



Reedy Creek Improvement District
Comprehensive Plan

(Printed 6/5/00)

**CAPITAL IMPROVEMENTS
ELEMENT**

**Part A:
Policies**

INTRODUCTION

The Capital Improvements Element addresses the financial feasibility of providing the public facilities necessary to meet the level of service standards for the development as described in the Future Land Use Element of this Plan. The element includes two components: the Policies and the Supporting Data and Analysis. The Policies part includes the goals, objectives, and policies formally adopted by the RCID. The Supporting Data and Analysis part provides background data on current conditions and supporting data for a discussion of issues and future conditions.

GOALS, OBJECTIVES, AND POLICIES

GOAL

It shall be the goal of the Reedy Creek Improvement District to provide adequate public facilities to existing and planned development areas in a manner that is concurrent with the impacts of such development and efficient and consistent with available financial resources.

Objective 1

To develop a schedule for capital improvements that accommodates planned and projected growth, corrects deficiencies in existing public facilities, and replaces obsolete or worn-out facilities.

Policy 1.1: The District shall continue to prepare, as part of the annual budgeting process for the government funds and the Proprietary Funds, an annual construction budget. Facilities shall be itemized as capital outlays in the General Fund and the Capital Projects Fund, or as capital expenditures in the Utility Enterprise Fund. The list of improvements shall be consistent with the facility needs identified in the Traffic Circulation and Infrastructure Elements of this Comprehensive Plan.

Policy 1.2: The District shall continue to maintain a Capital Improvements Committee for the purpose of evaluating, ranking, and recommending in order of priority all projects for inclusion in the Capital Improvements Program (CIP) and the Capital Improvements Element (CIE).

(1) For purposes of the utility-related portion of the budget, the Committee shall be composed of the:

- (a) District Administrator;
- (b) Director of Finance and Planning;
- (c) Director of Administration and Services;
- (d) Director of Activities of RCES; and
- (e) Manager of Engineering and Construction of RCES.

- (2) For purposes of the non-utility related portion of the budget, the Committee shall be composed of the:
 - (a) District Administrator;
 - (b) Director of Finance and Planning; and
 - (c) Director of Administration and Services.

Policy 1.3: The members of the Capital Improvements Committee shall continue to meet annually to discuss the need for capital improvements and the location of these projects based on pending developments during the upcoming five year period.

Policy 1.4: The Administrative departments (including Fire, Water Control and Roadway Maintenance) and the Utility departments (including Water, Wastewater, Solid Waste, Electric, Natural Gas, Hot Water, and Chilled Water Departments) of the RCID shall annually continue to submit a one-year list of capital projects and a five-year projection of capital project needs to the District Comptroller. The five-year projection shall continue to be itemized by year. The list shall identify the location, function, and approximate cost of the project, and the suggested revenue source.

Policy 1.5: The annual submittals in Policy 1.4 shall continue to be used to prepare an annual update of the CIP and CIE. Both the CIP and the CIE shall contain five-year schedules of improvements that prioritize and identify a funding source for each listed improvement.

Policy 1.6: The cost estimates for capital improvements in excess of \$25,000 and having a service life of five years or greater may include land, structures, design and permitting fees, and initial furnishings.

Policy 1.7: Capital improvements costing less than \$25,000 or having a service life shorter than five years shall be identified in the annual operating budget for each service category.

Policy 1.8: All capital improvements shall continue to be developed through an assessment of existing capacity, existing demand, and projected demand over the next five-year period for each of the services listed above.

Policy 1.9: A program for replacement and renewal of existing deteriorating or obsolete capital facilities shall be included as part of the annual budgeting process. The criteria for selecting projects are given in Policy 1.11. Priority shall be given to those projects that protect public health and safety.

Policy 1.10: The District shall continue each year to deposit five percent of the annual gross revenues (less expenses for fuel and purchased power) of the Utility Enterprise Fund in a Renewal and Replacement Fund for the replacement of worn-out or obsolete public facilities.

Policy 1.11: Existing public facilities shall continue to be inspected on an ongoing basis to determine the need for their renewal or replacement. The renewal and replacement program shall be based on the following criteria:

- (1) **Age of the Facility.** Public buildings and improvements and the utility distribution and collection system shall generally be considered due for replacement and renewal when they are between 35 and 50 years old; other property and equipment shall generally be considered due for renewal and replacement when they are between 5 and 30 years old. All facilities shall be replaced or substantially rehabilitated at least once during these time horizons.
- (2) **Level of Service.** All public facilities shall be renewed or replaced as needed to maintain the level of service standards adopted in this Plan.
- (3) **Safety.** All public facilities shall be renewed or replaced to correct any problems that would jeopardize the safety of employees within, or visitors to, the District.
- (4) **Operational Capability.** All public facilities shall be renewed or replaced to correct functional problems that interfere with operational capability.
- (5) **Technological Obsolescence.** As funding permits, public facilities and improvements within the District may be replaced before the end of their usable life if facilities that permit more efficient, cost-effective, and environmentally sound service provision are developed.

Policy 1.12: Future capital improvements shall be located and scheduled in accordance with the Future Land Use Map in a manner consistent with the goals, objectives, and policies contained in all other elements of this Plan.

Objective 2

To coordinate land use planning and capital improvement programming so that no new development is permitted that would result in a reduction in the levels of service adopted in this Comprehensive Plan.

Policy 2.1: Capital improvements shall be prioritized as follows (also see Policy 4.5):

- (1) First priority shall be given to projects that correct deficiencies, should they arise in the future; eliminate deficiencies in the levels of service; fulfill a legal commitment to provide facilities; and maximize the efficient use of existing facilities.
- (2) Second priority shall be given to projects for which development orders have already been issued, but have not yet been built.
- (3) Third priority shall be given to projects that deliver the adopted levels of service to areas planned for development during the next five years, but for which no development orders have been issued.
- (4) Fourth priority shall be given to projects that deliver the adopted levels of service to areas planned for development beyond five years or increase capacity to a standard higher than the adopted level of service.

Policy 2.2: The adequacy of public facilities shall be measured for the required public facility types using the following level of service standards:

- (1) The level of service standards for roads shall be as set forth in Policy 1.1 of the Transportation Element. A constrained facility designation shall be provided for CR 535 from Hotel Plaza Boulevard to I-4 and for Hotel Plaza Boulevard, as set forth in Policy 1.2 of the Transportation Element.
- (2) The level of service standards for water shall be as set forth in Policy 1.1 of the Potable Water Subelement of the Infrastructure Element.
- (3) The level of service standards for sanitary sewer shall be as set forth in Policy 5.1 of the Sanitary Sewer Subelement of the Infrastructure Element:
- (4) The level of service standards for solid waste shall be as set forth in Policy 8.1 of the Solid Waste Subelement of the Infrastructure Element.
- (5) The level of service standards for drainage shall be as set forth in Policy 13.1 of the Stormwater Management Subelement of the Infrastructure Element.
- (6) The level of service standards for parks and recreation shall be as set forth in Policy 3.4 and Policy 3.5 of the Recreation and Open Space Element.

Policy 2.3: Facilities that provide a higher level of service than that specified in this Plan may be permitted if the facility is consistent with the policies of the other plan elements and if the facility does not make financially infeasible the construction of other facilities that are required to meet the adopted level of service.

Policy 2.4: Capital improvements shall not result in a service capacity that exceeds the growth maximums set forth in Table 2-6 of the Future Land Use Element unless the improvements will result in a long-term cost savings or if it would be economically infeasible to limit the expansion to the amount implied by the growth maximums. In such cases, a monitoring program shall be established to ensure that the quantity of the service provided does not exceed the growth cap prior to the 2003 or 2008 horizon years.

Policy 2.5: All permits for development shall be conditioned on the availability of public facilities and services necessary to meet the adopted level of service standards in the RCID. Such facilities and services must be scheduled to be in place concurrent with the impact of the development.

Policy 2.6: Where completion of a proposed development would exceed the adopted levels of service, the District shall permit the development to be phased concurrent with the phasing of the public facility improvements needed to mitigate the development's impact.

Policy 2.7: No building permit shall be issued unless the level of service standards for the resulting development will achieve the measurements in Policy 2.2. The District shall determine whether there is or will be sufficient capacity to attain these standards prior to the issuance of development orders.

Policy 2.8: The availability of those capital improvements not subject to the concurrency provisions of this Comprehensive Plan shall not apply to the issuance of development orders.

- Policy 2.9: All future amendments to the Comprehensive Plan shall be evaluated for their potential impacts on levels of service, the need for capital improvements, and the fiscal capacity of the District.
- Policy 2.10: Pursuant to Florida Statutes Section 163.3187, the schedule of capital improvements may be amended two times during the calendar year, as allowed for in emergencies, and certain small-scale development activities.
- Policy 2.11: Pursuant to Florida Statutes Section 163.3177, the schedule of capital improvements also may be adjusted by ordinance rather than through an amendment for corrections, updates, and modifications concerning costs, revenue sources, or public dedication of privately owned facilities that are consistent with this Plan.
- Policy 2.12: The District shall maintain and enforce a concurrency management system, meeting all applicable requirements of Rule 9J-5,0055(1) F.A.C., that ensures that issuance of a development order or permit is conditioned upon the availability of public facilities and services necessary to serve new development. The District shall use the level of service standards as set forth in Policy 2.2 in this management system, adopt a financially feasible plan that demonstrates these standards will be met, adopt a system of monitoring and ensuring adherence to these standards and the availability of public facility capacity, implement a system of applying these standards to development applications, and adopt provisions in the Land Development Regulations that ensure the concurrency management system is effectively implemented.
- Policy 2.13: The District's concurrency management system shall ensure that capital improvements that maintain the adopted levels of service shall be constructed to serve all developments approved prior to the adoption of this Plan, including projects under construction and projects that are approved but not yet built. Approval of new projects will not be permitted until capital improvements serving previously approved projects are financially committed, or until applications for such projects are withdrawn or expire.

Objective 3

To ensure that future development pays not less than 50 percent of the cost of the capital improvements, either by directly financing and constructing these improvements, by paying ad valorem taxes or utility revenues sufficient to retire bonds issued by the RCID to construct these improvements, or by using other methods, such as payment of impact fees.

- Policy 3.1: Current measures for capital cost recovery shall be continued. Future development shall bear a pro rata share of the costs required to facilitate service provision to that development and maintain the adopted levels of service, as provided in Policies 3.5 and 3.6. Consideration will be given for upfront contributions and the effect of ad valorem tax and other revenue benefits to the District resulting from new development.
- Policy 3.2: Rate fees for all services provided by the District shall be reviewed and adjusted as part of the annual operating budget update.

- Policy 3.3: Utility rates shall be set so that net revenues are sufficient to pay at least 125 percent of annual debt service and that net revenues plus other funds (such as interest earned) are sufficient to pay at least 100 percent of annual debt service.
- Policy 3.4: The District shall continue its current practice of using revenue bonds for the construction of major revenue-producing capital facilities, including water, sewer, and solid waste facilities. Such bonds shall be secured with a pledge of the revenue generated through the sale of the utilities undergoing improvement.
- Policy 3.5: The District shall continue its current practice of using general obligation bonds for the construction of major non-revenue producing capital facilities, including road and drainage facilities. Ad valorem taxes shall be used to cover the principal and interest payments associated with the bonds. The District can also use general obligation bonds for other purposes permitted by its enacting legislation.
- Policy 3.6: In lieu of using ad valorem taxes, the District shall permit the private sector to use other methods to pay for the capital costs of facilities, including private construction of the facilities (to District standards), dedication of land, payment of impact fees, and voluntary contributions for facility construction.
- Policy 3.7: In the event that permanent residential areas are created in the District, a method of maintaining common open space areas shall be required as a condition of development approval.
- Policy 3.8: The District shall determine if all utility improvements will pay for themselves within five years. If the determination shows that any will not, the District shall require that the applicant make an appropriate contribution toward the cost of such improvement.

Objective 4

To manage growth in such a way that the public facility needs generated by planned development and previously approved development do not exceed the District's financial ability to fund the listed capital improvements in accordance with the adopted schedule.

- Policy 4.1: The District Comptroller shall continue to prepare an annual five-year projection of assessed valuation in the District based on past trends, committed developments, and projected future conditions. The amount available for debt service during each year over the five-year period shall be included in this projection.
- Policy 4.2: The schedule of capital improvements shall continue to be based on a realistic, financially feasible program of funding from existing revenue sources.
- Policy 4.3: Capital costs shall continue to be funded in a manner that does not place a financial burden on the operating budgets for public services.

Policy 4.4: The District shall continue to disapprove the construction of any capital facility unless it is determined that the means are available to pay for the operating and maintenance costs of the facility.

Policy 4.5: In addition to the priorities listed in Policy 2.1, the annual update of capital improvements shall consider the following project selection criteria (not in priority order):

- (1) elimination or avoidance of public health or safety hazards;
- (2) provision of service to existing development or elimination of existing deficiencies;
- (3) impact on the operating budgets of the General Fund and Utility Enterprise Fund;
- (4) locational needs based on growth patterns;
- (5) accommodation of new development;
- (6) impact on debt capacity or availability of capital outlay funds;
- (7) relationship to plans of the Florida Department of Transportation and the South Florida Water Management District;
- (8) relationship to the Comprehensive Plan, particularly the Future Land Use Element;
- (9) provision of a logical extension of existing services; and
- (10) necessity to maximize efficiency of the system or avoid future improvement costs.

Policy 4.6: If the District projects that it will be unable to generate sufficient revenue in any future year to cover its expected capital costs in any future year, it shall remove, via the plan amendment process, facilities from the CIP and CIE according to the following priorities:

- (1) first to be removed would be projects providing capacity in excess of the adopted levels of service;
- (2) second to be removed would be projects that reduce operating costs but do not add capacity;
- (3) third to be removed would be projects not subject to the concurrency provisions of this Plan; and
- (4) fourth to be removed would be projects subject to the concurrency provisions of this Plan.

Objective 5

To coordinate the construction of local capital facilities with capital facilities in adjoining jurisdictions.

Policy 5.1: The District shall continue to work cooperatively with the FDOT and with adjacent local governments in the planning of improvements to I-4, US 192, CR/SR 535, Osceola Parkway, and the Western Beltway.

Policy 5.2: In the event any vacant area is deannexed from the District, an interlocal agreement with the receiving county shall address the construction of capital improvements and provision of public services to the deannexed area.

