



AGENDA

CITY OF BAY LAKE

1900 HOTEL PLAZA BOULEVARD

February 8, 2023

8:30 A.M.

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES FROM THE January 11, 2023 MEETING
- III. REVIEW AND APPROVAL OF ANNUAL FINANCIAL REPORT
- IV. OPEN PUBLIC HEARING

PUBLIC HEARING to consider request for adoption of proposed Ordinance No. 139 adopting Land Development Regulations. Presentation by Lee Pulham/RCID Senior Planner.

CLOSE PUBLIC HEARING
- V. CONSIDERATION to approve the final reading of proposed Ordinance No. 139 adopting Land Development Regulations.
- VI. OTHER BUSINESS
- VII. 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 11150-Public Hearing Notice
Was published in said newspaper by print in the issues of, or by publication
on the newspaper's website, if authorized on Jan 27, 2023.

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

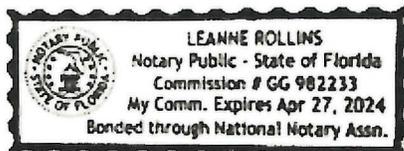
Rose Williams

Signature of Affiant

Name of Affiant

Sworn to and subscribed before me on this 28 day of January, 2023,
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

YOU WILL TAKE NOTICE that the regular meeting of the City Council of the City of Bay Lake will be held on Wednesday, February 8, 2023 at 8:30 a.m., 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida 32830. At that time the Council will consider such business as may properly come before them.

BY: Tracy Borden, City Clerk
City of Bay Lake
1/27/2023 7360718

7360718

**MINUTES OF MEETING
CITY COUNCIL OF THE
CITY OF BAY LAKE
January 11, 2023
8:30 A.M.**

A regular meeting of the City Council for the City of Bay Lake was called to order on Wednesday, January 11, 2023 at 8:30 A.M., at 1900 Hotel Plaza Boulevard, Lake Buena Vista, Florida.

Those present were Mayor Todd Watzel, Council Members Wendy Duncan, Joel Edwards, Jessie Mack Burns and Mark Krause constituting a Council. Others present were Mike Crikis, City Manager; Ryan Conrad, Assistant City Manager; Tracy Borden, City Clerk; Tina Graham, Assistant City Clerk; John Classe, City Manager of Lake Buena Vista; Kerry Satterwhite, Assistant City Manager of Lake Buena Vista; Susan Higginbotham, City Auditor; Chris Quinn, RCID CFO/Comptroller; Katherine Luetzow, RCID Manager Planning & Engineering; and Lee Pulham, Sr. Planner, RCID Planning & Engineering.

The Clerk presented proof of publication of the meeting notice. *(Exhibit A)*

After a call to order, Mayor Watzel asked for nominations to serve as Mayor for the year 2023. Mark Krause nominated Todd Watzel. A motion was made by Mark Krause, duly seconded by Jessie Mack Burns, and approved by all attending council members. Todd Watzel will remain Mayor for 2023.

Mayor Watzel asked for nominations to serve as Mayor Pro Tem for 2023. Wendy Duncan was nominated. A motion was made by Todd Watzel, duly seconded by Joel Edwards, and approved by all attending Council Members. Therefore, Council Member Duncan will remain Mayor Pro Tem for 2023.

A motion for approval of the Minutes of the November 9, 2022 meeting was made by Joel Edwards and duly seconded by Wendy Duncan. The minutes were approved as presented.

Susan Higginbotham discussed the draft of the 2022 financial statements with the Council. Bay Lake's results of operations presents an excess of Revenues over Expenditures of \$1,175,778 for fiscal year 2022. This leaves an ending fund balance of \$7,879,963 for FY2022. The final statements will be distributed at the next meeting.

