



Since 1967  
**Reedy Creek**  
IMPROVEMENT DISTRICT

# BOARD OF SUPERVISORS

**February 23, 2022**  
**9:30 a.m.**

# AGENDA

## Board of Supervisors

Reedy Creek Improvement District  
1900 Hotel Plaza Blvd.  
Lake Buena Vista, FL 32830

February 23, 2022

9:30 a.m.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. SAFETY MINUTE
4. APPROVAL OF MINUTES
  - A. Minutes of the January 26, 2022 BOS Meeting
5. REPORTS
  - A. District Administrator
6. CONSENT AGENDA

The next portion of the meeting is the Consent Agenda which contains items that have been determined to be routine. The Board of Supervisors in one motion may approve the entire Consent Agenda. The motion for approval is non-debatable and must receive unanimous approval. By the request of any individual, any item may be removed from the Consent Agenda and placed upon the Regular Agenda for discussion.

- A. World Drive North Phase II – Construction Services Agreement Change Order Allowance
  - CONSIDERATION of Request for Board approval to increase the previous Board authorized change order allowance in the amount of **\$10,000.00** for the construction services agreement with **Southland Construction, Inc.**, associated with the construction laydown yard. **(EXHIBIT A)**

Funding for this request is in the approved project budget and will be derived from the RCID 2016-2024 Transportation Projects Ad Valorem Bonds.

7. REGULAR AGENDA

A. Utility Agreement – Vista Way Apartments

- CONSIDERATION of Request for the Board to authorize the District Administrator to execute on behalf of the District, the revised proposed Utility Agreement with the owner of the **Vista Way Apartments** and related properties in substantially similar form to Exhibit B. The owner has requested that the previously approved Utility Agreement be revised to address the outside date for the District to provide potable water and wastewater, to modify the amount of damages should the District be required to continue providing services beyond the outside date and other non-substantive modifications. **(EXHIBIT B)**

B. Fire Response Agreement – Vista Way Apartments

- CONSIDERATION of Request for Board to authorize the District Administrator to execute on behalf of the District, the proposed Fire Response Agreement with the owner of the **Vista Way Apartments** in substantially similar form to Exhibit C. The District is agreeing to continue to provide fire response and emergency medical response services to the Vista Way Apartments until Orange County begins providing such services. **(EXHIBIT C)**

C. World Drive Phase 3 – Engineering Design Services Change Order

- CONSIDERATION of Request for Board approval to award a change order to **TLP Engineering Consultants, Inc.**, in the total amount of **\$57,250.00**. This change order is for additional design services, specifically to adjust access connections to a variety of adjacent construction projects, overhead sign adjustments, 3D utility modeling, additional design survey, and addressing constructability comments. Staff also requests Board authorization for the District Administrator to execute change orders up to an aggregate amount of 15% of this amount. **(EXHIBIT D)**

Funding for this request is in the approved project budget and will be derived from the RCID 2016-2024 Transportation Projects Ad Valorem Bonds.

D. Review of RCID Financial Statements

- CONSIDERATION of Request for the Board to accept FY2021 RCID Financial Statements. **(EXHIBIT E)**

8. OTHER BUSINESS

9. ADJOURNMENT



**Published Daily**  
**ORANGE County, Florida**

**Sold To:**

Reedy Creek Improvement District - CU00123330  
PO Box 10170  
Orlando, FL 32830-0170

**Bill To:**

Reedy Creek Improvement District - CU00123330  
PO Box 10170  
Orlando, FL 32830-0170

**State Of Florida**  
**County Of Orange**

Before the undersigned authority personally appeared  
Rose Williams, who on oath says that he or she is a duly authorized  
representative of the ORLANDO SENTINEL, a DAILY newspaper  
published in ORANGE County, Florida; that the attached copy of  
advertisement, being a Legal Notice in:

The matter of 11200-Misc. Legal  
Was published in said newspaper by print in the issues of, or by publication  
on the newspaper's website, if authorized on Feb 11, 2022.

Affiant further says that the newspaper complies with all legal requirements  
for publication in Chapter 50, Florida Statutes.



**Rose Williams**

\_\_\_\_\_  
Signature of Affiant

\_\_\_\_\_  
Name of Affiant

Sworn to and subscribed before me on this 12 day of February, 2022,  
by above Affiant, who is personally known to me (X) or who has produced identification ( ).



\_\_\_\_\_  
Signature of Notary Public



\_\_\_\_\_  
Name of Notary, Typed, Printed, or Stamped

**NOTICE OF MEETING**

YOU WILL PLEASE TAKE NOTICE that on February 23rd at 9:30 a.m., or as soon thereafter as practicable, the Board of Supervisors of the Reedy Creek Improvement District will meet in regular session at 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida. At that time, they will consider such business as may properly come before them.  
2/11/2022 7143436

7143436

## MINUTES OF MEETING

Board of Supervisors

Reedy Creek Improvement District

*January 26, 2022*

10:00 a.m.

President Hames called the regular meeting of the Reedy Creek Improvement District Board of Supervisors to order at 10:00 a.m. on Wednesday, January 26, 2022, at the Administrative Offices of the District, 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida.

Those present were President Larry Hames, Max Brito, Jane Adams, Don Greer, and Leila Jammal constituting a quorum of the Board of Supervisors. Others in attendance included; John Classe, District Administrator; Wanda Siskron, District Clerk; Tina Graham, Assistant Clerk, Administration; Ron Zupa, Technology Services; Chris Quinn, Heidi Powell and Susan Higginbotham, Finance; Jason Middleton, Human Resources; Kerry Satterwhite, Facilities; Amber Lindsey, Facilities Intern; Anthony Kasper and Eileen Ferguson, RCES; Ed Milgrim and Ilana Perras, Milgrim Law Group. Those participating via teleconference were: Craig Sandt, Facilities; Bruce Jones, Procurement; Eryka Washington and Erin O'Donnell, Communications; Lexy Wollstadt, Finance; Kate Kolbo and Katherine Luetzow, Planning & Engineering; Yenni Hernandez, Technology Services; Chief Richard LePere and Deputy Chief Eric Ferrari, Fire Department; Chris Ferraro and Mark Swanson, RCES and Todd Rimmer, WDI.

President Hames asked the attendees to please stand for the Pledge of Allegiance.

### **APPROVAL OF MINUTES**

Minutes from the December 15, 2021 BOS Meeting were approved and accepted as presented.

The District Clerk recorded proof of publication of the meeting notice.

### **REPORTS**

Mr. Classe reported that Mike Rickabaugh, Deputy Manager of Building and Safety was appointed a 3-year term to serve on the ICC Evaluation Board of Managers. ICC Evaluation Service is the industry leader in performing technical evaluations of building projects, materials and systems for code compliance. Mr. Classe thanked Mr. Rickabaugh for accepting this position and representing RCID.

Mr. Classe advised that we have a few employees out due to the Omicron virus. Last year the District created a Task Force Committee to develop guidelines for a permanent Flexible Work

Arrangement Program that allows managers to provide employees with remote work and flexible work schedules. The committee members are Jason Middleton, Kerry Satterwhite, Kate Kolbo and Yenni Hernandez.

### **CONSENT AGENDA**

President Hames proceeded to the Consent Agenda and advised that the Consent Agenda exists of general administrative items and items under a specific cost threshold. Any item could be pulled from the Consent Agenda for further discussion, if requested. Consent Agenda items are shown below:

#### **Item 6A – Land Acquisition – “Brown” Property**

CONSIDERATION of Board approval to ratify the purchase of the “Brown” property (approximately 15 acres) in Osceola County by the Reedy Creek Improvement District on December 30, 2021 in the amount of **\$250,000.00**.

President Hames asked if anyone had a reason to bring up any items on the Consent Agenda for further discussion. No items were pulled from the Consent Agenda for review. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the Consent Agenda.

### **REGULAR AGENDA**

#### **Item 7A – WWTP Biological Nutrient Removal (BNR) Treatment Train #4 Rehabilitation (P1122) – Revision of Initial Budget**

Mr. Kasper requested Board approval to revise the initial budget from **\$2,750,000.00** to **\$2,800,000.00** for the WWTP Biological Nutrient Removal (BNR) Treatment Train #4 Rehabilitation project. Funding for this request will be derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable). Mr. Kasper advised that this request is to cover soft costs for additional work due to supply chain issues delaying schedule. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request. **(EXHIBIT A)**

#### **Item 7B – WWTP Biological Nutrient Removal (BNR) Treatment Train #4 Rehabilitation (P1122) - RCES Soft Costs**

Mr. Kasper requested Board approval of an additional amount Not-To-Exceed **\$50,000.00** for RCES engineering and construction support, including survey, submittal review and project inspection costs for the WWTP Biological Nutrient Removal (BNR) Treatment Train #4 Rehabilitation project. This request includes Board authorization for RCID’s and/or RCES’s direct purchase of miscellaneous goods and ancillary professional services as necessary for the project. Funding for this request will be derived from the RCID Series 2018-1 Utility Revenue Bonds (Non-Taxable). Mr. Kasper advised that this request will cover the additional level of effort to address the unforeseen conflicts discussed in Item 7A. President Hames asked if there were any public

comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request.

**Item 7C – Fort Wilderness Live Front Replacement (P1125A) – Revision of Initial Budget**

Mr. Kasper requested Board approval to revise the initial budget from **\$1,957,500.00** to **\$2,007,500.00** for the Fort Wilderness Live Front Replacement project. Funding for this request will be derived from the RCID Series 2021-1 Utility Revenue Bonds (Non-Taxable). Mr. Kasper advised the delay is due to unforeseen challenges with the project. Mr. Kasper also advised that there are 24 switches left to be changed out in the Live Front Replacement Program. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Jammal and duly seconded, the Board unanimously approved the request. **(EXHIBIT B)**

**Item 7D – Fort Wilderness Live Front Replacement (P1125A) – RCES Soft Costs**

Mr. Kasper requested Board approval of an additional amount Not-To-Exceed **\$50,000.00** for RCES engineering and construction support, including survey, submittal review and project inspection costs for the Fort Wilderness Live Front Replacement project. This request includes Board authorization for RCID's and/or RCES's direct purchase of miscellaneous goods and ancillary professional services as necessary for the project. Funding for this request will be derived from the RCID Series 2021-1 Utility Revenue Bonds (Non-Taxable). Mr. Kasper advised that a portion of the funds is for additional labor cost due to unforeseen challenges during construction.. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request.

**Item 7E Amendment to Solar Purchase Power Agreement between FL Solar 5, LLC (Origis Energy) and RCID**

Ms. Ferguson, representing Mr. Ray Crooks requested Board approval of an Amendment to the Solar Purchase Power Agreement (PPA) between **FL Solar 5, LLC (Origis Energy)** and the Reedy Creek Improvement District dated October 9, 2017, and authorization for the District Administrator to execute said Amendment to the PPA and all documents and attachments therein. The purpose of the Amendment to the PPA is to provide a three (3) year extension to the term of the PPA and establish fixed pricing for the three-year extension. Ms. Ferguson advised that this is the existing large solar ray along the 429. This extension is an addition to the original seventeen-year agreement. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request. **(EXHIBIT C)**

**Item 7F Second Amendment to the Lease Agreement between FL Solar 5, LLC (Tenant) and RCID**

Ms. Ferguson requested Board approval of the Second Amendment to the Lease Agreement between **FL Solar 5, LLC (Tenant)** and the Reedy Creek Improvement District, a political subdivision of the state of Florida ("**Landlord**"), and authorization for the District Administrator to execute said Amendment and all documents and attachments therein. The purpose of the second Amendment to the Lease Agreement is to provide for an additional three three-year extension to the original seventeen-year lease associated with the FL Solar 5, LLC and to be consistent with the associated PPA. President Hames asked if there were any public comments on this request and

there were none. Upon motion by Ms. Adams and duly seconded, the Board unanimously approved the request. **(EXHIBIT D)**

**Item 7G Amendment to the Solar Purchase Power Agreement between FL Solar 10, LLC (Origis Energy) and RCID**

Ms. Ferguson requested Board approval of an Amendment to the Solar Purchase Power Agreement (PPA) between **FL Solar 10, LLC (Origis Energy)** and the Reedy Creek Improvement District dated June 26, 2020, and authorization for the District Administrator to execute said Amendment to the PPA and all documents and attachments therein. The purpose of the Amendment to the PPA is to provide an adjusted negotiated fixed price for each unit of energy generated by the Solar facility for the term of the PPA. Ms. Ferguson advised that the Amendment is due to the impact of COVID-19 causing inflation of cost of materials. President Hames asked if there were any public comments on this request and there were none. Upon motion by Ms. Jammal and duly seconded, the Board unanimously approved the request. **(EXHIBIT E)**

**Item 7H RCID Resolution No. 632 – Purchase of Natural Gas from Minnesota Municipal Gas Agency**

Ms. Ferguson requested Board approval of **Resolution No. 632** of the Reedy Creek Improvement District authorizing the purchase of natural gas from **Minnesota Municipal Gas Agency**; approving the execution and delivery of a gas supply agreement and other documents relating to said purchase; consenting to the assignment of certain obligations under the gas supply agreement in connection with the issuance of bonds by Minnesota Municipal Gas Agency; and addressing related matters. Ms. Ferguson advised the agreement pursuant to a 30-year prepaid natural gas agreement between Royal Bank of Canada and MMGA and the issuance of gas revenue municipal bonds by MMGA to fund the prepaid natural gas agreement; acknowledging that the MMGA bonds are not the obligation of RCID. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Brito and duly seconded, the Board unanimously approved the request. **(EXHIBIT F)**

**8. OTHER BUSINESS**

Mr. Classe announced that today is Ms. Wanda Siskron's last BOS meeting and she will be retiring on January 31<sup>st</sup>. When Mr. Classe came to the District 7 years ago Wanda helped him get acclimated to the role. Mr. Classe thanked Ms. Siskron for her 9+ years of service and all that she has done to support him and helping him get settled in his new role after Mr. Bill Warren retired.

**Item 8A – Appoint District Clerk**

Mr. Classe requested Board approval to appoint Ms. Tina Graham as Clerk for the Board of Supervisors. President Hames asked if there were any public comments on this request and there were none. Upon motion by Mr. Greer and duly seconded, the Board unanimously approved the request.

President Hames then asked if there was any further business to discuss.

Mr. Classe announced that there is a DE&I Lunch & Learn today to celebrate International Holocaust Day. Our speaker is from the Holocaust Memorial Resource and Education Center of Florida – Stephen Poynor. Mr. Classe invited the Board Members to attend.

Mr. Classe advised that the next BOS meeting will take place on February 23<sup>rd</sup> at 9:30 a.m.

Mr. Classe advised that today's Final Thought is from Martin Luther King, Jr., "The quality, not the longevity, of one's life is what is important"

Mr. Classe, one last time thanked Ms. Wanda Siskron for supporting him and for her 9+ years of service by honoring her with a PowerPoint slide that was created showing a picture from 2012 when she started and from 2021 when she finished her career at the District.

There being no further business to come before the Board, the meeting was adjourned at 10:36 a.m.

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Laurence C. Hames  
President, Board of Supervisors

ATTEST

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John H. Classe, Jr.  
Secretary, Board of Supervisors

## ***DEPARTMENT REPORTS***

- Reedy Creek Energy Services
- Environmental Sciences
- Human Resources
- Building & Safety
- Planning & Engineering





## Reedy Creek Energy Services

## Memorandum

To: John Classe  
From: Christine Ferraro  
Subject: January - Monthly Utilities Report

Date: February 23, 2022  
Extension: (407) 824-4121

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### **Electric and Natural Gas Purchases and Sales**

January 2022: Megawatt hour loads were approximately 2.1% below budget with a monthly peak load of approximately 2% below budgeted levels. Average temperatures for January 2022 were 1.3% lower when compared to same month in 2021 and was 5.94% lower when compared to the average temperatures experienced in 2020. Total cost per megawatt hour (\$/MWh) for the month was approximately 4.4% below budget equating to approximately \$272K of net electric savings to plan. The electric savings were driven primarily by lower DEF Transmission costs due to lower system peak demands, electric sales better than forecasted, greater market purchases than forecasted resulting in lower overall system costs, and lower electric consumption than expected. Property re-openings are coming back to pre-COVID levels and is expected to continue through Qtr1 2022.

### **Natural Gas (Distribution and Hot Water)**

January 2022: Natural gas commodity prices were approximately 1.62% below budgeted levels, with volumes approximately 14.21% lower than budgeted levels. Actual volumes were lower than budgeted driven by property closure resulting from the COVID19 virus pandemic that resulted in less consumption from restaurants and other attractions on property. Total natural gas cost per MMBtu (\$/MMBtu) for the month was approximately 1.4% higher than budget due to lower than budgeted volume levels and higher than budgeted natural gas commodity prices. Gross natural gas costs were approximately \$129K under budget driven primarily by lower natural gas volumes than budgeted and offset with slightly higher gas commodity prices than budgeted. RCID's natural gas price hedging program continues to provide pricing risk mitigation that helps to cap market exposure on gas prices. There is every expectation that sales volumes will return to pre-COVID levels as the property returns to normal operations. However, price volatility in the gas market is expected to continue through Qtr1 2022.

<i>Water / Wastewater</i>	<b>2021</b>		<b>2022</b>		<b>Difference</b>		<b>% Difference</b>
	<b>Total Monthly Volume (million gallons)</b>	<b>Average Daily Flow (million gallons/day)</b>	<b>Total Monthly Volume (million gallons)</b>	<b>Average Daily Flow (million gallons/day)</b>	<b>Total Monthly Volume (million gallons)</b>	<b>Average Daily Flow (million gallons/day)</b>	
Potable Water Consumption	341.5	11.0	441.7	14.2	100.2	3.2	29.3%
Wastewater Generation	308.0	9.9	376.9	12.2	68.9	2.2	22.4%
Reclaimed Water Usage	155.1	5.0	132.5	4.3	-22.6	-0.7	-14.6%
Wastewater Contribution from OCU	66.4	2.4	57.6	2.1	-8.8	-0.3	-13.3%
Rainfall measured at RCID WWTP (in)	0.8		1.2		0.4		42.7%
<i>Water / Wastewater</i>	<b>2021</b>		<b>2022</b>		<b>Difference</b>		
	<b>Total Monthly Volume (Tons)</b>		<b>Total Monthly Volume (Tons)</b>		<b>Total Monthly Volume (Tons)</b>		
Class I Waste Collected by RCES	3018		5008		1990		
Class III Waste Collected by RCES	179		169		-10		
Offsite Landfill	3353		5301		1948		
Food Waste	554		1241		687		
Class I Recycle	585		1214		629		
Green Waste	1041		912		-129		
C&D Collected	1199		889		-310		
Manure	369		383		14		

\*All Data in Tons

**REEDY CREEK IMPROVEMENT DISTRICT**  
**MONTHLY INTERCHANGE REPORT**  
 Jan-22

chk'd	CO.	Gross MWH	Duke Energy Imbalance	FPL LOSS	FPC LOSS	TEC LOSS	NET MWH	MWs from Indirect Delivery Point	ECONOMY COST	FIRM COST	TOTAL \$ / MWH	INITIAL
=												
	Exelon/Constellation	0	0	0	0	0	0		\$0.00		#DIV/0!	
	Citrus Ridge Solar	6,084	0	0	0	0	6,084			\$235,809.62	\$ 38.76	EST
CO	Duke-RC	6,225	0	0	0	0	6,225		\$185,035.00		\$ 29.72	CO 02-01-22
	Duke-Hamilton Solar	0	0	0	0	0	0			\$0.00	#DIV/0!	
CO	Duke-RC Franklin	27,763	0	0	0	0	27,763			\$1,750,012.36	\$ 63.03	CO 02-07-22
CO	Duke-RC Franklin Settlement #1		----	----	----	----				(\$49,701.58)	BP	CO 02-02-22
CO	Duke-RC Franklin Settlement #2		----	----	----	----				(\$25,392.77)	Morgan Stanley	CO 02-02-22
	Duke-RC Franklin Settlement #3		----	----	----	----				\$0.00	Cargill	
CO	Duke-RC Franklin Settlement #4		----	----	----	----				(\$114,703.52)	JP Morgan	CO 02-02-22
CO	Duke-Solar	603	0	0	0	0	603			\$41,589.61		CO 02-09-22
CO	FMPA Tolling(Cane Island)	39,432	0	0	0	0	39,432			\$151,813.20		CO 02-04-22
	POU-RC	0	0	0	0	0	0		\$0.00		#DIV/0!	
CO	REM-RC	7,571	0	0	0	0	7,571		\$252,149.00		\$ 33.30	CO 02-02-22
	TYR Energy	0	0	0	0	0	0		\$0.00		#DIV/0!	
CO	TAL-RC	80	0	0	0	0	80		\$2,400.00		\$ 30.0000	CO 02-10-22
CO	Duke FIRM T&D		----	----	----	----				\$469,888.88		CO 02-07-22
CO	Duke Energy Imbalance	436					436		\$27,508.80			CO 02-07-22
	PURCHASES	88194	0	0	0	0	88,194	0	\$467,092.80		\$2,459,315.80	
INITIAL			Losses to Duke	FPL	SEC	TEC	NET	MWs to Indirect	ECONOMY	FIRM	TOTAL	
=		MWH	LOSS	LOSS	LOSS	LOSS	MWH	Delivery Point	COST	COST	\$ / MWH	
CO	RC-POU J	710	0	0	0	0	710		\$49,100.00		\$69.15	CO 02-02-22
CO	RC-TEA J	1565	0	0	0	0	1565		\$120,780.00		\$77.18	CO 02-02-22
	TOTAL SALES	2275	0	0	0	0	2275		\$169,880.00	\$0.00	\$74.67	
	TOTAL	85919	0	0	0	0	85919		\$297,212.80		\$2,459,315.80	
	NEL Including EPCOT Diesels and CoGen	85922										

AVG \$ / MWH

\$32.08

TOTAL ECONOMY AND FIRM COST

\$2,756,528.60

Month	NEL	Peak	Time	Day
Jan-22	85,922.0	151.0	16:00	1/2/2022

COGEN GENERATION	
GT MONTHLY	0.00
ST MONTHLY	0.00
GT & ST MONTHLY	0.0
ECEP GENERATION	
ECEP #1 MONTHLY	2.01
ECEP #2 MONTHLY	1.38
ECEP #1 & #2 MONTHLY	3.39
TOTAL GENERATION	3.39

**RESOLUTION #613 / #615**  
**MONTHLY ELECTRIC SALES, PURCHASES, AND TRANSMISSION TRANSACTIONS**

<b>Company</b>	<b>Electric Sales</b>	<b>Electric Purchases [1]</b>	<b>Net Profit/(Cost) [2]</b>	<b>Monthly Sales Subtotal</b>	<b>Monthly Purchases Subtotal</b>	<b>Net Profit /(Cost) Subtotal</b>
<b>Oct-21</b>						
City of Tallahassee	\$0.00	\$83,092.00	\$13,689.91			
Duke Energy Florida	\$0.00	\$334,930.00	\$54,713.40			
Excellon/Constellation	\$0.00	\$63,790.00	\$0.00			
FMPA	\$185,566.84	\$0.00	\$71,669.68			
Orlando Utilities Commission	\$253,674.00	\$67,360.00	\$52,178.29			
Rainbow Energy Marketing	\$0.00	\$61,818.00	\$12,102.09			
The Energy Authority	\$61,800.00	\$34,720.00	\$24,692.02			
TYR Energy	\$0.00	\$67,117.00	\$13,014.71			
<b>Total October 2021</b>				<b>\$501,040.84</b>	<b>\$712,827.00</b>	<b>\$242,060.10</b>
<b>Nov-21</b>						
City of Tallahassee	\$0.00	\$131,880.00	\$12,879.35			
Duke Energy Florida	\$0.00	\$329,755.00	\$54,121.40			
Orlando Utilities Commission	\$4,050.00	\$0.00	\$286.20			
The Energy Authority	\$14,400.00	\$5,760.00	\$2,403.20			
TYR Energy	\$0.00	\$18,767.00	\$2,527.46			
<b>Total November 2021</b>				<b>\$18,450.00</b>	<b>\$486,162.00</b>	<b>\$72,217.61</b>
<b>Dec-21</b>						
City of Tallahassee	\$0.00	\$134,145.00	\$19,775.25			
Duke Energy Florida	\$0.00	\$259,915.00	\$31,752.35			
Orlando Utilities Commission	\$101,694.00	\$0.00	\$18,423.47			
Rainbow Energy Marketing	\$0.00	\$5,250.00	\$429.20			
Tampa Electric Company	\$12,000.00	\$0.00	\$1,614.68			
<b>Total December 2021</b>				<b>\$113,694.00</b>	<b>\$399,310.00</b>	<b>\$71,994.95</b>
<b>Jan-22</b>						
City of Tallahassee	\$0.00	\$2,400.00	\$268.00			
Duke Energy Florida	\$0.00	\$185,035.00	\$33,117.00			
Orlando Utilities Commission	\$49,100.00	\$0.00	\$19,844.50			
Rainbow Energy Marketing	\$0.00	\$252,149.00	\$26,044.24			
The Energy Authority	\$120,780.00	\$0.00	\$51,864.10			
<b>Total January 2022</b>				<b>\$169,880.00</b>	<b>\$439,584.00</b>	<b>\$131,137.84</b>
<b>FY2022 to Date Total</b>	<b>\$803,064.84</b>	<b>\$2,037,883.00</b>	<b>\$517,410.50</b>	<b>\$803,064.84</b>	<b>\$2,037,883.00</b>	<b>\$517,410.50</b>

[1] Does not include any purchases under long term firm contracts.

[2] Only includes impact of energy marketing activity.

Profit  
18.21%

**RESOLUTION #614**  
**MONTHLY GAS SALES, PURCHASES, AND TRANSPORTATION TRANSACTIONS**

<b>Company</b>	<b>MMBTU's</b>	<b>\$/ MMBTU's</b>	<b>Monthly Purchase Subtotal</b>	<b>Monthly Sales Subtotal</b>	<b>Net Monthly Sales and Purchases Subtotal</b>	<b>Monthly Budgeted MMBTU's</b>	<b>Budgeted \$/ MMBTU's</b>	<b>Monthly Budgeted Subtotal</b>
<b>Oct-21</b>								
Hedge Settlements - JPM, DB/MS,BP, & Cargill			(\$1,607,624.71)	\$0.00	(\$1,607,624.71)	496,726		\$1,523,061.35
BP	80,313		\$450,294.37	\$0.00	\$450,294.37			
FGU	158,689		\$913,834.43	\$0.00	\$913,834.43			
Gas South	12,000		\$68,934.50	\$0.00	\$68,934.50			
Mercuria	177,630		\$1,041,882.87	\$0.00	\$1,041,882.87			
Bookout - Gas South	(719)		(\$3,981.46)	\$0.00	(\$3,981.46)			
FGT Usage			\$24,409.80	\$0.00	\$24,409.80			
<b>Total October 2021</b>	<b>427,913</b>	<b>\$2.07</b>	<b>\$887,749.80</b>	<b>\$0.00</b>	<b>\$887,749.80</b>	<b>496,726</b>	<b>\$3.07</b>	<b>\$1,523,061.35</b>
<b>Nov-21</b>								
Hedge Settlements - JPM, DB/MS,BP, & Cargill			(\$1,800,962.45)	\$0.00	(\$1,800,962.45)	494,579		\$1,442,964.65
FGU	152,100		\$938,761.20	\$0.00	\$938,761.20			
Gas South	124,060		\$720,729.60	\$0.00	\$720,729.60			
TENASKA	153,570		\$961,649.08	\$0.00	\$961,649.08			
Radiate	27,270		\$172,619.10	\$0.00	\$172,619.10			
Peoples Gas	813		\$5,990.55	\$0.00	\$5,990.55			
Bookout -	3,626		\$17,532.90	\$0.00	\$17,532.90			
FGT Usage			\$26,019.21	\$0.00	\$26,019.21			
<b>Total November 2021</b>	<b>461,439</b>	<b>\$2.26</b>	<b>\$1,042,339.19</b>	<b>\$0.00</b>	<b>\$1,042,339.19</b>	<b>494,579</b>	<b>\$2.92</b>	<b>\$1,442,964.65</b>
<b>Dec-21</b>								
Hedge Settlements - JPM, DB/MS,BP, & Cargill			(\$1,277,970.52)	\$0.00	(\$1,277,970.52)	528,819		\$1,570,879.12
BP	35,198		\$132,316.83	\$0.00	\$132,316.83			
FGU	157,170		\$851,389.89	\$0.00	\$851,389.89			
Gas South	118,960		\$651,693.39	\$0.00	\$651,693.39			
TENASKA	158,689		\$872,313.43	\$0.00	\$872,313.43			
Peoples Gas	169		\$936.00	\$0.00	\$936.00			
Bookout -	1,683		\$6,181.44	\$0.00	\$6,181.44			
FGT Usage			\$26,761.16	\$0.00	\$26,761.16			
<b>Total December 2021</b>	<b>471,869</b>	<b>\$2.68</b>	<b>\$1,263,621.62</b>	<b>\$0.00</b>	<b>\$1,263,621.62</b>	<b>528,819</b>	<b>\$2.97</b>	<b>\$1,570,879.12</b>
<b>Jan-22</b>								
Hedge Settlements - JPM, DB/MS,BP, & Cargill			(\$750,272.43)	\$0.00	(\$750,272.43)	567,171		\$1,722,898.29
Conoco Phillips				\$0.00	\$0.00			
BP	24,094		\$105,451.33	\$0.00	\$105,451.33			
FGU	157,170		\$627,736.98	\$0.00	\$627,736.98			
Gas South	153,509		\$654,182.64	\$0.00	\$654,182.64			
TENASKA	166,788		\$681,387.81	\$0.00	\$681,387.81			
Radiate	3,072		\$14,155.00	\$0.00	\$14,155.00			
Rainbow	4,971		\$36,412.50	\$0.00	\$36,412.50			
Peoples Gas	21		\$116.34	\$0.00	\$116.34			
Cashout - FGT				\$0.00	\$0.00			
Bookout -	(1,954)		(\$9,370.91)	\$0.00	(\$9,370.91)			
FGT Usage			\$28,558.43	\$0.00	\$28,558.43			
<b>Total January 2022</b>	<b>507,671</b>	<b>\$2.73</b>	<b>\$1,388,357.69</b>	<b>\$0.00</b>	<b>\$1,388,357.69</b>	<b>567,171</b>	<b>\$3.04</b>	<b>\$1,722,898.29</b>
<b>FY2022 to Date Total</b>	<b>1,868,892</b>	<b>\$2.45</b>	<b>\$4,582,068.30</b>	<b>\$0.00</b>	<b>\$4,582,068.30</b>	<b>2,087,294</b>	<b>\$3.00</b>	<b>\$6,259,803.40</b>
Volume Variance % (mmbtu)	-10.5%							
Volume Variance \$(000)	(\$654,991)							
Rate Variance \$(000)	(\$1,022,744)							
Total System Variance YTD	(\$1,677,735)							
Check	(\$1,677,735)							
	-							



BP Energy Company  
 201 Helios Way-Helios Plaza  
 Houston, TX 77079  
 Tax Id: 36-3421804  
 Cons Unit #: US8XL

## INVOICE

Customer Details	Bank Details	Invoice Details
Reedy Creek Improvement District Ray Crooks ray.crooks@disney.com	Remit by wire transfer to: <b>BP Energy Company</b> For the account of:  Account Name: Wire Bank: Wire City/State: Transit/ABA: Account No:	Invoice Number: 21189446 Invoice Date: 01/03/2022 Contract No: 20368 Due By: 01/06/2022  <b>BP Energy Company</b> <b>JPMorgan Chase Bank</b> Columbus, OH 021000021 9102548097

Jan 2022 Invoice for Natural Gas Swaps and/or Options

Trade Type	Deal ID	Trade Date	Beg Day	End Day	Buy/Sell Call/ Put	Total Volume	UOM	BP Pays				Customer Pays			BP Receives/ (Pays)	
								Index/ Fixed	Price	Basis	Net	Index/ Fixed	Price	Basis		Net
NG-FP-SWAP	878220	01/11/2018	01	31	S	26,722	MMBTU	NG_NYMEX(NYM 1d)	4.0240	0.0000	4.0240	Fixed Price	2.8900	0.0000	2.8900	\$(30,302.75)
NG-FP-SWAP	998650	04/25/2018	01	31	S	26,753	MMBTU	NG_NYMEX(NYM 1d)	4.0240	0.0000	4.0240	Fixed Price	2.7950	0.0000	2.7950	\$(32,879.43)
<b>Total Swap and Options Amount Due BP (Customer):</b>															USD \$(63,182.18)	

r = revised from previous invoice  
 Direct inquiries to NAGPFS1@bp.com

Please note: BP will not change/amend BP's banking details without prior separate written notification in addition to the change reflected on the invoice.



**Cargill Inc - Risk Management**  
 9320 Excelsior Blvd  
 Hopkins, MN 55343 9497  
 United States of America

Email: [crm\\_hp\\_operations@cargill.com](mailto:crm_hp_operations@cargill.com)  
 Fax: 952 249-4054

**Settlement Invoice**

**Reedy Creek Improvement District**

Invoice Date: 30-Dec-21  
 Invoice Nbr: 2144903  
 Cash Settlement Date: 05-Jan-22  
 Currency: USD

TRANSACTION DATE	REFERENCE UNDERLYING	CONTRACT QUANTITY	SETTLED QUANTITY	TRANSACTION TYPE	FLOATING PRICE	FIXED/STRIKE PRICE	CALCULATION DATE	COMMENTS / CUSTOMER	PREMIUM CASH	SETTLE CASH
NGF2022										
Swap							Trade ID: 3001011024			
2021-12-29	NGF2022	-7.3904	7.3904		4.024	3.377	29-Dec-21		0.00	47,815.89
<b>NGF2022 TOTAL</b>									<b>0.00</b>	<b>47,815.89</b>
<b>SUB-TOTALS</b>									<b>0.00</b>	<b>47,815.89</b>
<b>TOTAL DUE Reedy Creek Improvement District</b>									<b>USD 47,815.89</b>	

This document is in the perspective of Reedy Creek Improvement District.

Cargill Risk Management only accepts payment via Wire or ACH.

**Please inform Cargill of any discrepancies shown in this invoice within 48 hours of receipt.**

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<u>Customer Information</u>		<u>Invoice Information</u>
Address: Reedy Creek Improvement District	CITIBANK NA-NEW YORK-WALL STREET-NY BRANCH will remit funds by wire transfer per your banking instructions. Please send an invoice for confirmation of payment.	Invoice 11247802-1
US	Bank: SUN TRUST BANK	Invoice Date: January 03, 2022
Attention: SETTLEMENTS REEDYCREEK	Swift Code/ABA 061000104	Due Date: January 05, 2022
Phone: n/a	Acct. Number: /6215215046213/REEDY CREEK	Citi Katie Payne
Fax: n/a		Phone: 1-212-816-9846
Email: Ray.crooks@disney.com		Fax:
		Email: katie.payne@citi.com

<b>PAYMENT DUE DATE:</b>	January 05, 2022
<b>TOTAL DUE Reedy Creek Improvement District :</b>	USD -35,438.70 USD

Citi requires positive confirmation of all settlement amounts and banking details prior to releasing funds. If you do not agree with either of the aforementioned, please contact us immediately at the email or phone number provided.