Policy 5.3: In annually updating its CIP and CIE, the RCID shall evaluate the FDOT five-year plan, the SFWMD facility improvement plan, and any other state or regional plans that may potentially impact the District. Projects proposed by these agencies should be evaluated based on:

- (1) their proximity to the District;
- (2) the degree to which they facilitate or hinder implementation of this Plan;
- (3) the degree to which they commit financial resources that would otherwise be committed to improvements within the District; and
- (4) the degree to which they induce growth in areas outside the District but in close enough proximity to impact RCID facilities.

Inapplicable Rule 9J-5 Objectives

Policy 9J-5.016(3)(b)(2) regarding capital investment in high-hazard coastal areas is not addressed because the District is not in a high-hazard coastal area.



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Comprehensive Plan

(Printed 6/5/00)

**CAPITAL IMPROVEMENTS
ELEMENT**

**Part B:
Supporting Data and Analysis**

PURPOSE

The purpose of the Capital Improvements Element is to demonstrate the financial feasibility of the Reedy Creek Improvement District Comprehensive Plan. The element determines the costs of the public facilities identified in the other elements of the plan, analyzes the ability of the District to pay these costs, and prioritizes improvements based on fiscal criteria and the goals, objectives, and policies in the other plan elements. Simply put, the element translates growth into dollars; policies for spending, financing, and generating revenue are included.

Each major category of public facilities in the District will be impacted by future development. To maintain the current levels of service enjoyed by visitors to the District, expansion of these facilities will be required to accommodate growth. A five-year schedule of capital improvements specifying the location, timing, and approximate cost of each project has been developed based on the infrastructure needs identified in each element of the plan. The schedule is evaluated and updated each year as the land use plan, funding sources, and budget conditions change.

The financial analysis in this element is a useful way of assessing the reasonableness of the Comprehensive Plan. While capital improvements are necessary to maintain levels of service, they must be financially realistic. If costs are excessive, the service levels may need to be lowered, the amount of permitted development may need to be changed, or a greater share of improvement costs must be shifted to the private sector. This element seeks to find the best balance among these different factors.

Each year, the District incurs three major types of expenses. The first type, operation and maintenance costs, cover the day-to-day expenses of roads, utilities, and other public services. These costs include personnel, equipment and supply purchases, periodic repairs, and regular maintenance. The second type, debt service costs, cover the principal and interest payments on the outstanding bonds issued by the District to finance past capital improvements. The third type, capital costs (or construction costs), cover the expense of adding new facilities or replacing worn-out facilities. Because the facilities in the District are relatively new and well maintained, most capital costs are incurred as a result of new development.

Capital costs can be further classified into two categories: those that fall under the concurrency provisions of Florida's Growth Management Act, and those that do not. Both types of facilities are included in the annual operating and construction budgets, but only the former type is covered in this element. This category includes roads, water, sanitary sewer, solid waste, drainage, and parks. Because recreational facilities in the District are privately operated and because the District lacks a significant permanent population, parks are not included as a concurrency service in this element. The second category includes fire protection, public buildings, electric, natural gas, chilled water, and hot water services. While the annual revenues and expenses for these services are included in the General Fund or Utility Enterprise Fund operating budgets and the capital costs are included in the construction budgets, these costs are considered in this element only to the extent that they impact funds available for the concurrency services. With the exception of fire protection and public administration, the non-concurrency services are paid for through service charges and user fees.

The intent is to update this element with a “Capital Improvement Program Update” (CIP Update) to be located at the end of the chapter. It will present annually updated infrastructure analysis, capital improvement schedules, and available capacity to pay for capital improvements. The CIP Update is a monitoring and implementation component for the Comprehensive Plan. The Comprehensive Plan benchmark dates (required by Ch. 9J-5, F.A.C.) vary from the CIP Update time frames which change each year (required by Ch. 193.3177(3)(b), F.S.). For this reason, the data and analysis included in the Traffic Circulation, Infrastructure and Capital Improvement Elements remain in the original planning time frames, while the CIP Update is annually updated to include the present year and future five-year periods. References throughout the Plan’s elements to the CIP Update inform readers of projects that have been rescheduled and added since the Plan’s adoption. Amendments to the Comprehensive Plan elements will be made when necessary to ensure internal consistency between the Plan and the CIP Update.

The CIP Update section will reference a “Concurrency Management System Report” (CMS Report) that was used in preparing the CIP Update. The CMS Report is based on previous and current semi-annual concurrency management system reports that monitor the availability of public facilities and services to ensure that necessary public facilities and services will be available to accommodate the impacts of development.

INVENTORY

REVENUE SOURCES AND FUNDING MECHANISMS

Financial Structure

The District's finances are organized on the basis of 1) funds and 2) account groups. Funds are classified as government funds or proprietary funds.

Government funds include the General Fund, Debt Service Fund, and Capital Projects Fund. The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The Debt Service Fund is used for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs. The Capital Projects Fund is used for acquisition or construction of major capital facilities, excluding those that are financed through the Utility Enterprise Fund. In turn, the Capital Projects Fund includes five Roadway Funds that account for construction costs associated with roadway and drainage projects within the District.

Proprietary funds include only the Utility Enterprise Fund, used to account for the District utilities. These utilities include water, sanitary sewer, solid waste, natural gas, electricity, hot water, and chilled water. The Utility Enterprise Fund is financed and operated in a manner similar to a private business. The intent of the governing body is that the cost (expenses including depreciation) of providing goods or services be recovered (or financed) through user charges. This fund also includes an operating budget and a construction fund, which is used to disburse proceeds from bonds.

Account groups include the General Fixed Asset Account Group, used to maintain control and cost information for all fixed assets used in Government Fund operations, and the Long-Term Debt Account Group, used to record long-term obligations backed by the full faith and credit of the District, except for long-term debt of the Utility Enterprise Fund. All roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are recorded as capital outlays in the General Fixed Asset Account Group. These facilities are not depreciated over time. On the other hand, water, sewer, and other utility investments recorded as assets in the Utility Enterprise Fund are depreciated on a straight-line basis according to their projected useful lives (5 to 50 years).

As of September 30, 1997 (end of FY97), General Fixed Assets were valued at \$223.4 million, while the property, plant, and equipment in the Utility Enterprise Fund were valued at \$317.7 million.

Overview of Revenue Sources

District revenue sources for government funds and the Utility Enterprise Fund for the fiscal year ending September 30, 1997 (FY 97) are summarized in Table 9-1. During FY 97, the District collected \$49.7 million in its three government funds and \$125.5 million in its Utility Enterprise Fund.

Table 9-1: Revenue Sources in the RCID - Fiscal Year 1997*

Source	Government Funds	Utility Enterprise Fund
Ad Valorem Taxes	\$40,947,749	--
Building Permits and Fees	\$1,343,504	--
Interest from Investments	\$6,892,883	\$4,178,867
Post Office	\$164,717	--
Drainage	\$128,716	--
Other	\$234,666	--
Utility Sales**	--	\$121,065,055
Connection Fees	--	\$232,381
TOTAL	\$49,712,235	\$125,476,303

NOTES: * Excludes proceeds from bonds as a revenue source; also excludes proceeds from notes (loans). Utility Enterprise Fund includes revenues from non-concurrency services, such as electricity and natural gas.

** Interdepartmental Utility Sales have been excluded.

SOURCE: RCID, 1999

Table 9-2 indicates General Fund revenue sources during FY 97 and each of the preceding five years, and Table 9-3 indicates the assessed valuation and millage for the same period.

Table 9-2: General Fund Revenue Sources - Fiscal Years 1992 through 1997 (in millions)

Source	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
Ad Valorem Taxes	\$33.3	\$35.8	\$36.2	\$36.7	\$39.2	\$40.9
Building Fees	0.4	1.2	0.9	1.0	2.0	1.3
Interest	1.5	1.7	1.0	0.9	1.7	1.7
Post Office	0.2	0.2	0.2	0.2	0.2	0.2
Drainage Fees	-	-	0.3	0.6	0.5	0.1
Other	0.2	0.2	0.2	-	0.1	0.4
Total	\$35.6	\$39.1	\$38.8	\$39.4	\$43.7	\$44.6

SOURCE: RCID, 1999

Table 9-3: Assessed Valuation and Millage - Fiscal Years 1992 through 1997

	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
Assessed Valuation (in millions)	\$3,857	\$3,909	\$3,979	\$3,990	\$4,237	\$4,516
Debt Service Millage	3.3789	3.4492	3.5208	3.5243	3.1000	3.4910
Gen. Operating Millage	6.1882	6.0811	6.0095	6.0628	6.6500	6.0090
Total Millage	9.5671	9.5303	9.5303	9.5871	9.7500	9.5000
Tax Bill (Thousands)*	\$36,900	\$37,254	\$37,921	\$38,253	\$41,311	\$42,902

NOTE: * Tax bill does not equal ad valorem revenue because of adjustments and exemptions made by the county assessor after the taxes are levied and discounts taken by taxpayers.

SOURCE: RCID, 1999

Ad Valorem Taxes

The RCID Board of Supervisors has the power to levy and assess an ad valorem (property) tax on all real and tangible property in the District in order to pay the principal and interest on any general obligation bonds of the District, to provide for sinking funds or other funds associated with the bonds, and to defray the costs of any project or activity undertaken by the District. These taxes are in addition to those paid by the landowners in the District to Orange and Osceola counties.

Property taxes are billed and collected each fiscal year, with the millage established each September. State statutes permit the District to levy property taxes at a rate of up to 30 mills (3 percent of assessed valuation). As shown in Table 9-3, the rate assessed by the District during the fiscal year ending

September 30, 1997, was \$9.50 per \$1,000 of assessed valuation, or about 1 percent. This millage produced revenues of about \$41 million to the General Fund in FY 97, and represented 82 percent of the revenues of the government funds. The millage was 9.25 in FY 98 and will be 9.0 in FY 99.

Millages levied by the cities of Bay Lake and Lake Buena Vista are used to cover the administrative costs of the two cities. There are no other special taxing districts in the RCID. However, Orange County and Osceola County collect additional ad valorem taxes on property within the District to fund county services, capital projects, debt service, schools, libraries, and health services. Millages are summarized in Table 9-4.

Table 9-4: Other Ad Valorem Taxes Paid by the Taxpayers in the RCID

	FY 97 Millage	FY 98 Millage	Purpose
City of Bay Lake	0.0425	0.1750	Administration
City of Lake Buena Vista	0.0933	0.2250	Administration
Orange County			
Commission	5.2889	5.2889	County Services/Debts
Schools	9.1770	9.0770	Education
West Orange Hospital	0.4000	0.3500	Health Care
SFWMD	0.6720	0.6970	Flood Control
Library	0.4412	0.4412	Library
Osceola County			
Commission	6.6595	6.6295	County Services/Debts
Schools	9.5470	9.0840	Education
SFWMD	0.6720	0.6970	Flood Control
Library	0.5000	0.5000	Library

SOURCE: RCID, 1999

Building Permits and Fees

The District charges a variety of fees for construction of improvements. These fees are based on the expected costs of providing the services relating to the permit, such as building inspection or plumbing inspection. Fees totaled \$1,343,504 in FY 97, representing 3 percent of the total revenue to the three government funds.

Cash Brought Forward and Interest Earned

Cash brought forward consists of all monies not expended during the prior fiscal year. These funds are carried forward to provide funding for capital projects or operating expenses during the current year until

tax revenues are collected. During FY 97, the three government funds had a net positive balance of \$73,941,672 at the year's end. Funds invested by the District earned \$6,892,883 during FY 97, representing 14 percent of the total revenues for the three governmental funds. Interest earnings on bond construction funds are restricted to use for construction of bonded projects.

Money in the Utility Enterprise Fund that is not spent is continuously invested in a way that permits the funds to be redeemed when they are needed. The use of interest earnings on construction funds and the cost-of-issuance fund is restricted to use on projects being financed through these funds.

Post Office

The District's postal facility provides a source of revenue to the General Fund. The District rents the building to the U.S. Postal Service, which produced \$164,717 in FY 97, representing 0.3 percent of the total revenue to the three government funds.

Other Fees

The District collects fire service fees for properties receiving fire protection services within its boundaries. Like the postal service, these fees alone are not sufficient to cover the department's expenditures; however, they do provide a source of revenue to the General Fund. Fire service fees produced \$11,941 in FY 97, representing 0.02 percent of the Government Fund revenues. In addition to fire service fees, about \$351,441 were collected from miscellaneous sources.

Maintenance Tax

In addition to ad valorem taxes, the Board of Supervisors has the authority to levy a special ad valorem maintenance tax at a rate not to exceed ten mills for the purpose of defraying maintenance, financing, administrative, and operational costs. The District does not currently levy such a tax.

Special Assessments

The District has the authority to levy special assessments on properties that benefit from the construction or reconstruction of assessable improvements. These special assessments are used to retire the bonds issued to finance the improvements. At the present time, no special assessments are being levied in the District.

Utility Sales

The District has the power to set rates and collect fees, rents, tolls, fares, or other charges for the facilities and services it furnishes. The rates must be uniform for users of the same class and may be computed based on the amount of service furnished, the number of persons occupying the premises, or any other factor affecting the use of the facilities. The rates, together with other funding sources, must sufficiently cover all operation and maintenance costs, debt service, and authorized reserve funds. Utility sales were the source of 96 percent of the revenue to the Utility Enterprise Fund operating budget during FY 97. Service charges in the fiscal year ending September 30, 1997, were \$121 million (excluding interdepartmental sales), with 82 percent of all sales going to Walt Disney World and 18 percent to other parties.

Including interdepartmental sales, the District sold approximately 5.7 billion gallons of water in FY 97, with sales revenue of \$6.04 million. The wastewater system treated about 3.2 billion gallons of effluent, and total sales were approximately \$17.1 million. The solid waste facilities received about 84,150 tons of waste, with total sales revenues of \$7.18 million. The District also sold about 1.3 billion gallons of reuse water for a total of \$1.15 million.

The District has maintained rates and charges that, together with investment earnings, have produced sufficient revenues to pay for all normal operation and maintenance expenses, interest on outstanding bonds, deposits to the renewal and replacement fund and the emergency repair fund, and needed capital improvements. During the fiscal year ending September 30, 1997, the revenues from rates, charges, interest earnings, and connection fees from the revenue fund were \$3.2 million less than the operating costs, debt service costs, and operating transfers from the General Fund.