The Public Hearing portion of the meeting was called to order at 8:33 a.m. and Mayor Watzel presented recommendations to pass and adopt on first reading the **City Ordinance Number 139**, Lee Pulham reviewed amending the RCID Land Development Regulations to incorporate amendments required by the recent Comprehensive Plan 2032 update, which was found in compliance on July 15, 2022. The Planning Board held a duly noticed public hearing on November 18, 2022 and recommended approval by the Board of Supervisors after finding 1) The amendments are consistent with and promote the intent of the Comprehensive Plan; 2) will not adversely affect other implementation programs for elements of the Comprehensive Plan; and 3) promote the public health, safety, and welfare within the District. The amendments fall within three general categories: 1) Updates to definitions and references to various statutes, codes, and manuals. 2) Updates to reflect specific amendments to the 2032 Comprehensive Plan. 3) The third category of amendments is the greatest in number and address how we conduct development reviews, how we regulate what, where, how something is required to be constructed, altered, or protected. This duly noticed public hearing is the first of two required for approval of an Ordinance/Resolution to amend the Land Development Regulations.

A motion for approval was made by Mark Krause, duly seconded by Jessie Mack Burns and approved by all council members. Second reading and public hearing is scheduled for February 8, 2023. *(Exhibit B)*

ORDINANCE/RESOLUTION NO. 139

AN ORDINANCE OF THE CITY OF BAY LAKE AMENDING THE RCID LAND DEVELOPMENT REGULATIONS FOR COMPLIANCE WITH THE 2032 COMPREHENSIVE PLAN; TO UPDATE DEFINITIONS; TO UPDATE REFERENCES, STANDARDS, AND PROCEDURES FOR USES; GROWTH; INFRASTRUCTURE; STREETS AND RIGHTS-OF-WAY; PARKING, LOADING, AND CIRCULATION; LANDSCAPING; SIGNS; WETLANDS; STORMWATER MANAGEMENT; GROUNDWATER PROTECTION; EROSION CONTROL; SANITARY SEWER; SOLID WASTE; FLORA AND FAUNA; CONSISTENCY REVIEW; DEVELOPMENT REVIEW; SUBDIVISION REVIEW; AMENDMENT OF COMPREHENSIVE PLAN; PLANNING BOARD; AND PLANNING AND ENGINEERING DEPARTMENT

WHEREAS, the City Council of the City of Bay Lake, pursuant to Chapter 163, Florida Statutes, adopted on November 15, 1991 by Ordinance No. 51, a joint comprehensive plan along with the Reedy Creek Improvement District and the City of Lake Buena Vista; known as the "1991 Reedy Creek Improvement District Comprehensive Plan"; and

WHEREAS, Section 163.3202, Florida Statutes, require that the City of Bay Lake adopt and enforce Land Development Regulations that are consistent with and implement the Reedy Creek Improvement District Comprehensive Plan; and

WHEREAS, Reedy Creek Improvement District Planning Board has been established and designated as the Local Planning Agency for the City of Bay Lake; and

WHEREAS, the Reedy Creek Improvement District Planning Board after public notice conducted public hearings and found the proposed Land Development Regulations to be consistent with and promote the intent of the Reedy Creek Improvement District Comprehensive Plan, do not adversely affect other implementation programs for elements of the Reedy Creek Improvement District Comprehensive Plan, and promote the public health, safety, and welfare within the Reedy Creek Improvement District and therefore recommended adoption by the City Council of the City of Bay Lake; and

WHEREAS, the Reedy Creek Improvement District Board of Supervisors, the Lake Buena Vista City Council and the Bay Lake City Council after public notice conducted joint public hearings and by Resolution No. 289, Ordinance No 87, and Ordinance No. 85 on March 30, 1994, adopted the Reedy Creek Improvement District Land Development Regulations; and

WHEREAS, the City Council of the City of Bay Lake, upon recommendation by the Reedy Creek Improvement District Planning Board finds and determines that the adoption of the proposed amendments to the Land Development Regulations are consistent with and implement the Reedy Creek Improvement District Comprehensive Plan and that adoption thereof would be in the best interest of the Reedy Creek Improvement District.

