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CITY OF KISSIMMEE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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Year Ended September 30, 2025

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The City of Kissimmee, Florida

City Officials

As of September 30, 2025

Elected Officials

Mayor/Commissioner……..	Jackie Espinosa
Commissioner/Vice Mayor…….	Angela Edy
Commissioner/Mayor Pro Tem……	Carlos Alvarez III
Commissioner……..	Janette Martinez
Commissioner……..	Noel Ortiz

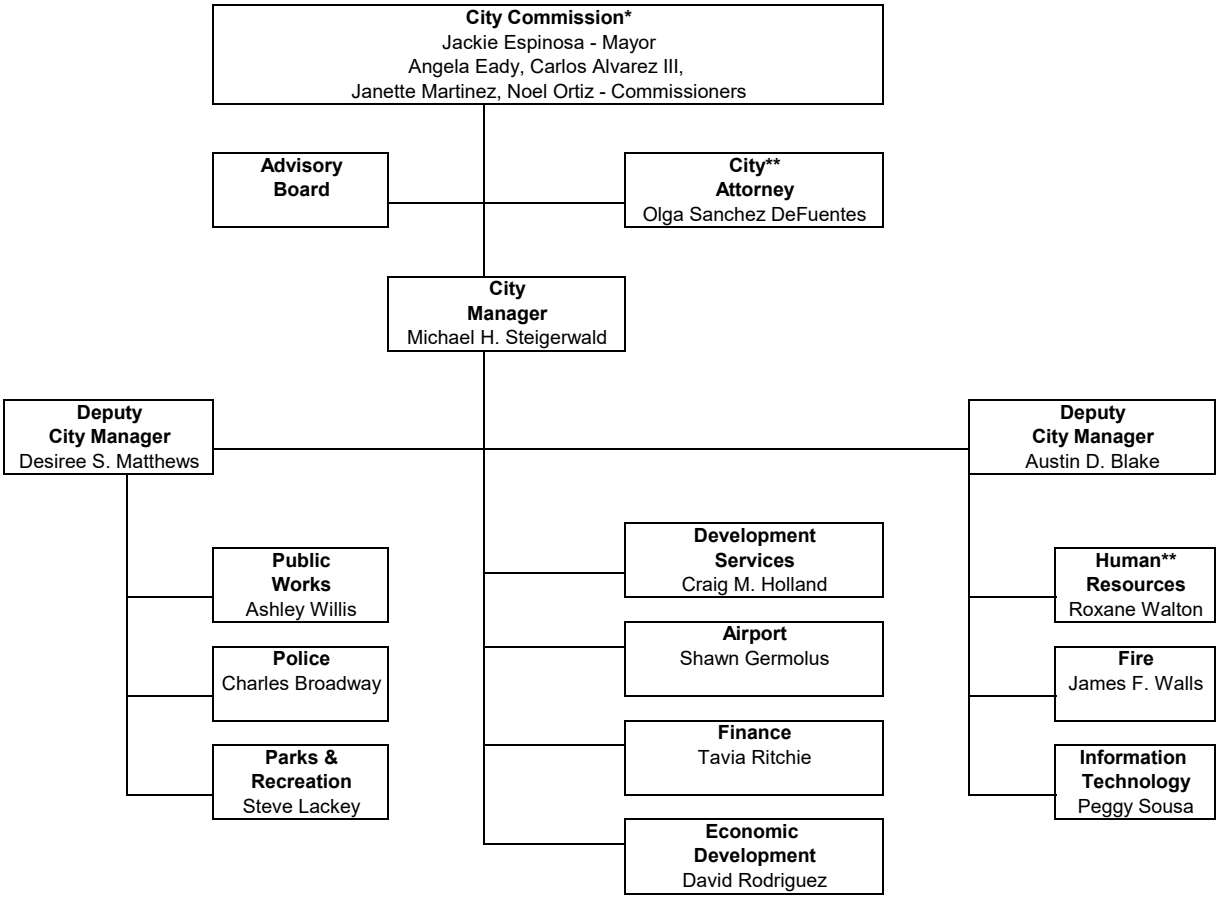
Financial Related Management

City Manager……	Michael H. Steigerwald
Deputy City Manager……..	Desiree S. Matthews
Deputy City Manager……..	Austin D. Blake
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……..	Charles Broadway
Public Works & Engineering Director..…….	Ashley Willis

CITY OF KISSIMMEE
ORGANIZATION CHART



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

**Department Director for year ending 09/30/2025.

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, 2024

Christopher P. Morrill

Executive Director/CEO

March 27, 2026

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

Florida Statutes require that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby submit the annual comprehensive financial report of the City of Kissimmee, Florida for the fiscal year ended September 30, 2025.

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, 2025, 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, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

THE CITY

The City of Kissimmee (the "City"), near the geographic center of Florida, is the county seat of Osceola County. Of Florida's 67 counties, Osceola is the State's sixth largest in geographical size, with a land area of 1,506 square miles. There are approximately 22.2 square miles within the corporate limits of the City. The 2020 U.S. Census reported 79,226 people living within the City. The current State population estimate for the City is 87,664.

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, and stormwater utility.

ACCOUNTING SYSTEM, INTERNAL ACCOUNTING CONTROLS, AND BUDGETARY CONTROL

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

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

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

The concept of reasonable assurance recognizes that:

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

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

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

THE REPORTING ENTITY AND ITS SERVICES

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

ECONOMIC CONDITION AND OUTLOOK

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

The City's Medical District has seen over $150 million invested by HCA FL – Osceola Hospital and over $120 million by Advent Health – Kissimmee. Over $200 Million has been invested by Osceola County and local groups towards infrastructure at the NeoCity project site that will provide a state-of-the-art advanced manufacturing research and development center for the nano sensor industry. This 500-acre technology and research district currently contains The Center for NeoVation, a 90,000 square foot semiconductor facility, a 100,000 square foot Class A office facility and NeoCity Academy, a STEM focused public magnet high school engaged in project-based learning recognized as one of the top high schools in the country. The center is expected to have a positive impact on the State of Florida's economy and presents significant opportunities for Kissimmee's future.

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

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

LONG-TERM FINANCIAL PLANNING

The City prepares a rolling five-year capital budget each year. During this process, revenues and expenditures for key operating funds, such as General Fund, Local Option Sales Tax, Local Option Gas Tax, Stormwater, Sanitation and Airport funds, are analyzed to ensure the financial sustainability of each fund over the long term.

With regard to the General Fund and Enterprise Funds, the goal is to ensure that a minimum reserve of 20% will be maintained at the end of each five-year period. This exercise allows the City to plan for major capital expenditures. Therefore, during the fiscal year 2024-2025 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 2025-2029 capital improvement plan totaled $133,634,326.

MAJOR INITIATIVES

The City advanced several major initiatives focused on economic support, community investment, infrastructure improvements, and fiscal stability. Efforts included providing relief grants to local businesses, renovating the Chambers Park Community Center, and celebrating the launch of an EcoTour service at Kissimmee Lakefront Park to expand recreational opportunities. The City Hall addition adjacent to City Hall for the Building Division was completed. The City also made progress on affordable housing with renovations beginning at The Haven on Vine, while infrastructure and safety upgrades continued at Kissimmee Gateway Airport. Additional investments included a $4.9 million citywide milling and resurfacing project to improve road conditions and the grand opening of Lancaster Ranch Park featuring Green Meadows Petting Farm. These initiatives were achieved while maintaining the City's 17-year millage rate, demonstrating continued commitment to responsible financial management.

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.

FIDUCIARY OPERATIONS

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

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

STATUTORY REQUIREMENTS – INDEPENDENT AUDIT

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

CERTIFICATE OF ACHIEVEMENT PROGRAM

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Kissimmee, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2024. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

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

Respectfully submitted,

Mike Steigerwald
City Manager

Tavia Ritchie, CPA, CPFO, CGFO
Finance Director

PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kissimmee, Florida (the City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the General Fund and Major Special Revenue Funds, City Retirement Plan Schedules and Notes, and City Other Postemployment Benefits Plan Schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements, related budgetary comparison schedules, and schedule of expenditures of federal awards and state projects, 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 Department of Financial Services, State Projects Compliance Supplement*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, related budgetary comparison schedules, and the schedule of expenditures of federal awards and state projects are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

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

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, 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.

Purvis Gray

March 27, 2026
Ocala, Florida

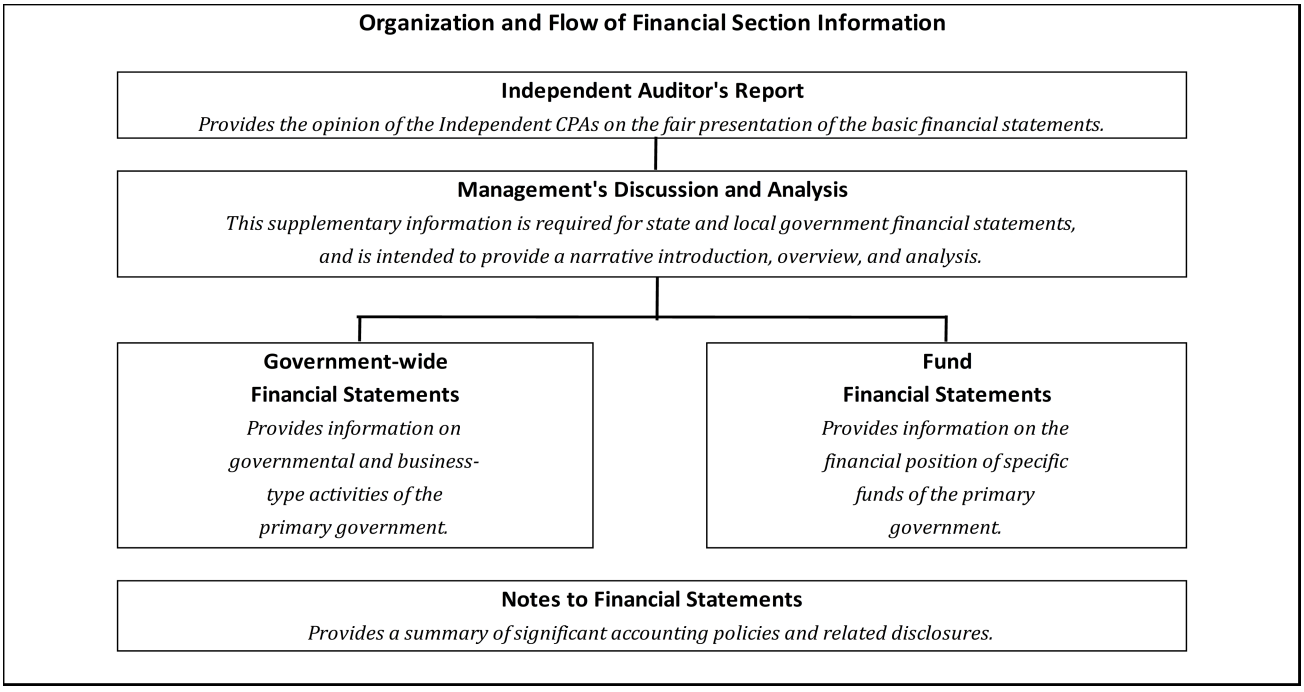
The City of Kissimmee, Florida's (the "City") Management's Discussion and Analysis (the "MD&A") presents an overview of the City's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the letter of transmittal in the introductory section, and the City's 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 2025 by $379,726 (net position).
- The City's net position increased by $30,063 from current year activities, of which governmental activities contributed $18,301 of this increase.
- The fund balance for governmental funds increased by $59,223 from the prior year. The majority of this increase resulted from the 2024A & B Bonds issued during the year that remained mostly unspent at yearend.

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 2025. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected but earned revenue and unused vacation leave).

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

The government-wide financial statements include not only the City itself (known as the primary government) but also legally separate entities known as component units. Component units, which are other governmental units over which the City Commission can exercise influence and/or may be obligated to provide financial subsidy, are presented within governmental activities in the government-wide financial statements, and as individual special revenue funds in the fund financial statements. The City's component units (the Community Redevelopment Agencies) are nonmajor special revenue funds and one capital project fund of the City.

Fund financial statements

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

Governmental Funds

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

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, Local Option Sales Tax, and 2024A & B Bonds Debt Service Fund 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 and Local Option Sales Tax; schedule of total OPEB liability and related ratios for the City's Other Postemployment Benefits Plan; and required pension schedules for the City's three pension plans. Required supplementary information can be found following the notes to the financial statements.

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

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 $379,726 at the close of the fiscal year ended September 30, 2025. At the end of fiscal year 2025, the City is able to report positive balances in all categories of net position for its governmental and business-type activities.

The largest portion of the City's net position of $290,264 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 $77,780 for construction projects, public safety programs, supplementary care, and other purposes. The remaining balance is unrestricted net position of $11,682.

City of Kissimmee, Florida
Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	$ 231,810	$ 165,160	$ 22,526	$ 19,941	$ 254,336	$ 185,101
Capital Assets (Net)	319,112	282,788	66,453	54,323	385,565	337,111
Total Assets	550,922	447,948	88,979	74,264	639,901	522,212
Deferred Outflows	13,464	10,594	389	408	13,853	11,002
Current and Other Liabilities	21,899	15,895	3,508	611	25,407	16,506
Long-term Liabilities	220,808	137,777	3,604	3,572	224,412	141,349
Total Liabilities	242,707	153,672	7,112	4,183	249,819	157,855
Deferred Inflows	18,470	15,763	5,738	5,389	24,208	21,152
Net Position:						
Net Investment in Capital Assets	224,636	203,537	65,628	54,168	290,264	257,705
Restricted	77,780	81,497	-	-	77,780	81,497
Unrestricted	793	4,073	10,889	10,932	11,682	15,005
Total Net Position	$ 303,209	$ 289,107	$ 76,517	$ 65,100	$ 379,726	$ 354,207

There was a net increase of $30,063 in the City's net position over fiscal year 2024. There was a net increase of $18,301 in net position reported in connection with the City's governmental activities and a $11,762 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 $48,454 from the prior year due to park improvements, transportation projects and airport improvements. Long term liabilities increased by $83,063 from the prior year, including an increase of $83,031 in connection with governmental actvities from the issuance of the 2024A & B Bonds for $77,461. Additionally, long term liabilities were restated due to the effects of implementing GASB Statement No. 101, *Compensated Absences*. .

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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for Services	$ 51,309	$ 48,726	$ 17,464	$ 16,413	$ 68,773	$ 65,139
Operating Grants and Contributions	5,416	3,619	34	63	5,450	3,682
Capital Grants and Contributions	10,469	3,321	10,730	1,054	21,199	4,375
General Revenues:						
Property Taxes	28,210	25,279	-	-	28,210	25,279
Other Taxes	37,725	36,383	-	-	37,725	36,383
Other	46,846	54,813	995	785	47,841	55,598
Total Revenues	179,975	172,141	29,223	18,315	209,198	190,456
EXPENSES						
General Government	59,366	43,721	-	-	59,366	43,721
Public Safety	69,274	58,796	-	-	69,274	58,796
Transportation	13,249	35,173	-	-	13,249	35,173
Economic Environment	3,344	1,803	-	-	3,344	1,803
Culture/Recreation	11,080	10,633	-	-	11,080	10,633
Interest on Long-term Debt	6,769	2,977	-	-	6,769	2,977
Stormwater	-	-	5,845	6,008	5,845	6,008
Airport	-	-	3,238	2,838	3,238	2,838
Sanitation	-	-	6,970	6,658	6,970	6,658
Total Expenses	163,082	153,103	16,053	15,504	179,135	168,607
Excess Before Transfers	16,893	19,038	13,170	2,811	30,063	21,849
Transfers	1,408	956	(1,408)	(956)	-	-
Change in Net Position	18,301	19,994	11,762	1,855	30,063	21,849
Net Position - Beginning, Orig Reported	289,107	269,113	65,100	63,245	354,207	332,358
Restatement	(4,199)	-	(345)	-	(4,544)	-
Net Position - Beginning, As Restated	284,908	269,113	64,755	63,245	349,663	332,358
Net Position - Ending	$ 303,209	$ 289,107	$ 76,517	$ 65,100	$ 379,726	$ 354,207

Governmental activities

Governmental activities accounted for an increase of $18,301 from the prior year net position. Charges for services increased by $2,583 from increased use of City services by citizens and businesses of City facilities. Capital grants and contributions increased by $7,148 due to several large grant-funded transportation improvement projects in the year.

Total governmental activities expenses increased by $9,979 from the prior year. The majority of this increase resulted from the effects of change in the net pension liability.

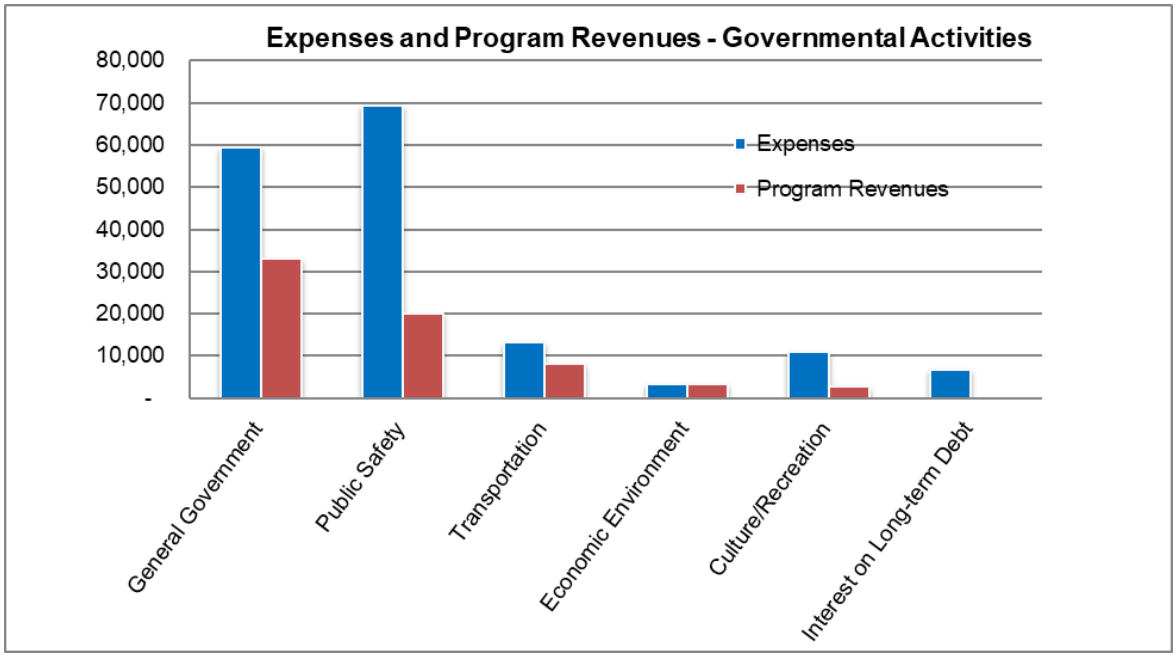
The following tables and graphs show the results of governmental activities for fiscal year ended 2025.

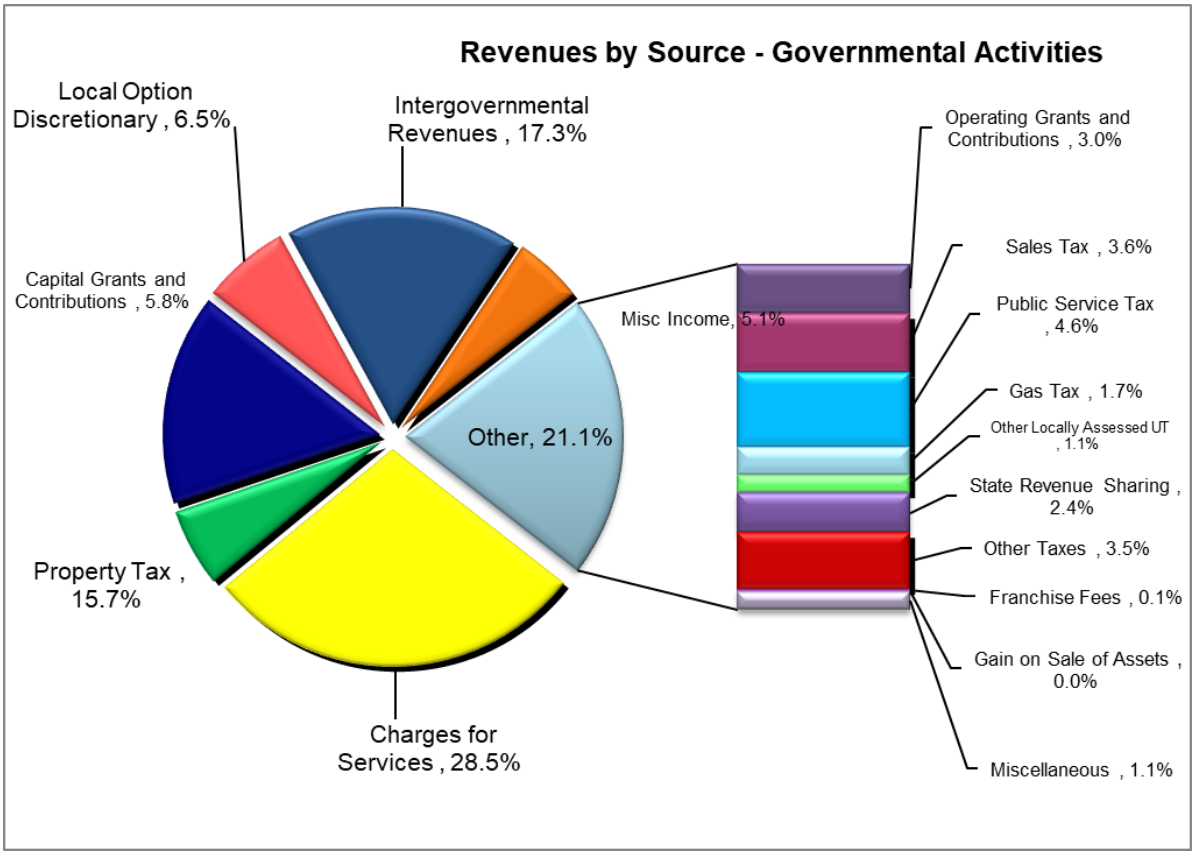
Expenses and Program Revenues – Governmental Activities
(In Thousands)

	Expenses				Net Cost of Services		
	2025	% of Total	2024	% Change	2025	2024	% Change
Functions/Programs							
General Government	$ 59,366	36 %	$ 43,721	36 %	$ (26,316)	$ (9,341)	182 %
Public Safety	69,274	42 %	58,796	18 %	(49,354)	(43,883)	12 %
Transportation	13,249	8 %	35,173	(62) %	(4,987)	(32,784)	(85) %
Economic Environment	3,344	2 %	1,803	85 %	(153)	-	100 %
Culture/Recreation	11,080	7 %	10,633	4 %	(8,309)	(8,452)	(2) %
Interest on Long-term Debt	6,769	4 %	2,977	127 %	(6,769)	(2,977)	127 %
	$ 163,082	100 %	$ 153,103		$ (95,888)	$ (97,437)	

Revenue by Source – Governmental Activities
(In Thousands)

Description	2025	% of Total	2024	% Change
Program Revenues				
Charges for services	$ 51,309	27 %	$ 48,726	5 %
Operating grants and contributions	5,416	3 %	3,619	50 %
Capital grants and contributions	10,469	6 %	3,321	215 %
General Revenues				
Property tax	28,210	16 %	25,279	12 %
Sales tax	6,501	4 %	6,646	(2)%
Public service tax	8,194	5 %	8,008	2 %
Gas tax	3,097	2 %	3,095	- %
Local option discretionary tax	11,628	6 %	11,481	1 %
Other locally assessed utility tax	2,000	1 %	1,924	4 %
Other taxes	6,305	3 %	5,229	21 %
State revenue sharing	4,326	2 %	4,296	1 %
Unrestricted intergovernmental revenues	31,161	17 %	31,732	(2)%
Franchise fees	214	0 %	220	(3)%
Investment income (loss)	9,087	5 %	6,888	32 %
Gain on sale of capital assets	-	0 %	9,635	(100)%
Miscellaneous	2,058	1 %	2,042	1 %
Transfers	1,408	1 %	956	47 %
	$ 181,383	100 %	$ 173,097	


Expenses and Program Revenues - Governmental Activities
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
-
Expenses
Program Revenues
General Government
Public Safety
Transportation
Economic Environment
Culture/Recreation
Interest on Long-term Debt


Revenues by Source - Governmental Activities
Local Option Discretionary , 6.5%
Intergovernmental Revenues , 17.3%
Operating Grants and Contributions , 3.0%
Capital Grants and Contributions , 5.8%
Misc Income, 5.1%
Sales Tax , 3.6%
Public Service Tax , 4.6%
Gas Tax , 1.7%
Other Locally Assessed UT , 1.1%
Other, 21.1%
State Revenue Sharing , 2.4%
Other Taxes , 3.5%
Property Tax , 15.7%
Franchise Fees , 0.1%
Gain on Sale of Assets , 0.0%
Charges for Services , 28.5%
Miscellaneous , 1.1%

Business-type activities

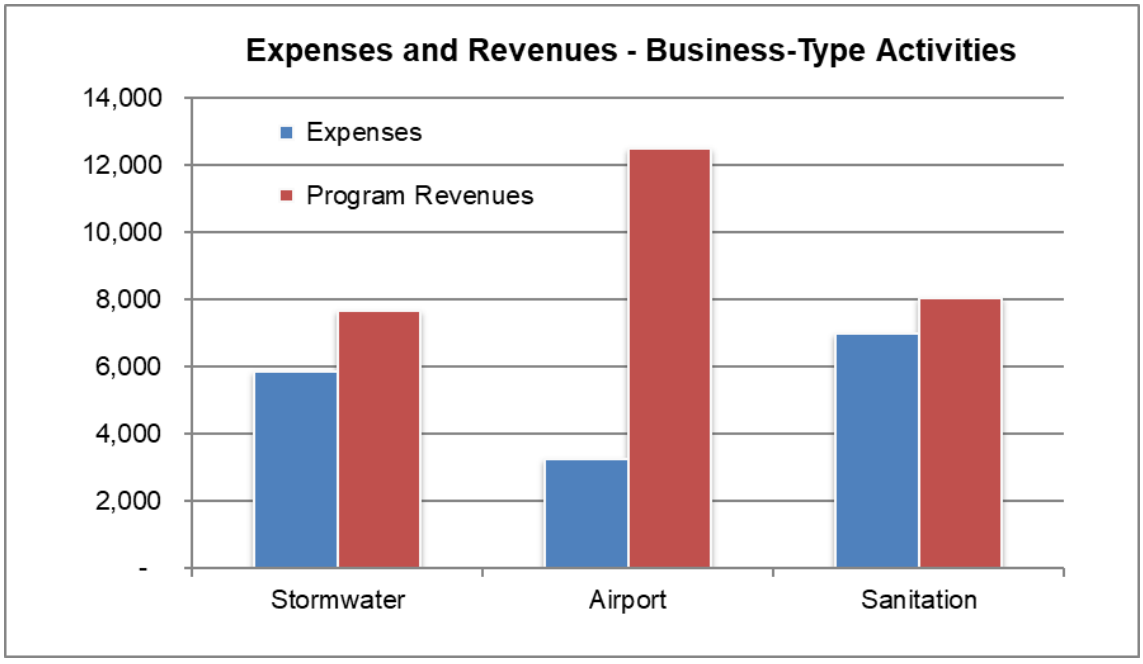
Business-type activities increased the City's net position by $11,762, in line with the increase in the prior year. The Stormwater, Airport, and Sanitation expenses remained relatively unchanged from the prior year from operating strategies to provide cost effective services to users during the year. Additional information on the results of individual business-type activity funds is discussed in a different section.

