capital Projects Funds
\$ (5)	\$ -	\$ (35)
<u>-</u>	<u>-</u>	<u>78</u>
(5)	-	43
<u>-</u>	<u>-</u>	<u>43</u>
-	-	43
<u>(5)</u>	<u>-</u>	<u>-</u>
-	16,350	16,350
<u>-</u>	<u>(16,350)</u>	<u>(16,350)</u>
<u>-</u>	<u>-</u>	<u>-</u>
(5)	-	-
<u>836</u>	<u>-</u>	<u>2,387</u>
<u>\$ 831</u>	<u>\$ -</u>	<u>\$ 2,387</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2014A NOTE CAPITAL PROJECT
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ -	\$ -
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital Outlay	11	11	-
Total Expenditures	<u>11</u>	<u>11</u>	<u>-</u>
Net Change in Fund Balance	(11)	(11)	-
Fund Balance - Beginning	<u>11</u>	<u>160</u>	<u>149</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 149</u>	<u>\$ 149</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE CONSTRUCTION
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ (28)	\$ (28)
Miscellaneous Revenues	78	78	-
Total Revenues	<u>78</u>	<u>50</u>	<u>(28)</u>
EXPENDITURES			
Capital Outlay	2,575	32	2,543
Total Expenditures	<u>2,575</u>	<u>32</u>	<u>2,543</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,497)</u>	<u>18</u>	<u>2,515</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	815	-	(815)
Total Other Financing Sources (Uses)	<u>815</u>	<u>-</u>	<u>(815)</u>
Net Change in Fund Balance	<u>(1,682)</u>	<u>18</u>	<u>1,700</u>
Fund Balance - Beginning	<u>1,682</u>	<u>742</u>	<u>(940)</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 760</u>	<u>\$ 760</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2018 LINE OF CREDIT
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ (2)	\$ (2)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>(2)</u>	<u>(2)</u>
EXPENDITURES			
Capital Outlay	621	-	621
Total Expenditures	<u>621</u>	<u>-</u>	<u>621</u>
Net Change in Fund Balance	(621)	(2)	619
Fund Balance - Beginning	<u>621</u>	<u>633</u>	<u>12</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 631</u>	<u>\$ 631</u>

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2017 NOTE CAPITAL PROJECTS
For the Year Ended September 30, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual Amounts</u>	<u>Variance with Budget - Over (Under)</u>
REVENUES			
Investment Income (Loss)	\$ -	\$ (5)	\$ (5)
Miscellaneous Revenues	-	-	-
Total Revenues	<u>-</u>	<u>(5)</u>	<u>(5)</u>
EXPENDITURES			
Capital Outlay	360	-	360
Total Expenditures	<u>360</u>	<u>-</u>	<u>360</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(360)</u>	<u>(5)</u>	<u>355</u>
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(460)	-	460
Total Other Financing Sources (Uses)	<u>(460)</u>	<u>-</u>	<u>460</u>
Net Change in Fund Balance	<u>(820)</u>	<u>(5)</u>	<u>815</u>
Fund Balance - Beginning	<u>820</u>	<u>836</u>	<u>16</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 831</u>	<u>\$ 831</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, 2021

(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 667	\$ 770	\$ 6,101	\$ 7,538
Accounts Receivable (net)	14	2	-	16
Due from Other Governments	290	-	-	290
Due from KUA	25	-	-	25
Due from TWA	273	58	737	1,068
Inventories	77	-	-	77
Total Current Assets	<u>1,346</u>	<u>830</u>	<u>6,838</u>	<u>9,014</u>
Capital Assets:				
Buildings	289	-	-	289
Improvements Other Than Buildings	3,851	91	535	4,477
Software, Net	2	-	-	2
Machinery, Equipment and Vehicles	2,814	38	172	3,024
Less: Accumulated Depreciation	(5,048)	(36)	(272)	(5,356)
Total Capital Assets	<u>1,908</u>	<u>93</u>	<u>435</u>	<u>2,436</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to OPEB	71	-	-	71
Deferred Outflows Related to Pensions	251	-	-	251
Total Deferred Outflows of Resources	<u>322</u>	<u>-</u>	<u>-</u>	<u>322</u>
LIABILITIES				
Current liabilities:				
Accounts Payable	393	-	4	397
Compensated Absences Payable	41	-	-	41
Estimated Claims Payable	-	425	1,950	2,375
Total current liabilities	<u>434</u>	<u>425</u>	<u>1,954</u>	<u>2,813</u>
Noncurrent liabilities:				
Compensated Absences Payable	166	-	-	166
Other Postemployment Benefits	414	-	-	414
Net Pension Liability	442	-	-	442
Estimated Claims Payable	-	426	1,951	2,377
Total Noncurrent Liabilities	<u>1,022</u>	<u>426</u>	<u>1,951</u>	<u>3,399</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to OPEB	123	-	-	123
Deferred Inflows Related to Pensions	1,044	-	-	1,044
Total Deferred Inflows of Resources	<u>1,167</u>	<u>-</u>	<u>-</u>	<u>1,167</u>
NET POSITION				
Net Investment in Capital Assets	1,908	93	435	2,436
Unrestricted	(955)	(21)	2,933	1,957
Total Net Position	<u>\$ 953</u>	<u>\$ 72</u>	<u>\$ 3,368</u>	<u>\$ 4,393</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, 2021
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Operating Revenues:				
Charges for Services	\$ 9,071	\$ 9,977	\$ 2,722	\$ 21,770
Miscellaneous Revenues	232	-	-	232
Total Operating Revenues	<u>9,303</u>	<u>9,977</u>	<u>2,722</u>	<u>22,002</u>
Operating Expenses:				
Personal Services	3,180	3	14	3,197
Contracted Services	703	1,716	17	2,436
Supplies and Materials	80	73	1	154
Repairs and Maintenance	2,674	-	120	2,794
Other Services and Charges	1,695	34	248	1,977
Depreciation	632	8	37	677
Claims/Premium Expense	133	8,196	2,127	10,456
Total Operating Expenses	<u>9,097</u>	<u>10,030</u>	<u>2,564</u>	<u>21,691</u>
Operating Income (Loss)	<u>206</u>	<u>(53)</u>	<u>158</u>	<u>311</u>
Nonoperating Revenues and Expenses:				
Investment Income	(5)	2	(15)	(18)
Insurance Recoveries	-	-	209	209
Gain or (Loss) from Sale of Capital Assets	(5)	-	-	(5)
Total Nonoperating Revenues and Expenses	<u>(10)</u>	<u>2</u>	<u>194</u>	<u>186</u>
Income (Loss) Before Contributions and Transfers	196	(51)	352	497
Transfers In	25	4	-	29
Change in Net Position	221	(47)	352	526
Total Net Position - Beginning	732	119	3,016	3,867
Total Net Position - Ending	<u>\$ 953</u>	<u>\$ 72</u>	<u>\$ 3,368</u>	<u>\$ 4,393</u>