Credit Note

Swaps										
#	Trade ID	Trade Date	Index 1	Index 2	Delivery Month	Unit	Notional Quantity	Fixed Price	Float Price	Amount Due
1	45075192	06/06/2019	NYMEX NG		Jan-22	MMBTU	-25606.00	2.64/MMBTU	4.024/MMBTU	-35,438.70
<b>Total Trades 1</b>									<b>Swaps Sub-Total: -35,438.70</b>	

<b>PAYMENT DUE DATE:</b>	<b>January 05, 2022</b>
<b>TOTAL DUE Reedy Creek Improvement District :</b>	<b>USD -35,438.70 USD</b>

# J.P.Morgan

<b>Invoice Ref:</b> JPM385601F	<b>Counterparty:</b>	<b>Description:</b> Standard Settlement Instructions
<b>Invoice Date:</b> 31-Dec-2021	Reedy Creek Improvement District	<b>Pay to:</b> JPMorgan Chase Bank New York
<b>From:</b> J.P. Morgan Chase Bank National Association, New York	1900 Hotel Boulevard	CHASUS33
<b>Telephone:</b> +44 1202 320216	Lake Beuna Vista	ABA:021000021
<b>Fax:</b> +44 808 238 3821	32830	<b>For a/c:</b> JPMorgan Chase Bank New York
<b>Email:</b> ebms.settlements.bmth@jpmorgan.com	Florida, United States	304256374
<b>Payment Date:</b> 05-Jan-2022		

Commodity Type: Nymex

Trade Date	Deal #	Trade Type	Fixed Price	Float Price	Start Date	End Date	Quantity	Settlement Amount
09-Jan-2019	8500012F-3ZAQ	Swap	2.673000	-4.024000	01-Jan-2022	31-Jan-2022	26,753.00	-36,143.30
10-Apr-2019	85000F9-7TKB6	Swap	2.690000	-4.024000	01-Jan-2022	31-Jan-2022	25,606.00	-34,158.40
17-Sep-2019	85000F9-8M422	Swap	2.505000	-4.024000	01-Jan-2022	31-Jan-2022	25,606.00	-38,895.51
14-Jan-2020	85000F9-97YP5	Swap	2.443000	-4.024000	01-Jan-2022	31-Jan-2022	25,606.00	-40,483.09
05-Mar-2020	8500012F-46DX	Swap	2.360000	-4.024000	01-Jan-2022	31-Jan-2022	54,591.00	-90,839.42
24-Mar-2021	85000F9-CDI1W	Swap	2.687000	-4.024000	01-Jan-2022	31-Jan-2022	28,427.00	-38,006.90
<i>Subtotal USD</i>								-278,526.62

**JPMorgan Pays Net ( USD ) -278,526.62**

**Summary Credit Note**

Invoice Date: Dec-31-2021  
 Invoice Number: 2059480-1  
 Due Date: Jan-05-2022

Morgan Stanley Capital Group Inc.  
 1585 Broadway,20th Floor  
 Attn: Commodities  
 New York, NY 10036

REEDY CREEK IMPROVEMENT  
 DISTRICT  
 1900 HOTEL PLAZA BLVD  
 LAKE BUENA VISTA 328308406  
 USA

From: Commodities Operations  
 Voice:  
 Fax: 914-750-0751  
 Email: commodfinsettlementsind@morganstanley.com

Attn: Ray Crooks  
 Voice: 407-824-7216  
 Fax:

Account: 0579GFAB8

Description	Amount Due
Swap	(135,511.168) USD
	<b>(135,511.168) USD</b>
<b>Due Date: Jan-05-2022</b>	<b>(135,511.17) USD</b>

**Detail Credit Note**

**Please be advised that the following swaps have priced out**

Trade ID	Trade Date	Swap	Quantity	We Pay	You Pay	Amount Due
18852304	Nov-15-2017	Swap - We Pay "Natural Gas NYMEX Last Day Settle" Dec 29, 2021, You Pay Fixed	53,444 MMBT	Float 4.0240	Fixed 2.90300	(59,910.724) USD
19812341	Nov-08-2018	Swap - We Pay "Natural Gas NYMEX Last Day Settle" Dec 29, 2021, You Pay Fixed	26,753 MMBT	Float 4.0240	Fixed 2.66	(36,491.092) USD
22323376	Dec-08-2020	Swap - We Pay "Natural Gas NYMEX Last Day Settle" Dec 29, 2021, You Pay Fixed	27,311 MMBT	Float 4.0240	Fixed 2.59200	(39,109.352) USD

**Total Due From Morgan Stanley Capital Group Inc. in USD (135,511.17)**

Due Date: Jan-05-2022



BP Energy Company  
 201 Helios Way-Helios Plaza  
 Houston, TX 77079  
 Tax Id: 36-3421804  
 Cons Unit #: US8XL

## INVOICE

Customer Details	Bank Details	Invoice Details
Reedy Creek Improvement District Ray Crooks ray.crooks@disney.com	Remit by wire transfer to: <b>BP Energy Company</b> For the account of:  Account Name: Wire Bank: Wire City/State: Transit/ABA: Account No:	Invoice Number: 21194686 Invoice Date: 02/01/2022 Contract No: 20368 Due By: 02/07/2022  <b>BP Energy Company</b> <b>JPMorgan Chase Bank</b> Columbus, OH 021000021 9102548097

Jan 2022 Invoice for Natural Gas Swaps and/or Options

Trade Type	Deal ID	Trade Date	Beg Day	End Day	Buy/Sell Call/ Put	Total Volume	UOM	BP Pays				Customer Pays			BP Receives/ (Pays)	
								Index/ Fixed	Price	Basis	Net	Index/ Fixed	Price	Basis		Net
NG-FP-SSWAP	16421202	07/16/2021	01	31	S	50,592	MMBTU	NG_SoNat_Daily_GD(G as Daily)	4.1924	0.0000	4.1924	Fixed Price	3.2100	0.0000	3.2100	\$(49,701.58)
<b>Total Swap and Options Amount Due BP (Customer):</b>															USD \$(49,701.58)	

*Michelle Bennett*

Ok to receive payment 02/1/2022

# J.P.Morgan

<b>Invoice Ref:</b> JPM390643F	<b>Counterparty:</b>	<b>Description:</b> Standard Settlement Instructions
<b>Invoice Date:</b> 02-Feb-2022	Reedy Creek Improvement District	<b>Pay to:</b> JPMorgan Chase Bank, N.A, New York
<b>From:</b> J.P. Morgan Chase Bank National Association, New York	1900 Hotel Boulevard	CHASUS33
<b>Telephone:</b> +44 1202 320216	Lake Beuna Vista	ABA 021000021
<b>Fax:</b> +44 808 238 3821	32830	<b>For a/c:</b> JPMorgan Chase Bank, N.A, New York
<b>Email:</b> ebms.settlements.bmth@jpmorgan.com	Florida, United States	304256374
<b>Payment Date:</b> 07-Feb-2022		

Commodity Type: GULF COAST GD

Trade Date	Deal #	Trade Type	Fixed Price	Float Price	Start Date	End Date	Quantity	Settlement Amount
24-Mar-2021	85000F9-CDIP4	Swap	2.568000	-4.192400	01-Jan-2022	31-Jan-2022	16,864.00	-27,393.88
26-Apr-2021	85000F9-CKGYW	Swap	2.670000	-4.192400	01-Jan-2022	31-Jan-2022	57,350.00	-87,309.64
<i>Subtotal USD</i>								-114,703.52

**JPMorgan Pays Net ( USD ) -114,703.52**

*Michelle Bennett*

Ok to receive Payment 02/02/2022

## Summary Credit Note

Invoice Date: Feb-01-2022  
Invoice Number: 2069060-1  
Due Date: Feb-07-2022

Morgan Stanley Capital Group Inc.  
1585 Broadway, 20th Floor  
Attn: Commodities  
New York, NY 10036

REEDY CREEK IMPROVEMENT  
DISTRICT  
1900 HOTEL PLAZA BLVD  
LAKE BUENA VISTA 328308406  
USA

From: Commodities Operations  
Voice: +1 443 627-5166  
Fax: 914-750-0751  
Email: commodfinsettlementsind@morganstanley.com

Attn: Ray Crooks  
Voice: 407-824-7216  
Fax:

Account: 0579GFAB8

Description	Amount Due
Swap	(25,392.7696) USD
	<b>(25,392.7696) USD</b>
<b>Due Date: Feb-07-2022</b>	<b>(25,392.77) USD</b>

*Michelle Bennett*

Ok to receive Payment 02/01/2022

**Detail Credit Note**

**Please be advised that the following swaps have priced out**

Trade ID	Trade Date	Swap	Quantity	We Pay	You Pay	Amount Due
22323315	Dec-08-2020	Swap - We Pay "Natural Gas GAS DAILY Southern NG Co." Jan 3-31, 2022, You Pay Fixed	15,004 MMBT	Float 4.1924	Fixed 2.50	(25,392.7696) USD

**Total Due From Morgan Stanley Capital Group Inc. in USD (25,392.77)**

Due Date: Feb-07-2022





# FLORIDA GAS TRANSMISSION COMPANY, LLC

An Energy Transfer/Kinder Morgan Affiliate

Invoice

Final

<b>Stmnt D/T:</b>	2/9/2022 12:00:00 AM	<b>Remit to Party:</b>	006924518	<b>Payee:</b>	006924518
<b>Billable Party:</b>	091306597		FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT	<b>Payee's Bank Account Number:</b>	Account # 9600168869
	Reedy Creek Improvement District LISA MEARS P.O. Box 10000	<b>Remit Addr:</b>	P.O. BOX 204032 Dallas, TX 75320-4032	<b>Payee's Bank ACH Number:</b>	ABA # 041203824
				<b>Payee's Bank Wire Number:</b>	ABA # 121000248
				<b>Payee's Bank:</b>	Wells Fargo Bank NA
				<b>Payee's Name:</b>	FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT
				<b>Contact Name:</b>	Sharon Pyburn
	Lake Buena Vista, FL 32830			<b>Contact Phone:</b>	(713) 989-2093

<b>Svc Req Name:</b>	Reedy Creek Improvement District	<b>Invoice Date:</b>	2/10/2022	<b>Invoice Total Amount:</b>	\$2,774.21
<b>Svc Req:</b>	091306597	<b>Sup Doc Ind:</b>	Shipper Imbalance	<b>Invoice Identifier:</b>	000390583
<b>Svc Req K:</b>	3631	<b>Charge Indicator:</b>	Bill on Deliveries	<b>Account Number:</b>	1000038860
<b>Svc Code:</b>	FTS-2	<b>Prev Inv ID:</b>		<b>Net Due Date:</b>	02/18/2022
<b>Invoice Type:</b>	COMMODITY				

**Begin Transaction Date:** 1/1/2022      **End Transaction Date:** 1/31/2022      Please reference your invoice identifier and your account number in your wire transfer.

Line No	Rec Loc	Rec Loc Name	Rec Zn	Del Loc	Del Loc Name	Del Zn	Charge Type	Base Rate	Base Rate Disc	Net Rate	Quantity	Amount Due	Date Range	TT
1			16174		Reedy Creek Resid		MARKET							
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	21,235	\$439.56	1-31	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	21,235	\$25.48	1-31	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	21,235	\$271.81	1-31	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	21,235	\$233.59	1-31	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	21,235	\$125.29	1-31	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	21,235	\$25.48	1-31	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	21,235	(\$65.83)	1-31	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	21,235	\$129.53	1-31	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	21,235	\$53.09	1-31	
												\$1,238.00		
2			16175		Reedy Creek Theme		MARKET							
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	26,350	\$545.45	1-31	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	26,350	\$31.62	1-31	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	26,350	\$337.28	1-31	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	26,350	\$289.85	1-31	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	26,350	\$155.47	1-31	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	26,350	\$31.62	1-31	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	26,350	(\$81.69)	1-31	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	26,350	\$160.74	1-31	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	26,350	\$65.88	1-31	
												\$1,536.21		

**Invoice Total Amount: 47,585 \$2,774.21**

Late Payment Charges are assessed on past due balances after the invoice date. Shippers may voluntarily choose to contribute to GRI. All contribution payments must be clearly and specifically marked as 'GRI Contributions', and the GRI Project(s) or Project Area(s) to be funded must be indicated on the payment detail, which should be emailed to your Gas Logistics Representative.



# FLORIDA GAS TRANSMISSION COMPANY, LLC

An Energy Transfer/Kinder Morgan Affiliate

Invoice

Final

<b>Stmnt D/T:</b>	2/9/2022 12:00:00 AM	<b>Remit to Party:</b>	006924518	<b>Payee:</b>	006924518
<b>Billable Party:</b>	091306597		FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT	<b>Payee's Bank Account Number:</b>	Account # 9600168869
	Reedy Creek Improvement District LISA MEARS P.O. Box 10000	<b>Remit Addr:</b>	P.O. BOX 204032 Dallas, TX 75320-4032	<b>Payee's Bank ACH Number:</b>	ABA # 041203824
				<b>Payee's Bank Wire Number:</b>	ABA # 121000248
				<b>Payee's Bank:</b>	Wells Fargo Bank NA
				<b>Payee's Name:</b>	FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT
	Lake Buena Vista, FL 32830			<b>Contact Name:</b>	Sharon Pyburn
				<b>Contact Phone:</b>	(713) 989-2093

<b>Svc Req Name:</b>	Reedy Creek Improvement District	<b>Invoice Date:</b>	2/10/2022	<b>Invoice Total Amount:</b>	\$25,784.22
<b>Svc Req:</b>	091306597	<b>Sup Doc Ind:</b>	Shipper Imbalance	<b>Invoice Identifier:</b>	000390593
<b>Svc Req K:</b>	5114	<b>Charge Indicator:</b>	Bill on Deliveries	<b>Account Number:</b>	1000038860
<b>Svc Code:</b>	FTS-1	<b>Prev Inv ID:</b>		<b>Net Due Date:</b>	02/18/2022
<b>Invoice Type:</b>	COMMODITY				

**Begin Transaction Date:** 1/1/2022      **End Transaction Date:** 1/31/2022      Please reference your invoice identifier and your account number in your wire transfer.

Line No	Rec Loc	Rec Loc Name	Rec Zn	Del Loc	Del Loc Name	Del Zn	Charge Type	Base Rate	Base Rate Disc	Net Rate	Quantity	Amount Due	Date Range	TT
1			16174		Reedy Creek Resid		MARKET							
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	56,047	\$1,160.17	1-31	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	56,047	\$67.26	1-31	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	56,047	\$717.40	1-31	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	56,047	\$616.52	1-31	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	56,047	\$330.68	1-31	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	56,047	\$67.26	1-31	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	56,047	(\$173.75)	1-31	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	56,047	\$341.89	1-31	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	56,047	\$140.12	1-31	
												\$3,267.54		
2			16175		Reedy Creek Theme		MARKET							
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	51,846	\$1,073.21	1-31	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	51,846	\$62.22	1-31	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	51,846	\$663.63	1-31	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	51,846	\$570.31	1-31	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	51,846	\$305.89	1-31	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	51,846	\$62.22	1-31	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	51,846	(\$160.72)	1-31	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	51,846	\$316.26	1-31	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	51,846	\$129.62	1-31	
												\$3,022.62		
3			16257		Reedy Creek Gen		MARKET							
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	52,941	\$1,095.88	1-31	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	52,941	\$63.53	1-31	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	52,941	\$677.64	1-31	

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# FLORIDA GAS TRANSMISSION COMPANY, LLC

An Energy Transfer/Kinder Morgan Affiliate

Invoice

Final

<b>Stmnt D/T:</b>	2/9/2022 12:00:00 AM	<b>Remit to Party:</b>	006924518	<b>Payee:</b>	006924518
<b>Billable Party:</b>	091306597		FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT	<b>Payee's Bank Account Number:</b>	Account # 9600168869
	Reedy Creek Improvement District LISA MEARS P.O. Box 10000	<b>Remit Addr:</b>	P.O. BOX 204032 Dallas, TX 75320-4032	<b>Payee's Bank ACH Number:</b>	ABA # 041203824
				<b>Payee's Bank Wire Number:</b>	ABA # 121000248
				<b>Payee's Bank:</b>	Wells Fargo Bank NA
				<b>Payee's Name:</b>	FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT
	Lake Buena Vista, FL 32830			<b>Contact Name:</b>	Sharon Pyburn
				<b>Contact Phone:</b>	(713) 989-2093

<b>Svc Req Name:</b>	Reedy Creek Improvement District	<b>Invoice Date:</b>	2/10/2022	<b>Invoice Total Amount:</b>	\$25,784.22
<b>Svc Req:</b>	091306597	<b>Sup Doc Ind:</b>	Shipper Imbalance	<b>Invoice Identifier:</b>	000390593
<b>Svc Req K:</b>	5114	<b>Charge Indicator:</b>	Bill on Deliveries	<b>Account Number:</b>	1000038860
<b>Svc Code:</b>	FTS-1	<b>Prev Inv ID:</b>		<b>Net Due Date:</b>	02/18/2022
<b>Invoice Type:</b>	COMMODITY				

**Begin Transaction Date:** 1/1/2022      **End Transaction Date:** 1/31/2022      Please reference your invoice identifier and your account number in your wire transfer.

Line No	Rec Loc	Rec Loc Name	Rec Zn	Del Loc	Del Loc Name	Del Zn	Charge Type	Base Rate	Base Rate Disc	Net Rate	Quantity	Amount Due	Date Range	TT
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	52,941	\$582.35	1-31	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	52,941	\$312.35	1-31	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	52,941	\$63.53	1-31	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	52,941	(\$164.12)	1-31	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	52,941	\$322.94	1-31	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	52,941	\$132.35	1-31	
												\$3,086.46		
4	28712	Osceola Co-PGS			MARKET									
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	2,200	\$45.54	13-13	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	2,200	\$2.64	13-13	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	2,200	\$28.16	13-13	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	2,200	\$24.20	13-13	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	2,200	\$12.98	13-13	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	2,200	\$2.64	13-13	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	2,200	(\$6.82)	13-13	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	2,200	\$13.42	13-13	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	2,200	\$5.50	13-13	
												\$128.26		
5	28712	Osceola Co-PGS			MARKET									
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	726	\$15.03	25-25	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	726	\$0.87	25-25	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	726	\$9.29	25-25	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	726	\$7.99	25-25	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	726	\$4.28	25-25	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	726	\$0.87	25-25	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	726	(\$2.25)	25-25	

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Invoice

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<b>Billable Party:</b>	091306597		FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT	<b>Payee's Bank Account Number:</b>	Account # 9600168869
	Reedy Creek Improvement District LISA MEARS P.O. Box 10000	<b>Remit Addr:</b>	P.O. BOX 204032 Dallas, TX 75320-4032	<b>Payee's Bank ACH Number:</b>	ABA # 041203824
				<b>Payee's Bank Wire Number:</b>	ABA # 121000248
				<b>Payee's Bank:</b>	Wells Fargo Bank NA
				<b>Payee's Name:</b>	FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT
	Lake Buena Vista, FL 32830			<b>Contact Name:</b>	Sharon Pyburn
				<b>Contact Phone:</b>	(713) 989-2093

<b>Svc Req Name:</b>	Reedy Creek Improvement District	<b>Invoice Date:</b>	2/10/2022	<b>Invoice Total Amount:</b>	\$25,784.22
<b>Svc Req:</b>	091306597	<b>Sup Doc Ind:</b>	Shipper Imbalance	<b>Invoice Identifier:</b>	000390593
<b>Svc Req K:</b>	5114	<b>Charge Indicator:</b>	Bill on Deliveries	<b>Account Number:</b>	1000038860
<b>Svc Code:</b>	FTS-1	<b>Prev Inv ID:</b>		<b>Net Due Date:</b>	02/18/2022
<b>Invoice Type:</b>	COMMODITY				

**Begin Transaction Date:** 1/1/2022      **End Transaction Date:** 1/31/2022      Please reference your invoice identifier and your account number in your wire transfer.

Line No	Rec Loc	Rec Loc Name	Rec Zn	Del Loc	Del Loc Name	Del Zn	Charge Type	Base Rate	Base Rate Disc	Net Rate	Quantity	Amount Due	Date Range	TT
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	726	\$4.43	25-25	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	726	\$1.82	25-25	
												\$42.33		
6		28712		Osceola Co-PGS			MARKET							
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	500	\$10.35	31-31	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	500	\$0.60	31-31	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	500	\$6.40	31-31	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	500	\$5.50	31-31	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	500	\$2.95	31-31	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	500	\$0.60	31-31	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	500	(\$1.55)	31-31	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	500	\$3.05	31-31	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	500	\$1.25	31-31	
												\$29.15		
7		61237		Kissimmee Cane Island			MARKET							
		Transportation Commodity					COT	\$0.0207	\$0.0000	\$0.0207	278,008	\$5,754.77	1-31	
		Surcharge: Annual Charge Adjustment					ACA	\$0.0012	\$0.0000	\$0.0012	278,008	\$333.61	1-31	
		Surcharge: Market Area Electric Power Cost					EPC-M	\$0.0128	\$0.0000	\$0.0128	278,008	\$3,558.50	1-31	
		Surcharge: Western Division Electric Power Cost					EPC-W	\$0.0110	\$0.0000	\$0.0110	278,008	\$3,058.09	1-31	
		Surcharge: LAUF Gas Deferred Surcharge					UFL	\$0.0059	\$0.0000	\$0.0059	278,008	\$1,640.25	1-31	
		Surcharge: Market Area Deferred Electric Power Cost Surcharge					UFM-E	\$0.0012	\$0.0000	\$0.0012	278,008	\$333.61	1-31	
		Surcharge: Market Area Deferred Gas Fuel Surcharge					UFM-G	(\$0.0031)	\$0.0000	(\$0.0031)	278,008	(\$861.82)	1-31	
		Surcharge: Western Division Deferred Electric Power Cost Surcharge					UFW-E	\$0.0061	\$0.0000	\$0.0061	278,008	\$1,695.85	1-31	
		Surcharge: Western Division Deferred Gas Fuel Surcharge					UFW-G	\$0.0025	\$0.0000	\$0.0025	278,008	\$695.02	1-31	
												\$16,207.87		

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An Energy Transfer/Kinder Morgan Affiliate

Invoice

Final

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	Reedy Creek Improvement District LISA MEARS P.O. Box 10000	<b>Remit Addr:</b>	P.O. BOX 204032 Dallas, TX 75320-4032	<b>Payee's Bank ACH Number:</b>	ABA # 041203824
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				<b>Payee's Bank:</b>	Wells Fargo Bank NA
				<b>Payee's Name:</b>	FLORIDA GAS TRANSMISSION CO LLC DISBURSEMENT
				<b>Contact Name:</b>	Sharon Pyburn
	Lake Buena Vista, FL 32830			<b>Contact Phone:</b>	(713) 989-2093

<b>Svc Req Name:</b>	Reedy Creek Improvement District	<b>Invoice Date:</b>	2/10/2022	<b>Invoice Total Amount:</b>	\$25,784.22
<b>Svc Req:</b>	091306597	<b>Sup Doc Ind:</b>	Shipper Imbalance	<b>Invoice Identifier:</b>	000390593
<b>Svc Req K:</b>	5114	<b>Charge Indicator:</b>	Bill on Deliveries	<b>Account Number:</b>	1000038860
<b>Svc Code:</b>	FTS-1	<b>Prev Inv ID:</b>		<b>Net Due Date:</b>	02/18/2022
<b>Invoice Type:</b>	COMMODITY				

<b>Begin Transaction Date:</b>	1/1/2022	<b>End Transaction Date:</b>	1/31/2022	Please reference your invoice identifier and your account number in your wire transfer.	
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<b>Invoice Total Amount:</b>	<b>442,268</b>	<b>\$25,784.22</b>
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**REEDY CREEK  
IMPROVEMENT DISTRICT**

P.O. BOX 10170, LAKE BUENA VISTA, FLORIDA 32830-0170, TELEPHONE (407) 824-7301

## **MEMORANDUM**

**DATE: February 14, 2022**

**TO: John Classe**

**FROM: C. Michael Crikis**

**SUBJECT: Monthly Report for January 2022**

---

The following is a summary of the activities completed by Environmental Sciences in the month of January 2022:

### Regulatory Activities – sampling and testing

- 341 sites were visited.
- 1,473 samples were collected or delivered.
- 2,896 tests were assigned.
- The evaluation results for the Non-Potable Water Proficiency Testing samples for General Chemistry and Metals analysis were received with a 100% successful completion. Non-Potable Water Proficiency Testing samples for Microbiology and Color were received.

### Mosquitoes Monitoring

- 121 traps were set up in 30 locations.
- 3,237 mosquitoes were identified.
- Decreased rainfall resulted in a decline in mosquito populations over the month of January.

### Meetings and Educational Sessions Participation

- Attended a Florida Society of Environmental Scientists webinar on Sample Documentation and Custody.
- Participated in judging of the Science Fair on Animal Sciences, Earth, Environmental Sciences & Microbiology at the Robert L. Stevenson School of Arts in Merritt Island.

- Attended the Florida Department of Environmental Protection Central for Regional Operations Center's 2022 Strategic Monitoring Plan Meeting.

#### Anniversary

- No anniversaries

CC: RCID Pollution Control Board

# Pollution Control Quarterly Report

## Fourth Quarter 2021 (October– December)

### General Information

During the fourth quarter of 2021, 3,212 samples were collected or delivered from 677 sample sites. A total of 19,071 tests were performed, of which 12,801 or 67% of the total tests were from surface waters.

### Water Quality

Surface water quality within RCID is measured according to criteria in Chapter 62-302 of the Florida Administrative Code (FAC) and Numeric Nutrient Criteria specifically for Class III recreational waters. The Reedy Creek watershed includes a large wetland system, which typically has low alkalinity, dissolved oxygen and pH. These parameters may fall outside Chapter 62 FAC water quality criteria, but are not indicative of impairment or pollution.

### Routine Monitoring

Environmental Sciences monitored a number of sample locations for permit compliance as well as routine monitoring of surface water and stormwater outfalls and inflows to property.

- Swimming beaches and areas open to the public met FAC guidelines for bathing places for all locations tested.
- Out of the 12,801 surface water tests performed, over 98% of tests analyzed met the FAC 62-302 and Numeric Nutrient Criteria guidelines with the following few exceptions (see maps for additional information):
  - **Nitrogen** results were elevated at nine locations:
    - 1 location in the L-407A canal downstream of structure S-407;
    - 1 location in the upper portion of the Pilot Canal;
    - 1 Celebration Village outfall location;
    - 1 wetland outfall location at Bear Island Road near L-405;
    - 2 locations within the L-401A canal (3 exceedances); and
    - 3 locations within the L-405 canal (4 exceedances).
  - Elevated **phosphorus** results were present at the following five locations:
    - 1 offsite, upstream location southeast of I-4; and
    - 4 Celebration Village outfalls.
  - An **E.coli** exceedance based on a single sample occurred at only one site in the sampling area during the fourth quarter. This exceedance was recorded in the southern portion of Reedy Creek in the vicinity of a known wildlife roosting area.
  - **Chlorophyll-a** results were elevated at eight sample locations within four water bodies as follows:
    - 1 location in the L-407A canal above structure S-407;
    - 1 property outfall location north of US 192;
    - 3 locations in the Village Lake system; and
    - 3 locations in the Seven Seas Lagoon system (4 exceedances).
  - **pH** readings at numerous locations across property fell outside the specified criteria. All samples collected within the District jurisdiction remained consistent with historical limits. The total pH exceedances were significantly reduced after the third quarter peak which was also historically on trend for seasonality influence.



## Routine Monitoring Continued

- **Total alkalinity** results were outside of regulatory limits for thirteen locations (14 exceedances) collected across property. The exceedances were spread throughout property; however, over half of the exceedances were once again located along the northwest perimeter canal and areas directly downstream. All results remained consistent with historical readings; however, staff will continue to monitor and analyze results to determine if a trend is emerging in the northwest area.
- The number of criteria exceptions for **dissolved oxygen** measurements (for single site/event) decreased from the third quarter spike which was likely due to unusual weather conditions. The number of exceedances during the fourth quarter is more reflective of the historical readings for the systems monitored.
- **Copper** results were elevated at three sample sites (4 exceedances).
  - 1 location in the L-407A canal above structure S-407;
  - 1 Golden Oak outfall location within the upper C-1 canal system; and
  - 1 location in the C-1 canal north of Buena Vista Drive.
- Minor **iron** exceedances were noted at two sample locations. One location was in the L-407A canal downstream of the S-407 structure and the other was at a Golden Oak outfall location. Both exceedances were near metal drainage structures and future results will be monitored to determine whether further action is warranted.
- Minor **beryllium** exceedances were also noted at three locations during fourth quarter. The locations include:
  - 1 location near the pump at the northern end of the C-1 canal; and
  - 2 locations along the northwestern segment of the perimeter canal.



C-6, 11/16/21  
*Alkalinity, Copper, and pH exceedances*



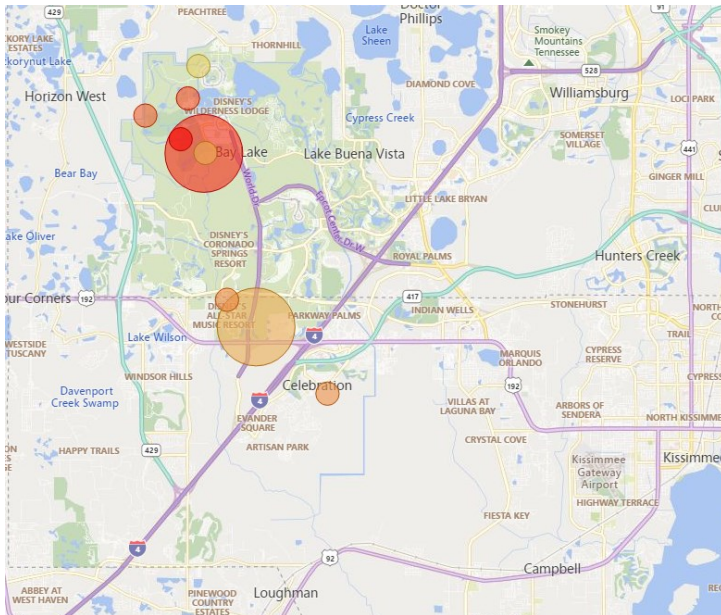
RC-13L, 11/30/2021  
*No exceedances*



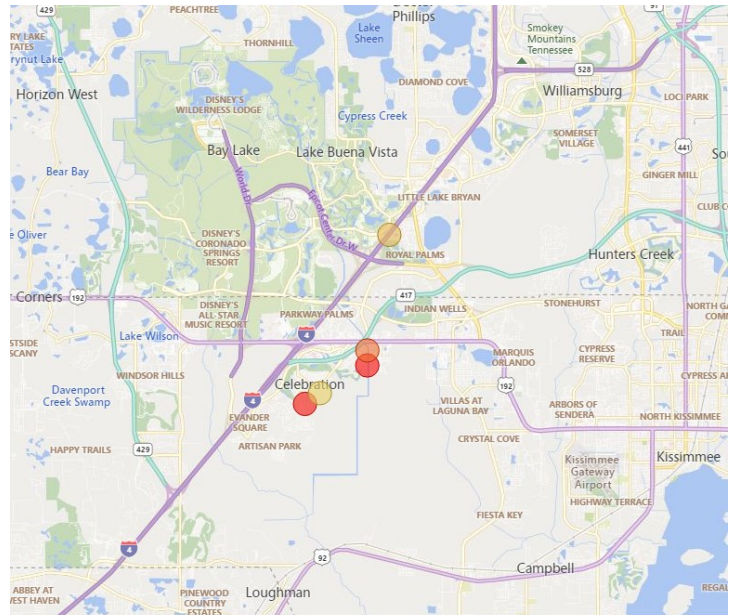
# Pollution Control Quarterly Report Fourth Quarter 2021 (October– December)

## Water Quality Outside of Guideline Limits

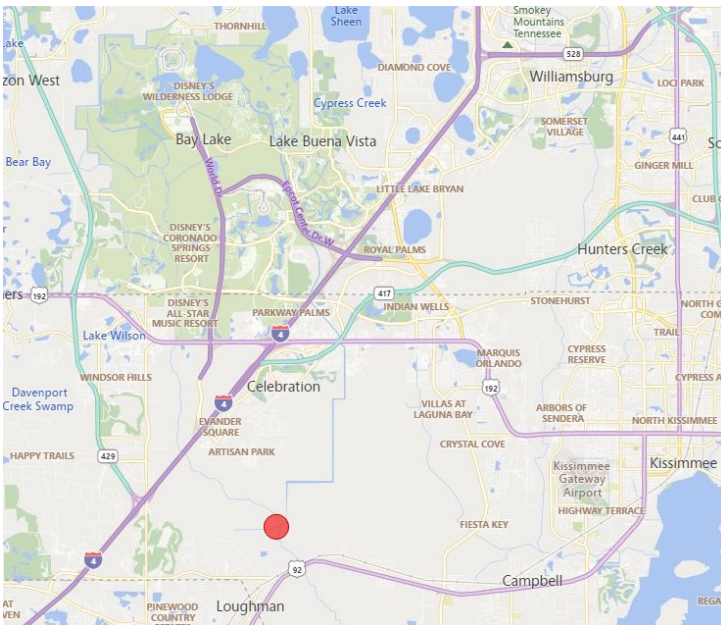
Color Gradient Scale



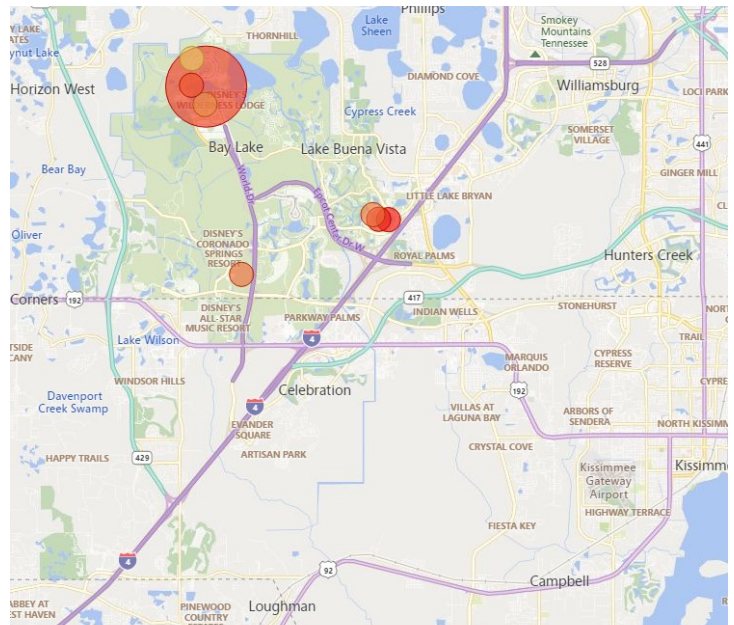
**Total Nitrogen (n=11 out of 151, 7.3%)**  
9 Sample Sites  
Larger dot size = multiple exceedances at the same sample site



**Total Phosphorus (n=5 out of 162, 3.1%)**  
5 Sample Sites



**E.coli (n=1 out of 144, 0.1%)**  
1 Sample Site



**Chlorophyll-a (n=8 out of 137, 5.8%)**  
4 Waterbody Locations  
Larger dot size = multiple exceedances at the same sample site

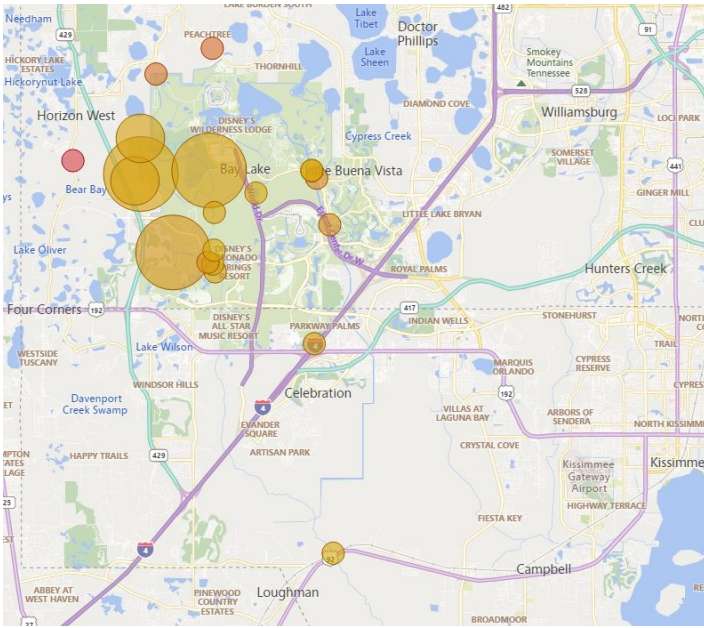
RCID monitors hundreds of water quality sample sites on a daily, weekly, monthly & quarterly basis. These maps only display those sites that are not within the 62-302 FAC or Numeric Nutrient criteria for a single event during the indicated time period. Not all sites displayed are ambient or subject to the water quality criterion noted.



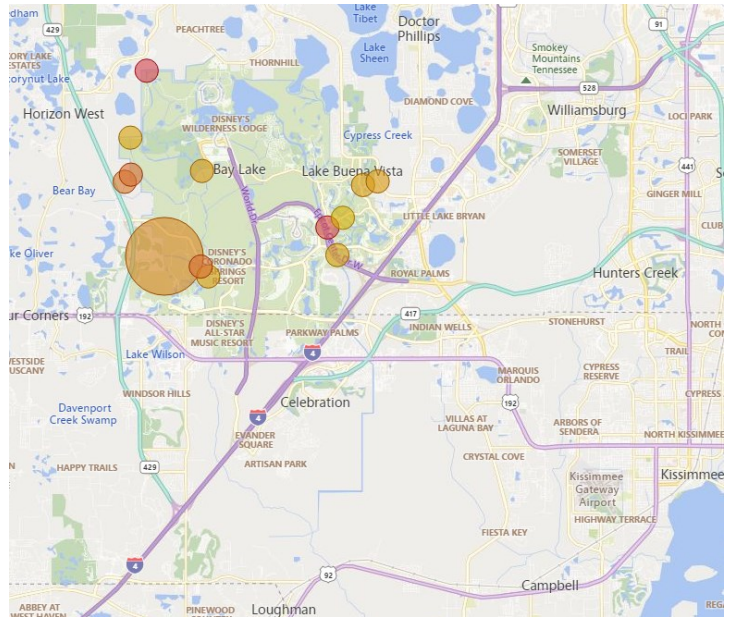
# Pollution Control Quarterly Report Fourth Quarter 2021 (October– December)

## Water Quality Outside of Guideline Limits

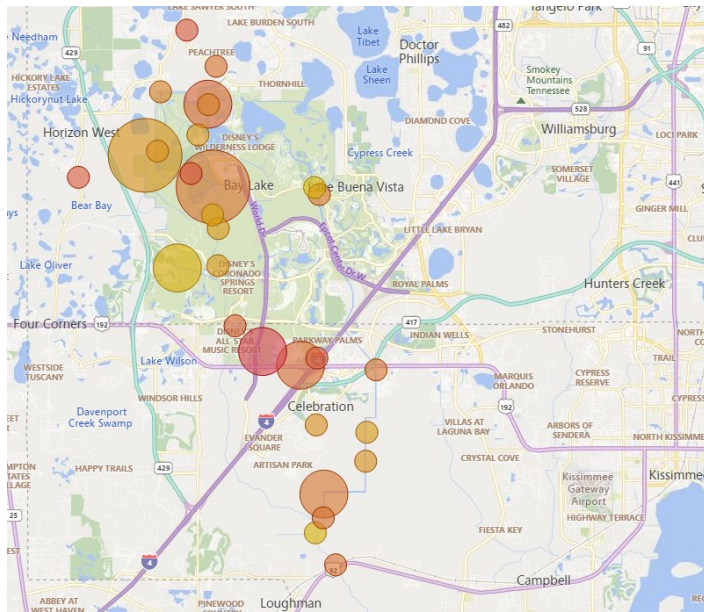
Color Gradient Scale



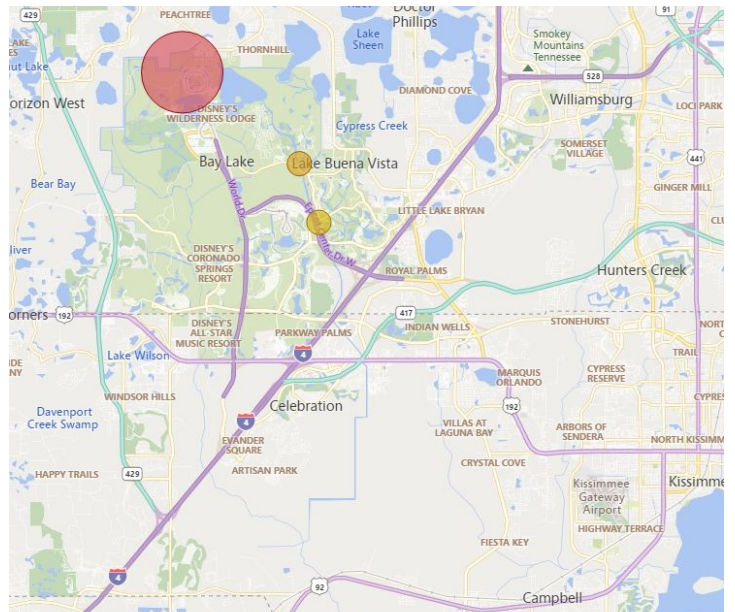
**pH** (n=28 out of 182, 15.4%)  
20 Sample Sites  
Larger dot size = multiple exceedances at the same sample site



**Alkalinity** (n=14 out of 105, 13.3%)  
13 Sample Sites  
Larger dot size = multiple exceedances at the same sample site



**Percent Dissolved Oxygen Saturation** (n=38 out of 178, 21.3%)  
29 Sample Sites  
Larger dot size = multiple exceedances at the same sample site



**Copper** (n=4 out of 83, 4.8%)  
3 Sample Sites  
Larger dot size = multiple exceedances at the same sample site

RCID monitors hundreds of water quality sample sites on a daily, weekly, monthly & quarterly basis. These maps only display those sites that are not within the 62-302 FAC or Numeric Nutrient criteria for a single event during the indicated time period. Not all sites displayed are ambient or subject to the water quality criterion noted.