NOW, THEREFORE, BE IT RESOLVED AND ORDAINED by the City Council of the City of Bay Lake, on this 11th day of January, 2023, as follows:

SECTION ONE: Purpose and Intent. This Ordinance is enacted to carry out the purpose and intent of, and exercise the authority set out in Chapters 163 and 166, Florida Statutes, and the provisions of the Reedy Creek Improvement District Comprehensive Plan.

SECTION TWO: Title and Adoption. The regulations as set forth in Exhibit "A" and adopted hereby shall be known as and may be referred to as "An Ordinance of the Reedy Creek Improvement District Amending the RCID Land Development Regulations for compliance with the 2032 Comprehensive Plan; to Update Definitions, References, Standards, and Procedures for Uses; Growth; Infrastructure; Streets and Rights-of-Way; Parking, Loading, and Circulation; Landscaping; Signs; Wetlands; Stormwater Management; Groundwater Protection; Erosion Control; Sanitary Sewer; Solid Waste; Flora and Fauna; Consistency Review; Development Review; Subdivision Review; Amendment of Comprehensive Plan; Planning Board; and Planning and Engineering Department..

SECTION THREE: Conflicts. All ordinances, resolutions, parts of ordinances or parts of resolutions in conflict with the Land Development Regulations adopted hereby are superseded and repealed to the extent of such conflict.

SECTION FOUR: Severability. If any provision or portion of this Ordinance/Resolution is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of the Ordinance/Resolution shall remain in full force and effect.

SECTION FIVE: Copy Availability. A certified copy of this enacting Ordinance and the attached amendment to the Reedy Creek Improvement District Land Development Regulations and any future amendments thereto, shall be filed with the Clerk of the City of Bay Lake. The District shall also make copies available to the public for a reasonable reproduction charge.

SECTION SIX: Codification. It is the intention of the City Council of the City of Bay Lake that sections of the Land Development Regulations may be renumbered or re-lettered and the correction of typographical or scrivener errors which do not affect the intent may be authorized by Planning staff without need of public hearing, by filing a corrected recodified copy of same with the Clerk of the Reedy Creek Improvement District.

SECTION SEVEN: Jurisdiction. This Ordinance and the attached amendment to the Land Development Regulations shall be a minimum standard and shall apply to and be enforced throughout the unincorporated and incorporated boundary of the Reedy Creek Improvement District, Florida including the City of Lake Buena Vista, Florida and the City of Bay Lake, Florida.

SECTION EIGHT: Effective Date. This Ordinance shall become effective immediately upon final passage and adoption.

PASSED AND DULY ADOPTED, with a quorum present and voting, by the City Council of the City of Bay Lake, Florida, this 11th day of January 2023.

A consideration to approve and set a revised 2023 meeting calendar for the City of Bay Lake was made by Wendy Duncan, duly seconded by Joel Edwards, and approved by all attending Council members. ***(Exhibit C)***.

A motion for approval to appoint Ryan Conrad as City Manager, replacing C. Michael Crikis, and appointing C. Michael Crikis as Assistant City Manager, replacing Ryan Conrad, was made by Joel Edwards and duly seconded by Jessie Mack Burns. The approval of the appointment of Ryan Conrad as the City Manager and C. Michael Crikis as Assistant City Manager was approved by all council members.

There being no further business to come before the Council, a motion was made by Jessie Mack Burns to adjourn the meeting; duly seconded by Wendy Duncan, the meeting was adjourned.

CITY OF BAY LAKE

BY: _____
Tracy Borden, City Clerk

APPROVED:

C. Michael Crikis, City Manager



CITY OF BAY LAKE, FLORIDA

ANNUAL FINANCIAL REPORT
AND COMPLIANCE REPORTS

Year Ended September 30, 2022

CITY OF BAY LAKE, FLORIDA
ANNUAL FINANCIAL REPORT AND COMPLIANCE REPORTS

Year Ended September 30, 2022

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CITY OF BAY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of City of Bay Lake, Florida's (the "City") financial performance provides an overview of the City's activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the financial statements, which begin on page 6.