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

	Expenses			Net Increase (Decrease) in Net Position		
	2025	2024	% Change	2025	2024	% Change
Functions/Programs						
Stormwater	$ 5,845	$ 6,008	(3) %	$ 1,837	$ 1,214	51 %
Airport	3,238	2,838	14 %	9,268	(445)	(2,183) %
Sanitation	6,970	6,658	5 %	1,070	1,257	(15) %
	$ 16,053	$ 15,504		$ 12,175	$ 2,026	

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

	2025	% of Total	2024	% Change
Charges for services	$ 17,464	60 %	$ 16,413	6 %
Operating grants and contributions	34	- %	63	(46) %
Capital grants and contributions	10,730	37 %	1,054	918 %
Investment income	604	2 %	611	(1) %
Miscellaneous	165	1 %	73	126 %
Gain on sale of capital assets	226	1 %	101	124 %
	$ 29,223	100 %	$ 18,315	



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 2025, the City's governmental funds reported combined ending fund balances of $197,372, an increase of $59,223 in comparison with the prior year. This increase was largely the result of the issuance of the 2024A & B Bonds as well as increased tax revenues. Components of fund balance are 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 2025 was $51,374 compared to $43,123 for fiscal year 2024, an increase of $8,251 for all governmental funds. The main cause of this increase was more spending of restricted funds during the year keeping the unrestricted funds available for future projects.

The City has four major governmental funds - the General Fund, State Grants fund, Local Option Sales Tax fund and 2024A & B Bonds 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 2025, the spendable unrestricted fund balance (committed for road improvements $7,400, assigned for budgetary carryforward $12,527 and unassigned fund balance $40,124) of the General Fund totaled $60,051 compared to $54,348 in fiscal year 2024, an increase of $5,703. As a measure of the General Fund's liquidity, it may be useful to compare the spendable unrestricted fund balance of $60,051 to the total fund's expenditures of $107,783. This represents 48.8% of total expenditures compared to 47.2% 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 $5,411 during the current fiscal year. Taxes increased by $3,117 mainly from property taxes as property values continue to increase each year. Expenditures increased from the prior year by $14,665 as serval large improvement projects were underway during the year.

State Grants

The State Grants total fund balance decreased by $3,368. This decrease was mostly attributed to spending on the Lancaster Ranch project from available fund balance. The remaining project expenditures in this fund are offset equally by state funded grant programs.

Local Option Sales Tax

The Local Option Sales Tax total fund balance was decreased by $(4,561). Current year tax revenues were in line with the prior year. Expenditures for capital improvement projects were $3,557 greater than the prior year as several improvement projects are in their construction phase.

2024A & B Bonds Debt Service Fund

The 2024A & B Bonds Debt Service Fund total fund balance was $61,811 at yearend due to issuance of the 2024 A & B Bonds during the year. The bonds were issued to fund several projects in the City.

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 $546, in the Airport Fund increased by $672, and in the Sanitation Fund decreased by $1,261 over the prior year. All three funds experienced minimal increases in operating revenues for continued use of services.

Stormwater Fund

The Stormwater Fund had an increase in net position of $1,881. The minimal increase of $1,881 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 $9,656. The Airport benefited from capital contributions for current improvements of $10,730; and the minimal increase in operating expenses over the prior year was offset by a minimal revenue increase for almost the same amount.

Sanitation Fund

The Sanitation Fund had a minimal increase in net position of $225 from the prior year. Operating revenues were greater than operating expenses by $1,071 in the current year, confirming that the City's rates are sufficient to cover operational costs of the sanitation system.

General Fund Budgetary Highlights

The General Fund's original budget was amended to increase expenditures by $22,342 (not including transfers out). The changes for expenditures within functions are summarized in the table below. Adjustments were made for additional grant-funded improvement projects and personnel changes during the course of the year.

	Original Budget	Final Budget	Change
General Government	$ 21,234	$ 40,453	$ 19,219
Public Safety	58,992	60,385	1,393
Transportation	7,813	9,041	1,228
Culture/Recreation	11,123	11,704	581
Non-departmental	40,480	40,401	(79)
	$ 139,642	$ 161,984	$ 22,342

The General Fund under-spent the final budget by $53,107 during fiscal year 2025. 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	$ 25,682	$ 40,453	$ 14,771
Public Safety	60,711	60,385	(326)
Transportation	6,306	9,041	2,735
Culture/Recreation	10,296	11,704	1,408
Non-departmental	4,829	40,401	35,572
Transfers Out	4,069	3,016	(1,053)
	$ 111,893	$ 165,000	$ 53,107

Capital Assets and Long-term Debt

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2025 amounts to $385,565 (net of accumulated depreciation). These capital assets include land, software, right to use intangible assets, parking capacity, buildings, improvements other than buildings, equipment, vehicles, infrastructure, and construction in progress. The total increase in the City's capital assets for the current fiscal year was $48,454. Governmental activities increased capital assets by $36,324 and business-type activities decreased by $12,130.

Within governmental activities, the largest increases from the beginning balances were in land for $18,141, buildings for $10,631, and improvements other than buildings for $10,081. These were primarily attributed to transportation projects and the purchase of the K-Mart property on Vine Street. Additionally, depreciation expense remained in line with the prior year.

The capital assets of business-type activities increased by $12,130 attributed to several large projects at the Airport in the current year. Depreciation expense remained consistent with the prior year.

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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 65,735	$ 47,594	$ 1,892	$ 1,892	$ 67,627	$ 49,486
Intangibles	28,951	24,033	469	468	29,420	24,501
Buildings	59,955	49,324	12,076	12,076	72,031	61,400
Improvements Other than Buildings	269,091	259,010	60,731	57,532	329,822	316,542
Equipment	50,037	47,944	17,883	15,126	67,920	63,070
Construction in Progress	23,325	21,512	13,953	4,314	37,278	25,826
	497,094	449,417	107,004	91,408	604,098	540,825
Less: Accumulated Depreciation	(177,982)	(166,629)	(40,551)	(37,085)	(218,533)	(203,714)
Capital Assets, net	$ 319,112	$ 282,788	$ 66,453	$ 54,323	$ 385,565	$ 337,111

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 2025, governmental activities had total debt outstanding of $157,218. This is an increase of $78,044 from the prior year due to issuance of revenue bonds, a financed purchase, and additional leases and SBITAs entered into during the fiscal year. Notes from direct borrowings and direct placements and revenue bonds account for the majority of the City's overall outstanding debt. Notes from direct borrowing decreased by $(2,475) and revenue bonds increased by $75,685 due to debt issuance.

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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Notes from Direct Borrowings and Placements	$ 8,465	$ 10,940	$ -	$ -	$ 8,465	$ 10,940
Revenue Bonds	137,663	61,978	-	-	137,663	61,978
Financed Purchases, SBITAs Payable, Leases Payable	11,090	6,256	79	108	11,169	6,364
	$ 157,218	$ 79,174	$ 79	$ 108	$ 157,297	$ 79,282

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, 2025 was 3.9%, which is an increase of .3% from the 3.6% unemployment rate from the prior year.
- Population increased by 3,487 to 84,756 compared to 81,269 in the prior fiscal year.
- The ad valorem tax rate for the General Fund stayed constant at 4.6253 for the 2026 approved fiscal year budget.

Requests for Information

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

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION
September 30, 2025
(In Thousands)

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 128,117	$ 13,921	$ 142,038
Restricted Cash and Investments	77,780	-	77,780
Receivables (net)	7,942	1,357	9,299
Due from Other Governments	13,008	3,148	16,156
Due from KUA	2,262	-	2,262
Internal balances	416	(416)	-
Due from TWA	1,472	52	1,524
Inventories	137	-	137
Lease Receivable	487	4,464	4,951
Prepaid Items	189	-	189
Capital Assets:			
Capital Assets not Being Depreciated	89,060	15,845	104,905
Capital Assets - Depreciated and Amortized (Net)	230,052	50,608	280,660
Total Capital Assets	319,112	66,453	385,565
Total Assets	550,922	88,979	639,901
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to OPEB	1,343	108	1,451
Deferred Outflows Related to Pensions	12,121	281	12,402
Total Deferred Outflows of Resources	13,464	389	13,853
LIABILITIES			
Accounts Payable	8,360	2,686	11,046
Contracts Payable	402	746	1,148
Accrued Liabilities	7,411	52	7,463
Due to Other Governments	203	-	203
Unearned Revenue	5,417	24	5,441
Deposits	106	-	106
Long-term Liabilities:			
Due Within One Year	10,053	174	10,227
Due in More Than One Year	210,755	3,430	214,185
Total Liabilities	242,707	7,112	249,819
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to OPEB	2,463	204	2,667
Deferred Inflows Related to Pensions	15,560	1,079	16,639
Deferred Inflows Related to Leases	447	4,455	4,902
Total Deferred Inflows of Resources	18,470	5,738	24,208
NET POSITION			
Net Investment in Capital Assets	224,636	65,628	290,264
Restricted:			
Supplementary Care - Nonexpendable	1,627	-	1,627
Construction Projects	45,153	-	45,153
Public Safety	2,749	-	2,749
Building Safety	4,070	-	4,070
Recreation Projects	3,924	-	3,924
Community Redevelopment	18,582	-	18,582
Other Purposes	1,675	-	1,675
Unrestricted	793	10,889	11,682
Total Net Position	$ 303,209	$ 76,517	$ 379,726

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, 2025
(In Thousands)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities:							
General Government	$ 59,366	$ 30,867	$ 2,178	$ 5	$ (26,316)	$ -	$ (26,316)
Public Safety	69,274	18,698	679	543	(49,354)	-	(49,354)
Transportation	13,249	407	-	7,855	(4,987)	-	(4,987)
Economic Environment	3,344	-	2,452	739	(153)	-	(153)
Culture/Recreation	11,080	1,337	107	1,327	(8,309)	-	(8,309)
Interest on Long-term Debt	6,769	-	-	-	(6,769)	-	(6,769)
Total Governmental Activities	163,082	51,309	5,416	10,469	(95,888)	-	(95,888)
Business-Type Activities:							
Stormwater	5,845	7,682	-	-	-	1,837	1,837
Airport	3,238	1,742	34	10,730	-	9,268	9,268
Sanitation	6,970	8,040	-	-	-	1,070	1,070
Total Business-Type Activities	16,053	17,464	34	10,730	-	12,175	12,175
Total	$ 179,135	$ 68,773	$ 5,450	$ 21,199	(95,888)	12,175	(83,713)
General revenues:							
Property Tax					28,210	-	28,210
Sales Tax					6,501	-	6,501
Public Service Tax					8,194	-	8,194
Gas Tax					3,097	-	3,097
Other Locally Assessed Utility Tax					2,000	-	2,000
Other Taxes					6,305	-	6,305
Local Option Discretionary Tax					11,628	-	11,628
State Revenue Sharing					4,326	-	4,326
Unrestricted Intergovernmental Revenues					31,161	-	31,161
Franchise Fees					214	-	214
Investment Income (Loss)					9,087	604	9,691
Gain on Sale of Capital Assets					-	226	226
Miscellaneous					2,058	165	2,223
Transfers					1,408	(1,408)	-
Total General Revenues and Transfers					114,189	(413)	113,776
Change in Net Position					18,301	11,762	30,063
Net Position - Beginning, Originally Reported					289,107	65,100	354,207
Restatement					(4,199)	(345)	(4,544)
Net Position - Beginning, as Restated					284,908	64,755	349,663
Net Position - Ending					$ 303,209	$ 76,517	$ 379,726

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

CITY OF KISSIMMEE, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2025
(In Thousands)

	General	State Grants	Local Option Sales Tax	Series 2024A & B Bonds Debt Service	Nonmajor Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 56,348	$ 28	$ 16,406	$ 63,721	$ 57,847
Restricted Cash and Investments	36	-	-	-	5,355
Accounts Receivable (net)	4,921	-	-	-	2,937
Special Assessments Receivable (net)	17	-	-	-	-
Due from KUA	2,263	-	-	-	-
Due from TWA	31	-	-	-	-
Due from Other Funds	3,444	-	-	-	-
Due from Other Governments	5,744	3,579	1,912	-	938
Prepaid Items	68	121	-	-	-
Inventories	96	-	-	-	-
Leases Receivable	368	-	-	-	-
Advance to Other Funds	-	-	-	-	1,896
Total Assets	$ 73,336	$ 3,728	$ 18,318	$ 63,721	$ 68,973
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilties:					
Accounts Payable	$ 4,594	$ 1,392	$ 378	$ -	$ 1,047
Contracts Payable	-	358	6	-	10
Accrued Liabilities	299	-	-	1,910	5,202
Due to Other Funds	-	1,337	-	-	1,691
Due to Other Governments	172	-	-	-	31
Advance from Other Funds	-	-	1,896	-	-
Deposits Payable	106	-	-	-	-
Advanced Grants	4,269	-	-	-	1,148
Total Liabilities	9,440	3,087	2,280	1,910	9,129
Deferred Inflows of Resources:					
Deferred Inflows - Leases	351	-	-	-	-
Unavailable Earned Revenues	2,559	1,464	-	-	484
Total Deferred Inflows of Resources	2,910	1,464	-	-	484
Fund Balances (Deficits):					
Nonspendable Prepaids and Inventories	164	121	-	-	-
Nonspendable Advances	-	-	-	-	1,896
Nonspendable Supplementary Care	-	-	-	-	1,627
Restricted for Transportation Projects	-	-	-	-	23,918
Restricted for Public Safety Projects	745	-	-	-	600
Restricted for Development Services	-	-	-	-	4,070
Restricted for Economic Development	-	-	-	-	18,576
Restricted for Recreation Projects	-	-	-	-	3,924
Restricted for Construction Projects	-	-	-	-	5,082
Restricted for Other Capital Improvements	26	-	16,038	61,811	-
Committed for Transportation Projects	7,400	-	-	-	-
Assigned for Budgetary Carryforward	12,527	-	-	-	-
Assigned for Debt Service	-	-	-	-	50
Unassigned (Deficits)					
General Fund	40,124	-	-	-	-
Special Revenue Funds	-	(944)	-	-	(383)
Total Fund Balances (Deficits)	60,986	(823)	16,038	61,811	59,360
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	$ 73,336	$ 3,728	$ 18,318	$ 63,721	$ 68,973

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

Total Governmental Funds
$ 194,350
5,391
7,858
17
2,263
31
3,444
12,173
189
96
368
1,896
$ 228,076
$ 7,411
374
7,411
3,028
203
1,896
106
5,417
25,846
351
4,507
4,858
285
1,896
1,627
23,918
1,345
4,070
18,576
3,924
5,082
77,875
7,400
12,527
50
40,124
(1,327)
197,372
$ 228,076

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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, 2025
(In Thousands)

Total fund balances of governmental funds		$ 197,372
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 $485,603, the accumulated depreciation and amortization is $171,708. The difference does not include the net capital assets of the internal service funds which are included below.		313,895
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.		2,856
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	$ (129,623)	
Bonds premium	(8,040)	
Notes from direct borrowing and direct placements	(8,465)	
Financed purchases	(4,749)	
Leases and SBITAs payable	(4,394)	
Other postemployment benefits liability	(5,800)	
Compensated absences	(7,435)	(168,506)
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		(43,071)
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	1,262	
Deferred outflows of resources related to pensions	12,020	
Deferred inflows of resources related to OPEB	(2,307)	
Deferred inflows of resources related to pensions	(14,819)	(3,844)
Amount for earned but unavailable revenues recognized as revenue of the current period		4,507
Total net position of governmental activities		$ 303,209

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

CITY OF KISSIMMEE, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2025

(In Thousands)

	General	State Grants	Local Option Sales Tax	Formerly Major Fund Local Option Gas Tax	Series 2024A & B Bonds Debt Service	Nonmajor Governmental Funds
REVENUES						
Taxes	$ 36,657	$ -	$ 11,628	$ -	$ -	$ 3,097
Permits, Fees and Special Assessments	218	-	-	-	-	6,738
Intergovernmental Revenues	46,591	5,774	-	-	-	8,575
Charges for Services	14,340	-	-	-	-	1,060
Fines and Forfeitures	1,036	-	-	-	-	-
Investment Income (Loss)	2,422	-	754	-	-	5,621
Miscellaneous Revenues	1,768	12	-	-	-	925
Total Revenues	103,032	5,786	12,382	-	-	26,016
EXPENDITURES						
Current:						
General Government	27,885	155	956	-	-	16,111
Public Safety	60,711	501	7,903	-	-	6,501
Transportation	6,306	7,722	697	-	-	1,782
Economic Environment	1,262	14	-	-	-	2,068
Culture/Recreation	10,296	1,698	1,656	-	-	729
Debt Service:						
Principal Retirement	1,297	-	751	-	145	3,785
Interest and Fiscal Charges	12	-	89	-	3,452	2,834
Professional Fees	14	-	-	-	682	-
Capital Outlay	-	-	-	-	-	3,853
Total Expenditures	107,783	10,090	12,052	-	4,279	37,663
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,751)	(4,304)	330	-	(4,279)	(11,647)
OTHER FINANCING SOURCES and (USES)						
Transfers In	11,386	936	-	-	3,597	26,233
Transfers (Out)	(4,110)	-	(7,312)	-	(14,968)	(14,656)
Issuance of Notes Payable/Refunded Notes Payable	-	-	-	-	72,650	-
Notes/Bonds Premium	-	-	-	-	4,811	-
Issuance of Financed Purchase	-	-	2,421	-	-	-
Leases and SBITAs Entered into	2,886	-	-	-	-	-
Total Other Financing Sources and (Uses)	10,162	936	(4,891)	-	66,090	11,577
Net Change in Fund Balances	5,411	(3,368)	(4,561)	-	61,811	(70)
Fund Balances (Deficit) - Beginning, Originally Stated	55,575	-	20,599	17,949	-	44,026
Restatement	-	2,545	-	(17,949)	-	15,404
Fund Balance (Deficit) - Beginning As Restated	55,575	2,545	20,599	-	-	59,430
Fund Balances (Deficit) - Ending	$ 60,986	$ (823)	$ 16,038	$ -	$ 61,811	$ 59,360

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

Total Governmental Funds
$ 51,382
6,956
60,940
15,400
1,036
8,797
2,705
147,216
45,107
75,616
16,507
3,344
14,379
5,978
6,387
696
3,853
171,867
(24,651)
42,152
(41,046)
72,650
4,811
2,421
2,886
83,874
59,223
138,149
-
138,149
$ 197,372

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, 2025
(In Thousands)

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 59,223
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 ($50,825) and donations ($0) exceeds depreciation and amortization ($14,399). These amounts exclude the amount related to internal service funds accounted for below.		36,426
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:		
Debt issued or incurred:		
Proceeds from bonds	$ (72,650)	
Premium on issued bonds	(4,811)	
Proceeds from finance purchase transactions	(2,421)	
Leases and SBITAs entered into	(2,886)	
Principal repayments:		
Bonds	1,455	
Amortization of bond premium	321	
Notes from direct borrowings and direct placements	2,475	
Leases and SBITAs payable	1,437	
Financed purchases	774	(76,306)
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	(734)	(734)

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, 2025
(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.	$	(719)
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.		3,286
In the statement of activities, only the loss on the sale/disposal of capital assets is reported. The change in net position differs from the change in fund balance by the cost of the capital assets sold/disposed or adjusted in value.		(1,622)
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.		(1,253)
Change in net position of governmental activities	$	18,301

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, 2025
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	**Airport**	**Sanitation**	**Total**	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 11,185	$ -	$ 2,736	$ 13,921	$ 6,156
Accounts Receivable (net)	467	494	396	1,357	67
Due from Other Funds	-	-	-	-	1,724
Due from Other Governments	-	3,128	20	3,148	835
Due from TWA	-	-	52	52	1,441
Inventories	-	-	-	-	41
Leases Receivable	-	4,464	-	4,464	119
Total Current Assets	11,652	8,086	3,204	22,942	10,383
Capital Assets:					
Land	1,583	309	-	1,892	-
Buildings	509	11,160	407	12,076	841
Improvements Other Than Buildings	31,712	28,814	205	60,731	3,971
Software, Net	26	162	-	188	-
Right-to-Use Equipment	-	-	-	-	44
Right to Use SBITA	-	153	-	153	2,997
Machinery, Equipment and Vehicles	7,916	1,063	8,904	17,883	3,605
Construction in Progress	976	12,977	-	13,953	28
Less: Accumulated Depreciation	(16,174)	(17,888)	(6,361)	(40,423)	(6,269)
Total Capital Assets	26,548	36,750	3,155	66,453	5,217
Total Noncurrent Assets	26,548	36,750	3,155	66,453	5,217
Total Assets	38,200	44,836	6,359	89,395	15,600
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows Related to OPEB	48	18	42	108	81
Deferred Outflows Related to Pensions	124	-	157	281	101
Total Deferred Outflows of Resources	172	18	199	389	182

Continued

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2025
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	**Airport**	**Sanitation**	**Total**	
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ 743	$ 1,785	$ 158	$ 2,686	$ 949
Contracts Payable	-	746	-	746	28
Accrued Liabilities	-	52	-	52	-
Due to KUA	-	-	-	-	1
Due to Other Funds	-	416	-	416	1,724
Deposits	-	14	10	24	-
Compensated Absences Payable	46	23	58	127	83
Lease Liability Current	-	-	-	-	13
SBITA Liability Current	-	30	-	30	575
Other Postemployment Benefits Current	7	3	7	17	12
Estimated Claims Payable	-	-	-	-	2,635
Total Current Liabilities	796	3,069	233	4,098	6,020
Noncurrent Liabilities:					
Compensated Absences Payable	183	92	231	506	334
Other Postemployment Benefits	323	71	269	663	374
Net Pension Liability	1,028	193	991	2,212	1,211
Lease Liability	-	-	-	-	3
SBITA Liability	-	49	-	49	1,356
Estimated Claims Payable	-	-	-	-	2,635
Total Noncurrent Liabilities	1,534	405	1,491	3,430	5,913
Total Liabilities	2,330	3,474	1,724	7,528	11,933
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows Related to Leases	-	4,455	-	4,455	96
Deferred Inflows Related to OPEB	92	30	82	204	156
Deferred Inflows Related to Pensions	501	155	423	1,079	741
Total Deferred Inflows of Resources	593	4,640	505	5,738	993
NET POSITION					
Net Investment in Capital Assets	26,548	35,925	3,155	65,628	3,242
Unrestricted	8,901	814	1,174	10,889	(386)
Total Net Position	$ 35,449	$ 36,739	$ 4,329	$ 76,517	$ 2,856

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, 2025
(In Thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Stormwater	**Airport**	**Sanitation**	**Total**	
Operating Revenues:					
Charges for Services	$ 7,682	$ 1,742	$ 8,040	$ 17,464	$ 28,575
Miscellaneous Revenues	10	-	1	11	208
Total Operating Revenues	7,692	1,742	8,041	17,475	28,783
Operating Expenses:					
Personal Services	2,781	961	2,741	6,483	4,146
Contracted Services	917	134	1,860	2,911	3,736
Supplies and Materials	261	40	411	712	286
Repairs and Maintenance	444	151	554	1,149	3,929
Other Services and Charges	85	238	507	830	2,051
Depreciation and Amortization	1,253	1,677	772	3,702	1,208
Claims/Premium Expense	104	34	125	263	15,340
Total Operating Expenses	5,845	3,235	6,970	16,050	30,696
Operating Income (Loss)	1,847	(1,493)	1,071	1,425	(1,913)
Nonoperating Revenues (Expenses):					
Operating Grants	-	34	-	34	-
Interest Expense	-	(3)	-	(3)	(7)
Investment Income (Loss)	421	13	170	604	258
Lease Revenues	-	154	-	154	78
Insurance Recoveries	-	-	-	-	354
Gain or (Loss) from Sale of Capital Assets	(1)	223	4	226	(325)
Total Nonoperating Revenues (Expenses)	420	421	174	1,015	358
Income (Loss) Before Contributions and Transfers	2,267	(1,072)	1,245	2,440	(1,555)
Capital Contributions	-	10,730	-	10,730	-
Transfers In	18	-	-	18	302
Transfers (Out)	(404)	(2)	(1,020)	(1,426)	-
Change in Net Position	1,881	9,656	225	11,762	(1,253)
Net Position - Beginning, Originally Reported	33,702	27,143	4,255	65,100	4,357
Restatement	(134)	(60)	(151)	(345)	(248)
Net Position - Beginning, as Restated	33,568	27,083	4,104	64,755	4,109
Net Position - Ending	$ 35,449	$ 36,739	$ 4,329	$ 76,517	$ 2,856

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, 2025
(In Thousands)

	Business-type Activities - Enterprise Funds				
	Stormwater	Airport	Sanitation	Total	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities					
Receipts from Customers and Users	$ 7,713	$ 1,654	$ 8,019	$ 17,386	$ 28,776
Payments to Suppliers	(1,290)	1,176	(3,575)	(3,689)	(25,731)
Payments to Employees	(2,870)	(971)	(2,750)	(6,591)	(4,277)
Net Cash Provided (Used) by Operating Activities	3,553	1,859	1,694	7,106	(1,232)
Cash Flows from Noncapital Financing Activities					
Operating Grants	-	34	-	34	-
Transfers (to) Other Funds	(404)	-	(1,020)	(1,424)	-
Transfers from Other Funds	18	394	-	412	302
Net Cash Provided (Used) by Noncapital Financing Activities	(386)	428	(1,020)	(978)	302
Cash Flows from Capital and Related Financing Activities					
Acquisition/Construction of Capital Assets	(2,416)	(10,562)	(2,111)	(15,089)	(679)
Capital Contributions	-	7,577	-	7,577	-
Repayment of Fund Advance	-	-	-	-	-
Proceeds from Leasing Activities	-	85	-	85	81
Lease, SBITA Payable Principal Payments	-	(29)	-	(29)	(363)
Lease, SBITA Payable Interest Payments	-	(3)	-	(3)	(5)
Proceeds from Insurance Recoveries	-	-	-	-	354
Proceeds from Sale of Capital Assets	28	223	8	259	20
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,388)	(2,709)	(2,103)	(7,200)	(592)
Cash Flows from Investing Activities					
Income (Loss) on Investments	421	13	170	604	258
Net Cash Provided (Used) by Investing Activities	421	13	170	604	258
Net Increase (Decrease) in Cash and Cash Equivalents	1,200	(409)	(1,259)	(468)	(1,264)
Cash and Cash Equivalents at Beginning of Year	10,014	409	3,995	14,418	7,687
Cash and Cash Equivalents at End of Year	$ 11,214	$ -	$ 2,736	$ 13,950	$ 6,423

Continued

CITY OF KISSIMMEE, FLORIDA
STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For The Year Ended September 30, 2025
(In Thousands)

	Business-type Activities - Enterprise Funds				
	Stormwater	**Airport**	**Sanitation**	**Total**	**Governmental Activities - Internal Service Funds**
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	$ 1,847	$ (1,493)	$ 1,071	$ 1,425	$ (1,913)
Depreciation and Amortization	1,253	1,677	772	3,702	1,208
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	21	(86)	(2)	(67)	(8)
(Increase) Decrease in Due from Other Governments	-	-	-	-	(294)
(Increase) Decrease in Due from KUA	-	-	(7)	(7)	-
(Increase) Decrease in Due from TWA	-	-	(13)	(13)	295
(Increase) Decrease in Inventories	-	-	-	-	37
(Increase) Decrease in Deferred Outflows OPEB	(15)	(7)	(15)	(37)	(26)
(Increase) Decrease in Deferred Outflows Pensions	30	-	26	56	45
Increase (Decrease) in Accounts Payable	521	1,773	(118)	2,176	457
Increase (Decrease) in Customer Deposits	-	(2)	-	(2)	-
Increase (Decrease) in Accrued Liabilities	-	2	-	2	-
Increase (Decrease) in OPEB	22	10	23	55	38
Increase (Decrease) in Compensated Absences	(30)	7	41	18	(42)
Increase (Decrease) in Claims Payable	-	-	-	-	(883)
Increase (Decrease) in Net Pension Liability	(168)	(43)	(146)	(357)	(253)
Increase (Decrease) in Deferred Inflows OPEB	(8)	(4)	(8)	(20)	(14)
Increase (Decrease) in Deferred Inflows Pensions	80	25	70	175	121
Total Adjustments	1,706	3,352	623	5,681	681
Net Cash Provided (Used) by Operating Activities	$ 3,553	$ 1,859	$ 1,694	$ 7,106	$ (1,232)
Noncash Activities					
Issuance of leases or SBITAs	$ -	$ 30	$ -	$ 30	$ 2,366

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, 2025
(In Thousands)

ASSETS		
Cash and Cash Equivalents	$	6,801
Receivables:		
Interest Receivable		410
Total Receivables		410
Investments, at Fair Value:		
Fixed Income		63,024
Equities		185,569
Mutual Funds		56,780
Commingled Funds		27,157
Total Investments		332,530
Total Assets		339,741
Net Position Restricted for Pension Benefits	$	339,741

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, 2025

(In Thousands)

ADDITIONS		
Contributions:		
Employer	$	10,719
Plan Members		1,835
State		2,006
Total Contributions		14,560
Investment earnings:		
Net increase (decrease) in fair value of investments		20,206
Interest and dividends		10,699
Total Investment Earnings (Loss)		30,905
Less Investment Expense [1]		1,390
Net Investment Earnings (Loss)		29,515
Other		1,792
Total Additions		45,867
DEDUCTIONS		
Benefits		19,456
Administrative Expense		211
Total Deductions		19,667
Change in Net Position		26,200
Net Position - Beginning of Year		313,541
Net Position - End of Year	$	339,741

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

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

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate, are in substance, part of the City's operations. The City has two blended component units, the Community Redevelopment Agency Downtown (the "Downtown CRA") and the Community Redevelopment Agency Vine Street (the "Vine St CRA"). The CRAs are incremental taxing districts created by City Ordinance #1893, in April of 1993, pursuant to Florida Statute 163.356. The City Commission serves as the governing board, approves the budgets, provides funding and performs all accounting functions for both of the CRAs. The CRA's services are provided exclusively to the City. The CRAs have been presented as blended component units classified as special revenue funds. The CRAs issue stand-alone statements that can be obtained from the City's Finance Department. The City has no discretely presented component units. Additionally, the City has three fiduciary component units and they are reported as the City's pension trust funds. More information on the pension trust funds can be found in Note 8.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses and indirect costs of a given function, or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Indirect expenses* are those costs that are allocated to functions and activities in accordance with the City's adopted indirect cost allocation plan. The "Expenses" column includes both direct and indirect expenses. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly not included among program revenues are reported instead as *general revenues*.