Connection Fees

The District has the authority to recover the cost of making connections to any District facility or system through connection fees. During the fiscal year ending September 30, 1997, connection fees produced \$0.2 million in revenues, or about 0.2 percent of Utility Enterprise Fund revenues.

Utility Tax

The District has the power to impose, levy, and collect a utility tax on each purchase of electricity, metered or bottled gas, water service, telephone service, or telegraph service. At the present time, no utility tax has been levied.

DEBT-FINANCING SOURCES

General Obligation Bonds

The District has the authority to levy general obligation bonds for capital improvements so long as the aggregate principal amount of bonds outstanding at any one time does not exceed 50 percent of the assessed valuation of taxable property within the District. As of January 1, 1998, the outstanding principal on ad valorem bonds was 4 percent of the District's assessed valuation. Ad valorem bonds must be approved by an election in accordance with the constitution of the State of Florida and must provide benefits to all landowners.

General obligation bonds are retired through ad valorem tax collections. The millage rate may be raised to cover the cost of debt service (principal and interest) associated with the bonds. The District's policy has been to fund small-scale capital improvements with internally generated revenues and to borrow money only for major road and utility improvements. By state law, the District cannot finance operational costs with bond monies.

In December 1991 (FY 92), the District issued the 1991A Ad Valorem Tax Bonds in the amount of \$93,300,000. These bonds were used to finance the acquisition, construction, and improvement of public roads and construction of a fire station; a portion allowed 1987 bonds to be advanced refunded. At the end of FY 97, the outstanding balance of the 1991A Bonds was \$87,115,000.

In May 1992, the District issued the 1992A and 1992B Ad Valorem Tax Bonds in the total amount of \$39,005,000. These bonds were used to advance refund the 1972, 1978, and 1989 bonds. At the end of FY 97, the outstanding balance of the 1992A Bonds was \$15,180,000. (The final maturity of the 1992B Bonds was FY 95.)

In May 1995, the District issued the 1995A Ad Valorem Tax Bonds in the amount of \$55,215,000. These bonds were used to finance the acquisition and construction of certain roads and the construction of an administration building. At the end of FY 97, the outstanding balance of these bonds was \$55,215,000. Also during 1995, but in FY96, the District issued the 1995C Ad Valorem Tax Bonds in the amount of \$52,395,000. These bonds were used to pay for a portion of costs of construction of certain road improvements and interchanges within and outside the District. At the end of FY 97, the outstanding balance of the 1995C Bonds was \$52,395,000.

During FY 97, the District expended \$19,234,742 on debt service, including \$6,995,000 in principal payments and \$12,239,742 in interest payments. General long-term debt outstanding at the end of FY 97 is \$210,829,830. Outstanding debt service is summarized by year in Table 9-5.

The District expects to issue approximately \$45 million in ad valorem tax bonds during FY 99 to participate in the refinancing of the Osceola Parkway Bonds, currently debt of Osceola County but guaranteed by the District. The new District debt will finance the District's portion of the Parkway and release the District's guarantee of the Parkway Bonds.

Notes Payable

The District has a line of credit for any governmental purpose not to exceed \$10 million. Interest is due monthly at a variable rate of 0.5 percent below the prime rate. The balance is secured by a lien on the District's ad valorem taxes. At the end of FY 97, no money was owed.

Revenue Bonds

The District has the power to issue revenue bonds from time to time without limitation on the amount. The bonds may be secured by, or may be payable from, the gross or net pledge of the revenues to be derived from any project, the rates collected from the users of the project, any revenue-producing activity of the District, or any other source or pledged security. Revenue bonds payable from the proceeds of a utility service tax may also be issued. Industrial revenue bonds or private activity bonds may be issued by the District to assist the private sector in the completion of new facilities.

All of the revenue bonds issued in the RCID have been used to finance expansion of the utility system and have been backed by pledged revenues generated by the system. In 1987, the District issued \$96,840,000 (principal amount) of utility revenue bonds (1987-1). These bonds were subsequently refunded by the 1997-1 Utility Revenue Bonds.

In December 1987, the District issued \$7 million (aggregate principal amount) in utility revenue bonds (1987-2), secured by a pledge of net revenues from the utility system. The funds were used to redeem the remaining bond anticipation note and to acquire 1,088 acres northwest of the District for disposal of

Table 9-5: Debt Service on General Obligation Bonds Outstanding

Fiscal Year Ending 9/30	Series 1991A Bonds			Series 1992A Bonds			Series 1995A Bonds			Series 1995C Bonds			Total Debt Service
	Sinking Fund Installments	Principal & Interest	Total	Sinking Fund Installments	Principal & Interest	Total	Sinking Fund Installments	Principal & Interest	Total	Sinking Fund Installments	Principal & Interest	Total	
1998	1,435,000	5,357,825	6,792,825	5,960,000	774,940	6,734,940		3,159,382	3,159,382	350,000	2,556,140	2,906,140	19,593,287
1999	1,515,000	5,278,186	6,793,186	6,305,000	439,360	6,744,360		3,159,382	3,159,382	365,000	2,542,840	2,907,840	19,604,768
2000	4,350,000	5,192,585	9,542,585	2,855,000	110,855	2,965,855		3,159,382	3,159,382	380,000	2,528,240	2,908,240	18,576,062
2001	4,610,000	4,940,285	9,550,285					3,159,382	3,159,382	395,000	2,512,660	2,907,660	15,617,327
2002	4,890,000	4,668,295	9,558,295					3,159,382	3,159,382	410,000	2,496,070	2,906,070	15,623,747
2003	9,575,000	4,374,895	13,949,895					3,159,382	3,159,382	430,000	2,478,645	2,908,645	20,017,922
2004	10,030,000	3,786,032	13,816,032					3,159,382	3,159,382	445,000	2,459,725	2,904,725	19,880,139
2005	9,530,000	3,159,158	12,689,158					3,159,382	3,159,382	470,000	2,439,700	2,909,700	18,758,240
2006	7,955,000	2,551,620	10,506,620					3,159,382	3,159,382	490,000	2,418,080	2,908,080	16,574,082
2007	8,470,000	2,042,500	10,512,500					3,159,382	3,159,382	510,000	2,395,050	2,905,050	16,576,932
2008	3,780,000	1,500,420	5,280,420					3,159,382	3,159,382	4,025,000	2,370,570	6,395,570	14,835,372
2009	4,020,000	1,258,500	5,278,500					3,159,382	3,159,382	4,230,000	2,173,345	6,403,345	14,841,227
2010	2,020,000	1,017,300	3,037,300				4,250,000	3,159,382	7,409,382	2,425,000	1,966,075	4,391,075	14,837,757
2011	2,140,000	896,100	3,036,100				4,490,000	2,921,382	7,411,382	2,545,000	1,844,825	4,389,825	14,837,307
2012	2,270,000	767,700	3,037,700				4,740,000	2,669,942	7,409,942	2,670,000	1,717,575	4,387,575	14,835,217
2013	2,405,000	631,500	3,036,500				5,010,000	2,399,762	7,409,762	2,800,000	1,590,750	4,390,750	14,837,012
2014	2,550,000	487,200	3,037,200				5,300,000	2,111,688	7,411,688	2,930,000	1,457,750	4,387,750	14,836,638
2015	2,705,000	334,200	3,039,200				5,605,000	1,806,938	7,411,938	3,070,000	1,318,575	4,388,575	14,839,713
2016	2,865,000	171,900	3,036,900				5,925,000	1,484,650	7,409,650	3,220,000	1,172,750	4,392,750	14,839,300
2017							6,265,000	1,143,962	7,408,962	6,420,000	1,011,750	7,431,750	14,840,712
2018							6,625,000	783,726	7,408,726	6,740,000	690,750	7,430,750	14,839,476
2019							7,005,000	402,788	7,407,788	7,075,000	353,750	7,428,750	14,836,538
TOTAL	87,115,000	48,416,201	135,531,201	15,120,000	1,325,155	16,445,155	55,215,000	56,796,804	112,011,804	52,395,000	42,495,615	94,890,615	358,878,775

Source: RCID, 1999

treated wastewater. At the end of FY 97, the outstanding balance on these bonds had been reduced to zero.

In June 1990 (FY 90), the District issued \$70.39 million in private activity bonds (1990-1). Nearly \$3.0 million of this total were committed to insurance premiums, underwriter's discounts, capitalized and accrued interest, and the cost of issuance, leaving \$67.7 million for capital costs. About \$61.3 million were used for wastewater system expansion, \$5 million for electric utility expansion, and \$1.4 million for potable water and natural gas improvements. As of the end of FY 97, the outstanding balance on these bonds was \$62,810,000.

In December 1991 (FY92), the District issued \$181,665,000 in utility revenue bonds (1991-1) for the purpose of financing the construction and acquisition of improvements in the utility system. Certain of these bonds were current refunded by the issuance of the 1994-1 and the 1997-1 Utility Revenue Bonds. At the end of FY 97, the outstanding balance of the 1991-1 Bonds was \$12,160,000.

In February 1994, the District issued \$219,055,000 in utility revenue bonds (1994-1) for the purpose of partially refunding the Series 1991-1 Bonds and financing construction and acquisition of improvements to the utility system. As of the end of FY 97, the outstanding balance on these bonds was \$218,395,000.

In August 1997, the District issued \$109,950,000 million in utility revenue bonds (1997-1) for the purpose of refunding the Series 1987-1 Bonds, partially refunding the Series 1991-1 Bonds, and financing construction and acquisition of improvements to the utility system. As of the end of FY 97, the outstanding balance on these bonds was \$109,950,000.

The District anticipates financing future improvements to its electrical, water, wastewater, solid waste, chilled water, and hot water systems with utility revenue bonds. During the fiscal year ending September 30, 1997, the District paid \$25,544,640 in principal and interest payments on revenue bonds. Bonds payable totaled \$403.3 million at the end of FY 97. Table 9-6 indicates the debt service schedule for the outstanding bonds. The District expects to issue \$25 million in revenue bonds in FY 99 to fund utility system improvements.

Bond Anticipation Notes

The District has the power to issue bond anticipation notes to borrow money for the purposes for which bonds have been authorized. These notes are payable from the proceeds of the bonds when they are issued, or may be retired from revenues, taxes, or assessments.

CONVENTIONAL LOCAL GOVERNMENT FUNDS NOT RECEIVED BY THE RCID

State Funds

Most local governments in the State of Florida receive a substantial portion of their funds in the form of intergovernmental transfers from the state. Revenue sharing dollars, gas tax proceeds, sales tax proceeds, hotel tax proceeds, liquor tax proceeds, pari-mutual tax proceeds, and a variety of license taxes and grants are typically disbursed by the state to cities and counties in Florida. The District receives no such revenues from the state. While visitors and persons employed within the District pay

Table 9-6: Debt Service on Utility Revenue Bonds Outstanding

Fiscal Year Ending 9/30	Series 1990-1 Bonds			Series 1991-1 Bonds			Series 1994-1 Bonds			Series 1997-1 Bonds			Total Debt Service
	Sinking Fund Installments	Principal & Interest	Total	Sinking Fund Installments	Principal & Interest	Total	Sinking Fund Installments	Principal & Interest	Total	Sinking Fund Installments	Principal & Interest	Total	
1998	1,825,000	4,537,453	6,362,453	1,710,000	713,555	2,423,555	185,000	10,867,311	11,052,311	3,365,000	6,335,479	9,700,479	29,538,798
1999	1,950,000	4,413,353	6,363,353	3,290,000	616,940	3,906,940	195,000	10,860,468	11,055,468	5,290,000	5,300,858	10,590,858	31,916,619
2000	2,085,000	4,278,803	6,363,803	3,480,000	426,120	3,906,120	200,000	10,853,058	11,053,058	5,500,000	5,086,614	10,586,614	31,909,595
2001	2,230,000	4,132,853	6,362,853	3,680,000	220,800	3,900,800	210,000	10,845,258	11,055,258	5,740,000	4,855,614	10,595,614	31,914,525
2002	2,390,000	3,976,753	6,366,753				215,000	10,836,648	11,051,648	9,950,000	4,608,794	14,558,794	31,977,195
2003	2,555,000	3,807,063	6,362,063				225,000	10,827,510	11,052,510	10,425,000	4,111,294	14,536,294	31,950,867
2004	2,740,000	3,625,658	6,365,658				2,550,000	10,817,610	13,367,610	8,620,000	3,642,168	12,262,168	31,995,436
2005	2,940,000	3,427,008	6,367,008				2,665,000	10,702,860	13,367,860	9,075,000	3,189,618	12,264,618	31,999,486
2006	3,150,000	3,213,858	6,363,858				2,790,000	10,580,270	13,370,270	9,575,000	2,690,494	12,265,494	31,999,622
2007	3,380,000	2,985,483	6,365,483				2,905,000	10,449,140	13,354,140	10,115,000	2,163,868	12,278,868	31,998,491
2008	3,625,000	2,740,433	6,365,433				3,050,000	10,309,700	13,359,700	10,570,000	1,708,694	12,278,694	32,003,827
2009	3,885,000	2,477,620	6,362,620				3,195,000	10,160,250	13,355,250	11,150,000	1,127,344	12,277,344	31,995,214
2010	4,170,000	2,194,015	6,364,015				15,095,000	10,000,500	25,095,500		541,969	541,969	32,001,484
2011	4,475,000	1,889,605	6,364,605				15,850,000	9,245,750	25,095,750		541,969	541,969	32,002,324
2012	4,800,000	1,562,930	6,362,930				16,645,000	8,453,250	25,098,250		541,969	541,969	32,003,149
2013	5,150,000	1,212,530	6,362,530				17,475,000	7,621,000	25,096,000		541,969	541,969	32,000,499

2014	5,530,000	836,580	6,366,580				18,345,000	6,747,250	25,092,250		541,969	541,969	32,000,799
2015	5,930,000	432,890	6,362,890				19,265,000	5,830,000	25,095,000		541,969	541,969	31,999,859
2016							26,595,000	4,866,750	31,461,750		541,969	541,969	32,003,719
2017							27,925,000	3,537,000	31,462,000		541,969	541,969	32,003,969
2018							29,320,000	2,140,750	31,460,750		541,969	541,969	32,002,719
2019							13,495,000	674,750	14,169,750	10,575,000	541,969	11,116,969	25,286,719
TOTAL	62,810,000	51,744,888	114,554,888	12,160,000	1,977,415	14,137,415	218,395,000	187,227,083	405,622,083	109,950,000	50,240,529	160,190,529	694,504,915

Source: RCID, 1999

sales, gas, and hotel taxes to the various commercial operators, the revenues are returned to Orange and Osceola counties rather than to the District itself.