Overview of the Financial Statements

Government-wide Financial Statements. The government-wide and fund financial statements are combined for this annual report, as all activities of the City are governmental activities. The report consists of the government-wide and fund statements and notes to the financial statements. The statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business, using the economic resources measurement focus and the accrual basis of accounting.

The Statement of Net Position presents information on all of the City's assets and liabilities, 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 City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental fund financial statements utilize the modified accrual basis of accounting and 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. Reconciliation of the government-wide and fund financial statements is provided on the face of the financial statements and is explained in Note 2 on page 11.

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 can be found on pages 9 - 13 of this report.

Financial Analysis

City's Net Position

| | 2022 | 2021 |
|-----------------------------|--------------|--------------|
| Total Assets | \$ 8,066,451 | \$ 7,843,018 |
| Total Liabilities | 186,488 | 1,138,833 |
| Net Position - unrestricted | \$ 7,879,963 | \$ 6,704,185 |

CITY OF BAY LAKE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Financial Analysis

Net position may serve over time as a useful indicator of the City's financial position. At the close of the fiscal year, assets exceeded liabilities by \$7,879,963. Of this amount, \$7,379,963 is unassigned and \$500,000 is set aside for settlements related to property appraiser disputes as directed by the City Council. These disputes are further detailed in Note 4.

Governmental Accounting Standards do not allow net position to be represented as "restricted" unless there are external legal restrictions on how they may be used. Thus, while there may be long-term management plans for unrestricted net position, they must be shown as unrestricted unless such external restrictions occur.

City's Change in Net Position

| | 2022 | 2021 |
|--------------------------------|---------------|---------------|
| Revenues: | | |
| General revenues: | | |
| Ad valorem taxes | \$ 18,721,196 | \$ 14,615,773 |
| Licenses and fees | 13,541 | 314 |
| Interest and investment income | 80,007 | 14,236 |
| | 18,814,744 | 14,630,323 |
| Expenses: | | |
| General government | 31,193 | 18,791 |
| Public safety | 17,256,155 | 16,175,914 |
| Physical environment | 32,929 | 20,028 |
| Transportation | 318,689 | - |
| | 17,638,966 | 16,214,733 |
| Change in net position | 1,175,778 | (1,584,410) |
| Net position - beginning | 6,704,185 | 8,288,595 |
| Net position - ending | \$ 7,879,963 | \$ 6,704,185 |

Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. There was no tax refund payable in the current year when compared to prior year liabilities. Property appraiser disputes are further discussed in Note 4.

The City's net position increased \$1,175,778 as a result of this year's operations, which included a budgeted increase in fund balance and savings in budgeted contract law enforcement services.

CITY OF BAY LAKE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Financial Analysis

The City's primary revenue source is ad valorem taxes. Ad valorem tax revenue for the current period was 99.5% of total revenues. Ad valorem tax revenue increased 28.1% from the prior year due to a budgeted increase in millage rates. The City's largest expenditure is for contracted law enforcement services with Orange County, Florida. Expenditures under this contract totaled \$10,722,957 for the current year. The City also pays the Orange County Sheriff's office for off-duty deputies and minimal payments are made to Lake County Sheriff's office, also for off-duty deputies. For fiscal year 2022, the cost of off-duty deputies was \$6,533,198. Together, the contracted coverage and the off-duty coverage represents 97.8% of total expenditures.

Budgetary Highlights

There were no amendments to the budget or transfers between activity budgets during the year.

Economic Factors and Next Year's Budget and Rates

Assessed property values underlying the City's fiscal year 2023 budget and millage rate determination reflect the impact of any Orange County Property Appraiser revaluations of property value assessments as a result of the Court of Appeals' recommendations.