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2021
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 8,977	\$ 9,933	\$ 2,466	\$ 21,376
Payments to Suppliers	(5,323)	(9,716)	(2,569)	(17,608)
Payments to Employees	(3,351)	(3)	(14)	(3,368)
Net Cash Provided (Used) by Operating Activities	<u>303</u>	<u>214</u>	<u>(117)</u>	<u>400</u>
Cash Flows from Noncapital Financing Activities				
Transfers in	25	4	-	29
Transfers (out)	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>25</u>	<u>4</u>	<u>-</u>	<u>29</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(641)	(2)	(60)	(703)
Capital Contributions	-	-	-	-
Proceeds from Sales of Capital Assets	2	-	-	2
Proceeds from Insurance Recoveries	-	-	209	209
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(639)</u>	<u>(2)</u>	<u>149</u>	<u>(492)</u>
Cash Flows from Investing Activities				
Investment Income	(5)	2	(15)	(18)
Net Cash Provided (Used) by Investing Activities	<u>(5)</u>	<u>2</u>	<u>(15)</u>	<u>(18)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(316)	218	17	(81)
Cash and Cash Equivalents at Beginning of Year	983	552	6,084	7,619
Cash and Cash Equivalents at End of Year	<u>\$ 667</u>	<u>\$ 770</u>	<u>\$ 6,101</u>	<u>\$ 7,538</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 206	\$ (53)	\$ 158	\$ 311
Depreciation	632	8	37	677
Changes in Assets and Liabilities:				
(Increase) Decrease in Due from TWA	(188)	(43)	(256)	(487)
(Increase) Decrease in Accounts Receivable	(14)	(1)	-	(15)
(Increase) Decrease in Inventories	64	-	-	64
(Increase) Decrease in Due From Other Governments	(99)	-	1	(98)
(Increase) Decrease in Deferred Outflows OPEB	(14)	-	-	(14)
(Increase) Decrease in Deferred Outflows Pensions	35	-	-	35
Increase (Decrease) in Accounts Payable	(102)	-	4	(98)
(Increase) Decrease in Due from KUA	(25)	-	-	(25)
Increase (Decrease) in Claims Payable	-	303	(61)	242
Increase (Decrease) in OPEB Liability	(37)	-	-	(37)
Increase (Decrease) in Compensated Absences	17	-	-	17
Increase (Decrease) in Net Pension Liability	(1,267)	-	-	(1,267)
Increase (Decrease) in Deferred Inflows OPEB	66	-	-	66
Increase (Decrease) in Deferred Inflows Pensions	1,029	-	-	1,029
Total Adjustments	<u>97</u>	<u>267</u>	<u>(275)</u>	<u>89</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 303</u>	<u>\$ 214</u>	<u>\$ (117)</u>	<u>\$ 400</u>

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City of Kissimmee, Florida
Statistical Section
September 30, 2021