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

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

1. Government-wide Financial Statements

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

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

2. Fund Financial Statements

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

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

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

- The *State Grants* fund is a special revenue fund used to account for the City's state grant funded projects.

- The *Series 2024A & B Bonds Debt Service* fund is a debt service fund used to account for the City's Series 2024A & B bonds issued to fund various improvements and infrastructure projects.

The City reports the following major enterprise funds:

- The *Stormwater Fund* accounts for the fiscal activities of the City's stormwater operations and maintenance.

- The *Airport Fund* accounts for the fiscal activities of the City's airport operations and maintenance.

- The *Sanitation Fund* accounts for the fiscal activities of the City's solid waste removal service operations.

Additionally, the City reports the following fund types:

- *Special Revenue Funds* account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

- *Debt Service Funds* account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

- *Capital Projects Funds* account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays (excluding proprietary fund capital outlays).

- *Internal Service Funds* account for certain activities of the City's centralized services and risk management program. Centralized services include information technology, purchasing, warehouse, garage, building maintenance, and printing. Risk management activities include legal expenses incurred related to activities not specifically covered by City insurance policies and collections of settlements or refunds from related cases.

- *Pension Trust Funds* account for the activities of the City's General Employees', Police Officers', and Firefighters' Pension Plans, which accumulate resources for pension benefit payments to qualified employees.

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

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

D. Budgetary Requirements

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

1) The City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. Work sessions are held to review the proposed budget.

2) Public hearings are held to obtain taxpayer comments.

3) Prior to October 1, the City Commission conducts the final budget hearing to consider additional public comments and to adopt the final ad valorem millage and final budget.

4) Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the general fund, certain special revenue funds, certain debt service funds, and certain capital projects funds. Budgets are not adopted for the Pension Trust Funds, Police Impact Fees, Fire Impact Fees, CARES Act Relief, Police and Firefighters Premium Tax Fund, Section 8 HAPP Fund, Supplementary Care, 2014A Note Capital Project, 2010C Note Capital Project, Lakefront Sales Tax 2009A, 2018 Line of Credit, and 2017 Note 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 investment with Florida Public Assets for Liquidity Management (FL PALM), which is 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 investment in the FL PALM is 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 FL PALM.

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 2024-2025 is 4.6253 mills. All real and tangible personal property taxes are due and payable on the levy date of November 1 of each year or as soon

thereafter as the assessment roll is certified by the Osceola County Property Appraiser (levy date). Osceola County mails to each property owner on the assessment roll a notice of the taxes due and the County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February.

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

Special Assessments Receivable

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

H. Inventories and Prepaids

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Prepaids represent payments made to vendors for services that will benefit the City beyond September 30, 2025. 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 five thousand dollars and estimated useful lives of over one year are recorded as capital assets. Infrastructure is capitalized when the initial costs equal or exceed $25 and has an estimated useful life of more than one year. For lease right-to-use intangible assets, the City capitalizes when the lease asset is $15 or greater. For SBITA intangible assets, a threshold of $15 is used. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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:

Assets	Years
Buildings	25
Improvements Other than Buildings	4-12
Infrastructure	20-50
Equipment and Intangibles	5-20
Right-to-use Intangibles	Length of agreement

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. In the entity-wide and proprietary financial statements, the City recognizes a liability for compensated absences for leave attributable to services already earned that accumulates and is more likely than not to be used for time off or otherwise paid out or settled.

M. Total Other Postemployment Benefits (OPEB) Liability

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

N. Unearned Revenue

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

O. Leases

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

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

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

P. Subscription-Based Information Technology Arrangements (SBITAs)

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

Q. Deferred Outflows/Inflows of Resources

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

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

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

R. Pensions/Net Pension Liability

In the government-wide financial statements and also the proprietary funds statements, net pension liability represents the present value of projected benefit payments to be provided through the cost-sharing and single employer pension plans to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. For purposes of measuring the net pension liability, deferred outflows of resources and

deferred inflows of resources related to pension plans, and pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Current contributions are used as a basis to allocate deferred elements, net pension liability, and pension expense.

S. Contributions

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

T. Fund Balances

The City classified governmental fund balances as follows:

- Nonspendable Fund Balance - represents fund balance that is (a) not in a spendable form such as prepaid items or (b) legally or contractually required to be maintained intact such as an endowment.

- Restricted Fund Balance - consists of amounts that can be spent only on the specific purposes stipulated by law or by the external providers of those resources.

- Committed Fund Balance - self-imposed limitations set in place prior to the end of the fiscal period. These amounts can be used only for the specific purposes determined by a formal action of the City Commission, which is the highest level of decision-making authority, and that require the same level of formal action to remove the constraint. The City Commission can establish, modify or rescind committed fund balance through the formal approval of an ordinance.

- Assigned Fund Balance - amounts that are subject to a purpose constraint that represents an intended use established by the City Commission or by their designated body or official. The City Manager was appointed with the authority to assign fund balance through the City Commission's approval of the City's fund balance policy. Formal action is *not* necessary to impose, remove, or modify a constraint in assigned fund balance. Additionally, this category is used to reflect the appropriation of a portion of existing fund balance to eliminate a projected deficit in the subsequent year's budget.

- Unassigned Fund Balance - represents the residual classification or fund balance and includes all spendable amounts not contained within the other classifications of the General Fund. Unassigned fund balances may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes. Currently, the State Grants Fund, Federal Grants Fund, Shingle Creek Regional Trail, Justice Assistance Grant, and Community Development Block Grant have negative unassigned fund balances.

U. Net Position Restricted by Enabling Legislation

In the government-wide financial statements, governmental activities report restricted net position of $77,780, of which management has determined $4,070 for building code enforcement is restricted by enabling legislation.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits

Deposits consist of demand accounts (interest and non-interest bearing). All deposits with financial institutions were 100% insured by Federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida. The bank balance of demand accounts was $14,156. The carrying amount of the demand deposits, cash with fiscal agent, and cash on hand at September 30, 2025 was $17,944 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.

The following is a summary of the City's pooled investments at September 30, 2025. The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is also presented.

Measured using the net asset value:	Fair Value	Weighted Average Maturity	Credit Rating
FL STAR	$ 45,390	50 days	Fitch AAAm
FL STAR Series 2024	20,843	50 days	Fitch AAAm
Total fair value investments	66,233		
Measured at amortized cost:			
Florida PALM	91,984	42 days	S&P AAAm
Florida PALM 2024	43,657	42 days	S&P AAAm
Total City investments	$ 201,874		

Investments measured at NAV	Fair Value	Unfunded Commitments
FL STAR	$ 45,390	$ -
FL STAR Series 2024	20,843	-

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

For investments in the Florida Short Term Asset Reserve (FL STAR) public investment pool, custodian of the pool is JP Morgan Chase Bank and the FL STAR provides daily liquidity. The investment pool primarily invests in U.S. Government obligations, SEC-registered money market mutual funds, and fully collateralized repurchase agreements.

The following is a summary of the City's Pension Trust Funds at September 30, 2025.

	General Employees' Pension			Police Officers' Pension			Firefighters' Pension		
	Quoted Prices Level 1	Observ Input Level 2	Unobserv Input Level 3	Quoted Prices Level 1	Observ Input Level 2	Unobserv Input Level 3	Quoted Prices Level 1	Observ Input Level 2	Unobserv Input Level 3
Fixed Income	$ 7,832	$ 32,500	$ -	$ -	$ 21,099	$ -	$ -	$ 1,593	$ -
Equities	112,895	-	-	17,802	19,377	-	27,897	7,598	-
Mutual Funds	-	7,937	9,599	20,186	-	-	13,170	5,888	-
Commingled Funds & Real Estate	-	-	5,377	4,276	7,687	3,790	-	-	6,027
Other	-	-	-	-	-	-	-	-	-
Total Investments	$ 120,727	$ 40,437	$ 14,976	$ 42,264	$ 48,163	$ 3,790	$ 41,067	$ 15,079	$ 6,027
Money Market	2,156			3,711			934		
Total Investment Fair Values	$ 178,296			$ 97,928			$ 63,107		

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

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

For the City's General Employees' Pension investments, the weighted average maturity (in years) for Eaton Vance is 5.26, Pimco Diversified Fund (PDIIX) is 5.22, and Vanguard Inflation Protected (VAIPX) is 6.50. For the City's Police Officers' Pension investments, the weighted average maturity (in years) for Galliard Intermediate Core is 5.08, Pimco Diversified Fund (PDIIX) is 5.22, and Vanguard Inflation Protected (VAIPX) is 6.50. For the City's Firefighters' Pension investments, the weighted average maturity (in years) for their collective portfolio is 8.00. The effective duration of the Firefighters' Pension convertible portfolio is 1.64 years.

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. The Police Pension Galliard investment portfolio average rating is rated AA by S&P. The General Employees' Pension Morgan Stanley investment portfolio average rating is AA by S&P. The PIMCO Diversified portfolio for the Police and General Employees' plans are rated mostly between AAA and B. The Firefighters' Pension convertible portfolio is rated BB.

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:

	City
Cash in Bank and On Hand	$ 4,023
Investments	201,874
	205,897
Financial Statements:	
Cash and Cash Equivalents	128,117
Restricted Cash and Investments	77,780
	$ 205,897

NOTE 3 – RECEIVABLES

The following is a detailed listing of receivables for the City's individual major funds and the aggregate of nonmajor funds at September 30, 2025. Special assessment receivables are secured by liens placed on benefited properties at the time of the original assessment.

Description	General	Stormwater	Airport	Sanitation	Nonmajor and Internal Service Funds	Pension Funds	Total
Accounts	$ 9,212	$ 467	$ 509	$ 396	$ 3,004	$ -	$ 13,588
Interest	-	-	-	-	-	410	410
Special assessments	17	-	-	-	-	-	17
	9,229	467	509	396	3,004	410	14,015
Less: Allowance for uncollectibles	(4,291)	-	(15)	-	-	-	(4,306)
	$ 4,938	$ 467	$ 494	$ 396	$ 3,004	$ 410	$ 9,709

The City is the lessor in contracts with outside parties for the right to use land, facilities and infrastructure. At September 30, 2025, the City has 14 active leases. The leases have receipts that range from $4 to $150 and interest rates that range from .632% to 5.308%. At September 30, 2025, governmental activities had outstanding lease receivables of $487 and business-type activities had outstanding lease receivables of $4,464. During the fiscal year, the City recognized $364 in lease revenue and $148 in lease interest revenue. Additionally, $256 was received in variable revenue that is not included in the calculation of the lease receivable.

The City is the lessor in sixteen agreements that qualify to be treated as regulated in accordance with the requirements of GASB Statement No. 87, *Leases*. The City leases land and facilities for airport grounds, hangars, aeronautical-related storage and other facility use through 2055. The City received $470 during the current fiscal year related to these leases along with $93 in variable payments.

As of September 30, 2025, the remaining nominal amount of revenue that will be recognized over the lease term associated with these leases amounts to $6,827 as outlined below.

Business-Type Activities:

Fiscal Year	Revenue
2026	$ 545
2027	550
2028	524
2029	515
2030	467
2031 - 2035	1,954
2036 - 2040	1,486
2041 - 2045	1,173
2046 - 2050	728
2051 - 2055	504
Total	$ 6,827

NOTE 4 – INTERFUND ACCOUNTS

Individual interfund receivables, payables and transfers with a description of their purpose at September 30, 2025 are:

	Due From	Due To	Purpose
General Fund	$ 3,444	$ -	To cover negative pooled cash
State Grants	-	1,337	position of funds
Airport	-	416	
Nonmajor Funds:			
Special Revenue Funds	-	1,691	
Internal Service Funds	1,724	1,724	
	$ 5,168	$ 5,168	

	Advance To	Advance From	Purpose
Local Option Sales Tax	$ -	$ 1,896	To fund purchase of new equipment
Nonmajor Funds:			from proceeds of governmental
Debt Service Funds	1,896	-	
	$ 1,896	$ 1,896	

	Transfer In	Transfers Out	Purpose
General Fund	$ 11,386	$ 4,110	Transfer to cover debt service
State Grants	936	-	Transfer for project expenditures
Local Option Sales Tax	-	7,312	Transfer to cover debt service
2024A & B Bonds Debt Service	3,597	14,968	Transfer to cover debt service
Stormwater	18	404	Transfer to General Fund for PILOT
Airport	-	2	
Sanitation	-	1,020	Transfer to General Fund for PILOT
Nonmajor Funds:			
Special Revenue Funds	4,029	14,656	Transfer for grant match and debt service
Debt Service Funds	6,615	-	Transfer to cover debt service
Capital Projects Funds	15,589	-	Transfer for project expenditures
Internal Service Funds	302	-	Building and software costs
	$ 42,472	$ 42,472	

NOTE 5 – CAPITAL ASSETS

A. Changes in Capital Assets

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

Governmental Activities	Balance 10/01/2024	Increases	Adjustments & Decreases	Balance 9/30/2025
Capital Assets, Not Being Depreciated:				
Land	$ 47,594	$ 18,141	$ -	$ 65,735
Construction In Progress	21,512	18,000	(16,187)	23,325
Total Capital Assets, Not Being Depreciated	69,106	36,141	(16,187)	89,060
Capital Assets, Being Depreciated:				
Buildings	49,324	10,061	570	59,955
Improvements other than buildings	259,010	11,397	(1,316)	269,091
Parking Capacity	15,502	-	-	15,502
Software	2,250	-	(298)	1,952
Intangible Right-to-Use				
Right-to-Use Leased Equipment	4,634	2,886	(158)	7,362
Right-to-Use Software Subscriptions	1,647	2,675	(187)	4,135
Equipment	47,944	7,122	(5,029)	50,037
Total Capital Assets Being Depreciated	380,311	34,141	(6,418)	408,034
Less Accumulated Depreciation For:				
Buildings	(29,710)	(1,513)	(1,125)	(32,348)
Improvements other than buildings	(81,279)	(8,123)	594	(88,808)
Parking Capacity	(14,742)	-	-	(14,742)
Software	(2,981)	-	115	(2,866)
Intangible Right-to-Use				
Right-to-Use Leased Equipment	(2,312)	(1,230)	79	(3,463)
Right-to-Use Software Subscriptions	(589)	(866)	157	(1,298)
Equipment	(35,016)	(4,181)	4,740	(34,457)
Total Accumulated Depreciation	(166,629)	(15,913)	4,560	(177,982)
Total Capital Assets, Being Depreciated, Net	213,682	18,228	(1,858)	230,052
Governmental Activities Capital Assets, Net	$ 282,788	$ 54,369	$ (18,045)	$ 319,112

Business-type Activities	Beginning Balance 10/01/2024	Increases	Decreases	Ending Balance 9/30/2025
Stormwater Fund				
Capital Assets, Not Being Depreciated:				
Land	$ 1,583	$ -	$ -	$ 1,583
Construction In Progress	870	1,530	(1,424)	976
Total Capital Assets, Not Being Depreciated:	2,453	1,530	(1,424)	2,559
Capital Assets, Being Depreciated/Amortized:				
Buildings	509	-	-	509
Improvements other than Buildings	30,288	1,424	-	31,712
Software	57	-	-	57
Intangible Right-to-Use				
Right-to-Use Software Subscriptions	44	-	(44)	-
Equipment	7,268	886	(238)	7,916
Total Capital Assets Being Depreciated	38,166	2,310	(282)	40,194
Less Accumulated Depreciation For:				
Buildings	(465)	(6)	-	(471)
Improvements other than Buildings	(9,925)	(707)	-	(10,632)
Software	(29)	(2)	-	(31)
Intangible Right-to-Use				
Right-to-Use Software Subscriptions	(12)	(3)	15	-
Equipment	(4,774)	(535)	238	(5,071)
Total Accumulated Depreciation	(15,205)	(1,253)	253	(16,205)
Total Capital Assets, Being Depreciated, Net	22,961	1,057	(29)	23,989
Stormwater Fund Capital Assets, Net	$ 25,414	$ 2,587	$ (1,453)	$ 26,548
Airport Fund				
Capital Assets, Not Being Depreciated:				
Land	$ 309	$ -	$ -	$ 309
Construction In Progress	3,444	10,058	(525)	12,977
Total Capital Assets, Not Being Depreciated	3,753	10,058	(525)	13,286
Capital Assets, Being Depreciated/Amortized:				
Buildings	11,160	-	-	11,160
Improvements other than Buildings	27,039	1,775	-	28,814
Software	259	-	-	259
Intangible Right-to-Use				
Right-to-Use Software Subscriptions	108	45	-	153
Equipment	994	92	(23)	1,063
Total Capital Assets Being Depreciated	39,560	1,912	(23)	41,449
Less Accumulated Depreciation For:				
Buildings	(8,404)	(259)	-	(8,663)
Improvements other than Buildings	(6,949)	(1,329)	(90)	(8,368)
Software	(92)	(5)	-	(97)
Intangible Right-to-Use				
Right-to-Use Software Subscriptions	(31)	(31)	(14)	(76)
Equipment	(748)	(53)	20	(781)
Total Accumulated Depreciation	(16,224)	(1,677)	(84)	(17,985)
Total Capital Assets, Being Depreciated, Net	23,336	235	(107)	23,464
Airport Fund Capital Assets, Net	$ 27,089	$ 10,293	$ (632)	$ 36,750

Sanitation Fund	Beginning Balance 10/01/2024	Increases	Decreases	Ending Balance 9/30/2025
Capital Assets, Not Being Depreciated:				
Construction In Progress	$ -	$ -	$ -	$ -
Total Capital Assets, Not Being Depreciated	-	-	-	-
Capital Assets, Being Depreciated:				
Buildings	$ 407	$ -	$ -	$ 407
Improvements other than Buildings	205	-	-	205
Equipment	6,864	2,111	(71)	8,904
Total Capital Assets Being Depreciated	7,476	2,111	(71)	9,516
Less Accumulated Depreciation For:				
Buildings	(375)	(2)	-	(377)
Improvements other than Buildings	(199)	(3)	-	(202)
Equipment	(5,082)	(767)	67	(5,782)
Total Accumulated Depreciation	(5,656)	(772)	67	(6,361)
Total Capital Assets, Being Depreciated, Net	1,820	1,339	(4)	3,155
Sanitation Fund Capital Assets, Net	$ 1,820	$ 1,339	$ (4)	$ 3,155
Total Business-type Activities				
Capital Assets, Not Being Depreciated:				
Land	$ 1,892	$ -	$ -	$ 1,892
Construction In Progress	4,314	11,588	(1,949)	13,953
Total Capital Assets, Not Being Depreciated	6,206	11,588	(1,949)	15,845
Capital Assets, Being Depreciated/Amortized:				
Buildings	12,076	-	-	12,076
Improvements other than Buildings	57,532	3,199	-	60,731
Software	316	-	-	316
Intangible Right-to-Use Right-to-Use Software Subscriptions	152	45	(44)	153
Equipment	15,126	3,089	(332)	17,883
Total Capital Assets Being Depreciated	85,202	6,333	(376)	91,159
Less Accumulated Depreciation For:				
Buildings	(9,244)	(267)	-	(9,511)
Improvements other than Buildings	(17,073)	(2,039)	(90)	(19,202)
Software	(121)	(7)	-	(128)
Intangible Right-to-Use Right-to-Use Software Subscriptions	(43)	(34)	1	(76)
Equipment	(10,604)	(1,355)	325	(11,634)
Total Accumulated Depreciation	(37,085)	(3,702)	236	(40,551)
Total Capital Assets, Being Depreciated, Net	48,117	2,631	(140)	50,608
Total Business-type Activities, Net	$ 54,323	$ 14,219	$ (2,089)	$ 66,453

Governmental Activities:

Depreciation and Amortization Expense By Function

General Government	$	1,748
Public Safety		4,826
Transportation		5,780
Culture/Recreation		2,352
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		1,207
Total Governmental Activities Depreciation and Amortization	$	15,913

Business-type Activities:

Depreciation and Amortization Expense By Function

Stormwater	$	1,253
Airport		1,677
Sanitation		772
	$	3,702

B. Net Capital Assets

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

	Governmental Activities	Business-type Activities	Total
Land	$ 65,735	$ 1,892	$ 67,627
Buildings	59,955	12,076	72,031
Improvements other than Buildings	269,091	60,731	329,822
Parking Capacity	15,502	-	15,502
Software	1,952	316	2,268
Right to Use Leased Equipment	7,362	-	7,362
Right to Use Software Subscriptions	4,135	153	4,288
Equipment	50,037	17,883	67,920
Construction in Progress	23,325	13,953	37,278
	497,094	107,004	604,098
Less: Accumulated Depreciation and Amortization	(177,982)	(40,551)	(218,533)
Capital Assets, net	$ 319,112	$ 66,453	$ 385,565

C. Construction Commitments

The following is a schedule of significant capital construction projects and large equipment orders with remaining commitment amounts of greater than $1 million as of September 30, 2025:

Projects	Spent-to-Date	Remaining Commitment
Durbin Community Center and Park	$ 84	$ 9,106
Beaumont Project	775	6,380
Emergency Operations Complex	-	10,464
Evidence and Forensics Facility	31	3,364
Lancaster Ranch Park	2,982	3,881
Berlinsky Community House	-	2,128
Hoagland Blvd US 192/Carroll	-	1,000
Woodside Drainage Project	-	11,114
Lyndell Drainage Project	1,260	1,030
Airport Taxiway A Design	-	1,140
Airport Parcel 8 Construction	-	2,169
Fire Station #5 at Mark Durbin Park	81	12,913
Fire Station #2 at Mill Run	-	12,322
Convention Center Hotel	3,000	7,400
Total	$ 8,213	$ 84,411

NOTE 6 – LEASES AND SBITAs PAYABLE

The City is the lessee of equipment and vehicles throughout its operations. The City leases an offsite technology data storage unit, traffic safety equipment, public safety equipment, and vehicles for terms ranging from 24 to 60 months with lease payments of $1 to $901 at interest rates ranging from .632% to 3.46%. At September 30, 2025, the City's lease liability is $3,848. Debt service requirements to maturity for the City's leases payable are as follows.

Governmental Activities:	Leases Payable	
Fiscal Year	Principal	Interest
2026	$ 1,493	$ 92
2027	1,059	67
2028	637	45
2029	659	23
Total	$ 3,848	$ 227

The City is the user of SBITAs throughout its operations. The subscriptions range from 18-36 months in length, with fixed monthly and annual payments, and interest rate ranges from 2.32%-3.59%. At September 30, 2025, the SBITA liability for governmental activities is $2,493 and for business-type activities is $79. There were SBITA modifications for $163 during the year. Debt service requirements to maturity for the City's SBITA payable are as follows:

	Governmental Activities		Business-Type Activities	
Fiscal Year	Principal	Interest	Principal	Interest
2026	$ 851	$ 73	$ 30	$ 2
2027	865	49	31	2
2028	514	23	18	1
2029	263	7	-	-
Total	$ 2,493	$ 152	$ 79	$ 5

NOTE 7 – LONG-TERM LIABILITIES

A. Schedule of Changes in Long-term Liabilities

The City's outstanding long-term liabilities includes revenue bonds payable, notes from direct borrowings and direct placements, leases payable, SBITAs payable, financed purchases, claims payable, net pension liability, other postemployment benefits, and compensated absences. The following is a schedule of changes in the City's long-term liabilities for the fiscal year ended September 30, 2025:

	Balance 10/01/24 *	Additions	Reductions	Balance 9/30/25	Due Within One Year	Long-term Portion
Governmental Activities:						
Revenue Bonds	$ 58,428	$ 72,650	$ (1,455)	$ 129,623	$ 1,505	$ 128,118
Bond Premium	3,550	4,811	(321)	8,040	-	8,040
subtotal Revenue Bonds	61,978	77,461	(1,776)	137,663	1,505	136,158
Notes from Direct Borrowings and Direct Placements	10,940	-	(2,475)	8,465	1,050	7,415
Financed Purchases	3,102	2,421	(774)	4,749	740	4,009
Leases Payable	2,336	2,886	(1,374)	3,848	1,493	2,355
SBITAs Payable	818	2,675	(1,000)	2,493	851	1,642
Claims Payable	6,153	13,592	(14,475)	5,270	2,635	2,635
Net Pension Liability	43,968	314	-	44,282	-	44,282
Other Postemployment Benefits	5,522	664	-	6,186	209	5,977
Compensated Absences	7,160	692	-	7,852	1,570	6,282
Governmental Activity Long-term Liabilities	$ 141,977	$ 100,705	$ (21,874)	$ 220,808	$ 10,053	$ 210,755
Business-type Activities:						
Net Pension Liability	$ 2,569	$ -	$ (357)	$ 2,212	$ -	$ 2,212
Other Postemployment Benefits	625	55	-	680	17	663
SBITAs Payable	108	-	(29)	79	30	49
Compensated Absences	615	18	-	633	127	506
Business-type Activity Long-term Liabilities	$ 3,917	$ 73	$ (386)	$ 3,604	$ 174	$ 3,430

* Beginning balances have been restated due to the effects of implementing GASB Stmt No, 101, *Compensated Absences* .