Federal Funds

The District receives no federal grants or federal funds.

SCHOOL AND HEALTH CARE FACILITIES

Rule 9J-5.016(1)(b) indicates that the Capital Improvement Element must identify the service area and location of public school and public health care facilities in the jurisdiction. Presently, there are no public school facilities within the District boundaries. Health care facilities within District boundaries are limited to the Buena Vista Medical Center, a privately operated facility on CR 535, providing limited health care services to visitors and persons employed within the District. There are also privately operated emergency medical services within the District's major attractions. A new health facility was recently built in the Celebration area just south of the District. The RCID lies within the West Orange Memorial Hospital District and RCID taxpayers pay taxes to that District at the rate of .4000 mills in FY 97.

The Orange County portion of the District is under the jurisdiction of the Orange County School Board. The nearest elementary schools are Dr. Phillips, Palm Lake, Tangelo Park, and Windermere, located four to six miles from the District boundaries. The nearest middle schools are Westridge on Oak Ridge Road and Gotha in the Windemere area. The nearest high school is Dr. Phillips on Turkey Lake Road. The Osceola County portion of the District is under the jurisdiction of the Osceola County School Board. This portion of the District lies within the Reedy Creek and Highlands Elementary School Service Areas, the Neptune Middle School Service Area, and the Osceola High School Service Area. Taxpayers in the RCID paid taxes to the Orange County and Osceola County school boards at millage rates of 9.1770 and 9.5470 respectively in FY 97.

ANALYSIS

PURPOSE

The purpose of this analysis is to determine if future revenues will be sufficient to meet future capital improvement and operating costs. The analysis takes into consideration the outstanding obligations of the District and projects future obligations based on the capital improvements program and anticipated growth. Five basic steps are followed.

Step 1: A list of capital improvements is presented, including the cost and timing of each improvement. The list is based on committed development for the next two years and projected development patterns for the three years beyond that.

Step 2: Future revenues are projected for each of the next five years. Yearly increases in ad valorem tax revenues are projected based on the additional value of projected new development each year.

Incremental increases in utility sales are projected based on the amount of development projected to be added during each of the next five years.

Step 3: Future non-capital expenses are projected for each of the next five years. Expenses are based on the operating budgets of the District, the cost of serving new development, and the outstanding debt on bonds.

Step 4: The amount available for new capital projects (or additional debt service) during each of the next five years is calculated. This amount is equal to Step 2 minus Step 3.

Step 5: The findings of Step 4 are compared with Step 1 to demonstrate the sufficiency of funds for capital improvements.

CURRENT RCID PRACTICES

Organization of Funding

The day-to-day functions of road maintenance, fire protection, planning, building, safety, administration, environmental protection, and flood control are financed through the General Fund. This fund is predominantly derived from ad valorem taxes, building permits and fees, and interest from investments. The day-to-day operations of the water, wastewater, solid waste, electric, natural gas, hot water, and chilled water systems are financed through the Utility Enterprise Fund. This fund is predominantly derived from service charges to the users of these facilities and through connection fees.

Major capital improvements are funded in one of two ways.

- 1) Roads, drainage, street lighting, fire protection, and land acquisition are generally financed through the governmental Capital Projects Fund. The sources of revenue to this fund are usually general obligation (ad valorem tax) bond proceeds or transfers of revenues out of the General Fund.
- 2) Water, sewer, solid waste, electric, natural gas, hot water, and chilled water projects are financed through the Utility Enterprise Fund. Major projects are financed through revenue bonds, the proceeds of which are disbursed through a construction fund.

Institutional Arrangements

The RCID owns and operates the wastewater collection, treatment, and disposal system; the arterial road system; and a solid waste collection system. In addition, the RCID is authorized to provide fire protection and flood control services. No other systems providing these services may be operated within the District without prior consent of the RCID Board of Supervisors.

From 1974 through 1986, the Reedy Creek Utilities Company, a wholly owned subsidiary of the Walt Disney Company, provided electric, water, natural gas, chilled water, and hot water utility services within the District. Effective October 1, 1987, the District assumed responsibility for providing services within the District. At that time, Reedy Creek Utilities Company was renamed Reedy Creek Energy Services,

Inc., and its assets were leased to the RCID for 22 years. During 1997, the lease was amended to modify the annual payments for the fiscal years 1998 through the end of the lease. Lease payments totaled \$13 million during FY 97. The RCID has the option to buy the leased facilities anytime after October 1, 1997, but has not yet exercised this option. The District has exclusive use of the leased assets, although RCES continues to operate and maintain the systems by agreement; during FY 97, their fee for operating the systems was about \$16 million. The District owns all new capital improvements and expansions to the utility systems built with 1987 and subsequent bond monies.

By agreement, the Walt Disney World Company operates and maintains various drainage facilities and road rights-of-way. The District was billed \$2.5 million for these services in the fiscal year ending September 30, 1997.

Preparation of Annual Budgets

Government Funds. It is the District's policy that an annual budget for the General Fund be established and approved by the Board of Supervisors. The budget itemizes revenues from taxes, permits, interest, postal services, and miscellaneous other sources. These revenues totaled \$44.6 million during the fiscal year ending September 30, 1997, which was 5 percent above the budgeted amount. The budget also includes expenditures for the various District departments and includes labor costs, operating costs, capital outlays, and insurance. These expenditures totaled \$24.7 million in the fiscal year ending September 30, 1997, which was 15 percent below the budgeted amount. Most of the net revenues were transferred out of the General Fund and into the Debt Service Fund.

Utility Enterprise Fund. Annual budgets must be prepared prior to 30 days before the end of a fiscal year. The budget contains the estimated expenditures for operation and maintenance and the estimated revenues of the system during the upcoming fiscal year. Opportunities for public discussion of the proposed budget are typically held during the month preceding budget adoption.

During the fiscal year ending September 30, 1997, Utility Enterprise Fund revenues were \$136.6 million, which exceeded the budget by \$4.0 million (3 percent). Operating expenses were \$104.7, \$0.5 million (0.5 percent) more than budgeted. Debt service and reserves accounted for \$28.6 million

Use of Land Development Regulations to Determine Private Sector Contributions

New Land Development Regulations adopted in 1994 carry forward the intent to recover major capital costs from the parties generating the demand for the facility or service. The Land Development Regulations include the level of service standards for roads, potable water, wastewater, solid waste, drainage, and parks and recreation. As such, they establish basic parameters for capital improvements serving new development areas.

Use of Development Approval Process to Determine Private Sector Contributions

All construction in the District is subject to the permitting requirements of the RCID. These requirements specify the mandatory developer contributions for water and sewer connections, solid waste facilities, provisions for drainage, and road improvements. While the District requires connection fees for water and sewer, it does not presently charge impact fees for any public services. In some instances, facilities are built by the private sector and then dedicated to the District upon completion.

Use of User Fees to Recover Capital Costs

The District's policy is that the cost of providing utility services to its landowners be recovered through user fees paid by the beneficiaries of those services. Rates are set to cover not only the cost of providing service, but also the capital costs and debt service charges incurred as facilities are expanded or replaced. Utility rates are reviewed annually to ensure that they sufficiently cover expenses and debt service. These rates are comparable to rates charged by governmental entities outside the District. Under the terms of its revenue bonds, the District is required to maintain utility rates that ensure that net revenues (revenues minus operating expenses) are sufficient to pay at least 125 percent of annual debt service, and that net revenues plus other funds (surplus funds) are adequate to pay at least 100 percent of the annual debt service. Rates during the fiscal year ending September 30, 1997 produced sufficient revenue to meet this requirement.

Use of the Capital Improvement Programs to Direct Public Investment

The Capital Improvement Program is the principal tool for scheduling major infrastructure improvements in the District. Programs are prepared and updated annually to reflect changing development objectives, the condition of facilities and inventory, unit costs, and revenue forecasts. Although programming for all improvements is carefully coordinated, a number of different departments undertake the task.

Roads. The District maintains a traffic circulation plan that is updated periodically as the Future Land Use Map is modified. The timing of major road improvements is based on the construction schedule for various projects, such as hotels or attractions. Once the need for a new road or road improvement is identified, a design and construction timeline is prepared.

The District's Capital Improvements Program provides the foundation for updates to the roadway network used in the RCID Transportation Concurrency Management System (CMS). Regarding concurrency, Florida Administrative Code Rule 9J-5.0055 requires that the District provide public facilities and services concurrent with the impacts of development. If existing roadways do not have adequate infrastructure, the District may meet concurrency requirements with interlocal agreements or other binding agreements to have these facilities in place at the time of development. The current RCID Transportation CMS may be obtained from the District.

Additions to the public road network in the District are planned concurrently with development in the District and are coordinated with the Metropolitan Planning Organization and adjoining local governments, where appropriate. Plans are revised as necessary to reflect county, state, and federal road improvement programs and conditions, and to reflect changing land use plans in surrounding local jurisdictions.

Water and Sewer. The District maintains a master plan for water and sewer facilities that corresponds to the Future Land Use Map. The master plan is updated regularly in response to changing development objectives. The timing of water and sewer projects reflects the anticipated rate and location of new development and is driven by the construction schedule of the major landowner. Water and sewer projects are planned and timed to ensure concurrency with development.

Solid Waste. Historic records on solid waste generation from the major land uses in the District are used as the basis for projecting future solid waste volumes. The District regularly updates its standards for

solid wastes generated per room and per visitor. Applying these standards to the projections of development, future volumes of waste are recalculated and plans for new facilities are updated regularly. The projections are incorporated into a long-range facility plan that allows the District to design, locate, and construct new facilities as needed. This plan is augmented as necessary, reflecting changing state and federal requirements for solid waste disposal and resource recovery. Projects are funded through the Construction Fund, a subset of the Utility Enterprise Fund.

Drainage. The Chief Engineer for Reclamation and Water Control for the RCID prepares an annual report on drainage facilities. The report includes recommendations to correct existing deficiencies and serve anticipated development. A five-year capital improvement program is included in the annual report and indicates the estimated cost and timing for the improvements.

Parks. The District does not have a capital improvements program for parks. Because the permanent population is very small and has access to many private recreational facilities, there is no demand for public parks in the District. If the permanent population were to increase significantly, provisions for parks would be made in accordance with the levels of service in the Recreation and Open Space Element.

FISCAL IMPLICATIONS OF THE NEEDED CAPITAL PROJECTS

Introduction

Capital improvements and their associated costs for FY 98 through FY 03 are listed in Tables 9-7 through 9-11 and presented in Figures 9-1 through 9-3. Capital improvements for the five years between FY 99 and FY 03 represent a total cost of \$115.3 million, including approximately \$87.1 million in roads, \$8.5 million in water, and \$19.7 million in wastewater/reclaimed water. There are no capital improvements planned for drainage or solid waste facilities. Note that the RCID is responsible for only a portion of roadway capital costs -- the balance of these costs will be paid by FDOT, the private sector, monies collected through tolls, and by other local governments. The list of improvements is based on existing deficiencies and the projected growth and development patterns identified in the Future Land Use Element. Improvements have been prioritized and timed based on the criteria contained in the Infrastructure and Transportation Elements.

Traffic Circulation

Required capital improvement projects for roads are identified on Figure 9-1 and listed in Table 9-7. Construction of these projects will ensure maintenance of the adopted levels of service as additional development occurs. All listed projects are consistent with the Future Land Use Map and are intended to accommodate future development in areas designated for hotels, commercial projects, and other mixed uses. The projects are also consistent with the improvement programs of the Florida Department of Transportation and Orange and Osceola Counties.

As noted above, road projects during FY 99 through FY 03 are projected to cost approximately \$87.1 million. Cost estimates include right-of-way acquisition, road construction, signals, design, and

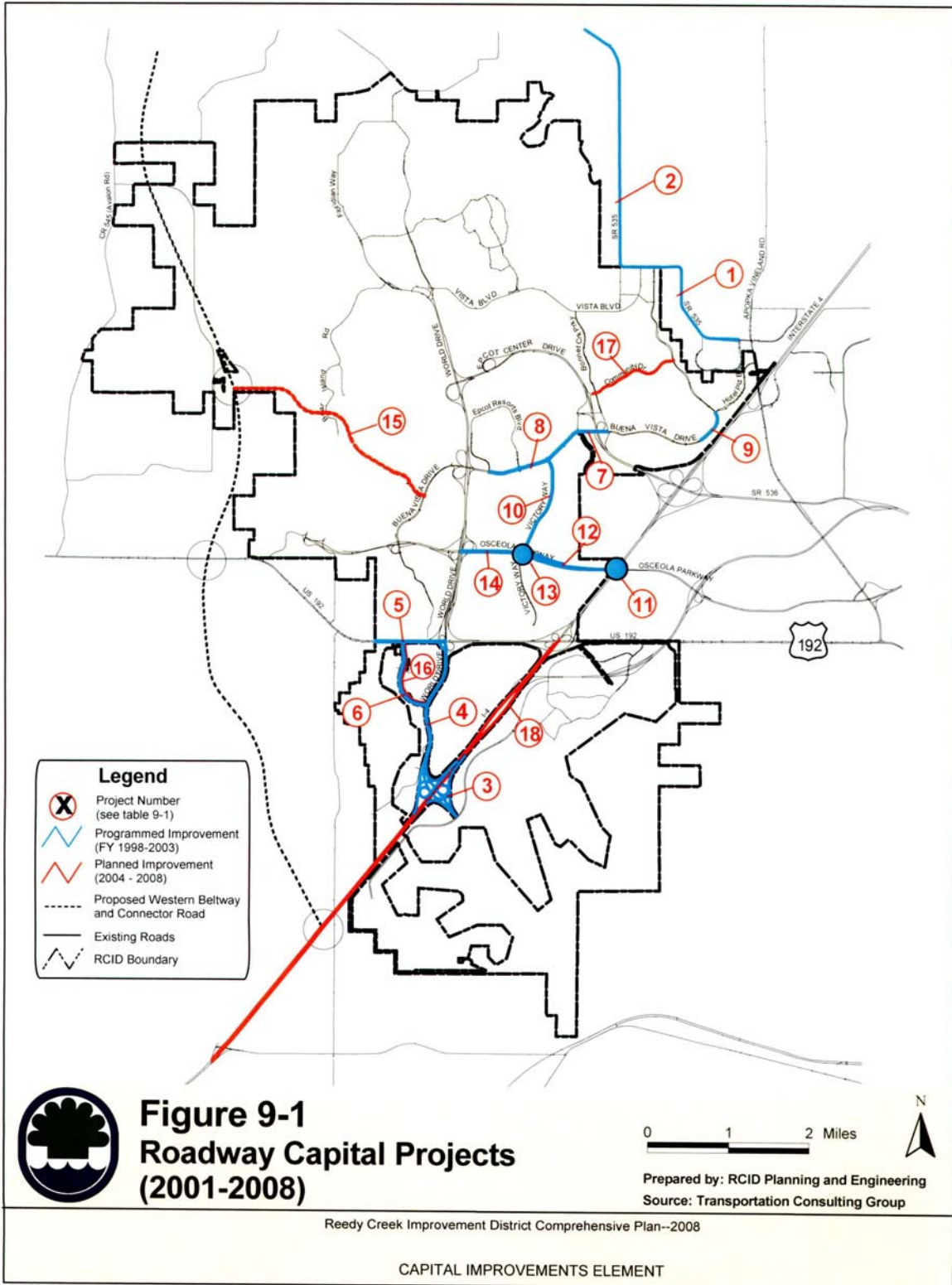


Table 9-7: Capital Improvements – Roads (in thousands)