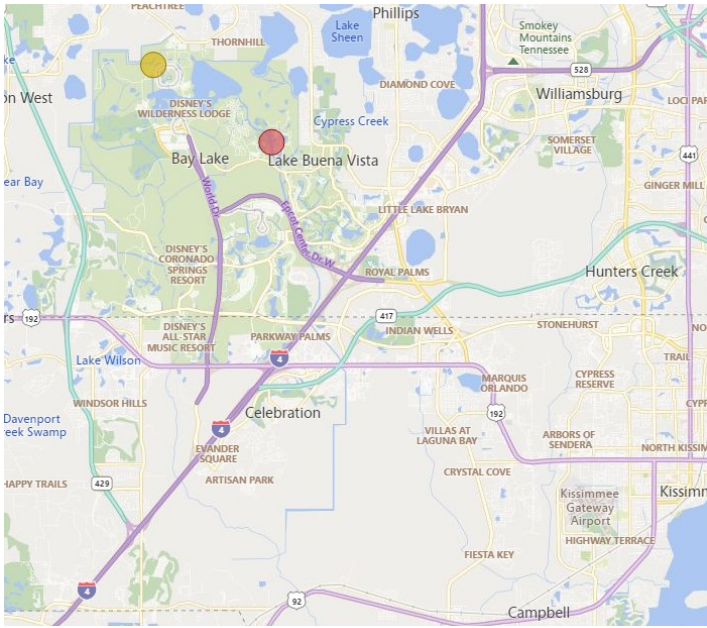
\*The Reedy Creek Watershed includes a large wetland system which naturally has low alkalinity, dissolved oxygen, & pH. These parameters may fall outside of 62-302 water quality criteria, but are not indicative of impairment or pollution.



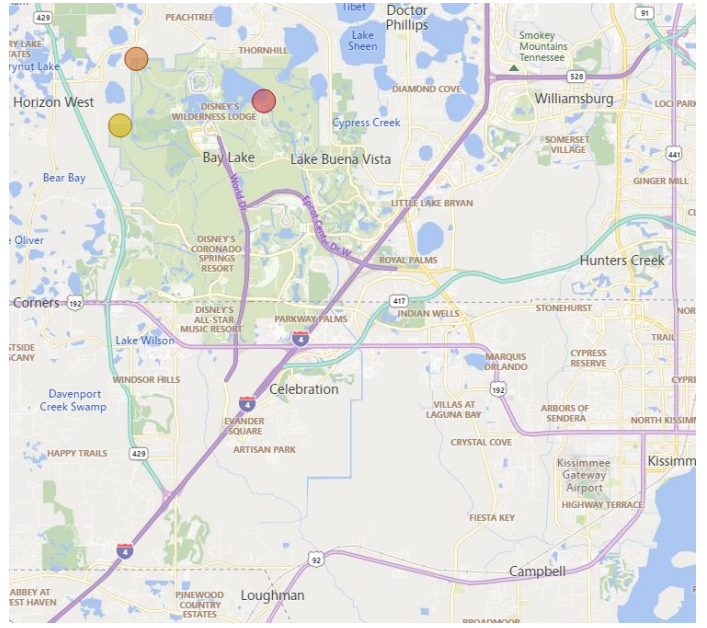
# Pollution Control Quarterly Report Fourth Quarter 2021 (October– December)

## Water Quality Outside of Guideline Limits

Color Gradient Scale



Iron (n=2 out of 96, 2.1%)  
2 Sample Sites



Beryllium (n=3 out of 96, 5.2%)  
3 Sample Sites



RC-14, 12/07/21  
*E.coli* exceedance

RCID monitors hundreds of water quality sample sites on a daily, weekly, monthly & quarterly basis. These maps only display those sites that are not within the 62-302 FAC or Numeric Nutrient criteria for a single event during the indicated time period. Not all sites displayed are ambient or subject to the water quality criterion noted.

# Pollution Control Quarterly Report

## Fourth Quarter 2021 (October– December)

### Macroinvertebrate Monitoring

During the fourth quarter of 2021, the Macroinvertebrate Biology Department completed a total of twenty macroinvertebrate assessments, including five Lake Condition Index (LCI) samples, one MS4-related Stream Condition Index (SCI) assessment, and fifteen MHD (Modified Hester-Dendy Multiplate Sampler) collections. The results of the completed bioassessments within district or jurisdictional waters are shown in the following table.

As indicated, most results from the fourth quarter were normal or better than normal. However, results from the October samples of the Lake Buena Vista system were below normal. This was probably due to herbicide treatments carried out on the system shortly before sampling took place and is likely a temporary depression in the biological community. The November sample from Bay Lake was slightly below normal, but certainly not below historic levels. Future sampling will clarify these results. Overall, these results suggest stable environmental conditions.

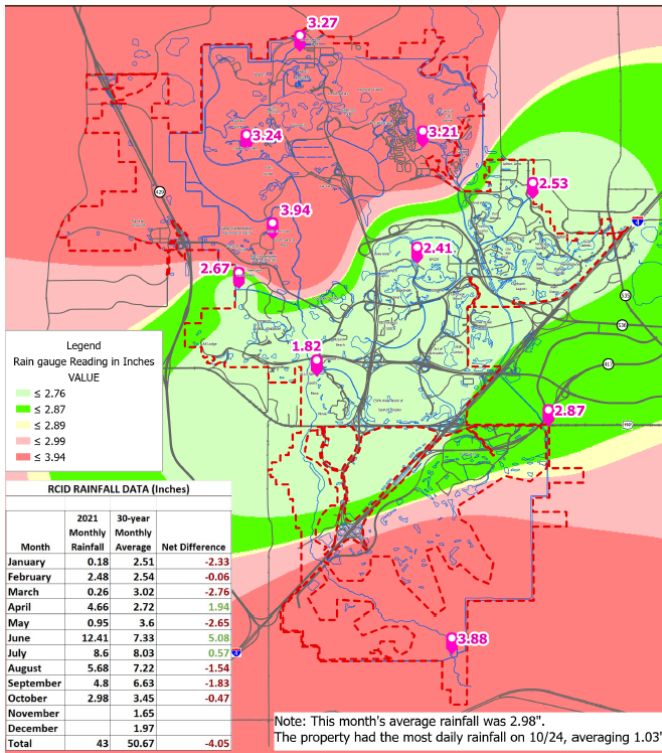
Aquatic macroinvertebrate data are used as tools for measuring the health of the biological communities and for determining long-term quality of the lakes and streams.

SITE	DESCRIPTION	DATE	TYPE	RESULTS
BV-VCOMP	Lake Buena Vista system	10/11/21	LCI	Results below normal; LCI score 24
RC-13B	Reedy Creek upstream of I-4	10/26/21	SCI/RPS/LVS	Normal (excellent) results; SCI score 83
C-10B	C-1 Canal above I-4	11/1/21	MHD	Normal results
STW-4M	Reedy Creek just north of US 192	11/1/21	MHD	Normal results
C-3B	C-1 Canal at Vista Blvd.	11/2/21	MHD	Normal results
L-BCOMP	Bay Lake	11/8/21	LCI	Slightly below normal; LCI score 59
L-SCOMP	Seven Seas Lagoon system	11/8/21	LCI	Better than normal; LCI score 71
RC-11	Reedy Creek below L-410 canal	11/10/21	MHD	Normal results
RC-19A	Reedy Creek Canal at the force main	11/10/21	MHD	Normal results
C-15	C-1 Canal south of US 192	11/15/21	MHD	Normal results
RC-14M	Reedy Creek just below C-1 canal	11/15/21	MHD	Better than normal
RC-13B	Reedy Creek upstream of I-4	11/23/21	MHD	Normal results
RC-13D	Reedy Creek at powerline crossing south of Celebration	12/7/21	MHD	Normal results
RC-16A	Davenport Creek just NE of powerline vehicle path	12/7/21	MHD	Normal results
RC-6B	Whittenhorse Creek at wooden bridge	12/14/21	MHD	Normal results
RC-7	Reedy Creek Canal downstream of Bear Island Road	12/14/21	MHD	Normal results
STW-1M (MS4)	Cypress Creek above Vista Blvd.	12/20/21	MHD	Normal results
C-5M	Cypress Creek Canal	12/20/21	MHD	Normal results

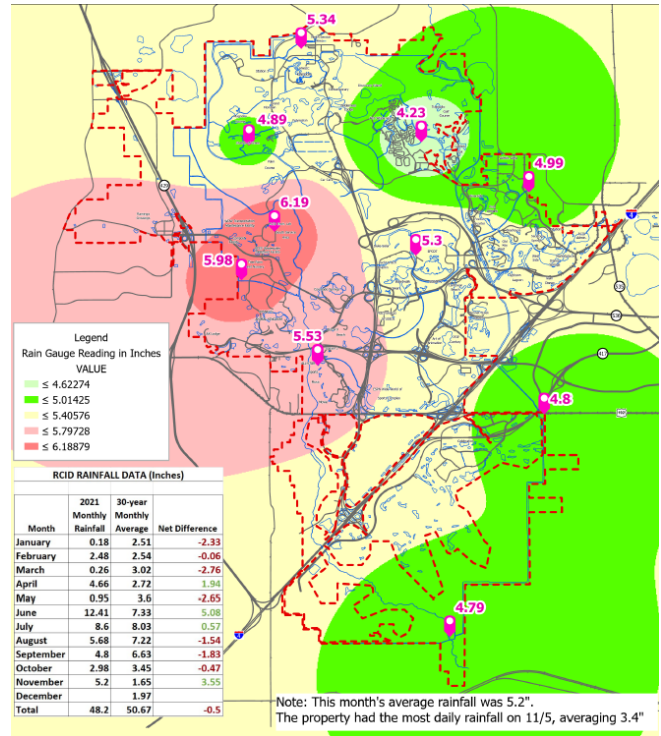
# Pollution Control Quarterly Report

## Fourth Quarter 2021 (October– December)

### District Rainfall Summary

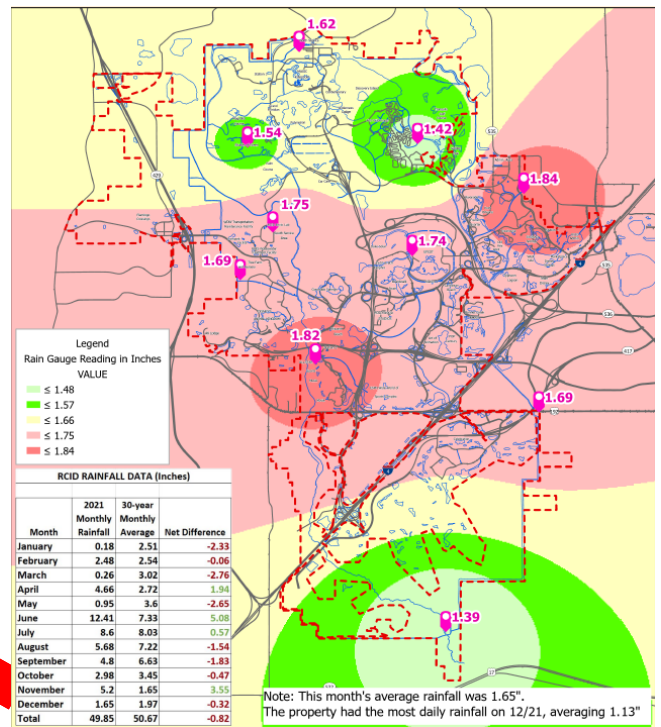


October 2021



November 2021

RCID RAINFALL DATA (Inches)			
Month	2021 Monthly Rainfall	30-year Monthly Average	Net Difference
January	0.18	2.51	-2.33
February	2.48	2.54	-0.06
March	0.26	3.02	-2.76
April	4.66	2.72	1.94
May	0.95	3.6	-2.65
June	12.41	7.33	5.08
July	8.6	8.03	0.57
August	5.68	7.22	-1.54
September	4.8	6.63	-1.83
October	2.98	3.45	-0.47
November	5.2	1.65	3.55
December	1.65	1.97	-0.32
Total	49.85	50.67	-0.82



December 2021



# **Human Resources**

## **February 2022**

### **Open Positions**

- *Fire Dept.*
  - Firefighter/Paramedic – Accepting applications
  - Paramedic – Accepting Applications
  - Battalion Chief – Assessments/Evaluations in progress
- *Building & Safety*
  - Electrical Inspector – Accepting applications, interviews in progress
  - Electrical Plans Examiner – Accepting applications
- *Technology Services*
  - Sr. Systems Administrator – Onbase – Accepting applications
  - IT Program Manager – Accepting applications
- *District Administration*
  - Executive Assistant – City Clerk – Accepting internal applications
  - Chief of Public Works – Evaluating final candidates
- *Finance*
  - Accounting Associate – Interviews in progress

### **Filled Positions:**

- *Fire Dept.*
  - Battalion Chief (2) – Two Internal Employee Promotions – Effective 2/6/22
- *Facilities*
  - Administrative Assistant – New Hire Started 2/14/22
  - Service Technician, Fleet Maintenance – New Hire Started 2/14/22
  - Facility Maintenance Specialist – Candidate Selected, Offer Approvals in Process
- *District Administration*
  - Executive Assistant – District Clerk – Internal Employee Promotion – Effective 1/30/22

### **Resignations/Retirements**

- Suzan Abdurrahman – IT Program Manager – Technology Services – Resignation effective 2/18/22
- Wanda Siskron – Executive Assistant – District Clerk – Resignation effective 1/31/22
- Al Falkowski – Communicator – Fire Dept. – Retirement effective 1/31/22



P.O. Box 10170  
Lake Buena Vista, FL 32830-0170  
(407) 828-2034

**To: John Classe**

**February 3, 2022**

**From: Jerry Wooldridge**

**Subject: Monthly Report – January, 2022**

**Department: Building & Safety**

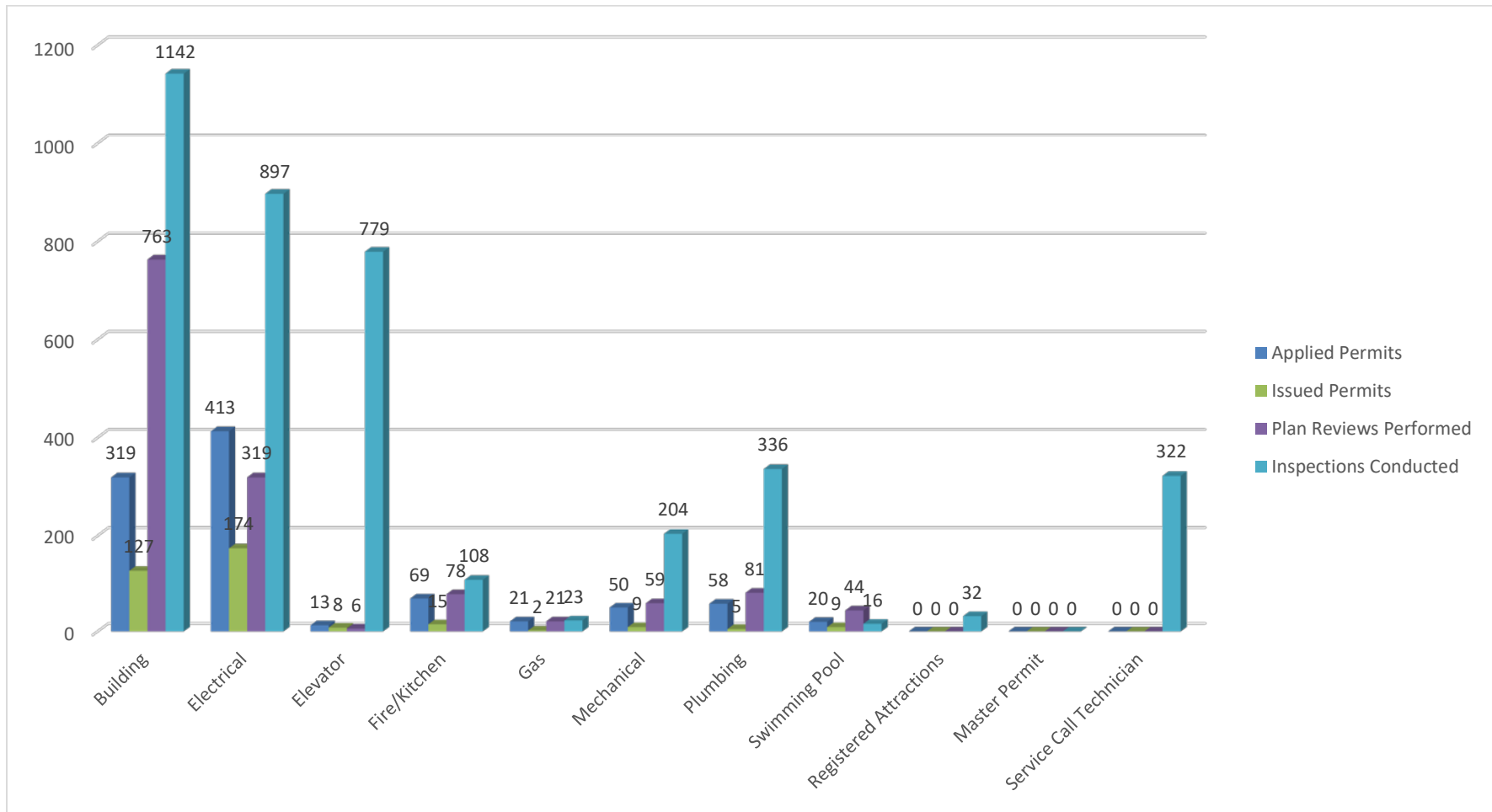
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**Regulatory Activities:**

- Certificate of Occupancy Issued:
  - Star Wars: Galactic Starcruiser- Administration Building
  - Polynesian Guestroom Renovation - Bldg 07
  - Main Street Baby Care Refresh
  - Melissa Tenant Space Remodel
- Certificate of Construction Completion Issued:
  - C2 Hotel
  - Canada Domestic Water Piping Replacement
  - Contemporary Hotel Fiber Optic Upgrade
  - Coronado Springs Casitas 4 Chiller Replacement
  - Coronado Springs Ranchos Bldg 03(7B) Chiller Replacement
  - CS Cabanas Building 1 Chiller Replacement
  - Dolphin Hotel Elevator Modernization - East P6
  - EP Project S
  - FLO Laundry Facility Air Equipment Installation
  - GF DVC Building IDF Installation
  - Grand Floridian DVC Bldg Fiber Optic Cabling
  - Grand Floridian Meeting Facility AHU Replacement
  - Grand Floridian Meeting Facility Boiler Replacement
  - Monorail SB 1 & 2 Control Building Junction Box Install
  - Port Orleans Bldg 85 Condensing Unit Replacement
  - Project H
  - Project P - Show Set
  - Residence Inn Hotel Flamingo Crossings
  - Saratoga Springs Resort- Small Cell Node Installation
  - TL Wave North Pump Station Boiler Replacement
  - Tomorrowland Tunnel PSP Modifications



<b>Division</b>	<b>Applied Permits</b>	<b>Issued Permits</b>	<b>Plan Reviews Performed</b>	<b>Inspections Conducted</b>
Building	319	127	763	1142
Electrical	413	174	319	897
Elevator	13	8	6	779
Fire/Kitchen	69	15	78	108
Gas	21	2	21	23
Mechanical	50	9	59	204
Plumbing	58	5	81	336
Swimming Pool	20	9	44	16
Registered Attractions	0	0	0	32
Master Permit	0	0	0	0
Service Call Technician	0	0	0	322
<b>Total</b>	<b>963</b>	<b>349</b>	<b>1371</b>	<b>3859</b>



**Celebrations:**

- Work Anniversaries:
  - Henry Pruiim – 8 years, Building Inspector
  - Lisa Landsberger – 24 years, Permit Technician
  - Jeremy Thoma – 2 years, Building Inspector

**PLANNING & ENGINEERING**

**DEPARTMENT**

**JANUARY 2022**

**ACTIVITY REPORT**

**SUBMITTED BY**

**KATHRYN BOES KOLBO, P.E.**

## **REGULATORY REVIEWS**

### **BUILDING PERMIT REVIEW**

- Reviewed 91 / Approved 53
- Awaiting Approval - 38

### **CONSISTENCY / CONCEPT PLAN / SITE PLAN REVIEW**

#### 7-Eleven Flamingo Crossings

- Plans received 11/17/20. RAI #1 issued 11/24/20, response received 12/15/20; RAI #2 issued 12/23/20, response received 1/6/21; RAI #3 issued 1/6/21, awaiting response. As of December 2021, the project is no longer on hold. Revised plans were received on 12/16/21; RAI #3 issued 1/5/22. Awaiting response.

#### Epcot BOH Parking

- Consistency application received 10/24/19. Project initially placed on hold; planning review reopened 1/28/20.
- RAI #1 issued 2/25/20, awaiting response.

#### Flamingo Crossings Advent Health OSED

- Consistency application received 11/24/21. RAI #1 issued 12/2/21, response received 12/2/21. Certificate of Consistency issued 12/8/21.
- Site Plan submittal received 12/3/21. RAI #1 issued 12/17/21, response received 1/6/22 and 1/7/22; RAI #2 issued 1/12/22, awaiting response.

#### Project U

- Consistency application received 11/18/21. RAI #1 issued 11/29/21, response received 11/30/21. Under review.

#### PVR Project B

- Plans received 12/3/21. Awaiting additional information.

#### RCID Environmental Sciences Lab Phase 2 Project

- Awaiting full submittal.

### **CONCURRENCY REVIEW**

- No projects to report at this time.

### **LANDSCAPE/IRRIGATION REVIEW**

- Project 89 Area Development- (Project on hold).
- Magnolia Golf Hole 14-17 Redevelopment – Landscape/Irrigation plans received 10/28/21. RAI issued 11/18/2021, response received 1/24/22, under review.

## **ERP / STORM WATER REVIEW**

### 7-Eleven Flamingo Crossings

- Project set up 12/16/21, initial submittal 12/16/21. RAI #1 issued 12/22/21, awaiting response.

### Celebration Island Village Elementary School Modification

- Initial submittal 12/17/21. RAI #1 issued 1/3/22, response received 1/13/22.
- Submitted to SFWMD 1/24/22.

### Celebration Montessori Classroom Addition

- Project set up 6/9/21, awaiting initial submittal.

### Flamingo Crossings Advent Health OS&D

- Project set up 10/27/21, initial submittal received 11/24/21. RAI #1 issued 12/10/21, response received 1/3/22, submitted to SFWMD 1/10/22.

### Homewood Suites

- Project set up 8/16/21, initial submittal received 8/16/21. RAI #1 issued 8/23/21, response received 12/15/21. RAI #2 issued 1/4/22, under review.

### Magnolia Golf Hole 14-17 Redevelopment

- SFWMD Permit issued 7/15/21.
- Site Civil submitted 7/22/21. RAI sent 8/5/21, response received 10/18/21. RAI #2 issued 11/4/21, response received 11/10/21. RAI #3 issued 11/22/21, response received 1/24/22, under review.

### Project U

- Project set up 9/15/21, initial submittal 1/7/22. RAI #1 issued 1/24/22, awaiting response.

### PVR Project B

- Project set up 11/19/21, initial submittal 12/17/21. RAI #1 issued 12/27/21, awaiting response.

### RCID Environmental Science Lab Phase 2

- Project set up 4/23/21, initial submittal received 4/27/21. RAI #1 issued 5/11/21, response received 5/18/21; RAI #2 issued 6/14/21, response received 6/28/21; RAI #3 issued 7/21/21, response received 10/18/21; RAI #4 issued 10/28/21, response received 11/2/21.
- Submitted to SFWMD 11/15/21. RAI issued 12/13/21, response received 1/4/22, comments issued 1/12/22, response received 1/14/22, submitted to SFWMD 1/31/22.

### Swan Pool Improvements

- Project set up 5/13/19, initial submittal received 11/4/21. RAI #1 issued 12/6/21, response received 12/13/21. RAI #2 issued 12/15/21, response received 1/7/22, submitted to SFWMD 1/18/22.

### WaterStar Orlando Storm Water Management Design Major Modification.

- Project set up 9/13/21, initial submittal received 9/13/21.
- RAI # 1 issued 10/04/21, response received 11/19/21, submitted to SFWMD 12/13/21, under review as consultant waived SFWMD clock.

## **SITE CIVIL REVIEW**

### 403 Basin EC Area Development – PKG. 5 Site Development

- Project set up 4/9/20, initial submittal received 11/29/21. RAI #1 issued 12/7/21.

### Casting Building Drainage

- Initial submittal received 5/24/21. RAI #1 issued 6/3/21, response received 6/25/21; RAI #2 issued 7/2/21.

### DHS Woody's Lunch Box Prep Kitchen

- Project set up 10/13/21, initial submittal received 12/28/21. RAI #1 issued 1/13/22.

### DHS Global BOH Upgrades Gate #1

- Initial submittal 1/4/22. RAI #1 issued 1/19/22.
- Awaiting SWPPP review.

### Epcot BOH Parking

- Parking set up 10/15/19, initial submittal received 1/6/22.

### Global BOH Upgrades (DAK1 and MK1)

- Project setup 1/13/21, initial submittal received 1/18/21. RAI #1 issued 1/22/21.

### Global BOH Upgrades Project H Gate

- Initial submittal received 9/10/21. RAI #1 issued 9/23/21, response received 9/24/21.
- Awaiting SWPPP review.

### Rehabilitation of Disney's All-Star Lift Station 56

- Project set up 10/29/21, initial submittal 10/29/21, response received 10/15/21.
- Site Civil Approval issued 11/16/21.

### Sunbelt Rental Bonnet Creek Road

- Initial submittal 11/3/21. Revised submittal 11/9/21. RAI #1 issued 11/24/21, awaiting response.

### Typhoon Lagoon North Storm Drain Replacement Ph. 3

- Initial submittal 6/28/21. RAI #1 issued 7/9/21, response received 7/29/21.
- Awaiting SWPPP approval 8/6/21.
- EOR sent email on 8/31/21 stating project will be placed "on hold".

## **DEWATERING REVIEWS / INSTALLATION APPROVALS**

- Two (2) dewatering application reviewed & approved
- One (1) dewatering setup were inspected & approved for use

## **RIGHT OF WAY PERMITS ISSUED**

Permit #1820 Holiday Services Icon Christmas Tree Wide Load Trailer Moves

- Received 12/15/22, issued 1/5/22

Permit #1821 Epcot Friendship Boats Oversize

- Received 12/22/21, issued 1/10/22

Permit #1822 World Drive ROW Access

- Received 12/14/21, issued 1/27/22



## **TRIBUTARY BASIN REVIEW**

### Avalon Road Apartments

- Project set up on 2/26/21. Comments sent on 3/5/21.
- Response to comments uploaded 4/14/21.
- Agreement split into two separate agreements one for Parcels 10 & 11 and the other agreement for Avalon Road Apartments.
- Draft Agreement sent to Engineer on 9/14/21.
- Agreement combined with Waterleigh Parcels 10 & 11

### Celebration Professional Plaza

- Project set up on 2/26/20, initial submittal received 4/16/20. Permit checklist issued 4/23/20.
- Working on amendment to existing drainage agreement. Amendment sent to Grantee on 7/15/20.

### Celebration Village / Greenpoint Condos

- Project setup 3/15/21.
- Meeting with engineer on 3/31/21, engineer informed about outstanding balance for repair of RCID canal berm.
- Received check on 8/12/21 for \$41,585 for repair work on RCID canal berm.
- Approved dewatering and right-of-way permit on 10/27/21 for geotechnical investigation.

### CR 545 Intersection @ Lake Star Road

- Project set up 9/10/20, initial submittal received 9/11/20. Comments sent on 11/5/20.
- Project has been combined with Lake Star Road.
- Draft Agreement sent to County on 4/29/21.

### Everest Place

- Project set up 10/26/21, initial submittal 10/27/21. Project on hold
- Project restarted, preparing draft agreement.

### FDOT – I-4 Beyond the Ultimate Segment IA

- Project set up 5/28/20. Information submitted on 5/28/20.
- Requested additional information on 10/20/20.
- Draft Agreement sent to FDOT on 4/22/21.
- Received comments from FDOT on 5/18/21.
- Sent revised draft agreement back to FDOT on 8/12/21.
- Received comments from FDOT Legal on 1/28/22.

### Grand Royal Hotel

- Letter sent to developer on 10/26/21.
- Initial submittal 11/1/21.

### Hartzog Road Re-Alignment

- Project set up 9/19/19.
- Construction Plans submitted on 3/19/20. Comments sent to engineer on 3/30/20.
- Resubmittal received 5/23/20. Draft agreement under review.

### Home2 Suites

- Project setup 11/9/20, initial submittal received 11/12/20, comment sent 11/17/20. Additional information received 1/12/21.
- Draft agreement sent to engineer on 4/14/21; received comments 9/21/21, comments under review by RCID
- Response to Grantee comments sent 10/5/21.

## TRIBUTARY BASIN REVIEW (CONTINUED)

### JAMA – PD

- Initial submittal received 1/11/18. RAI #1 issued 1/12/18.
- Waiting for response from engineer on draft agreement, issued March 2019.
- Referred to RCID Legal Counsel on 3/3/20.
- Forwarded revised agreement to Mr. Ahmed on 3/12/20 with suggested payment plan.

### KRPC Hartzog Road

- Project setup 4/28/21, awaiting initial submittal.
- Initial submittal 6/16/21, comments sent on 8/16/21, awaiting response.
- Updated material submitted 1/21/22.

### Lake Star Road

- Project set up 11/9/20, initial submittal received 11/9/20.
- Draft agreement under review.
- Project combined with DR 545 at Lake Star Road into one agreement (see above for status)

### Lake Wilson Reserve

- Project set up 11/18/20, initial submittal received 11/23/20. Comments sent on 12/01/20.
- Additional information submitted 12/23/20.
- Agreement reviewed by legal, awaiting proof that grantee is authorized to sign agreement.
- Sent letter to Grantee from Legal Counsel dated 11/22/21 noting project is under construction and drainage agreement is still needed.
- Sent Draft Agreement on 12/2/21.
- Received signed Agreement and check on 12/16/21. Agreement executed on 12/20/21 and sent to Grantee for recording.

### Orlando World Marriott – Aquatic Center

- RCID contact letter sent 11/27/19.
- Project set up 12/18/19, comments sent 1/23/20.
- Referred to RCID Legal Counsel on 3/12/20, awaiting response.

### Overlook Phases I & II

- Project set up 6/18/21.
- Per phone call on 7/14/21 from Harris Engineers the project is being redesigned to comply with SFWMD comments.
- Requested RCID Legal Counsel and Grantee a letter reminding them of their obligation to obtain an Agreement before construction begins.

### Rolling Oaks

- Project set up 10/17/18. Letter sent 12/10/18 requesting additional information.
- RCID Legal Counsel sent letter 12/10/19.
- Phone call with Wooden Bridge on 1/16/20. Waiting for maps from Wooden Bridge.
- Received plans and legal descriptions on 3/19/20. Draft Agreement sent to Grantee on 4/28/21.
- RCID Legal Counsel talked to counsel for the Grantee on 1/27/22 – comments are forthcoming.

### Sinclair Road Property

- Project set up 10/27/21, initial submittal 10/28/21.
- Revised material submitted 1/21/22.

## **TRIBUTARY BASIN REVIEW (CONTINUED)**

### Site 113 H SW 4 High School

- Project set up 9/23/21, initial submission 11/19/21.
- RCID Counsel working with OCPS Counsel to determine agreement requirements.
- Received comments from OCPS Legal Counsel.

### Spring Grove Phase 3 – Parcel 28

- RCID Legal Counsel sent letter 2/1/20.

### Spring Hill Phases 4 & 5

- Project set up 11/19/20, initial submittal received 12/22/20.
- Sent email to engineer on 4/30/21 questioning assumption that project is in closed basin.

### Sternon Fortune Star Condos

- Project set up 4/17/20, initial submittal received 6/8/20, comments sent 6/30/20.
- Draft agreement under review 7/7/20. Draft agreement sent to Grantee on 8/6/20.
- Per email from engineer on 10/8/20 the project is on hold.

### Storey Grove

- Project set up 3/25/19.
- Sent Draft Agreement on 4/16/19.
- Referred to RCID counsel on 2/20/20. Revised draft received from client's counsel on 4/20/20.

### Village F Parcel S-21

- Project set up 8/31/21, awaiting initial submission. Initial submittal on 8/31/21 and comments sent on 9/3/21. Response to comments received on 10/25/21. Draft agreement sent to RCID Legal for review on 10/28/21.
- Grantee has questions on insurance requirements.

### Waterleigh PD Parcels 10 & 11

- Project setup 4/6/21, initial submittal received 4/7/21.
- Requested updated Drainage Report on 4/23/21.
- Agreement split into two separate agreements one for Parcels 10 & 11 and the other agreement for Avalon Road Apartments.
- Sent Grantee draft agreement on 8/25/21. Had meeting to discuss draft agreement on 10/21/21.
- Discussed project with Engineer on 12/16/21, waiting for revised legal description.
- Amended/restated agreement sent to Grantee on 1/4/22, Grantee has contacted Orange County to discuss agreement.

### Waterstar

- Initial submittal received 12/19/19; draft agreement forwarded for review on 2/25/20.
- Draft Agreement sent to Grantee on 3/13/20. Received questions from Grantee on 4/17/20.
- Revised draft agreement under review. Revised draft agreement sent back to Grantee on 9/18/20.
- Received check for drainage fee on 5/2/21 without agreement, received signed agreement on 5/22/21.
- Sent to District Administrator for signature on 6/18/21, executed agreement sent to Grantee on 6/21/21.
- Agreement recorded as Doc #20210529911 on 8/30/21.
- Agreement may need to be updated because of changes to the design/layout of the site.
- Working on revised drainage agreement.

### Wither South PD

- Project set up 1/26/21, awaiting initial submittal.

## CONSTRUCTION COMPLIANCE INSPECTIONS

The department conducted inspections for compliance on the following construction sites within and bordering Reedy Creek Improvement District (RCID). Inspections on the following sites yielded no issues of concern or identified only minor maintenance items, which were corrected before the next inspection date.

- All Star Horticulture Pads
- Best Friend's Addition
- Celebration C8 Parcel
- Celebration Creation Kids
- Celebration Island Village Project
- Celebration Parking Lot
- Celebration Pointe
- DHS BOH Gate
- DHS Fantasia Storm Improvement
- DS Greenleaf (On Hold)
- Drury Hotel
- Epcot
  - NW Laydown
  - Canal Modification Project
  - Project G Pkg 1, Pkg 2, Pkg 3, Pkg 8
- Epcot Center Drive Bridge Re-decking
- Epcot Resorts Blvd. Bridge Reconstruction
- Ferryboat Landing Laydown
- Flamingo Crossings College Housing West
- Flamingo Crossings Dominos
- Flamingo Crossings Dunking Donuts
- Flamingo Crossings Five Guys
- Flamingo Crossings Ped Bridges
- Flamingo Crossings Town Center Ph1
- Flamingo Crossings Town Center Pond Trail
- Flamingo Crossings Wendy's
- Hartzog Rd
- MK 2
- MK Annex Directional Drill
- MK Park 2 Roadside Improvements
- Project Tacos
- World Drive North Phase 2
- World Drive North Phase 2 Laydown
- World Drive North Storm pond

## INFRASTRUCTURE ASSET MANAGEMENT

### LEVEES & WATER CONTROL STRUCTURES

- Monthly inspections of the Levees are ongoing.
- RCID owned storm water facilities/ponds undergo major maintenance on a 5 year revolving basis. The list of non-routine maintenance activities for 2021 was compiled by RCID compliance team in February; the work began in April and was completed September 30, 2021.
- Annual inspections of the major water control structures (WCS) are completed annually each February. Based on these most recent evaluation, items identified as routine maintenance have been initiated and were completed during the 2021 fiscal year. Items identified in the inspection as requiring major or non-routine maintenance were prioritized, incorporated in the annual budgeting process and are scheduled for completion in the coming year(s).

### ROADWAY & BRIDGE

- Monthly inspections of the Roadways are ongoing.
  - Hartzog Road (Flagler Ave to the north approximately 1.0 mile). Road is showing considerable deterioration.
  - BVD (Victory Way to Riviera Resort Entrance). Road is starting to show deterioration.
  - Hotel Plaza Boulevard (inbound) – pothole filled.
- Bridge Inspections occur bi-annually – based on latest round of 22 inspections, all bridges are in good to excellent condition with only minor repairs warranted. Preparation of the construction scope to address deck striping, armor joint repair and minor erosion is underway with this work scheduled to begin in May 2022.
- P&E has previously assessed the condition of existing guardrail throughout the District Roadways; repair and replacement work is on-going.
  - Guardrail #48 along southbound World Drive. Replacement completed.
  - Guardrail #49 along southbound World Drive. Replacement completed.
  - Guardrail #50 along northbound World Drive. Replacement completed.
  - Guardrail #51 along northbound World Drive. Replacement completed.
  - Guardrail #39 along southbound World Drive. Replacement is anticipated to start in April 2022.
  - Guardrail #64 along northbound World Drive. Replacement is anticipated to start in April 2022.
  - Guardrail repair needed along ECD (outbound) south of BVD. Anticipated to start in February 2022.
  - Guardrail repair needed along Osceola Parkway (inbound) ramp onto WD southbound. Anticipated to start in February 2022.

## **ANNUAL QUALITY BASED PAVEMENT MANAGEMENT PROGRAM**

- The final design plans for the pavement rehabilitation for Hartzog Road between the RCID property line and Western Way are complete. The Facilities Construction Team has scheduled this work for FY 22.
- Plans for the pavement rehabilitation of Buena Vista Drive (BVD) between Western Way and World Drive Interchange were completed in early 2021 and delivered to the Facilities Construction Team. Due to funding constraints, this project was divided into two phases with the north phase (resurfacing of BVD from Bridges 756026 & 027 north to World Drive) completed in August 2021. The Facilities Construction Team has scheduled the south phase, Western Way to Bridges 756026 & 756027, for construction in fiscal year 2022. The south phase pavement rehab will be bid together with the BVD / Western Way intersection improvements project as one project. It is anticipated that this project will be issued to bidders in early February 2022
- Plans for the pavement rehabilitation of Victory Way between Buena Vista Drive and Osceola Parkway are complete and were delivered to the Facilities Construction Team in early FY 21; construction is scheduled for fiscal year 2022. It is anticipated that the pavement rehab bid package will be issued to bidders in March 2022.
- The design plans for the pavement rehabilitation of World Drive (southbound) between Osceola Parkway and Epcot Center Drive should be completed by February 2022.
- The design plans for the pavement rehabilitation of BVD between All Star Resort / RCID Property Line and Western Way should be completed by February 2022.

## **TRAFFIC OPERATIONS**

- Eighteen (11) traffic signal and ITS maintenance inspections were completed in January
- ITS team responded to four (4) after hour service requests
- ITS team managed event traffic for RunDisney's Marathon Weekend

## **DESIGN MANAGEMENT**

### **BRIDGE 7560010 AND 756012 – SUPERSTRUCTURE REPLACEMENT**

- Design plans were finalized in early FY 21 and delivered to the Facilities Construction Team.
- Construction is now complete.

### **BRIDGE 756009 – SUPERSTRUCTURE REPLACEMENT**

- Design plans were finalized and delivered to the Facilities Construction Team 10/21/2021.
- Construction began in late January of 2022 and is scheduled for completion this fiscal year.