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment										
in capital assets	\$ 130,537	\$ 137,945	\$ 148,239	\$ 163,458	\$ 159,525	\$ 171,862	\$ 160,750	\$ 168,706	\$ 178,154	\$ 184,731
Restricted	17,963	14,019	12,220	16,865	20,474	21,469	26,878	32,621	33,231	40,052
Unrestricted	16,872	19,796	25,233	(5,079)	(3,698)	(2,528)	(4,692)	125	(3,503)	2,108
Total governmental activities net position	<u>\$ 165,372</u>	<u>\$ 171,760</u>	<u>\$ 185,692</u>	<u>\$ 175,244</u>	<u>\$ 176,301</u>	<u>\$ 190,803</u>	<u>\$ 182,936</u>	<u>\$ 201,452</u>	<u>\$ 207,882</u>	<u>\$ 226,891</u>
Business-type activities										
Net investment										
in capital assets	\$ 34,488	\$ 37,374	\$ 41,655	\$ 42,959	\$ 42,126	\$ 43,725	\$ 49,095	\$ 49,355	\$ 49,204	\$ 51,601
Restricted	1,383	388	12	488	24	-	36	73	69	-
Unrestricted	2,842	3,549	4,509	1,858	2,996	1,879	1,874	3,277	4,273	2,845
Total business-type activities net position	<u>\$ 38,713</u>	<u>\$ 41,311</u>	<u>\$ 46,176</u>	<u>\$ 45,305</u>	<u>\$ 45,146</u>	<u>\$ 45,604</u>	<u>\$ 51,005</u>	<u>\$ 52,705</u>	<u>\$ 53,546</u>	<u>\$ 54,446</u>
Primary government										
Net investment										
in capital assets	\$ 165,025	\$ 175,319	\$ 189,894	\$ 206,417	\$ 201,651	\$ 215,587	\$ 209,845	\$ 218,061	\$ 227,358	\$ 236,332
Restricted	19,346	14,407	12,232	17,353	20,498	21,469	26,914	32,694	33,300	40,052
Unrestricted	19,714	23,345	29,742	(3,221)	(702)	(649)	(2,818)	3,402	770	4,953
Total primary government net position	<u>\$ 204,085</u>	<u>\$ 213,071</u>	<u>\$ 231,868</u>	<u>\$ 220,549</u>	<u>\$ 221,447</u>	<u>\$ 236,407</u>	<u>\$ 233,941</u>	<u>\$ 254,157</u>	<u>\$ 261,428</u>	<u>\$ 281,337</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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 29,314	\$ 32,203	\$ 34,892	\$ 32,649	\$ 38,386	\$ 37,622	\$ 38,402	\$ 41,436	\$ 48,354	\$ 46,066
Public safety	30,865	31,600	32,134	33,644	36,631	40,187	39,039	42,946	45,599	44,709
Physical environment	-	-	-	-	-	-	-	-	-	-
Transportation	5,883	6,559	7,738	8,437	18,435	6,651	10,834	13,908	8,049	9,079
Economic environment	845	1,526	1,053	962	389	1,103	1,944	1,302	997	1,468
Culture/Recreation	5,924	5,430	5,499	4,255	8,360	7,534	7,659	3,940	8,110	8,183
Interest on long-term debt	1,520	1,332	1,352	1,499	3,028	2,620	2,791	2,854	2,644	2,495
Total governmental activities expenses	\$ 74,351	\$ 78,650	\$ 82,668	\$ 81,446	\$ 105,229	\$ 95,717	\$ 100,669	\$ 106,386	\$ 113,753	\$ 112,000
Business-type activities:										
Stormwater	\$ 3,312	\$ 3,409	\$ 3,546	\$ 3,725	\$ 4,029	\$ 3,998	\$ 4,633	\$ 4,941	\$ 4,885	\$ 5,363
Airport	1,181	1,248	1,231	1,425	2,160	2,497	1,564	1,707	1,640	1,751
Solid waste	3,855	3,773	4,107	4,288	4,436	4,497	4,559	5,131	5,335	5,489
Total business-type activities expenses	\$ 8,348	\$ 8,430	\$ 8,884	\$ 9,438	\$ 10,625	\$ 10,992	\$ 10,756	\$ 11,779	\$ 11,860	\$ 12,603
Total primary government net expenses	\$ 82,699	\$ 87,080	\$ 91,552	\$ 90,884	\$ 115,854	\$ 106,709	\$ 111,425	\$ 118,165	\$ 125,613	\$ 124,603
Program revenues										
Governmental activities:										
Charges for services - general government	\$ 18,328	\$ 18,661	\$ 21,352	\$ 21,837	\$ 21,855	\$ 22,162	\$ 22,737	\$ 25,376	\$ 26,837	\$ 28,541
Charges for services - public safety	8,349	10,255	8,136	6,567	8,373	8,574	10,223	11,071	9,077	8,776
Charges for services - all others	2,998	1,956	2,030	2,454	2,064	1,981	2,094	1,928	824	1,247
Operating grants and contributions	445	1,039	894	594	951	1,374	1,296	2,900	1,236	2,400
Capital grants and contributions	2,210	1,988	7,455	7,040	11,361	5,322	10,921	7,545	5,815	9,125
Total governmental activities program revenues	\$ 32,330	\$ 33,899	\$ 39,867	\$ 38,492	\$ 44,604	\$ 39,413	\$ 47,271	\$ 48,820	\$ 43,789	\$ 50,089
Business-type activities:										
Charges for services - stormwater	\$ 3,886	\$ 4,399	\$ 4,432	\$ 4,659	\$ 4,732	\$ 5,105	\$ 5,188	\$ 5,561	\$ 5,786	\$ 5,860
Charges for services - airport	878	824	925	844	856	868	932	875	828	956
Charges for services - solid waste	4,324	4,608	4,822	4,773	4,772	5,066	5,010	5,362	5,844	5,938
Operating grants and contributions	-	-	-	-	-	-	-	-	157	254
Capital grants and contributions	3,152	1,749	3,890	934	1,007	651	2,615	2,022	580	1,007
Total business-type activities program revenues	\$ 12,240	\$ 11,580	\$ 14,069	\$ 11,210	\$ 11,367	\$ 11,690	\$ 13,745	\$ 13,820	\$ 13,195	\$ 14,015
Total primary government program revenues	\$ 44,570	\$ 45,479	\$ 53,936	\$ 49,702	\$ 55,971	\$ 51,103	\$ 61,016	\$ 62,640	\$ 56,984	\$ 64,104
Net (expense) / revenue										
Governmental activities	\$ (42,021)	\$ (44,751)	\$ (42,801)	\$ (42,954)	\$ (60,625)	\$ (56,304)	\$ (53,398)	\$ (57,566)	\$ (69,964)	\$ (61,911)
Business-type activities	3,892	3,150	5,185	1,772	742	698	2,989	2,041	1,335	1,412
Total primary government net expense	\$ (38,129)	\$ (41,601)	\$ (37,616)	\$ (41,182)	\$ (59,883)	\$ (55,606)	\$ (50,409)	\$ (55,525)	\$ (68,629)	\$ (60,499)

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**Schedule 2
City of Kissimmee, Florida**

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

Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General revenues and other changes in net position										
Governmental activities:										
Property tax	\$ 11,146	\$ 11,085	\$ 11,456	\$ 11,756	\$ 11,620	\$ 12,275	\$ 13,228	\$ 14,608	\$ 16,382	\$ 17,739
Sales tax	9,135	9,601	10,420	11,106	11,885	12,412	5,318	5,434	4,567	5,460
Public service tax	6,480	6,389	6,572	6,556	6,703	6,892	6,979	7,024	7,141	7,233
Gas tax	2,397	2,634	2,581	2,582	2,773	2,657	2,811	2,831	2,525	2,767
Local option discretionary tax	-	-	-	-	-	-	7,986	8,144	7,048	8,555
State revenue sharing	1,672	1,838	2,517	2,564	2,339	2,579	2,735	2,914	2,654	3,178
Other Locally Assessed Utility Tax	-	-	-	-	-	-	-	1,650	1,664	1,727
Other taxes	2,262	2,389	2,032	2,257	2,738	2,872	3,109	1,914	2,397	3,629
Franchise fees (1)	133	141	140	159	165	154	179	184	177	197
Unrestricted intergovernmental revenues	14,370	15,000	19,616	21,069	23,911	23,371	25,531	25,546	25,641	27,090
Investment income (loss)	920	178	138	233	418	688	881	2,448	1,816	(71)
Miscellaneous revenues	951	1,116	765	1,095	1,385	1,092	1,201	2,557	1,708	1,916
Gain on sale of capital assets	157	202	171	-	-	168	26	127	2,062	942
Transfers in (out)	1,276	566	325	651	780	1,212	669	701	612	558
Total governmental activities	\$ 50,899	\$ 51,139	\$ 56,733	\$ 60,028	\$ 64,717	\$ 66,372	\$ 70,653	\$ 76,082	\$ 76,394	\$ 80,920
Business-type activities:										
Investment income (loss)	\$ 9	\$ 14	\$ 5	\$ 17	\$ 24	\$ 29	\$ 45	\$ 143	\$ 105	\$ 5
Miscellaneous revenues	-	-	-	-	-	-	37	48	7	4
Gain on sale of capital assets	-	-	-	-	48	27	52	169	6	37
Transfers in (out)	(1,276)	(566)	(325)	(651)	(780)	(1,212)	(669)	(701)	(612)	(558)
Total business-type activities	\$ (1,267)	\$ (552)	\$ (320)	\$ (634)	\$ (708)	\$ (1,156)	\$ (535)	\$ (341)	\$ (494)	\$ (512)
Total primary government	\$ 49,632	\$ 50,587	\$ 56,413	\$ 59,394	\$ 64,009	\$ 65,216	\$ 70,118	\$ 75,741	\$ 75,900	\$ 80,408
Change in net position										
Governmental activities	\$ 8,878	\$ 6,388	\$ 13,932	\$ 17,074	\$ 4,092	\$ 10,068	\$ 17,255	\$ 18,516	\$ 6,430	\$ 19,009
Business-type activities	2,625	2,598	4,865	1,138	34	(458)	2,454	1,700	841	900
Total	\$ 11,503	\$ 8,986	\$ 18,797	\$ 18,212	\$ 4,126	\$ 9,610	\$ 19,709	\$ 20,216	\$ 7,271	\$ 19,909

- (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.