Fig 9-1 Ref. #	Name	Description	Source	Five-Year Projections					
				Current Year Est. FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
1	CR 535	Widen 2 to 4 lanes from Grand Cypress to Buena Vista Drive	1 (a)						
2	CR 535	Widen 2 to 4 lanes from Buena Vista Drive to ChaseRoad	1 (a)						
3	World Drive Ext	Construct new interchange at I-4	1	3,937					
4	World Drive Ext	New 4 lane road from I-4 to US 192	1	4,710					
5	US 192	Widen 4 to 6 lanes from E of Reedy Creek to World Drive	1, 2	647					
6	Road B-1	New 2 lane road from US 192 to World Drive Extension	1	345					
7	Buena Vista Drive	Widen 4 to 6 lanes from Bonnet Creek Pkwy to Backstage Lane	1		4,887				
8	Buena Vista Drive	Widen 4 to 6 lanes from Backstage Lane to EPCOT Resorts Blvd	1	725					
9	Buena Vista Drive	Widen 4 to 6 lanes from Hotel Plaza Blvd to Team Disney. Intersection modification at BVD & Hotel Plaza Blvd.	1			165	3,435	2,900	
10	Victory Way	New 4 lane road from Osceola Pkwy to Buena Vista Drive	1,3	2,177	1,998				
11	Osceola Parkway	Construct new interchange at I-4	1 (b)	969	12,351	30,250			
12	Osceola Parkway	Widen 4 to 6 lanes from Victory Way to International Drive	1(b)		2,000	2,000			
13	Osceola Parkway	Construct new interchange at Victory Way	3						
14	Osceola Parkway	Widen 4 to 6 lanes from World Drive to Victory Way	1					2,000	3,000
15	Western Beltway Connector*	New 4 lane road from Western Beltway to Buena Vista Drive	1			600	4,700	7,700	9,100
16	Road B-1*	Widen 4 to 6 lanes from US 192 to World Drive Extension	1						
17	Community Drive*	Widen 4 to 6 lanes from Bonnet Creek Pkwy to Buena Vista Drive	3						
18	I-4*	Widen 4 to 6 lanes from Polk County line to US 192	2						
Totals				\$13,510	\$21,401	\$36,285	\$7,600	\$9,700	\$12,100

NOTES: Funding Source:

1. Reedy Creek Improvement District (RCID)
2. Florida Department of Transportation (FDOT)
3. Private Developer

(a) Partially funded by RCID through interlocal agreement with Orange County; payments were made to Orange County from 1990 to 1995

(b) Funded by RCID with 50% of the debt service paid by Orange County

* Planned to be built after FY 2003

SOURCE: RCID, 1999

engineering costs. One project--construction of a new interchange at I-4 and Osceola Parkway--accounts for about 50 percent of the costs.

A variety of funds will be used for the capital projects. For roads owned by the District, funding will be through a combination of ad valorem tax bonds, ad valorem taxes, and contributions by the private sector. Alternatively, the roads may be constructed by the private sector as adjoining lands are developed and dedicated to the District upon completion. For roads that are part of the state and U.S. highway system, namely US 192, a combination of District, state, and private funds will be used.

Potable Water

Required capital improvement projects for potable water are identified on Figure 9-2 and listed in Table 9-8. Construction of these projects will ensure maintenance of the adopted levels of service as additional development occurs. All listed projects are consistent with the Future Land Use Map and are intended to accommodate future development in areas designated for hotels, commercial projects, and other mixed uses. The projects are also consistent with the improvement programs of the SFWMD and with Orange and Osceola counties.

Projects during FY 98 through FY 03 are projected to cost approximately \$10.2 million. Cost estimates include pumping station upgrades, chlorine conversions, and new wells, meters, interconnections, mains, and extensions. Most of the cost is associated with extension of the distribution system to serve new development areas. Funds for the projects generally will be derived from user fees in the Utility Enterprise Fund or from the proceeds of future revenue bond sales. The listed capital improvements exclude additions to the systems that serve individual new projects; these improvements would be fully funded by the private sector through connection fees or private construction and dedication.

Sanitary Sewer and Wastewater Reuse

Required capital improvement projects for sanitary sewer (wastewater) and wastewater reuse are identified on Figure 9-3 and listed in Table 9-9. Construction of these projects will ensure maintenance of the adopted levels of service as additional development occurs. All listed projects are consistent with the Future Land Use Map and are intended to accommodate future development in areas designated for hotels, commercial projects, and other mixed uses. The projects are also consistent with the improvement programs of Orange and Osceola counties, and the standards of the U.S. Environmental Protection Agency and the Florida Department of Environmental Regulation.

Projects during FY 98 through FY 03 are projected to cost approximately \$20.1 million. As shown in Table 9-9, this figure includes construction of major collection lines, new and upgraded lift stations, and recycled effluent distribution facilities. Funds for the projects generally will be derived from user fees in the Utility Enterprise Fund or from the proceeds of future revenue bond sales. The listed capital improvements exclude additions to the systems that serve individual new projects; these improvements would be fully funded by the private sector through connection fees or private construction and dedication.

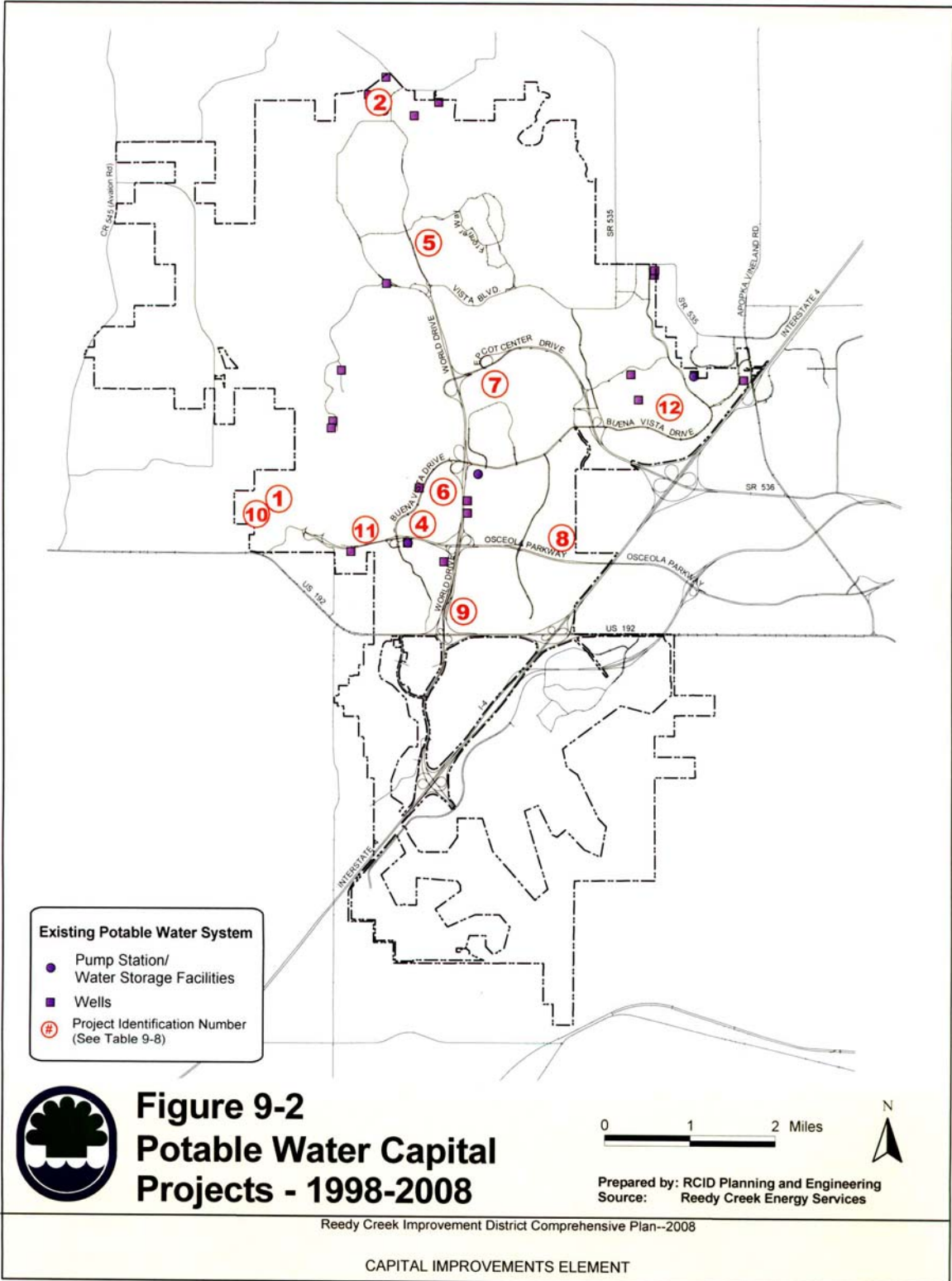


Table 9-8: Capital Improvements - Potable Water (in thousands)

			Current Year Est.	Five-Year Projections				
Fig. 9-2 Ref #	Description	Source	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
1	Animal Kingdom Pumping Station "D"- related	RB	\$1,302	\$94				
2	Pumping Station A Upgrade	RB		200	1,000	1,300		
3	Chlorine Conversions	RB		984				
4	Pumping Station "D" Upgrade	RB					300	1,200
5	Water Main-East Side	RB						489
6	12" Interconnect: A-4 Site	RB					122	
7	12" Interconnect: D-2 Site	RB					212	
8	16" Main-Victory Way	RB	269	141				
9	20" Main – World Drive	RB					200	589
10	16" Main extension	RB		341				
11	New Wells	RB						250
12	12" and 16" Mains	RB					730	
13	Meters	RB	70	70	80	50	70	100
Totals			\$1,641	\$1,830	\$1,080	\$1,350	\$1,634	\$2,628

NOTES: Funding Source: RB=Revenue Bonds

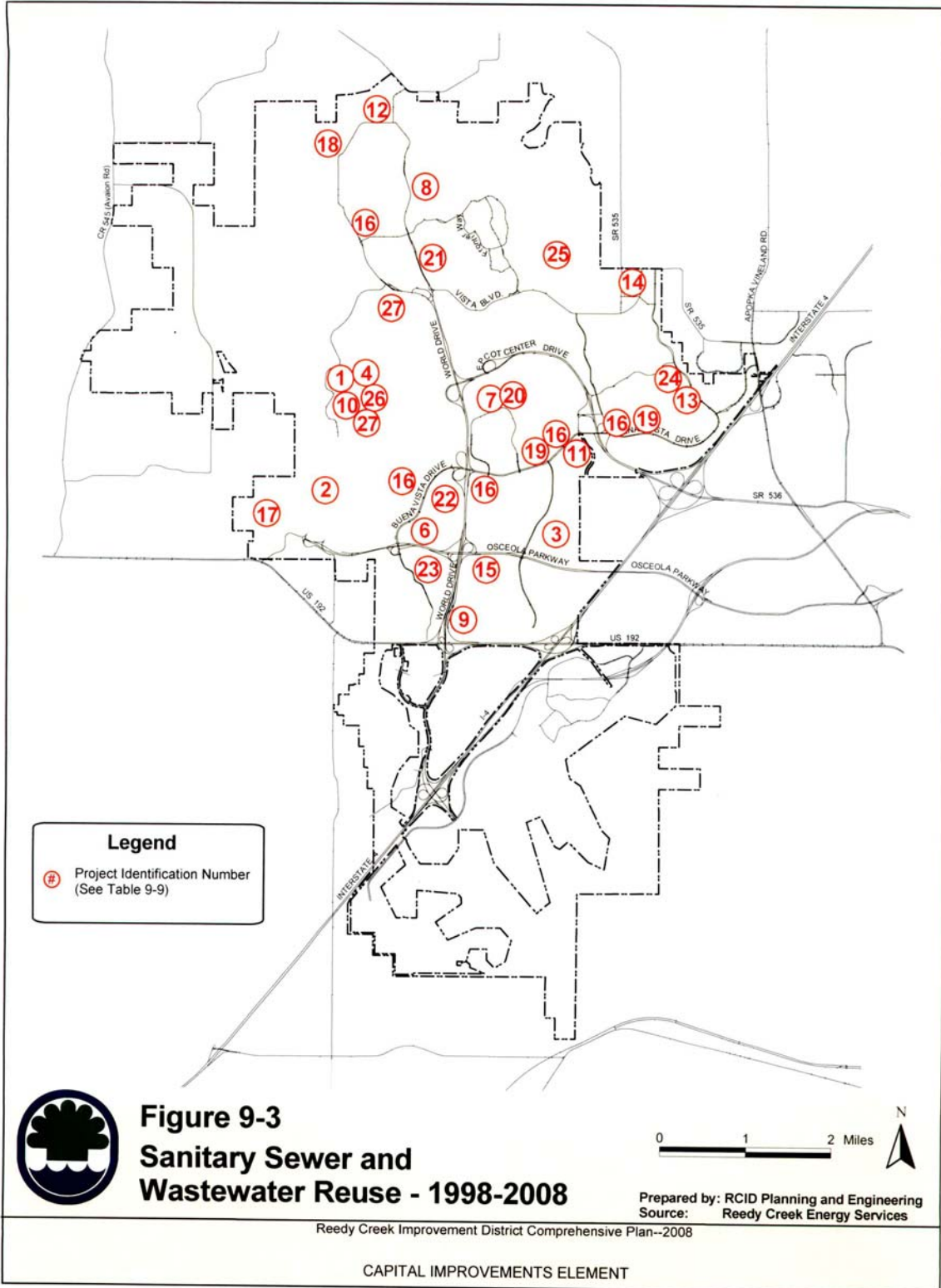
SOURCE: RCID, 1999

Table 9-9: Capital Improvements - Sanitary Sewer (in thousands)