- The unemployment rate of the Central Florida area is currently averaging 2.7%. This is slightly more than the state average of 2.6% and less than the national unemployment average of 3.6%.
- Fiscal year 2023 assessed values increased by 7.9% while millage rates increased from 2.1244 to 2.1279.
- Inflationary trends in the region compare to national indices.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Auditor, City of Bay Lake, P.O. Box 690956, Orlando, FL 32869.

CITY OF BAY LAKE, FLORIDA

GENERAL FUND BALANCE SHEET / STATEMENT OF NET POSITION

September 30, 2022

| | <u>General Fund</u> | <u>Adjustments (Note 2)</u> | <u>Statement of Net Position</u> |
|---|-------------------------|---------------------------------|--------------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 8,066,451 | \$ - | \$ 8,066,451 |
| | | | |
| LIABILITIES | | | |
| Accounts payable | \$ 186,488 | \$ - | \$ 186,488 |
| | | | |
| FUND BALANCES / NET POSITION | | | |
| Fund balance: | | | |
| Committed for Property Appraiser Disputes | 500,000 | (500,000) | \$ - |
| Unassigned | <u>7,379,963</u> | <u>(7,379,963)</u> | - |
| Total Liabilities and Fund Balance | <u>\$ 8,066,451</u> | | |
| | | | |
| Net position: | | | |
| Unrestricted | | <u>7,879,963</u> | <u>7,879,963</u> |
| Total Net Position | | <u>\$ -</u> | <u>\$ 7,879,963</u> |

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

CITY OF BAY LAKE, FLORIDA

**STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE / STATEMENT OF ACTIVITIES**

Year Ended September 30, 2022

| | <u>General Fund</u> | <u>Adjustments (Note 2)</u> | <u>Statement of Activities</u> |
|---|-------------------------|---------------------------------|------------------------------------|
| REVENUES | | | |
| Ad valorem taxes | \$ 18,721,196 | \$ - | \$ 18,721,196 |
| Licenses and fees | 13,541 | - | 13,541 |
| Interest and investment income | 80,007 | - | 80,007 |
| Total revenues | <u>18,814,744</u> | <u>-</u> | <u>18,814,744</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Outside services and fees | 2,608 | - | 2,608 |
| Professional services | 21,300 | - | 21,300 |
| Insurance | 5,000 | - | 5,000 |
| Advertising | 959 | - | 959 |
| Dues and subscriptions | 1,246 | - | 1,246 |
| Operating supplies | 80 | - | 80 |
| | <u>31,193</u> | <u>-</u> | <u>31,193</u> |
| Public Safety: | | | |
| Outside services and fees | 17,256,155 | - | 17,256,155 |
| Physical Environment: | | | |
| Operating supplies | 32,929 | - | 32,929 |
| Transportation | | | |
| Repairs and maintenance | 318,689 | - | 318,689 |
| Total expenditures | <u>17,638,966</u> | <u>-</u> | <u>17,638,966</u> |
| Excess (deficiency) of revenues over (under) expenditures | 1,175,778 | (1,175,778) | - |
| Change in net position | - | 1,175,778 | 1,175,778 |
| Fund Balances / Net Position: | | | |
| Beginning of year | <u>6,704,185</u> | <u>-</u> | <u>6,704,185</u> |
| End of year | <u>\$ 7,879,963</u> | <u>\$ -</u> | <u>\$ 7,879,963</u> |