Governmental activities' net pension liability and other postemployment benefits liability will be liquidated in future periods primarily by the General Fund and Central Services Fund. Compensated absences liability activity for the year is reported net.

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 Borrowings and Placements		Revenue Bonds		
Fiscal Year	Principal	Interest	Principal	Interest	Total
2026	$ 1,050	$ 239	$ 1,505	$ 5,988	$ 8,782
2027	1,140	209	1,435	5,923	8,707
2028	1,175	177	1,500	5,859	8,711
2029	1,225	144	1,550	5,791	8,710
2030	1,275	110	1,605	5,721	8,711
2031-2035	2,600	189	13,720	27,040	43,549
2036-2040	-	-	20,145	23,404	43,549
2041-2045	-	-	25,495	18,054	43,549
2046-2050	-	-	31,775	11,776	43,551
2051-2054	-	-	30,893	4,234	35,127
Total	$ 8,465	$ 1,068	$ 129,623	$ 113,790	$ 252,946

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, 2025, the City has no outstanding bonds issued by the City, which were funded in previous years by the placement of assets in an irrevocable trust to be used for satisfying debt service requirements.

D. Financed Purchases

The City has financed purchases outstanding at year-end. The gross cost of the equipment acquired with these agreements is $7,909 for governmental activities. The following is a summary schedule of these finance obligations and their net present value.

Year Ending September 30	Governmental Activities
2026	$ 815
2027	817
2028	1,018
2029	807
2030	564
2031 - 2033	1,472
Total minimum payments	5,493
Less: amount representing interest	(744)
Present value of minimum payments	$ 4,749

E. Bonds and Notes Outstanding

The City has revenue bonds and notes outstanding at September 30, 2025. 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:

Governmental Activities:	Revenue Pledged	Amount Issued	Principal Outstanding	Total Pledged Revenue (1)	Future Pledged Revenue Over Debt Service Required (2)	Current Year Debt Srvc Paid	Current Year Total Revenue (3)
Notes from Direct Borrowings and Direct Placements:							
2010B Capital Improvement Revenue Note Maturity: 2025, Interest Rate: 2.79% Purpose: Road Improvements	Local option sales tax	$ 8,000	$ -	$ -	6.5%	$ 750	$ 11,628
2010C Capital Improvement Revenue Note Maturity: 2030, Interest Rate: 2.69% Purpose: Road Improvements	Non-ad valorem revenue	4,000	1,400	1,516	N/A	294	N/A
2011B Capital Improvement Refunding Note Maturity: 2025, Interest Rate: 2.86% Purpose: Road Improvements	Local option sales tax	9,140	-	-	6.6%	771	11,628
2014A Capital Improvement Revenue Note Maturity: 2034, Interest Rate: 2.86% Purpose: Lakefront Park and Road Improvements	Local option sales tax	9,600	5,315	6,115	5.5%	641	11,628
2015B CRA Refunding Revenue Note Maturity: 2030, Interest Rate: 2.81% Purpose: Refund 2009 CRA Note	Covenant to budget and appropriate but not pledged	3,820	1,750	1,904	N/A	332	N/A
	Total Revenue Notes		8,465				

Governmental Activities:	Revenue Pledged	Amount Issued	Principal Outstanding	Total Pledged Revenue (1)	Future Pledged Revenue Over Debt Service Required (2)	Current Year Debt Srvc Paid	Current Year Total Revenue (3)
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	$ 31,848	$ 50,030	15.6%	$ 2,298	$ 14,694
2022A Revenue Refunding Bonds Maturity: 2051, Interest Rate: 4.35% Purpose: Capital Improvements, Refunding	1/2 Cent Sales Tax, Public Serv & Comm Taxes	23,950	22,490	45,830	9.5%	1,398	14,694
2022B Revenue Refunding Bonds Maturity: 2045, Interest Rate: 4.84% Purpose: Capital Improvements	1/2 Cent Sales Tax, Public Serv & Comm Taxes	2,780	2,780	4,793	0.9%	135	14,694
2024A Capital Improve Revenue Bonds Maturity: 2054, Interest Rate: 4.86% Purpose: Capital Improvements	1/2 Cent Sales Tax, Public Serv & Comm Taxes	58,510	58,510	118,393	18.7%	2,749	14,694
2024B Capital Improve Revenue Bonds Maturity: 2054, Interest Rate: 4.86% Purpose: Capital Improvements	1/2 Cent Sales Tax, Public Serv & Comm Taxes	14,140	13,995	27,909	5.8%	848	14,694
	Total Revenue Bonds		129,623				
Total Revenue Notes and Bonds - Governmental Activities			$ 138,088				

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

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

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

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

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

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS

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

Actuarial studies were conducted on all three plans as of October 1, 2024. 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.

C. Membership and Contribution Information

Membership of each plan consisted of the following at October 1, 2024, the date of the latest actuarial valuations:

	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	404	140	81
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	108	25	32
Active Plan Members	409	141	107
Total	921	306	220

The City's contributions to the plans are actuarially determined and during fiscal year ended September 30, 2025 the City contributed $4,622 to the General Employees Plan, $4,276 to the Police Officers Plan, and $3,828 to the Firefighters Plan. For the fiscal year ended September 30, 2025, 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	10 Years	25 Years	25 Years
Asset Valuation Method	20% of the difference between FV and expected actuarial value	4 yr geometric average of fair value returns	5 yr smooth
Actuarial Assumptions:			
Investment rate of return	6.80%	7.10%	7.00%
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%	2.5%, 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:

Service	Vested %
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, 2025 is $4,112.

Police Officers'

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

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

Retirement Benefits
Normal: 3.5% of the AFC for each year of service subject to a maximum of 100% of AFC. For members hired after May 6, 2014, 3% of AFC for each year of service subject to a maximum of 100% of AFC.
Early: Same as normal except reduced actuarially from Normal Retirement.
Delayed: Benefit continues to accrue.

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:

Service	Vested %
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, 2025 is $999.

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.

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:

Service	Vested %
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, 2025 is $1,196.

E. Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor as of September 30, 2025 were as follows:

	Pension Plans		
	General* Employees'	Police Officers'	Firefighters'
Total Pension Liability	$ 195,583	$ 115,661	$ 79,729
Plan Fiduciary Net Position	178,545	98,068	63,150
Sponsor's Net Pension Liability	17,038	17,593	16,579
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.29%	84.79%	79.21%

* 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, 2024 using the following actuarial assumption applied to all measurement periods.

	Pension Plans		
	General Employees'	Police Officers'	Firefighters'
Inflation	2.25%	2.50%	2.50%
Salary Increases	3.40% to 6.50%	Service based	Service based
Investment Rate of Return	6.80%	7.10%	7.00%

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-2010 mortality tables, projected generationally with mortality improvement scale MP-2021.

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, 2025 are summarized in the following table:

	Pension Plans					
	General Employees'		Police Officers'		Firefighters'	
Asset Class	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%	10.0%	45%	7.5%	46%	7.8%
International Equity	15%	11.0%	15%	8.5%	12%	3.8%
Domestic Fixed	20%	5.0%	7%	2.5%	-	-
Broad Market Fixed	-	-	20%	2.5%	-	-
Global Fixed	10%	6.0%	-	-	-	-
Real Estate	10%	7.0%	10%	4.5%	5%	5.4%
Private Equity	-	-	3%	8.5%	-	-
Bonds	-	-	-	-	16%	1.8%
Convertibles	-	-	-	-	7%	6.3%
REITs	-	-	-	-	5%	7.0%
Infrastructure	-	-	-	-	4%	6.4%
Hedge Fund	-	-	-	-	5%	2.7%

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, 2025:

	Pension Plans		
Fiscal Year 2025	General Employees'	Police Officers'	Firefighters'
Annual Money-Weighted Rate of Return Net of Investment Expense	9.04%	9.28%	10.41%

Discount Rate – The discount rate used to measure the total General Employees' pension liability was 6.80%, the total Police Officers' pension liability was 7.10%, and the total Firefighters' pension liability was 7.00%. In the development of a single discount rate for the General Employees' pension liability, a long-term municipal bond rate of 4.90% 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	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
General Employees' Fund City and Toho	$ 39,650	$ 17,038	$ (1,914)
General Employees' Fund City only	28,675	12,322	(1,384)

Sponsor's Net Pension Liability	1% Decrease 6.10%	Current Discount Rate 7.10%	1% Increase 8.10%
Police Officers' Fund	$ 31,946	$ 17,593	$ 5,709

Sponsor's Net Pension Liability	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Firefighters' Fund	$ 26,831	$ 16,579	$ 8,107

Changes in Net Pension Liability

	General Employees'	Police Officers'	Firefighters'
Total pension liability			
Service Cost	$ 2,809	$ 2,797	$ 1,917
Interest	9,110	7,739	5,010
Change in Excess State Money	-	-	-
Share Plan Allocation	-	92	-
Changes of Benefit Terms	976	-	-
Difference Between Actual & Expected Experience	856	718	3,888
Change in Employer's Proportion	1,488	-	-
Changes of Assumptions	-	1,056	2,257
Contributions - Buy Back	-	-	5
Benefit Payments	(6,934)	(5,882)	(3,994)
Net Change in Total Pension Liability	8,305	6,520	9,083
Total Pension Liability - Beginning	133,141	109,141	70,646
Total Pension Liability - Ending (a)	$ 141,446	$ 115,661	$ 79,729
Plan Fiduciary Net Position			
Contributions - Employer	$ 4,622	$ 3,007	$ 3,091
Contributions - State	-	1,269	737
Contributions - Member	756	546	253
Change in Employer's Proportion	1,324	-	-
Net Investment Income	10,964	8,409	6,010
Benefit Payments	(6,934)	(5,882)	(3,994)
Administrative Expense	(67)	(88)	(72)
Net Change in Plan Fiduciary Net Position	10,665	7,261	6,025
Plan Fiduciary Net Position - Beginning	118,459	90,807	57,125
Plan Fiduciary Net Position - Ending (b)	$ 129,124	$ 98,068	$ 63,150
Net Pension Liability - Ending (a)-(b)	12,322	17,593	16,579
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.29%	84.79%	79.21%
Covered Payroll	$ 23,548	$ 12,317	$ 10,238
Net Pension Liability as a Percentage of Covered Payroll	52.33%	142.84%	161.94%

* 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, 2025, the City recognized pension expense of $13,253, and had ending balances of deferred outflows for pensions of $12,402, net pension liability of $46,494, and deferred inflows for pensions of $16,639 for its activities in three pension plans. The City recognized a pension expense of $3,812 related to the general employees' pension fund in 2025. The City's proportionate share of the total Plan's net position is 72.32%. Employer contributions were used as a basis to determine the allocation; the allocation increased 0.80% from the prior year allocation of 71.52%. The City also reported deferred outflows of resources and deferred inflows of resources related to the general employees' pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,174	$ -	$ 1,174
Change in cost-sharing allocation percentage	172	149	23
Assumptions changes	-	-	-
Net Difference between projected and actual earnings on pension plan investments	-	6,422	(6,422)
Total	$ 1,346	$ 6,571	$ (5,225)

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
2026	$ 1,679
2027	(3,287)
2028	(3,058)
2029	(559)
Total	$ (5,225)

For the year ended September 30, 2025, the City recognized a pension expense of $5,348 related to the police officers' pension fund. The City also reported deferred outflows of resources and deferred inflows of resources related to the police officers' pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ 2,148	$ 68	$ 2,080
Change of assumptions	3,128	-	3,128
Net Difference between projected and actual earnings on pension plan investments	-	5,162	(5,162)
Total	$ 5,276	$ 5,230	$ 46

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

Year Ending September 30	Net Outflows of Resources
2026	$ 2,537
2027	(1,305)
2028	(786)
2029	(400)
Total	$ 46

For the year ended September 30, 2025, the City recognized a pension expense of $4,093 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.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ 3,480	$ 546	$ 2,934
Change of assumptions	2,300	-	2,300
Net Difference between projected and actual earnings on pension plan investments	-	4,292	(4,292)
Total	$ 5,780	$ 4,838	$ 942

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

Year Ending September 30	Net Outflows of Resources
2026	$ 1,721
2027	(973)
2028	(645)
2029	839
Total	$ 942

F. Combining Statements of the Pension Trust Funds

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2025
(In Thousands)

	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Totals
ASSETS				
Cash and Cash Equivalents:	$ 2,156	$ 3,711	$ 934	$ 6,801
Receivable:				
Interest Receivable	249	140	21	410
Total Receivable:	249	140	21	410
Investments, at Fair Value:				
Fixed Income	40,332	21,099	1,593	63,024
Equities	112,895	37,179	35,495	185,569
Mutual Funds	17,536	20,186	19,058	56,780
Commingled Funds	5,377	15,753	6,027	27,157
Total Investments:	176,140	94,217	62,173	332,530
Total Assets	178,545	98,068	63,128	339,741
Net Position Restricted for Pension Benefits	$ 178,545	$ 98,068	$ 63,128	$ 339,741

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For The Year Ended September 30, 2025
(In Thousands)

	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Totals
ADDITIONS				
Contributions:				
Employer	$ 4,621	$ 3,007	$ 3,091	$ 10,719
Plan Members	1,046	546	243	1,835
State	-	1,269	737	2,006
Total Contributions	5,667	4,822	4,071	14,560
Investment earnings:				
Net increase (decrease) in fair value of investments	9,967	5,365	4,874	20,206
Interest and dividends	5,832	3,500	1,367	10,699
Total investment earnings (losses)	15,799	8,865	6,241	30,905
Less investment expense	704	477	209	1,390
Net investment earnings (losses)	15,095	8,388	6,032	29,515
Other contributions (Toho Water Authority)	1,792	-	-	1,792
Total Additions	22,554	13,210	10,103	45,867
DEDUCTIONS				
Benefits	9,588	5,874	3,994	19,456
Administrative Expense	51	75	85	211
Total Deductions	9,639	5,949	4,079	19,667
Change in Net Position	12,915	7,261	6,024	26,200
Net Position - Beginning of Year	165,630	90,807	57,104	313,541
Net Position - End of Year	$ 178,545	$ 98,068	$ 63,128	$ 339,741

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.

At measurement date September 30, 2024, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	13
Active employees	666
	679

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, 2024, one year prior to the City's fiscal reporting date of September 30, 2025. The measurement period for OPEB cost was October 1, 2023 to September 30, 2024. The components of the changes in the total OPEB liability are as follows:

Total OPEB Liability	Fiscal Year 2025
Service cost	$ 340
Interest	293
Difference between expected and actual experience	(450)
Change of assumptions and other inputs	858
Benefit payments	(322)
Net change in total OPEB liability	719
Total OPEB liability - beginning	6,147
Total OPEB liability - ending	$ 6,866

Changes of assumptions and other inputs reflect a change in the discount rate from 4.63% at the beginning of the measurement period to 3.81% as of September 30, 2025.

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

The total OPEB liability reported at September 30, 2025 was based on an actuarial valuation dated September 30, 2024 using the following actuarial assumptions:

Inflation	2.50% per annum
Discount rate	3.81%
Salary increases	Rates used in Oct 1, 2024 valuations of City pension plans
Mortality rates	Tables used in July 1, 2024 valuation of the Florida Retirement System (based on results of statewide experience study covering period 2018 through 2023)
Healthcare trend	Trend starting at 6.50% for claims costs and 19.86% for premiums, and thereafter trends based on Getzen model, with trend rate of 6.25% (effective Jan 2026) and gradually decreasing to ultimate trend rate of 4.00%

The development of per capita costs included aging factors based on the 2013 Society of Actuaries Study "Healthcare Costs – From Birth to Death". There have been no significant changes (other than premium rate increases) in any health benefits or life insurance benefits between September 30, 2024 and September 30, 2025.

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	$ 6,070	$ 6,866	$ 7,807

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, 2025 was 3.81%. 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
	2.81%	3.81%	4.81%
Total OPEB Liability	$ 7,571	$ 6,866	$ 6,241

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

For the year ended September 30, 2025, the City recognized OPEB expense of $201. At September 30, 2025, 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	$ 179	$ 862
Change of assumptions	1,046	1,805
Transactions after measurement date	226	-
	$ 1,451	$ 2,667

Deferred outflows of resources of $226 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, 2026. Deferred inflows of resources shown above will be recognized in OPEB expense in the following years.

Fiscal Year Ending	Net Inflows
2026	$ (407)
2027	(279)
2028	(330)
2029	(303)
2030	(199)
Thereafter	76
	$ (1,442)

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 2025, 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, 2025, the total outstanding unpaid claims were $5,270 which includes an estimate for incurred but not reported claims. Insurance premiums paid out of the funds totaled $14,475 for the fiscal year ended September 30, 2025. 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
2024-2025	$ 6,153	$ 13,592	$ (14,475)	$ 5,270
2023-2024	4,472	13,706	(12,025)	6,153

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)	$ 319,112	$ 66,453	$ 385,565
Debt Related to Capital Assets	(157,218)	(79)	(157,297)
Other Liabilities Related to Capital Assets	(402)	(746)	(1,148)
Unspent Proceeds of Capital-Related Debt	63,144	-	63,144
	$ 224,636	$ 65,628	$ 290,264

NOTE 12 – FUND BALANCE AND NET POSITION DEFICITS

The following funds have a deficit fund balance at September 30, 2025:

Fund Name	Deficit Amounts
Deficit Fund Balances	
State Grants Fund	$ (823)
Nonmajor Funds:	
Special Revenue Fund:	
Federal Grant Fund	$ (180)
Shingle Creek Regional Trail	(76)
Justice Assistance Grant	(116)
Community Development Block Grant	(11)
Deficit Net Position	
Health Insurance	(2,268)

Deficits in the grant funds represent amounts spent on grant programs that will ultimately be reimbursed from federal and state grantor agencies, or transfers from City funds for City match requirements in the subsequent period. The deficit in the Health Insurance fund will be remedied by additional transfers for charges from the other funds in the next year.

NOTE 13 – COMMITMENTS, RELATED PARTIES, AND CONTINGENCIES

Downtown Community Redevelopment Area Debt – The City issued the 2022 Capital Improvement Revenue Refunding Bonds which included a portion used to finance the cost of land acquisition and various infrastructure improvements known as the Beaumont Development Site. This project is included in the Downtown Community Redevelopment Area (Downtown CRA) redevelopment plan. The Downtown CRA provides reimbursement to the City for its portion of the annual debt service payments on these bonds, as well as previously issued bonds used by the CRA for previous redevelopment projects. During fiscal year 2025, the Downtown CRA paid interest in the amount of $548.

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, 2025, the payment made by KUA to the City was $20.5 million. KUA's total operating revenues for the fiscal year ended September 30, 2025 were $230 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 2025 was $10.4 million and all future annual amounts will be calculated based on the gross annual revenues of the system for an additional five years.

Development Agreement Azure - In August 2025, the City Commission approved a Master Development Agreement with Azure Hotel International, Inc. The $180 million+ project will redevelop the property into a modern convention center and a 10-story, 300-room luxury hotel designed to strengthen the City as a destination for business, tourism, and community events. The development will feature a 45,000-square-foot convention center, along with restaurants, retail space, and hospitality amenities designed to support economic growth and enhance Downtown Kissimmee, and is anticipated to be completed in 2029. Demolition of the existing Civic Center is expected to begin in mid-2026. The City has agreed to reimburse Azure for demolition of the Civic Center, committed $10 million towards the construction of a new convention center, as well as a one-time $1.5 million grant to support hotel development, to be disbursed according to the Public Funding Schedule upon achievement of specified development milestones. The City paid $3 million during FY25. The City will receive a guaranteed annual lease payment for the Convention Center worth $2.5M annually with automatic yearly escalators, resulting in the complete payback of the City's contributions within five years along with a 5% profit share of the hotel's net operating income and the City's ability to use meeting space in the facility at no cost.

Master Development Plan K-Mart site - In October 2024, the City purchased the former Kmart site located at 2211 W Vine Street. On May 5, 2025, the Purchasing Division advertised RFQ #2025-005, Kmart Site Redevelopment. The RFQ sought a qualified Master Developer to transform the former Kmart property and surrounding Vine Street corridor into a catalytic mixed-use redevelopment. In October 2025, the City Commission authorized staff to proceed with negotiations pursuant to a Master Development Agreement with the selected developer. To date, a Master Development Agreement has not been reached; however, demolition at the site is planned to be completed by the 2nd quarter of 2026. Located within the Vine Street Community Redevelopment Area, the project represents one of the most significant reinvestments in the corridor in decades. It is expected to attract new businesses and strengthen economic activity in the area.

Hyatt Studio at Airport - On December 17th, 2024 in a duly noticed public meeting, the City of Kissimmee approved the Consideration of a Request for a Non-Binding Letter of Intent to Lease and Right of First Refusal from Kissimmee Place Development Group for an unsolicited proposal project consisting of one 122-room hotel to be built on undeveloped City-owned land located in the Airport Business Park at the Kissimmee Gateway Airport. In December 2025, Kissimmee Place Development Group, Inc., requested renewal of the First Right of Refusal for approximately eight and a half (8.5) acres to develop the Dyer-Thacker Commerce Park along the north side of M.L.K. Jr. Blvd. The First Right of Refusal was originally granted for a period of one year. A lease was signed May 21, 2025, for the design/construction of a Hyatt Studio Hotel and the applicant has been making progress towards development of this project. The proposed intent for the remaining acres will focus on developing aviation training facilities and optional aviation student housing to support the community, the airport, and aviation workforce development. A Master Development Agreement between the City and the developer has not been entered into at this time.

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. The City is currently working with the Federal Emergency Management Agency (FEMA) on reimbursements for hurricane recovery efforts from hurricanes Irma, Ian, and Milton which may take several years to complete. The total cumulative cost of these efforts and reimbursement is still being compiled.

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

Contingency - In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) pandemic. The outbreak of COVID-19 resulted in significant impacts on the US economy and the City. On September 8, 2021, the US Department of the Treasury, Coronavirus State and Local Government Fiscal Recovery Fund (CSLFRF) awarded the City $18,070 as part of the American Rescue Plan Act (ARPA). The total award was provided in two payments, with the first portion of $9,035 received in late fiscal year 2021 and the second in late fiscal year 2022. The City's planned use of the ARPA funds includes the standard allowance for revenue loss replacement and infrastructure initiatives to benefit the community. During fiscal year 2025, the City used the ARPA funds for provision of several social programs, and the acquisition of The Haven on Vine to aid in its program to address homelessness.

NOTE 14 – TAX ABATEMENT AND RELATED COMMITMENT

From time to time, the City determines that it is desirable to facilitate redevelopment opportunities within its boundaries through tax increment rebatement and other possible incentives. The Skyview project is a development project that includes construction of public parks and open spaces, sidewalks, landscaping, and other improvements within the City. Skyview is scheduled to receive a 15-year tax rebate for Phase I of the project in $207 annual increments to total $3.1 million. The tax rebate is set to commence in the first full year of Phase I occupancy and tax valuation. Phase I of the project is still currently underway and the City made no payment in the current fiscal year. As part of the master agreement with Skyview, the City has an additional commitment to reimburse for certain construction costs up to $5.9 million. The total amount the City paid to Skyview during the fiscal year is $3,367.

NOTE 16 – RESTATEMENTS

In fiscal year 2025, the City implemented GASB Statement No. 101, *Compensated Absences*. This statement clarified accounting for unused earned leave liabilities. Additionally, the City reported changes of fund presentation within the governmental statements. The table below details the effects of these restatements within the entity.