Fig. 9-3 Ref. #	Description	Funding Source	Current Year Est.	Five-Year Projections					
			FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	
1	WWTP Flow Equalization Facilities	RB		821	666				
2	Animal Kingdom	RB	162	1					
3	Victory Way North	RB	40	31					
4	WWTP Chlorine Conversion	RB		516					
5	LS #65I and 16" FM	RB		771					
6	LS #T and 12" FM	RB						4,416	
7	LS #H and 8" FM	RB						332	
8	LS #7 Parallel 16" FM	RB							130
9	24"FM on World Drive	RB							944
10	WWTP Expansion to 21 MGD	RB						1,200	2,500
11	Parallel 16" FM from LS #1	RB							1,201
12	LS #C & FM	RB							300
13	8" Sewers	RB						26	
14	8" Gravity Sewer	RB							40
15	LS #F and 8" FM	RB							353
16	Upgrade Lift Stations	RB						269	
17	AK Lodge	RB		330	41				
18	16" Main Extension	RB			825				
19	BVD Extensions/Widening	RB	210						
20	12" Main	RB				300	175		
21	12" Loop	RB							451
22	16" Main- World Drive	RB							200
23	20" Main - World Drive	RB						506	
24	16", 12" and 8" Mains in BV area	RB						547	
25	8" Main extensions	RB							150
26	Additional storage tank	RB				1,500			
27	Alternative Source	RB				200			
Totals			\$412	\$2,470	\$1,532	\$2,000	\$7,471	\$6,269	

NOTES: Funding Source: RB = Revenue Bonds

SOURCE: RCID, 1999



Solid Waste

Required capital improvement projects for solid waste are identified in Table 9-10. For the period through 2003, no new capital improvements to the solid waste facilities are needed in order to provide adequate solid waste services, but Table 9-10 is included in order to facilitate future updates.

Table 9-10: Capital Improvements – Solid Waste (in thousands)

			Current Year Est	Five-Year Projections				
Fig. 9- 4 Ref #	Description	Source	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
No capital improvements are needed for solid waste through 2003 – Figure 9-4 is not included								

Stormwater Management

Required capital improvement projects for stormwater management are identified in Table 9-11. For the period through 2003, no new capital improvements to the stormwater management facilities are needed in order to provide adequate drainage, but Table 9-11 is included in order to facilitate future updates.

Table 9-11: Capital Improvements – Stormwater Management (in thousands)

			Current Year Est	Five-Year Projections				
Fig. 9- 5 Ref #	Description	Source	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
No capital improvements are needed for drainage through 2003 – Figure 9-5 is not included								

Parks

No public parks are planned within District boundaries during the next five years. Additional privately financed recreational facilities will be added by the principal landowner.

Impact of New or Improved Public Education and Public Health Care Systems

No new public education or public health care systems are proposed for the RCID during the next five fiscal years; thus no impact on infrastructure is anticipated.

Impacts of Projects Planned by Other Public Agencies

At the present time, the only public agencies with projects that will significantly affect the RCID are the Florida Department of Transportation, the Orlando/Orange County Expressway Authority, the Florida High Speed Rail Commission, and the Central Florida Light Rail Transit Project. The projects proposed by these agencies would improve access to the District and are being coordinated with the RCID's plans for road and transit improvements. There are no other federal, state, or regional agencies with pending projects that could impact the District. The RCID maintains communication with the South Florida Water Management District, Department of Natural Resources, and Department of Environmental Protection, and is kept apprised of any planned projects that could impact the RCID facilities or land use plan.

Use of the Capital Projects to Implement the Future Land Use Plan

The projects listed in Tables 9-7 through 9-11 are consistent with the goals, objectives, and policies of the Comprehensive Plan and will foster the implementation of the Future Land Use Map. The traffic improvements listed in Table 9-7 are intended to facilitate development in vacant areas designated for future Mixed Use or Hotel development, particularly in the areas west of the MGM/Disney Studios, the areas around Seven Seas Lagoon and Bay Lake, and the northern and western portions of Lake Buena Vista. The improvements provide access to future mixed-use areas that presently lack roadways and they increase capacity on the existing roads that will be impacted by development in these areas.

The potable water and wastewater projects listed in Tables 9-8 and 9-9 are intended to increase the overall capacity of the systems to serve the level of development anticipated within the next five years. The projects will ensure that water conservation objectives set forth in the Conservation Element and Aquifer Recharge Sub-element, the water quality objectives set forth in the Conservation Element, and the level of service policies set in the Future Land Use and Infrastructure Elements are met. The projects are also intended to extend major collection and distribution lines to vacant areas designated for mixed-use development. All water and wastewater projects are consistent with the policies and practices of the Environmental Protection Agency and Florida Department of Environmental Regulation.

All capital improvements are based on a series of specific (1998-2000) and tentative (2001-2003) projects that have been proposed by the private sector. The projects are located in areas designated as Mixed Use or Hotel on the Future Land Use Map. The improvements and extensions of public services shown on the maps in this Element indicate where growth is generally anticipated; the quantity of this growth is dictated by the ranges and thresholds in the Future Land Use Element. Capital improvements have specifically been designed to accommodate the level of development permitted by the Future Land Use Element and are only programmed in areas that are designated for urban uses on Figure 2-1.

The five-year Capital Improvements Plan is consistent with the other plan elements because it provides services to areas where specific developments have been proposed during years 1, 2, and 3 and areas where development is expected during years 4 and 5. The annual revision to the plan will account for any changes in development expectations for the last two years of the CIP.

REVENUE PROJECTIONS

Introduction

The projection of future revenues is based on the following assumptions:

- only those revenue sources that have historically been available are projected;
- the primary revenue source for the government funds will be ad valorem taxes;
- the primary revenue source for the proprietary funds will be utility sales; and
- all projections are in current dollars (inflation and appreciation are not calculated).

Government Funds

Ad Valorem Taxes. Between January 1, 1991, and January 1, 1995 (the basis for ad valorem taxes in FY 96), assessed valuation increased from \$3.857 billion to \$4.237 billion, or 10 percent. By January 1, 1996, the assessed valuation reached \$4.516 billion; by January 1, 1997, it reached \$4.798; and by January 1, 1998 it had reached \$5.198, a 35 percent increase over 1991. The can be attributed to the construction of Blizzard Beach, the Animal Kingdom, Wide World of Sports, Westside (part of an expanded Downtown Disney), numerous hotel rooms, and other development. A millage rate of 9.0 will be applied to the \$5.198 billion to generate the tax bills for FY 99. This millage yielded \$44.9 million (net of discount) in revenues to the government funds during FY 99.

Table 9-12 indicates projected future assessed valuations, millage rates, and revenue yields through FY 03. The figures for FY 99 are based on the actual assessed value on January 1, 1998, while the figures for FY 00 are based on that figure plus the projected value of development completed during 1998. Construction during 1998 added \$285 million to the tax base on January 1, 1999.

Because of the lag between the time of construction, the time of valuation, and the time of tax collection, tax dollars for FY 01 through FY 03 can be predicted by examining announced development projects during 1999 through 2001. The FY 01 collections will be based on the value of property as of January 1, 2000; the value of improvements that will be added during 1999 provides the basis for this projection. The same correlations exist between FY 02 and FY 03 and development planned in 2000 and 2001.

Table 9-12 indicates that the additional hotels, offices, convention facilities, and other development committed for 1999 will add \$305 million in valuation. Most of these projects are already under construction. Projects completed in 2000 will add \$657 million and projects completed in 2001 will add \$395 million in valuation. Most of the 2000 and 2001 projects are in the advanced design phases and their construction is fairly certain.

Based on these projections, the tax base is projected to be \$5.483 billion in FY 00, \$5.788 billion in FY 01, \$6.445 billion in FY 02, and \$6.840 billion in FY 03. The latter figure is an increase of 32 percent, or \$1.642 billion, over the assessed valuation for the current (1999) fiscal year. Assuming a constant millage rate of 9.0 beyond FY 99, the government fund tax yields should be \$59.1 million by FY 03. Applying the maximum millage permitted by state law (30 mills), the potential yield from the FY 03 tax base would be \$197 million (net of discounts).

Table 9-12: Projections of Assessed Valuation - Fiscal Years 1996 through 2003 (in millions)

	Date of Assessment	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
District-wide Total	1/1/95	\$4,237							
District-wide Total	1/1/96		\$4,516						
District-wide Total	1/1/97			\$4,798					
Value Added – 1998	1/1/98				\$ 400				
District-wide Total					\$5,198				
Value Added – 1999	1/1/99					\$ 285			
District-wide Total						\$5,483			
Value Added – 2000	1/1/00						\$ 305		
District-wide Total							\$5,788		
Value Added – 2001	1/1/01							\$ 657	
District-wide Total								\$6,445	
Value Added – 2002	1/1/02								\$ 395
District-wide Total									\$6,840
Millage		9.7500	9.5000	9.2500	9.0000	9.0000	9.0000	9.0000	9.0000
NET TAX REVENUES		\$39.2	\$41.0	\$42.2	\$44.9	\$47.4	\$50.0	\$55.7	\$59.1

NOTES: Assumes Net Revenues equal 96 percent of gross, after adjustments, discounts, and exemptions.

SOURCE: RCID, 1999

Other Governmental Fund Revenues. As the first section of this element indicated, non-ad valorem sources represent about 18 percent of the government fund revenues. These sources include building permits and fees, interest on invested available balances, and postal and fire service charges.

Building permits and fees are expected to parallel trends in assessed valuation; however, revenues from permits are usually received two years in advance of the higher property tax revenues that are a result of the construction. During FY 96, new development yielded about \$1.984 million in permitting fees. During FY 97, permitting fees and miscellaneous charges totaled \$1.344 million. Projected permit revenue streams for FY 98 through FY 03 are based on the ratio of permit fees to construction values in 1995 and 1996. These and other revenue projections are shown in Table 9-13.

Table 9-13: Revenue Projections for the RCID – Fiscal Years 1998 through 2003 (in thousands)

Source	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Ad Valorem Taxes*	\$42,176	\$45,382	\$47,377	\$50,004	\$56,986	\$59,100
Building Permits	1,133	780	1,100	900	1,000	1,000
Interest Earned	1,852	1,100	1,250	1,425	1,300	1,200
Postal/Fire Services/Other	5,011	2,034	6,779	2,805	2,930	3,030
TOTAL	\$50,172	\$49,296	\$56,506	\$55,134	\$60,919	\$64,330

NOTE: * Assumes millage rate of 9.00

SOURCE: RCID, 1999

Proprietary Funds

Utility Sales. Utility sales are projected to increase in direct proportion to development. As new hotels, retail areas, offices, and attractions are added, the demand for potable water, sanitary sewer, solid waste, and other services will grow. Future sales of these services have been projected by applying constant per-unit rates to the projected amount of development that will exist during each of the next five fiscal years. Projected development quantities for FY 98 through FY 00 are based on the announced projects of the private sector, while projections for FY 01 through FY 03 are based on the tentative list of projects planned during those years. The projections indicate an increase in revenue over the period of about 15 percent for water, 26 percent for wastewater, 27 percent for solid waste, and 5 percent for reuse water. The differences in growth rates can be attributed to the effects of various recycling and conservation programs and the types of land uses projected for development.

Table 9-14 indicates projected utility sales revenues for water, sewer, and solid waste through FY 03. Projections for electricity, natural gas, hot water, and chilled water are not included. For the purposes of this analysis, it is assumed that the rates for these non-concurrency services generally will be structured so that all operating, capital, and debt service costs are covered for each service, and that the accounts will be handled independently from the concurrency services.

Utility revenues from water, sewer, and solid waste sales are projected to generate \$33.08 million in FY 98, increasing to \$40.92 million by FY 03. The projections assume very modest rate increases except for solid waste, which has a rate increase of about 15 percent, to cover the major capital costs anticipated in each service category.

Table 9-14: Projected Revenue from Utility Sales -- Fiscal Years 1998 through 2003

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Water Sales (million gallons)	6,195	6,213	6,247	6,341	6,658	6,978
<i>Rate of Increase (%)</i>	9.2	0.3	0.5	1.5	5.0	4.8
Average Rate per 1,000 gallons	\$0.95	\$0.94	\$0.94	\$0.95	\$0.97	\$0.98
Water Revenues (millions)	\$5.90	\$5.85	\$5.87	\$6.05	\$6.44	\$6.84
Water Connection Fees (millions)	\$0.03	\$0.35	\$0.03	\$0.24	\$1.78	\$0.00
Total Water Revenue (millions)	\$5.93	\$6.20	\$5.90	\$6.29	\$8.22	\$6.84
Wastewater Sales (million gallons)	3,570	3,771	3,798	3,879	4,193	4,478
<i>Rate of Increase (%)</i>	12.5	5.6	0.7	2.1	8.1	6.8
Average Rate per 1,000 gallons	\$5.25	\$5.16	\$5.05	\$5.13	\$5.21	\$5.28
Sewer Revenues (millions)	\$18.76	\$19.45	\$19.19	\$10.90	\$21.83	\$23.65
Sewer Connection Fees (millions)	\$0.01	\$0.19	\$0.03	\$0.13	\$0.97	\$0.00
Total Sewer Revenues (millions)	\$18.77	\$19.64	\$19.22	\$20.03	\$22.80	\$23.65
Solid Waste Sales (tons)	79,746	79,405	81,084	82,811	84,998	88,603
<i>Rate of Increase (%)</i>	-5.2	-0.4	2.1	2.1	2.6	4.2
Average Rate per ton	\$91.42	\$94.45	\$97.80	\$98.30	\$102.12	\$104.85
Solid Waste Revenues (millions)	\$7.29	\$7.50	\$7.93	\$8.14	\$8.68	\$9.29
Reuse Water Sales (million gallons)	1,350	1,071	1,085	1,092	1,184	1,262
<i>Rate of Increase (%)</i>	6.1	-20.7	1.3	0.6	8.4	6.6
Average Rate per 1,000 gallons	\$0.81	\$0.87	\$0.87	\$0.88	\$0.90	\$0.90
Total Reuse Water Revenues (millions)	\$1.09	\$0.93	\$0.94	\$0.96	\$1.06	\$1.14
TOTAL UTILITY REVENUES (millions)	\$33.08	\$34.27	\$33.99	\$35.42	\$40.76	\$40.92

SOURCE: RCID, 1999

Connection Fees. Sewer and water connection fees will continue to provide a secondary source of revenue to the Utility Enterprise Funds as shown in Table 9-14 above.