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

CITY OF BAY LAKE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

Year Ended September 30, 2022

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|--|-------------------------|---------------------|---------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Ad valorem taxes | \$ 17,918,381 | \$ 17,918,381 | \$ 18,721,196 | \$ 802,815 |
| Licenses and fees | 13,500 | 13,500 | 13,541 | 41 |
| Interest and investment income | 8,000 | 8,000 | 80,007 | 72,007 |
| Total revenues | <u>17,939,881</u> | <u>17,939,881</u> | <u>18,814,744</u> | <u>874,863</u> |
| EXPENDITURES | | | | |
| General Government: | | | | |
| Outside services and fees | 1,000 | 1,000 | 2,608 | (1,608) |
| Professional services | 22,000 | 22,000 | 21,300 | 700 |
| Insurance | 5,000 | 5,000 | 5,000 | - |
| Advertising | 2,500 | 2,500 | 959 | 1,541 |
| Dues and subscriptions | 1,500 | 1,500 | 1,246 | 254 |
| Operating supplies | 500 | 500 | 80 | 420 |
| | <u>32,500</u> | <u>32,500</u> | <u>31,193</u> | <u>1,307</u> |
| Public Safety: | | | | |
| Outside services and fees | 17,865,829 | 17,865,829 | 17,256,155 | 609,674 |
| Physical Environment: | | | | |
| Operating supplies | 50,000 | 50,000 | 32,929 | 17,071 |
| Transportation | | | | |
| Repairs and maintenance | 319,170 | 319,170 | 318,689 | 481 |
| Total expenditures | <u>18,267,499</u> | <u>18,267,499</u> | <u>17,638,966</u> | <u>628,533</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (327,618)</u> | <u>\$ (327,618)</u> | 1,175,778 | <u>\$ 1,503,396</u> |
| Fund Balance, beginning of year | | | <u>6,704,185</u> | |
| Fund Balance, end of year | | | <u>\$ 7,879,963</u> | |

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

CITY OF BAY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bay Lake, Florida is a municipal corporation of the State of Florida created in Chapter 67-1104 on May 12, 1967 by a special act of the legislature. The City of Bay Lake, Florida (the "City") is governed by a five-member City Council elected by the residents of the City. The accompanying financial statements present the financial position and changes in financial position of the applicable fund controlled by or dependent upon the City. In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. No component units exist that would require inclusion in the City's financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. The City only has governmental activities and does not engage in any business-type activities. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include licenses and fees. General revenues include ad valorem taxes and interest and investment income. Fund financial statements are presented for the City's general fund. The City has no other funds.

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. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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 City considers revenues to be available if they are collected within sixty days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

CITY OF BAY LAKE, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. Property Taxes

Property taxes are billed, collected and recorded within the same fiscal period. 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 City to levy property taxes at a rate up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2022, was 2.1244 mills.

E. Cash and Cash Equivalents

Cash and cash equivalents consist of non-interest bearing demand deposits and an investment in the Florida Public Assets for Liquidity Management (FL PALM) with a maturity of three months or less when purchased. FL PALM is a local government investment pool organized under the laws of the state of Florida and measured at amortized cost. Cash and cash equivalents are carried at cost, which approximates fair value.

F. Annual Budget

An annual budget is adopted for the General Fund on a basis consistent with accounting principles generally accepted in the United States of America. Budgetary procedures are as follows:

- 1) The City Manager submits to the City Council 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) Budgetary control is legally maintained at the department level.
- 5) Budget appropriations lapse at the end of each fiscal year.

G. 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.

CITY OF BAY LAKE, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

H. Fund Balance

On the Balance Sheet, fund balances may be 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 City Council and does not lapse at year end.

Assigned - Amounts constrained by the City Council to be used for a specific purpose.

Unassigned - All amounts not included in other spendable classifications.

When expenditures are incurred for payment from spendable fund balance, assigned is used first, followed by unassigned fund balance. The City does not have a formal minimum fund balance policy.

Committed amounts represent funds set aside for ongoing property appraiser disputes, which are discussed in more detail in Note 4.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

During the current fiscal year, there are no reconciling items between "excess (deficiency) of revenues over (under) expenditures" and "change in net position" on the statement of activities. For purposes of the statement of net position and the statement of activities, general fund balance has been reclassified as net position-unrestricted.