	Governmental Activities	Business-Type Activities	Previously Major Governmental Fund - Local Option Gas Tax	Previously NonMajor Governmental Fund - State Grants	Nonmajor Governmental Funds
Beginning Net Position or Fund Balance, as Previously Reported	$ 289,107	$ 65,100	$ 17,949	$ -	$ 44,026
Change in Accounting - GASB 101	(4,199)	(345)	-	-	-
Change within Reporting Statements	-	-	(17,949)	2,545	15,404
Beginning Net Position or Fund Balance, as Restated	$ 284,908	$ 64,755	$ -	$ 2,545	$ 59,430

	Business-Type Activities			Total Business-Type Activities	Governmental Activities - Internal Service
	Stormwater	Airport	Sanitation		
Beginning Net Position or Fund Balance, as Previously Reported	$ 33,702	$ 27,143	$ 4,255	$ 65,100	$ 4,357
Change in Accounting - GASB 101	(134)	(60)	(151)	(345)	(248)
Beginning Net Position or Fund Balance, as Restated	$ 33,568	$ 27,083	$ 4,104	$ 64,755	$ 4,109

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules (GAAP BASIS):

- General Fund
- Major Special Revenue Funds:
  - Local Option Sales Tax
  - State Grants Fund

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, 2025
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES AND OTHER SOURCES				
Taxes:				
Ad valorem	$ 27,615	$ 27,615	$ 28,210	$ 595
Utility taxes	8,183	8,285	8,194	(91)
Local business taxes	200	200	253	53
	35,998	36,100	36,657	557
Permits, Fees and Special Assessments:				
Franchise fees	216	216	214	(2)
Other permits and fees	6	6	4	(2)
	222	222	218	(4)
Intergovernmental Revenues:				
Federal grants	-	-	1,486	1,486
State grants	-	-	4	4
Local grants	-	-	-	-
State revenue sharing	4,840	4,840	4,326	(514)
Half cent sales tax	7,600	7,600	6,501	(1,099)
Shared taxes and licenses	1,140	1,140	310	(830)
County shared revenue	2,896	2,896	2,974	78
Kissimmee Utility Authority	20,513	20,513	20,542	29
Tohopekaliga Water Authority	10,080	10,080	10,448	368
	47,069	47,069	46,591	(478)
Charges for Services:				
General government charges	774	774	898	124
Public safety charges	8,697	8,697	11,689	2,992
Physical environment charges	79	79	112	33
Transportation charges	360	360	418	58
Culture/recreation charges	1,117	1,117	1,223	106
	11,027	11,027	14,340	3,313
Fines and Forfeitures:				
Court fines and costs	317	317	1,036	719
Miscellaneous Revenue:				
Investment income	1,536	1,536	2,422	886
Rents	971	971	824	(147)
Other revenue	389	461	555	94
Sales of cemetery lots	285	285	389	104
	3,181	3,253	4,190	937

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2025
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES AND OTHER SOURCES - Continued				
Transfers In:				
Stormwater Utility Fund	$ 349	$ 349	$ 377	$ 28
Gas Tax	-	10,400	10,400	-
Airport	2	2	2	-
Sanitation Fund	380	380	399	19
Other Nonmajor Funds	200	208	208	-
	931	11,339	11,386	47
Other Sources:				
Issuance of Leases	-	-	2,886	2,886
	-	-	2,886	2,886
Total Revenues and Other Sources	98,745	109,327	117,304	7,977
EXPENDITURES AND OTHER (USES)				
General Government:				
City Commission:				
Personal Services	309	309	413	104
Operating	460	493	432	(61)
	769	802	845	43
City Manager:				
Personal Services	2,209	2,209	2,327	118
Operating	1,114	5,264	1,537	(3,727)
Capital Outlay	152	10,899	3,464	(7,435)
	3,475	18,372	7,328	(11,044)
Development Services:				
Personal Services	1,784	1,784	1,913	129
Operating	395	1,451	744	(707)
Capital Outlay	-	272	123	(149)
	2,179	3,507	2,780	(727)
Legal:				
Personal Services	819	845	827	(18)
Operating	344	1,062	170	(892)
Capital Outlay	-	-	-	-
	1,163	1,907	997	(910)

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2025
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
EXPENDITURES AND OTHER (USES) - Continued				
General Government:				
Finance:				
Personal Services	$ 2,250	$ 2,282	$ 2,295	$ 13
Operating	942	2,892	1,088	(1,804)
Capital Outlay	-	5	-	(5)
	3,192	5,179	3,383	(1,796)
Personnel:				
Personal Services	1,202	1,211	1,148	(63)
Operating	331	552	278	(274)
Capital Outlay	-	-	-	-
	1,533	1,763	1,426	(337)
Central Service and Self Insurance Charges:				
Operating	8,923	8,923	8,923	-
	8,923	8,923	8,923	-
Total General Government	21,234	40,453	25,682	(14,771)
Public Safety:				
Police:				
Personal Services	29,531	29,394	29,108	(286)
Operating	4,466	4,875	4,201	(674)
Capital Outlay	1,200	1,403	4,525	3,122
	35,197	35,672	37,834	2,162
Fire:				
Personal Services	18,882	18,872	18,221	(651)
Operating	3,959	4,695	4,152	(543)
Capital Outlay	954	1,146	504	(642)
	23,795	24,713	22,877	(1,836)
Total Public Safety	58,992	60,385	60,711	326
Transportation:				
Public Works:				
Personal Services	3,614	3,614	3,282	(332)
Operating	3,930	4,601	2,706	(1,895)
Capital Outlay	269	826	318	(508)
Total Transportation	7,813	9,041	6,306	(2,735)

Continued

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
For the Year Ended September 30, 2025
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
EXPENDITURES AND OTHER (USES) - Continued				
Culture/Recreation				
Recreation:				
Personal Services	$ 7,574	$ 7,574	$ 6,723	$ (851)
Operating	2,385	2,598	2,478	(120)
Capital Outlay	1,164	1,532	1,095	(437)
Total Culture / Recreation	11,123	11,704	10,296	(1,408)
Non-Departmental				
Special Pay Incentive	900	900	-	(900)
Bad Debt	2,030	2,030	3,506	1,476
Capital and Operating Reserves	37,104	37,025	-	(37,025)
Principal Retirement	406	406	1,297	891
Debt Service Interest and Costs	40	40	26	(14)
Total Non-Departmental	40,480	40,401	4,829	(35,572)
Other (Uses)				
Transfers Out	2,401	3,016	4,069	1,053
Total Other (Uses)	2,401	3,016	4,069	1,053
Total Expenditures and Other (Uses)	142,043	165,000	111,893	(53,107)
Excess of Revenues and Other Sources Over Expenditures and Other (Uses)	(43,298)	(55,673)	5,411	61,084
Fund Balance - Beginning of Year	43,298	55,673	55,575	(98)
Fund Balance - End of Year	$ -	$ -	$ 60,986	$ 60,986

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE GRANTS
For the Year Ended September 30, 2025
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Intergovernmental Revenues	$ -	$ 3,720	$ 5,774	$ 2,054
Miscellaneous Revenues	-	5	12	7
Total Revenues	-	3,725	5,786	2,061
EXPENDITURES				
General Government	-	522	155	367
Public Safety	-	541	501	40
Transportation	-	11,921	7,722	4,199
Economic Environment	-	14	14	-
Culture/Recreation	-	1,864	1,698	166
Capital Outlay	-	200	-	200
Total Expenditures	-	15,062	10,090	4,972
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(11,337)	(4,304)	7,033
OTHER FINANCING SOURCES (USES)				
Transfers In	-	936	936	-
Total Other Financing Sources (Uses)	-	936	936	-
Net Change in Fund Balance	-	(10,401)	(3,368)	7,033
Fund Balance (Deficit) - Beginning	-	10,401	2,545	(7,856)
Fund Balance (Deficit) - Ending	$ -	$ -	$ (823)	$ (823)

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION SALES TAX
For the Year Ended September 30, 2025
(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Taxes	$ 12,382	$ 12,382	$ 11,628	$ (754)
Investment Income (Loss)	100	100	754	654
Total Revenues	12,482	12,482	12,382	(100)
EXPENDITURES				
Current				
General Government	1,692	2,223	956	1,267
Public Safety	1,619	12,926	7,903	5,023
Transportation	975	3,031	697	2,334
Culture/Recreation	-	4,329	1,656	2,673
Debt Service				
Principal Retirement	408	458	751	(293)
Interest and Fiscal Charges	137	88	89	(1)
Capital Outlay	10,314	7,353	-	7,353
Total Expenditures	15,145	30,408	12,052	18,356
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,663)	(17,926)	330	18,256
OTHER FINANCING SOURCES (USES)				
Transfers In	6,572	16,518	-	(16,518)
Transfers (Out)	(3,907)	(7,312)	(7,312)	-
Issuance of Financed Purchase	-	-	2,421	2,421
Leases and SBITAs Entered into	-	3,695	-	(3,695)
Total Other Financing Sources (Uses)	2,665	12,901	(4,891)	(17,792)
Net Change in Fund Balance	2	(5,025)	(4,561)	464
Fund Balance (Deficit) - Beginning	(2)	5,025	20,599	15,574
Fund Balance (Deficit) - Ending	$ -	$ -	$ 16,038	$ 16,038

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 3,884	$ 3,657	$ 3,596	$ 3,397	$ 3,023	$ 2,765	$ 2,651	$ 2,535	$ 2,440	$ 2,437
Interest	12,597	12,060	11,555	11,191	11,086	10,588	10,108	9,687	9,095	8,589
Benefit changes	1,349	-	420	-	-	-	1,063	-	-	-
Assumption changes	-	-	-	3,622	1,414	1,632	-	1,492	1,397	-
Difference Between Actual & Expected Experience	1,183	1,461	893	(90)	(154)	938	(460)	(54)	595	919
Benefit Payments and Refunds	(9,588)	(9,446)	(8,731)	(7,799)	(7,675)	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)
Net Change in Total Pension Liability	9,425	7,732	7,733	10,321	7,694	8,807	6,497	7,838	7,935	7,088
Total Pension Liability - Beginning	186,158	178,426	170,693	160,372	152,678	143,871	137,374	129,536	121,601	114,513
Total Pension Liability - Ending (a)	$ 195,583	$ 186,158	$ 178,426	$ 170,693	$ 160,372	$ 152,678	$ 143,871	$ 137,374	$ 129,536	$ 121,601
Plan Fiduciary Net Position										
Contributions - Employer (from City and Toho)	$ 6,389	$ 6,031	$ 5,418	$ 5,315	$ 4,825	$ 4,361	$ 4,338	$ 4,119	$ 3,851	$ 3,579
Contributions - Member	1,046	972	929	946	942	939	875	880	849	856
Net Investment Income	15,161	27,864	12,380	(22,171)	27,623	10,509	4,225	7,866	12,906	8,257
Benefit Payments	(9,588)	(9,446)	(8,731)	(7,799)	(7,675)	(7,116)	(6,865)	(5,822)	(5,592)	(4,857)
Administrative Expense	(93)	(72)	(69)	(78)	(87)	(58)	(79)	(47)	(54)	(76)
Net Change in Plan Fiduciary Net Position	12,915	25,349	9,927	(23,787)	25,628	8,635	2,494	6,996	11,960	7,759
Plan Fiduciary Net Position - Beginning	165,630	140,281	130,354	154,141	128,513	119,878	117,384	110,388	98,428	90,669
Plan Fiduciary Net Position - Ending (b)	$ 178,545	$ 165,630	$ 140,281	$ 130,354	$ 154,141	$ 128,513	$ 119,878	$ 117,384	$ 110,388	$ 98,428
Net Pension Liability - Ending (a)-(b)	17,038	20,528	38,145	40,339	6,231	24,165	23,993	19,990	19,148	23,173
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.29%	88.97%	78.62%	76.37%	96.11%	84.17%	83.32%	85.45%	85.22%	80.94%
Covered Payroll	$ 27,245	$ 25,465	$ 24,070	$ 23,734	$ 23,739	$ 23,521	$ 22,188	$ 21,266	$ 20,671	$ 20,342
Net Pension Liability as a Percentage of Covered Payroll	62.54%	80.61%	158.48%	169.96%	26.25%	102.74%	108.14%	94.00%	92.63%	113.92%

This schedule represents entire plan with City and Toho combined.

Notes to the Schedule:

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 2,809	$ 2,615	$ 2,605	$ 2,435	$ 2,074	$ 1,860	$ 1,654	$ 1,594	$ 1,485	$ 1,442
Interest	9,110	8,625	8,369	8,023	7,606	7,123	6,308	6,090	5,535	5,084
Benefit Changes	976	-	304	-	-	-	664	-	-	-
Change in Employer's Proportion	1,488	(1,622)	1,263	4,940	2,047	6,991	(632)	2,605	2,030	997
Change in Assumptions	-	-	-	2,597	970	1,098	-	938	850	-
Difference Between Actual & Expected Experience	856	1,045	647	(65)	(106)	631	(287)	(34)	362	544
Benefit Payments	(6,934)	(6,756)	(6,324)	(5,591)	(5,266)	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)
Net Change in Total Pension Liability	8,305	3,907	6,864	12,339	7,325	12,916	3,423	7,532	6,859	5,192
Total Pension Liability - Beginning	133,141	129,234	122,370	110,031	102,706	89,790	86,367	78,835	71,976	66,784
Total Pension Liability - Ending (a)	$ 141,446	$ 133,141	$ 129,234	$ 122,370	$ 110,031	$ 102,706	$ 89,790	$ 86,367	$ 78,835	$ 71,976
Plan Fiduciary Net Position										
Contributions - Employer	$ 4,622	$ 4,314	$ 3,925	$ 3,811	$ 3,311	$ 2,935	$ 2,708	$ 2,591	$ 2,345	$ 2,119
Contributions - Member	756	694	673	678	646	632	546	554	517	507
Change in Employer's Proportion	1,324	(1,276)	964	4,746	1,723	5,824	(541)	2,218	1,641	789
Net Investment Income	10,964	19,928	8,967	(15,894)	18,952	7,069	2,637	4,945	7,855	4,887
Benefit Payments	(6,934)	(6,756)	(6,324)	(5,591)	(5,266)	(4,787)	(4,284)	(3,661)	(3,403)	(2,875)
Administrative Expense	(67)	(51)	(50)	(55)	(60)	(39)	(49)	(30)	(33)	(45)
Net Change in Plan Fiduciary Net Position	10,665	16,853	8,155	(12,305)	19,306	11,634	1,017	6,617	8,922	5,382
Plan Fiduciary Net Position - Beginning	118,459	101,606	93,451	105,756	86,450	74,816	73,799	67,182	58,260	52,878
Plan Fiduciary Net Position - Ending (b)	$ 129,124	$ 118,459	$ 101,606	$ 93,451	$ 105,756	$ 86,450	$ 74,816	$ 73,799	$ 67,182	$ 58,260
City's Proportionate % of Total Plan Net Position	72.32%	71.52%	72.43%	71.69%	68.61%	72.11%	62.41%	62.87%	60.86%	59.19%
Net Pension Liability - Ending (a)-(b)	12,322	14,682	27,628	28,919	4,275	16,256	14,974	12,568	11,653	13,716
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.29%	88.97%	78.62%	76.37%	96.11%	84.17%	83.32%	85.45%	85.22%	80.94%
Covered Payroll	$ 23,548	$ 21,474	$ 19,497	$ 18,402	$ 18,002	$ 17,506	$ 16,032	$ 14,740	$ 13,947	$ 13,653
Net Pension Liability as a Percentage of Covered Payroll	52.33%	68.37%	141.70%	157.15%	23.75%	92.86%	93.40%	85.26%	83.55%	100.46%

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

Notes to the Schedule:

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

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 2,797	$ 2,333	$ 2,194	$ 2,024	$ 1,902	$ 1,835	$ 1,773	$ 2,008	$ 1,838	$ 1,911
Interest	7,739	7,053	6,763	6,502	6,101	5,852	5,590	5,544	5,299	4,818
Change in Excess State Money	-	-	72	-	-	-	-	-	-	(328)
Share Plan Allocation	92	-	-	-	-	-	-	-	-	218
Change of Benefit Terms	-	-	-	-	-	616	-	-	-	(68)
Difference Between Actual & Expected Experience	718	2,682	(148)	(42)	2,364	702	(88)	953	(889)	1,136
Changes of Assumptions	1,056	3,893	-	-	1,985	508	-	861	-	1,127
Benefit Payments	(5,882)	(4,870)	(5,151)	(4,885)	(4,337)	(4,761)	(4,171)	(3,611)	(3,116)	(3,122)
Net Change in Total Pension Liability	6,520	11,091	3,730	3,599	8,015	4,752	3,104	5,755	3,132	5,692
Total Pension Liability - Beginning	109,141	98,050	94,320	90,721	82,706	77,954	74,850	69,095	65,963	60,271
Total Pension Liability - Ending (a)	$ 115,661	$ 109,141	$ 98,050	$ 94,320	$ 90,721	$ 82,706	$ 77,954	$ 74,850	$ 69,095	$ 65,963
Plan Fiduciary Net Position										
Contributions - Employer	$ 3,007	$ 2,240	$ 1,786	$ 2,100	$ 1,597	$ 1,871	$ 1,893	$ 1,971	$ 1,882	$ 1,948
Contributions - State	1,269	1,156	1,250	1,096	951	1,081	799	747	655	582
Contributions - Member	546	495	480	426	397	378	366	321	295	275
Net Investment Income	8,409	16,134	7,426	(13,211)	14,352	6,349	2,480	6,229	5,845	4,519
Benefit Payments	(5,882)	(4,870)	(5,151)	(4,885)	(4,337)	(4,761)	(4,171)	(3,611)	(3,116)	(3,122)
Administrative Expense	(88)	(75)	(63)	(61)	(47)	(49)	(65)	(47)	(42)	(46)
Net Change in Plan Fiduciary Net Position	7,261	15,080	5,728	(14,535)	12,913	4,869	1,302	5,610	5,519	4,156
Plan Fiduciary Net Position - Beginning	90,807	75,727	69,999	84,534	71,621	66,752	65,450	59,840	54,321	50,165
Plan Fiduciary Net Position - Ending (b)	$ 98,068	$ 90,807	$ 75,727	$ 69,999	$ 84,534	$ 71,621	$ 66,752	$ 65,450	$ 59,840	$ 54,321
Net Pension Liability - Ending (a)-(b)	17,593	18,334	22,323	24,321	6,187	11,085	11,202	9,400	9,255	11,642
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.79%	83.20%	77.23%	74.21%	93.18%	86.60%	85.63%	87.44%	86.61%	82.35%
Covered Payroll	$ 12,317	$ 11,237	$ 11,049	$ 9,896	$ 9,354	$ 9,068	$ 8,550	$ 7,921	$ 7,725	$ 7,506
Net Pension Liability as a Percentage of Covered Payroll	142.84%	163.16%	202.04%	245.78%	66.15%	122.25%	131.03%	118.68%	119.81%	155.10%

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

Notes to the Schedule:

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

Changes of Benefit Terms:

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

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

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

Changes of Assumptions:

For measurement date 09/30/25, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the July 1, 2024 actuarial valuation of the Florida Retirement System (FRS) for special risk employees.

For measurement date 09/30/23, the investment rate of return was decreased from 7.2% to 7.1% per year.

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

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

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

For measurement date 09/30/16, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to assumptions used by FRS for special risk. The inflation assumption rate was lowered from 3.0% to 2.5%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 1,917	$ 1,494	$ 1,475	$ 1,405	$ 1,174	$ 1,070	$ 992	$ 915	$ 693	$ 761
Interest	5,010	4,852	4,657	4,337	4,171	4,149	4,064	3,836	3,787	3,573
Change in Excess State Money	-	-	-	-	-	-	-	-	-	-
Change in Benefit Terms	-	-	-	-	-	-	(31)	72	-	-
Difference Between Actual & Expected Experience	3,888	(828)	(122)	1,848	1,103	(560)	(567)	1,552	(920)	58
Changes of Assumptions	2,257	825	-	-	2,589	1,115	370	463	211	2,097
Contributions - Buy Back	5	-	-	26	-	-	-	-	3	-
Benefit Payments	(3,994)	(3,171)	(3,491)	(2,987)	(4,832)	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)
Net Change in Total Pension Liability	9,083	3,172	2,519	4,629	4,205	2,214	1,353	3,138	61	3,321
Total Pension Liability - Beginning	70,646	67,474	64,955	60,326	56,121	53,907	52,554	49,416	49,355	46,034
Total Pension Liability - Ending (a)	$ 79,729	$ 70,646	$ 67,474	$ 64,955	$ 60,326	$ 56,121	$ 53,907	$ 52,554	$ 49,416	$ 49,355
Plan Fiduciary Net Position										
Contributions - Employer	$ 3,091	$ 2,883	$ 2,955	$ 2,509	$ 2,246	$ 2,089	$ 1,908	$ 2,095	$ 1,542	$ 834
Contributions - State	737	675	801	573	452	401	368	377	370	337
Contributions - Member	253	233	174	195	165	142	136	117	104	74
Net Investment Income	6,010	10,733	4,484	(8,097)	8,460	3,723	1,671	2,986	3,709	2,985
Benefit Payments	(3,994)	(3,171)	(3,491)	(2,987)	(4,832)	(3,560)	(3,475)	(3,700)	(3,713)	(3,168)
Administrative Expense	(72)	(85)	(63)	(67)	(62)	(51)	(55)	(62)	(59)	(54)
Net Change in Plan Fiduciary Net Position	6,025	11,268	4,860	(7,874)	6,429	2,744	553	1,813	1,953	1,008
Plan Fiduciary Net Position - Beginning	57,125	45,857	40,997	48,871	42,442	39,698	39,145	37,332	35,379	34,371
Plan Fiduciary Net Position - Ending (b)	$ 63,150	$ 57,125	$ 45,857	$ 40,997	$ 48,871	$ 42,442	$ 39,698	$ 39,145	$ 37,332	$ 35,379
Net Pension Liability - Ending (a)-(b)	16,579	13,521	21,617	23,958	11,455	13,679	14,209	13,409	12,084	13,976
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	79.21%	80.86%	67.96%	63.12%	81.01%	75.63%	73.64%	74.49%	75.55%	71.68%
Covered Payroll	$ 10,238	$ 9,897	$ 7,636	$ 7,548	$ 7,557	$ 6,712	$ 6,183	$ 5,756	$ 5,829	$ 4,557
Net Pension Liability as a Percentage of Covered Payroll	161.94%	136.62%	283.09%	317.41%	151.58%	203.80%	229.81%	232.96%	207.33%	306.71%

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 09/30/25, as required by Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed to those used in the July 1, 2024 FRS valuation report for special risk employees. Additionally, the investment return was lowered from 7.10% to 7.00% and salary increase rates were updated to align with recent experience study.

For measurement date 09/30/23, the investment return was lowered from 7.20% to 7.10%.

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 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 reduced from 4.5 to 3.0%.

For measurement date 09/30/19, 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, 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 prio 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%.

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 10/01/20 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 annualy 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%.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 4,621	$ 4,314	$ 3,930	$ 3,811	$ 3,311	$ 2,927	$ 2,707	$ 2,590	$ 2,344	$ 2,119
Contributions in Relation to the Actuarially Determined Contributions	4,621	4,314	3,927	3,811	3,311	2,930	2,707	2,590	2,344	2,119
Contribution Deficiency (Excess)	-	-	3	-	-	(3)	-	-	-	-
Covered Payroll	$ 23,548	$ 21,474	$ 19,497	$ 18,402	$ 18,002	$ 17,506	$ 16,032	$ 14,740	$ 13,947	$ 13,653
Contributions as a percentage of Covered Payroll	19.62%	20.09%	20.14%	20.71%	18.39%	16.74%	16.88%	17.57%	16.81%	15.52%

Notes to Schedule:

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

Valuation Date: 10/1/23

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:	10 Years (as of 10/01/2023)
Asset Valuation Method:	20% of the difference between FV and expected actuarial asset
Inflation:	2.25%
Salary Increase:	3.40% to 6.50%
Interest Rate	6.8%
Retirement Age	Experience-based table of rates specific to type of eligibility condition
Early Retirement	Age 55 and 10 years of service
Cost-of-Living Adjustment	None

Changes of Benefit Terms:

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

Changes of Assumptions:

For 2023, there were no significant assumption changes to calculate the contribution.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

Schedule of Actuarially Determined Contributions (Police Officers')

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 5,157	$ 4,162	$ 3,417	$ 2,882	$ 3,051	$ 2,793	$ 2,554	$ 2,640	$ 2,626	$ 2,464
Contributions in Relation to the Actuarially Determined Contributions	4,184	3,395	2,964	3,196	2,548	2,951	2,693	2,717	2,537	2,530
Contribution Deficiency (Excess)	973	767	453	(314)	503	(158)	(139)	(77)	89	(66)
Covered Payroll	$ 12,317	$11,236	$11,049	$ 9,896	$ 9,354	$ 9,068	$ 8,550	$ 7,921	$ 7,725	$ 7,506
Contributions as a percentage of Covered Payroll	33.97%	30.22%	26.83%	32.30%	27.24%	32.54%	31.50%	34.30%	32.84%	33.71%

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: 10/1/24

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 10/01/2024)
Asset Valuation Method:	4 Year geometric average of fair value returns
Salary Increase:	Service based
Inflation:	2.50%
Interest Rate	7.1%, 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 09/30/24, 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, 2025
(In Thousands)

Schedule of Actuarially Determined Contributions (Firefighters')

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 4,706	$ 3,765	$ 3,684	$ 3,527	$ 2,962	$ 2,647	$ 2,450	$ 2,286	$ 2,465	$ 1,880
Contributions in Relation to the Actuarially Determined Contributions	3,829	3,558	3,756	3,082	2,698	2,490	2,276	2,472	1,912	1,171
Contribution Deficiency (Excess)	877	207	(72)	445	264	157	174	(186)	553	709
Covered Payroll	$ 10,238	$ 9,898	$ 7,636	$ 7,548	$ 7,557	$ 6,712	$ 6,183	$ 5,756	$ 5,829	$ 4,557
Contributions as a percentage of Covered Payroll	37.40%	35.95%	49.19%	40.83%	35.70%	37.10%	36.81%	42.95%	32.80%	25.70%

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: 10/1/24

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 10/01/2024)
Asset Valuation Method:	5 Year Smooth
Salary Increase:	Service based
Inflation:	2.70%
Interest Rate	7.10%
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 9/30/24, 9/30/21, 9/30/20, 9/30/18, 9/30/17 and 9/30/16, several assumptions were changed. Please see Required Supplementary Information Schedule "Net Pension Liability and Related Ratios - Firefighters" for details.

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

Money-weighted Rate of Return

	General Employees'									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual Money-Weighted Rate of Return										
Net of Investment Expense	9.04%	19.70%	9.28%	-14.35%	22.21%	8.06%	3.53%	7.04%	6.09%	6.09%

	Police Officers'									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual Money-Weighted Rate of Return										
Net of Investment Expense	9.28%	21.37%	10.70%	-15.70%	20.17%	9.61%	3.82%	10.42%	10.74%	8.99%

	Firefighters'									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual Money-Weighted Rate of Return										
Net of Investment Expense	10.41%	22.99%	10.69%	-16.37%	20.18%	9.42%	4.27%	8.03%	10.75%	8.90%

CITY OF KISSIMMEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2025
(In Thousands)

Schedule of Changes in the Total OPEB Liability and Related Ratios

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	$ 340	$ 340	$ 516	$ 477	$ 518	$ 402	$ 531	$ 544
Interest	293	270	179	183	226	267	271	233
Change of benefit terms	-	-	-	-	-	1	-	-
Difference between expected and actual experience	(450)	-	(709)	-	434	-	(255)	-
Change of assumptions and other inputs	858	(138)	(1,577)	176	(1,482)	772	(894)	(270)
Benefit payments	(322)	(240)	(308)	(266)	(318)	(278)	(323)	(234)
Net change in total OPEB liability	719	232	(1,899)	570	(622)	1,164	(670)	273
Total OPEB liability - beginning	6,147	5,915	7,814	7,244	7,866	6,702	7,372	7,099
Total OPEB liability - ending	$ 6,866	$ 6,147	$ 5,915	$ 7,814	$ 7,244	$ 7,866	$ 6,702	$ 7,372
Covered-employee payroll	$ 46,288	$ 45,555	$ 35,397	$ 37,040	$ 34,141	$ 30,714	$ 28,415	$ 26,226
Total OPEB liability as a percentage of covered-employee payroll	14.83%	13.49%	16.71%	21.10%	21.22%	25.61%	23.59%	28.11%

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

Notes to the Schedule:

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

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

Note 3: Significant assumption change 2025: discount rate decreased to 3.81% from 4.63%.

OTHER SUPPLEMENTAL INFORMATION

Major Debt Service Fund Budgetary
Schedule – 2024A & B Bonds 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
2024A & B BONDS DEBT SERVICE
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Principal Retirement	145	145	-
Interest and Fiscal Charges	3,452	3,452	-
Professional Fees	681	682	(1)
Total Expenditures	4,278	4,279	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,278)	(4,279)	(1)
OTHER FINANCING SOURCES AND (USES)			
Transfers In	3,597	3,597	-
Transfers (Out)	(14,968)	(14,968)	-
Issuance of Notes Payable/Refunded Notes Payable	15,649	72,650	57,001
Notes/Bonds Premium	-	4,811	4,811
Total Other Financing Sources and (Uses)	4,278	66,090	61,812
Net Change in Fund Balance	-	61,811	61,811
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ 61,811	$ 61,811

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Budgeted Special Revenue Funds (GAAP Basis)

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

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

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

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

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

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

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.

Police Impact Fees Fund
To account for revenues and expenditures related to the City's impact fees for police capital needs from growth within the City.

Fire Impact Fees Fund
To account for revenues and expenditures related to the City's impact fees for fire capital needs from growth within the City.

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.

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

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.

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

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

Community Development Block Grant
To account for revenues and expenditures related to the Community Development Block Grant program for rehabilitation of specified redevelopment areas.

Non-Budgeted Special Revenue Funds

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

Section 8 HAPP
To account for expenditures associated with various housing related projects.