OPERATING COST PROJECTIONS

Government Funds

Table 9-15 indicates projected Government Fund expenses over the next five fiscal years. Total expenses between FY 98 and FY 03 are projected to increase about 42 percent. This compares with an increase of about 28 percent in revenue projections over the same period (see Table 9-13). Most of this difference can be attributed to the sharp increase in expenditures in FY 99 because of Y2K compliance, additional environmental activities, and increased debt service. Between FY 99 and FY 03, the revenue projections show a greater percentage increase than do the expense projections. Consequently, in these years, the availability of funds for debt service and capital projects will increase each year.

Table 9-15: Projected Government Fund Expenditures -- Fiscal Years 1998 through 2003 (in thousands)

Type of Expenditure	FY 98*	FY 99	FY 00	FY 01	FY 02	FY 03
Gen. Fund Operations	\$23,758	\$29,060	\$29,939	\$31,163	\$32,154	\$33,467
Interlocal Agreement*	1,525	-	-	-	-	-
Debt Service (current)	16,321	23,872	23,437	20,481	20,487	24,818
Capital Outlays	1,374	4,621	2,866	2,626	2,818	2,861
Total Expenditures	\$42,978	\$57,553	\$56,242	\$54,270	\$55,459	\$61,146

NOTE: * FY 98 is based on preliminary actual amounts.
SOURCE: RCID, 1999

General Fund. Table 9-16 shows projected operating costs for General Fund services in the RCID. Costs increased each year, with the rate of increase tending to correspond with the amount of development added during each period.

Table 9-16: General Fund Operating Expenditures -- Fiscal Years 1998 through 2003 (in thousands)

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Administration	2,659	4,006	3,819	4,244	4,295	4,514
Finance	-	715	744	766	793	825
Building & Safety	1,601	1,761	1,831	1,886	1,952	2,030
Emergency Services	11,955	12,573	13,076	13,468	13,939	14,497
Personnel Services	353	613	638	657	680	707
Information Services	466	699	727	749	775	806
Water Control/Roadway Maintenance	3,235	3,999	4,159	4,284	4,434	4,611
Planning & Engineering	1,178	1,714	1,783	1,836	1,900	1,976
Post Office	180	203	211	217	225	234
Orange Groves (potential reuse areas)	112	145	151	156	161	167
Operating Transfers	2,019	2,632	2,800	2,900	3,000	3,100
TOTAL	\$23,758	\$29,060	\$29,939	\$31,163	\$32,154	\$33,467
<i>Rate of Increase (%)</i>		22.3	3.0	4.0	3.0	4.0

SOURCE: RCID, 1999

Interlocal Agreement Funds. In addition to general operating expenses and outstanding debts on bonds, the District will be making the last of a series of annual payments to Orange County in FY 98, pursuant to an interlocal agreement for road improvements. This expense is shown in Table 9-15.

Debt Service Fund. Outstanding general obligation bond payments are summarized earlier in Table 9-5. As shown in Table 9-15, for bonds issued prior to the end of FY 98, the principal and interest payments will require between \$16.3 and \$24.8 million annually over each of the next five years.

Proprietary Funds

Projected operating expenses for the potable water, sanitary sewer, solid waste, and reuse water systems are indicated in Table 9-17. The projections are based on data developed by the RCID Finance Department, working in conjunction with Reedy Creek Energy Services, Inc. (RCES). Operating expenses include fuel costs, utility expenses, lease fee (for RCES assets), labor, management fees, materials, and gross receipts taxes. The costs are based on the requirements of providing the quantity of service projected in the revenue projections in Table 9-14. Expenses are projected to rise as a result of increased consumption (requiring increased fuel) and increased system size (requiring increased maintenance as new segments of water and sewer piping, lift stations, etc., are added).

Table 9-17 indicates that operating costs for potable water, sanitary sewer, and reuse water systems will gradually increase year, while operating costs for solid waste will decrease in FY99 and FY00. This decrease is expected because of lower landfill fees due to recycling program modifications.

Property Taxes and Insurance

Property taxes and insurance expenses are projected to rise as infrastructure is upgraded and expanded. Projections for FY 98 through FY 03 are shown in Table 9-17.

Renewal and Replacement

The Utility Enterprise Fund includes an annual expense for reserve to be used for renewal and replacement of infrastructure. Contributions to this fund vary each year, as shown in Table 9-17.

Debt Service

The current schedule for debt service payments for the Utility Enterprise Fund are itemized in Table 9-6. However, the projects financed by the bonds listed in Table 9-6 include electric, natural gas, chilled water, and hot water system improvements. The District has determined the portion of debt service attributable to each type of utility based on the actual cost of projects constructed. The portion of debt service that can be attributed to water, sewer, solid waste, and reuse water projects is included by service category in Table 9-17.

During FY 98, total debt service payments on revenue bonds will total \$29.5 million. Of this total, about \$2.1 million can be attributed to water projects, \$11.6 million to sewer projects, \$0.6 million to solid waste projects, and \$1.7 million to reuse water. The balance (\$13.5 million) is attributable to electric, natural gas, chilled water, and hot water projects.

CAPACITY TO PAY FOR CAPITAL IMPROVEMENTS

Table 9-18 indicates the projected balance between revenues and operating expenditures and debt service requirements for fiscal years 1998 through 2003. Data are presented for both the General Fund and the Utility Enterprise Fund. The net revenues in each year represent the amount available for capital projects and debt financing.

General Fund

The upper portion of Table 9-18 indicates that a surplus will be available in the General Fund during each of the next five fiscal years. A cumulative total of \$131.8 million in net revenues will be generated between FY 98 and FY 03 and will be available for capital expenditures or debt service on future general obligation bonds. The projected capital expenditures for the same period total \$17.2 million, leaving \$114.6 million for unplanned capital expenditures or new debt service.

The upper portion of Table 9-19 shows the implications of this availability. Assuming annual principal and interest payments on these bonds is equivalent to 8 percent of the total bond amount and no expenditures for unplanned capital outlays, the bonding capability of the District will be \$240 million in 1999, \$236 million in 2000, \$186 million in 2001, \$222 million in bonds in 2002, and \$229 million in bonds in 2003. This totals \$1.4 billion in bonding capacity. These figures assume a constant millage rate of 9.0. Additional bonding capacity could be made available if the millage rate were raised.

Table 9-17: Projected Operating Costs for Water, Sewer, and Solid Waste
-- Fiscal Years 1998 through 2003 (in thousands)

Utility/Type of Expenditure	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
WATER						
Operations/Maintenance	3,209	3,479	3,548	3,653	3,788	3,928
Property Taxes/Insurance	249	109	109	110	111	112
Reserve/Replacement	319	126	132	139	146	153
Debt Service	2,131	2,342	2,342	2,342	2,207	2,205
Total Water	5,908	6,056	6,131	6,244	6,252	6,398
<i>Rate of Increase (%)</i>		2.5	1.2	1.8	0.1	2.3
SEWER						
Operations/Maintenance	6,027	6,503	6,824	7,220	7,766	8,332
Property Taxes/Insurance	183	122	125	129	132	136
Reserve/Replacement	217	719	755	793	832	874
Debt Service	11,565	12,572	12,570	12,571	12,472	12,463
Total Sewer	17,992	19,916	20,274	20,713	21,202	21,805
<i>Rate of Increase (%)</i>		10.7	1.8	2.2	2.4	2.8
SOLID WASTE						
Operations/Maintenance	8,157	7,731	7,518	7,892	8,391	8,934
Property Taxes/Insurance	69	46	47	49	50	53
Reserve/Replacement	826	792	832	873	917	963
Debt Service	553	656	656	656	633	633
Total Solid Waste	9,605	9,225	9,053	9,470	9,991	10,583
<i>Rate of Increase (%)</i>		-4.0	-1.9	4.6	5.5	5.9
REUSE WATER						
Operations/Maintenance	331	404	414	427	454	480
Property Taxes/Insurance	1	7	8	8	8	8
Reserve/Replacement	5	79	83	87	91	96
Debt Service	1,692	1,687	1,687	1,687	1,350	1,350
Total Reuse Water	2,029	2,177	2,192	2,209	1,903	1,934
<i>Rate of Increase (%)</i>		7.3	0.7	0.8	-13.9	1.6
TOTAL UTILITIES	\$35,534	\$37,374	\$37,650	\$38,636	\$39,348	\$40,720
<i>Rate of Increase (%)</i>		5.2	0.7	2.6	1.8	3.5

SOURCE: RCID, 1999

**Table 9-18: Balance Between Revenues and Expenditures -- Fiscal Years 1998 through 2003
(In Thousands)**

	FY 98	FY 99	FY 20	FY 01	FY 02	FY 03
GENERAL/DEBT SERVICE FUNDS						
Total Revenues	\$50,172	\$49,296	\$56,506	\$55,134	\$60,919	\$64,330
Total Operating Expenditures	25,283	29,060	29,939	31,163	32,154	33,467
Current Debt Service	16,321	23,872	23,437	20,481	20,487	24,818
Balance	\$8,568	-\$3,636	\$3,130	3,490	8,278	6,045
Prior Year Balance	15,826	23,020	14,763	15,027	15,891	21,351
Amount Available for Capital Outlay or New Debt Service	\$24,394	\$19,384	\$17,893	\$18,517	\$24,169	\$27,396
Projected Capital Outlays	1,374	4,621	2,866	2,626	2,818	2,861
Amount Available for New Debt Service	\$23,020	\$14,763	\$15,027	\$15,891	\$21,351	\$24,535
UTILITIES ENTERPRISE FUNDS						
Total Revenues	\$33,080	\$34,270	\$33,990	\$35,420	\$40,760	\$40,920
Total Operating Expenditures	19,593	20,117	20,395	21,380	22,686	24,069
Current Debt Service	15,941	17,257	17,255	17,256	16,662	16,651
Balance	-\$2,454	-\$3,104	-\$3,660	-\$3,216	\$1,412	\$200
Prior Year Balance	0	0	0	0	0	0
Transfer from Other Utility	2,654	3,704	4,460	4,316	488	0
Amount Available for New Debt Service	\$200	\$600	\$800	\$1,100	\$1,900	\$200
TOTAL AVAILABLE FOR DEBT SERVICE OF CAPITAL PROJECTS	\$23,220	\$15,363	\$15,827	\$16,991	\$23,251	\$24,735

SOURCE: RCID, 1999

The District is legally permitted to have outstanding general obligation bond principal debts equivalent to 50 percent of the assessed value of all property in the District. At the start of FY 98, outstanding principal debt was less than 5 percent of assessed value. Issuance of \$48 million in additional general obligation bonds by FY 03 would increase this percentage to 6 percent, well within the statutory limit. The District's policy will be to maintain outstanding principal to assessed valuation ratios below 6 percent; this will permit millage rates to be maintained at their current levels.

Utility Enterprise Fund

As shown in the lower portion of Table 9-18, total expenditures for water, sewer, solid waste, and reuse water services will slightly exceed revenues from FY 98 through FY 01. The deficit is primarily due to slowly increasing revenues combined with the need to make principal and interest payments on the four series of revenue bonds. The negative balance will be eliminated by FY 02. The negative balance will be more than offset by the transfer of net revenues from the electrical, natural gas, and hot and chilled water systems. These transfers will produce a positive amount available for new debt service. As shown in the lower part of Table 9-19, this would allow the issuance of additional revenue bonds in the amount of \$53 million between FY 99 and FY 03. Utility rates may also be increased to provide additional funding for capital needs or debt service.

Table 9-19: General Obligation Bonding Capacity -- Fiscal Years 1998 through 2003 (in thousands)

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
GENERAL OBLIGATION						
Net Revenues Available for Debt Service	\$8,568	-\$3,636	\$3,130	\$3,490	\$8,278	\$6,045
Carried forward from prior year	\$15,826	\$24,194	\$18,758	\$16,788	\$14,578	\$17,156
1998 Bonding Capacity	287,000					
Annual Debt Service	1,300	200	200	200	200	200
Balance	24,194					
1999 Bonding Capacity		240,000				
Annual Debt Service		1,600	1,600	1,600	1,600	1,600
Balance		18,758				
2000 Bonding Capacity			236,000			
Annual Debt Service			3,300	3,000	3,000	3,000
Balance			16,788			
2001 Bonding Capacity				182,000		
Annual Debt Service				600	600	600
Balance				14,878		
2002 Bonding Capacity					209,000	
Annual Debt Service					600	600
Balance					17,156	
2003 Bonding Capacity						202,000
UTILITY REVENUE						
Net Revenues Available for Debt Service	\$200	\$600	\$800	\$1,100	\$1,900	\$200
Carried forward from prior year	-	0	-	-	-	-
1998 Bonding Capacity	2000					
Annual Debt Service	200	200	200	200	200	200
Balance	0					
1999 Bonding Capacity		7,000				
Annual Debt Service		400	400	400	400	400
Balance		0				
2000 Bonding Capacity			9,000			
Annual Debt Service			200	200	200	200
Balance			-			
2001 Bonding Capacity				13,000		
Annual Debt Service				300	300	300
Balance				-		
2002 Bonding Capacity					22,000	
Annual Debt Service					800	800
Balance					-	
2003 Bonding Capacity						2,000
CUMULATIVE BONDING CAPACITY	\$289,000	\$536,000	\$781,000	\$976,000	\$1,207,000	\$1,411,000

SOURCE: RCID, 1999

FINANCING PROGRAM

General Fund

The General Fund will continue to be used to finance road and drainage improvements and to fund non-concurrency capital improvements, such as new fire stations and public buildings. As Tables 9-7 and 9-11 indicate, total costs for road and drainage improvements are projected to be \$21.4 million in FY 99, \$36.3 million in FY 00, \$7.6 million in FY 01, \$9.7 million in FY 02, and \$12.1 million in FY 03. (No capital outlays for drainage improvements are anticipated during this period.) Funding of all road improvements through General Fund capital outlays would require very large increases in the millage rate; therefore, large-scale improvements will be financed through bonds.