### **SOUTH HARTZOG ROAD TRANSITION SECTION**

- Design plans were finalized in 2011 but due to delays at Orange County, construction was delayed until 2021.
- The landowner to the south, Holiday Inn Vacation Club (HIVC), requested the ability to expedite the construction of this roadway section. RCID negotiated, and following approval by the RCID Board, signed a Reimbursement Agreement to allow HIVC to implement this construction and obtain reimbursement from RCID.
- HIVC began construction in July of 2021 and will complete this work February 2022.

### **WORLD DRIVE NORTH PHASE 3**

- The Final Design Contract was awarded to TLP Inc. at the April 2020 BOS meeting; the limited NTP was issued 4/23/2020.
- Final Design is complete and was delivered to the Facilities Construction Team as indicated below:
  - 100% Plans & Specifications for bidding were issued 9/15/2021.
  - The Environmental Resource Permit (ERP) Application was submitted to SFWMD on 10/11/21. SFWMD issued an RAI on 10/28/21 and responses were submitted to the agency 11/4/21. Permit issuance is expected in early December.
  - In January of 2022, the adjacent landowner(s) requested minor modifications. This design work will be presented to the BOS in February for cost approval and once approved, design changes will begin in March and are scheduled to take 60-90 days.
  - Conformed Plan Set to be issued subsequent to bidding by Construction Team.

**The following three projects are in support of RCES Operation and are fully funded by RCES. They are being designed by the RCID Planning & Engineering and will be constructed by the RCID Facilities Construction team.**

#### **BRIDGE CROSSING AT PERIMETER CANAL**

- RCES has requested access across the perimeter canal. To achieve this end, RCES funded the acquisition of an ACROW bridge (Bailey Bridge) on 1/20/2020. This bridge structure shall be used to provide RCES roadway access across the Perimeter Canal.
- Final Plans for the construction installation of this perimeter canal bridge were completed and delivered to the RCID Construction team in June 2021.
- Construction of this installation is scheduled to occur concurrently with the replacement of the 48" reuse line as detailed below.

#### **REPLACEMENT OF RE-USE LINE ACROSS PERIMETER CANAL**

- Design for the removal and replacement of an existing RCES owned 48" Re-Use Line began in November of 2020. Due to the age of the existing line and RCES' lack of previous design and construction documentation, extensive field investigation was required delaying design.
- Final plans were completed in May 2021 and delivered to the Construction Team in June.
- Construction was delayed and is scheduled to begin in February 2022.

#### **REPLACEMENT OF S-46 DECK STRUCTURE**

- Annual WCS inspections revealed that the deck structure was failing due to the repeated use of this deck by excessively heavy utility traffic.
- Design for the replacement of this deck began in January 2020 and was completed March of 2020.
- Construction of this deck replacement has been delayed to allow for the installation of the Canal Bridge and 48" Re-Use line; details of those projects are outlined above.
- Upon completion of those two project, deck replacement can be scheduled.



# EXHIBIT A

# Financial Summary – World Drive North Phase II

February 23, 2022

	BUDGET	Commitments		Change Order Allowance		TOTAL
		Executed	Pending	Available	Pending	
Budget	\$ 60,200,000					
Hard Costs		\$ 43,714,385	\$ -	\$ 6,464,824	\$ -	\$ 50,179,209
Soft Costs		\$ 9,617,849	\$ 10,000	\$ 457,031	\$ -	\$ 10,084,880
Southland Construction			\$ 10,000			
<b>TOTAL</b>	<b>\$ 60,200,000</b>	<b>\$ 53,332,234</b>	<b>\$ 10,000</b>	<b>\$ 6,921,855</b>	<b>\$ -</b>	<b>\$ 60,264,089</b>

Percentage of Budget

100%

EXHIBIT A



Reedy Creek  
IMPROVEMENT DISTRICT

# EXHIBIT B

**THIS INSTRUMENT PREPARED BY  
AND SHOULD BE RETURNED TO:**

Carlos M. Brackley, Esquire  
Walt Disney World Resort - Legal Department  
1375 Buena Vista Drive  
Post Office Box 10000  
Lake Buena Vista, Florida 32830-1000

Reference: Parcel ID #s: 27-24-28-0000-00-035  
27-24-28-0000-00-036  
27-24-28-0000-00-041  
27-24-28-0000-00-052

**UTILITY AGREEMENT**

**[Wastewater and Water Service]**

**THIS UTILITY AGREEMENT** (this “**Agreement**”) is made and entered into this \_\_ day of \_\_\_\_\_, 2022 (the “**Effective Date**”), by and between the **REEDY CREEK IMPROVEMENT DISTRICT**, a public corporation and public body corporate and politic of the State of Florida, whose mailing address is Post Office Box 10170, Lake Buena Vista, FL 32830-0170 (the “**RCID**”) and [\_\_\_\_\_], whose mailing address is 4582 S Ulster St. Parkway, Suite 1200, Denver, Colorado 80237 (“**Owner**”).

**W I T N E S S E T H:**

**WHEREAS**, Owner owns certain real property bearing Tax Parcel Identification Numbers 27-24-28-0000-00-035, 27-24-28-0000-00-036, 27-24-28-0000-00-041, and 27-24-28-0000-00-052 as more particularly described in **Exhibit “A”** attached hereto and by this reference made a part hereof (the “**Property**”); and

**WHEREAS**, the Property is located within RCID’s wastewater and water territorial area as set forth in RCID’s Territorial Agreement (defined below); and

**WHEREAS**, RCID has agreed, subject to the terms, conditions and limitations hereinafter set forth, that RCID shall amend RCID’s Territorial Agreement and cooperate with Orange County, Florida (“**Orange County**” or the “**County**”) so that Orange County may provide wastewater and water service (the “**Services**”) to the Property instead of RCID; and

**WHEREAS**, RCID has agreed to continue to provide the Services to the Property until the Transition Date (defined below); and

**WHEREAS**, among other things, as a material inducement to RCID to cooperate in the transition of Services from RCID to the County (the “**Transition of Services**”), Owner agrees that, Owner shall, at Owner’s sole cost and expense (except as otherwise set forth herein), take all steps reasonably required by RCID and/or the County to effectuate the Transition of Services.

**NOW, THEREFORE**, in consideration of the premises and the mutual promises and agreements set forth herein and other good and valuable consideration the receipt of which is

hereby acknowledged and intending to be legally bound hereby, the parties hereto do hereby agree as follows:

**SECTION 1. Recitals.** The Recitals set forth above are true and correct and by this reference are incorporated herein as part of this Agreement.

**SECTION 2. Territorial Agreement.**

2.1 RCID and Owner agree that RCID shall take all steps reasonably required to amend RCID's Territorial Agreement to permit the Transition of Services.

2.2 In furtherance and not in limitation of the foregoing:

(a) Owner shall, promptly after the receipt of written request from RCID or the County, execute all applications, consents and other documents reasonably required by RCID and/or the County in order for RCID to amend that certain Reedy Creek Improvement District/Orange County Amended and Restated Water, Wastewater, and Reclaimed Water Service Territorial Agreement approved by the County Board of Commissioners on September 30, 2008, as amended by First Amendment to Reedy Creek Improvement District/Orange County Amended and Restated Water, Wastewater, and Reclaimed Water Service Territorial Agreement dated effective November 14, 2018 (the "**Territorial Agreement**" or "**RCID's Territorial Agreement**") to allow for the Transition of Services.

(b) RCID shall, promptly following the Effective Date, contact the County regarding the amendment to the Territorial Agreement and any other amendments required to be made to any other territorial or interlocal agreements to which the County is a party and, thereafter, use commercially reasonable diligence to comply with, satisfy and complete all reasonable requirements of the County to effectuate such amendment(s). As used in this Agreement, "amendment" of the Territorial Agreement includes an amendment and restatement or replacement of the Territorial Agreement, as RCID and the County may elect, to allow for the Transition of Services.

**SECTION 3. Wastewater and Water Service.**

3.1 Subject to the terms, conditions and limitations set forth in this Agreement and applicable legal requirements, RCID agrees to:

(a) upon compliance by Owner with all applicable regulations of RCID and the payment of all Fees (defined below), continue to provide the Services to the Property until the date Property meets the legal requirements for the Transition of Services and the County begins providing the Services (including, without limitation, the acceptance of the Transition of Services by the County (the "**Transition Date**")); provided, however, that RCID will have no obligation, at any time, to provide the Services to those parcels identified as Parcel ID # 27-24-28-0000-00-036, 27-24-28-0000-00-041, and 27-24-28-0000-00-052;

(b) cooperate, at no material cost to RCID (other than those costs to be borne by RCID pursuant to this Agreement), with the County and Owner in connection with the acceptance of the Services by the County, including (by way of example and not by limitation)

granting any easements over Meadow Creek Drive that may be reasonably required by Owner or the County to effectuate the Transition of Services; and

(c) remove, legally abandon, or otherwise address, if required by the County to accomplish the Transition of Services, at RCID's sole cost and expense, the watermain and casing currently located beneath Interstate 4.

As used in this Agreement, "Fees" means all invoiced and legally charged fees for water and sewer services, which shall be consistent with RCID's published rates and the rates charged by RCID to other users.

3.2 Owner shall promptly contact the County regarding the Transition of Services and, thereafter, use commercially reasonable diligence to comply with, satisfy and complete all reasonable requirements of the County to effectuate Transition of Services, including, without limitation, the following:

(a) obtaining a hydrologic grade letter from the County;

(b) executing all applications, consents and other documents (including, without limitation, any developer agreements for the Services), and providing any other information (including, without limitation the information necessary to obtain a hydrologic grade letter from the County), required by the County in order for the County to provide the Services to the Property;

(c) designing, permitting, constructing, and installing (and/or causing to be designed, constructed and installed) all improvements (whether located on or off the Property) necessary and/or appropriate to facilitate the Transition of Services; and

(d) paying all applicable fees, costs and expenses (including, without limitation, connection fees and capital charges imposed by the County) related to the foregoing.

3.3 Owner agrees that, upon the Transition Date, RCID MAY DISCONNECT AND TERMINATE THE SERVICES PROVIDED TO THE PROPERTY. OWNER HEREBY CONSENTS TO SUCH DISCONNECTION AND TERMINATION OF THE SERVICES TO THE PROPERTY AND EXPRESSLY WAIVES ANY CLAIMS BASED UPON THE DISCONNECTION AND TERMINATION OF THE SERVICES BY RCID ON OR AFTER THE TRANSITION DATE.

OWNER'S INITIALS: \_\_\_\_\_

3.4 Subject to RCID's satisfaction, in all material respects, of its obligations and conditions precedent to be performed by RCID hereunder for effecting the Transition of Services (including, without limitation, the amendment of the Territorial Agreement), if the Transition Date has not occurred by the date that is twenty-four (24) months after the Effective Date (the "Designated Date"), other than as a result of a Force Majeure Event (defined in Section 10 below), then, in addition to paying the Fees, and in addition to RCID's rights under Section 4.2 below and RCID's right to seek and obtain a judgment and/or order for specific performance, Owner shall pay to RCID, for each day from and after the Designated Date through and including

the Transition Date, Two Hundred and Fifty Dollars (\$250.00) per day, such payment to be made monthly in arrears on or before the fifth (5<sup>th</sup>) day of each month for the preceding month, which amount shall be in addition to (and not in lieu of or applied against) all other Fees otherwise due and payable. The Parties acknowledge and agree that it would be extremely difficult, if not impossible, to ascertain with certainty the damages which would be sustained by RCID due to RCID being required to provide the Services to the Property after the Designated Date and, consequently, the Parties have agreed upon the foregoing amount as fair and reasonable compensation to RCID. Owner agrees that its obligation to pay such liquidated damages shall not be considered a penalty pursuant to applicable laws.

**OWNER'S INITIALS:** \_\_\_\_\_

3.5 RCID shall, promptly after the Transition Date, at RCID's sole cost and expense, remove from the Property any improvements owned and/or controlled by RCID (such as, but without limitation, meters and backflow prevention systems) (the "**RCID Equipment**").

3.6 Owner may elect, in its sole discretion and at Owner's sole cost and expense, to remove, abandon, or otherwise address (including by taking no action) any out-of-service improvements (i.e. those no longer necessary and/or appropriate to facilitate the Services) located on the Property.

#### **SECTION 4. Default by Owner.**

4.1 If Owner fails to perform any of the covenants or agreements set forth herein on its part to be performed within ten (10) business days after receipt of written notice thereof (provided, however, Owner shall have a period of up to ninety (90) days to cure such failure as to a non-monetary covenant or agreement if such failure cannot be reasonably cured within such ten (10) business day period and so long as Owner commences such cure within ten (10) business days after receipt of written notice thereof and thereafter diligently and continuously pursues such cure to completion) then Owner shall be deemed to be in default hereunder and RCID shall be entitled to pursue all appropriate remedies against Owner, at law or in equity, including, without limitation, specific performance, and/or RCID may, but shall not be obligated to, exercise the self-help right to cure as described in Section 4.2 below. In furtherance and not in limitation of the foregoing, after commencing the installation and/or construction of any improvements as required by this Agreement, if Owner suspends or ceases, for a period of more than thirty (30) days, installation and/or construction thereof for reasons other than the occurrence of a Force Majeure Event or while any default by RCID exists hereunder, the same shall (subject to the notice and cure provisions above) be a default hereunder. Notwithstanding the foregoing, in no event shall RCID have the right to bring an action for, and RCID shall be deemed to have expressly waived, any right to receive, consequential (including, without limitation, lost profits), special, indirect, exemplary or punitive damages.

4.2 If (a) Owner fails to perform any of the covenants or agreements hereunder, after notice and the expiration of the applicable cure period, or (b) the Transition of Services has not occurred by the date that is twenty-four (24) months after the Effective Date, subject to (i) any Force Majeure Event, (ii) RCID's satisfaction of all of its obligations and conditions precedent to be performed by RCID hereunder for effecting the Transition of Services (including, without limitation, the amendment of the Territorial Agreement), and (iii) a day-for-day extension for each

day of RCID's cure period as described in Section 5.1 in the event of RCID's default hereunder, then RCID may, at its option and without any obligation to do so, in addition to all other rights and remedies herein provided, cure any default by Owner (including, without limitation, designing, permitting, constructing, and/or installing (and/or causing to be designed, constructed and/or installed) any or all improvements (whether located on or off the Property) necessary and/or appropriate to facilitate the Transition of Services) and charge Owner for all commercially reasonable, third-party expenses incurred by RCID in so doing (payable within thirty (30) days after Owner's receipt of a written demand for reimbursement together with reasonable backup documentation). Any amounts due hereunder which are not paid when due shall bear interest from the date due until repaid at the rate of three percent (3%) over the Prime Rate of Interest (or its equivalent) announced from time to time by JP Morgan Chase Bank, N.A. (or its successor) per annum.

4.3 Owner hereby grants to RCID (and its employees, contractors and agents) a non-exclusive temporary easement (the "**RCID Easement**") on, over, under and across the Property for the purpose of removing the RCID Equipment, exercising the self-help rights granted to RCID under Section 4.2 and performing its other obligations under this Agreement. The RCID Easement includes the right to maintain temporary construction facilities on the Property to the extent necessary to exercise such self-help rights. In its use of the RCID Easement and placement of any temporary construction facilities, RCID shall use commercially reasonable efforts to minimize interference with Owner's operation of the Property and disruption to any existing or prospective tenants of the Property. RCID will not allow any portion of the Property to become subject to any attachment, judgment, lien, or encumbrance whatsoever resulting from the acts or omissions of RCID.

## **SECTION 5. Default by RCID.**

5.1 If RCID fails to perform any of the covenants or agreements set forth herein on its part to be performed within ten (10) business days after receipt of written notice thereof (provided, however, RCID shall have a period of up to ninety (90) days to cure such failure as to a non-monetary covenant or agreement if such failure cannot be reasonably cured within such ten (10) business day period and so long as RCID commences such cure within ten (10) business days after receipt of written notice thereof and thereafter diligently and continuously pursues such cure to completion) then RCID shall be deemed to be in default hereunder and Owner shall be entitled to pursue all appropriate remedies against RCID, at law or in equity, including, without limitation, specific performance; provided, however, in no event shall Owner have the right to bring an action for, and Owner shall be deemed to have expressly waived any right to receive, consequential (including, without limitation, lost profits), special, indirect, exemplary or punitive damages. For clarity, and notwithstanding anything to the contrary in this Agreement, the notice and cure period described in this paragraph will not apply to RCID's discontinuation of the Services prior to the Transition Date, which will be deemed an immediate default hereunder, subject to any Force Majeure Event.

5.2 Owner acknowledges and agrees that, notwithstanding the foregoing, RCID will not be deemed to be in default hereunder if, notwithstanding the exercise of commercially reasonable good faith efforts, RCID is unable to amend RCID's Territorial Agreement to allow the Transition of Services; provided, for clarity, that such inability to amend RCID's Territorial



Agreement will not excuse RCID from its obligation hereunder to continue to provide the Services, subject to any Force Majeure Event and RCID's rights under applicable laws.

**SECTION 6. Status of Efforts.** Each party agrees to use good faith efforts to keep the other party apprised of its efforts in connection with the Transition of Services, including, without limitation, if reasonably requested, timely providing the other party with copies of submissions and any written staff comments, written reports or written determinations received from any governmental authority having jurisdiction over and regarding the Transition of Services, and to use good faith efforts to provide no less than three (3) business days' advance written notice of any public hearings regarding the Transition of Services (provided, however, any failure to provide the other party with said 3-business days' notice shall not be deemed a default hereunder by the party required to attend such hearings, unless the other party can establish that the party required to attend such hearings acted in bad faith). RCID shall provide Owner with updates regarding the amendment of the Territorial Agreement from time to time following Owner's reasonable request and shall provide a copy of the executed amendment of the Territorial Agreement to Owner promptly upon such execution.

**SECTION 7. Lien.** All amounts owed by Owner to RCID hereunder shall constitute a lien against the Property. Such lien may be enforced by suit, judgment, and foreclosure in the same manner as construction liens on real property are foreclosed under Florida law (except that the duration of the lien shall not be limited as provided with respect to construction liens under Section 713.22, Florida Statutes (or its successor)). The obligation of Owner with respect to any such amounts, along with the aforesaid lien, shall survive any transfer of the Property (or portion thereof) by such Owner. Notwithstanding the foregoing or anything else contained in this Agreement to the contrary, notwithstanding the fact that this Agreement will be recorded prior to any mortgage encumbering the Property, the aforesaid lien will at all times be subject and subordinate to the lien of any first mortgage encumbering the Property, provided that the mortgagee is not affiliated with Owner. Owner acknowledges and agrees that while RCID's lien will be subject and subordinate to the lien of any such first mortgage, RCID has and shall retain the absolute right to foreclose on such lien in accordance with applicable law.

**SECTION 8. Agreement Runs with the Land.** Owner and RCID acknowledge and agree that this Agreement is irrevocable and, further, this Agreement and all other rights and obligations of the parties hereunder are intended to and shall run with the Property, and shall bind, and inure to the benefit of, the parties hereunder and their respective successors and permitted assigns.

**SECTION 9. Representations.**

9.1 Owner hereby warrants and represents to RCID that Owner currently owns fee title to the Property and has full power and authority to enter into this Agreement and that the Property is free and clear of all liens and encumbrances.

9.2 RCID makes no representations or warranties with regard to this Agreement other than to warrant and represent to Owner that RCID has full power and authority to enter into this Agreement.

**SECTION 10. Force Majeure.** A party hereto shall be excused for the period of delay

in the performance of any obligations hereunder when such delay is occasioned by a Force Majeure Event and the time for performance shall be automatically extended for a like period. Notwithstanding the foregoing, the terms of this provision shall not apply to the payment of any amount when due. Any party claiming an extension of time or other consequence as a result of the occurrence of a Force Majeure Event shall, promptly after it has actual knowledge of the event giving rise to such claim of the occurrence of a Force Majeure Event and the potential for it to cause a delay, notify the other party thereof, specifying the nature and (to the extent known) the estimated length thereof. A party shall use commercially reasonable efforts to mitigate the extent of any delays resulting from the occurrence of a Force Majeure Event claimed by such party. **“Force Majeure Event”** shall mean a delay occasioned by a cause or causes beyond the control of the party whose performance is so delayed. Such causes shall include, without limitation: severe adverse weather conditions (such as tropical storms, tornados, hurricanes or abnormal heavy rain events); war-like operations; sabotage; terrorism; or delays caused by government orders, mandated quarantine or moratoria. The parties expressly agree that Force Majeure Events shall not include a pandemic/epidemic unless such a delay is a direct result of a government order. The parties acknowledge and agree that either party’s incompetence, failure to deploy adequate resources to meet its obligations, or failure to exercise commercially reasonable diligence in the performance of its obligations hereunder shall not be deemed to constitute a Force Majeure Event.

**SECTION 11. Notices.** Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed given and received: (i) on the same day it is personally delivered to the intended recipient; (ii) the next business day if sent by reputable overnight courier to the intended recipient; or (iii) three business days after it is deposited in the United States registered or certified mail, postage prepaid, return receipt requested. All such notices and other communications shall be addressed to the address set forth below (or to such other person(s) and/or place(s) as either party may from time to time designate in a notice given to the other party pursuant to the terms hereof).

If to RCID: Reedy Creek Improvement District  
1900 Hotel Plaza Boulevard, P.O. Box 10170  
Lake Buena Vista, Florida 32830-0170  
Attn: District Administrator  
E-mail: \_\_\_\_\_

With a copy to: Milgrim Law Group  
3216 Corrine Drive  
Orlando, Florida 32803  
Attn: Edward G. Milgrim, Esq.  
E-mail: edwardmilgrim@milgrimlaw.com

If to Owner: [\_\_\_\_\_]   
c/o Grand Peaks Properties, Inc.  
4582 S Ulster St. Parkway, Suite 1200  
Denver, Colorado 80237  
Attention: Michael J. Sommers and Max P. Siler  
E-mail: msommers@grandpeaks.com and  
msiler@grandpeaks.com

With a copy to: Otten, Johnson, Robinson, Neff & Ragonetti, P.C.  
950 Seventeenth Street, Suite 1600  
Denver, Colorado 80202  
Attention: Michael Westover  
E-mail: mwestover@ottenjohnson.com

**SECTION 12. Recording.** Owner shall promptly record this Agreement in the Public Records of Orange County, Florida, immediately after the deed conveying the Property to Owner and before any other documents are recorded. Owner agrees to pay all costs associated with the recording of this Agreement.

**SECTION 13. Miscellaneous.**

13.1 ANY FUTURE OWNERS OF THE PROPERTY SHALL TAKE TITLE TO THE PROPERTY SUBJECT TO THIS AGREEMENT AND BY ACCEPTING A DEED OF CONVEYANCE TO THE PROPERTY, AGREE TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT.

13.2 The Property shall be deemed a single parcel (except with respect to the proviso in Section 3.1(a)) and any sub-parcels of the Property which are created by subdivision or by any other means shall be subject to the terms and conditions of this Agreement, subsequent sale and individual ownership notwithstanding.

13.3 This Agreement may not be modified or amended, or any term or provision hereof waived or discharged except in writing, in recordable form, signed by the parties hereto, or their respective successors and assigns. Any such modification or amendment shall not be effective until recorded in the Public Records of Orange County, Florida.

13.4 This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Florida. Any legal proceeding of any nature brought by either party against the other to enforce any right or obligation under this Agreement, or arising out of any matter pertaining to this Agreement, shall be exclusively submitted for trial before the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida; or, if the Circuit Court does not have jurisdiction, then before the United States District Court for the Middle District of Florida (Orlando Division); or if neither of such courts shall have jurisdiction, then before any other court sitting in Orange County, Florida, having subject matter jurisdiction. The parties consent and submit to the exclusive jurisdiction of any such court and agree to accept service of process outside the State of Florida in any matter to be submitted to any such court pursuant hereto. THE PARTIES HEREBY MUTUALLY, KNOWINGLY, VOLUNTARY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY AND ALL CLAIMS AND CAUSES OF ACTION OF ANY KIND WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY AFFIRMATIVE DEFENSES, COUNTERCLAIMS, OR CROSS CLAIMS, BASED ON THIS AGREEMENT OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY WITH RESPECT HERETO OR THERETO WHETHER SUCH CLAIMS OR CAUSES OF ACTION ARE KNOWN OR UNKNOWN AT THE TIME OF EXECUTION OF THIS AGREEMENT. Furthermore, no party shall seek to consolidate any action in which a jury trial

has been waived with any action in which a jury trial cannot be waived. This waiver is a material inducement for the parties entering into this Agreement.

13.5 All of the terms of this Agreement, whether so expressed or not, shall be binding upon the respective successors, assigns and legal representatives of the parties hereto and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns and legal representatives. RCID may assign any or all of its rights and/or obligations hereunder to the County, provided that the County agrees to assume and perform the obligations of RCID hereunder. Owner may collaterally assign its rights hereunder to any mortgagee of the Property without the consent of RCID.

13.6 The headings of this Agreement are for reference only and shall not limit or otherwise affect the meaning thereof. As used in this Agreement, "business day" means any Monday, Tuesday, Wednesday, Thursday, or Friday, except national holidays on which no United States mail is delivered.

13.7 In the event the either party institutes a legal proceeding against the other party, to enforce the terms of this Agreement or for breach of any of the terms, conditions or covenants of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorney's fees, paralegal fees and costs, both at the trial and appellate levels.

13.8 IN ANY ACTION AT LAW OR IN EQUITY BETWEEN THE PARTIES HERETO OCCASIONED BY A DEFAULT HEREUNDER, THE PREVAILING PARTY SHALL BE ENTITLED TO COLLECT ITS REASONABLE ATTORNEYS' FEES ACTUALLY INCURRED IN THE ACTION FROM THE NON-PREVAILING PARTY. AS USED HEREIN, THE TERM "**PREVAILING PARTY**" MEANS THE PARTY WHO RECEIVES SUBSTANTIALLY THE RELIEF SOUGHT. Except as otherwise set forth herein, each party hereto shall pay its own legal costs and expenses in connection with this Agreement and its performance hereunder.

13.9 In addition to each and every remedy now or hereafter existing at law or in equity, the parties hereto expressly agree that each party shall have the right to enforce this Agreement by an action for specific performance.

13.10 This Agreement embodies and constitutes the entire understandings of the parties with respect to the subject matter hereof and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement. The parties acknowledge that, on or about the Effective Date, a Declaration of Covenants, Conditions, Restrictions and Obligations (as it may be amended from time to time, the "**DCCRO**") will be recorded against the Property. In the event that any term hereof is inconsistent with any term of the DCCRO, the term set forth in this Agreement will control.

13.11 This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall together constitute one and the same instrument.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGES]**

**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective on the Effective Date.

**“RCID”**

**REEDY CREEK IMPROVEMENT DISTRICT**,  
a public corporation and public body corporate and politic of the State of Florida

\_\_\_\_\_ (Signature) By: \_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print Name) \_\_\_\_\_, District Administrator

Date: \_\_\_\_\_

\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print Name)

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing Agreement was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as District Administrator of the **REEDY CREEK IMPROVEMENT DISTRICT**, a public corporation and public body corporate and politic of the State of Florida, on behalf thereof, who is  personally known to me or  presented \_\_\_\_\_ as identification. (Set forth type of identification presented, if applicable).

\_\_\_\_\_  
Signature of Notary Public-State of Florida  
(AFFIX STAMP)

**“OWNER”**

\_\_\_\_\_,  
a \_\_\_\_\_

\_\_\_\_\_  
(Signature) By: \_\_\_\_\_ (Signature)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Print Name) Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

The foregoing Easement Agreement was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, on behalf thereof.

\_\_\_\_\_  
Signature of Notary Public-State of \_\_\_\_\_  
(AFFIX STAMP)

**EXHIBIT “A”**  
**LEGAL DESCRIPTION**  
**[TO BE ADDED]**

# EXHIBIT C



**THIS INSTRUMENT PREPARED BY  
AND SHOULD BE RETURNED TO:**

Carlos M. Brackley, Esquire  
Walt Disney World Resort - Legal Department  
1375 Buena Vista Drive  
Post Office Box 10000  
Lake Buena Vista, Florida 32830-1000

Reference: Parcel ID #s: 27-24-28-0000-00-035

**FIRE RESPONSE AGREEMENT**

**THIS FIRE RESPONSE AGREEMENT** (this “**Agreement**”) is made and entered into this \_\_\_ day of March, 2022 (the “**Effective Date**”), by and between the **REEDY CREEK IMPROVEMENT DISTRICT**, a public corporation and public body corporate and politic of the State of Florida, whose mailing address is Post Office Box 10170, Lake Buena Vista, FL 32830-0170 (“**RCID**”) and **GPAI GROVES, LLC**, a Delaware limited liability company, whose mailing address is 4582 S Ulster St. Parkway, Suite 1200, Denver, Colorado 80237 (“**Owner**”).

**W I T N E S S E T H:**

**WHEREAS**, Owner owns certain real property bearing Tax Parcel Identification Numbers 27-24-28-0000-00-035 as more particularly described in **Exhibit “A”** attached hereto and by this reference made a part hereof (the “**Property**”); and

**WHEREAS**, RCID currently provides fire response and emergency medical response services (the “**Services**”) to the Property;

**WHEREAS**, the Property is located within Orange County, Florida (“**Orange County**”) or the “**County**”) and outside the boundaries of the Reedy Creek Improvement District; and

**WHEREAS**, RCID has agreed, subject to the terms, conditions and limitations hereinafter set forth, that RCID shall continue to provide the Services to the Property until the Transition Date (defined below); and

**WHEREAS**, among other things, as a material inducement to RCID to cooperate in the transition of Services from RCID to the County (the “**Transition of Services**”), Owner agrees that, Owner shall, at Owner’s sole cost and expense (except as otherwise set forth herein), take all steps reasonably required by RCID and/or the County to effectuate the Transition of Services.

**NOW, THEREFORE**, in consideration of the premises and the mutual promises and agreements set forth herein and other good and valuable consideration the receipt of which is hereby acknowledged and intending to be legally bound hereby, the parties hereto do hereby agree as follows:

**SECTION 1. Recitals.** The Recitals set forth above are true and correct and by this reference are incorporated herein as part of this Agreement.

## SECTION 2. Obligations of RCID and Owner.

2.1 Subject to the terms, conditions and limitations set forth in this Agreement and applicable legal requirements, RCID agrees to:

(a) upon compliance by Owner with all applicable regulations of RCID and provided that RCID receives a 911 call for an appropriate incident at the Property, continue to provide the Services to the Property and its occupants until the date Property meets the legal requirements for the Transition of Services and the County begins providing the Services to the Property (the “**Transition Date**”);

(b) promptly following the Effective Date, contact Orange County regarding the Transition of Services and, thereafter, use commercially reasonable, continuous and diligent efforts to comply with, satisfy and complete all reasonable requirements of the County to effectuate Transition of Services at no material cost to RCID (other than those costs to be borne by RCID pursuant to this Agreement); and

(c) cooperate, at no material cost to RCID (other than those costs to be borne by RCID pursuant to this Agreement), with the County and Owner in connection with the Transition of Services to the County.

2.2 Owner acknowledges and agrees that the Services do not include, and RCID is not required to provide, any services other than the Services, including, without limitation, RCID will not be required to perform any monitoring, testing and/or inspections of the Property or any portion thereof. RCID makes no warranty or representation regarding the providing of the Services to the general public, and the promises and commitments contained in this Agreement shall be deemed made and extended solely to Owner. Owner acknowledges and agrees that RCID is not extending or assuming any liability or obligation to the general public with respect to firefighting, emergency medical or other services, other than those liabilities or obligations already in effect without the execution and undertaking of this Agreement.

2.3 Owner shall, promptly following the Effective Date, contact the County regarding the Transition of Services and, thereafter, use commercially reasonable, continuous and diligent efforts to comply with, satisfy and complete all reasonable requirements of the County to effectuate Transition of Services, including, without limitation, the following:

(a) executing all applications, consents and other documents, and providing any other information, required by the County in order for the County to provide the Services to the Property;

(b) designing, permitting, constructing, and installing (and/or causing to be designed, constructed and installed) all improvements (whether located on or off the Property) necessary and/or appropriate to facilitate the Transition of Services; and

(c) paying all applicable fees, costs and expenses (including, without limitation, charges imposed by the County) related to the foregoing.

2.4 Owner agrees that, upon the Transition Date, RCID MAY TERMINATE THE SERVICES PROVIDED TO THE PROPERTY. OWNER HEREBY CONSENTS TO

SUCH TERMINATION OF THE SERVICES TO THE PROPERTY AND EXPRESSLY WAIVES ANY CLAIMS BASED UPON THE TERMINATION OF THE SERVICES BY RCID ON OR AFTER THE TRANSITION DATE.

OWNER'S INITIALS: \_\_\_\_\_

2.5 Subject to RCID's satisfaction, in all material respects, of its obligations and conditions precedent to be performed by RCID hereunder for effecting the Transition of Services, if the Transition Date has not occurred by the date that is twenty-four (24) months after the Effective Date (the "**Designated Date**"), other than as a result of a Force Majeure Event (defined in Section 9 below), then, in addition to RCID's rights under Section 3.2 below and RCID's right to seek and obtain a judgment and/or order for specific performance, Owner shall pay to RCID, for each day from and after the Designated Date through and including the Transition Date, Two Hundred and Fifty Dollars (\$250.00) per day, such payment to be made monthly in arrears on or before the fifth (5<sup>th</sup>) day of each month for the preceding month. The parties acknowledge and agree that it would be extremely difficult, if not impossible, to ascertain with certainty the damages which would be sustained by RCID due to RCID being required to provide the Services to the Property after the Designated Date and, consequently, the parties have agreed upon the foregoing amount as fair and reasonable compensation to RCID. Owner agrees that its obligation to pay such liquidated damages shall not be considered a penalty pursuant to applicable laws.

OWNER'S INITIALS: \_\_\_\_\_

### **SECTION 3. Default by Owner.**

3.1 If Owner fails to perform any of the covenants or agreements set forth herein on its part to be performed within ten (10) business days after receipt of written notice thereof (provided, however, Owner shall have a period of up to ninety (90) days to cure such failure as to a non-monetary covenant or agreement if such failure cannot be reasonably cured within such ten (10) business day period and so long as Owner commences such cure within ten (10) business days after receipt of written notice thereof and thereafter diligently and continuously pursues such cure to completion) then Owner shall be deemed to be in default hereunder and RCID shall be entitled to pursue all appropriate remedies against Owner, at law or in equity, including, without limitation, specific performance, and/or RCID may, but shall not be obligated to, exercise the self-help right to cure as described in Section 3.2 below. In furtherance and not in limitation of the foregoing, after commencing the installation and/or construction of any improvements as required by this Agreement, if Owner suspends or ceases, for a period of more than thirty (30) days, installation and/or construction thereof for reasons other than the occurrence of a Force Majeure Event or while any default by RCID exists hereunder, the same shall (subject to the notice and cure provisions above) be a default hereunder. Notwithstanding the foregoing, in no event shall RCID have the right to bring an action for, and RCID shall be deemed to have expressly waived, any right to receive, consequential (including, without limitation, lost profits), special, indirect, exemplary or punitive damages.

3.2 If (a) Owner fails to perform any of the covenants or agreements hereunder, after notice and the expiration of the applicable cure period, or (b) the Transition of Services has not occurred by the date that is twenty-four (24) months after the Effective Date, subject to (i) any Force Majeure Event, (ii) RCID's satisfaction of all of its obligations and conditions precedent to

be performed by RCID hereunder for effecting the Transition of Services, and (iii) a day-for-day extension for each day of RCID's cure period as described in Section 4.1 in the event of RCID's default hereunder, then RCID may, at its option and without any obligation to do so, in addition to all other rights and remedies herein provided, cure any default by Owner (including, without limitation, designing, permitting, constructing, and/or installing (and/or causing to be designed, constructed and/or installed) any or all improvements (whether located on or off the Property) necessary and/or appropriate to facilitate the Transition of Services) and charge Owner for all commercially reasonable, third-party expenses incurred by RCID in so doing (payable within thirty (30) days after Owner's receipt of a written demand for reimbursement together with reasonable backup documentation). Any amounts due hereunder which are not paid when due shall bear interest from the date due until repaid at the rate of three percent (3%) over the Prime Rate of Interest (or its equivalent) announced from time to time by JP Morgan Chase Bank, N.A. (or its successor) per annum.

3.3 Owner hereby grants to RCID (and its employees, contractors and agents) a non-exclusive temporary easement (the "**RCID Easement**") on, over, under and across the Property for the purpose of fulfilling its obligations under this Agreement and exercising the self-help rights granted to RCID under Section 3.2. The RCID Easement includes the right to maintain temporary construction facilities on the Property to the extent necessary to exercise such self-help rights. In its use of the RCID Easement and placement of any temporary construction facilities, RCID shall use commercially reasonable efforts to minimize interference with Owner's operation of the Property and disruption to any existing or prospective tenants of the Property. RCID will not allow any portion of the Property to become subject to any attachment, judgment, lien, or encumbrance whatsoever resulting from the acts or omissions of RCID.

#### **SECTION 4. Default by RCID.**

4.1 RCID shall be in default under this Agreement if RCID: (i) discontinues providing the Services to the Property prior to the Transition Date, except as otherwise provided herein (including, without limitation, due to the occurrence of a Force Majeure Event); and/or (ii) fails to perform its other obligations under this Agreement and fails to cure such failure within ten (10) business days after receipt of written notice thereof (provided, however, RCID shall have a period of up to ninety (90) days to cure such failure as to a non-monetary covenant or agreement if such failure cannot be reasonably cured within such ten (10) business day period and so long as RCID commences such cure within ten (10) business days after receipt of written notice thereof and thereafter diligently and continuously pursues such cure to completion) and Owner shall be entitled to pursue all appropriate remedies against RCID, at law or in equity, including, without limitation, specific performance; provided, however, in no event shall Owner have the right to bring an action for, and Owner shall be deemed to have expressly waived any right to receive, consequential (including, without limitation, lost profits), special, indirect, exemplary or punitive damages.

4.2 If RCID fails, after receiving a 911 call, to provide fire response and/or emergency medical response services, other than as a result of the occurrence of a Force Majeure Event, Owner may as its sole and exclusive remedy, terminate this Agreement.

4.3 For clarity, and notwithstanding anything to the contrary in this Agreement, the notice and cure period described in Section 4.1 will not apply to RCID's discontinuation of the

Services prior to the Transition Date and/or to RCID's failure, after receiving a 911 call, to provide fire response and/or emergency medical response services, except as otherwise provided herein (including, without limitation, due to the occurrence of a Force Majeure Event), each of which will be deemed an immediate default hereunder, subject to any Force Majeure Event.

4.4 Notwithstanding anything to the contrary contained in this Agreement, all of the privileges and immunities from liability and exemptions from laws, ordinances and rules which apply to the activity of RCID, its commissioners, supervisors, officers, directors and employees when performing their respective functions within the Reedy Creek Improvement District shall also apply to the same degree and extent to the performance of such functions and duties pursuant to this Agreement.