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

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

DEBT SERVICE FUNDS

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

Budgeted Debt Service Funds (GAAP Basis)

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

NONMAJOR GOVERNMENTAL FUNDS - CONTINUED

Budgeted Debt Service Funds (GAAP Basis)

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

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

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

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

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

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

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

Non-Budgeted Debt Service Fund

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

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

CAPITAL PROJECTS FUNDS

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

Budgeted Capital Projects Fund (GAAP Basis)

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

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

Non-Budgeted Capital Project Funds

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

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

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

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

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

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CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2025
(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	$ 52,595	$ 5,252	$ -	$ 57,847
Restricted Cash and Investments	-	-	5,355	5,355
Accounts Receivable (net)	2,937	-	-	2,937
Due from Other Governments	938	-	-	938
Advance to Other Funds	-	1,896	-	1,896
Total Assets	$ 56,470	$ 7,148	$ 5,355	$ 68,973
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 781	$ -	$ 266	$ 1,047
Contracts Payable	3	-	7	10
Accrued Liabilities	-	5,202	-	5,202
Due to Other Funds	1,691	-	-	1,691
Due to Other Governments	31	-	-	31
Advanced Grants	1,148	-	-	1,148
Total Liabilities	3,654	5,202	273	9,129
Deferred Inflows of Resources				
Unavailable Earned Revenues	484	-	-	484
Total Deferred Inflows of Resources	484	-	-	484
Fund Balances:				
Nonspendable Advances	-	1,896	-	1,896
Nonspendable Supplementary Care	1,627	-	-	1,627
Restricted for Transportation Projects	23,918	-	-	23,918
Restricted for Public Safety Projects	600	-	-	600
Restricted for Development Services	4,070	-	-	4,070
Restricted for Economic Development	18,576	-	-	18,576
Restricted for Recreation Projects	3,924	-	-	3,924
Restricted for Construction Projects	-	-	5,082	5,082
Assigned for Debt Service	-	50	-	50
Unassigned (Deficit)	(383)	-	-	(383)
Total Fund Balances	52,332	1,946	5,082	59,360
Total Liabilities, Deferred Inflows and Fund Balances	$ 56,470	$ 7,148	$ 5,355	$ 68,973

CITY OF KISSIMMEE, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL NONMAJOR GOVERNMENTAL FUNDS

Fiscal Year Ended September 30, 2025

(In Thousands)

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	$ 3,097	$ -	$ -	$ 3,097
Permits, Fees and Special Assessments	6,738	-	-	6,738
Intergovernmental Revenues	8,575	-	-	8,575
Charges for Services	1,060	-	-	1,060
Investment Income (Loss)	2,555	-	3,066	5,621
Miscellaneous Revenues	925	-	-	925
Total Revenues	22,950	-	3,066	26,016
EXPENDITURES				
Current:				
General Government	2,335	-	13,776	16,111
Public Safety	6,501	-	-	6,501
Transportation	1,782	-	-	1,782
Economic Environment	2,068	-	-	2,068
Culture/Recreation	729	-	-	729
Debt Service:				
Principal Retirement	-	3,785	-	3,785
Interest and Fiscal Charges	-	2,834	-	2,834
Capital Outlay	-	-	3,853	3,853
Total Expenditures	13,415	6,619	17,629	37,663
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,535	(6,619)	(14,563)	(11,647)
OTHER FINANCING SOURCES and (USES)				
Transfers In	4,029	6,615	15,589	26,233
Transfers (Out)	(14,656)	-	-	(14,656)
Total Other Financing Sources and (Uses)	(10,627)	6,615	15,589	11,577
Net Change in Fund Balances	(1,092)	(4)	1,026	(70)
Fund Balances - Beginning, Originally Stated	38,020	1,950	4,056	44,026
Restatement	15,404	-	-	15,404
Fund Balances - Beginning, As Restated	53,424	1,950	4,056	59,430
Fund Balances - Ending	$ 52,332	$ 1,946	$ 5,082	$ 59,360

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2025
(In Thousands)

	Local Option Gas Tax	Recreation Impact Fee Fund	Community Redevelopment Agency Downtown	Community Redevelopment Agency Vine Street
ASSETS				
Cash and Cash Equivalents	$ 9,139	$ 3,860	$ 9,926	$ 8,346
Accounts Receivable (net)	-	66	-	181
Due from Other Governments	257	-	-	-
Total Assets	$ 9,396	$ 3,926	$ 9,926	$ 8,527
LIABILITIES				
Accounts Payable	$ 190	$ -	$ 74	$ 262
Contracts Payable	-	2	-	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	11
Advanced Grants	-	-	-	-
Total Liabilities	190	2	74	273
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES (DEFICITS)				
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	9,206	-	-	-
Restricted for Public Safety Projects	-	-	-	-
Restricted for Development Services	-	-	-	-
Restricted for Economic Development	-	-	9,852	8,254
Restricted for Recreation Projects	-	3,924	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficits)	9,206	3,924	9,852	8,254
Total Liabilities, Deferred Inflows and Fund Balances	$ 9,396	$ 3,926	$ 9,926	$ 8,527

Building Division	Federal Grants Fund	Shingle Creek Regional Trail	Mobility Fee Fund	Police Impact Fees Fund	Fire Impact Fees Fund	State Housing Initiative Program
$ 1,964	$ -	$ -	$ 14,450	$ 378	$ 179	$ 1,815
2,167	-	-	257	-	147	-
-	465	-	-	-	-	-
$ 4,131	$ 465	$ -	$ 14,707	$ 378	$ 326	$ 1,815
$ 60	$ 50	$ -	$ -	$ 104	$ -	$ 3
1	-	-	-	-	-	-
-	134	76	-	-	-	199
-	-	-	-	-	-	-
-	-	-	-	-	-	1,148
61	184	76	-	104	-	1,350
-	461	-	-	-	-	-
-	461	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	14,707	-	-	-
-	-	-	-	274	326	-
4,070	-	-	-	-	-	-
-	-	-	-	-	-	465
-	-	-	-	-	-	-
-	(180)	(76)	-	-	-	-
4,070	(180)	(76)	14,707	274	326	465
$ 4,131	$ 465	$ -	$ 14,707	$ 378	$ 326	$ 1,815

Continued

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2025
(In Thousands)

	Victim of Crime Act	Justice Assistance Grant	Paving Assessments	CARES Act Relief
ASSETS				
Cash and Cash Equivalents	$ -	$ -	$ 5	$ 1
Accounts Receivable (net)	-	-	-	-
Due from Other Governments	14	13	-	-
Total Assets	$ 14	$ 13	$ 5	$ 1
LIABILITIES				
Accounts Payable	$ -	$ -	$ -	$ -
Contracts Payable	-	-	-	-
Due to Other Funds	6	129	-	-
Due to Other Governments	-	-	-	-
Advanced Grants	-	-	-	-
Total Liabilities	6	129	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Earned Revenues	8	-	-	-
Total Deferred Inflows of Resources	8	-	-	-
FUND BALANCES (DEFICITS)				
Nonspendable Supplementary Care	-	-	-	-
Restricted for Transportation Projects	-	-	5	-
Restricted for Public Safety Projects	-	-	-	-
Restricted for Development Services	-	-	-	-
Restricted for Economic Development	-	-	-	1
Restricted for Recreation Projects	-	-	-	-
Unassigned (Deficit)	-	(116)	-	-
Total Fund Balances (Deficits)	-	(116)	5	1
Total Liabilities, Deferred Inflows and Fund Balances	$ 14	$ 13	$ 5	$ 1

Neighborhood Stabilization and Home	Community Development Block Grant	Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
$ 419	$ 482	$ 4	$ -	$ 1,627	$ 52,595
116	3	-	-	-	2,937
139	50	-	-	-	938
$ 674	$ 535	$ 4	$ -	$ 1,627	$ 56,470
$ 9	$ 29	$ -	$ -	$ -	$ 781
-	-	-	-	-	3
661	486	-	-	-	1,691
-	20	-	-	-	31
-	-	-	-	-	1,148
670	535	-	-	-	3,654
4	11	-	-	-	484
4	11	-	-	-	484
-	-	-	-	1,627	1,627
-	-	-	-	-	23,918
-	-	-	-	-	600
-	-	-	-	-	4,070
-	-	4	-	-	18,576
-	-	-	-	-	3,924
-	(11)	-	-	-	(383)
-	(11)	4	-	1,627	52,332
$ 674	$ 535	$ 4	$ -	$ 1,627	$ 56,470

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2025
(In Thousands)

	Local Option Gas Tax	Recreation Impact Fee Fund	Formerly Nonmajor State Grants Fund	Community Redevelopment Agency Downtown	Community Redevelopment Agency Vine Street
REVENUES					
Taxes	$ 3,097	$ -	$ -	$ -	$ -
Permits, Fees and Special Assessments	-	-	-	-	-
Intergovernmental Revenues	-	-	-	2,333	1,574
Charges for Services	-	878	-	-	-
Investment Income (Loss)	727	162	-	442	381
Miscellaneous Revenues	-	-	-	70	369
Total Revenues	3,824	1,040	-	2,845	2,324
EXPENDITURES					
Current:					
General Government	-	-	-	891	1,444
Public Safety	-	-	-	-	-
Transportation	1,776	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	455	-	-	-
Total Expenditures	1,776	455	-	891	1,444
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,048	585	-	1,954	880
OTHER FINANCING SOURCES and (USES)					
Transfers In	574	-	-	1,611	1,475
Transfers (Out)	(11,365)	(500)	-	(1,314)	(848)
Total Other Financing Sources and (Uses)	(10,791)	(500)	-	297	627
Net Change in Fund Balances	(8,743)	85	-	2,251	1,507
Fund Balances (Deficits) - Beginning, Originally Stated	-	3,839	2,545	7,601	6,747
Restatement	17,949	-	(2,545)	-	-
Fund Balances (Deficit) - Beginning, As Restated	17,949	3,839	-	7,601	6,747
Fund Balances (Deficits) - Ending	$ 9,206	$ 3,924	$ -	$ 9,852	$ 8,254

Building Division	Federal Grants Fund	Shingle Creek Regional Trail	Mobility Fee Fund	Police Impact Fees Fund	Fire Impact Fees Fund	State Housing Initiative Program
$ -	$ -	$ -	$ -	$ -	$ -	$ -
4,597	-	-	1,588	243	300	-
-	337	-	-	-	-	1,057
182	-	-	-	-	-	-
97	-	-	580	11	5	85
59	-	-	-	-	-	-
4,935	337	-	2,168	254	305	1,142
-	-	-	-	-	-	-
4,028	61	-	-	-	-	-
-	6	-	-	-	-	-
-	98	-	-	-	-	1,057
-	274	-	-	-	-	-
4,028	439	-	-	-	-	1,057
907	(102)	-	2,168	254	305	85
30	-	-	-	-	-	-
(172)	(18)	-	(436)	-	-	-
(142)	(18)	-	(436)	-	-	-
765	(120)	-	1,732	254	305	85
3,305	(60)	(76)	12,975	20	21	380
-	-	-	-	-	-	-
3,305	(60)	(76)	12,975	20	21	380
$ 4,070	$ (180)	$ (76)	$ 14,707	$ 274	$ 326	$ 465

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, 2025
(In Thousands)

	Victim of Crime Act	Justice Assistance Grant	Paving Assessments	CARES Act Relief
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Permits, Fees and Special Assessments	-	-	10	-
Intergovernmental Revenues	51	43	-	-
Charges for Services	-	-	-	-
Investment Income (Loss)	-	-	1	-
Miscellaneous Revenues	-	-	24	-
Total Revenues	51	43	35	-
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	53	353	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Culture/Recreation	-	-	-	-
Total Expenditures	53	353	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2)	(310)	35	-
OTHER FINANCING SOURCES and (USES)				
Transfers In	2	310	-	-
Transfers (Out)	-	-	(3)	-
Total Other Financing Sources and (Uses)	2	310	(3)	-
Net Change in Fund Balances	-	-	32	-
Fund Balances (Deficits) - Beginning, Originally Stated	-	(116)	(27)	1
Restatement	-	-	-	-
Fund Balances (Deficit) - Beginning, As Restated	-	(116)	(27)	1
Fund Balances (Deficits) - Ending	$ -	$ (116)	$ 5	$ 1

Neighborhood Stabilization and Home	Community Development Block Grant	Section 8 HAPP Fund	Police and Firefighters Premium Tax Trust	Supplementary Care	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ 3,097
-	-	-	-	-	6,738
448	726	-	2,006	-	8,575
-	-	-	-	-	1,060
-	-	-	-	64	2,555
301	-	-	-	102	925
749	726	-	2,006	166	22,950
-	-	-	-	-	2,335
-	-	-	2,006	-	6,501
-	-	-	-	-	1,782
294	619	-	-	-	2,068
-	-	-	-	-	729
294	619	-	2,006	-	13,415
455	107	-	-	166	9,535
-	27	-	-	-	4,029
-	-	-	-	-	(14,656)
-	27	-	-	-	(10,627)
455	134	-	-	166	(1,092)
(455)	(145)	4	-	1,461	38,020
-	-	-	-	-	15,404
(455)	(145)	4	-	1,461	53,424
$ -	$ (11)	$ 4	$ -	$ 1,627	$ 52,332

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
LOCAL OPTION GAS TAX
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Taxes	$ 3,531	$ 3,097	$ (434)
Charges for Services	3	-	(3)
Investment Income (Loss)	15	727	712
Miscellaneous Revenues	1	-	(1)
Total Revenues	3,550	3,824	274
EXPENDITURES			
Transportation	10,857	1,776	9,081
Capital Outlay	1,160	-	1,160
Total Expenditures	12,017	1,776	10,241
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,467)	2,048	10,515
OTHER FINANCING SOURCES AND (USES)			
Transfers In	19,576	574	(19,002)
Transfers (Out)	(11,365)	(11,365)	-
Total Other Financing Sources and (Uses)	8,211	(10,791)	(19,002)
Net Change in Fund Balance	(256)	(8,743)	(8,487)
Fund Balance (Deficit) - Beginning	256	17,949	17,693
Fund Balance (Deficit) - Ending	$ -	$ 9,206	$ 9,206

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
RECREATION IMPACT FEE FUND
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Charges for Services	$ 250	$ 878	$ 628
Investment Income (Loss)	5	162	157
Total Revenues	255	1,040	785
EXPENDITURES			
Culture/Recreation	1,785	455	1,330
Capital Outlay	1,141	-	1,141
Total Expenditures	2,926	455	2,471
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,671)	585	3,256
OTHER FINANCING SOURCES AND (USES)			
Transfers In	2,842	-	(2,842)
Transfers (Out)	(500)	(500)	-
Total Other Financing Sources and (Uses)	2,342	(500)	(2,842)
Net Change in Fund Balance	(329)	85	414
Fund Balance (Deficit) - Beginning	329	3,839	3,510
Fund Balance (Deficit) - Ending	$ -	$ 3,924	$ 3,924

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY DOWNTOWN
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ 2,325	$ 2,333	$ 8
Investment Income (Loss)	10	442	432
Miscellaneous Revenues	71	70	(1)
Total Revenues	2,406	2,845	439
EXPENDITURES			
General Government	3,817	891	2,926
Capital Outlay	5,961	-	5,961
Total Expenditures	9,778	891	8,887
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,372)	1,954	9,326
OTHER FINANCING SOURCES AND (USES)			
Transfers In	8,351	1,611	(6,740)
Transfers (Out)	(1,282)	(1,314)	(32)
Proceeds from Sale of Capital Assets	-	-	-
Total Other Financing Sources and (Uses)	7,069	297	(6,772)
Net Change in Fund Balance	(303)	2,251	2,554
Fund Balance (Deficit) - Beginning	303	7,601	7,298
Fund Balance (Deficit) - Ending	$ -	$ 9,852	$ 9,852

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY VINE STREET
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ 1,572	$ 1,574	$ 2
Investment Income (Loss)	5	381	376
Miscellaneous Revenues	-	369	369
Total Revenues	1,577	2,324	747
EXPENDITURES			
General Government	5,692	1,444	4,248
Capital Outlay	2,914	-	2,914
Total Expenditures	8,606	1,444	7,162
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,029)	880	7,909
OTHER FINANCING SOURCES AND (USES)			
Transfers In	5,765	1,475	(4,290)
Transfers (Out)	-	(848)	(848)
Total Other Financing Sources and (Uses)	5,765	627	(5,138)
Net Change in Fund Balance	(1,264)	1,507	2,771
Fund Balance (Deficit) - Beginning	1,264	6,747	5,483
Fund Balance (Deficit) - Ending	$ -	$ 8,254	$ 8,254

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING DIVISION
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Permits, Fees and Special Assessments	$ 3,220	$ 4,597	$ 1,377
Charges for Services	150	182	32
Investment Income (Loss)	25	97	72
Miscellaneous Revenues	-	59	59
Total Revenues	3,395	4,935	1,540
EXPENDITURES			
Public Safety	5,256	4,028	1,228
Capital Outlay	1,752	-	1,752
Total Expenditures	7,008	4,028	2,980
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,613)	907	4,520
OTHER FINANCING SOURCES AND (USES)			
Transfers In	3,284	30	(3,254)
Transfers (Out)	(172)	(172)	-
Total Other Financing Sources and (Uses)	3,112	(142)	(3,254)
Net Change in Fund Balance	(501)	765	1,266
Fund Balance (Deficit) - Beginning	501	3,305	2,804
Fund Balance (Deficit) - Ending	$ -	$ 4,070	$ 4,070

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANTS FUND
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ 1,913	$ 337	$ (1,576)
Miscellaneous Revenues	-	-	-
Total Revenues	1,913	337	(1,576)
EXPENDITURES			
General Government	18	-	18
Public Safety	70	61	9
Transportation	4,370	6	4,364
Economic Environment	397	98	299
Culture/Recreation	788	274	514
Capital Outlay	1,800	-	1,800
Total Expenditures	7,443	439	7,004
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,530)	(102)	5,428
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(19)	(18)	1
Total Other Financing Sources and (Uses)	(19)	(18)	1
Net Change in Fund Balance	(5,549)	(120)	5,429
Fund Balance (Deficit) - Beginning	5,549	(60)	(5,609)
Fund Balance (Deficit) - Ending	$ -	$ (180)	$ (180)

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SHINGLE CREEK REGIONAL TRAIL
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Miscellaneous Revenues	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Transportation	151	-	151
Total Expenditures	151	-	151
Excess (Deficiency) of Revenues Over (Under) Expenditures	(151)	-	151
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	-	-	-
Total Other Financing Sources and (Uses)	-	-	-
Net Change in Fund Balance	(151)	-	151
Fund Balance (Deficit) - Beginning	151	(76)	(227)
Fund Balance (Deficit) - Ending	$ -	$ (76)	$ (76)

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MOBILITY FEE FUND
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Permits, Fees and Special Assessments	$ 996	$ 1,588	$ 592
Investment Income (Loss)	35	580	545
Total Revenues	1,031	2,168	1,137
EXPENDITURES			
Transportation	500	-	500
Capital Outlay	8,412	-	8,412
Total Expenditures	8,912	-	8,912
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,881)	2,168	10,049
OTHER FINANCING SOURCES AND (USES)			
Transfers In	8,319	-	(8,319)
Transfers (Out)	(438)	(436)	2
Total Other Financing Sources and (Uses)	7,881	(436)	(8,317)
Net Change in Fund Balance	-	1,732	1,732
Fund Balance (Deficit) - Beginning	-	12,975	12,975
Fund Balance (Deficit) - Ending	$ -	$ 14,707	$ 14,707

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING INITIATIVE PROGRAM
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ 648	$ 1,057	$ 409
Investment Income (Loss)	-	85	85
Total Revenues	648	1,142	494
EXPENDITURES			
Economic Environment	2,532	1,057	1,475
Total Expenditures	2,532	1,057	1,475
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,884)	85	1,969
OTHER FINANCING SOURCES AND (USES)			
Transfers In	1,525	-	(1,525)
Total Other Financing Sources and (Uses)	1,525	-	(1,525)
Net Change in Fund Balance	(359)	85	444
Fund Balance (Deficit) - Beginning	359	380	21
Fund Balance (Deficit) - Ending	$ -	$ 465	$ 465

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
VICTIM OF CRIME ACT
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ 56	$ 51	$ (5)
Total Revenues	56	51	(5)
EXPENDITURES			
Public Safety	56	53	3
Total Expenditures	56	53	3
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2)	(2)
OTHER FINANCING SOURCES AND (USES)			
Transfers In	-	2	2
Total Other Financing Sources and (Uses)	-	2	2
Net Change in Fund Balance	-	-	-
Fund Balance (Deficit) - Beginning	-	-	-
Fund Balance (Deficit) - Ending	$ -	$ -	$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
JUSTICE ASSISTANCE GRANT
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ 78	$ 43	$ (35)
Total Revenues	78	43	(35)
EXPENDITURES			
Public Safety	388	353	35
Total Expenditures	388	353	35
Excess (Deficiency) of Revenues Over (Under) Expenditures	(310)	(310)	-
OTHER FINANCING SOURCES AND (USES)			
Transfers In	310	310	-
Total Other Financing Sources and (Uses)	310	310	-
Net Change in Fund Balance	-	-	-
Fund Balance (Deficit) - Beginning	-	(116)	(116)
Fund Balance (Deficit) - Ending	$ -	$ (116)	$ (116)

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PAVING ASSESSMENTS
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Permits, Fees and Special Assessments	$ 10	$ 10	$ -
Investment Income (Loss)	-	1	1
Miscellaneous Revenues	-	24	24
Total Revenues	10	35	25
EXPENDITURES			
Transportation	5	-	5
Total Expenditures	5	-	5
Excess (Deficiency) of Revenues Over (Under) Expenditures	5	35	30
OTHER FINANCING SOURCES AND (USES)			
Transfers (Out)	(5)	(3)	2
Total Other Financing Sources and (Uses)	(5)	(3)	2
Net Change in Fund Balance	-	32	32
Fund Balance (Deficit) - Beginning	-	(27)	(27)
Fund Balance (Deficit) - Ending	$ -	$ 5	$ 5

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION AND HOME
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ -	$ 448	$ 448
Miscellaneous Revenues	298	301	3
Total Revenues	298	749	451
EXPENDITURES			
Economic Environment	1,419	294	1,125
Total Expenditures	1,419	294	1,125
Net Change in Fund Balance	(1,121)	455	1,576
Fund Balance (Deficit) - Beginning	1,121	(455)	(1,576)
Fund Balance (Deficit) - Ending	$ -	$ -	$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Intergovernmental Revenues	$ 897	$ 726	$ (171)
Total Revenues	897	726	(171)
EXPENDITURES			
Economic Environment	1,885	619	1,266
Total Expenditures	1,885	619	1,266
Excess (Deficiency) of Revenues Over (Under) Expenditures	(988)	107	1,095
OTHER FINANCING SOURCES AND (USES)			
Transfers In	1,173	27	(1,146)
Transfers (Out)	(189)	-	189
Total Other Financing Sources and (Uses)	984	27	(957)
Net Change in Fund Balance	(4)	134	138
Fund Balance (Deficit) - Beginning	4	(145)	(149)
Fund Balance (Deficit) - Ending	$ -	$ (11)	$ (11)

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2025
(In Thousands)

	2015B Refunding Note	2014A Revenue Note	2016 Revenue Note	2010B Refunding Revenue Note
ASSETS				
Cash and Cash Equivalents	$ 303	$ 558	$ 1,590	$ 740
Advance to Other Funds	-	-	-	-
Total Assets	$ 303	$ 558	$ 1,590	$ 740
LIABILITIES				
Accrued Liabilities	$ 303	$ 558	$ 1,577	$ 740
Total Liabilities	303	558	1,577	740
FUND BALANCE				
Nonspendable Advances	-	-	-	-
Assigned for Debt Service	-	-	13	-
Total Fund Balances	-	-	13	-
Total Liabilities and Fund Balances	$ 303	$ 558	$ 1,590	$ 740

2010C Refunding Revenue Note	2011B Capital Refunding Note	2021 Line of Credit Debt	2022A Revenue Refunding Bond Debt	2022B Revenue Refunding Bond Debt	Total Nonmajor Debt Service Funds
$ 272	$ 758	$ 17	$ 942	$ 72	$ 5,252
-	-	-	1,896	-	1,896
$ 272	$ 758	$ 17	$ 2,838	$ 72	$ 7,148
$ 272	$ 758	$ -	$ 927	$ 67	$ 5,202
272	758	-	927	67	5,202
-	-	-	1,896	-	1,896
-	-	17	15	5	50
-	-	17	1,911	5	1,946
$ 272	$ 758	$ 17	$ 2,838	$ 72	$ 7,148

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended September 30, 2025
(In Thousands)

	2015B Refunding Note	2014A Revenue Note	2016 Revenue Note	2010B Refunding Revenue Note
REVENUES				
Investment Income (Loss)	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Debt Service				
Principal Retirement	275	475	855	730
Interest and Fiscal Charges	57	166	1,443	20
Total Expenditures	332	641	2,298	750
Excess (Deficiency) of Revenues Over (Under) Expenditures	(332)	(641)	(2,298)	(750)
OTHER FINANCING SOURCES AND (USES)				
Transfers In	332	641	2,294	750
Total Other Financing Sources And (Uses)	332	641	2,294	750
Net Change in Fund Balances	-	-	(4)	-
Fund Balances - Beginning	-	-	17	-
Fund Balances - Ending	$ -	$ -	$ 13	$ -

2010C Refunding Revenue Note	2011B Capital Refunding Note	2021 Line of Credit Debt	2022A Revenue Refunding Bond Debt	2022B Revenue Refunding Bond Debt	Total Nonmajor Debt Service Funds
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
250	745	-	455	-	3,785
44	26	-	943	135	2,834
294	771	-	1,398	135	6,619
(294)	(771)	-	(1,398)	(135)	(6,619)
294	771	-	1,398	135	6,615
294	771	-	1,398	135	6,615
-	-	-	-	-	(4)
-	-	17	1,911	5	1,950
$ -	$ -	$ 17	$ 1,911	$ 5	$ 1,946

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2015B REFUNDING NOTE
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	275	275	-
Interest and Fiscal Charges	57	57	-
Total Expenditures	332	332	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(332)	(332)	-
OTHER FINANCING SOURCES			
Transfers In	332	332	-
Total Other Financing Sources	332	332	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ -	$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2014A REVENUE NOTE
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	475	475	-
Interest and Fiscal Charges	166	166	-
Total Expenditures	641	641	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(641)	(641)	-
OTHER FINANCING SOURCES			
Transfers In	641	641	-
Total Other Financing Sources	641	641	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ -	$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Miscellaneous Revenues	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Principal Retirement	855	855	-
Interest and Fiscal Charges	1,443	1,443	-
Capital Outlay	18	-	18
Total Expenditures	2,316	2,298	18
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,316)	(2,298)	18
OTHER FINANCING SOURCES			
Transfers In	2,316	2,294	(22)
Total Other Financing Sources	2,316	2,294	(22)
Net Change in Fund Balance	-	(4)	(4)
Fund Balance - Beginning	-	17	17
Fund Balance - Ending	$ -	$ 13	$ 13

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010B REFUNDING REVENUE NOTE
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	730	730	-
Interest and Fiscal Charges	20	20	-
Total Expenditures	750	750	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(750)	(750)	-
OTHER FINANCING SOURCES			
Transfers In	750	750	-
Total Other Financing Sources	750	750	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ -	$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2010C REFUNDING REVENUE NOTE
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	250	250	-
Interest and Fiscal Charges	44	44	-
Total Expenditures	294	294	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(294)	(294)	-
OTHER FINANCING SOURCES			
Transfers In	294	294	-
Total Other Financing Sources	294	294	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ -	$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2011B CAPITAL REFUNDING NOTE
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service			
Principal Retirement	745	745	-
Interest and Fiscal Charges	26	26	-
Total Expenditures	771	771	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(771)	(771)	-
OTHER FINANCING SOURCES			
Transfers In	771	771	-
Total Other Financing Sources	771	771	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ -	$ -