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Schedule 3
City of Kissimmee, Florida

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Nonspendable	\$ 373	\$ 378	\$ 199	\$ 199	\$ 330	\$ 339	\$ 334	\$ 361	\$ 318	\$ 317
Restricted	685	599	1,355	1,347	1,287	930	634	667	479	560
Assigned	927	1,614	1,695	990	2,188	1,814	1,971	736	3,768	3,448
Unassigned	18,755	19,724	21,729	23,023	23,449	25,435	28,350	31,723	30,432	35,067
Total general fund	\$ 20,740	\$ 22,315	\$ 24,978	\$ 25,559	\$ 27,254	\$ 28,518	\$ 31,289	\$ 33,487	\$ 34,997	\$ 39,392
All other governmental funds										
Nonspendable	\$ 703	\$ 739	\$ 762	\$ 802	\$ 839	\$ 883	\$ 1,033	\$ 995	\$ 1,059	\$ 1,135
Restricted	21,696	15,199	15,863	20,123	52,800	48,117	45,341	40,641	31,640	37,156
Assigned	42	42	42	86	103	59	59	59	59	76
Unassigned	(1,435)	(1,435)	(527)	(1,005)	(1,397)	(816)	(400)	(981)	(1,460)	(56)
Total all other governmental funds	\$ 21,006	\$ 14,545	\$ 16,140	\$ 20,006	\$ 52,345	\$ 48,243	\$ 46,033	\$ 40,714	\$ 31,298	\$ 38,311
Total fund balances all governmental funds	\$ 41,746	\$ 36,860	\$ 41,118	\$ 45,565	\$ 79,599	\$ 76,761	\$ 77,322	\$ 74,201	\$ 66,295	\$ 77,703

Schedule 4
City of Kissimmee, Florida

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 25,586	\$ 25,967	\$ 27,032	\$ 26,866	\$ 28,398	\$ 29,524	\$ 31,276	\$ 32,873	\$ 33,367	\$ 36,579
Permits, fees and special assessments	5,047	4,218	2,276	3,702	3,452	5,252	5,674	5,167	3,213	2,027
Intergovernmental revenues	28,214	30,014	39,955	41,566	41,969	42,524	45,836	48,997	47,542	57,318
Charges for services	6,482	8,288	8,397	7,930	8,689	8,483	9,881	10,090	8,871	10,627
Fines and forfeitures	865	910	1,561	572	455	697	387	923	403	326
Investment income (loss)	909	157	137	211	390	643	823	2,277	1,669	(53)
Miscellaneous revenues	1,167	540	592	722	766	743	810	1,901	999	1,573
Total revenues	\$ 68,270	\$ 70,094	\$ 79,950	\$ 81,569	\$ 84,119	\$ 87,866	\$ 94,687	\$ 102,228	\$ 96,064	\$ 108,397
Expenditures										
General government	\$ 15,346	\$ 16,136	\$ 18,438	\$ 16,524	\$ 22,951	\$ 23,576	\$ 21,181	\$ 24,413	\$ 26,866	\$ 24,340
Public safety	29,552	33,003	31,708	33,638	33,906	37,393	39,453	43,991	44,549	49,929
Transportation	7,056	8,113	16,184	13,239	10,803	10,017	10,691	11,972	9,923	11,689
Economic environment	641	1,322	1,067	757	429	899	1,943	1,302	997	1,468
Culture/Recreation	6,729	11,500	6,686	7,048	7,546	7,231	6,956	7,543	7,127	7,436
Debt service:										
Principal retirement	2,722	3,661	3,906	3,853	3,832	4,163	4,144	4,088	4,226	4,969
Interest and fiscal charges	1,520	1,332	1,352	1,498	2,246	2,764	2,939	2,991	2,782	2,620
Professional fees	-	-	-	-	438	17	13	24	23	36
Capital Outlay	6,461	2,615	6,784	1,450	6,504	10,778	14,058	15,391	10,444	43
Total expenditures	\$ 70,027	\$ 77,682	\$ 86,125	\$ 78,007	\$ 88,655	\$ 96,838	\$ 101,378	\$ 111,715	\$ 106,937	\$ 102,530
Excess of revenues over (under) expenditures	\$ (1,757)	\$ (7,588)	\$ (6,175)	\$ 3,562	\$ (4,536)	\$ (8,972)	\$ (6,691)	\$ (9,487)	\$ (10,873)	\$ 5,867
Other financing sources (uses)										
Transfers in	\$ 9,862	\$ 9,381	\$ 7,218	\$ 12,419	\$ 51,835	\$ 11,351	\$ 10,224	\$ 10,909	\$ 10,796	\$ 11,001
Transfers (out)	(8,586)	(8,772)	(6,893)	(11,751)	(50,716)	(10,112)	(9,537)	(10,162)	(10,184)	(10,472)
Proceeds from sale of capital assets	157	202	508	110	147	165	126	219	2,355	1,108
Issuance of notes payable	-	-	9,600	3,875	42,930	4,730	6,220	5,400	-	16,350
Issuance of capital lease	-	1,891	-	-	-	-	219	-	-	3,904
Issuance Premium	-	-	-	-	4,838	-	-	-	-	-
Payment to bond escrow agent	-	-	-	(3,768)	(10,464)	-	-	-	-	(16,350)
Total other financing sources (uses)	\$ 1,433	\$ 2,702	\$ 10,433	\$ 885	\$ 38,570	\$ 6,134	\$ 7,252	\$ 6,366	\$ 2,967	\$ 5,541
Net change in fund balances	\$ (324)	\$ (4,886)	\$ 4,258	\$ 4,447	\$ 34,034	\$ (2,838)	\$ 561	\$ (3,121)	\$ (7,906)	\$ 11,408
Debt service as a percentage of non-capital expenditures	7.5%	8.4%	7.1%	8.3%	9.0%	9.4%	9.2%	8.9%	8.1%	8.6%