**SECTION 5. Status of Efforts.** Each party agrees to use good faith efforts to keep the other party apprised of its efforts in connection with the Transition of Services, including, without limitation, if reasonably requested, timely providing the other party with copies of submissions and any written staff comments, written reports or written determinations received from any governmental authority having jurisdiction over and regarding the Transition of Services, and to use good faith efforts to provide no less than three (3) business days' advance written notice of any public hearings regarding the Transition of Services (provided, however, any failure to provide the other party with said 3-business days' notice shall not be deemed a default hereunder by the party required to attend such hearings, unless the other party can establish that the party required to attend such hearings acted in bad faith).

**SECTION 6. Lien.** All amounts owed by Owner to RCID hereunder shall constitute a lien against the Property. Such lien may be enforced by suit, judgment, and foreclosure in the same manner as construction liens on real property are foreclosed under Florida law (except that the duration of the lien shall not be limited as provided with respect to construction liens under Section 713.22, Florida Statutes (or its successor)). The obligation of Owner with respect to any such amounts, along with the aforesaid lien, shall survive any transfer of the Property (or portion thereof) by such Owner. Notwithstanding the foregoing or anything else contained in this Agreement to the contrary, notwithstanding the fact that this Agreement will be recorded prior to any mortgage encumbering the Property, the aforesaid lien will at all times be subject and subordinate to the lien of any first mortgage encumbering the Property, provided that the mortgagee is not affiliated with Owner. Owner acknowledges and agrees that while RCID's lien will be subject and subordinate to the lien of any such first mortgage, RCID has and shall retain the absolute right to foreclose on such lien in accordance with applicable law.

**SECTION 7. Agreement Runs with the Land.** Owner and RCID acknowledge and agree that this Agreement is irrevocable and, further, this Agreement and all other rights and obligations of the parties hereunder are intended to and shall run with the Property, and shall bind, and inure to the benefit of, the parties hereunder and their respective successors and permitted assigns.

**SECTION 8. Representations.**

8.1 Owner hereby warrants and represents to RCID that Owner currently owns fee title to the Property and has full power and authority to enter into this Agreement.

8.2 RCID makes no representations or warranties with regard to this Agreement other than to warrant and represent to Owner that RCID has full power and authority to enter into this Agreement.

**SECTION 9. Force Majeure.** A party hereto shall be excused for the period of delay in the performance of any obligations hereunder when such delay is occasioned by a Force Majeure Event and the time for performance shall be automatically extended for a like period. Notwithstanding the foregoing, the terms of this provision shall not apply to the payment of any amount when due. Any party claiming an extension of time or other consequence as a result of the occurrence of a Force Majeure Event shall, promptly after it has actual knowledge of the event giving rise to such claim of the occurrence of a Force Majeure Event and the potential for it to cause a delay, notify the other party thereof, specifying the nature and (to the extent known) the estimated length thereof. A party shall use commercially reasonable efforts to mitigate the extent of any delays resulting from the occurrence of a Force Majeure Event claimed by such party. **“Force Majeure Event”** shall mean a delay occasioned by a cause or causes beyond the control of the party whose performance is so delayed. Such causes shall include, without limitation: severe adverse weather conditions (such as tropical storms, tornados, hurricanes or abnormal heavy rain events); war-like operations; sabotage; terrorism; or delays caused by government orders, mandated quarantine or moratoria. The parties expressly agree that Force Majeure Events shall not include a pandemic/epidemic unless such a delay is a direct result of a government order. The parties acknowledge and agree that either party’s incompetence, failure to deploy adequate resources to meet its obligations, or failure to exercise commercially reasonable diligence in the performance of its obligations hereunder shall not be deemed to constitute a Force Majeure Event.

**SECTION 10. Notices.** Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed given and received: (i) on the same day it is personally delivered to the intended recipient; (ii) the next business day if sent by reputable overnight courier to the intended recipient; or (iii) three business days after it is deposited in the United States registered or certified mail, postage prepaid, return receipt requested. All such notices and other communications shall be addressed to the address set forth below (or to such other person(s) and/or place(s) as either party may from time to time designate in a notice given to the other party pursuant to the terms hereof).

If to RCID: Reedy Creek Improvement District  
1900 Hotel Plaza Boulevard, P.O. Box 10170  
Lake Buena Vista, Florida 32830-0170  
Attn: District Administrator  
E-mail: jclasse@rcid.org

With a copy to: Milgrim Law Group  
3216 Corrine Drive  
Orlando, Florida 32803  
Attn: Edward G. Milgrim, Esq.  
E-mail: edwardmilgrim@milgrimlaw.com

If to Owner: GPAI Groves, LLC  
c/o Grand Peaks Properties, Inc.  
4582 S Ulster St. Parkway, Suite 1200  
Denver, Colorado 80237

Attention: Michael J. Sommers and Max P. Siler  
E-mail: msommers@grandpeaks.com and  
msiler@grandpeaks.com

With a copy to:

Otten, Johnson, Robinson, Neff & Ragonetti, P.C.  
950 Seventeenth Street, Suite 1600  
Denver, Colorado 80202  
Attention: Michael Westover  
E-mail: mwestover@ottenjohnson.com

**SECTION 11. Recording.** Owner shall promptly record this Agreement in the Public Records of Orange County, Florida, after the deed conveying the Property to Owner and before any mortgage or similar documents are recorded. Owner agrees to pay all costs associated with the recording of this Agreement.

**SECTION 12. Miscellaneous.**

12.1 The Property shall be deemed a single parcel and any sub-parcels of the Property which are created by subdivision or by any other means shall be subject to the terms and conditions of this Agreement, subsequent sale and individual ownership notwithstanding; provided, however, that if any portion of the Property is dedicated or otherwise conveyed to the County or to RCID, such portion(s) will no longer be deemed as part of the Property subject to this Agreement and, upon such dedication or conveyance to the County or to RCID, such portion(s) of the Property shall be automatically released from the lien and encumbrance of this Agreement.

12.2 This Agreement may not be modified or amended, or any term or provision hereof waived or discharged except in writing, in recordable form, signed by the parties hereto, or their respective successors and assigns. Any such modification or amendment shall not be effective until recorded in the Public Records of Orange County, Florida.

12.3 This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Florida. Any legal proceeding of any nature brought by either party against the other to enforce any right or obligation under this Agreement, or arising out of any matter pertaining to this Agreement, shall be exclusively submitted for trial before the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida; or, if the Circuit Court does not have jurisdiction, then before the United States District Court for the Middle District of Florida (Orlando Division); or if neither of such courts shall have jurisdiction, then before any other court sitting in Orange County, Florida, having subject matter jurisdiction. The parties consent and submit to the exclusive jurisdiction of any such court and agree to accept service of process outside the State of Florida in any matter to be submitted to any such court pursuant hereto. THE PARTIES HEREBY MUTUALLY, KNOWINGLY, VOLUNTARY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY AND ALL CLAIMS AND CAUSES OF ACTION OF ANY KIND WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY AFFIRMATIVE DEFENSES, COUNTERCLAIMS, OR CROSS CLAIMS, BASED ON THIS AGREEMENT OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY WITH RESPECT HERETO OR THERETO WHETHER SUCH CLAIMS OR CAUSES OF ACTION ARE KNOWN OR UNKNOWN AT THE TIME OF EXECUTION OF THIS

AGREEMENT. Furthermore, no party shall seek to consolidate any action in which a jury trial has been waived with any action in which a jury trial cannot be waived. This waiver is a material inducement for the parties entering into this Agreement.

12.4 All of the terms of this Agreement, whether so expressed or not, shall be binding upon the respective successors, assigns and legal representatives of the parties hereto and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns and legal representatives. RCID may assign any or all of its rights and/or obligations hereunder to the County, provided that the County agrees to assume and perform the obligations of RCID hereunder. Owner may not directly assign this Agreement or its rights hereunder but collaterally assign its rights hereunder to any mortgagee of the Property without the consent of RCID.

12.5 The headings of this Agreement are for reference only and shall not limit or otherwise affect the meaning thereof. As used in this Agreement, “business day” means any Monday, Tuesday, Wednesday, Thursday, or Friday, except national holidays on which no United States mail is delivered.

12.6 In the event the either party institutes a legal proceeding against the other party, to enforce the terms of this Agreement or for breach of any of the terms, conditions or covenants of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorney’s fees, paralegal fees and costs, both at the trial and appellate levels.

12.7 IN ANY ACTION AT LAW OR IN EQUITY BETWEEN THE PARTIES HERETO OCCASIONED BY A DEFAULT HEREUNDER, THE PREVAILING PARTY SHALL BE ENTITLED TO COLLECT ITS REASONABLE ATTORNEYS’ FEES ACTUALLY INCURRED IN THE ACTION FROM THE NON-PREVAILING PARTY. AS USED HEREIN, THE TERM “**PREVAILING PARTY**” MEANS THE PARTY WHO RECEIVES SUBSTANTIALLY THE RELIEF SOUGHT. Except as otherwise set forth herein, each party hereto shall pay its own legal costs and expenses in connection with this Agreement and its performance hereunder.

12.8 In addition to each and every remedy now or hereafter existing at law or in equity, the parties hereto expressly agree that each party shall have the right to enforce this Agreement by an action for specific performance.

12.9 This Agreement embodies and constitutes the entire understandings of the parties with respect to the subject matter hereof and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement.

12.10 This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall together constitute one and the same instrument.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGES]**



**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective on the Effective Date.

**“RCID”**

**REEDY CREEK IMPROVEMENT DISTRICT**,  
a public corporation and public body corporate and  
politic of the State of Florida

\_\_\_\_\_ (Signature) By: \_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print Name) \_\_\_\_\_, District Administrator

Date: \_\_\_\_\_

\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print Name)

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing Fire Response Agreement was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as District Administrator of the **REEDY CREEK IMPROVEMENT DISTRICT**, a public corporation and public body corporate and politic of the State of Florida, on behalf thereof, who is  personally known to me or  presented \_\_\_\_\_ as identification. (Set forth type of identification presented, if applicable).

\_\_\_\_\_  
Signature of Notary Public-State of Florida  
(AFFIX STAMP)

**“OWNER”**

**GPAI GROVES, LLC,**  
a Delaware limited liability company

\_\_\_\_\_ (Signature) By: \_\_\_\_\_ (Signature)

Name: \_\_\_\_\_

\_\_\_\_\_ (Print Name) Title: Authorized Person

Date: \_\_\_\_\_

\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print Name)

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

The foregoing Fire Response Agreement was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by \_\_\_\_\_, as Authorized Person of GPAI Groves, LLC, a Delaware limited liability company, on behalf thereof.

\_\_\_\_\_  
Signature of Notary Public-State of \_\_\_\_\_  
(AFFIX STAMP)

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

A parcel of land lying in Sections 27 and 28, Township 24 South, Range 28 East, Orange County, Florida, and being more particularly described as follows:

Begin at the West Quarter corner of said Section 27, run along the West line of the Northwest 1/4 of said Section, N 00°02'53" E, 682.89 feet; thence run along the South line of the Northeast 1/4 of the Southeast 1/4 of the Northeast 1/4 of said Section 28 N 89°56'04" W, 599.63 feet to a point on the Easterly right-of-way line of State Road 400; thence run along said right-of-way line the following courses: thence N 38°29'40" E, 85.01 feet; thence S 51°29'59" E, 24.30 feet; thence N 42°29'47" E, 519.07 feet to a point of curvature of a curve concave Southeasterly having a radius of 616.02 feet, and a central angle of 37°22'29"; thence run Northeasterly along the arc of said curve, 401.84 feet; thence N 79°53'24" E, 876.12 feet; thence departing said right-of-way line run S 10°05'08" E, 841.27 feet to a point on a non-tangent curve concave Northwesterly having a radius of 50.00 feet, and a central angle of 89°59'49"; thence from a tangent bearing of S 10°05'20" E run Southwesterly along the arc of said curve, 78.54 feet; thence S 79°54'26" W, 57.02 feet to a point on a non-tangent curve concave Southeasterly having a radius of 85.00 feet, and a central angle of 85°16'57"; thence from a tangent bearing of S 79°54'19" W run Southwesterly along the arc of said curve, 126.52 feet; thence S 05°22'41" E, 31.47 feet to a point on the Northerly right-of-way line of Meadow Creek Boulevard; thence run along said right-of-way line the following two courses: S 79°52'04" W, 30.75 feet to a point of curvature of a curve concave Southeasterly having a radius of 524.39 feet, and a central angle of 70°52'57"; thence run Southwesterly along the arc of said curve, 648.75 feet to a point on the South line of the Northwest 1/4 of said Section 27; thence along said South line S 89°42'34" W, 559.86 feet to the Point of Beginning.

# EXHIBIT D

# Financial Summary – World Drive North Phase III

February 23, 2022

	BUDGET	Commitments		Change Order Allowance		TOTAL
		Executed	Pending	Available	Pending	
<b>Budget</b>	<b>\$ 101,500,000</b>					
<b>Hard Costs</b>		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Soft Costs</b>		\$ 3,061,514	\$ 57,250	\$ 20,492	\$ 8,588	\$ 3,147,843
TLP Engineering			\$ 57,250		\$ 8,588	
<b>TOTAL</b>	<b>\$ 101,500,000</b>	<b>\$ 3,061,514</b>	<b>\$ 57,250</b>	<b>\$ 20,492</b>	<b>\$ 8,588</b>	<b>\$ 3,147,843</b>

Percentage of Budget

3%

EXHIBIT D



# EXHIBIT E



Since 1967  
**Reedy Creek**  
IMPROVEMENT DISTRICT

Lake Buena Vista, Florida

ANNUAL FINANCIAL REPORT  
AND COMPLIANCE REPORTS

Year Ended September 30, 2021

**REEDY CREEK IMPROVEMENT DISTRICT  
(LOCATED IN ORANGE AND OSCEOLA COUNTIES)  
1900 HOTEL PLAZA BOULEVARD  
LAKE BUENA VISTA, FLORIDA**

**BOARD OF SUPERVISORS**

**LAURENCE C. HAMES, PRESIDENT  
DONALD R. GREER, VICE-PRESIDENT  
JANE ADAMS, TREASURER  
MAXIMIANO BRITO  
(VACANCY)**

**DISTRICT ADMINISTRATOR**

**JOHN H. CLASSE, JR.**

**CHIEF FINANCIAL OFFICER/COMPTROLLER**

**CHRISTOPHER M. QUINN**

**INDEPENDENT AUDITOR**

**Cherry Bekaert LLP  
Orlando, Florida**



REEDY CREEK IMPROVEMENT DISTRICT  
 ANNUAL FINANCIAL REPORT  
 Year Ended September 30, 2021

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REEDY CREEK IMPROVEMENT DISTRICT  
ANNUAL FINANCIAL REPORT  
Year Ended September 30, 2021

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## Report of Independent Auditor

To the District Administrator, Deputy District Administrator, and Board of Supervisors  
Reedy Creek Improvement District  
Lake Buena Vista, Florida

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District as of September 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 16 to the financial statements, certain balances at October 1, 2020, derived from the fiscal 2020 financial statements, have been restated to correct misstatements. Our opinions are not modified with respect to this matter.

**Other Matters*****Required Supplementary Information***

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2022 on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.



Orlando, Florida  
February 7, 2022

## **REEDY CREEK IMPROVEMENT DISTRICT**

### MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Reedy Creek Improvement District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with the District's financial statements, which follow this section.

#### **Financial Highlights**

- The assets plus deferred outflows of resources of the District exceeded liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$519,206,304 (net position).
- The District's total net position increased during the year by \$53,626,836.
- The District's total noncurrent liabilities decreased by \$29,803,125 during the year.
- As of September 30, 2021, the District's governmental funds reported combined ending fund balances of \$171,328,448, a decrease of \$39,497,869 in comparison with the prior year. Approximately 9% of this total amount is available for spending at the government's discretion (unassigned fund balance).
- At September 30, 2021, unassigned fund balance for the general fund was \$15,287,434, or 16% of total general fund expenditures, including transfers.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two 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 District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. 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., arbitrage rebate owed but not due until a future year and earned but unused vacation leave).

**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Overview of the Financial Statements (continued)**

Both of the government-wide financial statements distinguish functions of the District 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 District include general government, public safety, physical environment and transportation. The business-type activities of the District include water, wastewater, reuse, gas, solid waste, chilled water, hot water and electric utility operations. The government-wide financial statements can be found on pages 13-16 of this report.

***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 District, 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 District can be divided into three categories: governmental, proprietary 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 District maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and the capital projects fund, all of which are considered to be major funds.

The District adopts an annual legally appropriated budget for its general fund and debt service fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 17-23 of this report.

***Proprietary fund.*** Proprietary funds report the same functions presented as business-type activities in the government-wide financial statements. The District maintains a proprietary fund, the Utility Fund, which is an enterprise fund that accounts for eight utility operations. The Utility Fund provides the same type of information as the government-wide financial statements, only in more detail. The Utility Fund financial statements can be found on pages 24-28 of this report.

**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Overview of the Financial Statements (continued)**

*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 District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 29-30 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 31 of this report.

**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 District, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$519,206,304 at September 30, 2021.

**District's Net Position**

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and noncurrent assets	\$ 195,283,573	\$ 228,373,593	\$ 243,902,306	\$ 146,376,239	\$ 439,185,879	\$ 374,749,832
Capital assets	917,979,553	895,725,699	303,838,086	293,640,063	1,221,817,639	1,189,365,762
Total assets	<u>1,113,263,126</u>	<u>1,124,099,292</u>	<u>547,740,392</u>	<u>440,016,302</u>	<u>1,661,003,518</u>	<u>1,564,115,594</u>
Deferred outflows of resources	55,314,283	70,855,246	-	-	55,314,283	70,855,246
Total deferred outflows of resources	<u>55,314,283</u>	<u>70,855,246</u>	<u>-</u>	<u>-</u>	<u>55,314,283</u>	<u>70,855,246</u>
Current liabilities*	68,087,501	60,087,542	39,799,313	44,409,848	107,886,814	104,497,390
Non-current liabilities**	829,623,549	923,327,259	189,818,453	125,917,868	1,019,442,002	1,049,245,127
Total liabilities	<u>897,711,050</u>	<u>983,414,801</u>	<u>229,617,766</u>	<u>170,327,716</u>	<u>1,127,328,816</u>	<u>1,153,742,517</u>
Deferred inflows of resources	49,101,277	11,158,683	20,681,404	4,490,172	69,782,681	15,648,855
Total deferred inflows of resources	<u>49,101,277</u>	<u>11,158,683</u>	<u>20,681,404</u>	<u>4,490,172</u>	<u>69,782,681</u>	<u>15,648,855</u>
<b>Net position:</b>						
Net investment in capital assets**	319,129,216	287,422,682	188,282,174	163,326,910	507,411,390	450,749,592
Restricted	218,320	2,449,768	51,111,811	59,058,334	51,330,131	61,508,102
Unrestricted (deficit)**	<u>(97,582,454)</u>	<u>(89,491,396)</u>	<u>58,047,237</u>	<u>42,813,170</u>	<u>(39,535,217)</u>	<u>(46,678,226)</u>
Total net position (restated)	<u>\$ 221,765,082</u>	<u>\$ 200,381,054</u>	<u>\$ 297,441,222</u>	<u>\$ 265,198,414</u>	<u>\$ 519,206,304</u>	<u>\$ 465,579,468</u>

\*Includes current liabilities payable from restricted assets

\*\*Governmental Activities amount in 2020 restated (Note 16)

**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-wide Financial Analysis (continued)**

The District's net position includes: 1) net investment in capital assets (e.g., land, land improvements, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding and deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets or related debt. The District uses these capital assets to provide infrastructure and services to businesses operating within the District; consequently, these assets are not available for future spending. Although the District's investment in its 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; 2) net position restricted by contract or enabling legislation for non-operating uses such as capital and debt service, and 3) unrestricted net position (deficit). The net investment in capital assets continues to increase as the related debt is paid.

*Governmental activities.* Governmental activities reflect negative unrestricted net position balances primarily due to the District's net pension liability and net OPEB liability. However, the District recognized a significant decrease in the proportionate share of the Florida Retirement System (FRS) pension liability, due to larger than anticipated investment earnings recognized by the FRS. Another contributing factor includes the financing, with long-term bonds of the District, certain roadways that were subsequently donated to the State of Florida. The donated roadways are not assets of the District; however, the remaining debt associated with the roadways is a liability of the District, which is discussed further in Note 14. The bonds are Ad Valorem Tax bonds, secured by an irrevocable lien on the ad valorem taxes collected by the District.

The decrease in revenues is the result of tax refunds related to ongoing property valuation disputes (further described in Note 15) and the deannexation of certain parcels. Charges for services were directly affected by the shutdown due to the pandemic. Intergovernmental revenue decreased with the termination of the Osceola County Concurrence Management Agreement. Interest income was also directly affected by economic conditions due to the pandemic, and lowering of interest rates by the Federal Reserve. The decrease in expenses is largely due to parks and resorts not operating at full capacity for much of the fiscal year and the resulting decreased demand for public safety services.

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**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-wide Financial Analysis (continued)**

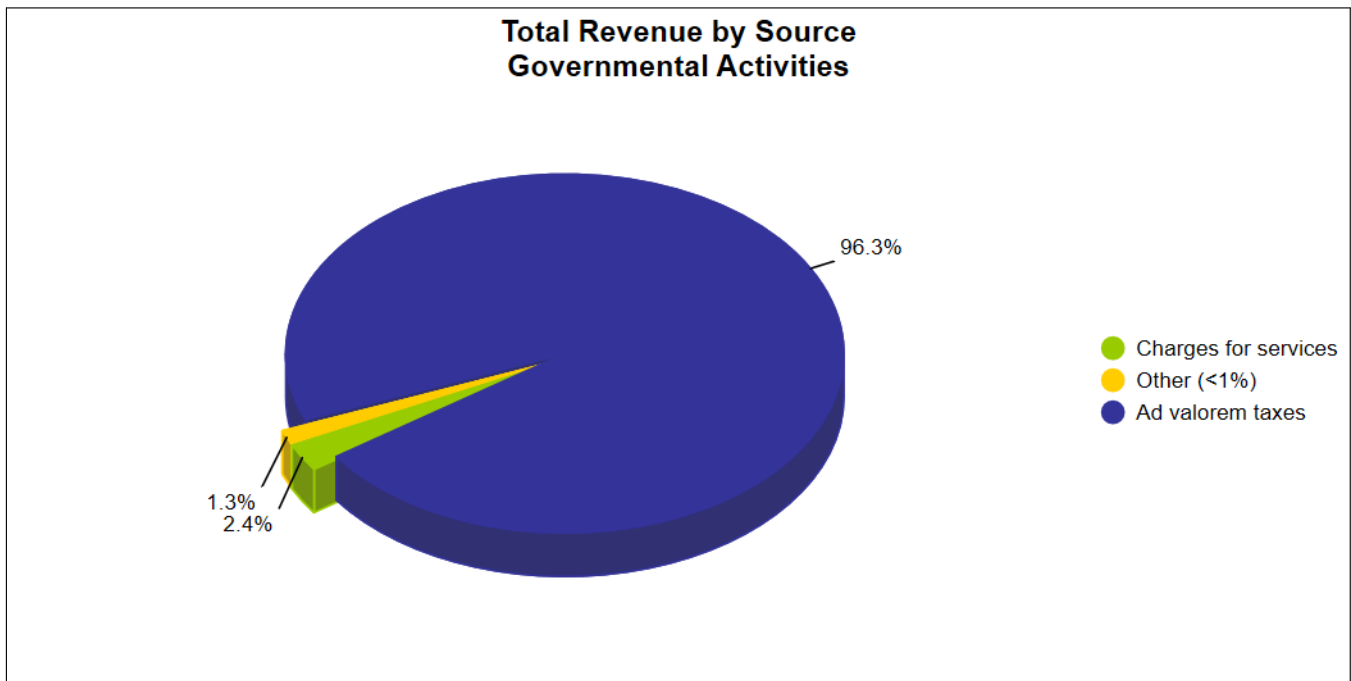
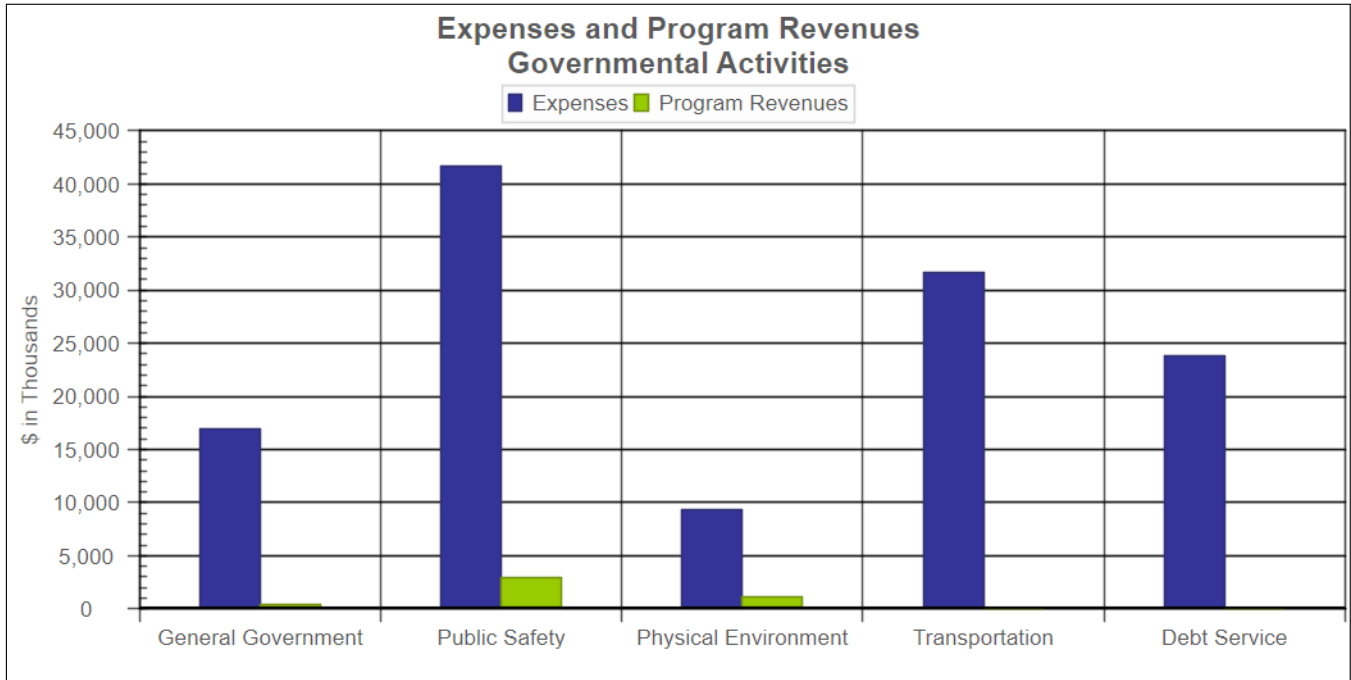
**District's Change in Net Position**

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 3,538,572	\$ 4,670,150	\$ 154,884,383	\$ 139,799,718	\$ 158,422,955	\$ 144,469,868
Intergovernmental	-	819,122	-	-	-	819,122
Capital contributions	927,339	290,024	6,601,797	757,746	7,529,136	1,047,770
Total program revenues	4,465,911	5,779,296	161,486,180	140,557,464	165,952,091	146,336,760
General revenues:						
Ad valorem taxes - net	139,410,395	148,461,355	-	-	139,410,395	148,461,355
Interest income	196,708	2,302,550	309,074	1,115,852	505,782	3,418,402
Nonoperating revenue	-	785,605	-	468,405	-	1,254,010
Gain on disposal of capital assets	-	239,801	-	-	-	239,801
Total general revenues	139,607,103	151,789,311	309,074	1,584,257	139,916,177	153,373,568
Total revenues	144,073,014	157,568,607	161,795,254	142,141,721	305,868,268	299,710,328
Expenses:						
General government	16,973,543	18,255,461	-	-	16,973,543	18,255,461
Public safety	41,700,272	54,904,924	-	-	41,700,272	54,904,924
Physical environment	9,305,263	6,632,206	-	-	9,305,263	6,632,206
Transportation	31,649,320	27,517,289	-	-	31,649,320	27,517,289
Utility operations	-	-	123,740,150	131,020,275	123,740,150	131,020,275
Interest on debt	23,794,647	25,665,341	5,078,237	4,800,457	28,872,884	30,465,798
Total expenses	123,423,045	132,975,221	128,818,387	135,820,732	252,241,432	268,795,953
Increases in net position before transfers and extraordinary item	20,649,969	24,593,386	32,976,867	6,320,989	53,626,836	30,914,375
Transfers	734,059	(4,403,432)	(734,059)	4,403,432	-	-
Extraordinary item	-	67,278,581	-	-	-	67,278,581
Change in net position	21,384,028	87,468,535	32,242,808	10,724,421	53,626,836	98,192,956
Net position - beginning (restated) **	200,381,054	112,912,519	265,198,414	254,473,993	465,579,468	367,386,512
Net position - ending **	\$ 221,765,082	\$ 200,381,054	\$ 297,441,222	\$ 265,198,414	\$ 519,206,304	\$ 465,579,468

\*\*Governmental Activities amount in 2020 restated (Note 16)

**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

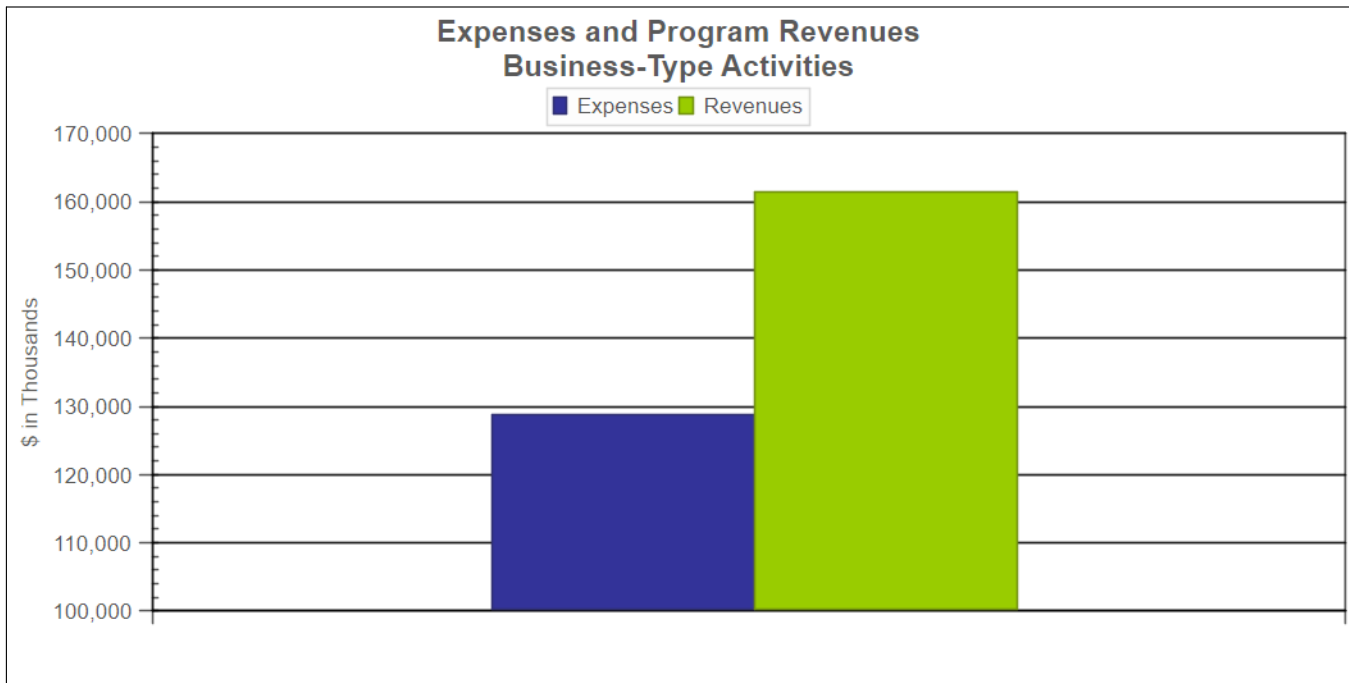
**Government-wide Financial Analysis (continued)**



**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-wide Financial Analysis (continued)**

*Business-type activities.* Current assets increased largely due to an increase in fuel-related derivatives. Noncurrent assets increased with the investment of new revenue bond proceeds. Liabilities increased with the addition of new debt to fund utility system improvements. Charges for services were higher due to an increase in utility revenues resulting from increased capacity at theme parks and resorts. Interest income accounted for 0.2%, capital contributions accounted for 4.1%, with the remainder of total revenues from charges for services. Operating expenses decreased in fiscal year 2021 due to cost savings that were implemented as a result of the theme park closures in the prior year.



**Financial Analysis of the Government's Funds**

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

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

**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Financial Analysis of the Government's Funds (continued)**

As of September 30, 2021, the District's governmental funds reported combined fund balances of \$171,328,448. Approximately 9% of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, committed, restricted or assigned. Restricted amounts are not available for general spending as those amounts have been reserved to pay for capital projects from bond proceeds and debt service payments. Committed amounts are set-aside to pay for projects from drainage fees or property appraiser settlements as directed by the Board of Supervisors. Assigned amounts have been designated to cover the projected excess of expenditures over revenues in the fiscal year 2022 budget.

The general fund is the chief operating fund of the District. At September 30, 2021, unassigned fund balance of the general fund was \$15,287,434, while total fund balance reached \$37,790,468. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 16% of the total general fund expenditures (including transfers), while total fund balance represents 40% of that same amount. The fund balance of the District's general fund decreased by \$6,069,688. While the District budgeted a drawdown of over \$7 million in the General Fund in FY2021, the postponement of transportation projects helped to offset tax refunds, resulting in a drawdown of approximately \$6 million.

The debt service fund has a total fund balance of \$218,320, a decrease of \$2,231,448 from the prior year. The decrease was due to a reduction in tax revenues related to property tax settlements and refunds previously discussed.

The capital projects fund has a total fund balance of \$133,319,660, a decrease of \$31,196,733 from the prior year. The decrease was due to expenditures related to transportation improvement projects.

*Proprietary fund.* At September 30, 2021 the unrestricted net position of the Utility Fund amounted to \$58,047,237, an increase of \$15,234,067 from the prior year. The increase is due to a decrease of \$7.9 million in debt service and renewal and replacement reserves, and increases in utility revenues from increased capacity subsequent to the shutdowns experienced in fiscal 2020. The restricted net position amounted to \$51,111,811, the bulk of which is restricted for debt service.

**General Fund Budgetary Highlights**

The District amended its budget by adding \$6 million in non-operating uses in fiscal year 2021. The outlay related to property appraiser settlements, which are discussed further in Note 15. Funds were sourced from a combination of reserves previously set aside for those settlements and available fund balance.

**REEDY CREEK IMPROVEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Capital Asset and Debt Administration**

*Capital Assets.* The District's investment in capital assets for its governmental and business type activities as of September 30, 2021 amounted to \$1,221,817,639, net of accumulated depreciation. This represents an increase of \$32,451,877. The primary driver for the increase was ongoing capital projects as described above.

Additional information on the District's capital assets can be found in Note 5 of the financial statements.

**District's Capital Assets**

(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,740,642	\$ 2,740,642	\$ 6,896,164	\$ 6,896,164	\$ 9,636,806	\$ 9,636,806
Buildings and system	238,388,167	246,515,664	21,169,187	22,415,775	259,557,354	268,931,439
Improvements other than buildings	-	-	112,581,259	107,144,604	112,581,259	107,144,604
Machinery and equipment	7,460,753	8,546,699	109,090,004	114,749,157	116,550,757	123,295,856
Infrastructure	633,446,873	617,948,179	-	-	633,446,873	617,948,179
Construction in progress	35,943,118	19,974,515	54,101,472	42,434,363	90,044,590	62,408,878
Total	<u>\$ 917,979,553</u>	<u>\$ 895,725,699</u>	<u>\$ 303,838,086</u>	<u>\$ 293,640,063</u>	<u>\$ 1,221,817,639</u>	<u>\$ 1,189,365,762</u>

*Long-term debt.* At September 30, 2021, the District had total long-term bonded debt outstanding of \$977,215,801. Of this amount, \$766,467,348 comprised of debt backed by the full faith and credit of the District and \$210,748,453 is secured by the revenues generated by the District's utilities. During the year, the District's total long-term debt increased by \$23,083,567 (2%) with the issuance of the Series 2021 utility revenue bonds to fund ongoing system improvements.

The District has received ratings of "AA-" from Standard and Poor's, "AA-" from Fitch and "Aa3" from Moody's for the Ad Valorem Tax general obligation bonds and ratings of "A-" from Standard and Poor's, "A" from Fitch and "A1" from Moody's for the Utility Revenue bonds. Additional information on the District's long-term debt can be found in Note 7 of the financial statements.

**REEDY CREEK IMPROVEMENT DISTRICT**  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Capital Asset and Debt Administration (continued)**

**District's Outstanding Long-term Debt**

General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 766,467,348	\$ 803,314,366	\$ -	\$ -	\$ 766,467,348	\$ 803,314,366
Revenue bonds	-	-	210,748,453	150,817,868	210,748,453	150,817,868
Total	<u>\$ 766,467,348</u>	<u>\$ 803,314,366</u>	<u>\$ 210,748,453</u>	<u>\$ 150,817,868</u>	<u>\$ 977,215,801</u>	<u>\$ 954,132,234</u>

*Infrastructure Assets.* As demonstrated in the Required Supplementary Information on pages 74-84 of this report, there have been no significant changes in the assessed condition of the bridges, roads and water control structures that use the modified approach for infrastructure reporting. There is an ongoing program to repair the remaining water control structures considered in good condition. The current conditions of the remaining assets are within the established levels maintained by the District.

**Economic Factors and Next Year's Budget and Rates**

Local governments continue to be affected by factors related to the COVID-19 pandemic, including the general state of the economy and real estate markets. Many industries continue to experience fluctuations in business operations. Assessed property values underlying the District's fiscal year 2022 budget and millage rates reflect the impact of the pandemic in our area and Orange County Property Appraiser revaluations of property value assessments as a result of Court of Appeals' recommendations. Millage rates were increased to offset the decrease in assessed values.

- The unemployment rate of the Central Florida area is currently averaging 3.9%. This is less than both the state and national average unemployment rates of 4.5% and 4.2%, respectively.
- Fiscal year 2022 assessed values decreased 9.3%. Millage rates increased overall by 2.4312 mills as a result of the decrease in assessed values.
- Inflationary trends in the region compare to national indices.

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Reedy Creek Improvement District, Comptroller, 1900 Hotel Plaza Blvd., P.O. Box 10170, Lake Buena Vista, Florida 32830.