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2022A REVENUE REFUNDING BOND DEBT
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Principal Retirement	435	455	(20)
Interest and Fiscal Charges	954	943	11
Capital Outlay	3,245	-	3,245
Total Expenditures	4,634	1,398	3,236
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,634)	(1,398)	3,236
OTHER FINANCING SOURCES			
Transfers In	4,634	1,398	(3,236)
Total Other Financing Sources	4,634	1,398	(3,236)
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	1,911	1,911
Fund Balance - Ending	$ -	$ 1,911	$ 1,911

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2022B REVENUE REFUNDING BOND DEBT
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ -	$ -
Total Revenues	-	-	-
EXPENDITURES			
Interest and Fiscal Charges	135	135	-
Total Expenditures	135	135	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135)	(135)	-
OTHER FINANCING SOURCES			
Transfers In	135	135	-
Total Other Financing Sources	135	135	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning	-	5	5
Fund Balance - Ending	$ -	$ 5	$ 5

CITY OF KISSIMMEE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2025
(In Thousands)

	2014A Note Capital Project	2010C Note Capital Project	2024A Bonds Capital Projects	2016 Revenue Note Construction
ASSETS				
Restricted Cash and Investments	$ 168	$ 17	$ 1,269	$ 317
Total Assets	$ 168	$ 17	$ 1,269	$ 317
LIABILITIES				
Accounts Payable	$ -	$ -	$ 205	$ 61
Contracts Payable	-	-	7	-
Total Liabilities	-	-	212	61
FUND BALANCES				
Restricted for Construction Projects	168	17	1,057	256
Total Fund Balances	168	17	1,057	256
Total Liabilities and Fund Balances	$ 168	$ 17	$ 1,269	$ 317

Lakefront Sales Tax 2009A Capital Project	2018 Line of Credit	2017 Note Capital Project	2022 Bonds Capital Projects	CRA Vine Street Capital Projects	Total Nonmajor Capital Projects Funds
$ 2	$ 12	$ 20	$ 3,074	$ 476	$ 5,355
$ 2	$ 12	$ 20	$ 3,074	$ 476	$ 5,355
$ -	$ -	$ -	$ -	$ -	$ 266
-	-	-	-	-	7
-	-	-	-	-	273
2	12	20	3,074	476	5,082
2	12	20	3,074	476	5,082
$ 2	$ 12	$ 20	$ 3,074	$ 476	$ 5,355

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, 2025

(In Thousands)

	2014A Note Capital Project	2010C Note Capital Project	2024A Bonds Capital Projects	2016 Revenue Note Construction
REVENUES				
Investment Income (Loss)	$ 7	$ 1	$ 2,718	$ 29
Total Revenues	7	1	2,718	29
EXPENDITURES				
General Government	-	-	70	-
Capital Outlay	-	-	2,559	519
Total Expenditures	-	-	2,629	519
Excess (Deficiency) of Revenues Over (Under) Expenditures	7	1	89	(490)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	968	-
Total Other Financing Sources (Uses)	-	-	968	-
Net Change in Fund Balances	7	1	1,057	(490)
Fund Balances - Beginning	161	16	-	746
Fund Balances - Ending	$ 168	$ 17	$ 1,057	$ 256

Lakefront Sales Tax 2009A Capital Project	2018 Line of Credit	2017 Note Capital Project	2022 Bonds Capital Projects	CRA Vine Street Capital Projects	Total Nonmajor Capital Projects Funds
$ -	$ 2	$ 1	$ 126	$ 182	$ 3,066
-	2	1	126	182	3,066
-	-	-	-	13,706	13,776
-	-	-	775	-	3,853
-	-	-	775	13,706	17,629
-	2	1	(649)	(13,524)	(14,563)
-	-	-	621	14,000	15,589
-	-	-	621	14,000	15,589
-	2	1	(28)	476	1,026
2	10	19	3,102	-	4,056
$ 2	$ 12	$ 20	$ 3,074	$ 476	$ 5,082

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2024A BONDS CAPITAL PROJECTS
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ 2,718	$ 2,718
Total Revenues	-	2,718	2,718
EXPENDITURES			
General Government	-	70	(70)
Capital Outlay	62,750	2,559	60,191
Total Expenditures	62,750	2,629	60,121
Excess (Deficiency) of Revenues Over (Under) Expenditures	(62,750)	89	62,839
OTHER FINANCING SOURCES (USES)			
Transfers In	-	968	968
Issuance of Notes Payable/Refunded Notes Payable	62,750	-	(62,750)
Total Other Financing Sources (Uses)	62,750	968	(61,782)
Net Change in Fund Balance	-	1,057	1,057
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ 1,057	$ 1,057

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2016 REVENUE NOTE CONSTRUCTION
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ 29	$ 29
Miscellaneous Revenues	-	-	-
Total Revenues	-	29	29
EXPENDITURES			
Capital Outlay	595	519	76
Total Expenditures	595	519	76
Net Change in Fund Balance	(595)	(490)	105
Fund Balance - Beginning	595	746	151
Fund Balance - Ending	$ -	$ 256	$ 256

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
2022 BONDS CAPITAL PROJECTS
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ 126	$ 126
Total Revenues	-	126	126
EXPENDITURES			
Capital Outlay	2,352	775	1,577
Total Expenditures	2,352	775	1,577
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,352)	(649)	1,703
OTHER FINANCING SOURCES (USES)			
Transfers In	1,297	621	(676)
Total Other Financing Sources (Uses)	1,297	621	(676)
Net Change in Fund Balance	(1,055)	(28)	1,027
Fund Balance - Beginning	1,055	3,102	2,047
Fund Balance - Ending	$ -	$ 3,074	$ 3,074

CITY OF KISSIMMEE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CRA VINE STREET CAPITAL PROJECTS
For the Year Ended September 30, 2025
(In Thousands)

	Budget	Actual Amounts	Variance with Budget - Over (Under)
REVENUES			
Investment Income (Loss)	$ -	$ 182	$ 182
Total Revenues	-	182	182
EXPENDITURES			
General Government	14,000	13,706	294
Total Expenditures	14,000	13,706	294
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,000)	(13,524)	476
OTHER FINANCING SOURCES (USES)			
Transfers In	-	14,000	14,000
Issuance of Notes Payable/Refunded Notes Payable	14,000	-	(14,000)
Total Other Financing Sources (Uses)	14,000	14,000	-
Net Change in Fund Balance	-	476	476
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	$ -	$ 476	$ 476

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, 2025
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 4,260	$ 213	$ 1,683	$ 6,156
Accounts Receivable (net)	20	47	-	67
Due from Other Funds	-	-	1,724	1,724
Due from Other Governments	835	-	-	835
Due from TWA	173	-	1,268	1,441
Inventories	41	-	-	41
Leases Receivable	119	-	-	119
Total Current Assets	5,448	260	4,675	10,383
Capital Assets:				
Buildings	841	-	-	841
Improvements Other Than Buildings	3,756	90	125	3,971
Right-to-Use Equipment	44	-	-	44
Right to Use SBITA	1,738	-	1,259	2,997
Machinery, Equipment and Vehicles	3,348	38	219	3,605
Construction in Progress	28	-	-	28
Less: Accumulated Depreciation	(5,767)	(56)	(446)	(6,269)
Total Capital Assets	3,988	72	1,157	5,217
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to OPEB	81	-	-	81
Deferred Outflows Related to Pensions	101	-	-	101
Total Deferred Outflows of Resources	182	-	-	182
LIABILITIES				
Current liabilities:				
Accounts Payable	925	-	24	949
Contracts Payable	28	-	-	28
Due to KUA	1	-	-	1
Due to Other Funds	-	1,724	-	1,724
Compensated Absences Payable	83	-	-	83
Lease Liability Current	13	-	-	13
SBITA Liability Current	337	-	238	575
Other Postemployment Benefits Current	12	-	-	12
Estimated Claims Payable	-	438	2,197	2,635
Total current liabilities	1,399	2,162	2,459	6,020
Noncurrent liabilities:				
Compensated Absences Payable	334	-	-	334
Other Postemployment Benefits	374	-	-	374
Net Pension Liability	1,211	-	-	1,211
Lease Liability	3	-	-	3
SBITA Liability	600	-	756	1,356
Estimated Claims Payable	-	438	2,197	2,635
Total Noncurrent Liabilities	2,522	438	2,953	5,913
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Leases	96	-	-	96
Deferred Inflows Related to OPEB	156	-	-	156
Deferred Inflows Related to Pensions	741	-	-	741
Total Deferred Inflows of Resources	993	-	-	993
NET POSITION				
Net Investment in Capital Assets	3,007	72	163	3,242
Unrestricted	1,697	(2,340)	257	(386)
Total Net Position	$ 4,704	$ (2,268)	$ 420	$ 2,856

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2025
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Operating Revenues:				
Charges for Services	$ 12,275	$ 12,654	$ 3,646	$ 28,575
Miscellaneous Revenues	176	32	-	208
Total Operating Revenues	12,451	12,686	3,646	28,783
Operating Expenses:				
Personal Services	4,146	-	-	4,146
Contracted Services	943	2,793	-	3,736
Supplies and Materials	125	83	78	286
Repairs and Maintenance	3,608	-	321	3,929
Other Services and Charges	1,775	-	276	2,051
Depreciation and Amortization	975	12	221	1,208
Claims/Premium Expense	196	10,724	4,420	15,340
Total Operating Expenses	11,768	13,612	5,316	30,696
Operating Income (Loss)	683	(926)	(1,670)	(1,913)
Nonoperating Revenues and Expenses:				
Interest Expense	(5)	-	(2)	(7)
Investment Income	105	-	153	258
Lease Revenues	78	-	-	78
Insurance Recoveries	-	-	354	354
Gain or (Loss) from Sale of Capital Assets	20	(6)	(339)	(325)
Total Nonoperating Revenues and Expenses	198	(6)	166	358
Income (Loss) Before Contributions and Transfers	881	(932)	(1,504)	(1,555)
Transfers In	264	38	-	302
Change in Net Position	1,145	(894)	(1,504)	(1,253)
Net Position - Beginning, Originally Reported	3,807	(1,374)	1,924	4,357
Restatement	(248)	-	-	(248)
Net Position (Deficit) - Beginning, as Restated	3,559	(1,374)	1,924	4,109
Total Net Position - Ending	$ 4,704	$ (2,268)	$ 420	$ 2,856

CITY OF KISSIMMEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2025
(In Thousands)

	Central Services	Health Insurance	Risk Management	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 12,645	$ 12,679	$ 3,452	$ 28,776
Payments to Suppliers	(6,177)	(14,556)	(4,998)	(25,731)
Payments to Employees	(4,277)	-	-	(4,277)
Net Cash Provided (Used) by Operating Activities	2,191	(1,877)	(1,546)	(1,232)
Cash Flows from Noncapital Financing Activities				
Transfers in	264	38	-	302
Transfers (out)	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	264	1,762	(1,724)	302
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(679)	-	-	(679)
Proceeds from Leasing Activities	81	-	-	81
SBITA Payable Principal Payments	(363)	-	-	(363)
SBITA Payable Interest Payments	(5)	-	-	(5)
Proceeds from Sales of Capital Assets	20	-	-	20
Proceeds from Insurance Recoveries	-	-	354	354
Net Cash Provided (Used) by Capital and Related Financing Activities	(946)	-	354	(592)
Cash Flows from Investing Activities				
Gain (Loss) on Investments	105	-	153	258
Net Cash Provided (Used) by Investing Activities	105	-	153	258
Net Increase (Decrease) in Cash and Cash Equivalents	1,614	(115)	(2,763)	(1,264)
Cash and Cash Equivalents at Beginning of Year	2,646	328	4,713	7,687
Cash and Cash Equivalents at End of Year	$ 4,260	$ 213	$ 1,950	$ 6,423
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	$ 683	$ (926)	$ (1,670)	$ (1,913)
Depreciation and Amortization	975	12	221	1,208
Changes in Assets and Liabilities:				
(Increase) Decrease in Due from TWA	489	-	(194)	295
(Increase) Decrease in Accounts Receivable	(1)	(7)	-	(8)
(Increase) Decrease in Due from Other Governments	(294)	-	-	(294)
(Increase) Decrease in Deferred Outflows OPEB	(26)	-	-	(26)
(Increase) Decrease in Deferred Outflows Pensions	45	-	-	45
(Increase) Decrease in Inventories	37	-	-	37
Increase (Decrease) in Accounts Payable	433	-	24	457
Increase (Decrease) in Claims Payable	-	(956)	73	(883)
Increase (Decrease) in OPEB	38	-	-	38
Increase (Decrease) in Compensated Absences	(42)	-	-	(42)
Increase (Decrease) in Net Pension Liability	(253)	-	-	(253)
Increase (Decrease) in Deferred Inflows OPEB	(14)	-	-	(14)
Increase (Decrease) in Deferred Inflows Pensions	121	-	-	121
Total Adjustments	1,508	(951)	124	681
Net Cash Provided (Used) by Operating Activities	$ 2,191	$ (1,877)	$ (1,546)	$ (1,232)
Noncash Activities				
Issuance of leases or SBITAs	$ 1,107	$ -	$ 1,259	$ 2,366

City of Kissimmee, Florida
Statistical Section
September 30, 2025

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	$ 159,525	$ 171,862	$ 160,750	$ 168,706	$ 178,154	$ 184,731	$ 186,416	$ 199,077	$ 203,537	$ 224,636
Restricted	20,474	21,469	26,878	32,621	33,231	40,052	54,396	75,189	81,497	77,780
Unrestricted	(3,698)	(2,528)	(4,692)	125	(3,503)	2,108	1,634	(5,153)	4,073	793
Total governmental activities net position	$ 176,301	$ 190,803	$ 182,936	$ 201,452	$ 207,882	$ 226,891	$ 242,446	$ 269,113	$ 289,107	$ 303,209
Business-type activities										
Net investment in capital assets	$ 42,126	$ 43,725	$ 49,095	$ 49,355	$ 49,204	$ 51,601	$ 53,546	$ 54,092	$ 54,168	$ 65,628
Restricted	24	-	36	73	69	-	-	-	-	-
Unrestricted	2,996	1,879	1,874	3,277	4,273	2,845	4,809	9,153	10,932	10,889
Total business-type activities net position	$ 45,146	$ 45,604	$ 51,005	$ 52,705	$ 53,546	$ 54,446	$ 58,355	$ 63,245	$ 65,100	$ 76,517
Primary government										
Net investment in capital assets	$ 201,651	$ 215,587	$ 209,845	$ 218,061	$ 227,358	$ 236,332	$ 239,962	$ 253,169	$ 257,705	$ 290,264
Restricted	20,498	21,469	26,914	32,694	33,300	40,052	54,396	75,189	81,497	77,780
Unrestricted	(702)	(649)	(2,818)	3,402	770	4,953	6,443	4,000	15,005	11,682
Total primary government net position	$ 221,447	$ 236,407	$ 233,941	$ 254,157	$ 261,428	$ 281,337	$ 300,801	$ 332,358	$ 354,207	$ 379,726

Note:
(1) Fiscal year 2023 was restated for an error correction in business-type activities.

Schedule 2
City of Kissimmee, Florida

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

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	$ 38,386	$ 37,622	$ 38,402	$ 41,436	$ 48,354	$ 46,066	$ 50,392	$ 60,491	$ 43,721	$ 59,366
Public safety	36,631	40,187	39,039	42,946	45,599	44,709	50,259	58,975	58,796	69,274
Physical environment	-	-	-	-	-	-	-	-	-	-
Transportation	18,435	6,651	10,834	13,908	8,049	9,079	14,312	11,297	35,173	13,249
Economic environment	389	1,103	1,944	1,302	997	1,468	1,228	1,084	1,803	3,344
Culture/Recreation	8,360	7,534	7,659	3,940	8,110	8,183	9,211	10,171	10,633	11,080
Interest on long-term debt	3,028	2,620	2,791	2,854	2,644	2,495	2,944	2,878	2,977	6,769
Total governmental activities expenses	$ 105,229	$ 95,717	$ 100,669	$ 106,386	$ 113,753	$ 112,000	$ 128,346	$ 144,896	$ 153,103	$ 163,082
Business-type activities:										
Stormwater	$ 4,029	$ 3,998	$ 4,633	$ 4,941	$ 4,885	$ 5,363	$ 5,258	$ 5,262	$ 6,008	$ 5,845
Airport	2,160	2,497	1,564	1,707	1,640	1,751	2,423	4,214	2,838	3,238
Solid waste	4,436	4,497	4,559	5,131	5,335	5,489	6,020	6,707	6,658	6,970
Total business-type activities expenses	$ 10,625	$ 10,992	$ 10,756	$ 11,779	$ 11,860	$ 12,603	$ 13,701	$ 16,183	$ 15,504	$ 16,053
Total primary government net expenses	$ 115,854	$ 106,709	$ 111,425	$ 118,165	$ 125,613	$ 124,603	$ 142,047	$ 161,079	$ 168,607	$ 179,135
Program revenues										
Governmental activities:										
Charges for services - general government	$ 21,855	$ 22,162	$ 22,737	$ 25,376	$ 26,837	$ 28,541	$ 30,526	$ 32,535	$ 32,593	$ 30,867
Charges for services - public safety	8,373	8,574	10,223	11,071	9,077	8,776	13,321	13,378	14,504	18,698
Charges for services - all others	2,064	1,981	2,094	1,928	824	1,247	1,620	1,553	1,629	1,744
Operating grants and contributions	951	1,374	1,296	2,900	1,236	2,400	5,646	9,665	3,619	5,416
Capital grants and contributions	11,361	5,322	10,921	7,545	5,815	9,125	4,589	11,888	3,321	10,469
Total governmental activities program revenues	$ 44,604	$ 39,413	$ 47,271	$ 48,820	$ 43,789	$ 50,089	$ 55,702	$ 69,019	$ 55,666	$ 67,194
Business-type activities:										
Charges for services - stormwater	$ 4,732	$ 5,105	$ 5,188	$ 5,561	$ 5,786	$ 5,860	$ 6,088	$ 6,582	$ 7,222	$ 7,682
Charges for services - airport	856	868	932	875	828	956	1,185	1,247	1,276	1,742
Charges for services - solid waste	4,772	5,066	5,010	5,362	5,844	5,938	6,229	7,070	7,915	8,040
Operating grants and contributions	-	-	-	-	157	254	312	79	63	34
Capital grants and contributions	1,007	651	2,615	2,022	580	1,007	2,879	6,326	1,054	10,730
Total business-type activities program revenues	$ 11,367	$ 11,690	$ 13,745	$ 13,820	$ 13,195	$ 14,015	$ 16,693	$ 21,304	$ 17,530	$ 28,228
Total primary government program revenues	$ 55,971	$ 51,103	$ 61,016	$ 62,640	$ 56,984	$ 64,104	$ 72,395	$ 90,323	$ 73,196	$ 95,422
Net (expense) / revenue										
Governmental activities	$ (60,625)	$ (56,304)	$ (53,398)	$ (57,566)	$ (69,964)	$ (61,911)	$ (72,644)	$ (75,877)	$ (97,437)	$ (95,888)
Business-type activities	742	698	2,989	2,041	1,335	1,412	2,992	5,121	2,026	12,175
Total primary government net expense	$ (59,883)	$ (55,606)	$ (50,409)	$ (55,525)	$ (68,629)	$ (60,499)	$ (69,652)	$ (70,756)	$ (95,411)	$ (83,713)

Continued next page

Schedule 2
City of Kissimmee, Florida

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

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General revenues and other changes in net position										
Governmental activities:										
Property tax	$ 11,620	$ 12,275	$ 13,228	$ 14,608	$ 16,382	$ 17,739	$ 19,326	$ 21,733	$ 25,279	$ 28,210
Sales tax	11,885	12,412	5,318	5,434	4,567	5,460	6,618	6,951	6,646	6,501
Public service tax	6,703	6,892	6,979	7,024	7,141	7,233	7,459	7,777	8,008	8,194
Gas tax	2,773	2,657	2,811	2,831	2,525	2,767	2,968	3,265	3,095	3,097
Local option discretionary tax	-	-	7,986	8,144	7,048	8,555	10,783	11,448	11,481	11,628
State revenue sharing	2,339	2,579	2,735	2,914	2,654	3,178	3,941	4,420	4,296	4,326
Other Locally Assessed Utility Tax	-	-	-	1,650	1,664	1,727	1,838	1,883	1,924	2,000
Other taxes	2,738	2,872	3,109	1,914	2,397	3,629	2,327	4,854	5,229	6,305
Franchise fees (1)	165	154	179	184	177	197	230	216	220	214
Unrestricted intergovernmental revenues	23,911	23,371	25,531	25,546	25,641	27,090	30,159	30,044	31,732	31,161
Investment income (loss)	418	688	881	2,448	1,816	(71)	(406)	5,338	6,888	9,087
Miscellaneous revenues	1,385	1,092	1,201	2,557	1,708	1,916	2,292	2,453	2,042	2,058
Gain on sale of capital assets	-	168	26	127	2,062	942	-	1,453	9,635	-
Transfers in (out)	780	1,212	669	701	612	558	664	709	956	1,408
Total governmental activities	$ 64,717	$ 66,372	$ 70,653	$ 76,082	$ 76,394	$ 80,920	$ 88,199	$ 102,544	$ 117,431	$ 114,189
Business-type activities:										
Investment income (loss)	$ 24	$ 29	$ 45	$ 143	$ 105	$ 5	$ (19)	$ 470	$ 611	$ 604
Miscellaneous revenues	-	-	37	48	7	4	3	6	73	165
Gain on sale of capital assets	48	27	52	169	6	37	1,597	2	101	226
Transfers in (out)	(780)	(1,212)	(669)	(701)	(612)	(558)	(664)	(709)	(956)	(1,408)
Total business-type activities	$ (708)	$ (1,156)	$ (535)	$ (341)	$ (494)	$ (512)	$ 917	$ (231)	$ (171)	$ (413)
Total primary government	$ 64,009	$ 65,216	$ 70,118	$ 75,741	$ 75,900	$ 80,408	$ 89,116	$ 102,313	$ 117,260	$ 113,776
Change in net position										
Governmental activities	$ 4,092	$ 10,068	$ 17,255	$ 18,516	$ 6,430	$ 19,009	$ 15,555	$ 26,667	$ 19,994	$ 18,301
Business-type activities	34	(458)	2,454	1,700	841	900	3,909	4,890	1,855	11,762
	$ 4,126	$ 9,610	$ 19,709	$ 20,216	$ 7,271	$ 19,909	$ 19,464	$ 31,557	$ 21,849	$ 30,063

(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.
(5) Fiscal year 2023 was restated for an error correction in the Airport activities.

Schedule 3
City of Kissimmee, Florida

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Nonspendable	$ 330	$ 339	$ 334	$ 361	$ 318	$ 317	$ 317	$ 364	$ 167	$ 164
Restricted	1,287	930	634	667	479	560	803	682	1,060	771
Committed	-	-	-	-	-	-	-	-	10,400	7,400
Assigned	2,188	1,814	1,971	736	3,768	3,448	7,203	9,352	8,074	12,527
Unassigned	23,449	25,435	28,350	31,723	30,432	35,067	36,588	36,121	35,874	40,124
Total general fund	$ 27,254	$ 28,518	$ 31,289	$ 33,487	$ 34,997	$ 39,392	$ 44,911	$ 46,519	$ 55,575	$ 60,986
All other governmental funds										
Nonspendable	$ 839	$ 883	$ 1,033	$ 995	$ 1,059	$ 1,135	$ 4,898	$ 4,601	$ 3,478	$ 3,523
Restricted	52,800	48,117	45,341	40,641	31,640	37,156	58,014	35,095	79,920	134,140
Assigned	103	59	59	59	59	76	96	96	54	50
Unassigned	(1,397)	(816)	(400)	(981)	(1,460)	(56)	(132)	33,849	(879)	(1,327)
Total all other governmental funds	$ 52,345	$ 48,243	$ 46,033	$ 40,714	$ 31,298	$ 38,311	$ 62,876	$ 73,641	$ 82,573	$ 136,386
Total fund balances all governmental funds	$ 79,599	$ 76,761	$ 77,322	$ 74,201	$ 66,295	$ 77,703	$ 107,787	$ 120,160	$ 138,148	$ 197,372

Schedule 4
City of Kissimmee, Florida

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 28,398	$ 29,524	$ 31,276	$ 32,873	$ 33,367	$ 36,579	$ 40,734	$ 44,499	$ 48,116	$ 51,382
Permits, fees and special assessments	3,452	5,252	5,674	5,167	3,213	2,027	5,675	8,545	5,663	6,956
Intergovernmental revenues	41,969	42,524	45,836	48,997	47,542	57,318	59,580	65,471	62,473	60,940
Charges for services	8,689	8,483	9,881	10,090	8,871	10,627	12,216	12,720	13,356	15,400
Fines and forfeitures	455	697	387	923	403	326	655	568	655	1,036
Investment income (loss)	390	643	823	2,277	1,669	(53)	(355)	5,036	6,559	8,797
Miscellaneous revenues	766	743	810	1,901	999	1,573	1,640	2,408	2,844	2,705
Total revenues	$ 84,119	$ 87,866	$ 94,687	$ 102,228	$ 96,064	$ 108,397	$ 120,145	$ 139,247	$ 139,666	$ 147,216
Expenditures										
General government	$ 22,951	$ 23,576	$ 21,181	$ 24,413	$ 26,866	$ 24,340	$ 25,806	$ 43,409	$ 32,468	$ 45,107
Public safety	33,906	37,393	39,453	43,991	44,549	49,929	48,352	53,661	66,775	75,616
Transportation	10,803	10,017	10,691	11,972	9,923	11,689	12,854	10,857	8,606	16,507
Economic environment	429	899	1,943	1,302	997	1,468	1,937	1,087	2,207	3,344
Culture/Recreation	7,546	7,231	6,956	7,543	7,127	7,436	7,767	8,447	12,675	14,379
Debt service:										
Principal retirement	3,832	4,163	4,144	4,088	4,226	4,969	5,669	6,616	5,643	5,978
Interest and fiscal charges	2,246	2,764	2,939	2,991	2,782	2,620	2,715	3,009	3,109	6,387
Professional fees	438	17	13	24	23	36	390	20	23	696
Capital Outlay	6,504	10,778	14,058	15,391	10,444	43	18	1,945	4,110	3,853
Total expenditures	$ 88,655	$ 96,838	$ 101,378	$ 111,715	$ 106,937	$ 102,530	$ 105,508	$ 129,051	$ 135,616	$ 171,867
Excess of revenues over (under) expenditures	$ (4,536)	$ (8,972)	$ (6,691)	$ (9,487)	$ (10,873)	$ 5,867	$ 14,637	$ 10,196	$ 4,050	$ (24,651)
Other financing sources (uses)										
Transfers in	$ 51,835	$ 11,351	$ 10,224	$ 10,909	$ 10,796	$ 11,001	$ 13,393	$ 16,280	$ 27,088	$ 42,152
Transfers (out)	(50,716)	(10,112)	(9,537)	(10,162)	(10,184)	(10,472)	(12,759)	(15,586)	(26,230)	(41,046)
Proceeds from sale of capital assets	147	165	126	219	2,355	1,108	-	1,450	10,400	-
Issuance of notes payable	42,930	4,730	6,220	5,400	-	16,350	26,730	-	-	72,650
Issuance of financed purchase	-	-	-	-	-	-	-	-	1,584	2,421
Issuance of leases	-	-	219	-	-	3,904	4,433	33	1,097	2,886
Issuance premium	4,838	-	-	-	-	-	-	-	-	4,811
Payment to bond escrow agent	(10,464)	-	-	-	-	(16,350)	(16,350)	-	-	-
Total other financing sources (uses)	$ 38,570	$ 6,134	$ 7,252	$ 6,366	$ 2,967	$ 5,541	$ 15,447	$ 2,177	$ 13,939	$ 83,874
Net change in fund balances	$ 34,034	$ (2,838)	$ 561	$ (3,121)	$ (7,906)	$ 11,408	$ 30,084	$ 12,373	$ 17,989	$ 59,223
Debt service as a percentage of non-capital expenditures	9.0%	9.4%	9.2%	8.9%	8.1%	8.6%	9.2%	9.1%	9.6%	9.7%

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: Real Property	Assessed Values: Personal Property	Assessed Values: Total	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2016	$ 3,221,933	$ 432,684	$ 3,654,617	$ 1,051,050	$ 2,603,567	4.6253	$ 2,603,567	140.370%
2017	3,672,184	565,323	4,237,507	1,261,016	2,976,491	4.6253	2,976,491	142.366%
2018	4,096,454	545,629	4,642,083	1,355,470	3,286,613	4.6253	3,286,613	141.242%
2019	4,576,175	657,682	5,233,857	1,555,998	3,677,859	4.6253	3,677,859	142.307%
2020	4,942,470	668,059	5,610,529	1,622,804	3,987,725	4.6253	3,987,725	140.695%
2021	5,349,402	741,001	6,090,403	1,743,350	4,347,053	4.6253	4,347,053	140.104%
2022	5,995,371	756,969	6,752,340	1,355,470	5,396,870	4.6253	5,396,870	125.116%
2023	6,854,704	760,357	7,615,061	1,930,410	5,684,651	4.6253	5,684,651	133.958%
2024	7,548,954	841,836	8,390,790	2,058,460	6,332,330	4.6253	6,332,330	132.507%
2025	8,336,526	1,528,224	9,864,750	2,798,488	7,066,262	4.6253	7,066,262	139.604%

Source: Osceola County Property Appraiser's Office.