CITY OF BAY LAKE, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2022

3. DEPOSITS AND INVESTMENTS

In addition to demand deposits, the City's cash and cash equivalents are invested in FL PALM, 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. As of September 30, 2022, deposits and investments of the City were as follows:

| | | |
|-----------------|----|------------------|
| Demand deposits | \$ | 536,443 |
| FL PALM | | <u>7,530,008</u> |
| Total | \$ | <u>8,066,451</u> |

Credit Risk. The City conducts its investment activity within the guidelines established by Florida Statute Section 218.415(17), Local Government Investment Policies. Under subsection 17, Authorized Investments; No Written Investment Policy, authorized investments include the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest bearing time deposits or savings accounts in qualified public depositories as defined in Chapter 280, *Florida Statutes*, and direct obligations of the U.S. Treasury.

Interest Rate Risk. The Statutory guidelines state that the City's investments provide sufficient liquidity to pay obligations as they come due. The City's funds invested in FL PALM have a weighted average maturity of the portfolio of not more than 90 days.

Custodial Credit Risk. The City's investments are insured or registered and held by its agent in the City's name.

4. COMMITMENTS AND CONTINGENCIES

The City contracts with Orange County, Florida, to provide law enforcement services within the City. The current contract provides for the City to make quarterly payments of the annual amount which has been determined based on the services to be provided. For fiscal year 2022, the City paid the County \$10,722,957 for the contracted services. For fiscal year 2023, the contract amount has increased to \$11,423,426. For fiscal year 2024, the amount will be \$12,156,008.

CITY OF BAY LAKE, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 2022

4. COMMITMENTS AND CONTINGENCIES - CONTINUED

Various suits involve Walt Disney Parks and Resorts US, Inc. and Disney Vacation Development, Inc. (collectively "WDP and DVD Plaintiffs") naming the Orange County Property Appraiser and the Orange County Tax Collector 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 2021 ad valorem tax assessments on the parcels paid to the City. WDP and DVD Plaintiffs claim the value of each of the assessments on the parcels does not represent the just value of the parcels because it exceeds the fair market 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 2021 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 City. While the City anticipates further adjustments to the tax collections for fiscal years 2016 through 2022 (assessments in 2015 through 2021), it cannot predict the outcome of these cases.

ORDINANCE/RESOLUTION NO. 139

AN ORDINANCE OF THE CITY OF BAY LAKE AMENDING THE RCID LAND DEVELOPMENT REGULATIONS FOR COMPLIANCE WITH THE 2032 COMPREHENSIVE PLAN; TO UPDATE DEFINITIONS; TO UPDATE REFERENCES, STANDARDS, AND PROCEDURES FOR USES; GROWTH; INFRASTRUCTURE; STREETS AND RIGHTS-OF-WAY; PARKING, LOADING, AND CIRCULATION; LANDSCAPING; SIGNS; WETLANDS; STORMWATER MANAGEMENT; GROUNDWATER PROTECTION; EROSION CONTROL; SANITARY SEWER; SOLID WASTE; FLORA AND FAUNA; CONSISTENCY REVIEW; DEVELOPMENT REVIEW; SUBDIVISION REVIEW; AMENDMENT OF COMPREHENSIVE PLAN; PLANNING BOARD; AND PLANNING AND ENGINEERING DEPARTMENT

WHEREAS, the City Council of the City of Bay Lake, pursuant to Chapter 163, Florida Statutes, adopted on November 15, 1991 by Ordinance No. 51, a joint comprehensive plan along with the Reedy Creek Improvement District and the City of Lake Buena Vista; known as the "1991 Reedy Creek Improvement District Comprehensive Plan"; and

WHEREAS, Section 163.3202, Florida Statutes, require that the City of Bay Lake adopt and enforce Land Development Regulations that are consistent with and implement the Reedy Creek Improvement District Comprehensive Plan; and

WHEREAS, Reedy Creek Improvement District Planning Board has been established and designated as the Local Planning Agency for the City of Bay Lake; and

WHEREAS, the Reedy Creek Improvement District Planning Board after public notice conducted public hearings and found the proposed Land Development Regulations to be consistent with and promote the intent of the Reedy Creek Improvement District Comprehensive Plan, do not adversely affect other implementation programs for elements of the Reedy Creek Improvement District Comprehensive Plan, and promote the public health, safety, and welfare within the Reedy Creek Improvement District and therefore recommended adoption by the City Council of the City of Bay Lake; and