# REEDY CREEK IMPROVEMENT DISTRICT

## STATEMENT OF NET POSITION

September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,770,929	\$ 11,288,598	\$ 21,059,527
Cash and cash equivalents - restricted	55,290,355	42,827,796	98,118,151
Investments	35,013,299	25,374,783	60,388,082
Investments - restricted	92,952,999	107,670,595	200,623,594
Accounts receivable, net	668,509	22,441,713	23,110,222
Internal balances	(1,194,190)	1,194,190	-
Inventories	-	13,507,028	13,507,028
Prepays	24,233	504,233	528,466
Derivative fuel instruments	-	19,070,370	19,070,370
Other assets	2,757,439	23,000	2,780,439
Capital assets not being depreciated	672,130,633	60,997,636	733,128,269
Capital assets, net of accumulated depreciation	245,848,920	242,840,450	488,689,370
<b>Total assets</b>	1,113,263,126	547,740,392	1,661,003,518
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Loss on defeased debt due to refundings	25,084,363	-	25,084,363
Deferred outflow of resources related to pensions	12,231,703	-	12,231,703
Deferred outflow of resources related to OPEB	17,998,217	-	17,998,217
<b>Total deferred outflows of resources</b>	55,314,283	-	55,314,283

(Continued)

The accompanying notes are an integral part of these financial statements.

# REEDY CREEK IMPROVEMENT DISTRICT

## STATEMENT OF NET POSITION

September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	10,110,707	14,675,272	24,785,979
Accounts payable from restricted assets	13,533,555	1,407,188	14,940,743
Compensated absences	1,821,152	-	1,821,152
Self insurance liability	1,280,700	-	1,280,700
Bonds and notes payable	32,755,000	20,930,000	53,685,000
Accrued interest payable	8,586,387	2,786,853	11,373,240
Noncurrent liabilities:			
Compensated absences	1,756,352	-	1,756,352
Self insurance liability	4,708,833	-	4,708,833
Net pension liability	20,032,980	-	20,032,980
Net OPEB liability	69,413,036	-	69,413,036
Bonds and notes payable	733,712,348	189,818,453	923,530,801
<b>Total</b>	897,711,050	229,617,766	1,127,328,816
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred fuel	-	1,600,216	1,600,216
Accumulated increase in fair value of derivative instruments	-	19,070,370	19,070,370
Gain on defeased debt due to refundings	-	10,818	10,818
Deferred inflow of resources related to pensions	40,615,919	-	40,615,919
Deferred inflow of resources related to OPEB	8,485,358	-	8,485,358
<b>Total deferred inflows of resources</b>	49,101,277	20,681,404	69,782,681
<b>NET POSITION</b>			
Net investment in capital assets	319,129,216	188,282,174	507,411,390
Restricted for:			
Debt service	218,320	47,116,827	47,335,147
Renewal and replacement	-	3,494,984	3,494,984
Emergency repairs	-	500,000	500,000
Unrestricted (deficit)	(97,582,454)	58,047,237	(39,535,217)
<b>Total net position</b>	\$ 221,765,082	\$ 297,441,222	\$ 519,206,304

The accompanying notes are an integral part of these financial statements.



## REEDY CREEK IMPROVEMENT DISTRICT

### STATEMENT OF ACTIVITIES

For the Period Ended September 30, 2021

	<b>Total</b>	<b>Total Business-type Activities</b>	<b>Total Governmental Activities</b>
<b>Expenses:</b>			
Labor	\$ 73,091,773	\$ 27,275,204	\$ 45,816,569
Operating expenses	117,497,278	75,208,726	42,288,552
Depreciation	32,000,767	20,495,185	11,505,582
Nonoperating expenses	761,035	761,035	-
Loss on disposal of capital assets	17,695	-	17,695
Interest on debt	28,872,884	5,078,237	23,794,647
<b>Total expenses</b>	<b>252,241,432</b>	<b>128,818,387</b>	<b>123,423,045</b>
<b>Program revenues:</b>			
Charges for services	158,422,955	154,884,383	3,538,572
Capital contributions	7,529,136	6,601,797	927,339
<b>Total program revenues</b>	<b>165,952,091</b>	<b>161,486,180</b>	<b>4,465,911</b>
<b>Net program expense (revenue)</b>	<b>86,289,341</b>	<b>(32,667,793)</b>	<b>118,957,134</b>
<b>General revenues:</b>			
Ad valorem taxes	139,410,395	-	139,410,395
Interest and investment income	505,782	309,074	196,708
Transfer in (out)	-	(734,059)	734,059
<b>Total general revenues and transfers</b>	<b>139,916,177</b>	<b>(424,985)</b>	<b>140,341,162</b>
<b>Change in net position</b>	<b>53,626,836</b>	<b>32,242,808</b>	<b>21,384,028</b>
<b>Total net position - beginning</b>	<b>469,903,413</b>	<b>265,198,414</b>	<b>204,704,999</b>
Restatement (Note 16)	(4,323,945)	-	(4,323,945)
<b>Total net position - beginning (restated)</b>	<b>465,579,468</b>	<b>265,198,414</b>	<b>200,381,054</b>
<b>Total net position - ending</b>	<b>\$ 519,206,304</b>	<b>\$ 297,441,222</b>	<b>\$ 221,765,082</b>

The accompanying notes are an integral part of these financial statements.

**Governmental Activities Expenses by Function**

<b>General Government</b>	<b>Public Safety</b>	<b>Physical Environment</b>	<b>Transportation</b>	<b>Debt Service</b>
\$ 6,154,818	\$ 33,346,260	\$ 5,397,420	\$ 918,071	\$ -
9,692,461	5,799,118	3,523,575	23,273,398	-
1,126,264	2,554,894	366,573	7,457,851	-
-	-	-	-	-
-	-	17,695	-	-
-	-	-	-	23,794,647
16,973,543	41,700,272	9,305,263	31,649,320	23,794,647
408,901	2,889,575	240,096	-	-
-	-	927,339	-	-
408,901	2,889,575	1,167,435	-	-
\$ 16,564,642	\$ 38,810,697	\$ 8,137,828	\$ 31,649,320	\$ 23,794,647

The accompanying notes are an integral part of these financial statements.

**REEDY CREEK IMPROVEMENT DISTRICT**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

September 30, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 9,710,590	\$ 93,492	\$ 55,257,202	\$ 65,061,284
Investments	35,013,299	125,023	92,827,976	127,966,298
Accounts receivable, net	668,509	-	-	668,509
Due from other funds	197,085	-	-	197,085
Prepays	24,233	-	-	24,233
Other assets	2,507,230	-	-	2,507,230
Total assets	<u>\$ 48,120,946</u>	<u>\$ 218,515</u>	<u>\$ 148,085,178</u>	<u>\$ 196,424,639</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Accounts payable and accrued liabilities	\$ 10,171,361	\$ 195	\$ 13,533,360	\$ 23,704,916
Due to other funds	159,117	-	1,232,158	1,391,275
Total liabilities	<u>10,330,478</u>	<u>195</u>	<u>14,765,518</u>	<u>25,096,191</u>
Fund balances:				
Nonspendable:				
Prepays	24,233	-	-	24,233
Other assets	2,507,230	-	-	2,507,230
Committed				
Drainage system	5,365,168	-	-	5,365,168
Property appraiser disputes	4,000,000	-	-	4,000,000
Restricted:				
Capital projects	-	-	133,319,660	133,319,660
Debt service	-	218,320	-	218,320
Assigned:				
2022 budget appropriation	10,606,403	-	-	10,606,403
Unassigned	15,287,434	-	-	15,287,434
Total fund balances	<u>37,790,468</u>	<u>218,320</u>	<u>133,319,660</u>	<u>\$ 171,328,448</u>
Total liabilities and fund balances	<u>\$ 48,120,946</u>	<u>\$ 218,515</u>	<u>\$ 148,085,178</u>	

The accompanying notes are an integral part of these financial statements.

**REEDY CREEK IMPROVEMENT DISTRICT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO**  
**THE STATEMENT OF NET POSITION**

September 30, 2021

Fund Balances - Total Governmental Funds	\$ 171,328,448
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Accrued interest payable on bonds not currently due is not reported in the funds.	(8,586,387)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	917,979,553
Some liabilities, deferred outflows of resources and deferred inflows of resources, including those related to bonds payable, pensions, OPEB and other liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(858,956,532)</u>
Net position of governmental activities	<u><u>\$ 221,765,082</u></u>

The accompanying notes are an integral part of these financial statements.

## REEDY CREEK IMPROVEMENT DISTRICT

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Period Ended September 30, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>REVENUES</b>				
Ad valorem taxes	\$ 83,117,070	\$ 56,293,325	\$ -	\$ 139,410,395
Emergency services	9,651	-	-	9,651
Building permits and fees	2,879,924	-	-	2,879,924
Drainage fees	927,339	-	-	927,339
Interest and investment income	-	-	300,566	300,566
Other	735,662	-	-	735,662
Total revenues	<u>87,669,646</u>	<u>56,293,325</u>	<u>300,566</u>	<u>144,263,537</u>
<b>EXPENDITURES</b>				
<b>CURRENT:</b>				
General government	16,374,521	-	-	16,374,521
Public safety	41,887,010	-	-	41,887,010
Physical environment	9,466,393	-	-	9,466,393
Transportation	24,254,238	-	30,001	24,284,239
Capital outlay	1,730,447	-	31,467,298	33,197,745
<b>DEBT SERVICE:</b>				
Principal	-	31,365,000	-	31,365,000
Interest and other charges	94,731	27,159,773	-	27,254,504
Total expenditures	<u>93,807,340</u>	<u>58,524,773</u>	<u>31,497,299</u>	<u>183,829,412</u>
Deficiency of revenues under expenditures	<u>(6,137,694)</u>	<u>(2,231,448)</u>	<u>(31,196,733)</u>	<u>(39,565,875)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	68,006	-	-	68,006
Total other financing sources	<u>68,006</u>	<u>-</u>	<u>-</u>	<u>68,006</u>
Net change in fund balances	(6,069,688)	(2,231,448)	(31,196,733)	(39,497,869)
<b>Fund Balances, beginning of year</b>	<u>43,860,156</u>	<u>2,449,768</u>	<u>164,516,393</u>	<u>210,826,317</u>
<b>Fund Balances, end of year</b>	<u>\$ 37,790,468</u>	<u>\$ 218,320</u>	<u>\$ 133,319,660</u>	<u>\$ 171,328,448</u>

The accompanying notes are an integral part of these financial statements.

## REEDY CREEK IMPROVEMENT DISTRICT

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Period Ended September 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ (39,497,869)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 21,692,163

The net effect of miscellaneous transactions involving capital assets resulted in an increase in net position. This includes the transfer of lab assets from the Utility Fund to the General Fund, proceeds from equipment sales and the loss from disposal of assets. 561,691

Governmental funds report the payment of bond principal and interest when the current financial resources are available and payments are due and they report the payment of issuance costs, premiums, discounts, and similar items when debt is first issued. However, on the statement of activities, interest is accrued. 34,720,999

Decreases in other liabilities reported as expenses in the statement of activities not requiring the use of current financial resources in governmental funds. 3,907,044

Change in net position of governmental activities \$ 21,384,028

The accompanying notes are an integral part of these financial statements.

## REEDY CREEK IMPROVEMENT DISTRICT

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

#### GENERAL FUND

For the Period Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Ad valorem taxes	\$ 91,224,135	\$ 85,224,135	\$ 83,117,070	\$ (2,107,065)
Emergency services	-	-	9,651	9,651
Building permits and fees	3,750,000	3,750,000	2,879,924	(870,076)
Drainage fees	-	-	927,339	927,339
Interest and investment income	158,000	158,000	-	(158,000)
Other	525,000	525,000	735,662	210,662
<b>Total revenues</b>	<u>95,657,135</u>	<u>89,657,135</u>	<u>87,669,646</u>	<u>(1,987,489)</u>
<b>EXPENDITURES</b>				
GENERAL GOVERNMENT				
Administrative:				
Labor	3,079,433	3,079,433	3,312,893	(233,460)
Operating	6,566,274	6,566,274	6,906,315	(340,041)
	<u>9,645,707</u>	<u>9,645,707</u>	<u>10,219,208</u>	<u>(573,501)</u>
Human Resources:				
Labor	875,908	875,908	853,247	22,661
Operating	238,567	238,567	211,110	27,457
	<u>1,114,475</u>	<u>1,114,475</u>	<u>1,064,357</u>	<u>50,118</u>
Information Systems & Technology:				
Labor	2,104,303	2,104,303	1,928,468	175,835
Operating	1,867,575	1,899,575	1,819,653	79,922
Capital outlay	1,521,000	1,489,000	965,611	523,389
	<u>5,492,878</u>	<u>5,492,878</u>	<u>4,713,732</u>	<u>779,146</u>
Property Management:				
Labor	800,076	800,076	682,143	117,933
Operating	746,472	666,472	660,692	5,780
	<u>1,546,548</u>	<u>1,466,548</u>	<u>1,342,835</u>	<u>123,713</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>17,799,608</u>	<u>17,719,608</u>	<u>17,340,132</u>	<u>379,476</u>

The accompanying notes are an integral part of these financial statements.

## REEDY CREEK IMPROVEMENT DISTRICT

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

#### GENERAL FUND

For the Period Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>PUBLIC SAFETY</b>				
Building & Safety:				
Labor	4,923,919	4,923,919	4,988,433	(64,514)
Operating	<u>718,900</u>	<u>718,900</u>	<u>628,361</u>	<u>90,539</u>
	<u>5,642,819</u>	<u>5,642,819</u>	<u>5,616,794</u>	<u>26,025</u>
Emergency Services:				
Labor	32,043,018	32,043,018	30,785,816	1,257,202
Operating	3,322,682	3,322,682	3,043,724	278,958
Capital outlay	<u>1,470,400</u>	<u>1,470,400</u>	<u>392,410</u>	<u>1,077,990</u>
	<u>36,836,100</u>	<u>36,836,100</u>	<u>34,221,950</u>	<u>2,614,150</u>
Property Management:				
Labor	347,607	347,607	313,644	33,963
Operating	3,016,600	3,116,600	2,127,032	989,568
Capital outlay	<u>132,000</u>	<u>132,000</u>	<u>132,241</u>	<u>(241)</u>
	<u>3,496,207</u>	<u>3,596,207</u>	<u>2,572,917</u>	<u>1,023,290</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>45,975,126</u>	<u>46,075,126</u>	<u>42,411,661</u>	<u>3,663,465</u>
<b>PHYSICAL ENVIRONMENT</b>				
Environmental Sciences:				
Labor	3,615,472	3,615,472	3,520,161	95,311
Operating	1,318,500	1,305,000	1,226,451	78,549
Capital outlay	<u>6,500</u>	<u>20,000</u>	<u>6,399</u>	<u>13,601</u>
	<u>4,940,472</u>	<u>4,940,472</u>	<u>4,753,011</u>	<u>187,461</u>
Planning & Engineering:				
Labor	2,376,301	2,376,301	2,422,657	(46,356)
Operating	846,281	846,281	687,198	159,083
Capital outlay	<u>268,000</u>	<u>268,000</u>	<u>201,255</u>	<u>66,745</u>
	<u>3,490,582</u>	<u>3,490,582</u>	<u>3,311,110</u>	<u>179,472</u>
Water Control:				
Operating	2,869,000	1,869,000	1,256,739	612,261
Property Management:				
Operating	<u>352,900</u>	<u>352,900</u>	<u>353,187</u>	<u>(287)</u>
<b>TOTAL PHYSICAL ENVIRONMENT</b>	<u>11,652,954</u>	<u>10,652,954</u>	<u>9,674,047</u>	<u>978,907</u>

The accompanying notes are an integral part of these financial statements.



## REEDY CREEK IMPROVEMENT DISTRICT

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

#### GENERAL FUND

For the Period Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
TRANSPORTATION				
Roadway Maintenance:				
Labor	230,150	230,150	248,735	(18,585)
Operating	<u>20,494,451</u>	<u>21,494,451</u>	<u>15,752,938</u>	<u>5,741,513</u>
	<u>20,724,601</u>	<u>21,724,601</u>	<u>16,001,673</u>	<u>5,722,928</u>
Parking Facilities:				
Labor	750,974	750,974	762,106	(11,132)
Operating	8,650,186	8,624,686	7,490,459	1,134,227
Capital outlay	<u>27,000</u>	<u>32,500</u>	<u>32,531</u>	<u>(31)</u>
	<u>9,428,160</u>	<u>9,408,160</u>	<u>8,285,096</u>	<u>1,123,064</u>
TOTAL TRANSPORTATION	<u>30,152,761</u>	<u>31,132,761</u>	<u>24,286,769</u>	<u>6,845,992</u>
DEBT SERVICE				
Interest and other charges	<u>-</u>	<u>-</u>	<u>94,731</u>	<u>(94,731)</u>
<b>Total expenditures</b>	<u>105,580,449</u>	<u>105,580,449</u>	<u>93,807,340</u>	<u>11,773,109</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,923,314)</u>	<u>(15,923,314)</u>	<u>(6,137,694)</u>	<u>9,785,620</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>68,006</u>	<u>68,006</u>
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>68,006</u>	<u>68,006</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	<u>\$ (9,923,314)</u>	<u>\$ (15,923,314)</u>	<u>(6,069,688)</u>	<u>\$ 9,853,626</u>
<b>Fund Balance, beginning of year</b>			<u>43,860,156</u>	
<b>Fund Balance, end of year</b>			<u>\$ 37,790,468</u>	

The accompanying notes are an integral part of these financial statements.

**REEDY CREEK IMPROVEMENT DISTRICT**  
**STATEMENT OF NET POSITION - UTILITY FUND**

September 30, 2021

**ASSETS**

Current assets:

Cash and cash equivalents	\$	11,288,598
Investments		3,596,386
Accounts receivable, net		22,441,713
Due from other funds		1,391,275
Inventories		13,507,028
Prepays		504,233
Derivative fuel instruments		19,070,370
Restricted assets:		
Cash and cash equivalents		42,827,796
Investments		25,780,040
Total current assets		140,407,439

Noncurrent assets:

Investments		21,778,397
Restricted investments		81,890,555
Capital assets:		
Land		6,896,164
Construction in progress		54,101,472
Buildings		66,218,685
Improvements other than buildings		277,105,823
Machinery and equipment		442,823,021
Less accumulated depreciation		(543,307,079)
Total capital assets		303,838,086
Other assets		23,000
Total noncurrent assets		407,530,038

**Total assets**

**547,937,477**

The accompanying notes are an integral part of these financial statements.

**REEDY CREEK IMPROVEMENT DISTRICT**  
**STATEMENT OF NET POSITION - UTILITY FUND**

September 30, 2021

**LIABILITIES**

Current liabilities:

Accounts payable and accrued liabilities	14,675,272
Due to other funds	197,085
Total current liabilities	14,872,357

Current liabilities payable from restricted assets:

Bonds and notes payable	20,930,000
Accrued interest payable	2,786,853
Contracts and retainage payable	1,407,188
Total current liabilities payable from restricted assets	25,124,041

Long-term liabilities:

Bonds and notes payable	189,818,453
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<b>Total liabilities</b>	<b>229,814,851</b>
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**DEFERRED INFLOWS OF RESOURCES**

Deferred fuel	1,600,216
Accumulated increase in the fair value of derivative instruments	19,070,370
Gain on defeased debt due to refundings	10,818
Total deferred inflows of resources	20,681,404

**NET POSITION**

Net investment in capital assets	188,282,174
Restricted for debt service	47,116,827
Restricted for renewal and replacement	3,494,984
Restricted for emergency repairs	500,000
Unrestricted	58,047,237
<b>Total net position</b>	<b>\$ 297,441,222</b>

The accompanying notes are an integral part of these financial statements.

# REEDY CREEK IMPROVEMENT DISTRICT

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

### UTILITY FUND

For the Period Ended September 30, 2021

#### **OPERATING REVENUES**

Utility sales	\$ 154,884,383
Total operating revenues	<u>154,884,383</u>

#### **OPERATING EXPENSES**

Purchased power and fuel	52,402,524
Labor support	27,341,764
Operating costs	12,656,650
Taxes	2,424,237
Repairs and maintenance	6,622,843
Insurance	1,035,912
Depreciation	<u>20,495,185</u>
Total operating expenses	<u>122,979,115</u>
Operating income	<u>31,905,268</u>

#### **NONOPERATING REVENUES (EXPENSES)**

Interest and investment income	309,074
Interest expense	(5,078,237)
Bond issue costs	(331,750)
Loss on retirement of plant assets	<u>(429,285)</u>
Total nonoperating expenses, net	<u>(5,530,198)</u>

Income before contributions and transfer 26,375,070

Capital contributions	6,601,797
Transfer out	<u>(734,059)</u>
Increase in net position	32,242,808

Total net position - beginning	<u>265,198,414</u>
Total net position - ending	<u>\$ 297,441,222</u>

The accompanying notes are an integral part of these financial statements.

# REEDY CREEK IMPROVEMENT DISTRICT

## STATEMENT OF CASH FLOWS UTILITY FUND

For the Year Ended September 30, 2021

### **CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 154,212,827
Payments to suppliers	(74,116,089)
Payments for labor contract and management service agreement	<u>(24,236,585)</u>
Net cash provided (used) by operating activities	<u>55,860,153</u>

### **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Proceeds from bonds	132,177,000
Payment of bond issue costs	(331,750)
Purchases of capital assets	(34,363,197)
Proceeds from sale of capital assets	(257,556)
Principal paid on bonds	(71,376,000)
Interest paid on bonds	(6,035,758)
Capital contributions	<u>1,269,881</u>
Net cash provided (used) by capital and related financing activities	<u>21,082,620</u>

### **CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of investments	(119,891,655)
Proceeds from sales and maturities of investments	25,387,207
Investment income	<u>309,074</u>
Net cash provided (used) by investing activities	<u>(94,195,374)</u>
Net decrease in cash and cash equivalents	(17,252,601)
Balances - beginning of the year	<u>71,368,995</u>
Balances - end of the year	<u>\$ 54,116,394</u>

Unrestricted	\$ 11,288,598
Restricted	<u>42,827,796</u>
	<u>\$ 54,116,394</u>

The accompanying notes are an integral part of these financial statements.

## REEDY CREEK IMPROVEMENT DISTRICT

### STATEMENT OF CASH FLOWS UTILITY FUND

For the Year Ended September 30, 2021

#### **Reconciliation of operating income to net cash provided by operating activities**

Operating income	\$ 31,905,268
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	20,495,185
Change in assets, liabilities and deferred inflows of resources:	
Accounts receivable	1,362,148
Inventories	1,394,225
Prepaid items	29,080
Accounts payable and accrued liabilities	2,603,179
Due to other funds	104,772
Deferred fuel	<u>(2,033,704)</u>
Net cash provided by operating activities	<u>\$ 55,860,153</u>

The accompanying notes are an integral part of these financial statements.

**REEDY CREEK IMPROVEMENT DISTRICT**

**STATEMENT OF FIDUCIARY NET POSITION**

**FIDUCIARY FUND**

September 30, 2021

	<b><u>Other Post- Employment Benefits Trust</u></b>
<b>ASSETS</b>	
Trust cash	\$ 2,348,384
Trust investments	<u>12,800,117</u>
<b>Total Assets</b>	<b><u>15,148,501</u></b>
<b>NET POSITION</b>	
Restricted for other postemployment benefits	<b><u>\$ 15,148,501</u></b>

The accompanying notes are an integral part of these financial statements.

**REEDY CREEK IMPROVEMENT DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
FIDUCIARY FUND

For the Period Ended September 30, 2021

	<u>Other Post- Employment Benefit Trust</u>
<b>ADDITIONS:</b>	
Employer contributions	\$ 2,774,518
<b>DEDUCTIONS:</b>	
Benefits paid on behalf of participants	1,757,481
Investment expense	<u>60,629</u>
<b>Total Deductions</b>	<u>1,818,110</u>
Net increase in fiduciary net position	956,408
Net position - October 1, 2020	<u>14,192,093</u>
Net position - September 30, 2021	<u><u>\$ 15,148,501</u></u>

The accompanying notes are an integral part of these financial statements.



# REEDY CREEK IMPROVEMENT DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended September 30, 2021

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Reedy Creek Improvement District (the "District") is a public corporation of the State of Florida created on May 12, 1967 by a special act of the legislature. The District includes approximately 25,000 acres of land in Orange and Osceola Counties. Walt Disney World Co. or other wholly owned subsidiaries of the Walt Disney Company own substantially all the land within the District. As outlined in Chapter 67-764 of the Laws of Florida, the District was organized to provide for the reclamation, drainage, and irrigation of land, to establish water, flood, and erosion control, to provide water and sewer systems and waste collection and disposal facilities, to provide for mosquito and other pest controls, to provide for public utilities, to create and maintain conservation areas, to provide streets, roads, bridges and street lighting facilities, and to adopt zoning and building codes and regulations. The governing body of the District is a five-member Board of Supervisors elected to office for four-year terms by landowners of the District.

The accompanying financial statements present the financial position and changes in financial position of the applicable fund types governed by the Board of Supervisors of the District in accordance with accounting principles generally accepted in the United States of America. Determination of the financial reporting entity of the District is founded upon the objective of accountability. Therefore, the financial statements include only the District (the primary government). There are no legally separate component units for which operational or financial responsibility rest with officials of the District or for which the nature and significance of their relationship to the District are such that exclusion would cause the financial statements to be misleading.

#### 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 nonfiduciary activities of the primary government. Fiduciary activities are reported only in the fund financial statements. As required by generally accepted governmental accounting principles, 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, 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. 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) contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

# REEDY CREEK IMPROVEMENT DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### B. Government-Wide and Fund Financial Statements - Continued

Separate financial statements are provided for the governmental funds, the proprietary fund and the fiduciary fund. All governmental funds and the proprietary fund are considered to be major funds and are reported as separate columns in the fund financial statements. The OPEB trust fund is reported as a separate financial statement and is not included in the government-wide financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary 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 revenue 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.

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 sixty 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, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are generally not measurable and available until the District receives cash.

The District reports the following major governmental funds:

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

Debt Service Fund - Accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Capital Projects Fund - Accounts for the financial resources to be used for the acquisition or construction of major general government capital projects.

# REEDY CREEK IMPROVEMENT DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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

The District reports the following major proprietary fund:

Utility Fund - Accounts for activities of the following District systems: wastewater collection and treatment; potable water production, treatment, storage, pumping and distribution; reclaimed water distribution; electric generation and distribution; chilled water; hot water; natural gas distribution; and solid waste and recyclables collection and transfer.

Additionally, the District reports the following fiduciary fund type:

Other Post-Employment Benefits Trust Fund - Accounts for the receipt and disbursement of assets held in trust for eligible participants of other post-employment benefits of the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating contributions, and 3) capital contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes. Bad debt expense, if any, reduces revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 District's proprietary fund are charges to customers for sales and services. The District also recognizes as operating revenue connection fees which are to recover the expense of connecting new customers to the system. Operating expenses for the proprietary fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

# REEDY CREEK IMPROVEMENT DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### D. Property Taxes

Property taxes are billed and collected within the same fiscal period, and are reflected on the modified accrual basis. Ad Valorem taxes on property values have a lien and assessment date of January 1, with millage established during the preceding September. The fiscal year for which taxes are levied begins October 1. Taxes, which are billed in November, carry a maximum discount available through November 30, and become delinquent April 1. State Statutes permit the District to levy property taxes at a rate up to 30 mills. The millage rates assessed by the District for the fiscal year ended September 30, 2021 were 6.8467 for General Operating and 4.2962 for Debt Service.

#### E. Cash, Cash Equivalents and Investments

Cash balances from the majority of funds are pooled for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable balances maintained in the pool by each fund. Holdings in the pool, for purposes of these statements, are allocated to the participating funds based on their equity.

Cash and cash equivalents consist of non-interest bearing demand deposits and money market funds and investments with an original maturity of three months or less when purchased. Cash and cash equivalents are carried at cost, which approximates fair value.

Investments are stated at fair value based upon quoted market prices or matrix pricing for certain fixed income securities. Investments are further explained in Notes 3, 10 and 13, Deposits and Investments, Other Postemployment Benefits and Fair Value Measurements, respectively.

#### F. Inventories

Utility Fund inventories consist of materials, supplies and fuel. Materials and supplies inventories are only held for use and are valued at cost. Fuel oil inventories are accounted for at the lower of cost or market using the moving average cost method.

#### G. Restricted Assets

Certain assets in the Debt Service Fund, Capital Projects Fund and Utility Fund are restricted as to use by specific provisions of bond resolutions. These assets are classified as restricted assets on the statement of net position.

**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**H. Capital Assets**

Infrastructure improvements such as roads, bridges, canals, curbs, gutters, sidewalks, drainage systems and lighting systems are recorded as capital expenditures in the various governmental funds at the time of purchase. These assets are presented as capital assets in the government-wide statement of net position for governmental activities. Infrastructure assets are not depreciated and are accounted for using the modified approach, as further explained in the Required Supplementary Information. Condition assessments are periodically performed and preservation and maintenance costs are reflected as expenses in the government-wide statement of activities under transportation expenses.

Land, buildings, plant, machinery and equipment are carried on the statement of net position for governmental activities and business-type activities at cost, except for contributed assets, which are recorded at acquisition value at the date of contribution. The District's capitalization threshold is \$5,000. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and land improvements	30-50 years
Improvements, including utility distribution and collection systems	30-50 years
Machinery and equipment	3-30 years

Repairs and maintenance are expensed when incurred. Additions, major renewals and replacements, which increase the useful lives of the assets, are capitalized.

**I. Deferred Amount on Refunding**

For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized using the effective interest method over the remaining life of the old debt or the life of the new debt, whichever is shorter. Deferred amounts are presented as a deferred outflow of resources or deferred inflow of resources in the Statement of Net Position.

**J. Compensated Absences**

In the Government-wide financial statements, compensated absences are recorded as a liability when the benefits are earned. The current portion is the amount accrued during the year that would normally be liquidated with available, expendable resources in the next fiscal year. In the fund statements, expenditures are recognized when payments are due to the employee.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

##### K. Fund Balances

In the Governmental Fund financial statements, fund balances are classified as follows:

Nonspendable - The portion of fund balance that includes amounts that cannot be spent because they are either not in a spendable form or legally or contractually required to be maintained intact.

Restricted - Amounts that can only be used for specific purposes due to constraints that have been placed on them by external parties, constitutional provisions or enabling legislation.

Committed - Amounts that are constrained for specific purposes that are internally imposed through formal action of the Board of Supervisors and does not lapse at year end.

Assigned - Amounts constrained by the Board of Supervisors to be used for a specific purpose.

Unassigned - All amounts not included in other spendable classifications.

The District spends restricted amounts first when both restricted and unrestricted fund balance is available unless legally prohibited from doing so. When expenditures are incurred for payment from the unrestricted fund balances, assigned is used first, followed by unassigned fund balance. The District does not have a formal minimum fund balance policy.

##### L. Budgets and Budgetary Accounting

The following procedures are used to establish the budgetary data reflected in the financial statements:

- (1) The District Administrator submits to the Board of Supervisors a proposed operating budget for the fiscal year commencing on October 1.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Prior to October 1, the budget is legally enacted through passage of an ordinance.
- (4) Budgets are legally adopted for the General Fund, Debt Service Fund and the Utility Fund.
- (5) Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- (6) The District's charter does not require formal authorization for actual expenditures to exceed budgeted expenditures; however, the Board of Supervisors monitors the budget periodically during the year. The budgetary control is legally maintained at the fund level. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual is presented in the same format as the District's operating budget.

# REEDY CREEK IMPROVEMENT DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### L. Budgets and Budgetary Accounting - Continued

(7) All appropriations and encumbrances, except those specifically approved by the Board of Supervisors, lapse at the close of the fiscal year to the extent not expended.

#### M. Forward Contracts

The District enters into forward contracts as part of its normal purchases of power and fuel and accounts for such contracts as settled, as a component of the cost of its operations.

#### N. Derivative Instruments

Fuel-related derivative transactions are executed in accordance with the District's established Energy Risk Management Policy ("Policy") which is controlling the level of price risk exposure involved in the normal course of the District's natural gas purchasing activities. The Policy establishes the Energy Risk Management Oversight Committee to enter into financial hedging agreements and contracts with third parties pursuant to enabling agreements approved by the Board of Supervisors. The Policy establishes the organizational structure of the committee and various volume and pricing limits. The fair value of these derivative fuel instruments is included in the Statement of Net Position, with the accumulated changes in fair value reported as deferred outflows or deferred inflows of resources as they have been determined to qualify for hedge accounting. Related gains or losses are deferred and recognized in the specific period in which the derivative is settled and included as part of fuel costs.

#### O. Pensions

The Florida Retirement System (FRS) is responsible for providing participating employers with total pension liabilities, pension assets, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, as well as the District's proportionate share of the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the FRS and additions to/deductions from the FRS's fiduciary net position have been determined on the same basis as they are reported by the FRS. 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.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

##### **P. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the OPEB Plan fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments that have a maturity at the time of purchase of one year or less, which are reported at cost.

##### **Q. Rates and Regulations**

The District follows the accounting practices set forth in GASB No. 62, paragraphs 476-500, Regulated Operations for its utility operations. This standard allows utilities to capitalize or defer certain costs or revenues based on management's ongoing assessment that it is probable these items will be recovered through the rate-making process. Regulatory liabilities consist of deferred fuel.

##### **R. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences could be material.



**REEDY CREEK IMPROVEMENT DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

Year Ended September 30, 2021

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the balance sheet – governmental funds and the government-wide statement of net position**

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. Further details of certain elements of that reconciliation are as follows:

- (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. This amount represents the total capital assets of governmental activities of \$1,005,167,299, net of accumulated depreciation of \$87,187,746, or \$917,979,553.
- (2) Some liabilities, including bonds payable, other long-term liabilities, and deferred outflows of resources and deferred inflows of resources, are not due and payable in the current period and therefore are not reported in the funds. The details of this difference are shown below:

Compensated absences payable	\$ 3,516,850
Self insurance liability	5,739,324
Bonds payable	766,467,348
Deferred outflows - losses on defeased debt	(25,084,363)
Net pension liability	20,032,980
Deferred outflows - pensions	(12,231,703)
Deferred inflows - pensions	40,615,919
Net OPEB liability	69,413,036
Deferred outflows - OPEB	(17,998,217)
Deferred inflows - OPEB	8,485,358
	<hr/>
Net adjustment to reduce total fund balances - total governmental funds to arrive at net position of governmental activities	<u>\$ 858,956,532</u>

**B. Explanation of certain differences between the statement of revenues, expenditures and changes in fund balances – governmental funds and the government-wide statement of activities**

The statement of revenues, expenditures and changes in fund balances - governmental funds includes a reconciliation of the "net changes in fund balances - total governmental funds" and "change in net position of governmental activities" as reported in the government-wide statement of activities. Further details of certain elements of that reconciliation are as follows:

**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS - CONTINUED**

**B. Explanation of certain differences between the statement of revenues, expenditures and changes in fund balances – governmental funds and the government-wide statement of activities - Continued**

(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period is as follows:

Capital outlay expenditures:	
General fund	
General government	\$ 965,611
Public safety	524,651
Physical environment	207,654
Transportation	32,531
Capital projects	31,467,298
Depreciation expense	<u>(11,505,582)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 21,692,163</u>

(2) Governmental funds report the payment of bond principal and interest when the current financial resources are available and payments are due, and they report the payment of issuance costs, premiums, discounts, and similar items when debt is first issued. However, on the statement of activities interest is accrued and certain bond related costs are deferred and amortized. The details of the difference are as follows:

Net changes of deferred loss, bond costs, discount and premium	\$ 2,893,450
Principal payments on bonds outstanding	31,365,000
Accrued interest payable	<u>462,549</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 34,720,999</u>

**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS - CONTINUED**

**B. Explanation of certain differences between the statement of revenues, expenditures and changes in fund balances – governmental funds and the government-wide statement of activities - Continued**

(3) Increases in other liabilities reported as expenses in the statement of activities not requiring the use of current financial resources in governmental funds. The details of the difference are as follows:

Compensated absences	\$ 192,983
Self insurance	(664,998)
Net OPEB liability	(1,156,766)
Pensions	<u>5,535,825</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 3,907,044</u>

**3. DEPOSITS AND INVESTMENTS**

The District is authorized to invest in securities as described in its investment policy and in its bond resolutions. As of September 30, 2021, the District held the following deposits and investments as categorized below:

	Fair Value	Investment maturities (in years)		
		Less than 1	1 - 5	More than 10
Demand deposits	\$ 6,187,280	\$ 6,187,280	\$ -	\$ -
US Treasury securities	173,237,387	58,685,642	114,551,745	-
US Government agency securities	59,752,955	17,385,323	42,367,632	-
State and local government securities	35,723,000	15,951,178	2,545,044	17,226,778
Supranationals	3,198,557	-	3,198,557	-
Money market mutual funds	102,090,175	102,090,175	-	-
Totals	<u>\$ 380,189,354</u>	<u>\$ 200,299,598</u>	<u>\$ 162,662,978</u>	<u>\$ 17,226,778</u>

*Interest Rate Risk* - As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy for operating funds is structured to provide sufficient liquidity to pay obligations as they come due and (1) limits investments to not more than 7 year maturities (with the exception of bond proceeds, described below); and (2) requires the portfolio have no more than 15% in securities maturing in or having an average life of more than 5 years. Bond proceeds and reserve funds are managed in accordance with bond covenants and funding needs which could result in maturities longer than 7 years.

# REEDY CREEK IMPROVEMENT DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

### 3. DEPOSITS AND INVESTMENTS - CONTINUED

*Credit Risk* - The District's investment policy limits credit risk by restricting authorized investments to the following: direct obligations of, or obligations guaranteed by, the U.S. Government; bonds and notes issued by various federal agencies; state and local government securities; Canadian public obligations; public improvement bonds; public utility obligations; public housing obligations; State Board of Education obligations; international development banks; certain government security money market mutual funds; repurchase agreements and reverse repurchase agreements. Securities that derive their value from underlying securities ("derivatives") are specifically prohibited except when separately approved by the District's Board of Supervisors.

*Custodial Credit Risk* - All demand deposits are entirely insured by federal depository insurance or by the multiple financial institution collateral pool pursuant to the Public Depository Security Act of the State of Florida.

The District's investment policy requires that all investments be held by a third party custodian and held in the District's name. As of September 30, 2021, all District investments are held in a bank's trust department in the District's name.

*Concentration of Credit Risk* - At September 30, 2021, there were two issuers with which the District held investments exceeding 5% of the total investment portfolio. The issuers were Federal Home Loan Bank (5.5%) and Federal Home Loan Mortgage Corporation (5.6%).