**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					
2012	2,805,770	223,301	3,029,071	833,278	2,195,793	4.6253	2,195,793	137.949%
2013	2,776,988	469,255	3,246,243	1,071,233	2,175,010	4.6253	2,175,010	149.252%
2014	2,894,416	423,367	3,317,783	1,051,534	2,266,249	4.6253	2,266,249	146.400%
2015	3,046,246	430,402	3,476,648	1,057,067	2,419,581	4.6253	2,419,581	143.688%
2016	3,221,933	432,684	3,654,617	1,051,050	2,603,567	4.6253	2,603,567	140.370%
2017	3,672,184	565,323	4,237,507	1,261,016	2,976,491	4.6253	2,976,491	142.366%
2018	4,096,454	545,629	4,642,083	1,355,470	3,286,613	4.6253	3,286,613	141.242%
2019	4,576,175	657,682	5,233,857	1,555,998	3,677,859	4.6253	3,677,859	142.307%
2020	4,942,470	668,059	5,610,529	1,622,804	3,987,725	4.6253	3,987,725	140.695%
2021	5,349,402	741,001	6,090,403	1,743,350	4,347,053	4.6253	4,347,053	140.104%

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	<u>Osceola County</u>				Okeechobee and Everglades Basins	South Florida Water Mgmt. Dist.	Total
		Government	Library	School Board				
2012	4.625	6.700	0.257	7.577	0.369	0.255	19.783	
2013	4.625	6.700	0.257	7.454	0.253	0.176	19.465	
2014	4.625	6.700	0.257	7.375	0.243	0.169	19.369	
2015	4.625	6.700	0.257	7.261	0.227	0.158	19.228	
2016	4.625	6.700	0.257	6.905	0.195	0.136	18.818	
2017	4.625	6.700	0.257	6.905	0.195	0.136	18.818	
2018	4.625	6.700	0.300	6.411	0.173	0.129	18.338	
2019	4.625	6.700	0.300	6.240	0.164	0.115	18.144	
2020	4.625	6.700	0.300	6.026	0.157	0.110	17.918	
2021	4.625	6.700	0.300	5.897	0.151	0.133	17.806	

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
2012	\$ 10,156	\$ 9,642	94.9%	\$ 72	\$ 9,714	95.6%
2013	10,060	9,357	93.0%	394	9,751	96.9%
2014	10,496	9,629	91.7%	516	10,145	96.7%
2015	11,191	10,470	93.6%	419	10,889	97.3%
2016	12,048	11,191	92.9%	429	11,620	96.4%
2017	12,732	11,937	93.8%	338	12,275	96.4%
2018	13,720	12,617	92.0%	611	13,228	96.4%
2019	15,143	14,140	93.4%	467	14,607	96.5%
2020	16,999	15,780	92.8%	604	16,384	96.4%
2021	18,411	17,279	93.9%	459	17,738	96.3%

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 2020 / 2021 (a)			Fiscal Year 2011 / 2012 (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.	\$ 128,395	22.57%	1	\$ 83,398	30.50%	1
Apartment complex	Rentals	Bedrock Holdings II Florida Sonceto (Kissimmee) Owner LLC	57,627	11.48%	2	-	-	-
Apartment complex	Rentals	Lake Tivoli LLC	54,501	10.85%	3	-	-	-
Apartment complex	Rentals	FL Arrow Ridge LLC	50,753	10.11%	4	-	-	-
Apartment complex	Rentals	Continental 330 Fund LLC	42,290	8.42%	5	-	-	-
Apartment complex	Rentals	Loop West LLC	39,339	7.83%	6	-	-	-
Retail store	Merchandising	Alliance HTFL Ltd Partnership	35,069	6.98%	7	29,837	10.91%	2
Apartment complex	Rentals	ECA Buligo Osceola Partners	33,986	6.77%	8	16,912	6.18%	6
Retail store	Merchandising	Goldelm at Valencia LLC	32,178	6.41%	9	-	-	-
Apartment complex	Rentals	Wal-Mart Stores, Inc.	27,971	5.57%	10	-	-	-
Retail store	Merchandising	G&I Vineyards LLC	-	-	-	28,752	10.51%	3
Condominiums	Rentals	Oak Plantation Realty Partners	-	-	-	27,413	10.02%	4
Condominiums	Timeshare sales	Fountainhead Phase I, Inc.	-	-	-	26,075	9.54%	5
Apartment complex	Rentals	MPG Osceola Ltd	-	-	-	16,212	5.93%	7
Apartment complex	Rentals	Dalcor Reef Club Apartments	-	-	-	15,437	5.65%	8
Apartment complex	Rentals	Embarq / Sprint Florida	-	-	-	15,034	5.50%	9
Retail store	Communications		-	-	-	14,386	5.26%	10
Totals			<u>\$ 502,109</u>	<u>96.99%</u>		<u>\$ 273,456</u>	<u>100.00%</u>	

(a) The fiscal year ended September 30, 2021 tax levy is based on the 2020 taxable value.

(b) The fiscal year ended September 30, 2012 tax levy is based on the 2011 taxable value.

Source: Osceola County Property Appraiser's Office.

**Schedule 9
City of Kissimmee, Florida**

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

Fiscal Year	Governmental Activities					Business-type Activities		Total Primary Government	City of Kissimmee Personal Income	Percentage of Personal Income	Per Capita
	Tax Revenue Bonds	Sales Tax Revenue Notes	Commerical Notes	Covenant Revenue Notes	Capital Leases	Capital Leases					
2012	\$ 315	\$ 24,565	\$ -	\$ 21,778	\$ 62	\$ 587	\$ 47,307	\$ 1,727,192	2.7%	0.76	
2013	287	22,935	-	20,378	1,707	441	45,748	1,799,661	2.5%	0.72	
2014	256	30,835	-	18,928	1,338	292	51,649	1,874,438	2.8%	0.80	
2015	224	28,780	-	17,882	963	141	47,990	1,958,685	2.5%	0.72	
2016	47,508	26,630	-	6,945	582	-	81,665	2,032,013	3.8%	1.14	
2017	46,161	24,390	4,730	6,595	195	-	82,071	2,092,934	3.5%	1.04	
2018	44,778	22,065	10,950	6,235	177	-	84,205	2,141,987	3.9%	1.18	
2019	43,358	19,655	16,350	5,855	138	-	85,356	2,232,608	3.6%	1.09	
2020	41,902	17,170	16,350	5,455	92	-	80,969	2,221,354	3.6%	1.11	
2021	40,389	14,590	16,350	5,045	3,369	-	79,743	2,437,132	3.3%	1.01	