WHEREAS, the Reedy Creek Improvement District Board of Supervisors, the Lake Buena Vista City Council and the Bay Lake City Council after public notice conducted joint public hearings and by Resolution No. 289, Ordinance No 87, and Ordinance No. 85

on March 30, 1994, adopted the Reedy Creek Improvement District Land Development Regulations; and

WHEREAS, the City Council of the City of Bay Lake, upon recommendation by the Reedy Creek Improvement District Planning Board finds and determines that the adoption of the proposed amendments to the Land Development Regulations are consistent with and implement the Reedy Creek Improvement District Comprehensive Plan and that adoption thereof would be in the best interest of the Reedy Creek Improvement District.

NOW, THEREFORE, BE IT RESOLVED AND ORDAINED by the City Council of the City of Bay Lake, on this 11th day of January, 2023, as follows:

SECTION ONE: Purpose and Intent. This Ordinance is enacted to carry out the purpose and intent of, and exercise the authority set out in Chapters 163 and 166, Florida Statutes, and the provisions of the Reedy Creek Improvement District Comprehensive Plan.

SECTION TWO: Title and Adoption. The regulations as set forth in Exhibit "A" and adopted hereby shall be known as and may be referred to as "An Ordinance of the Reedy Creek Improvement District Amending the RCID Land Development Regulations for compliance with the 2032 Comprehensive Plan; to Update Definitions, References, Standards, and Procedures for Uses; Growth; Infrastructure; Streets and Rights-of-Way; Parking, Loading, and Circulation; Landscaping; Signs; Wetlands; Stormwater Management; Groundwater Protection; Erosion Control; Sanitary Sewer; Solid Waste; Flora and Fauna; Consistency Review; Development Review; Subdivision Review; Amendment of Comprehensive Plan; Planning Board; and Planning and Engineering Department..

SECTION THREE: Conflicts. All ordinances, resolutions, parts of ordinances or parts of resolutions in conflict with the Land Development Regulations adopted hereby are superseded and repealed to the extent of such conflict.

SECTION FOUR: Severability. If any provision or portion of this Ordinance/Resolution is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of the Ordinance/Resolution shall remain in full force and effect.

SECTION FIVE: Copy Availability. A certified copy of this enacting Ordinance and the attached amendment to the Reedy Creek Improvement District Land Development Regulations and any future amendments thereto, shall be filed with the Clerk of the City of Bay Lake. The District shall also make copies available to the public for a reasonable reproduction charge.

SECTION SIX: Codification. It is the intention of the City Council of the City of Bay Lake that sections of the Land Development Regulations may be renumbered or re-lettered and the correction of typographical or scrivener errors which do not affect the intent may be authorized by Planning staff without need of public hearing, by filing a corrected recodified copy of same with the Clerk of the Reedy Creek Improvement District.

SECTION SEVEN: Jurisdiction. This Ordinance and the attached amendment to the Land Development Regulations shall be a minimum standard and shall apply to and be enforced throughout the unincorporated and incorporated boundary of the Reedy Creek Improvement District, Florida including the City of Lake Buena Vista, Florida and the City of Bay Lake, Florida.

SECTION EIGHT: Effective Date. This Ordinance shall become effective immediately upon final passage and adoption.

PASSED AND DULY ADOPTED, with a quorum present and voting, by the City Council of the City of Bay Lake, Florida, this 11th day of January 2023.

**City of Bay Lake, Florida
By Its City Council**

By: _____
Todd Watzel, Mayor

ATTESTED:

By: _____
Tracy Borden, City Clerk

| | |
|---|-------|
| Passed and Adopted on 1 st Reading | _____ |
| Publication After 1 st Reading | _____ |
| Passed and Adopted on 2 nd Reading | _____ |
| Final Publication | _____ |
| Effective Date: | _____ |