Restricted Cash and Cash Equivalents and Investments - The table below summarizes the District's balances of cash and cash equivalents and investments restricted as to use. Restricted amounts are primarily unspent bond proceeds and reserves for debt service:

Statement of Net Position Classifications:	
Restricted cash and cash equivalents	\$ 98,118,151
Restricted investments	<u>200,623,594</u>
	<u>\$ 298,741,745</u>

### 4. VALUATION ALLOWANCES

The District recognizes allowances for losses on accounts receivable and inventories. The allowance for receivables is based on an aging of receivables and includes accounts over 120 days. The Utility Fund recognized an allowance at September 30, 2021 in the amount of \$95,214. The expense associated with this allowance is recognized as an offset to utility revenues.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Beginning Balance October 1, 2020	Increases	Decreases	Ending Balance September 30, 2021
<b>Governmental Activities:</b>				
Capital assets not being depreciated				
Land	\$ 2,740,642	\$ -	\$ -	\$ 2,740,642
Construction in progress	19,974,515	31,467,298	(15,498,695)	35,943,118
Infrastructure	617,948,179	15,498,694	-	633,446,873
Total capital assets not being depreciated	<u>640,663,336</u>	<u>46,965,992</u>	<u>(15,498,695)</u>	<u>672,130,633</u>
Capital assets being depreciated				
Buildings*	289,342,600	2,413,840	-	291,756,440
Machinery and equipment*	37,900,054	4,487,166	(1,106,994)	41,280,226
Total capital assets being depreciated	<u>327,242,654</u>	<u>6,901,006</u>	<u>(1,106,994)</u>	<u>333,036,666</u>
Less accumulated depreciation for:				
Buildings	42,826,936	10,541,337	-	53,368,273
Machinery and equipment	29,353,355	5,468,752	(1,002,634)	33,819,473
Total accumulated depreciation *	<u>72,180,291</u>	<u>16,010,089</u>	<u>(1,002,634)</u>	<u>87,187,746</u>
Total capital assets being depreciated, net	<u>255,062,363</u>	<u>(9,109,083)</u>	<u>(104,360)</u>	<u>245,848,920</u>
Governmental activities capital assets, net	<u>\$ 895,725,699</u>	<u>\$ 37,856,909</u>	<u>\$ (15,603,055)</u>	<u>\$ 917,979,553</u>
<b>Business-type Activities:</b>				
Capital assets not being depreciated				
Land	\$ 6,896,164	\$ -	\$ -	\$ 6,896,164
Construction in progress	42,434,363	29,236,238	(17,569,129)	54,101,472
Total capital assets not being depreciated	<u>49,330,527</u>	<u>29,236,238</u>	<u>(17,569,129)</u>	<u>60,997,636</u>
Capital assets being depreciated				
Buildings	68,071,136	572,426	(2,424,877)	66,218,685
Improvements other than buildings	265,623,061	11,482,762	-	277,105,823
Machinery and equipment	439,327,545	7,808,695	(4,313,219)	442,823,021
Total capital assets being depreciated	<u>773,021,742</u>	<u>19,863,883</u>	<u>(6,738,096)</u>	<u>786,147,529</u>
Less accumulated depreciation for:				
Buildings	45,655,362	1,593,329	(2,199,193)	45,049,498
Improvements other than buildings	158,478,455	6,046,109	-	164,524,564
Machinery and equipment	324,578,389	12,855,747	(3,701,119)	333,733,017
Total accumulated depreciation	<u>528,712,206</u>	<u>20,495,185</u>	<u>(5,900,312)</u>	<u>543,307,079</u>
Total capital assets being depreciated, net	<u>244,309,536</u>	<u>(631,302)</u>	<u>(837,784)</u>	<u>242,840,450</u>
Business-type activities capital assets, net	<u>\$ 293,640,063</u>	<u>\$ 28,604,936</u>	<u>\$ (18,406,913)</u>	<u>\$ 303,838,086</u>

(\*) Increases in accumulated depreciation include the transfer of capital assets associated with the lab in the amount of \$4,504,507, which were included in business-type activities in fiscal year 2020.

**REEDY CREEK IMPROVEMENT DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

Year Ended September 30, 2021

**5. CAPITAL ASSETS - CONTINUED**

The District regularly reviews the feasibility of ongoing capital projects and may write-off immaterial amounts as needed.

**6. INTERFUND RECEIVABLE AND PAYABLE BALANCES AND TRANSFERS**

Interfund receivable and payable balances as of September 30, 2021 are as follows:

	Interfund Receivables (Due from)	Interfund Payables (Due to)
General	\$ 197,085	\$ 159,117
Capital Projects	-	1,232,158
Utility Fund	1,391,275	197,085
	<u>\$ 1,588,360</u>	<u>\$ 1,588,360</u>

The interfund balances between funds results mainly from the time lag between the dates that the goods and services were provided or the expenditure occurs, the recording of the transaction and the date the payment between the funds are made.

Interfund transfers during the year ended September 30, 2021 were as follows:

	Interfund Transfers In	Interfund Transfers Out
General	\$ 68,006	\$ -
Utility Fund	-	734,059
	<u>\$ 68,006</u>	<u>\$ 734,059</u>

The transfer in to the General Fund represents net position balances associated with the lab at October 1, 2020, excluding capital assets. The transfer out from the Utility Fund represents the lab's total assets (including capital assets, net of depreciation) at October 1, 2020. The difference between the two transfer amounts is net capital assets associated with the lab, which are included in Governmental Activities on the Statement of Net Position.

**REEDY CREEK IMPROVEMENT DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

Year Ended September 30, 2021

**7. LONG-TERM DEBT**

**A. Changes in long-term liabilities**

	Beginning Balance October 1, 2020	Additions	Reductions	Ending Balance September 30, 2021	Due within one year
<b>Governmental activities:</b>					
General Obligation Bonds:					
2013A Ad Valorem	\$ 37,260,000	\$ -	\$ (11,820,000)	\$ 25,440,000	\$ 12,410,000
2013B Ad Valorem Refunding	13,225,000	-	(4,220,000)	9,005,000	4,415,000
2015A Ad Valorem Refunding	13,550,000	-	(1,480,000)	12,070,000	1,550,000
2016A Ad Valorem	161,400,000	-	(2,580,000)	158,820,000	2,710,000
2017A Ad Valorem	187,000,000	-	(6,655,000)	180,345,000	6,990,000
2020A Ad Valorem Refunding	338,025,000	-	(4,610,000)	333,415,000	4,680,000
Deferred amounts:					
Discount/Premium	52,854,366	-	(5,482,018)	47,372,348	-
Total long-term general obligations	803,314,366	-	(36,847,018)	766,467,348	32,755,000
Compensated absences	3,789,138	2,150,366	(2,362,000)	3,577,504	1,821,152
Self insurance liability	5,365,253	624,280	-	5,989,533	1,280,700
Net pension liability	75,809,610	12,199,396	(67,976,026)	20,032,980	-
Net OPEB liability <sup>(1)</sup>	68,910,454	502,582	-	69,413,036	-
Long-term liabilities	<u>\$ 957,188,821</u>	<u>\$ 15,476,624</u>	<u>\$ (107,185,044)</u>	<u>\$ 865,480,401</u>	<u>\$ 35,856,852</u>
<b>Business-type activities:</b>					
Revenue Bonds:					
2013-1 Utility Refunding	\$ 38,590,000	\$ -	\$ (5,490,000)	\$ 33,100,000	\$ 5,760,000
2018-1 Utility	26,230,000	-	-	26,230,000	-
2018-2 Utility	19,750,000	-	-	19,750,000	-
Deferred amounts:					
Discount/Premium	6,167,868	-	(870,415)	5,297,453	-
Total long-term bonds payable	90,737,868	-	(6,360,415)	84,377,453	5,760,000
Notes from Direct Borrowings:					
2011-2 Utility	30,000,000	-	(30,000,000)	-	-
2015-1 Utility	30,080,000	-	(14,910,000)	15,170,000	15,170,000
2021-1 Utility	-	35,095,000	-	35,095,000	-
2021-2 Utility	-	55,130,000	-	55,130,000	-
2021-3 Utility	-	20,976,000	(20,976,000)	-	-
2021-4 Utility	-	20,976,000	-	20,976,000	-
Total direct borrowings	<u>60,080,000</u>	<u>132,177,000</u>	<u>(65,886,000)</u>	<u>126,371,000</u>	<u>15,170,000</u>
Long-term liabilities	<u>\$ 150,817,868</u>	<u>\$ 132,177,000</u>	<u>\$ (72,246,415)</u>	<u>\$ 210,748,453</u>	<u>\$ 20,930,000</u>

<sup>(1)</sup> October 1, 2020 balance restated to include benefits associated with the Survivor Income Plan, see Note 16, Restatement.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 7. LONG-TERM DEBT - CONTINUED

##### A. Changes in long-term liabilities - Continued

###### General Obligation Bonds Payable

2013A Ad Valorem Tax Bonds - In September 2013, the District issued \$344,960,000 Ad Valorem Tax Bonds at interest rates of 4.5% to 5.25%, interest only until June 2020. The proceeds were used to finance the costs to design, construct, equip and improve roadways and parking facilities within and outside the District.

2013B Ad Valorem Tax Refunding Bonds - In September 2013, the District issued \$40,950,000 Ad Valorem Refunding Bonds at interest rates of 4.0% to 5.0%. The proceeds were used for the advance refunding of the 2004A and 2004B Ad Valorem Tax Bonds maturing on and after June 1, 2015.

2015A Ad Valorem Tax Refunding Bonds - In April 2015, the District issued \$50,925,000 Ad Valorem Refunding Bonds at interest rates of 2.0% to 5.0%. The proceeds were used for the current refunding of the 2005A and 2005B Ad Valorem Tax Bonds maturing on and after June 1, 2015.

2016A Ad Valorem Tax Bonds - In July 2016, the District issued \$165,500,000 Ad Valorem Tax Bonds at interest rates of 4.0% and 5.0%, interest only until June 2019. The proceeds were used to finance the costs to design, construct, equip and improve roadways and other facilities within and outside the District.

2017A Ad Valorem Tax Bonds - In October 2017, the District issued \$199,375,000 Ad Valorem Tax Bonds at interest rates of 3.0% to 5.0%, interest only until June 2019. The proceeds were used to finance additional transportation projects and were also used to retire the District's 2017 Bond Anticipation Note.

2020A Ad Valorem Tax Refunding Bonds - In February 2020, the District issued \$338,025,000 Taxable Ad Valorem Refunding Bonds at interest rates of 1.463% to 2.731%. The proceeds were used for the current refunding of the 2013A and 2013B Ad Valorem Tax Bonds maturing on and after June 2, 2024.

The major provisions of the District's Ad Valorem Tax Bond Resolutions authorizing its debt are as follows:

- (1) The Ad Valorem tax bond issues and related interest are collateralized by an irrevocable lien on the proceeds from Ad Valorem taxes levied by the District.



## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 7. LONG-TERM DEBT - CONTINUED

- (2) Additional bonds may be issued by the District provided (a) the maximum bond debt service requirement of the proposed and then outstanding bonds does not exceed 85% of the maximum annual collection from Ad Valorem Taxes calculated for the current year and (b) the principal amount of all bonds proposed and then outstanding not exceed 50% of the assessed value of the taxable property within the District.

#### Revenue Bonds Payable

2013-1 Utilities Revenue Refunding Bonds - In July 2013, the District issued \$54,915,000 Utilities Revenue Refunding Bonds at interest rates of 2.5% to 5.0%. The proceeds were used to refund the 2003-1 and 2005-1 Utilities Revenue Bonds.

2018-1 Utilities Revenue Bonds - In July 2018, the District issued \$26,230,000 Utilities Revenue Bonds at an interest rate of 5.0%. The proceeds are being used to pay for construction and acquisition of improvements to the utility systems.

2018-2 Taxable Utilities Revenue Bonds - In July 2018, the District issued \$19,750,000 Taxable Utilities Revenue Bonds at an average interest rate of 3.44%. The proceeds are being used to pay for improvements to certain existing utility systems.

#### Notes from Direct Borrowings

2015-1 Utilities Revenue Bonds - In March 2015, the District issued \$30,080,000 Utilities Revenue Bonds at an interest rate of 1.83%, interest only due until October 2020. The proceeds were used to pay for construction and acquisition of improvements to the utility systems. The direct borrowing is a non bank-qualified bond, secured by a pledge of net revenues derived from operation of the District's utility system on a parity with all other previously outstanding Utility Revenue Bonds.

2021-1 Utilities Revenue Bonds - In February 2021, the District issued \$35,095,000 Utilities Revenue Bonds at an interest rate of 1.72%. The proceeds are being used to pay for construction and acquisition of improvements to the utility systems. The direct borrowing is a non bank-qualified bond, secured by a pledge of net revenues derived from operation of the District's utility system on a parity with all other previously outstanding Utility Revenue Bonds. The loan is subject to acceleration in accordance with the District's existing Trust Indenture at a default rate equal to prime +4%.

2021-2 Taxable Utilities Revenue Bonds - In February 2021, the District issued \$55,130,000 Taxable Utilities Revenue Bonds at interest rates of 1.03%-1.58%, interest only due until October 2022. The proceeds are being used to pay for improvements to certain existing utility systems. The direct borrowing is a taxable loan, secured by a pledge of net revenues derived from operation of the District's utility system on a parity with all other previously outstanding Utility Revenue Bonds. The loan is subject to acceleration in accordance with the District's existing Trust Indenture at a default rate equal to prime +4%.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 7. LONG-TERM DEBT - CONTINUED

2021-3 Taxable Utilities Revenue Refunding Bonds - In February 2021, the District issued \$20,976,000 Taxable Utilities Revenue Refunding Bonds at an interest rate of 1.0%. The proceeds were used to advance refund the 2011-2 Utilities Revenue Bonds.

2021-4 Utilities Revenue Refunding Bonds - In July 2021, the District issued \$20,976,000 Utilities Revenue Refunding Bonds at an interest rate of 0.79%, interest only due until October 2022. The proceeds were used to currently refund the 2021-3 Taxable Utility Revenue Refunding Bonds. The loan is subject to acceleration in accordance with the District's existing Trust Indenture at a default rate equal to prime +4%.

The major provisions of the Utility Fund's trust indentures securing its debt are as follows:

- (1) The debt obligation and related interest are collateralized by a pledge of the net revenues of the combined utility systems.
- (2) The District will establish rates that will provide sufficient net revenues (revenues less operating expenses (excluding depreciation and lease payments to WDWC)), to pay 110% of the annual debt service requirements due each year. Revenues are defined to mean all rates, fees, charges or other income (including certain investment earnings, impact fees and special assessments) generated by the Utility Fund.
- (3) The District will pay all current operating expenses.
- (4) The District will deposit into the Sinking Fund on a monthly basis an amount equal to one-sixth of the next semi-annual interest payment and one-twelfth of the next annual principal payment.
- (5) The District will maintain a renewal and replacement fund equal to 5% of the gross revenues (less expenses for purchased power and fuel) received in the prior year. Such amount may be and was reduced to 4% by certification from the District's consulting engineer.
- (6) The District will maintain on deposit in the emergency repair fund at least \$500,000.
- (7) The debt service reserve requirements are being provided by Debt Service Reserve accounts with the bond trustee.
- (8) Additional bonds may be issued if the net revenues (revenues of the system less operating expenses (excluding depreciation and lease payments to WDWC)) for twelve consecutive prior months are at least equal to 125% of the maximum annual debt service of the proposed and then outstanding bonds.

**REEDY CREEK IMPROVEMENT DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**7. LONG-TERM DEBT - CONTINUED**

**B. Annual Debt Service Requirements**

The annual requirements to amortize the principal balance and interest of all bonds outstanding are as follows:

Year Ended September 30,	General Obligation Bonds			
	Principal			Interest
2022	\$ 32,755,000	\$		25,759,160
2023	34,170,000			24,344,252
2024	35,710,000			22,799,674
2025	36,725,000			21,791,296
2026	37,955,000			20,557,790
2027-2031	210,570,000			82,001,248
2032-2036	250,585,000			42,018,767
2037-2038	80,625,000			3,594,204
Total	\$ 719,095,000	\$		242,866,391
Current portion	(32,755,000)			
Deferred amounts:				
Discount/Premium	47,372,348			
Long-term bonds payable	\$ 733,712,348			

Year Ended September 30,	Revenue Bonds		Direct Borrowings	
	Principal	Interest	Principal	Interest
2022	\$ 5,760,000	\$ 3,496,685	\$ 15,170,000	\$ 1,710,726
2023	10,750,000	3,124,378	11,957,000	1,431,868
2024	11,205,000	2,656,468	11,473,000	1,320,590
2025	12,300,000	2,147,855	10,315,000	1,218,212
2026	12,835,000	1,595,173	10,406,000	1,119,185
2027-2031	8,185,000	5,574,375	51,770,000	2,634,584
2032-2036	10,445,000	3,256,375	11,315,000	834,329
2037-2039	7,600,000	582,500	3,965,000	34,100
Total	\$ 79,080,000	\$ 22,433,809	\$ 126,371,000	\$ 10,303,594
Current portion	(5,760,000)		(15,170,000)	
Deferred amounts:				
Discount/Premium	5,297,453		-	
Long-term bonds payable	\$ 78,617,453		\$ 111,201,000	

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 7. LONG-TERM DEBT - CONTINUED

##### C. Refunded Debt

###### General Long-Term Debt

In February 2021, the District issued \$20,976,00 in Utility Revenue Taxable Refunding Bonds, Series 2021-3, with an interest rate of 1.0% to advance refund \$25.5 million of outstanding 2011-2 Series Utility Revenue Bonds with an average interest rate of 4.24%. The net proceeds of \$20.8 million (after payment of \$182 thousand in issuance costs) plus an additional \$5.8 million of 2011-2 Series sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2011-2 Series bonds. As a result, the 2011-2 Series bonds are considered to be defeased and the liability for those bonds has been removed.

Although the advance refunding resulted in the recognition of an accounting loss of \$6,209 for the year ended September 30, 2021, the District in effect reduced its aggregate debt service payments by almost \$1.54 million over the next 5 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$1.48 million.

In July 2021, the Utility Revenue Taxable Refunding Bonds, Series 2021-3 were converted to Series 2021-4 tax-exempt Utility Revenue Bonds at an interest rate of .79%, maturing October 1, 2025. Due to the short-term nature of holding the Series 2021-3 bonds, there was no economic gain or loss recognized on the Series 2021-4 bonds.

###### Prior-Year Defeasance of Debt

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At September 30, 2021, \$301.3 million of bonds outstanding are considered defeased.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 8. TRANSACTIONS WITH PRINCIPAL LANDOWNERS

During fiscal 2021, Walt Disney World Co. and other wholly owned subsidiaries of The Walt Disney Company provided certain services to the District as follows:

##### Governmental Funds

- (1) Financial and other administrative services amounted to \$2,471,944.
- (2) The operation and maintenance of various District water control facilities amounted to \$349,997.
- (3) The maintenance of certain roadways and District property within the District amounted to \$6,943.

At September 30, 2021, the General Fund included accounts payable of \$663,587 and accounts receivable of \$283,695 to Walt Disney World Co. and other wholly owned subsidiaries of the Walt Disney Company.

The District's primary source of revenue is ad valorem taxes. Walt Disney Co. comprised 87% of the total taxable assessed value within the District for the year ended September 30, 2021.

##### Utility Fund

- (1) The management and construction of various capital improvements amounted to \$1,270,171.
- (2) The District has a labor services agreement totaling \$26,890,245, which includes operation and maintenance of the utility system and planned work expenses. In addition, the District incurred \$1,287,056 in labor for capital improvements.

At September 30, 2021 the Utility Fund had accounts receivable of \$14,565,048 and accounts payable of \$3,072,780 with Walt Disney World Co. and other wholly owned subsidiaries of The Walt Disney Company.

The District provides utility services to Walt Disney World Co. and other associated companies within its service area. Revenues from services provided to these companies were 81% of total utility revenues for the year ended September 30, 2021.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 9. RETIREMENT SYSTEM

General Information - All full-time employees of the District participate in the FRS, administered by the State of Florida (State). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Employees elect participation in either the Pension Plan or the defined contribution plan ("Investment Plan"), which is administered by the State Board of Administration ("SBA"). The FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for FRS. The latest available report may be obtained by writing to State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida, 32315-9000, or from the website: [www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

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**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**9. RETIREMENT SYSTEM - CONTINUED**

**Pension Plan**

Benefits provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation and service credit. Pension plan members are eligible for retirement as follows:

		Class			
		Regular	Senior Management	Special Risk	Special Risk Administrative Support
Enrolled prior to July 1, 2011	Vested	6 years	6 years	6 years	6 years
	Normal retirement age	earlier of 30 years of credited service or attainment of age 62	earlier of 30 years of credited service or attainment of age 62	earlier of 25 years of credited service or attainment of age 55	earlier of 25 years of credited service or attainment of age 55
	Retirement benefit	1.6% of average final compensation for each year of credited service	2% of average final compensation for each year of credited service	3% of average final compensation for each year of credited service	1.6% of average final compensation for each year of credited service
Enrolled on or after July 1, 2011	Vested	8 years	8 years	8 years	8 years
	Normal retirement age	earlier of 33 years of credited service or attainment of age 65	earlier of 33 years of credited service or attainment of age 65	earlier of 30 years of credited service or attainment of age 60	earlier of 30 years of credited service or attainment of age 60
	Retirement benefit	1.6% of average final compensation for each year of credited service	2% of average final compensation for each year of credited service	3% of average final compensation for each year of credited service	1.6% of average final compensation for each year of credited service

If the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment, which is determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement, multiplied by 3%. Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

Early retirement may be taken anytime; however, there is a five percent benefit reduction for each year prior to normal retirement age. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Pension Plan Members eligible for retirement are given the option to enter the DROP (Deferred Retirement Option Program), which effectively allows them to work with a FRS employer for up to 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 9. RETIREMENT SYSTEM - CONTINUED

##### Pension Plan - Continued

Contributions - The contribution requirements of the District are established and may be amended by FRS. Effective July 1, 2011 Florida Legislature required employees contribute 3% of their annual earnings on a pretax basis, with remaining contributions being the obligation of the District. The District contributed 16.06% of covered employee payroll during the year. The District's contributions to FRS for the year ended September 30, 2021 were \$5,193,646. Employee contributions to FRS for the year ended September 30, 2021 were \$910,439. Contributions made and accrued were equal to the required contributions for each year.

The FRS has numerous classes of membership (of which District employees qualify in five classes) with descriptions and employer contribution rates in effect during the year ended September 30, 2021 as follows:

Regular Class - Members not qualifying for other classes (10.00% from 10/1/2020 through 6/30/2021 and 10.82% from 7/1/2021 through 9/30/2021).

Special Risk Class - Members employed as law enforcement officers, firefighters, correctional officers or community-based correctional probation officers, and paramedics and EMTs who meet the criteria set to qualify for this class (24.45% from 10/1/2020 through 6/30/2021 and 25.89% from 7/1/2021 through 9/30/2021).

Special Risk Administrative Support Class - Special risk employees who are transferred or reassigned to a non-special risk position (35.84% from 10/1/2020 through 6/30/2021 and 37.76% from 7/1/2021 through 9/30/2021).

Senior Management Service Class - Qualifying member of senior management (27.29% from 10/1/2020 through 6/30/2021 and 29.01% from 7/1/2021 through 9/30/2021).

Deferred Retirement Option Program (DROP) - Participating members of the program, not to exceed 60 months (16.98% from 10/1/2020 through 6/30/2021 and 18.34% from 7/1/2021 through 9/30/2021).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2021, the District reported a liability of \$9,169,131 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The District's proportion of the net pension liability was based on historical employer contributions. At June 30, 2021, the District's proportionate share was 0.12138%, which was a decrease of 0.02650% from its proportionate share measured as of June 30, 2020.



**REEDY CREEK IMPROVEMENT DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**9. RETIREMENT SYSTEM - CONTINUED**

**Pension Plan - Continued**

For the year ended September 30, 2021, the District recognized a pension benefit primarily due to significant investment income and resulting pension fund asset appreciation experienced by FRS. As a result, expense was reduced \$971,406. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,571,604	\$ -
Change of assumptions	6,273,973	-
Net difference between projected and actual earnings on Pension Plan investments	-	31,988,791
Changes in proportion and differences between District Pension Plan contributions and proportionate share of contributions	970,164	7,350,461
District Pension Plan contributions subsequent to the measurement date	1,428,970	-
<b>Total</b>	<b>\$ 10,244,711</b>	<b>\$ 39,339,252</b>

The deferred outflows of resources related to the Pension Plan, totaling \$1,428,970 resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as an increase to the net pension liability in fiscal year 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2022	\$ (5,375,955)
2023	(6,268,857)
2024	(8,303,829)
2025	(10,640,801)
2026	65,931

Actuarial Assumptions - The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.40%
- Salary increases: 3.25% average, including inflation
- Investment rate of return: 6.80% net of pension plan investment expense and inflation

**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**9. RETIREMENT SYSTEM - CONTINUED**

**Pension Plan - Continued**

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The long-term expected rate of return assumption of 6.80% consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.30%, which is consistent with the 4.17% real return from the capital market outlook model developed by the FRS consulting actuary; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2021 by the FRS Actuarial Assumption Conference. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation <sup>(1)</sup>	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0 %	2.1 %	2.1 %	1.1 %
Fixed Income	20.0	3.8	3.7	3.3
Global Equity	54.2	8.2	6.7	17.8
Real Estate	10.3	7.1	6.2	13.8
Private Equity	10.8	11.7	8.5	26.4
Strategic Investments	3.7	5.7	5.4	8.4
Total	<u>100.0 %</u>			
Assumed Inflation - Mean			2.4 %	1.2 %

<sup>(1)</sup> As outlined in the Pension Plan's investment policy available from Funds We Manage on the SBA's website at [www.sbafla.com](http://www.sbafla.com).

**Discount Rate** - The discount rate used to measure the total pension liability was 6.80%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

**Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate** - The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**9. RETIREMENT SYSTEM - CONTINUED**

**Pension Plan - Continued**

	1% Decrease (5.80%)	Discount Rate (6.80%)	1% Increase (7.80%)
	-----	-----	-----
District's proportionate share of the net pension liability (asset)	\$ 41,004,965	\$ 9,169,131	\$ (17,442,058)

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan - At September 30, 2021, the District reported a payable in the amount of \$733,368 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2021.

**HIS Plan**

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. At September 30, 2021, the HIS contribution was 1.66%. The District contributed 100% of its statutorily required contributions for the current and preceding four years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The District's contributions to the HIS Plan totaled \$536,934 for the fiscal year ended September 30, 2021.

**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**9. RETIREMENT SYSTEM - CONTINUED**

**HIS Plan - Continued**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2021, the District reported a liability of \$10,863,849 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, with the liabilities developed in that valuation rolled forward to the Measurement Date using standard actuarial roll-forward techniques. The District's proportionate share of the net pension liability was based on the District's 2020-2021 fiscal year contributions relative to the 2020-2021 fiscal year contributions of all participating members. At June 30, 2021, the District's proportionate share was 0.08857%, which was a decrease of 0.00740% from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the District recognized pension expense of \$852,743. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 363,533	\$ 4,550
Change of assumptions	853,655	447,618
Net difference between projected and actual earnings on HIS Plan investments	11,325	-
Changes in proportion and differences between District HIS Plan contributions and proportionate share of contributions	611,990	824,499
District HIS contributions subsequent to the measurement date	146,489	-
<b>Total</b>	<b>\$ 1,986,992</b>	<b>\$ 1,276,667</b>

The deferred outflows of resources related to the HIS Plan, totaling \$146,489 resulting from District contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in fiscal year 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2022	\$ 155,300
2023	49,474
2024	102,079
2025	135,496
2026	101,336
Thereafter	20,151

**REEDY CREEK IMPROVEMENT DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**9. RETIREMENT SYSTEM - CONTINUED**

**HIS Plan - Continued**

Actuarial Assumptions - The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation: 2.40%
- Salary increases: 3.25% average, including inflation
- Municipal bond rate: 2.16%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate - The discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
District's proportionate share of the HIS pension liability	\$ 12,559,662	\$ 10,863,849	\$ 9,474,509

HIS Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the HIS Plan - At September 30, 2021, the District reported a payable in the amount of \$61,446 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2021.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 9. RETIREMENT SYSTEM - CONTINUED

##### Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Costs to administer the Investment Plan, including the FRS Financial Guidance Program, are funded through employer contributions of 0.06% of payroll and by forfeited benefits of plan members. Allocations to investment member's accounts during the 2020-2021 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular 6.30%, Special Risk 14.00%, Special Risk Administrative Support 7.95%, and Senior Management Service 7.67%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee regains control over their account. If the employee does not return within the 5-year period, the employee forfeits the accumulated account balance. For fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, members may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

# REEDY CREEK IMPROVEMENT DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

### 10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

#### General Information about the OPEB Plan

Plan description - The District provides OPEB through the VEBA Plan, a single-employer plan administered by the District. The Plan is administered by the VEBA Board, whose members are the same as the District's Board of Supervisors. The authority to establish and amend benefits, as well as the funding policy, rests with the District's Board. The Plan does not issue a separate publicly available financial report. The Plan trustee is US Bank.

State Statute requires the District to continue offering healthcare coverage to retirees at the District's cost; however, for employees hired prior to March 1, 2013, the District elected by policy to provide this coverage at no cost to retirees that have met certain requirements during employment with the District. Certain executive positions qualify for the health benefits regardless of hire date. The District also has a Survivor Income Plan for retirees that have met certain requirements during employment with the District.

Benefits provided - The VEBA Plan provides healthcare benefits for eligible retirees and their dependents enrolled in District-sponsored plans. Benefits are provided through a third-party insurer. To qualify for this benefit non-union employees must have 20 years of service with the District and be age 62 to obtain paid coverage for themselves and their eligible dependent, certain executive positions must have 7 years of service and be age 62, and union employees must have 20 years of service with the District and be age 55 to obtain paid coverage for themselves. For employees hired after March 1, 2013, retirees may elect to continue coverage for themselves and their eligible dependents at the full, unsubsidized cost to the District for the elected coverage. The VEBA Plan also provides death benefits for certain retirees, equivalent of two times the participant's final annual base salary at retirement to their designated beneficiary. To qualify for this benefit, they must be designated or key employees as outlined by the plan and be age 62 with 10 years (7 years for executive positions) of service, or 25 years with no age requirement. The District currently has 5 retirees that meet the eligibility requirements.

Employees covered by benefit terms - At September 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	134
Inactive employees entitled to but not yet receiving benefit payments	9
Active employees	361

Contributions - Contributions to the VEBA Trust are not codified or mandated but the District's funding strategy is to contribute a minimum of \$1 million to the VEBA Trust per year. The District is paying current benefits as they come due from operations. For the year ended September 30, 2021, the District's contribution rate was 9.4% of covered-employee payroll. Employees are not required to contribute to the Plan. However, retirees reimburse the District for their elected health coverage at the District's cost in instances where they are not entitled to all or a portion of the subsidy.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONTINUED

##### Investments

*Rate of Return* - For the year ended September 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was (0.3)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Interest Rate Risk* - As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment guidelines related to the VEBA Trust are structured to provide sufficient liquidity to pay obligations as they come due. Guidelines for the VEBA Trust are consistent with the policy on other District investments as to the restrictions on the type of investments.

*Custodial Credit Risk* - VEBA Plan investments are held by the Trustee in the Plan's name.

*Credit Risk* - The investment policy limits credit risk by restricting authorized investments to the following: direct obligations of, or obligations guaranteed by, the U.S. Government; bonds and notes issued by various federal agencies; state and local government securities; Canadian public obligations; public improvement bonds; public utility obligations; public housing obligations; State Board of Education obligations; international development banks; certain government security money market mutual funds; repurchase agreements and reverse repurchase agreements.

*Concentration of Credit Risk* - At September 30, 2021, there were multiple issuers with which the District held investments exceeding 5% of the total investment portfolio. They were Federal Home Loan Bank (10.4%), Federal Farm Credit Bank (8.3%), Federal Home Loan Mortgage Corporation (8.2%) and Federal National Mortgage Association (9.9%).

The VEBA Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. VEBA plan investments are summarized in the table below. Level 1 investments are valued using prices quoted in active markets for those securities. Level 2 investments are valued using observable inputs other than quoted prices. The VEBA Plan's cash and cash equivalents are invested in First American Money Market Fund, which has a credit rating of AAAM as rated by Standard & Poor's. There are no redemption or deposit restrictions related to these money market funds and the funds aim to maintain NAV of \$1 per share.



**REEDY CREEK IMPROVEMENT DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONTINUED**

**Investments - Continued**

	2021			
	Total Fair Value	Level 1	Level 2	Level 3
<b>Investments Measured at Fair Value</b>				
U.S. Treasury and Government Agency Securities	\$ 11,122,463	\$ -	\$ 11,122,463	\$ -
Supranational	1,513,583	-	1,513,583	-
Total Investments at Fair Value	\$ 12,636,046	\$ -	\$ 12,636,046	\$ -
<b>Investments Measured at Amortized Cost</b>				
Money Market Funds	\$ 164,071			
Total Investments	\$ 12,800,117			

**Long-Term Expected Rate of Return**

The long-term expected rate of return on trust investments can be determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) 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 geometric real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2021 are summarized in the following table:

	Target Allocation	Long-Term Expected Rate of Return
Fixed Income	100.00 %	2.15 %
Total	100.00 %	

**Net OPEB Liability**

The District's net OPEB liability was measured as of September 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

**REEDY CREEK IMPROVEMENT DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

Year Ended September 30, 2021

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONTINUED**

**Net OPEB Liability - Continued**

Actuarial Assumptions - The total OPEB liability in the September 30, 2021 valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Inflation 2.00%
- Salary increases 3.50%, including inflation
- Investment rate of return 2.15%, including inflation
- Healthcare cost trend rates The table below are annual trends based on the current trend study and are applied on a select and ultimate basis. Select trends are reduced .5 percent per year until reaching the ultimate trend rate.

Expense Type	Fiscal Years		
	2022	2023	2024+
Pre-65 Medical	6.0 %	5.5 %	5.0 %
Post-65 Medical	5.0	4.5	4.5
Dental	4.0	4.0	4.0
Vision	3.0	3.0	3.0

Mortality assumptions were based on table PUB-2010 with projections scale MP-2020. Retirement and turnover assumptions are consistent with the assumptions used in the actuarial valuation of the Florida Retirement System as of July 1, 2019.

The discount rate (long-term expected rate of return) is based on the Bond Buyer "20-Bond GO Index" and assuming that the expected return on plan assets is equal to the 20-Bond GO Index, believed to be reasonable given the assets are 100% invested in corporate and government fixed income securities of various maturities.

**REEDY CREEK IMPROVEMENT DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONTINUED**

**Changes in Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
<b>Balances at October 1, 2020 (restated)</b>	\$ 83,102,547	\$ 14,192,093	\$ 68,910,454
<b>Changes for the year:</b>			
Service cost	1,926,349	-	1,926,349
Interest	1,851,303	-	1,851,303
Changes in assumptions	(935,997)	-	(935,997)
Changes in benefit terms	374,816	-	374,816
Contributions - employer	-	2,774,518	(2,774,518)
Net investment income	-	(60,629)	60,629
Benefit payments	(1,757,481)	(1,757,481)	-
<b>Net changes</b>	<b>1,458,990</b>	<b>956,408</b>	<b>502,582</b>
<b>Balances at September 30, 2021</b>	<b>\$ 84,561,537</b>	<b>\$ 15,148,501</b>	<b>\$ 69,413,036</b>
Plan fiduciary net position as a percentage of total OPEB liability			17.9%

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.15%) or one percentage point higher (3.15%) than the current discount rate (rounded to the nearest thousand):

	1% Decrease (1.15%)	Discount Rate (2.15%)	1% Increase (3.15%)
Net OPEB liability	\$ 86,093,993	\$ 69,413,036	\$ 56,090,845

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.0% decreasing to 3.5%) or one percentage point higher (7.0% decreasing to 5.5%) than the current healthcare cost trend rates (rounded to the nearest thousand):

	1% Decrease (5.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (6.0% decreasing to 4.5%)	1% Increase (7.0% decreasing to 5.5%)
Net OPEB liability	\$ 56,322,334	\$ 69,413,036	\$ 86,981,222

**REEDY CREEK IMPROVEMENT DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONTINUED**

**Changes in Net OPEB Liability - Continued**

Changes of assumptions or other inputs. Beginning of year total OPEB liability was calculated using an assumed discount rate of 2.20%. The discount rate used at September 30, 2021 was 2.15%. The mortality assumption was revised from the projection scale MP-2019 used at September 30, 2020, to projection scale MP-2020 used at September 30, 2021.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2021, the District recognized OPEB expense of \$4,815,148. At September 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual demographic experience	\$ -	\$ 3,600,594
Change of assumptions	17,923,743	4,884,764
Net difference between projected and actual investment performance	74,474	-
<b>Total</b>	<b>\$ 17,998,217</b>	<b>\$ 8,485,358</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30,	Amount
2022	\$ 968,868
2023	968,686
2024	1,014,328
2025	997,906
2026	945,271
Thereafter	4,617,800

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 11. RISK MANAGEMENT

The District is self-insured and carries excess commercial insurance due to exposure to various risks of loss related to theft, damage to and destruction of assets, torts, injuries to employees and natural disasters. The District retains risk up to a maximum of \$1,000,000 for each worker's compensation claim, \$250,000 for each liability claim, \$100,000 for most property damage claims, and \$50,000 for criminal acts. The District purchases commercial insurance for certain exposures in excess of risk retained. There have been no claim settlements in excess of insurance coverage during the three fiscal years ended September 30, 2019, 2020 and 2021.

Liabilities are reported when it is probable that a material loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an estimate for claims that have been incurred but not reported. The self-insurance liability of \$5,989,533 at September 30, 2021 is based on an actuarial review of claims pending and past experience. Changes in the claims liability amount during fiscal years 2021 and 2020 are as follows:

	Year Ended September 30,	
	2021	2020
Self insurance liability beginning balance	\$ 5,365,253	\$ 4,390,197
Claims and changes in estimates	2,052,231	2,665,071
Claims payments	(1,427,951)	(1,690,015)
Self insurance liability ending balance	<u>\$ 5,989,533</u>	<u>\$ 5,365,253</u>

#### 12. DERIVATIVE FUEL INSTRUMENTS

The District entered into derivative fuel instruments - cash flow hedges (commodity swaps, caps and collars) to financially hedge the cost of natural gas. The District's fuel-related derivative transactions are recorded at fair value on the Statement of Net Position as either an asset or liability depending on their fair value, and the related unrealized gains and/or losses for effective hedges are deferred and reported as either deferred inflows or outflows of resources. Realized gains and losses on these transactions are recognized as fuel expense in the specific period in which the instrument is settled. During the year, a total of \$2,035,987 in settlement gains was recognized in fuel expense.

The following is a summary of the derivative fuel instruments of the Utility Fund as of September 30, 2021 which have been deemed effective and are recorded as deferred inflows.

	Fair Value at September 30,				
Classification	2020	Change in fair value	2021	Notional	Maturity
Deferred outflows/(inflows)	\$ (840,554)	\$ (18,229,816)	\$ (19,070,370)	13,091,335 MMBTUs	FY2022 - 2025

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 12. DERIVATIVE FUEL INSTRUMENTS - CONTINUED

*Credit Risk* - The District's counterparties must have a minimum credit rating of BBB- issued by Standard and Poor's or Fitch's rating service or Baa3 issued by Moody's Investor Services.

*Basis Risk* - All of the District's transactions are based on the same reference rates, thus there is no basis risk.