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

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

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

Schedule 10
City of Kissimmee, Florida

DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
September 30, 2021
(dollar amounts are expressed in thousands)

<u>Taxing District</u>	<u>Net Debt Outstanding</u>	<u>Estimated Overlapping (1)</u>	<u>City's Share of Debt</u>
Osceola County School District			
State School Bonds:			
Series 2011ARFD	\$ 315	11.9%	\$ 37
Series 2014A	759	11.9%	90
Series 2017ARFD	644	11.9%	77
Series 2020	91	11.9%	11
District Revenue Bonds:			
Sales Tax Revenue Bonds, Series 2015	16,854	11.9%	2,006
Sales Tax Revenue Bonds, Series 2017	8,605	11.9%	1,024
Capital Sales Tax Revenue Bonds, Series 2017	71,695	11.9%	8,532
Capital Sales Tax Revenue Bonds, Series 2021	75,150	11.9%	8,943
Certificates of Participation:			
Series 2013A	25,085	11.9%	2,985
Series 2014A	3,605	11.9%	429
Series 2015A	3,935	11.9%	468
Series 2017A	44,115	11.9%	5,250
Series 2020A	4,770	11.9%	568
Qualified School Construction Bonds:			
Series 2010A	40,500	11.9%	4,820
Education Benefit Districts:			
Bellalago Benefit District	7,821	11.9%	931
Total Osceola County School District	<u>303,944</u>	11.9%	<u>36,169</u>
Osceola County			
Limited General Obligation Debt, Series 2006	5,245	12.7%	666
Environmental Land, Series 2010	9,460	12.7%	1,201
Total Osceola County	<u>14,705</u>	12.7%	<u>1,868</u>
Total Overlapping Debt	<u>\$ 318,649</u>		<u>\$ 38,037</u>
Total Direct Governmental Activities Debt	\$ 79,745	100.0%	79,745
Total Direct and Overlapping Debt	<u>\$ 398,394</u>		<u>\$ 117,782</u>

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

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

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

**Schedule 11
City of Kissimmee, Florida**

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

Fiscal Year	Excise Tax Revenue Bonds					Sales Tax Revenue Bonds				
	Excise Tax Revenues	Debt Service Requirements			Coverage	Sales Tax Revenues	Debt Service Requirements			Coverage
		Principal	Interest				Principal	Interest		
2012	\$ 195	\$ 27	\$ 17	4.55	\$ 5,408	\$ 1,070	\$ 676	3.10		
2013	166	29	16	3.69	4,759	1,630	676	2.06		
2014	211	31	14	4.69	6,211	1,700	742	2.54		
2015	176	32	13	3.91	6,642	2,055	859	2.28		
2016	301	34	12	4.37	7,102	2,150	803	2.41		
2017	292	36	10	6.35	7,408	2,240	743	2.48		
2018	271	37	8	6.02	6,715	2,325	728	2.20		
2019	266	39	6	5.91	8,144	2,410	671	2.64		
2020	270	25	4	8.18	7,048	2,485	596	1.91		
2021	286	26	3	8.67	8,555	2,580	519	2.76		

(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
2012	\$ -	\$ -	\$ -	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	11,487	450	1,199	6.97
2017	11,897	1,150	1,813	4.02
2018	12,297	1,185	1,779	4.15
2019	12,458	1,220	1,739	4.21
2020	11,708	1,270	1,691	3.95
2021	12,692	1,325	1,640	4.28

**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)
2012	62,322	\$ 27,714	\$ 1,727,192	55,922	8.4%
2013	63,662	28,269	1,799,661	57,639	6.6%
2014	64,365	29,122	1,874,438	58,851	5.3%
2015	66,592	29,413	1,958,685	64,689	5.5%
2016	68,401	29,707	2,032,013	62,648	4.8%
2017	69,962	29,915	2,092,934	65,179	3.6%
2018	72,163	30,125	2,141,987	67,796	3.2%
2019	74,800	30,336	2,232,608	69,114	3.2%
2020	75,644	30,548	2,221,354	69,713	6.9%
2021	79,226	30,762	2,437,132	75,343	4.5%

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 2020 / 2021 (1)			Fiscal Year 2011 / 2012		
		Employees	Percent of Total City Employment	Rank	Employees	Percent of Total City Employment	Rank
Osceola County School District	Education	8,423	10.40%	1	6,700	11.10%	1
Adventist Health System	Healthcare	4,317	5.33%	2	-		
Walmart Stores	Retail	2,878	3.55%	3	2,730	4.52%	3
Walt Disney Company	Entertainment	2,041	2.52%	4	3,700	6.13%	2
Orange Lake Resorts	Resort	1,900	2.35%	5	-		
Publix Supermarkets	Retail	1,799	2.22%	6	1,350	2.24%	7
Osceola Regional Medical Center	Retail	1,681	2.08%	7	1,357	2.25%	6
Gaylord Palms Resort	Resort	1,624	2.00%	8	1,445	2.39%	4
Osceola County Government	Government	1,410	1.74%	9	1,435	2.38%	5
McLane/Suneast	Distribution	1,393	1.72%	10	900	1.49%	9
Florida Hospital Celebration	Healthcare	-			1,300	2.15%	8
City of Kissimmee	Government	-			654	1.08%	10
Total		<u>27,466</u>			<u>21,571</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										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>General government</u>										
Central Services	28	34	35	35	32	35	35	40	42	40
City Attorney	3	3	4	5	5	5	5	5	5	5
City Commission	5	5	5	5	5	5	5	5	5	5
City Manager	14	14	14	14	13	13	13	13	14	14
Finance	12	12	12	13	12	13	13	13	13	14
Personnel	8	8	8	8	12	10	10	9	10	10
<u>Public safety</u>										
Fire	105	105	105	105	106	112	112	113	111	112
Police	198	199	201	204	208	208	210	227	230	233
Law Enforcement Grant	3	3	3	3	3	3	3	3	3	3
School Crossing Guard	11	11	11	11	11	-	-	-	-	-
<u>Physical environment</u>										
Public Works	37	38	40	40	40	39	40	41	45	40
Sanitation	24	26	26	26	26	27	27	27	28	29
Stormwater	30	30	34	33	34	34	36	36	37	37
<u>Transportation</u>										
Airport	7	8	8	8	8	8	8	8	8	8
Local Option Gas Tax	10	12	10	10	12	12	12	12	12	13
<u>Economic Environment</u>										
Development Services	21	23	23	24	31	33	33	33	40	40
Community Development Blk Grant	2	2	2	2	2	2	2	2	2	2
<u>Culture / Recreation</u>										
Parks & Recreation	80	78	80	82	85	69	67	68	68	70
Civic Center	-	-	-	-	-	-	-	-	-	-
Total	598	611	621	628	645	628	631	655	673	675