A significant portion of the costs represent road improvements that will be jointly funded by the District, the private sector, the state, and adjoining local governments. Tables 9-18 and 9-19 confirm that the District will have sufficient capital and debt capacity to finance its share of these costs without increasing the millage rate above 9.0.

Utility Enterprise Fund

The current policy of funding utility capital projects with revenues from the facilities will be continued. As shown in Table 9-14, this will require moderate rate increases for solid waste services and very small rate increases for water, wastewater, and reuse water services. Tables 9-8, 9-9, and 9-10 indicate that total un-bonded capital costs for water, sewer, and solid waste improvements will be \$4.3 million in FY 99, \$2.6 million in FY 00, \$3.4 million in FY 01, \$9.1 million in FY 02, and \$8.9 million FY 03. (No capital outlays for solid waste improvements are anticipated during this period.) About 2/3 of these costs are for wastewater improvements. In general, wastewater capital costs in excess of revenues will be met through the transfer of net revenues from the other utilities funded through the Utility Enterprise Fund or the issuance of revenue bonds that are supported by the more profitable enterprise services, such as water.

In order to avoid unacceptably high rate increases, revenue bonds are issued to assist in financing major utility improvements. The bonds spread the cost of these improvements over time and permit rates to be maintained at more reasonable levels. Rate increases provided for in the plan will provide sufficient debt capacity to issue revenue bonds during each year. This will be more than adequate to cover the anticipated improvement costs for water, wastewater, and solid waste services.

Conclusion

Table 9-20 summarizes projected capital costs, capital outlays, and debt service capacity over the next five fiscal years for both General Fund services and Utility Enterprise Fund services. The table indicates that sufficient funds are available to cover all projected capital costs. The levels of service set in the Comprehensive Plan are financially feasible, given the following conditions:

- increases of utility rates not to exceed those shown in Table 9-14;
- maintenance of the millage rate at not more than 9.0; and

- net revenues from water, solid waste, and reuse water can be used to offset deficits in wastewater operations.

Table 9-20: Capital Costs versus Available Revenues (in thousands)

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Capital Costs*	13,510	21,401	36,285	7,600	9,700	12,100
Currently Available Bond Proceeds	-12,541	-6,885	-165	-3,435	-4,900	-3,000
Net Capital Costs Requiring Financing	969	14,351	36,120	4,165	4,800	9,100
Cumulative Capital Costs	969	15,485	51,605	55,770	60,570	69,670
Capital Outlay	1,374	4,621	2,866	2,626	2,818	2,861
Cumulative Capital Outlay	1,374	5,995	8,861	11,487	14,305	17,166
Incremental Bonding Capacity	287,000	240,000	236,000	182,000	202,000	-0
Cumulative Bonding Capacity	287,000	527,000	763,000	945,000	1,147,000	1,147,000
Capital Costs**	2,053	4,300	2,612	3,350	9,105	8,897
Cumulative Capital Costs	2,053	6,353	8,965	12,315	21,420	30,317
Incremental Bonding Capacity	2,000	7,000	9,000	13,000	22,000	2,000
Cumulative Bonding Capacity***	2,000	9,000	18,000	31,000	53,000	55,000

NOTES: *Sum of Road and Drainage projects listed in Tables 9-7 and 9-11.

**Sum of Water, Sewer and Reuse Water, and Solid Waste projects listed in Tables 9-8, 9-9, and 9-10.

***Cumulative bonding capacity assumes debt service payment to begin in the year following the issuance of bonds.

SOURCE: RCID, 1999

IMPLEMENTATION

SCHEDULE OF IMPROVEMENTS

Tables 9-7 through 9-11 indicate the schedule of capital improvements for which the RCID has responsibility. (No capital outlays for drainage or solid waste improvements are anticipated during the period covered by this element.) In accordance with Rule 9J-5.016(4)(a)(1), the tables indicate the cost, priority, funding source, timing, and function of each project. Implementation of these projects will reduce existing service deficiencies and accommodate growth in areas designated for future development on the Future Land Use Map. All projects are consistent with the Future Land Use Map and with the goals, objectives, and policies of this plan.

CAPITAL IMPROVEMENT UPDATES

The Capital Improvement Program (CIP) and Capital Improvement Element (CIE) will both be updated each year in response to new projections of costs and revenues, changes in development plans, and emerging capital facility needs. While the CIP will address all public services and facilities, the CIE will address only services subject to the concurrency provisions of Rule 9J-5.

The following steps will be followed in the annual update.

- Step 1: Capacity and demand projections will be revised for each service.
- Step 2: Projections of assessed valuation will be revised based on new development projections.
- Step 3: Data on utility cost and revenue projections will be updated for all public services.
- Step 4: The list of projects (and their respective priorities) will be updated for all public services.
- Step 5: Utility rate increases will be projected for the next five years.
- Step 6: The revised list of capital projects will be reviewed to ensure consistency with all appropriate other plan elements.
- Step 7: New projects that replace worn out or obsolete facilities will be added to the program as needed.
- Step 8: Funds required pursuant to interlocal agreements will be added as needed.
- Step 9: The effectiveness of the prior year's capital improvements in maintaining the adopted levels of service will be reviewed.
- Step 10: The effect of the plans and programs of the state and federal governments and adjoining local governments will be reviewed.
- Step 11: The funds available for debt service will be reviewed.
- Step 12: Policies regarding front-end capital outlays versus debt financing of capital costs will be reviewed.

As in the past, facilities that are required to replace existing deficient facilities will receive first priority for funding, facilities that accommodate growth will be assigned second priority, and facilities that create excess capacity will be assigned the lowest priority.

CONCURRENCY MANAGEMENT SYSTEM

General

The policies of this plan provide, in accordance with state law, that certain public facilities and services needed to support development are available at the time the impacts of development occur. These public facilities and services include roads, potable water, wastewater, solid waste, drainage, and parks and recreation.

In order to implement these policies, the RCID shall conduct a concurrency review of all new development projects, except those that have a vested right to proceed or are specifically exempted below. If the application is deemed concurrent, a Certificate of Concurrency will be issued by the RCID Department of Planning and Development. If the application is deemed to be not concurrent, the applicant will be notified that a Certificate of Concurrency cannot be issued. A final development order will not be issued for a development project requiring a concurrency review until a Certificate of Concurrency is issued.

The Concurrency Management System and Land Development Regulations will, in conjunction with the Capital Improvement Element, ensure that development orders and permits are issued in a manner that will assure that the necessary public facilities will be available to accommodate the impact of development. The RCID has adopted a monitoring system that enables it to determine whether it is adhering to the adopted level of service (LOS) standards and its schedule of capital improvements.

Vested Rights

Development projects that have vested as of the adopted date of the 1991 Comprehensive Plan are not subject to the Concurrency Management System. All of the following must be met in order for a development project to be vested:

- the development project has a final development order dated prior to the adopted date of the 1991 Comprehensive Plan;
- the applicant has expended substantial sums of money or incurred substantial obligations in reliance upon the final development order; and
- construction on the development project has commenced and has continued in good faith.

Exempt Projects

The following development projects are exempt from the Concurrency Management System:

- interior or exterior renovations, provided the use does not change and the size does not increase;

- temporary construction trailers;
- relocation of temporary uses;
- signs;
- fences and walls; and
- demolitions.

Standards for Concurrency

General. The RCID Department of Planning and Development, with assistance from other departments, will conduct the concurrency review. A Certificate of Concurrency will be issued only if the proposed development does not lower the LOS for roads, potable water, wastewater, solid waste, drainage, and parks and recreation below the adopted LOS standards in this plan.

The concurrency determination will be made by comparing the available capacity of a facility or service with the demand created by the proposed project. Available capacity will be determined by adding together the total excess capacity of existing facilities and the total capacity of any new facilities that meet the previously defined concurrency standards and subtracting any capacity committed through previously approved development orders or previously issued Certificates of Concurrency.

Potable Water, Wastewater, Solid Waste, and Drainage. A project will be deemed concurrent if the following standards are met for potable water, wastewater, solid waste, and drainage:

- the necessary facilities and services are in place at the time a development permit is issued;
- the necessary facilities are under construction at the time a development permit is issued;
- the development permit is issued subject to the condition that the necessary facilities and services will be in place concurrent with the impacts of development; or
- the necessary public facilities and services are guaranteed in an enforceable development agreement to be in place concurrent with the impacts of development.

Parks and Recreation. A project will be deemed concurrent for parks and recreation if any of the above four standards are met or if either of the following are met:

- the necessary facilities and services are the subject of a binding contract, executed at or before the time the development permit is issued, that provided for the commencement of actual construction of the required facilities or the provision of services within one year of the issuance of the development permit; or
- the necessary facilities and services are guaranteed in an enforceable development agreement that requires the commencement of actual construction of the facilities or the provision of services within one year of the issuance of the development permit.

Roads. A project will be deemed concurrent for roads if any of the above six standards are met or if based on the adopted five-year CIP and CIE, provided the following findings are made:

- the five-year CIP and CIE meet the applicable statutory and rule requirements and are financially feasible (these documents may recognize and include transportation projects

included in the first three years of the adopted Florida Department of Transportation Five-Year Work Program;

- the five-year CIP includes improvements necessary to correct any identified facility deficiencies and maintain the adopted LOS for existing and permitted development, as well as the proposed development;
- a realistic, financially feasible funding system based on currently available revenue sources exists and is adequate to fund the public facilities and services;
- the five-year CIP identifies the year in which actual construction of facilities and services will commence and the estimated date of project completion;
- the five-year CIP demonstrates that actual construction of facilities and provision of services are scheduled to commence by the third year of the five-year program;
- the Concurrency Management System and monitoring system has a demonstrated capability of monitoring the availability of public facilities and services and of assuring that necessary public facilities and services will be available to accommodate the impact of development; and
- the Reedy Creek Improvement District Comprehensive Plan clearly identifies all facilities and services to be provided with public funds in accordance with the adopted five-year CIP.

A plan amendment shall be required to eliminate, defer, or delay construction of any facility or service needed to maintain the adopted LOS standard.

Procedures. The applicant is responsible for providing sufficient information to enable the RCID department of Planning and Development to make the concurrency determination. The applicant may request a concurrency determination at any time prior to the issuance of the final development order. The applicant may request a concurrency determination for all phases or only the initial phase or phases of a multi-phased project; however, a Certificate of Concurrency for the initial phase or phases of a project shall not establish a vested right to continue subsequent phases for which a concurrency determination has not been made.

A Certificate of Concurrency shall remain in effect for the same period of time as the development order for the project. If the applicant has a change in its development program, it can request that a Certificate of Concurrency be voided for a project on which construction has not commenced.

MONITORING AND EVALUATION PROGRAM

The District has implemented a monitoring and evaluation program to ensure that the level of service standards are being maintained and to prescribe corrective measures in the event that they are not. The program consists of the following components.

Roads

Peak-season traffic counts are taken at least once annually on District roadways and the level of service on major road segments are determined. The analysis is used to annually adjust the District circulation plan, capital improvement priorities, and conditions for development approval.

Potable Water

The amount of groundwater pumped is monitored daily and evaluated at least once each peak season. Pumped volumes are compared with pumping and storage capacity to determine whether additional wells, larger pumps, or additional storage tanks are needed. Groundwater levels and quality are monitored to ensure that the supply is safe and sufficient. Water pressure is evaluated at various locations to determine whether the distribution system is sufficiently sized. Consumption patterns for various users are reviewed annually to ensure that the level of service standards for the seven listed land uses (Residential, Commercial/Retail, Restaurant, Convention Space, Support/Office Space, Accommodations, and Theme Park) are accurate. Service charges are reviewed annually to ensure that they will sufficiently cover projected operating and debt service costs.

Sanitary Sewer & Wastewater Reuse

The amount of wastewater treated is monitored daily and evaluated at least once each peak season. Treated volumes are compared with the capacity of the treatment plant and disposal system to determine the need for additional facilities. Effluent quality also is monitored in accordance with state and federal environmental regulations. Wastewater volumes from various users are reviewed annually to ensure that the level of service standards for the seven listed land uses are accurate. Service charges are reviewed annually to ensure that they will sufficiently cover projected operating and debt service costs.

Solid Waste

The amount of solid waste handled at the transfer station is periodically monitored and evaluated at least once each peak season. The amount handled is compared with the capacity of the transfer station to determine the need for expanded transfer facilities. Solid waste volumes from various users are reviewed annually to ensure that the level of service standards for the listed land uses are accurate. Service charges are reviewed annually to ensure that they will sufficiently cover projected operating and debt service costs.

Drainage

Drainage service levels are monitored through periodic modeling of the conditions that would result under storms of varying intensity, given the level of existing and planned development in the District. The results are used to adjust, at least annually, capital improvement priorities and conditions for development approval.

ANNUAL EVALUATION OF REVENUE SOURCES

The District evaluates its revenue sources at least annually to determine whether current services for generating revenue are sufficient. This involves a review of the millage rate and the service charges for various utilities.

It is anticipated that the District will continue to rely on its current sources of revenue for capital improvements. Ad valorem taxes, permitting fees, and investment interest will be the primary revenue sources for the General Fund, while utility sales and connection fees will be the primary revenue source for the Utility Enterprise Fund. Use of impact fees or other charges is not anticipated. However, as an alternative to higher taxes or utility rates, some of the improvements listed in this element may be constructed directly by the private sector as a condition of development approval. In most cases, the improvements would be dedicated to the District upon completion. The District will continue to operate without state or federal funds.

Debt service policies will be evaluated annually. The split between debt financing and front-end capital outlays will be determined by the following factors:

- the availability of net revenues;
- legal constraints;
- the revenue-generating potential of proposed utility projects;
- the urgency of the project and consequences of delay;
- the burden likely to be created by a higher millage rate or higher utility rates; and
- interest rates and the availability of tax-exempt financing.