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

Schedule 6
City of Kissimmee, Florida

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

Fiscal Year	City of Kissimmee Florida	Osceola County			Okeechobee and Everglades Basins	South Florida Water Mgmt. Dist.	Total
		Government	Library	School Board			
2016	4.625	6.700	0.257	6.905	0.195	0.136	18.818
2017	4.625	6.700	0.257	6.905	0.195	0.136	18.818
2018	4.625	6.700	0.300	6.411	0.173	0.129	18.338
2019	4.625	6.700	0.300	6.240	0.164	0.115	18.144
2020	4.625	6.700	0.300	6.026	0.157	0.110	17.918
2021	4.625	6.700	0.300	5.897	0.151	0.133	17.806
2022	4.625	6.700	0.300	5.516	0.135	0.095	17.371
2023	4.625	6.700	0.300	5.504	0.135	0.095	17.359
2024	4.625	6.700	0.300	5.343	0.135	0.095	17.198
2025	4.653	6.700	0.300	5.306	0.014	0.095	17.068

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
2016	$ 12,048	$ 11,191	92.9%	$ 429	$ 11,620	96.4%
2017	12,732	11,937	93.8%	338	12,275	96.4%
2018	13,720	12,617	92.0%	611	13,228	96.4%
2019	15,143	14,140	93.4%	467	14,607	96.5%
2020	16,999	15,780	92.8%	604	16,384	96.4%
2021	18,411	17,279	93.9%	459	17,738	96.3%
2022	20,081	18,943	94.3%	383	19,326	96.2%
2023	22,549	21,228	94.1%	505	21,733	96.4%
2024	26,239	24,725	94.2%	554	25,279	96.3%
2025	29,257	27,645	94.5%	572	28,217	96.4%

Souce: 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)

			Fiscal Year 2024 / 2025 (a)			Fiscal Year 2015 / 2016 (b)		
Property Description	**Use**	**Taxpayer**	**Taxable Value**	**Percent of Total Taxable Value**	**Rank**	**Taxable Value**	**Percent of Total Taxable Value**	**Rank**
Private Hospital	Medical care	Osceola Regional Hospital, Inc.	$ 138,367	19.82%	1	$ 100,718	31.76%	1
Apartment complex	Rentals	Millenium Kissimmee Apts, LLC	83,080	11.90%	2	-	-	
Apartment complex	Rentals	Kissimmee Lakes Owner	72,756	10.42%	3	-	-	
Apartment complex	Rentals	CLPF	62,801	9.00%	4	-	-	
Apartment complex	Rentals	Sonceto (Kissimmee) Owner LLC	62,606	8.97%	5	-	-	
Apartment complex	Rentals	BMF IV FL Lake Tivoli	62,359	8.93%	6	-	-	
Apartment complex	Rentals	Aston Square Kissimmee	60,642	8.69%	7	-	-	
Apartment complex	Rentals	Orlando MF Camila Property	51,961	7.44%	8	-	-	
Apartment complex	Rentals	Ridge at 4100 Property	51,961	7.44%	9	-	-	
Apartment complex	Rentals	Mosaic Lake Toho	51,581	7.39%	10	-	-	
Apartment complex	Rentals	LSREF3 Bravo LLC	-	-		36,565	11.53%	2
Retail store	Merchandising	Loop West LLC	-	-		35,656	11.24%	3
Apartment complex	Rentals	FL Belleza/FL Dorado LLC/ FL Sun Club LLC	-	-		29,692	9.36%	4
Retail store	Merchandising	Walmart Stores	-	-		22,033	6.95%	5
Apartment complex	Rentals	Lake Tivoli LLC	-	-		21,350	6.73%	6
Apartment complex	Rentals	Alliance HTFL Ltd Partnership	-	-		21,062	6.64%	7
Apartment complex	Rentals	Reef Club Apartments	-	-		20,462	6.45%	8
Warehouse Storage	Development	Jr Davis Construction	-	-		15,101	4.76%	9
Retail store	Merchandising	Vine Street Shoppes	-	-		14,465	4.56%	10
		Totals	$ 698,114	100.00%		$ 317,104	99.98%	

(a) The fiscal year ended September 30, 2025 tax levy is based on the 2024 taxable value.
(b) The fiscal year ended September 30, 2016 tax levy is based on the 2015 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)

	Governmental Activities							Business-type Activities				
Fiscal Year	Tax Revenue Bonds	Sales Tax Revenue Notes	Commercial Notes	Covenant Revenue Notes	SBITAs Payable	Leases Payable	Financed Purchases	Financed Purchases	SBITAs Payable	Total Primary Government	City of Kissimmee Personal Income	Percentage of Personal Income	Per Capita
2016	$ 47,508	$ 26,630	$ -	$ 6,945	$ -	$ -	$ 582	$ -	$ -	$ 81,665	$ 2,032,013	3.8%	1.14
2017	46,161	24,390	4,730	6,595	-	-	195	-	-	82,071	2,092,934	3.5%	1.04
2018	44,778	22,065	10,950	6,235	-	-	177	-	-	84,205	2,141,987	3.9%	1.18
2019	43,358	19,655	16,350	5,855	-	-	138	-	-	85,356	2,232,608	3.6%	1.09
2020	41,902	17,170	16,350	5,455	-	-	92	-	-	80,969	2,221,354	3.6%	1.11
2021	40,389	14,590	16,350	5,045	-	-	3,369	-	-	79,743	2,437,132	3.3%	1.01
2022	65,395	11,915	-	4,620	-	4,009	2,802	-	-	88,741	2,460,697	3.4%	1.01
2023	63,394	9,160	-	4,165	307	3,130	2,225	-	30	82,411	2,478,013	3.2%	0.98
2024	61,978	7,265	-	3,675	818	2,336	3,102	-	108	79,282	2,959,541	2.6%	0.94
2025	137,663	5,315	-	3,150	2,493	3,848	4,749	-	79	157,297	3,191,467	4.9%	1.86

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, 2025
(dollar amounts are expressed in thousands)

Taxing District	Net Debt Outstanding	Estimated Overlapping (1)	City's Share of Debt
Osceola County School District			
State School Bonds:			
Series 2017ARFD	$ 151	11.3%	$ 17
District Revenue Bonds:			
Sales Tax Revenue Bonds, Series 2023	60,000	11.3%	6,798
Capital Sales Tax Revenue Bonds, Series 2017	50,350	11.3%	5,705
Capital Sales Tax Revenue Bonds, Series 2020	46,475	11.3%	5,266
Capital Sales Tax Revenue Bonds, Series 2025	109,185	11.3%	12,371
Certificates of Participation:			
Series 2014A	3,605	11.3%	408
Series 2017A	18,525	11.3%	2,099
Series 2023A	13,845	11.3%	1,569
Qualified School Construction Bonds:			
Series 2010A	40,500	11.3%	4,589
Education Benefit Districts:			
Bellalago Benefit District	6,191	11.3%	701
Total Osceola County School District	348,827	11.3%	39,522
Osceola County			
Limited General Obligation Debt, Series 2006	1,145	12.3%	140
Environmental Land, Series 2010	2,010	12.3%	247
Total Osceola County	3,155	12.3%	387
Total Overlapping Debt	$ 351,982		$ 39,909
Total Direct Governmental Activities Debt	$ 150,877	100.0%	150,877
Total Direct and Overlapping Debt	$ 502,859		$ 190,786

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)

	Excise Tax Revenue Bonds				Sales Tax Revenue Bonds			
		Debt Service Requirements				Debt Service Requirements		
Fiscal Year	Excise Tax Revenues	Principal	Interest	Coverage	Sales Tax Revenues	Principal	Interest	Coverage
2016	$ 301	$ 34	$ 12	4.37	$ 7,102	$ 2,150	$ 803	2.41
2017	292	36	10	6.35	7,408	2,240	743	2.48
2018	271	37	8	6.02	6,715	2,325	728	2.20
2019	266	39	6	5.91	8,144	2,410	671	2.64
2020	270	25	4	8.18	7,048	2,485	596	1.91
2021	286	26	3	8.67	8,555	2,580	519	2.76
2022	198	28	1	6.00	10,783	2,675	439	3.46
2023	-	-	-	-	11,059	2,755	356	3.55
2024	-	-	-	-	11,481	1,895	270	5.30
2025	-	-	-	-	11,628	1,950	212	5.38

(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
2016	$ 11,487	$ 450	$ 1,199	6.97
2017	11,897	1,150	1,813	4.02
2018	12,297	1,185	1,779	4.15
2019	12,458	1,220	1,739	4.21
2020	11,708	1,270	1,691	3.95
2021	12,692	1,325	1,640	4.28
2022	14,076	1,535	2,012	3.97
2023	15,136	1,840	2,625	3.39
2024	14,653	1,255	2,576	3.82
2025	14,694	1,455	5,973	1.98

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)
2016	68,401	29,707	2,032,013	62,648	4.8%
2017	69,962	29,915	2,092,934	65,179	3.6%
2018	72,163	30,125	2,141,987	67,796	3.2%
2019	74,800	30,336	2,232,608	69,114	3.2%
2020	75,644	30,548	2,221,354	69,713	6.9%
2021	79,226	30,762	2,437,132	75,343	4.5%
2022	79,436	30,977	2,460,697	75,571	2.9%
2023	79,995	30,977	2,478,013	81,375	3.3%
2024	81,269	36,417	2,959,541	78,284	3.6%
2025	84,756	37,655	3,191,487	73,696	3.9%

Sources:

(1) U.S. Census of Population and Housing. University of Florida, Bureau of Economic and Business Research, "Florida Statistical Abstract".

(2) U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System. The actual per capita personal income is for Osceola County. The per capita figures are multiplied by the population to determine the total personal income.

(3) Osceola County School Board. (Enrollment is determined in February of each year at the conclusion of the full-time equivalent survey period)
http://www.osceolaschools.net/departments/businessfiscalservices/budget/f_t_e_enrollment/

(4) Florida Agency for Workforce Innovation, Labor Market Statistics, Local Area Unemployment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.
Orlando-Kissimmee (Lake, Orange, Osceola & Seminole)
http://www.labormarketinfo.com/library/laus/MSAs/LFSoct2.xls

Schedule 13
City of Kissimmee, Florida

PRINCIPAL EMPLOYERS [1]
Current Year and Nine Years Ago

		Fiscal Year 2024 / 2025 (1)			Fiscal Year 2015 / 2016		
Employer	**Business**	**Employees**	**Percent of Total City Employment**	**Rank**	**Employees**	**Percent of Total City Employment**	**Rank**
Osceola County School District	Education	8,135	9.28%	1	7,300	10.67%	1
Walmart Stores	Retail	3,800	4.33%	2	2,730	3.99%	3
AdventHealth System	Healthcare	3,580	4.08%	3	-	0.00%	
Walt Disney Company	Entertainment	3,565	4.07%	4	3,700	5.41%	2
Publix Supermarkets	Retail	2,215	2.53%	5	1,350	1.97%	7
HCA Florida Osceola Hospital	Healthcare	2,000	2.28%	6	-	0.00%	
Gaylord Palms	Hospitality	1,600	1.83%	7	1,445	2.11%	4
McLane/Suneast	Distribution	1,559	1.78%	8	900	1.32%	9
Osceola County Government	Government	1,479	1.69%	9	1,407	2.06%	5
Darden Resturants	Restaurant	1,006	1.15%	10	-	0.00%	
Florida Hospital Celebration	Healthcare				1,300	1.90%	8
Osceola Regional Medical	Healthcare				1,357	1.98%	6
Omni Champions Gate	Hospitality				750	1.10%	10
Total		28,939			22,239		

Source: (1) Orlando Business Journal

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
Central Services	32	35	35	40	42	40	41	42	45	48
City Attorney	5	5	5	5	5	5	5	5	5	5
City Commission	5	5	5	5	5	5	5	5	5	5
City Manager	13	13	13	13	14	14	16	15	15	16
Finance	12	13	13	13	13	14	14	14	14	15
Personnel	12	10	10	9	10	10	10	10	11	12
Public safety										
Fire	106	112	112	113	111	112	113	120	132	141
Police	208	208	210	227	230	233	236	250	253	256
Law Enforcement Grant	3	3	3	3	3	3	3	3	3	3
School Crossing Guard	11	-	-	-	-	-	-	-	-	-
Physical environment										
Public Works	40	39	40	41	45	40	36	40	40	42
Sanitation	26	27	27	27	28	29	29	29	30	29
Stormwater	34	34	36	36	37	37	35	36	35	36
Transportation										
Airport	8	8	8	8	8	8	8	9	9	9
Local Option Gas Tax	12	12	12	12	12	13	12	14	13	13
Economic Environment										
Development Services	31	33	33	33	40	40	38	41	45	48
Economic Development	-	-	-	-	-	-	-	5	5	5
Community Development Blk Grant	2	2	2	2	2	2	4	5	4	4
Culture / Recreation										
Parks & Recreation	85	69	67	68	68	70	70	72	73	75
Civic Center	-	-	-	-	-	-	-	-	-	-
Total	645	628	631	655	673	675	675	715	737	762

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Building Inspections										
Building permits issued	4,371	5,894	7,855	5,374	5,564	7,174	11,576	17,971	17,974	6,514
Law Enforcement										
Physical arrests	1,848	2,022	2,160	2,262	1,870	2,241	2,255	2,414	1,939	901
Traffic and parking violations	9,603	11,225	7,449	7,083	4,536	9,907	12,265	6,377	7,536	9,183
Fire										
Emergency responses	12,879	13,394	13,322	13,817	12,131	14,542	15,041	14,549	12,809	14,819
Fire incidents	274	334	273	231	269	276	294	200	250	231
Emergency medical services incidents	10,547	10,988	10,562	11,113	9,699	11,654	12,041	11,961	10,807	13,829
Fire safety inspections	968	1,326	1,345	1,193	680	1,054	1,619	1,485	1,447	1,664
Fire plan reviews	1,041	1,002	889	853	719	897	1,087	903	1,316	1,188
Other Public Works										
Street resurfacing (tons of asphalt)	-	1,524	3,067	1,524	2,589	-	-	6,302	-	5,683
Other street repairs (tons of asphalt) 1	175	107	96	119	558	296	-	148	1,042	1,150

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

Source: Various City Departments.

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

In FY 2016 and FY 2022, there was no street resurfacing done by the City. All resurfacing was done by the Florida Department of Transportation.

Schedule 16
City of Kissimmee, Florida

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Transportation										
Miles of streets (lane miles)	352	352	356	358	407	459	459	376	376	380
Refuse collection trucks	16	17	18	18	18	18	18	20	20	23
Other public works										
Traffic signals	52	52	52	50	51	42	42	42	42	44
Highways (miles)	8	8	8	8	8	10	10	10	10	10
Public Safety										
Fire stations	4	4	4	4	4	4	4	4	4	4
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units:										
Marked vehicles	120	127	140	147	147	124	136	136	147	150
Motorcycles	3	3	3	7	7	7	7	7	7	7
Parks and Recreation										
Park acreage	832	885	885	885	885	885	885	885	885	885
Number of regional parks	2	2	2	2	2	2	2	2	2	2
Number of large urban parks	1	1	1	1	1	1	1	1	1	1
Number of community parks	7	7	7	7	7	7	7	7	7	7
Number of neighborhood parks	8	8	8	8	8	8	8	8	8	8
Number of special use parks	5	5	5	5	6	6	6	6	6	6

Source: Various City Departments.

COMPLIANCE SECTION

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PURVIS GRAY

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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 27, 2026.

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

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

March 27, 2026
Ocala, Florida

PURVIS GRAY

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

Opinion on 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 identified as subject to audit 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 or state projects for the year ended September 30, 2025. 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.

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, 2025.

Basis for Opinion on Each Major Federal Program and State Project
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*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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*

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the *Department of Financial Services, State Projects Compliance Supplement*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *Department of Financial Services, State Projects Compliance Supplement*, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

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*

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program 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 and 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Purvis Gray

March 27, 2026
Ocala, Florida

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2025

Agency/Program	Assistance Listing #	Grant #	Federal Expenditures	Through to Subrecipients
FEDERAL AWARDS				
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Community Development Block Grant 2018	14.218	B-18-MC-12-0051	52,419	
Community Development Block Grant 2022	14.218	B-22-MC-12-0051	103,046	
Community Development Block Grant 2024	14.218	B-24-MC-12-0051	579,242	
Subtotal			734,707	-
Passed through the Florida Department of Economic Opportunity				
Home Investment Partnerships Program				
Home Investment Partnerships Program 2021	14.239	None	35,062	
Home Investment Partnerships Program 2022	14.239	None	115,840	
Home Investment Partnerships Program 2022	14.239	None	77,182	
Home Investment Partnerships Program 2024	14.239	None	22,419	
Home Investment Partnerships Program 2024 - ARPA	14.239	None	43,551	
Subtotal			294,054	-
Community Project Funding	14.251	B-22-CP-FL-0261	1,992	
Community Project Funding	14.251	B-24-CP-FL-0643	96,303	
Subtotal			98,295	
Total U.S. Department of Housing and Urban Development			**1,127,056**	**-**
U.S. Department of Justice				
Passed through the Florida Office of the Attorney General				
Victims of Crime Act	16.575	VOCA-C-2024-City of Kissimmee 00087	52,825	
Bulletproof Vest Partnership	16.607	Unk	22,721	
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	15PBJA-23-GG-03260-JAGX	29,974	
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738	15PBJA-23-GG-02972-MUMU / 6N248	12,600	
Subtotal			42,574	-
Total U.S. Department of Justice			**118,120**	**-**
U.S. Department of Transportation				
Airport Improvement Program	20.106	3-12-0038-045-2024	473,003	
Airport Improvement Program	20.106	3-12-0038-046-2024	413,697	
Airport Improvement Program	20.106	3-12-0038-044-2023	112,365	
Airport Improvement Program	20.106	3-12-0038-047-2024	8,680,778	
Subtotal			9,679,843	-
Highway Planning and Construction Cluster				
Passed through the Florida Department of Transportation				
Highway Planning and Construction	20.205	442334-1-58-01/G2S93	3,999,841	
Highway Planning and Construction	20.205	437472-2-38-01/G2473	368,515	
Highway Planning and Construction	20.205	434916-1-58-01/G2962	1,874,962	
Subtotal			6,243,318	-
Total U.S. Department of Transportation			**15,923,161**	**-**
U.S. Department of the Treasury				
Passed through the Florida Department of State				
Covid-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	23.s.aa.900.040	274,126	
Covid-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	SLT 3338	981,680	
Total U.S. Department of the Treasury			**1,255,806**	**-**
Executive Office of the President of the United States				
HIDTA - High Intensity Drug Trafficking Areas Program	95.001	G24CF0008A	21,326	
Total Executive Office of the President of the United States			**21,326**	**-**
U.S. Department of Homeland Security / FEMA				
Passed thru the Florida Department of Emergency Management				
Public Assistance - Hurricane Ian	97.036	PA-00-06-59-01-161	513,437 *	
Public Assistance - Hurricane Milton	97.036	PA-DR-06-59-01-115	941,336	
Total U.S. Department of Homeland Security			**1,454,773**	**-**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 19,900,242**	**$ -**

CITY OF KISSIMMEE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2025

Agency/Program	Assistance Listing #	Grant #	Federal Expenditures	Through to Subrecipients
STATE FINANCIAL ASSISTANCE				
Florida Department of Environmental Protection				
Florida Recreation Development Assistance Program	37.017	A23061	$ 6,722	
Resilient Florida Program	37.098	24PLN44	111,371	
Total Florida Department of Environmental Protection			**118,093**	**-**
Florida Department of Commerce				
Kissimmee Affordable Housing and Homeless Services Project	40.038	HL205	168,977	
Total Florida Department of Commerce			**168,977**	**-**
Florida Housing Finance Corporation				
State Housing Initiatives Partnership Program (SHIP)	40.901	SHIP 21	276,484	255,631
State Housing Initiatives Partnership Program (SHIP)	40.901	SHIP 22	485,500	473,658
State Housing Initiatives Partnership Program (SHIP)	40.901	SHIP 23	169,429	102,091
State Housing Initiatives Partnership Program (SHIP)	40.901	SHIP 24	125,304	5,695
Total Florida Housing Finance Corporation			**1,056,717**	**837,075**
Florida Department of Transportation				
Aviation Grant Programs	55.004	454476-1-94-01 / G2V79	43,702	
Aviation Grant Programs	55.004	450681-1-94-01 / G2865	186,284	
Aviation Grant Programs	55.004	454683-1-94-01	1,480	
Total Florida Department of Transportation			**231,466**	**-**
Florida Department if Health				
EMS Matching Grant Program	64.005	C2449	11,447	
Total Florida Department of Health			**11,447**	**-**
Florida Department of Law Enforcement				
Assistance with Investigative Operations	71.010	KE009	5,873	
Assistance with Investigative Operations	71.010	TE006	145	
			6,018	**-**
Kissimmee Public Safety Training Support Annex	71.065	7G006	462,500	
Total Florida Department of Law Enforcement			**468,518**	**-**
Florida Department if Management Services				
Local Government Cybersecurity Grant Program	72.009	DMS - 24/25 - 053	189,484	
Total Florida Department of Management Services			**189,484**	**-**
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			**2,244,702**	**$ 837,075**
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			**$ 22,144,944**	**$ 837,075**

NOTE 1 Basis of Presentation
The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Kissimmee, Florida, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

NOTE 2 Indirect Cost Rate
The City of Kissimmee has elected not to use the de minimis indirect cost rate allowed under the OMB Uniform Guidance.

NOTE 3 Differences between Timing of Expenditures and Reporting on SEFA
* Prior year Hurricane Ian expenses are as follows:
FY22 - $7,360
FY23 - $1,664,307
FY24 - $174,356

SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2025

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Non-compliance material to financial statements noted?	No

Federal Awards and State Awards

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

Identification of Major Programs:

Federal Programs	
U.S. Department of Transportation:	
Airport Improvement Program	Assistance Listing No. 20.106
Highway Planning and Construction	Assistance Listing No. 20.205
U.S. Department of Homeland Security:	
Disaster Grants – Public Assistance	Assistance Listing No. 97.036

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	Yes
Dollar Threshold Used to Distinguish Between Type A and Type B Federal Programs	$1,000,000

Identification of Major Projects:

State Projects	
Florida Housing Finance Corporation:	
State Housing Initiatives Partnership Program (SHIP)	CSFA No. 40.901
Florida Department of Transportation:	
Aviation Grant Programs	CSFA No. 55.004
Dollar Threshold Used to Distinguish Between Type A and Type B State Projects	$673,411

SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
CITY OF KISSIMMEE
YEAR ENDED SEPTEMBER 30, 2025

Other Issues

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

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

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

   Noted no current year findings.

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

   Noted no current year recommendations.

PURVIS GRAY

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, 2025, and have issued our report thereon dated March 27, 2026.

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

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports and schedule, which are dated March 27, 2026, 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 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.

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

MANAGEMENT LETTER

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

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

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

Property Assessed Clean Energy (PACE) Programs
As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the City stated that the following PACE programs authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within their geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b., *Rules of the Auditor General*, a PACE program was operating within the geographical areas of the City, a list of all program administrators and third-party administrators that administered the program, as listed below.

As required by Section 10.554(1)(i)6.c., *Rules of the Auditor General*, a PACE program was operating within the geographical areas of the City, the full names and contact information of each such program administrator and third-party administrator, as listed below.

- Florida Green Finance Authority
  Management Co. Clerk: Special District Services: James Candela
  Special Assessments: Osceola County Special Assessments: Christian "Jeremy" Bergeron
  Property Appraiser: Osceola County Property Appraiser: Katrina Scarborough
  Tax Collector: Osceola County Tax Collector: Bruce Vickers

- Florida Pace Funding Agency
  Management Co. Clerk: Finance OTA: Andrea Roess
  Special Assessments: Osceola County Special Assessments: Christian "Jeremy" Bergeron
  Property Appraiser: Osceola County Property Appraiser: Katrina Scarborough
  Tax Collector: Osceola County Tax Collector: Bruce Vickers

- Florida Resiliency and Energy District
  Management Co. Clerk: Florida Development Finance Corporation: Ahisha Rodriguez
  Special Assessments: Osceola County Special Assessments: Christian "Jeremy" Bergeron
  Property Appraiser: Osceola County Property Appraiser: Katrina Scarborough
  Tax Collector: Osceola County Tax Collector: Bruce Vickers

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

MANAGEMENT LETTER

- Ygreene - Green Corridor
  Management Co. Clerk: Willdan Financial Services: Beatrice Medina
  Special Assessments: Osceola County Special Assessments: Christian "Jeremy" Bergeron
  Property Appraiser: Osceola County Property Appraiser: Katrina Scarborough
  Tax Collector: Osceola County Tax Collector: Bruce Vickers

Special District Component Units
Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, *Rules of the Auditor General*, the Kissimmee Vine Street Community Redevelopment Agency and Kissimmee Community Redevelopment Agency (the CRAs) reported this information in the CRAs' separately issued financial statements.

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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that has 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.

Purvis Gray

March 27, 2026
Ocala, Florida

PURVIS GRAY

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, 2025, 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about whether the City complied with the subject matter. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

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.

Purvis Gray

March 27, 2026
Ocala, Florida

IMPACT FEE AFFIDAVIT

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

1. I am the Chief Financial 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 13 day of March, 2026.

Notary Public State of Florida
Debora Lyn Luke
My Commission HH 829708
Expires 5/5/2029

Debora Lyn Luke
NOTARY PUBLIC
Print Name Debora Lyn Luke

Personally known ✓ or produced identification _____

Type of identification produced: _____

My Commission Expires: 5/5/2029