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

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

**Schedule 15
City of Kissimmee, Florida**

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Building Inspections</u>										
Building permits issued	3,335	2,964	4,099	4,206	4,371	5,894	7,855	5,374	5,564	7,174
<u>Law Enforcement</u>										
Physical arrests	2,379	2,221	2,498	1,964	1,848	2,022	2,160	2,262	1,870	2,241
Traffic and parking violations	15,092	14,499	11,613	11,390	9,603	11,225	7,449	7,083	4,536	9,907
<u>Fire</u>										
Emergency responses	10,746	11,273	11,875	12,191	12,879	13,394	13,322	13,817	12,131	14,542
Fire incidents	261	257	244	226	274	334	273	231	269	276
Emergency medical services incidents	8,979	9,553	9,863	10,194	10,547	10,988	10,562	11,113	9,699	11,654
Fire safety inspections	878	740	995	888	968	1,326	1,345	1,193	680	1,054
Fire plan reviews	780	760	871	1,065	1,041	1,002	889	853	719	897
<u>Other Public Works</u>										
Street resurfacing (tons of asphalt)	681	3,013	3,582	5,134	-	1,524	3,067	1,524	2,589	-
Other street repairs (tons of asphalt) 1	50,138	40,104	193	109	175	107	96	119	558	296

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

Source: Various City Departments.

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

In FY 2016, 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**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Transportation</u>										
Miles of streets (lane miles)	342	342	342	486	352	352	356	358	407	459
<u>Refuse collection trucks</u>										
	17	17	16	16	16	17	18	18	18	18
<u>Other public works</u>										
Traffic signals	52	52	52	52	52	52	52	50	51	42
Highways (miles)	17	17	17	15	8	8	8	8	8	10
<u>Public Safety</u>										
Fire stations	4	4	4	4	4	4	4	4	4	4
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units:										
Marked vehicles	126	126	131	118	120	127	140	147	147	124
Motorcycles	6	6	6	3	3	3	3	7	7	7
<u>Parks and Recreation</u>										
Park acreage	835	832	832	832	832	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	3	7	7	7	7	7	7	7	7	7
Number of neighborhood parks	12	8	8	8	8	8	8	8	8	8
Number of special use parks	5	5	5	5	5	5	5	5	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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 17, 2022.

Internal Control Over Financial Reporting

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

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



June 17, 2022
Ocala, Florida

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

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

Report on Compliance for Each Major Federal Program and State Project

We have audited the City of Kissimmee, Florida's (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement*, and the requirements described in the Department of Financial Services, State Projects *Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2021. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

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

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

Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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



June 17, 2022
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2021

Agency/Program	Assistance Listing #	Grant #	Federal Expenditures	Through to Subrecipients
FEDERAL AWARDS				
Clustered				
Child Nutrition Cluster				
U.S. Department of Agriculture				
<i>Passed through the Florida Dept of Agriculture and Consumer Services</i>				
School Breakfast Program	10.553		\$ 13,642	\$ 13,642
National School Lunch Program	10.555		65,414	65,414
Total U.S. Department of Agriculture - Child Nutrition Cluster			79,056	79,056
Not Clustered				
U.S. Department of Housing and Urban Development				
<i>CDBG - Entitlement Grants Cluster</i>				
Community Development Block Grant 2019	14.218	B-19-MC-12-0051	74,797	73,297
Community Development Block Grant 2020	14.218	B-20-MC-12-0051	248,152	99,746
Subtotal			322,949	173,043
Home Investment Partnerships Program				
Home Investment Partnerships Program 2020	14.239	Unk	19,702	
Subtotal			19,702	-
Total U.S. Department of Housing and Urban Development			342,651	173,043
U.S. Department of Justice				
<i>Passed through the Florida Office of the Attorney General</i>				
Victims of Crime Act	16.575	VOCA2020-City of Kissimmee	29,134	
Bulletproof Vest Partnership	16.607	Unk	6,681	
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	2019-DJ-BX-0728	31,446	
Total U.S. Department of Justice			67,261	-
U.S. Department of Transportation				
Airport Improvement Program	20.106	3-12-0038-036-2019	14,518	
Airport Improvement Program	20.106	3-12-0038-040-2021	34,494	
Airport Improvement Program	20.106	3-12-0038-039-2021	91,162	
Airport Improvement Program	20.106	3-12-0038-037-2020	740,952	
Subtotal			881,126	-
Highway Planning and Construction Cluster				
<i>Passed through the Florida Department of Transportation</i>				
Highway Planning and Construction	20.205	439069-1-58-01/G1K91	603,103	
Highway Planning and Construction	20.205	430225-9-58-01/G1112	1,245,382	
Highway Planning and Construction	20.205	434916-1-48-01/G0I40	1,784,279	
Highway Planning and Construction	20.205	430225-1-38-90/AQQ79	66,800	
Subtotal			3,699,564	-
Total U.S. Department of Transportation			4,580,690	-
U.S. Department of the Treasury				
<i>Passed through the Florida Housing Finance Corporation</i>				
Coronavirus Relief Fund	21.019	121-2020	1,114,519	-
Total U.S. Department of the Treasury			1,114,519	-
U.S. Department of Homeland Security / FEMA				
<i>Passed thru the Florida Department of Emergency Management</i>				
Public Assistance - Hurricane Dorian	97.036	PA-00-06-59-01-064	103,303 *	
Total U.S. Department of Homeland Security			103,303	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 6,287,480	\$ 252,099

Continued

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE - Continued
For the year ended September 30, 2021