*Termination Risk* - The District's Energy Risk Management Oversight Committee oversees the derivative instrument activity and of the counterparties who are required to maintain a minimum credit rating and present collateral at certain levels which mitigates the chance of a termination event. To date, no termination events have occurred.

#### 13. FAIR VALUE MEASUREMENTS

GASB No. 72 addresses accounting and financial reporting issues related to fair value measurements. It provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. For the District, this statement applies to certain investments and natural gas hedges.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset or liability.

Level 1 - quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date

Level 2 - inputs other than quoted prices included within Level 1 - that are observable for an asset or liability, either directly or indirectly

Level 3 - unobservable inputs for an asset or liability

Investments - The District's investments are summarized in the table below. Level 1 investments are valued using prices quoted in active markets for those securities. Level 2 investments are valued using observable inputs other than quoted prices. The District's cash and cash equivalents are invested in First American Money Market Fund and Federated Treasury Obligations Fund, both of which have a credit rating of AAAM as rated by Standard & Poor's. There are no redemption or deposit restrictions related to these money market funds and the funds aim to maintain NAV of \$1 per share.

**REEDY CREEK IMPROVEMENT DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

**13. FAIR VALUE MEASUREMENTS - CONTINUED**

	2021			
	Total	Level 1	Level 2	Level 3
<b>Investments Measured at Fair Value</b>				
U.S. Treasury and Government Agency Securities	\$ 232,990,342	-	\$ 232,990,342	-
State and Local Government Securities	35,723,000	-	35,723,000	-
Supranational	3,198,557	-	3,198,557	-
Total Investments at Fair Value	\$ 271,911,899	-	\$ 271,911,899	-
<b>Investments Measured at Amortized Cost</b>				
Money Market Funds	\$ 102,090,175			
Total Investments	\$ 374,002,074			

Natural Gas Hedges - The District utilizes a derivative advisory and valuation service to value its portfolio of natural gas hedges, which are valued based on a discounted cash flows (DCF) proprietary model. Commodity cap valuations were produced by a similar DCF model that incorporates an adaptation of the Black-Scholes option pricing model. As market quotations are not available for identical commodity derivatives, indirect valuation techniques are required. The District's derivative instruments have been categorized as Level 2 inputs.

**14. NET POSITION AND FUND BALANCE REPORTING**

The Statement of Net Position for governmental activities reflects a negative unrestricted net position of \$97,582,454, primarily due to the District's net pension liability and net OPEB liability, both of which amount to a combined \$89 million. Also contributing is the financing, with long-term bonds of the District, certain roadways that were subsequently donated to the State of Florida. The roadways are not assets of the District; however, the remaining debt associated with the roadways, \$7,981,024 at September 30, 2021, is a liability of the District. All of the bonds are Ad Valorem Tax bonds secured by an irrevocable lien on the ad valorem taxes collected by the District.

**Governmental Fund Balances**

In the Balance Sheet - Governmental Funds, the District has classified fund balances into nonspendable, committed, restricted, assigned and unassigned amounts. Restricted amounts represent the following:

- Capital Projects Fund - Bond funds restricted for road system and building improvements subject to specific provisions in bond resolutions.
- Debt Service Fund - Assets required for servicing general obligation bond indebtedness under the District's trust indenture.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 14. NET POSITION AND FUND BALANCE REPORTING - CONTINUED

Committed amounts in the General Fund represent certain fees specifically set aside by action of the Board to be used solely to maintain the integrity of the drainage system. Also included are amounts set aside due to property appraiser disputes. Note 15 discusses these disputes in more detail.

Assigned amounts in the General Fund represent the portion of fund balance designated by the Board of Supervisors to cover the projected excess of expenditures over revenues in the fiscal year 2022 budget. Note 1(L) discusses the District's budget approval process.

#### 15. COMMITMENTS AND CONTINGENCIES

##### Construction

As of September 30, 2021, the District's Board of Supervisors authorized a budget of approximately \$169.7 million for current or in-process major transportation and other construction projects. Executed construction commitments associated with these projects approximated \$65.8 million and of this amount, approximately \$35.6 million was spent as of September 30, 2021.

##### Purchased Power and Gas

The District has entered into Purchase Power Agreements (PPA) with public and private entities throughout Florida for the purchase and sale of power at wholesale rates, and associated transmission service. Some of the PPAs require the District to pay reservation charges for capacity. The District's budgeted minimum commitment for fiscal year 2021 reservation charges under the agreements was approximately \$8,820,000. There are no requirements for the District to sell wholesale power or reserve capacity for wholesale sales. Initial terms of the agreements expire in fiscal years 2022, 2025, 2031 and 2034, with various provisions for renewal or cancellation by the District and the respective counterparties to each agreement.

On September 13, 2015, the District entered into a Service Agreement for Network Integration Transmission Service (NITS) with Duke Energy for the period January 1, 2016 through December 31, 2020. On February 26, 2020, the District signed a restated Service Agreement for NITS with Duke Energy for the period March 1, 2020 through March 1, 2025. Although the agreement expires in 2025, the District has contractual rollover rights for 5 year increments. The District's budgeted transmission commitment for fiscal year 2021 under the agreement was approximately \$9,891,032.

On May 27, 2015, the District entered into a Purchase Power Agreement with Duke Energy for the purchase of solar energy. The agreement is for a term of 15 years with a total commitment of the District to purchase approximately 109,000 MWh at a rate of \$68.95/MWh, or approximately \$7,515,550. The annual cost for fiscal year 2021 was estimated at \$566,080.



## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 15. COMMITMENTS AND CONTINGENCIES - CONTINUED

##### Purchased Power and Gas - Continued

On October 9, 2017, the District entered into a Purchase Power Agreement with Origis Energy for the purchase of solar energy. The agreement is for a term of 17 years with the option to extend the term up to 20 years. For the 17 year term, the District is committed to purchase approximately 1,978,360 MWh at a rate of \$38.76/MWh or approximately \$76,681,234. The annual cost for fiscal year 2021 was estimated at \$4,515,928.

Similarly, the District is obligated to purchase minimum pipeline capacity to transport natural gas under two agreements with Florida Gas Transmission Company ("FGTC"), and a gas transportation and supply agreement dated January 25, 2012 with Peoples Gas System ("PGS"). Minimum payments for natural gas under these agreements were budgeted at approximately \$3,746,603 for fiscal year 2021. The terms of the FGTC agreements expire in the year 2025; however, the District has contractual rollover rights for 10 year increments, and the term of the PGS agreement expires in the year 2028.

The District has entered into forward contracts for specified periods of time to purchase natural gas at either specified swap prices in the future or collars where prices fluctuate within a ceiling and floor range. The District enters into these financial contracts to help plan its natural gas costs for the year and to protect itself against an increase in the market price of the commodity. These purchases (hedges) are made in compliance with the District's Energy Risk Management Program (ERMP). It is possible that the market price before or at the specified time to purchase natural gas may be lower or higher than the price at which the District is hedged. This would serve to reduce or increase the value of the hedge contracts. The District would have options with respect to holding the forward contracts. The District is also exposed to the failure of the counterparty to fulfill the contracts. The terms of the contracts included provisions for recovering the cost in excess of the guaranteed price from the counterparty should the District have to procure natural gas on the open market.

##### STOPR Agreements

In September 2007, the District entered into an agreement with the City of St. Cloud, Tohopekaliga Water Authority (TWA), and Orange and Polk Counties to jointly perform permit compliance monitoring activities as required by the Water Use Permits issued by the South Florida Water Management District. Between 2010 and June 2016, Orange County was the contract manager and the District's payments were made to Orange County upon receipt of invoice. In March 2016, the District executed an amendment to the original agreement that (1) made TWA the contract manager and (2) extended the term of the agreement. The agreement, as amended, requires the District to contribute 18.2% of the total costs. As of September 30, 2021, the District has paid \$1,127,858 for these efforts.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 15. COMMITMENTS AND CONTINGENCIES - CONTINUED

##### STOPR Agreements - Continued

In August 2011, the District entered into an agreement with the Water Cooperative of Central Florida (which currently consists of the City of St. Cloud, TWA, Orange County and Polk County) to participate in the preliminary design and permitting of the Cypress Lake Wellfield alternative water supply project. Originally TWA was the contract manager but with the First Amendment approved in June 2014, the Water Coop became the contract manager and the District's payments are made to them. The agreement, as amended, requires the District to contribute \$749,139 for this work. As of September 30, 2021, the District has paid \$422,505. The project was awarded a grant from the SFWMD for up to \$2,556,600, which could reduce the District's obligation up to \$84,368.

##### Litigation and Other Claims

Various suits and claims arising in the ordinary course of operations are pending against the District. Management believes the ultimate disposition of such matters, including the cases described below, will not materially affect the financial position of the District or the results of its operations, or the District's ability to pay debt service on existing outstanding bonds.

Various suits involve Walt Disney Parks and Resort US, Inc. and Disney Vacation Development, Inc. (collectively "WDP and DVD Plaintiffs") naming the Orange County Property Appraiser, the Orange County Tax Collector and the District as defendants and challenging the Orange County Property Appraiser's valuation of multiple commercial parcels and contesting the legality and validity of the 2015 through 2020 ad valorem tax assessments on the parcels paid to the District. WDP and DVD Plaintiffs claim that the value of each of the assessments on the parcels does not represent the just value of the parcels because it exceeds the fair value thereof and claims the appraiser included the value of certain intangible property in the assessment in violation of law. WDP and DVD Plaintiffs have requested the court set aside the 2015 through 2020 assessments and resulting taxes to the extent they exceed the just value of such property and issue a new tax bill in said reassessed amounts. As a result of these claims, the Court of Appeals instructed that a revaluation be calculated by the Orange County Property Appraiser's office using the Court of Appeals' recommendations on the parcels applicable to the District. The revaluation is currently pending. Parcels related to the theme parks were settled in August of 2021, resulting in a refund of \$6.0 million to the WDP Plaintiff, which was paid by the District and recovered by the WDP Plaintiff on August 10, 2021. While the District anticipates further adjustments to the tax collections for fiscal years 2016 through 2021 (assessments in 2015 through 2020), it cannot predict the outcome of these cases.

## REEDY CREEK IMPROVEMENT DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2021

#### 16. RESTATEMENTS

The District restated its 2020 ending net position in governmental activities by adding OPEB liabilities associated with the Survivor Income Plan. In fiscal 2021, the District analyzed the benefits associated with the Survivor Income Plan and determined the liability qualified as an other post-employment benefit. The actuaries recalculated the ending OPEB liability as of September 30, 2020, and the following restatement was made to beginning Net Position:

	Governmental Activities
Net position October 1, 2020, previously reported	\$ 204,704,999
Net position adjustment due to OPEB	(4,323,945)
Net position October 1, 2020, restated	\$ 200,381,054

The District reclassified its 2020 ending net position to correct the calculation of net investment in capital assets. This resulted in an increase to net investment in capital assets and a decrease in unrestricted net position as of September 30, 2020. The OPEB restatement also resulted in a change to unrestricted net position as of September 30, 2020. The following reclassification was made to beginning Net Position of Governmental Activities:

	Net investment in capital assets	Unrestricted (deficit)
Net position October 1, 2020, previously reported	\$ 243,970,168	\$ (41,714,937)
Reclassification of net investment in capital assets	43,452,514	(43,452,514)
Restatement of OPEB liability	-	(4,323,945)
Net position October 1, 2020, reclassified	\$ 287,422,682	\$ (89,491,396)

**REEDY CREEK IMPROVEMENT DISTRICT**

REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
SCHEDULES SUPPORTING MODIFIED APPROACH FOR DISTRICT  
INFRASTRUCTURE CAPITAL ASSETS

Year Ended September 30, 2021

**Roadways**

(Note 2. A.)

<b>Fiscal Year</b>	<b>Percentage of Roadways</b>		
	<b>Excellent</b>	<b>Acceptable</b>	<b>Poor</b>
<b>2021</b>	70 %	23 %	7 %
<b>2020</b>	70 %	24 %	6 %
<b>2019</b>	72 %	21 %	7 %
<b>2018</b>	70 %	23 %	7 %
<b>2017</b>	96 %	4 %	0 %

**Bridges**

(Note 2. B.)

<b>Fiscal Year</b>	<b>Number of Bridges by Category</b>			
	<b>Excellent</b>	<b>Good</b>	<b>Poor</b>	<b>Total</b>
<b>2021</b>	50	3	-	53
<b>2020</b>	50	8	-	58
<b>2019</b>	50	8	-	58
<b>2018</b>	45	8	-	53
<b>2017</b>	36	8	-	44

**Water Control Structures**

(Note 2. C.)

<b>Fiscal Year</b>	<b>Number of Structures by Category</b>			
	<b>Excellent</b>	<b>Good</b>	<b>Poor</b>	<b>Total</b>
<b>2021</b>	18	6	-	24
<b>2020</b>	18	6	-	24
<b>2019</b>	18	4	-	22
<b>2018</b>	19	3	-	22
<b>2017</b>	18	4	-	22

<b>Fiscal Year</b>	<b>Budgeted Costs</b>			<b>Actual Costs</b>		
	<b>Roads</b>	<b>Bridges</b>	<b>Water Control Structures</b>	<b>Roads</b>	<b>Bridges</b>	<b>Water Control Structures</b>
<b>2022</b>	\$ 12,238,876	\$ 4,285,000	\$ 1,760,000	\$ -	\$ -	\$ -
<b>2021</b>	6,607,600	3,220,400	1,025,000	3,713,650	1,588,609	450,492
<b>2020</b>	4,345,000	95,000	1,378,400	1,624,955	47,071	708,075
<b>2019</b>	2,000,000	1,644,673	1,903,000	1,026,195	165,000	625,522
<b>2018</b>	2,620,000	35,000	1,448,000	416,315	98,647	970,573
<b>2017</b>	1,185,000	40,000	620,000	635,227	30,852	462,913

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
SCHEDULES SUPPORTING MODIFIED APPROACH FOR DISTRICT  
INFRASTRUCTURE CAPITAL ASSETS

Year Ended September 30, 2021

**1. ELECTION TO USE MODIFIED APPROACH**

The District has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its roads, bridges and water control structures. The infrastructure capital assets are managed using an asset management system with (1) an up-to-date inventory; (2) annual or bi-annual (depending on the asset) condition assessment that is summarized using a numerical measurement scale; and (3) an estimated annual amount to maintain and preserve the asset at the established condition assessment level.

**2. BASIS FOR CONDITION ASSESSMENTS AND TARGETED CONDITION LEVEL**

**A. Roads**

Streets and roads are constantly deteriorating due to environmental causes (weathering and aging) and structural causes (repeated traffic loading). The rate at which pavement deteriorates depends on the original construction quality, environmental conditions, drainage, traffic loading and interim maintenance procedures. The District bases all pavement design on existing traffic counts, proposed traffic generation due to planned development and known loading factors. We continually maintain the pavement by way of crack sealing, patching and applying preservative treatments as well as structural overlay work when warranted. This preventative maintenance substantially extends the useful life of asphaltic pavement and ensures the comfort and ride-ability of the network.

In an effort to ensure the quality of the District's roadway network, the District performs an annual physical condition assessment of the public streets/roadways within its jurisdiction. The physical condition assessment was performed using the Road Manager Condition Evaluation test method. All roads are evaluated and given a numerical rating, or Pavement Condition Index (PCI) of 1 through 100. This identifies the condition and helps determine what work is required. The ratings were based on visual observation of the roads surface condition: defects or deformation, cracking (transverse, reflective, longitudinal and alligator), and patching/pot hole frequency. Ratings of 80 and above indicate the road is in excellent condition and no improvements are required; 60-79 are classified as good/satisfactory and a rating of 59 or below indicates poor condition. Currently, the majority of roads within the District have a PCI in excess of 80, a small percentage have a PCI rating that indicates surface work would be advisable, and less than 7% of the roads have a PCI of 59 or below.

In prioritizing roadway repairs, a benefit value for each roadway is determined based on the roadway use and the projected cost of the necessary repair. Based on the identified priorities, the District budgets for and schedules the pavement repairs. The District completed two pavement resurfacing repair projects in 2021; the remaining work needed to upgrade the 7% of roadways in the poor category is programmed for subsequent fiscal years.

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
SCHEDULES SUPPORTING MODIFIED APPROACH FOR DISTRICT  
INFRASTRUCTURE CAPITAL ASSETS

Year Ended September 30, 2021

**2. BASIS FOR CONDITION ASSESSMENTS AND TARGETED CONDITION LEVEL - CONTINUED**

**A. Roads - Continued**

In addition to roadway construction and major asphalt refurbishment, the District continued with routine/ongoing maintenance and repairs throughout the roadway system. The routine work in 2021 encompassed maintenance repairs of asphalt, shoulder protection and replacement of guardrail totaling \$3,713,650.

**B. Bridges**

All bridges within the District are inspected bi-annually by a Florida licensed Structural Engineer. Using the Florida Department of Transportation (FDOT) reporting system, the bridge deck, superstructure, substructure, and channel configuration are rated Excellent, Good or Poor. The earliest bridges constructed within the District were placed into service in 1972 and a majority of the bridges were constructed during the following 25 years. Over the past six years, the District has undergone major infrastructure expansion with additional bridges being placed into service, older bridges undergoing major modifications and numerous bridges retired from service. As of the date of this report, the District has 53 bridge structures in use.

Preservation and maintenance of bridge structures is an on-going activity and allows the bridges to be classified as either Excellent or Good condition. Based on inspection results/recommendations, bridge installations and repairs were completed at a cost of \$1,588,609.

**C. Water Control Structures**

The Master Drainage System within the District is comprised of 66 river miles of canals and waterway. It incorporates 24 major water control structures comprised of Amil Gates, sharp crested weirs, and one set of 48" diameter culverts. Amil Gates are constant level water control structures. These gates provide a consistent water level within the waterways or canals, and open due to increasing water pressure during a storm event, thereby allowing flood waters to pass downstream and exit the District. Weirs maintain water levels at a set elevation; as the flood waters rise due to a storm event, they spill over the weirs and pass downstream. The set of 48" culverts act as an overflow or pass through, allowing flood waters to pass to an adjacent wetland on the eastern perimeter of the District. Construction on a majority of these structures began in the late 1960's, thus many are approaching 60 years of service time. Ongoing maintenance and major rehabilitative work has extended the useful life of the structures allowing them to remain operational.

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
SCHEDULES SUPPORTING MODIFIED APPROACH FOR DISTRICT  
INFRASTRUCTURE CAPITAL ASSETS

Year Ended September 30, 2021

**2. BASIS FOR CONDITION ASSESSMENTS AND TARGETED CONDITION LEVEL - CONTINUED**

**C. Water Control Structures - Continued**

Structures are classified by their overall condition and are listed as Excellent, Good or Poor condition. This rating is generated by the annual inspection and condition assessment report. This Annual Water Control Structure Report lists all items inspected both above ground and below the water surface. Using this information, the structure condition is assigned, the required repairs are prioritized and the repair work is scheduled. Required repairs are listed as Priority 1, 2 or 3. Priority 1 signifies a major rehabilitative repair. Priority 1 repairs are items that if not repaired, may degrade the integrity of the structural element or reduce the operational capacity of the structure. Historically, we have found Priority 1 repairs often occur in underwater conditions and have evolved over long periods of time. This type of repair may require extensive construction work and as such, cannot always be done immediately. These major repairs are programmed and budgeted to occur in a future year. Priority 2 repairs are those that may impact the operational capacity of the structure but do not cause major cost impacts and can be addressed during annual routine maintenance. Priority 3 identifies items not in current need of repair but signify a condition, though noteworthy, that is expected to remain stable for a number of years. As such, the recommendation is that Priority 3 items need not be separately scheduled for repair, but addressed when the structure undergoes Priority 1 or Priority 2 repairs. As the structures continue to age, our annual inspections reveal an increasing number of Priority 2 repairs, and the annual maintenance for the water control system has begun to trend upward.

During fiscal year 2021, the District conducted routine maintenance on the system, which included repairs on structures, levees and debris removal throughout the canal system and maintenance/repair of erosion issues. The cost of these activities totaled \$450,492.

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
OTHER POSTEMPLOYMENT BENEFITS

Year Ended September 30, 2021

**Schedule of Changes in the District's Net OPEB Liability and Related Ratios**

Last 4 Fiscal Years\*

	<b>2021</b>	<b>2020 **</b>	<b>2019 **</b>	<b>2018 **</b>
<b>TOTAL OPEB LIABILITY</b>				
Service cost	\$ 1,926,349	\$ 1,511,559	\$ 1,219,287	\$ 1,179,666
Interest	1,851,303	2,167,491	2,521,415	2,332,664
Change in benefit terms	374,816	-	-	-
Difference between expected and actual experience	-	(6,200,300)	-	-
Changes of assumptions	(935,997)	6,505,338	18,890,916	(6,120,684)
Benefit payments	(1,757,481)	(1,709,222)	(1,523,266)	(1,521,768)
<b>Net change in total OPEB liability</b>	<b>1,458,990</b>	<b>2,274,866</b>	<b>21,108,352</b>	<b>(4,130,122)</b>
<b>Total OPEB liability, beginning of year</b>	<b>83,102,547</b>	<b>80,827,681</b>	<b>59,719,329</b>	<b>63,849,451</b>
<b>Total OPEB liability, end of year</b>	<b>\$ 84,561,537</b>	<b>\$ 83,102,547</b>	<b>\$ 80,827,681</b>	<b>\$ 59,719,329</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 2,774,518	\$ 2,743,348	\$ 2,552,995	\$ 12,521,768
Net investment income (expense)	(60,629)	488,190	637,649	2,399
Benefit payments	(1,757,481)	(1,709,222)	(1,523,266)	(1,521,768)
<b>Net change in plan fiduciary net position</b>	<b>956,408</b>	<b>1,522,316</b>	<b>1,667,378</b>	<b>11,002,399</b>
<b>Plan fiduciary net position, beginning of year</b>	<b>14,192,093</b>	<b>12,669,777</b>	<b>11,002,399</b>	<b>-</b>
<b>Plan fiduciary net position, end of year</b>	<b>15,148,501</b>	<b>14,192,093</b>	<b>12,669,777</b>	<b>11,002,399</b>
<b>District's net OPEB liability, end of year</b>	<b>\$ 69,413,036</b>	<b>\$ 68,910,454</b>	<b>\$ 68,157,904</b>	<b>\$ 48,716,930</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	<b>17.91 %</b>	<b>17.08 %</b>	<b>15.68 %</b>	<b>18.42 %</b>
<b>Covered-employee payroll</b>	<b>\$ 29,475,581</b>	<b>\$ 28,294,306</b>	<b>\$ 27,612,000</b>	<b>\$ 26,678,408</b>
<b>District's net OPEB liability as a percentage of covered-employee payroll</b>	<b>235.49 %</b>	<b>243.55 %</b>	<b>246.84 %</b>	<b>182.61 %</b>

\*Information in this schedule is intended to display the last 10 years; however, information is not available for all prior years. Additional years will be displayed as information becomes available. \*\* OPEB liability amounts and related ratios were restated with the addition of the Survivor Income Plan.

**Notes to Schedule**

Changes of assumptions - The discount rate decreased from 2.20% to 2.15% at September 30, 2021. Mortality assumptions were changed from projection scale MP-2019 to MP-2020. The Plan was revised to provide the District Administrator with retiree health insurance for self and dependents at no retiree cost after age 62 and completion of at least 7 years of service.



**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
OTHER POST EMPLOYMENT BENEFITS - CONTINUED

Year Ended September 30, 2021

**Schedule of the District's Contributions**

Last 4 Fiscal Years\*

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution **</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2021	\$ 5,075,307	\$ 2,774,518	\$ 2,300,789	\$ 29,475,581	9.41 %
2020	4,838,645	2,743,348	2,095,297	28,294,306	9.70 %
2019	4,507,464	2,552,995	1,954,469	27,612,000	9.25 %
2018	3,580,651	12,521,768	(8,941,117)	26,678,408	46.94 %

\* Information in this schedule is intended to display the last 10 years; however, information is not available for all prior years. Additional years will be displayed as information becomes available. \*\* Fiscal year 2020 amount was restated with the addition of the Survivor Income Plan.

**Notes to Schedules**

Valuation Date: September 30, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal based on level basis over the earnings of the individual between entry age and assumed exit age(s). Projected Unit Credit method used in years 2018 and prior.
Amortization period	30-year open group
Asset valuation method	Fair market value
Contributions	Contributions to the VEBA Trust are not codified or mandated but the District's funding strategy is to contribute a minimum of \$1 million to the Trust per year.
Inflation	2.00%
Healthcare cost trend rates	6.0% initial, decreasing .5% per year to an ultimate rate of 4.5% for medical; 4.0% dental; 3.0% vision
Salary increases per year	3.50%
Investment rate of return	2.15%
Retirement age	Based on the 2019 Florida Retirement System Actuarial Valuation
Mortality	PUB-2010 mortality table with scale MP-2020

**REEDY CREEK IMPROVEMENT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**OTHER POST EMPLOYMENT BENEFITS - CONTINUED**

Year Ended September 30, 2021

**Schedule of Investment Returns**

Last 4 Fiscal Years \*

<b>Fiscal Year</b>	<b>Annual Money-Weighted Rate of Return, Net of Investment Expense</b>
2021	0.3%
2020	4.0%
2019	5.8%
2018	0.0%

\* Information in this schedule is intended to display the last 10 years; however, information is not available for all prior years. Additional years will be displayed as information becomes available. Fiscal year 2018 was 0.0% as The Plan was funded at the end of the fiscal year.

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
PENSIONS

Year Ended September 30, 2021

**Schedule of the District's Proportionate Share of the Net Pension Liability - Pension Plan**

Florida Retirement System

Last 8 Fiscal Years\*

<u>Calendar Year</u>	<u>RCID's Proportion of the Net Pension Liability (Asset)</u>	<u>RCID's Proportionate Share of the Net Pension Liability</u>	<u>RCID's Covered Employee Payroll</u>	<u>RCID's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2021	0.12138 %	\$ 9,169,131	\$ 31,367,402	29.23 %	96.40 %
2020	0.14788 %	64,091,387	33,311,667	192.40 %	78.85 %
2019	0.15020 %	51,728,123	32,604,660	158.65 %	82.61 %
2018	0.14924 %	44,950,699	31,337,271	143.44 %	84.26 %
2017	0.13850 %	40,967,776	27,550,271	148.70 %	83.89 %
2016	0.14236 %	35,945,064	26,833,753	133.95 %	84.88 %
2015	0.12545 %	16,204,183	24,758,513	65.45 %	92.00 %
2014	0.12860 %	7,846,750	23,975,240	32.73 %	96.09 %

\*Amounts presented for each fiscal year were determined as of June 30. Information in this schedule is intended to display the last 10 years; however, information is not available for all prior years. Additional years will be displayed as information becomes available.

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
PENSIONS - CONTINUED

Year Ended September 30, 2021

**Schedule of the District's Contributions - Pension Plan**

Florida Retirement System

Last 10 Fiscal Years\*

<b>Fiscal Year</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to the Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>RCID's Covered Employee Payroll</b>	<b>Contributions as a Percentage of Covered Employee Payroll</b>
2021	\$ 5,193,646	\$ 5,193,646	\$ -	\$ 32,345,424	16.06 %
2020	5,173,531	5,173,531	-	32,847,147	15.75 %
2019	5,114,578	5,114,578	-	33,220,360	15.40 %
2018	4,642,954	4,642,954	-	31,540,901	14.72 %
2017	4,027,501	4,027,501	-	28,358,740	14.20 %
2016	3,815,742	3,815,742	-	27,184,949	14.04 %
2015	3,459,545	3,459,545	-	25,052,616	13.81 %
2014	3,199,940	3,199,940	-	24,221,740	13.21 %
2013	2,479,819	2,479,819	-	23,420,014	10.59 %
2012	1,992,353	1,992,353	-	21,960,067	9.07 %

\*Amounts presented for each fiscal year were determined as of September 30.

**Changes in assumptions**

From 2020 to 2021, the amortization period changed from 25 years to 20 years, effective July 1, 2021. Salary increases no longer vary by gender.

**Change in benefit terms**

Effective July 1, 2011, employees were required to contribute 3% of their annual earnings on a pretax basis. At the same time, FRS reduced the employer contribution amounts. This accounts for the reduction in contributions as a percentage of covered employee payroll in 2012. Effective July 1, 2013, the legislature required employers to pay the full unfunded actuarial liability (UAL) contribution recommended by the actuary for all membership classes and DROP participants. For the two prior fiscal years, the legislature required only a portion of the UAL rate recommended by the actuary. This accounts for the increase in contributions in 2014.

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
PENSIONS - CONTINUED

Year Ended September 30, 2021

**Schedule of the District's Proportionate Share of the Net Pension Liability - HIS Plan**

Health Insurance Subsidy Program

Last 8 Fiscal Years\*

<u>Calendar Year</u>	<u>RCID's Proportion of the Net Pension Liability (Asset)</u>	<u>RCID's Proportionate Share of the Net Pension Liability</u>	<u>RCID's Covered Employee Payroll</u>	<u>RCID's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2021	0.08857 %	\$ 10,863,849	\$ 31,367,402	34.63 %	3.56 %
2020	0.09597 %	11,718,223	33,311,667	35.18 %	3.00 %
2019	0.09749 %	10,908,108	32,604,660	33.46 %	2.63 %
2018	0.09590 %	10,150,278	31,337,271	32.39 %	2.15 %
2017	0.08638 %	9,235,838	27,550,271	33.52 %	1.64 %
2016	0.08682 %	10,118,388	26,833,753	37.71 %	0.97 %
2015	0.08138 %	8,299,010	24,758,513	33.52 %	0.50 %
2014	0.08064 %	7,539,962	23,975,240	31.45 %	0.99 %

\*Amounts presented for each fiscal year were determined as of June 30. Information in this schedule is intended to display the last 10 years; however, information is not available for all prior years. Additional years will be displayed as information becomes available.

**REEDY CREEK IMPROVEMENT DISTRICT**  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
PENSIONS - CONTINUED

Year Ended September 30, 2021

**Schedule of the District's Contributions - HIS Plan**

Health Insurance Subsidy Program

Last 10 Fiscal Years\*

<b>Fiscal Year</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to the Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>RCID's Covered Employee Payroll</b>	<b>Contributions as a Percentage of Covered Employee Payroll</b>
2021	\$ 536,934	\$ 536,934	\$ -	\$ 32,345,424	1.66 %
2020	545,263	545,263	-	32,847,147	1.66 %
2019	551,458	551,458	-	33,220,360	1.66 %
2018	523,579	523,579	-	31,540,901	1.66 %
2017	470,755	470,755	-	28,358,740	1.66 %
2016	451,270	451,270	-	27,184,949	1.66 %
2015	340,982	340,982	-	25,052,616	1.36 %
2014	294,282	294,282	-	24,221,740	1.21 %
2013	265,172	265,172	-	23,420,014	1.13 %
2012	243,757	243,757	-	21,960,067	1.11 %

\*Amounts presented for each fiscal year were determined as of September 30.

**Changes in assumptions**

From 2020 to 2021, the municipal rate used to determine total pension liability decreased from 2.21% to 2.16%.

**Change in benefit terms**

The District is not aware of any changes in benefit terms during the periods noted.

**Report of Independent Auditor 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***

To the District Administrator, Deputy District Administrator, and Board of Supervisors  
Reedy Creek Improvement District  
Lake Buena Vista, Florida

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Reedy Creek Improvement District (the "District") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 7, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control described as Finding 2021-001 in the Schedule of Findings and Recommendations, which we consider to be a material weakness.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**District's Response to Finding**

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Recommendations to this report. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cheryl Behrman CPA". The signature is written in a cursive style.

Orlando, Florida  
February 7, 2022



## REEDY CREEK IMPROVEMENT DISTRICT

### SCHEDULE OF FINDINGS AND RECOMMENDATIONS

YEAR ENDED SEPTEMBER 30, 2021

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#### **Net Position Classification - *Material Weakness***

*Statement of Condition 2021-001:* Classification of net position was not recorded consistently with accounting principles generally accepted in the United States of America ("U.S. GAAP").

*Criteria:* Net position classifications should be calculated and recorded in accordance with U.S. GAAP.

*Cause of Condition:* Net position classifications had a formula error that subtracted, rather than added, a component and also excluded payables applicable to the net investment in capital assets calculation.

*Effect of Condition:* By not presenting net position classifications in accordance with U.S. GAAP, the District's financial statements were misstated prior to audit adjustment. This adjustment was for \$36,735,171 of net position that was incorrectly presented as unrestricted net position rather than net investment in capital assets net position at September 30, 2021. Further, this formula error existed in the prior year, resulting in a misclassification of the same elements of net position by \$43,452,514.

*Recommendation:* We recommend the calculation of net position be correctly applied in future years, as it was after the correction in the current year.

*Views of Responsible Officials:* We have corrected the formula error in our systems to properly calculate net investment in capital assets as a component of net position. We have also added an additional senior level review of net position calculations prior to issuing draft financial statements.

**Report of Independent Accountant on Compliance  
With Local Government Investment Policies**

To the District Administrator, Deputy District Administrator, and Board of Supervisors  
Reedy Creek Improvement District  
Lake Buena Vista, Florida

We have examined Reedy Creek Improvement District's (the "District") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements 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 District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, 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 District's compliance with the specified requirements.

In our opinion, the District complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.



Orlando, Florida  
February 7, 2022

## Report of Independent Auditor on Compliance with Trust Indenture

To the Board of Supervisors  
Reedy Creek Improvement District  
Lake Buena Vista, Florida

We have audited, in accordance with auditing standards generally accepted in the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Reedy Creek Improvement District (the "District") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report, with unmodified opinions, thereon dated February 7, 2022.

In connection with our audit, nothing came to our attention that caused us to believe the District failed to comply with any of the terms, covenants, provisions, or conditions of Sections 4.01-4.03, 5.01-5.17 and 6.01-6.02 of the Trust Indenture dated November 1, 1987, as amended and supplemented, with Truist Bank, formerly Sun Bank d.b.a. SunTrust, (the "Trustee"), which assigned its rights and duties to US Bank, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's compliance with the above referenced terms, covenants, provisions, or conditions of Sections 4.01-4.03, 5.01-5.17 and 6.01-6.02 of the Trust Indenture dated November 1, 1987, as amended and supplemented, insofar as they refer to accounting matters.

This report is intended solely for the information and use of the Board of Supervisors, management of the District, and the Trustee and is not intended to be and should not be used by anyone other than these specified parties.



Orlando, Florida  
February 7, 2022

## Independent Auditor's Management Letter

To the District Administrator, Deputy District Administrator, and Board of Supervisors  
Reedy Creek Improvement District  
Lake Buena Vista, Florida

### Report of the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Reedy Creek Improvement District (the "District"), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated February 7, 2022.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

### Other Reporting Requirements

We have issued our Report of Independent Auditor 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*; and Report of Independent Accountant on Compliance with Local Government Investment Policies regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 7, 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No findings or recommendations were made in the preceding annual 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 District has included such disclosures in the notes to the financial statements. There are no component units related to this entity.

### Financial Condition and Management

Section 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 District has 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 District 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 District. It is management's responsibility to monitor the District'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. We have identified a matter in Appendix A to this letter, Finding 2021-A, that is relevant to financial management. In addition, we have identified a matter provided in Appendix A to our Report of Independent Auditor 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*. We did not audit the District's responses to these matters, which are also provided in applicable Appendix A attachments.

**Specific Information**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the District provided the following information (unaudited):

- a. The total number of District employees compensated in the last pay period of the fiscal year as 366.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 1.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$32,345,424.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$16,100.
- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as listed below:

Project Name	Budget	Inception Date	Expenditures to Date
Replace C4 Outfall to Reedy Creek	\$ 200,000	10/1/2020	\$ -
Structure Repairs	70,000	10/1/2020	49,383
Culvert Replacement Program	120,000	10/1/2020	77,814
Clean Stormwater Ponds	100,000	10/1/2020	15,904
Install Fire Lane Bypass Weir	75,000	10/1/2020	-
Clear & Snag Pilot Canal	200,000	10/1/2020	172,791
Erosion Repairs S10 & S12	200,000	10/1/2020	-
LED Phase III Lighting	1,500,000	10/1/2020	1,455,103
FS1 Roof Replacement	485,000	10/1/2020	329,554
FS2 Bathroom Renovations	100,000	10/1/2020	189,437
FS3 Bay Doors	215,000	10/1/2020	5,253
FS3 AC Unit	90,000	10/1/2020	80
FS3 LED Bay Lighting	125,000	10/1/2020	19,465
Garage Concrete Repairs	74,500	10/1/2020	24,009
Garages Paint - Nodes, Stucco, etc.	200,000	10/1/2020	80,950
Environmental Lab Ph III design	132,000	10/1/2020	172,585
Paving Rehabilitation	5,280,000	10/1/2020	2,547,897
Guardrail Replacements	400,000	10/1/2020	378,710
BVD North Median Closures	797,600	10/1/2020	713,431
Redeck Bridges 756010 & 756012	3,220,400	10/1/2020	1,602,629

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes, as \$6,000,000.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the District provided the following information (unaudited):

- a. The millage rate or rates imposed by the District as 11.1429.
- b. The total amount of ad valorem taxes collected by or on behalf of the District as \$139,410,395.
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds as \$924,546,000.

**Additional Matters**

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

**Purpose of this Letter**

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.



Orlando, Florida  
February 7, 2022

**REEDY CREEK IMPROVEMENT DISTRICT**  
**INDEPENDENT AUDITOR'S MANAGEMENT LETTER – APPENDIX A**

*YEAR ENDED SEPTEMBER 30, 2021*

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**Current Year Recommendation**

***Reconciliation of Subsidiary Ledgers***

*Statement of Condition 2021-A:* The accounts payable subsidiary ledger, containing an aging of accounts payable by vendor, has not been historically reconciled to the general ledger on a regular basis. This reconciliation was provided as of September 30, 2021, after discussion of the need for such reconciliation. In addition, capital asset depreciation detail does not have capital asset or accumulated depreciation balances that have been reconciled to the general ledger.

*Criteria:* Subsidiary detail should be maintained and regularly reconciled to support general ledger balances, providing a clear record that supports general ledger amounts recorded.

*Cause of Condition:* Accounts payable and capital asset depreciation subsidiary detail has not been regularly reconciled to the general ledger. Although accounts payable has been reconciled as of September 30, 2021, the capital asset depreciation detail has not yet been reconciled and will require additional analysis to ensure depreciation calculations are based on appropriate information.

*Effect of Condition:* Reliance has been placed on ongoing recording of accounts payable, without use of a reconciliation control to verify the accuracy of amounts recorded. Similarly, reliance has been placed on depreciation calculated without a control to check that the depreciation is properly calculated based on recorded capital asset and accumulated depreciation balances.

*Recommendation:* We recommend that capital asset depreciation detail be further analyzed and that accounts payable and capital asset depreciation subsidiary detail be regularly reconciled to ensure accuracy and completeness of general ledger balances.

*Management Response:* We have included additional procedures in our reconciliations of capital assets and accounts payable to include preparation of subsidiary ledgers and reports to provide additional support for the calculations of the amounts recorded in the general ledger.