Agency/State Project	CSFA #	Grant #	State Expenditures	Through to Subrecipients
STATE FINANCIAL ASSISTANCE				
Florida Department of Environmental Protection				
Statewide Water Quality Restoration Projects	37.039	LP49010	\$ 163,490	
Florida Communities Trust	37.078	UA013	3,232,242 **	
Total Florida Department of Environmental Protection			3,395,732	-
Florida Housing Finance Corporation				
State Housing Initiatives Partnership Program (SHIP)	40.901		11,789	
Total Florida Housing Finance Corporation			11,789	-
Florida Department of Transportation				
Aviation Grant Programs	55.004	446255-1-94-01/G1D49	1,291	
Aviation Grant Programs	55.004	438442-2-94-01 / G1S63	260,613	
Aviation Grant Programs	55.004	449265-1-94-01/G1X44	16,023	
Total Florida Department of Transportation			277,927	-
Florida Department of Law Enforcement				
Assistance with Investigative Operations	71.010	2021-SFA-ESST-49-6H-009	8,414	
Total Florida Department of Law Enforcement			8,414	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 3,693,862	\$ -
EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			\$ 9,981,342	\$ 252,099

NOTE 1 Basis of Presentation

The Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of the City of Kissimmee, Florida, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and Chapter 10.550 Rules of the Auditor General. Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

NOTE 2 Indirect Cost Rate

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

NOTE 3 Differences between Timing of Expenditures and Reporting on SEFA

* Expenditures for Hurricane Dorian occurred in FY2019; however, project amounts were obligated in FY21.

** Expenditures for Lancaster Ranch acquisition occurred in FY2017; however, grant awarded in FY21.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2021**

1. Summary of Audit Results

I. Type of Audit Report Issued on Financial Statements:

Unmodified Opinion

II. Internal Control Over Financial Reporting:

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

III. Non-Compliance Material to Audited Financial Statements:

Audit disclosed no material instances of non-compliance.

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

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

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

Unmodified Opinion

VI. Major Programs:

Federal:

- U.S. Department of Transportation
 - Federal Aviation Administration
 - ▶ Aviation Improvement Program – Assistance Listing No. 20.106
- U.S. Department of the Treasury
 - Florida Housing Finance Corporation
 - ▶ Coronavirus Relief Fund – Assistance Listing No. 21.019

State:

- Florida Department of Environmental Protection
 - Florida Forever Act Program – CSFA 37.078

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

\$750,000 for Federal Programs and State Projects

VIII. Auditee Qualification as Low-Risk Auditee for Federal Programs

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2021**

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

Noted no current year recommendations.

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

Noted no current year recommendations.

4. **Prior Audit Findings**

Noted that all prior year recommendations have been addressed.

MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the City of Kissimmee, Florida (the City) as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated June 17, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 17, 2022, should be considered in conjunction with this Management Letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this Management Letter, unless disclosed in the notes to the financial statements. The City was

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

MANAGEMENT LETTER

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.

Financial Condition and Management

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

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

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

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.



June 17, 2022
Ocala, Florida

MANAGEMENT LETTER COMMENTS

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

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

Current Year Comment and Recommendation

2021-1 Enterprise Resource Planning (ERP) System Implementation

During the fiscal years ended 2020 and 2021, the City implemented a new accounting ERP system, replacing all accounting functions within the City. The implementation was complicated by major staff turnover, including the Director and Assistant Director of Finance, the Accounting Manager, Senior Financial Analyst, and Senior Accountant, many of which were not replaced until late in the year.

As a result of the magnitude of the implementation and staff turnover, there were several areas that were impacted requiring adjustments to the account balances, which contributed to the delay in annual financial reporting:

- Capital Asset Reconciliation and Capitalization
- Development Services Receivables and Revenues
- Accounts Payable
- Grant Receivables and Revenues
- Debt-Related Transactions
- Cash and Investment Reconciliations

We recommend that the City continue their efforts to fully implement the new system with particular attention to the areas listed above to ensure that all are properly reflected in the financial records.



June 17, 2022
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, 2021, as required by Section 10.556 (10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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.



June 17, 2022
Ocala, Florida

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FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

June 21, 2022

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

Re: Response to Auditor's Management Letter Comment

Honorable Mayor and Commissioners,

The following is the response to the independent auditor's management letter auditor comment:

Current Year Comment and Recommendation

2021-1 Enterprise Resource Planning (ERP) System Implementation

Management's Response

Government accounting is not for the faint at heart. It is a highly technical industry requiring one to be well-versed in many different areas. There are constantly new rules and pronouncements, with complex components and methodical processes. Government accounting is also no stranger to the hiring difficulties the rest of the nation is now experiencing. With the unemployment rate at an all time low, the niche field of public servants has been hit especially hard making it difficult to fill key positions.

During fiscal year 2021, the City lost 60 combined years of institutional knowledge. To make matters worse, the vacancies were in its management positions. Its Finance Director, Assistant Director, Accounting Manager, Senior Accountant, and Senior Financial Analyst positions all experienced turnover. Beyond experiencing a Great Resignation of its own, the Finance Department underwent a complete software migration at the height of the pandemic. In March 2021, the City fully transitioned its ERP system; however, the finalization of the transition was far from over. No implementation has ever gone without hiccups. The transition set staff back many months in performing even routine transactions.

Most Finance Departments struggle to close on time. In fully staffed years and absent the learning curve of new software, the City has received comments regarding its year end closing routine. Thus, the departure of key management positions most certainly set normal close conditions back even more. Fortunately, the City has filled every vacancy within its Finance Department and closed within the statute's deadline. This is demonstrative of the resiliency and determination of staff. Staff is eager to continue learning its new financial accounting software suite in the next year and enhancing its offerings. Monthly closings and timely reporting are a requirement within the new platform. In addition, the annual audit task list used in years past has been updated to reflect new year end processes.

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





FINANCE DEPARTMENT

101 CHURCH STREET - KISSIMMEE, FLORIDA 34741 - 407.518.2210

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 Officer¹ of City of Kissimmee which is a local governmental entity of the State of Florida.
2. The governing body of City of Kissimmee adopted Ordinance No. 1067 implementing an impact fee or authorized City of Kissimmee to receive and expend proceeds of an impact fee implemented by City of Kissimmee.
3. City of Kissimmee has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.



Tavia Ritchie

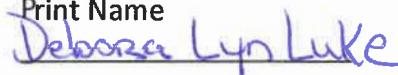
STATE OF FLORIDA
COUNTY OF OSCEOLA

SWORN TO AND SUBSCRIBED before me this 23 day of June, 2022.



NOTARY PUBLIC

Print Name



Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:

