

Boggy Creek Improvement District

3501 Quadrangle Boulevard, Suite 270, Orlando, FL 32817; Phone: 407-723-5900

www.boggycreekid.org

The following is the proposed agenda for the upcoming Meeting of the Board of Supervisors for the Boggy Creek Improvement District ("District"), scheduled to be held at **3:00 p.m. on Tuesday, June 20, 2023, at Courtyard Orlando Lake Nona, 6955 Lake Nona Blvd., Orlando, FL 32827**. A quorum will be confirmed prior to the start of the meeting.

District Staff, please use the following information to join via computer or the conference line:

Phone: 1-844-621-3956 **Computer:** pfmgroup.webex.com **Participant Code:** 796 580 192#

BOARD OF SUPERVISORS' MEETING AGENDA

Organizational Matters

- Roll Call to Confirm a Quorum
- Public Comment Period
- 1. **Consideration of the Minutes of the May 9, 2023, Board of Supervisors' Meeting**

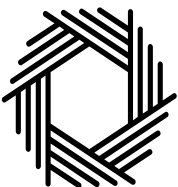
Financing Matters

2. **Consideration of PFM Financial Advisors Assessment Consulting Agreement**
3. **Consideration of 3rd Amended and Restated Engineer's Report for Capital Improvements Program** *(provided under separate cover)*
4. **Consideration of Supplemental Assessment Methodology Report for Series 2023 Bonds** *(provided under separate cover)*
5. **Consideration of Resolution 2023-06, Delegated Award Resolution**

Business Matters

6. **Discussion of Construction Committee Member Vacancy**
7. **Consideration of Pest Control Proposals** *(provided under separate cover)*
8. **Consideration of Non-Ad Valorem Assessment Administration Agreement with Orange County Property Appraiser**
9. **Review and Acceptance of Fiscal Year 2022 Audit**
10. **Discussion regarding Competitive Procurement of Underwriting Services**
11. **Ratification of 2nd Amendment to Geophysical Services Agreement**
12. **Ratification of Operation and Maintenance Expenditures Paid in May 2023 in an amount totaling \$77,822.75** *(provided under separate cover)*
13. **Ratification of Requisition No. 2018-291 – 2018-292 & 2018-294 – 2018-296 Paid in May 2023 in an amount totaling \$4,516.64** *(provided under separate cover)*
14. **Recommendation of Work Authorizations/Proposed Services** *(if applicable)*
15. **Review of District's Financial Position and Budget to Actual YTD** *(provided under separate cover)*

Other Business



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- A. Staff Reports
 - 1. District Counsel
 - 2. District Manager
 - 3. District Engineer
 - 4. Landscape Supervisor
 - 5. Irrigation Supervisor
 - 6. Construction Supervisor
- B. Supervisor Requests

Adjournment



BOGGY CREEK IMPROVEMENT DISTRICT

**Minutes of the May 9, 2023,
Board of Supervisors' Meeting**

**BOGGY CREEK IMPROVEMENT DISTRICT
BOARD OF SUPERVISORS' MEETING MINUTES**

FIRST ORDER OF BUSINESS

Roll Call to Confirm Quorum

The Board of Supervisors' Meeting for the Boggy Creek Improvement District was called to order on Tuesday, May 9, 2023, at 3:07p.m. at the Courtyard Orlando Lake Nona, 6955 Lake Nona Blvd, Orlando, FL 32827.

Present:

Damon Ventura	Vice Chairperson
Julie Salvo	Assistant Secretary
Chad Tinetti	Assistant Secretary

Also attending:

Jennifer Walden	PFM	
Lynne Mullins	PFM	(via phone)
Amanda Lane	PFM	(via phone)
Jorge Jimenez	PFM	(via phone)
Brent Wilder	PFM	(via phone)
Kevin Plenzler	PFM	
Tucker Mackie	Kutak Rock	
Ryan Dugan	Kutak Rock	(via phone)
Jeffrey Newton	Donald W. McIntosh Associates, Inc.	
Larry Kaufmann	Construction Supervisor	(via phone)
Matt McDermott	Construction Committee Member	
Katie Harmer	Berman	
Samantha Sharenow	Berman	

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Walden called for public comments. There were no public comments.

THIRD ORDER OF BUSINESS

**Consideration of the Minutes of the
April 18, 2023, Board of Supervisors'
Meeting**

The Board reviewed the minutes of the April 18, 2023, Board of Supervisors' Meeting.

On motion by Mr. Ventura, seconded by Ms. Salvo, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District approved the Minutes of the April 18, 2023, Board of Supervisors' Meeting.

FOURTH ORDER OF BUSINESS

**Letter from Supervisor of Elections –
Orange County**

Ms. Walden stated each year the District is required to state on the record the number of registered voters. As of April 15, 2023, there are 22 registered voters in the District. No action is required.

FIFTH ORDER OF BUSINESS

Discussion of Construction Committee Members

Mr. Kaufmann stated the Developer has asked the Board to consider reconfiguring the committee to five individuals instead of three. The Developer's recommendation with Board approval would be Dan Young, Drew Dawson, Chris Wilson, Larry Kaufmann, and Matt McDermott.

Ms. Mackie added the request from the Developer is to add two more members to help in achieving a quorum and add additional expertise to the Construction Committee. Mr. Kaufmann is resigning from the committee as of the June meeting, and at the June Board meeting, the Board would consider his replacement at that time.

On motion by Mr. Ventura, seconded by Ms. Salvo, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District approved adding two seats to the Construction Committee and appointed Drew Dawson and Dan Young.

SIXTH ORDER OF BUSINESS

Consideration of Agreement for Underwriting Services with Jefferies

Ms. Mackie stated the District has an outstanding BAN that will mature as of July 24, 2023, and the intent is to issue long term bonds to redeem the BAN in full, and in connection with that, District staff has received an unsolicited underwriting proposal from Jefferies.

Mr. Plenzler stated in the agenda package is the engagement letter from Jefferies. This is in a standard form indicating the amount of the transaction, as well as the compensation of 1.35%. He added that he has experience working with Jefferies on many transactions, they are a well-respected firm, and they do a great job. Overall, when looking at Jefferies' compensation, it is a very aggressive rate. Typically, in the non-rated space the rate is 2%. PFM also looked at other transactions, such as the Sunbridge Stewardship District and the Poitras East Community Development District, and those rates were at 1.5%. In addition, the lead underwriter, Mike Baldwin, is familiar with this District and the Bond issue as he worked on the previous issuance. With respect to the Series 2023 Bonds, they're going to be issued on a parity with the existing 2013 Bonds, so it's additionally advantageous to have that same underwriter be able to engage the investor base when it comes to this Bond.

Ms. Mackie stated for the Board's information there is no requirement for the District to go through a competitive procurement process to obtain the services of an underwriter, but given the fact that the District had some sister Districts go through something similar, this District does have a benchmark for purposes of comparison with respect to the discount being offered.

She noted given the maturity date, more time is always appreciated to give time to prepare the needed documents. The recommendation is to move forward with Jefferies. If the Board isn't ready to act today, then District staff would continue the Board Meeting and obtain other proposals within the next week or so as it needs to be finalized before the July maturity date.

On motion by Mr. Ventura, seconded by Ms. Salvo, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District accepted the Engagement Letter from Jefferies.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2023-05,
Approving a Preliminary Budget for
Fiscal Year 2024 and Setting a Public
Hearing Date**

Ms. Walden stated the proposed budget is an exhibit to the Resolution. District staff still has time over the next couple of months to make changes within the different line items, and no increases in assessments are anticipated. The recommendation would be setting the public hearing date for August 15, 2023, at 3:00 p.m. at this location.

On motion by Ms. Salvo, seconded by Mr. Tinetti, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District approved Resolution 2023-05, Approving a Preliminary Budget for Fiscal Year 2024 and Setting a Public Hearing Date for August 15, 2023, at 3:00 p.m. at the Courtyard Orlando Lake Nona, 6955 Lake Nona Blvd, Orlando, FL 32827.

EIGHTH ORDER OF BUSINESS

**Review and Acceptance of Arbitrage
Rebate Report for the Series 2013
Bonds**

Ms. Walden stated LLS Tax Solutions Inc is the vendor who the Board previously chose, and they have provided the report for the next five-year period which is 2018 to 2023. The report indicates that there is no cumulative rebatable arbitrage liability as of April 24, 2023.

On motion by Mr. Ventura, seconded by Ms. Salvo, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District accepted the Arbitrage Rebate Report for the Series 2013 Bonds from LLS Tax Solutions Inc.

NINTH ORDER OF BUSINESS

**Consideration of Pest Control
Proposals**

District staff obtained proposals from several vendors. As shown on the summary sheet, Tru Green declined to provide a bid, and Massey provided a proposal which is a little bit less than what the District is currently paying with Fire Ant Control. Ms. Walden noted that there are no issues with the current vendor. She added that the Greenway Improvement District Board decided to table this item to see how the other Boards wanted to move forward.

Discussion ensued regarding all the Boards being on the same page about switching companies and the cost associated with switching. Berman is recommending keeping the current vendor as they are consistent with their work and haven't asked for an increase in price in years.

This item was tabled.

TENTH ORDER OF BUSINESS

Consideration of Agreement for Geotechnical Engineering Services with PSI for Lift Station 9 Force Main

Mr. Newton stated the District needs PSI to do some borings along the force main alignment. PSI previously did it when the alignment of the force main was on the south side of Lake Nona Blvd., but since then the Developer has suggested that the District move it to the north side of Lake Nona Blvd. As a result, some supplemental borings are needed along that relocated force main alignment. This is a new agreement with PSI in the amount of \$4,010.00.

On motion by Mr. Ventura, seconded by Ms. Salvo, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District approved the Agreement with PSI for Geotechnical Engineering Services for Lift Station 9 Force Main in the amount of \$4,010.00.

ELEVENTH ORDER OF BUSINESS

Ratification of Operation and Maintenance Expenditures Paid in April 2023 in an amount totaling \$71,707.10

Ms. Walden noted that these expenditures have been approved and need to be ratified by the Board.

On motion by Ms. Salvo, seconded by Mr. Tinetti, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District ratified the Operation and Maintenance Expenditures Paid in April 2023 in an amount totaling \$71,707.10.

TWELFTH ORDER OF BUSINESS

Ratification of Requisition No. 2018-290 Paid in April 2023 in an amount totaling \$2,572.20

Ms. Walden noted that Requisition No. 2018-290 has been approved and needs to be ratified by the Board.

On motion by Mr. Tinetti, seconded by Ms. Salvo, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District ratified Requisition No. 2018-290 paid in April 2023 in an amount totaling \$2,572.20.

THIRTEENTH ORDER OF BUSINESS

Recommendation of Work Authorizations/Proposed Services

Ms. Walden stated there is a Work Authorization to replace additional bike lane signage. There's two that need to be replaced, and the cost from Berman is \$575.31.

On motion by Mr. Tinetti, seconded by Ms. Salvo, with all in favor, the Board of Supervisors for the Boggy Creek Improvement District approved the Work Authorization from Berman in the amount of \$575.31 to replace two additional bike lane signs.

FOURTEENTH ORDER OF BUSINESS

Review of District’s Financial Position and Budget to Actual YTD

Ms. Walden stated the District has expenses of just under \$551,000.00 versus an overall budget of \$1,760,000.00 which equates to spending approximately 31% of the budget.

FIFTEENTH ORDER OF BUSINESS

Staff Reports

District Counsel – Ms. Mackie stated following the conclusion of the 2023 legislative session there was a piece of legislation that was enacted that will take effect on January 1, 2024, and will require Board Supervisors to attend an annual ethics training consisting of about a four hour presentation. These are put on by several different entities and there are virtual options available. Ms. Mackie wanted the Board to be aware that was going to be a change moving forward.

District Manager – Ms. Walden noted that the Board meetings are going back to the third Tuesday of the month. The next meeting is scheduled for Tuesday, June 20, 2023.

District Engineer – Mr. Newton stated as the Board is aware there are no active construction projects in this District. However, there are a couple that are in design. He noted the Board just talked a little bit about Lift Station 9 and its associated Force Main and that design is just commencing. There is also the roundabout at Veterans Way and Laureate Blvd. that Kittleson is continuing to evaluate. They have determined the roundabout has the capacity to manage traffic at that intersection, and now they're evaluating geometry queuing at the VA gate.

Landscape Supervisor – No report.

Irrigation Supervisor – No report.

Construction Supervisor – No report.

SIXTEENTH ORDER OF BUSINESS

Supervisor Requests

There were no Supervisor requests.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

Ms. Walden requested a motion to adjourn.

On motion by Ms. Salvo, seconded by Mr. Tinetti, with all in favor, the May 9, 2023, Meeting of the Board of Supervisors for the Boggy Creek Improvement District was adjourned.

Secretary/Assistant Secretary

Chair/Vice Chair

BOGGY CREEK IMPROVEMENT DISTRICT

**PFM Financial Advisors
Assessment Consulting Agreement**



May 30, 2023

Richard Levey, PhD, Chairman
Boggy Creek Improvement District
6900 Tavistock Lakes Blvd, Ste 200
Orlando, FL 32827

Dear Dr. Levey:

As provided for under Exhibit A “Special Services” of our Agreement for Financial Advisory Services between PFM Financial Advisors, LLC (“PFM”) and Boggy Creek Improvement District (the “Client” and/or “District”) dated June 19, 2018, PFM has agreed to provide assessment consulting services for the Series 2023 Bonds of the District as needed and as set forth below.

pfm

3501 Quadrangle Blvd
Suite 270
Orlando, FL 32817
407.723.5900

SCOPE OF SERVICES

PFM will assist the District in establishing an appropriate assessment methodology to support the issuance of the Series 2023 Bonds of the District as needed. PFM’s assessment consulting services for each phase will include:

- Formulation of a supplemental assessment methodology outlining the assessment structure to be used to secure the repayment of the District's debt issuance
- Attendance at all District Board Meetings and any other public hearings or workshops related to the assessment methodology, as determined by the District’s Chairperson, financial advisor, legal counsel, or bond counsel and participation in all District staff conference calls, meeting, and workshops related to the adoption and/or implementation of a suitable debt assessment methodology
- Calculation of the preliminary and final assessment rolls or their equivalent and provision of assessment calculations and a preliminary assessment roll in Microsoft Excel format to the District’s manager, following the issuance of debt, for the manager’s use in administering the District’s assessments.

pfm.com



COMPENSATION FOR SERVICES

Series 2023 Bonds - Assessment Consulting Services - \$25,500

Subject to the receipt and access to information we deem necessary, in our sole discretion, to complete the tasks outlined above, PFM anticipates being able to complete the scope of work within the scheduled refunding timeline as presented by the Client.

Provided the terms are acceptable, please have an authorized official of the Client sign and return a copy of this letter to us to acknowledge acceptance of the terms of this engagement.

Sincerely,
PFM FINANCIAL ADVISORS LLC

Managing Director

Accepted by:

(Signature)

(Print Name)

(Date)

BOGGY CREEK IMPROVEMENT DISTRICT

**3rd Amended and Restated Engineer's Report
for Capital Improvements Program**
(provided under separate cover)

BOGGY CREEK IMPROVEMENT DISTRICT

**Supplemental Assessment Methodology Report
for Series 2023 Bonds**
(provided under separate cover)

BOGGY CREEK IMPROVEMENT DISTRICT

**Resolution 2023-06,
Delegated Award Resolution**

RESOLUTION 2023-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF BOGGY CREEK IMPROVEMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$20,000,000 AGGREGATE PRINCIPAL AMOUNT OF BOGGY CREEK IMPROVEMENT DISTRICT SPECIAL ASSESSMENT REVENUE REFUNDING BONDS, IN ONE OR MORE SERIES (THE “SERIES 2023 BONDS”); APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FOURTH SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2023 BONDS; APPOINTING AN UNDERWRITER; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT WITH RESPECT TO THE SERIES 2023 BONDS AND AWARDING THE SERIES 2023 BONDS TO THE UNDERWRITER NAMED THEREIN PURSUANT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2023 BONDS AND APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT AND THE APPOINTMENT OF A DISSEMINATION AGENT; PROVIDING FOR THE APPLICATION OF SERIES 2023 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2023 BONDS; APPOINTING A TRUSTEE, BOND REGISTRAR AND PAYING AGENT; PROVIDING FOR THE REGISTRATION OF THE SERIES 2023 BONDS PURSUANT TO THE DTC BOOK-ENTRY SYSTEM; DETERMINING CERTAIN DETAILS WITH RESPECT TO THE SERIES 2023 BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Boggy Creek Improvement District (the “District”) is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “Act”), created by Ordinance bearing documentary number 011126701 of the City Council of the City of Orlando, Florida, enacted on November 26, 2001, as amended; and

WHEREAS, the District was created for the purpose of financing and managing the acquisition, construction, installation, maintenance, and operation of community development facilities, services, and improvements within and without the boundaries of the District; and

WHEREAS, pursuant to Resolution No. 2006-02 adopted by the Board of Supervisors (the “Board”) of the District on October 17, 2005 (the “Master Bond Resolution”), the Board has authorized the issuance, sale and delivery of Bonds in an aggregate principal amount not to exceed \$110,000,000 (the “Bonds”), to be issued in one or more Series of Bonds as authorized under the Master Trust Indenture dated as of December 1, 2010 (the “Master Indenture”) by and between the District and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee (the “Trustee”), which Bonds were validated by final judgment of the Circuit Court of the Ninth Judicial Circuit of the State of Florida, in and for Orange County, Florida rendered on March 6, 2006, the appeal period for which has expired with no appeal having been taken; and

WHEREAS, the Board duly adopted Resolution No. 2008-08, on September 15, 2008, providing for the acquisition, construction and installation of assessable capital improvements (the “Capital Improvement Program”) more particularly described in the Third Amended and Restated Engineer’s Report for Capital Improvements Program adopted June 20, 2023, prepared by Donald W. McIntosh Associates, Inc. (the “Engineer’s Report”), providing estimated Costs of the Capital Improvement Program, defining assessable property to be benefited by the Capital Improvement Program, defining the portion of the Costs of the Capital Improvement Program with respect to which Assessments (as defined in the Master Indenture) will be imposed and the manner in which such Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll, and stating the intent of the District to issue Bonds of the District secured by such Assessments to finance a portion of the costs of the acquisition, construction and installation of the Capital Improvement Program, and the Board duly adopted Resolution No. 2009-03, on December 19, 2008, following a public hearing conducted in accordance with the Act, to fix and establish the Assessments and the benefited property; and

WHEREAS, in order to provide interim, short-term financing for the Capital Improvement Program, the District has previously issued its Not to Exceed \$25,000,000 Special Assessment Revenue Bond Anticipation Note, Series 2018 (the “Series 2018 BAN”) pursuant to the Master Indenture, as supplemented by a Third Supplemental Trust Indenture, dated as of July 1, 2018, by and between the District and the Trustee; and

WHEREAS, the Board has determined to issue its Boggy Creek Improvement District Special Assessment Revenue Refunding Bonds, Series 2023, in one or more Series (the “Series 2023 Bonds”), for the purpose, among others, of refunding the Series 2018 BAN to provide long-term financing for the portion of the Capital Improvement Program financed with proceeds of the Series 2018 BAN; and

WHEREAS, the Series 2023 Bonds shall constitute a series of Bonds authorized by the Master Bond Resolution; and

WHEREAS, there has been submitted to the Board with respect to the issuance and sale of the Series 2023 Bonds:

(i) a form of Fourth Supplemental Trust Indenture (the “Fourth Supplement” and, together with the Master Indenture, the “Indenture”), between the Trustee and the District attached hereto as **Exhibit A**;

(ii) a form of Bond Purchase Agreement with respect to the Series 2023 Bonds between Jefferies LLC and the District attached hereto as **Exhibit B** (the “Purchase Contract”), together with the form of disclosure statements attached to the Purchase Contract in accordance with Section 218.385, Florida Statutes;

(iii) a form of Preliminary Limited Offering Memorandum attached hereto as **Exhibit C** (the “Preliminary Limited Offering Memorandum”);

(iv) a form of Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), among the District, Lake Nona Property Holdings, LLC (the “Master Developer”), and Lake Nona Land Company, LLC (“LNLC”) attached hereto as **Exhibit D**; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Boggy Creek Improvement District, as follows:

Section 1. Definitions. All words and phrases used herein in capitalized form, unless otherwise defined herein, shall have the meanings ascribed to them in the Indenture.

Section 2. Authorization. There are hereby authorized and directed to be issued the Series 2023 Bonds, in the aggregate principal amount of not to exceed \$20,000,000, for the purpose, among others, of refunding the Series 2018 BAN and providing long-term financing for the payment of a portion of the Costs of the Capital Improvement Program. The purchase price of the Series 2023 Bonds shall be received and receipted by the District, or the Trustee on behalf of the District, and the Trustee shall apply the proceeds of the Series 2023 Bonds as set forth in the Fourth Supplement and the Limited Offering Memorandum (as defined below). The Series 2023 Bonds shall be dated, have such interest payment dates, have such maturities, have such redemption provisions and bear interest at such rates, all as provided in the Indenture.

Section 3. Trust Indenture. The Fourth Supplement is hereby approved in substantially the form set forth as **Exhibit A**, and the Chair or the Vice Chair of the Board is hereby authorized and directed to execute and deliver such Fourth Supplement on behalf of and in the name of the District and the Secretary or any Assistant Secretary of the Board is hereby authorized to attest such execution, with such additions and deletions therein as may be made and/or approved by the Chair or the Vice Chair executing the same, such execution to be conclusive evidence of such approval.

Section 4. Appointment of Underwriter; Negotiated Sale. Jefferies LLC (the “Underwriter”) is hereby appointed as the underwriter for the Series 2023 Bonds. The Series 2023 Bonds shall be sold pursuant to a negotiated sale to the Underwriter. It is hereby determined by the Board that a negotiated sale of the Series 2023 Bonds to the Underwriter is in the best interests of the District because of prevailing market conditions, because delays caused by soliciting

competitive bids could adversely affect the District's ability to issue and deliver the Series 2023 Bonds at presently favorable interest rates, and because the nature of the security for the Series 2023 Bonds and the source(s) of payment of Debt Service on the Series 2023 Bonds requires the participation of the Underwriter in structuring the Series 2023 Bond issue.

Section 5. Purchase Contract. The Board hereby approves the Purchase Contract submitted by the Underwriter in substantially the form attached as **Exhibit B** hereto. The Chair or Vice Chair of the Board is hereby authorized to execute the Purchase Contract and to deliver the Purchase Contract to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the executing Chair or Vice Chair; provided, however, that (i) the principal amount of the Series 2023 Bonds shall not exceed \$20,000,000, (ii) the average net interest cost on the Series 2023 Bonds shall not exceed the maximum allowable by Section 215.84, Florida Statutes, (iii) the Series 2023 Bonds shall have a maturity date no later than May 1, 2055, or as provided by law, and (iv) the Underwriter's discount shall not exceed 1.50% of the aggregate principal amount of the Series 2023 Bonds. Execution by the Chair or Vice Chair of the Purchase Contract shall be deemed to be conclusive evidence of approval of such changes.

Section 6. Preliminary Limited Offering Memorandum; Final Limited Offering Memorandum. The Board hereby approves the form of the Preliminary Limited Offering Memorandum attached hereto as **Exhibit C** and authorizes its distribution and use in connection with the limited offering for the sale of the Series 2023 Bonds. If between the date hereof and the mailing of the Preliminary Limited Offering Memorandum it is necessary to make insertions, modifications and changes to the Preliminary Limited Offering Memorandum, the Chair or Vice Chair is hereby authorized to approve such insertions, changes and modifications, and the Chair or Vice Chair is hereby authorized to deem the Preliminary Limited Offering Memorandum "final" within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 (the "Rule"). The preparation of a final Limited Offering Memorandum is hereby authorized and approved and the Chair or Vice Chair is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the Series 2023 Bonds and, upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the Series 2023 Bonds. The Limited Offering Memorandum shall be substantially in the form of the final Preliminary Limited Offering Memorandum, with such changes as shall be approved by the Chair or Vice Chair as necessary to conform to the details of the final pricing of the Series 2023 Bonds and such other insertions, modifications and changes as may be approved by the Chair or Vice Chair.

Section 7. Continuing Disclosure. The District does hereby authorize and approve the execution and delivery of the Continuing Disclosure Agreement by the Chair or Vice Chair in substantially the form and attached hereto as **Exhibit D**. The Continuing Disclosure Agreement is being executed by the District in order to assist the Underwriter in complying with the Rule. The Chair or Vice Chair is hereby authorized to appoint a dissemination agent to perform the duties of dissemination agent required under the Continuing Disclosure Agreement.

Section 8. Appointment of Trustee, Paying Agent, and Bond Registrar. U.S. Bank Trust Company, National Association is hereby appointed to serve as Trustee, Paying Agent, and Bond Registrar under the Indenture.

Section 9. Open Meetings. It is found and determined that all formal actions of the Board concerning and relating to the adoption of this Resolution were taken in an open meeting of the members of the Board and that all deliberations of the members of the Board which resulted in such formal action were taken in meetings open to the public, in full compliance with all legal requirements.

Section 10. Further Official Action; Ratification of Prior Acts. The Chair, the Vice Chair, the Secretary, any Assistant Secretary or member of the Board, PFM Group Consulting LLC, in its capacity as District Manager, and any other proper official of the District (each a "District Officer") and any authorized designee thereof, are each hereby authorized and directed to execute and deliver any and all documents and instruments (including, without limitation, any documents required by the Trustee to evidence its rights and obligations with respect to the Series 2023 Bonds, any documents required in connection with implementation of a book-entry system of registration, any agreements with the Master Developer or LNLC, and any agreements in connection with maintaining the exclusion of interest on the Series 2023 Bonds from gross income of the holders thereof) and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this Resolution. In the event that the Chair or the Vice Chair is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the designee of such officer or official or any other duly authorized officer or official of the District. Any District Officer is hereby authorized and directed to apply and attest the official seal of the District to any agreement or instrument authorized or approved herein that requires such a seal and attestation. The Chair or other District Officer may, among other things, authorize the change of the date of any document accompanying this Resolution as an exhibit or incorporate the information and details related to the sale and pricing of the Series 2023 Bonds. Execution by the Chair or other District Officer of such document shall be deemed to be conclusive evidence of approval of such change of date or the incorporation of information and details relating to the sale and pricing of the Series 2023 Bonds. All actions taken to date by any District Officer and the agents and employees of the District in furtherance of the issuance of the Series 2023 Bonds are hereby approved, confirmed and ratified.

Section 11. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 12. Inconsistent Proceedings. All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

Section 13. Engineer's Report. The Board hereby approves of changes to the Engineer's Report previously approved by the Board and also authorizes further revisions and supplements to the Engineer's Report with respect to the marketing and sale of the Series 2023 Bonds.

Section 14. Assessment Methodology Reports. The Board authorizes further modifications and supplements to the Assessment Methodology previously approved by the Board to conform such reports to the marketing and sale of the Series 2023 Bonds.

Section 15. Ratification of Master Bond Resolution. Except to the extent hereby modified, the Master Bond Resolution of the District is hereby ratified, confirmed and approved in all respects.

Section 16. Effective Date. This Resolution shall take effect immediately upon its adoption.

[End of Resolution – Signature page to follow]

PASSED in Public Session of the Board of Supervisors of Boggy Creek Improvement District, this 20th day of June, 2023.

BOGGY CREEK IMPROVEMENT DISTRICT

Secretary/Assistant Secretary

Chair, Board of Supervisors

EXHIBIT A

FORM OF FOURTH SUPPLEMENT

EXHIBIT B

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT C

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

EXHIBIT D

FORM OF CONTINUING DISCLOSURE AGREEMENT

BOGGY CREEK IMPROVEMENT DISTRICT

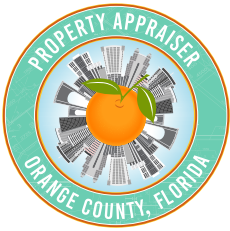
**Discussion of
Construction Committee Member Vacancy**

BOGGY CREEK IMPROVEMENT DISTRICT

Pest Control Proposals
(provided under separate cover)

BOGGY CREEK IMPROVEMENT DISTRICT

**Non-Ad Valorem Assessment
Administration Agreement with
Orange County Property Appraiser**



NON-AD VALOREM ASSESSMENT ADMINISTRATION AGREEMENT

An AGREEMENT made this 31 day of May 2023 between **AMY MERCADO** as Orange County Property Appraiser (Property Appraiser) and, **Boggy Creek Improvement District** (Taxing Authority), and is effective upon acceptance by both parties and through, September 30, 2023.

1. The Taxing Authority desires to use the services of the Property Appraiser to maintain non-ad valorem assessments on the tax roll and the Property Appraiser is prepared to do so, on behalf of the Taxing Authority. Each party represents that it has satisfied all conditions precedent to enter into this agreement.
2. The Property Appraiser agrees to perform the following service for the Taxing Authority:
 - A. Create a Non-Ad Valorem Assessment Roll for the Taxing Authority for the 2023 tax roll year using data provided annually to the Property Appraiser's Office by the Taxing Authority per attached Calendar for Implementation of Non- Ad Valorem Assessment Roll.
 - B. Provide the Taxing Authority with a data file in a compatible format on or before April 1, containing all parcels within the boundaries of the Taxing Authority to be used for the Taxing Authority's planning purposes in establishing its non-ad valorem assessments.
 - C. Receive from the Taxing Authority its proposed or adopted non-ad valorem assessment levy for each type of property and apply that amount to each parcel of real property as stipulated by Taxing Authority.
 - D. Include the Taxing Authority's non-ad valorem assessments on the Notice of Proposed Property Taxes and Proposed or Adopted Non-Ad Valorem Assessments mailed to all property owners in August of each year.
 - E. Receive from the Taxing Authority, corrections or changes to the roll and update the Non-Ad Valorem Assessment Roll for tax bills on or before September 15 of each year, the statutory deadline for certification of non-ad valorem assessments.
 - F. Deliver the Taxing Authority's Non-Ad Valorem Assessment Roll to the Orange County Tax Collector's Office so that tax bills mailed on or about November 1 will include the Taxing Authority's non-ad valorem assessment levies.

3. Taxing Authority agrees to perform the following acts in connection with this agreement:
 - A. Advise the property owners within the Taxing Authority in an appropriate and lawful manner of the Taxing Authority's intention to utilize the Uniform non- ad valorem assessment method described in Sections 197.3631 through 197.3635, Florida Statutes, and any other applicable Florida statute, and carry out its responsibilities under said sections.
 - B. Timely provide the Property Appraiser with information required to prepare the Uniform Non-Ad Valorem Assessment Roll per the Calendar for Implementation of Non-Ad Valorem Assessment Roll.
 - C. Advise the property owners within the Taxing Authority as appropriate that the Property Appraiser's office is acting in a ministerial capacity for the Taxing Authority in connection with the non-ad valorem assessments.
 - D. Preparation and delivery of certificate of corrections directly to Tax Collector, with copy to Property Appraiser, for any corrections to a certified final tax roll.
4. The Taxing Authority shall use its best efforts in furnishing the Property Appraiser with up-to-date and accurate data concerning its boundaries, proposed assessments, and other information as requested from time to time by the Property Appraiser and necessary to facilitate his making the assessment in question. The Property Appraiser shall, using the information provided by the Taxing Authority, place the district's non-ad valorem assessments, as made from time to time and certified to him, on properties within the district.
5. The Property Appraiser shall be compensated by the Taxing Authority for the administrative costs incurred in carrying out this Agreement. These costs include, but are not limited to labor, printing, forms, office supplies, computer equipment usage, postage, programming, or any other associated costs.
6. On 1st day of October of each applicable year, the administrative fee will be invoiced to the Taxing Authority equivalent to **\$0** per parcel assessed with a non-ad valorem tax. Parcel counts supporting the invoiced fee will be determined based upon the most current certified non-ad valorem assessment roll. Any new assessments added to the tax roll that were not previously certified and invoiced an administrative fee, will be separately invoiced on or around July 15 and prior to mailing of the Notice of Proposed Property Taxes in August.
7. The specific duties to be performed under this agreement and their respective timeframes are contained in the Calendar for Implementation of Non-Ad Valorem Assessment Roll, which is incorporated herein by reference.
8. This agreement constitutes the entire agreement between the parties and can only be modified in writing and signed by both parties.
9. All parts of this Agreement not held unenforceable for any reason shall be given full force and effect.
10. All communications required by this agreement shall be in writing and sent by first class mail, email, or facsimile to the other party.

Notices to the Taxing Authority shall be addressed to:

Boggy Creek Improvement District
Lynne Mullins
PFM Group Consulting LLC
3501 Quadrangle Blvd., Ste. 270
Orlando, FL 32817
mullinsl@pfm.com
(407)723-5935

Notices to the Property Appraiser shall be addressed to:

Carmen Crespo, Director, Accounting and Finance
Orange County Property Appraiser
200 S. Orange Ave., Suite 1700
Orlando, FL 32801
ccrespo@ocpafl.org
(407) 836-5353

11. TERMINATION. This Agreement may be terminated by either party upon written notice. Property Appraiser will perform no further work after the written termination notice is received.
12. TERM. This Agreement shall continue until such time as either party terminates the Agreement pursuant to Paragraph 11, above.
13. GOVERNING LAW; VENUE. This Agreement shall be governed by the laws of the State of Florida. Any action to interpret or enforce any provision of this Agreement shall be brought in the State and Federal courts for Orange County, Florida.

ORANGE COUNTY PROPERTY APPRAISER

Signed _____
AMY MERCADO, MBA

Date _____

BOGGY CREEK IMPROVEMENT DISTRICT

Name _____

Signed _____

Date _____

CALENDAR FOR IMPLEMENTATION OF NON-AD VALOREM ASSESSMENTS

On or about April 1st, Property Appraiser to provide the Taxing Authority with an electronic file that includes parcel ID and any other information applicable or requested. Taxing Authority may request this file at any time after January 1st, but must understand that many splits/ combos, annexations, etc., may not be reflected early in the tax year and subsequent files may be necessary. If any additional information is required at any time by Taxing Authority, it should be requested of the Property Appraiser by Taxing Authority, allowing for a reasonable turnaround time. The file shall be in an ascii file, text or excel file, unless another format is requested and agreed upon between parties.

June 1

- Property Appraiser distributes Best Estimate of Taxable Value to all Taxing Authorities.

July 1

- Property Appraiser certifies Preliminary tax roll to all taxing authorities.
- Taxing Authority reviews all assessments and provides final approval for Notice of Proposed Property Taxes (TRIM)

July 15

- Property Appraiser to invoice Administrative Fee for new parcels, if any, assessed and in excess of prior year certified non-ad valorem assessment roll parcel count.

August 4

- The Taxing Authority adopts its proposed millage rate and submits to the Property Appraiser for TRIM.

August 24

- Last day Property Appraiser can mail TRIM notices to all property owners on the tax roll.

September 3 – October 3

- Taxing Authority holds initial and final public budget hearing.

September 15

- Taxing Authority certifies final non-ad valorem assessment roll to Property Appraiser on or before September 15 with any changes, additions, or deletions to the non-ad valorem assessment roll since the TRIM notices.

October

- Property Appraiser to mail Non-Ad Valorem Assessment Administration Agreement and invoice for non-ad valorem assessment processing for subsequent tax roll, based upon most recent certified non-ad valorem assessment roll parcel count.
- Property Appraiser delivers the Taxing Authority non-ad valorem assessment roll to the Tax Collector for collection of taxes on November 1 tax bills.

BOGGY CREEK IMPROVEMENT DISTRICT

Fiscal Year 2022 Audit

Boggy Creek Improvement District

ANNUAL FINANCIAL REPORT

September 30, 2022

Boggy Creek Improvement District

ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2022

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Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
Boggy Creek Improvement District
Orlando, Florida

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of Boggy Creek Improvement District (the "District"), as of and for the year ended September 30, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Boggy Creek Improvement District as of September 30, 2022, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

To the Board of Supervisors
Boggy Creek Improvement District

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

To the Board of Supervisors
Boggy Creek Improvement District

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 22, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boggy Creek Improvement District's internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May 22, 2023

Boggy Creek Improvement District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022

Management's discussion and analysis of Boggy Creek Improvement District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment, transportation and debt service.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**Boggy Creek Improvement District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual**, is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including land, buildings and improvements, and infrastructure are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2022.

- ◆ The District's total assets and deferred outflows of resources were exceeded by total liabilities by \$(45,216,791) (net position). Net investment in capital assets was \$3,151,642. Restricted net position was \$31,224. Unrestricted net position was \$(48,399,657).

- ◆ Governmental activities revenues totaled \$6,588,486 while governmental activities expenses totaled \$4,770,252.

**Boggy Creek Improvement District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2022	2021
Current assets	\$ 538,769	\$ 440,933
Restricted assets	6,558,977	5,107,185
Capital assets	6,585,341	5,164,616 *
Total Assets	<u>13,683,087</u>	<u>10,712,734 *</u>
Deferred amount on refunding	<u>3,912,831</u>	<u>4,192,319</u>
Current liabilities	3,161,081	3,083,022
Non-current liabilities	59,651,628	58,857,056 *
Total Liabilities	<u>62,812,709</u>	<u>61,940,078 *</u>
Net Position		
Net investment in capital assets	3,151,642	4,192,319
Restricted net position	31,224	-
Unrestricted net position	(48,399,657)	(51,227,344)
Total Net Position	<u>\$ (45,216,791)</u>	<u>\$ (47,035,025)</u>

*Restated

The increase in current assets is related to revenues exceeding expenditures in the General Fund in the current year.

The increase in restricted assets is related to the increase in special assessments in the Debt Service Fund in the current year.

The increase in capital assets is related to the infrastructure added in the current year.

The decrease in liabilities is related to the principal payments on long-term debt in the current year.

**Boggy Creek Improvement District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change in Net Position

	Governmental Activities	
	2022	2021
Program Revenues		
Charges for services	\$ 6,147,147	\$ 3,638,445
Operating contributions	283,630	11,230
Capital contributions	146,320	-
General Revenues		
Investment earnings	11,389	2,411
Gain on sale of assets	-	13,737
Total Revenues	<u>6,588,486</u>	<u>3,665,823</u>
Expenses		
General government	134,231	122,513
Physical environment	858,991	696,002
Transportation	415,813	-
Interest and other charges	3,361,217	3,359,333
Total Expenses	<u>4,770,252</u>	<u>4,177,848</u>
Change in Net Position	1,818,234	(512,025)
Net Position - Beginning of Year	<u>(47,035,025)</u>	<u>(46,523,000)</u>
Net Position - End of Year	<u>\$ (45,216,791)</u>	<u>\$ (47,035,025)</u>

The increase in charges for services is related to the increase in debt service special assessments in the current year.

The increase in physical environment is primarily related to the increase in an abandoned streetlight project in the current year.

The increase in transportation was related to a shuttle service that was implemented in the current year.

**Boggy Creek Improvement District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2022 and 2021.

<u>Description</u>	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Construction in progress	\$ 3,876,731	\$ 3,692,470
Land	705,984	705,984
Infrastructure	1,428,817	-
Improvements other than buildings	70,888	70,888
Equipment	700,000	700,000 *
Accumulated depreciation	<u>(197,079)</u>	<u>(4,726)</u>
Total Capital Assets	<u>\$ 6,585,341</u>	<u>\$ 5,164,616</u>

*Restated

The activity for the year consisted of \$184,261 in additions to construction in progress and \$1,428,817 in additions to infrastructure and depreciation of \$192,353.

General Fund Budgetary Highlights

Actual governmental expenditures were less than final budgeted amounts primarily due to lower transportation and contingency costs than were anticipated.

The General Fund budget was not amended in the current year.

Debt Management

Governmental Activities debt includes the following:

- In April 2013, the District issued \$56,815,000 Series 2013 Special Assessment Revenue and Revenue Refunding Bonds. The bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. The balance outstanding at September 30, 2022 was \$44,960,000.
- In July 2018, the District issued a not-to-exceed \$25,000,000 Bond Anticipation Note. The Note was issued to fund a portion of the Series 2018 Project. The balance outstanding at September 30, 2022 was \$16,887,332.
- During the year ended September 30, 2021, the District entered into a financed purchase agreement for autonomous vehicles. The agreement has an end of finance purchase option which qualifies it as a financed purchase. The agreement, in the total amount of \$700,000, commenced in July 2021 for a term of 5 annual payments. The balance outstanding at September 30, 2022 is \$564,110.

**Boggy Creek Improvement District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Boggy Creek Improvement District's construction is ongoing; however, the District does not anticipate economic factors to affect operations for the year ended September 30, 2023.

Request for Information

The financial report is designed to provide a general overview of Boggy Creek Improvement District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Boggy Creek Improvement District, PFM Group Consulting LLC, 3501 Quadrangle Boulevard, Suite 270, Orlando, Florida 32817.

Boggy Creek Improvement District
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 441,927
Investments	1,312
Accrued interest receivable	6,348
Due from developer	40,687
Due from other governments	24,543
Deposits	5,000
Prepaid expenses	18,952
Total Current Assets	538,769
Non-current Assets	
Restricted assets	
Cash and investments	6,558,977
Capital assets, not being depreciated	
Land	705,984
Construction in progress	3,876,731
Capital assets, being depreciated	
Improvements other than buildings	70,888
Infrastructure	1,428,817
Equipment	700,000
Accumulated depreciation	(197,079)
Total Non-current Assets	13,144,318
Total Assets	13,683,087
 DEFERRED OUTFLOW OF RESOURCES	
Deferred amount on refunding, net	3,912,831
 LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	63,460
Contracts payable	12,262
Bonds payable	1,685,000
Financed purchase payable	137,914
Accrued interest payable	1,262,445
Total Current Liabilities	3,161,081
Non-current liabilities	
Bond anticipation notes payable	16,687,332
Bonds payable, net	42,538,100
Financed purchase payable	426,196
Total Non-current Liabilities	59,651,628
Total Liabilities	62,812,709
 NET POSITION	
Net investment in capital assets	3,151,642
Restricted for capital projects	31,224
Unrestricted	(48,399,657)
Total Net Position	\$ (45,216,791)

See accompanying notes to financial statements.

Boggy Creek Improvement District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position
					Governmental Activities
Governmental Activities					
General government	\$ (134,231)	\$ 112,845	\$ 34,772	\$ -	\$ 13,386
Physical environment	(858,991)	575,740	177,409	146,320	40,478
Transportation	(415,813)	231,870	71,449	-	(112,494)
Interest and other charges	(3,361,217)	5,226,692	-	-	1,865,475
Total Governmental Activities	<u>\$ (4,770,252)</u>	<u>\$ 6,147,147</u>	<u>\$ 283,630</u>	<u>\$ 146,320</u>	<u>1,806,845</u>
		General Revenues			
					Investment earnings
					<u>11,389</u>
					Change in Net Position
					1,818,234
					Net Position - October 1, 2021
					<u>(47,035,025)</u>
					Net Position - September 30, 2022
					<u>\$ (45,216,791)</u>

See accompanying notes to financial statements.

Boggy Creek Improvement District
BALANCE SHEET -
GOVERNMENTAL FUNDS
September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash	\$ 428,794	\$ -	\$ 13,133	\$ 441,927
Investments	1,312	-	-	1,312
Accrued interest receivable	-	6,311	37	6,348
Due from developer	40,687	-	-	40,687
Due from other governments	24,269	-	274	24,543
Prepaid expenses	18,952	-	-	18,952
Deposits	5,000	-	-	5,000
Restricted assets				
Cash and investments, at fair value	-	6,528,935	30,042	6,558,977
Total Assets	\$ 519,014	\$6,535,246	\$ 43,486	\$ 7,097,746
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 63,460	\$ -	\$ -	\$ 63,460
Contracts payable	-	-	12,262	12,262
Total Liabilities	63,460	-	12,262	75,722
Fund Balances				
Nonspendable - deposits/prepays	23,952	-	-	23,952
Assigned for capital projects	-	-	13,444	13,444
Restricted for debt service	-	6,535,246	-	6,535,246
Restricted for capital projects	-	-	17,780	17,780
Unassigned	431,602	-	-	431,602
Total Fund Balances	455,554	6,535,246	31,224	7,022,024
Total Liabilities and Fund Balances	\$ 519,014	\$6,535,246	\$ 43,486	\$ 7,097,746

See accompanying notes to financial statements.

Boggy Creek Improvement District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2022

Total Governmental Fund Balances	\$ 7,022,024
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, land, \$705,984, construction in progress, \$3,876,731, improvements other than buildings, \$70,888, infrastructure, \$1,428,717, and equipment, \$700,000, net of accumulated depreciation, \$(197,079), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.	6,585,341
Deferred outflows of resources, deferred amount on refunding, net, are not current financial resources and therefore, are not reported at the governmental fund level.	3,912,831
Long-term liabilities, including bonds payable, \$(61,647,332), net of bond discounts, net, \$736,900, and financed purchases payable, \$(564,110), are not due and payable in the current period and therefore, are not reported at the fund level.	(61,474,542)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the governmental fund level.	<u>(1,262,445)</u>
Net Position of Governmental Activities	<u><u>\$ (45,216,791)</u></u>

See accompanying notes to financial statements.

Boggy Creek Improvement District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Special assessments	\$ 920,455	\$ 5,226,692	\$ -	\$ 6,147,147
Developer contributions	284,181	-	146,320	430,501
Interest income	194	11,135	60	11,389
Total Revenues	<u>1,204,830</u>	<u>5,237,827</u>	<u>146,380</u>	<u>6,589,037</u>
EXPENDITURES				
Current				
General government	134,231	-	-	134,231
Physical environment	684,852	-	121,786	806,638
Transportation	275,813	-	-	275,813
Capital outlay	-	-	1,613,078	1,613,078
Debt service				
Principal	-	1,600,000	135,890	1,735,890
Interest	-	3,032,449	10,430	3,042,879
Total Expenditures	<u>1,094,896</u>	<u>4,632,449</u>	<u>1,881,184</u>	<u>7,608,529</u>
Excess revenues over/(under) expenditures	<u>109,934</u>	<u>605,378</u>	<u>(1,734,804)</u>	<u>(1,019,492)</u>
Other Financing Sources/(Uses)				
Draws from bond anticipation notes	-	852,841	1,729,555	2,582,396
Transfers in	-	-	2,945	2,945
Transfers out	-	(2,945)	-	(2,945)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>849,896</u>	<u>1,732,500</u>	<u>2,582,396</u>
Net Change in Fund Balances	<u>109,934</u>	<u>1,455,274</u>	<u>(2,304)</u>	<u>1,562,904</u>
Fund Balances - October 1, 2021	<u>345,620</u>	<u>5,079,972</u>	<u>33,528</u>	<u>5,459,120</u>
Fund Balances - September 30, 2022	<u>\$ 455,554</u>	<u>\$ 6,535,246</u>	<u>\$ 31,224</u>	<u>\$ 7,022,024</u>

See accompanying notes to financial statements.

Boggy Creek Improvement District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 1,562,904
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlay is reported as expenditures at the fund level. At the government-wide level, it is reported as additions to capital assets. This is the difference between capital outlay, \$1,613,078 and depreciation, \$(192,353).	1,420,725
Repayments of principal are expenditures at the fund level, but the repayments reduce long-term liabilities in the Statement of Net Position.	1,735,890
Bond anticipation note proceeds are reflected as an other financing source at the fund level, however, they are reflected as an addition to liabilities at the government-wide level.	(2,582,396)
Governmental funds report bond discounts as expenditures. However, in the Statement of Activities, the cost is allocated as amortization expense.	(35,090)
Deferred outflows of resources for refunding debt is recognized as a component of interest on long term debt in the Statement of Activities, but not in the governmental funds. This is the amount of interest in the current year period.	(279,488)
Unavailable revenues are recognized as a deferred inflow of resources at the fund level. This is the current year change in deferred inflows of resources.	(551)
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and current year accruals.	(3,760)
Change in Net Position of Governmental Activities	<u>\$ 1,818,234</u>

See accompanying notes to financial statements.

Boggy Creek Improvement District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 920,455	\$ 920,455	\$ 920,455	\$ -
Developer contributions	725,320	725,320	284,181	(441,139)
Interest income	100	100	194	94
Total Revenues	<u>1,645,875</u>	<u>1,645,875</u>	<u>1,204,830</u>	<u>(441,045)</u>
Expenditures				
Current				
General government	141,085	141,085	134,231	6,854
Physical environment	806,209	806,209	684,852	121,357
Transportation	725,320	725,320	275,813	449,507
Total Expenditures	<u>1,672,614</u>	<u>1,672,614</u>	<u>1,094,896</u>	<u>577,718</u>
Excess revenues over/(under) expenditures	<u>(26,739)</u>	<u>(26,739)</u>	<u>109,934</u>	<u>136,673</u>
Net Change in Fund Balances	(26,739)	(26,739)	109,934	136,673
Fund Balances - October 1, 2021	<u>26,739</u>	<u>26,739</u>	<u>345,620</u>	<u>318,881</u>
Fund Balances - September 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,554</u>	<u>\$ 455,554</u>

See accompanying notes to financial statements.

Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Boggy Creek Improvement District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established in 2001 by an ordinance of the City Council of Orlando, Florida, under the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is governed by a five-member Board of Supervisors. The District operates within the criteria established by Chapter 190, Florida Statutes. The Board has the responsibility for assessing and levying assessments, approving budgets, exercising control over facilities and properties, controlling the use of funds generated by the District, approving the hiring and firing of key personnel, and financing improvements.

The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility. Oversight responsibility includes, but is not limited to, financial interdependency, designation of management, significant ability to influence operations and accountability for fiscal matters. As required by GAAP, these financial statements present the Boggy Creek Improvement District (the primary government) as a stand-alone government.

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments and interest. Program revenues include charges for services, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District has implemented the Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by the state constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

**Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

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

Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – Accounts for debt service requirements for the annual payment of principal and interest on long-term debt

Capital Projects Fund – The Capital Projects Fund accounts for construction of infrastructure improvements within the boundaries of the District.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as special assessment bonds, be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Deferred Outflows of Resources, Liabilities and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities and Net Position or Equity (Continued)

a. Cash and Investments (Continued)

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash equivalents include time deposits and certificates of deposit with original maturities of three months or less and held in a qualified public depository as defined by Section 280.02, Florida Statutes.

b. Restricted Assets

Certain net position of the District are classified as restricted assets on the Statement of Net Position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

Capital assets, which include land, construction in progress, improvements other than buildings, infrastructure and equipment, are reported in the applicable governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of improvements other than buildings are 15 years, infrastructure is 30 years and equipment 5 years.

**Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**4. Assets, Deferred Outflows of Resources, Liabilities and Net Position or Equity
(Continued)**

d. Deferred Outflows of Resources

Deferred outflows of resources is the consumption of net position by the government that is applicable to a future reported period. Deferred amount on refunding is amortized and recognized as a component of interest expense over the life of the bond.

e. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget variance columns of the accompanying financial statements may occur.

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

“Total fund balances” of the District’s governmental funds, \$7,022,024, differs from “net position” of governmental activities, \$(45,216,791), reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated on the next page.

**Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)

Capital related items

When capital assets (that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the District as a whole.

Land		\$ 705,984
Infrastructure		1,428,817
Improvements other than buildings		70,888
Equipment		700,000
Construction in progress		3,876,731
Accumulated depreciation		(197,079)
Total		<u>\$ 6,585,341</u>

Deferred outflows of resources

Deferred outflow of resources are not financial resources, and therefore, are not recognized at the fund level.

Deferred amount on refunding, net		<u>\$ 3,912,831</u>
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Long-term debt transactions

Long-term liabilities applicable to the District’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position.

Balances at September 30, 2022 were:

Bonds payable		\$ (44,960,000)
Bond anticipation notes payable		(16,687,332)
Bond discount, net		736,900
Financed purchase payable		(564,110)
Total		<u>\$ (61,474,542)</u>

Accrued interest

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to accrued interest on bonds.

Accrued interest		<u>\$ (1,262,445)</u>
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Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for government funds, \$1,562,904, differs from the “change in net position” for governmental activities, \$1,818,234, reported in the statement of activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, the cost of those assets are capitalized at the government wide level and allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas, net position changes by the amount of capital additions net of any depreciation charged for the year.

Capital outlay		\$	1,613,078
Depreciation			(192,353)
Total			<u>\$ 1,420,725</u>

Long-term debt transactions

Repayments of principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used.

Debt principal payments		\$	1,735,890
Bond anticipation note draws			(2,582,396)
Bond discount amortization			(35,090)
Total			<u>\$ (881,596)</u>

Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in accrued interest payable		\$	(3,760)
Decrease in deferred amount on refunding			(279,488)
Total			<u>\$ (283,248)</u>

Deferred inflows of resources

Unavailable revenues are recognized as deferred inflows of resources at the fund level. This is the current year change in deferred inflows of resources.

Changes in unavailable revenues		\$	<u>(551)</u>
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**Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE C – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2022, the District's bank balance was \$512,094 and the carrying value was \$441,927. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

Investments

As of September 30, 2022, the District had the following investments and maturities:

Investment	Maturities	Fair Value
Florida PRIME	21 days*	\$ 1,312
Managed Money Market	N/A	5,217,362
Business Money Market	N/A	1,341,615
Total		\$ 6,560,289

* Weighted Average Maturity

The District categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted prices for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investments in Managed Money Market Funds are Level 1 assets.

Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE C – CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. The investment in Florida PRIME is measured at amortized cost. Florida PRIME has established policies and guidelines regarding participant transactions and the authority to limit or restrict withdrawals or impose a penalty for an early withdrawal. As of September 30, 2022, there were no redemption fees, maximum transaction amounts, or any other requirements that would limit daily access to 100 percent of the account value.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2022 Florida PRIME was rated AAAM per Standard & Poor's. The Money Market Mutual Funds were not rated by any nationally recognized agency.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in the Business Money Market were 20% and the Managed Money Market was 80% of the District's total investments. The investments in Florida PRIME were less than 1% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2022 were typical of these items during the fiscal year then ended.

The District considers any decline in fair value for certain investments to be temporary.

**Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE D – SPECIAL ASSESSMENT REVENUES

Assessments are non-ad valorem assessments on all assessable property within the District. Assessments are levied to pay for the operations and maintenance and debt service of the District. Operations and maintenance assessments are levied on an annual basis and debt service assessments are levied at the issuance of bonds and certified for collection on an annual basis. The fiscal year for which annual assessments are levied begins October 1 and, if collected using the Uniform Method of Collection, with the discounts available for payments through February 28 and become delinquent on April 1. Alternatively, the District adopts a resolution provided for the collection dates and directly collects the assessments.

NOTE E – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2022 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Capital assets:				
Land	\$ 705,984	\$ -	\$ -	\$ 705,984
Construction in progress	3,692,470	184,261	-	3,876,731
Infrastructure	-	1,428,817	-	1,428,817
Improvements other than buildings	70,888	-	-	70,888
Equipment	700,000 *	-	-	700,000
Accumulated depreciation	(4,726)	(192,353)	-	(197,079)
Total Capital Assets	<u>\$ 5,164,616</u>	<u>\$ 1,420,725</u>	<u>\$ -</u>	<u>\$ 6,585,341</u>

*Restated

Depreciation was charged to physical environment, \$52,353, and transportation, \$146,320.

NOTE F – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the District for the year ended September 30, 2022:

Long-term debt at October 1, 2021	\$ 60,664,936
Note proceeds	2,582,396
Principal payments	<u>(1,600,000)</u>
Long-term Debt at September 30, 2022	61,647,332
Less bond discount, net	<u>(736,900)</u>
Total Long-Term Debt, net, September 30, 2022	<u>\$ 60,910,432</u>

\$56,815,000 Series 2013 Special Assessment Revenue and Revenue Refunding Bonds due in annual principal installments beginning May 2014 and maturing May 2043. Interest at a rate of 5.125% due in May and November beginning November 2013. Current portion is \$1,685,000.

\$ 44,960,000

In July 2018, the District issued a bond anticipation note with a principal amount of not to exceed \$25,000,000 with an interest rate of 4.5%. Interest will be due semi-annually commencing November 1, 2018.

\$ 16,687,332

Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F – LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2022 are as follows:

Year Ending September 30,	Principal	Interest	Total
2023	\$ 1,685,000	\$ 2,304,200	\$ 3,989,200
2024	1,770,000	2,217,844	3,987,844
2025	1,860,000	2,127,131	3,987,131
2026	1,955,000	2,031,806	3,986,806
2027	2,055,000	1,931,613	3,986,613
2028-2032	11,965,000	7,965,788	19,930,788
2033-2037	15,365,000	4,569,194	19,934,194
2038-2042	7,260,000	1,125,194	8,385,194
2043	1,045,000	53,555	1,098,555
Totals	<u>\$ 44,960,000</u>	<u>\$ 24,326,325</u>	<u>\$ 69,286,325</u>

Future payments on the Series 2018, Bond Anticipation Note are not included in the above amortization schedule as the District is continuing to make draws on the note.

Summary of Significant Bonds Resolution Terms and Covenants

The District levies special assessments pursuant to Section 190.022, Florida Statutes and the assessment rolls are approved by resolutions of the District Board. The collections are to be strictly accounted for and applied to the debt service of the bond series for which they were levied. The District covenants to certify for collection special assessments in annual amounts adequate to provide for payment of principal and interest on the bonds. Payment of principal and interest is dependent on the money available in the debt service fund and the District's ability to collect special assessments levied.

The Series 2013 Bonds are subject to redemption at the option of the District and are also subject to extraordinary mandatory redemption prior to maturity in whole on any date, or in part on an interest payment date, without premium, together with accrued interest to the redemption date if monies are available to retire the debt in accordance with the provisions of the Indenture.

The Bond Indenture established a debt service reserve requirement. The Indenture requires that the District maintain adequate funds in the reserve account to meet the debt service requirements as defined in the Trust Indenture.

The Note established a debt service reserve requirement stating each draw request shall provided that 8% of each draw amount shall be deposited into the 2018 Note Reserve Account.

The District is in compliance with the requirements as of September 30, 2022.

**Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE F – LONG-TERM DEBT (CONTINUED)

Summary of Significant Bonds Resolution Terms and Covenants (Continued)

The bond indenture provides for Debt Service Reserve Funds, which shall be held by the Trustee separate and apart from all other funds. The following is a schedule of reserve requirements and balances in the reserve accounts at September 30, 2022:

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Series 2013, Special Assessment		
Revenue and Revenue Refunding Bonds	\$ 3,946,022	\$ 3,946,022
Series 2018, Bond Anticipation Note	\$ 1,335,086	\$ 1,334,987

NOTE G – FINANCED PURCHASE

During the year ended September 30, 2021, the District entered into a financed purchase agreement for autonomous vehicles. The agreement has an end of finance purchase option which qualifies it as a financed purchase; therefore, the asset has been recorded at the present value of the future minimum payments. The agreement, in the total amount of \$700,000, commenced in July 2021 for a term of 5 annual payments.

The annual requirements to amortize the principal and interest of the financed purchase as of September 30, 2022 were as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 137,914	\$ 8,406	\$ 146,320
2024	139,969	6,351	146,320
2025	142,055	4,265	146,320
2026	144,172	2,148	146,320
Totals	<u>\$ 564,110</u>	<u>\$ 21,170</u>	<u>\$ 585,280</u>

NOTE H – ECONOMIC DEPENDENCY

A significant portion of the District's activity is dependent upon continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations. At September 30, 2022, the Developer owned a significant amount of the assessable property located within the District's boundaries.

NOTE I – RELATED PARTY TRANSACTIONS

Four members of the Board of Supervisors are affiliated with the Developer or a related entity. The District received \$430,501 in contributions and assessments from the Developer for the year ended September 30, 2022. Additionally, the District has \$40,687 due from the Developer.

**Boggy Creek Improvement District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022**

NOTE J – INTERLOCAL AGREEMENTS

The District previously entered into an interlocal agreement related to cost sharing for certain infrastructure projects with Myrtle Creek Improvement District ("Myrtle Creek") and Greenway Improvement District ("Greenway"). In Fiscal Year 2022, the agreement was amended to include Midtown Improvement District ("Midtown"). These districts are related through a common Developer. The agreement provides for the improvements to be constructed, acquired or otherwise provided by the District and that the District will be reimbursed for these costs from Myrtle Creek, Greenway, and Midtown. The projected costs related to the agreement total approximately \$33.8 million, with costs to be split 31.5% for Myrtle Creek, 24% for Greenway, 12% for Midtown, and 32.5% for the District. The District, Myrtle Creek, and Greenway also previously entered into an agreement regarding interchange maintenance costs which was amended in Fiscal Year 2022 as well to include Midtown based on the same cost allocation.

NOTE K – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District maintains commercial insurance coverage to mitigate the risk of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. The District has not filed any insurance claims in any of the previous three fiscal years.

NOTE L – SUBSEQUENT EVENT

The District had previously approved a work order with Orlando Utilities Commission totaling \$121,786 for conduit installation to accommodate additional streetlights. The contract was not completed prior to termination of the agreement by Orlando Utilities Commission. The District requested a refund because of the termination by the Commission. In February 2023, the District approved the proposed refund of \$110,759 from Orlando Utilities Commission.

NOTE M – RESTATEMENT

Total assets and total liabilities were restated at October 1, 2021 to reflect the initiation of a financed purchase:

	Total Assets	Total Liabilities
Balance October 1, 2021	\$ 10,012,734	\$ 61,240,078
Financed purchase of equipment	700,000	700,000
Balance October 1, 2021, Restated	\$ 10,712,734	\$ 61,940,078



Berger, Toombs, Elam, Gaines & Frank

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

To the Board of Supervisors
Boggy Creek Improvement District
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of Boggy Creek Improvement District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated May 22, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

To the Board of Supervisors
Boggy Creek Improvement District

Report on Compliance and Other Matters

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

Purpose of this Report

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

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida
May 22, 2023



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
Boggy Creek Improvement District
Orlando, Florida

Report on the Financial Statements

We have audited the financial statements of the Boggy Creek Improvement District as of and for the year ended September 30, 2022, and have issued our report thereon dated May 22, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 22, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding financial audit report.

Financial Condition and Management

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

To the Board of Supervisors
Boggy Creek Improvement District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Boggy Creek Improvement District. It is management's responsibility to monitor the Boggy Creek Improvement District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2022.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

The information provided below was provided by management and has not been audited; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Boggy Creek Improvement District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 3
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: N/A
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$161,609
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2021, together with the total expenditures for such project: No projects were started by the district during the current fiscal year.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The budget was not amended.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Boggy Creek Improvement District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District. \$0.65 - \$779.84.
- 2) The amount of special assessments collected by or on behalf of the District: Total special assessments collected was \$6,147,147.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds. Series 2013 Bonds, \$44,960,000 maturing in May 2043 and Bond Anticipation Notes, \$16,687,332.

To the Board of Supervisors
Boggy Creek Improvement District

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May 22, 2023



**Berger, Toombs, Elam,
Gaines & Frank**

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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
Boggy Creek Improvement District
Orlando, Florida

We have examined Boggy Creek Improvement District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2022. Management is responsible for Boggy Creek Improvement District's compliance with those requirements. Our responsibility is to express an opinion on Boggy Creek Improvement District's compliance based on our examination.

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

In our opinion, Boggy Creek Improvement District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2022.

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May 22, 2023

BOGGY CREEK IMPROVEMENT DISTRICT

**Discussion regarding
Competitive Procurement of Underwriting Services**

BOGGY CREEK IMPROVEMENT DISTRICT

**2nd Amendment to
Geophysical Services Agreement**

SECOND AMENDMENT TO GEOPHYSICAL SERVICES AGREEMENT

THIS SECOND AMENDMENT is made and entered into effective as of the 26TH day of MAY 2023, by and between (“Second Amendment”):

BOGGY CREEK IMPROVEMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, located in the City of Orlando, Florida, with a mailing address of 3501 Quadrangle Boulevard, Suite 270, Orlando, Florida, 32817 (“**District**”); and

CENTRAL FLORIDA LOCATING, INC., d/b/a CFL Geological Solutions, a Florida corporation, with a mailing address of 114 N. Jumper Drive, Bushnell, Florida 33513 (the “**Contractor**”).

RECITALS

WHEREAS, the District was established for the purpose of planning, financing, constructing, installing, operating, and/or maintaining certain infrastructure improvements and recreational facilities; and

WHEREAS, the District and Contractor (the “**Parties**”), previously entered into that certain *Agreement between the Boggy Creek Improvement District and Central Florida Locating, Inc., d/b/a CFL Geological Solutions, for Geophysical Services*, dated April 21, 2022, as amended July 19, 2022 (“**Agreement**”); and

WHEREAS, pursuant to Section 9 of the Agreement, the Parties wish to amend the Agreement in order to revise the Scope of the Services, as defined in the Agreement and the change order attached hereto as **Exhibit A**; and

WHEREAS, each of the Parties hereto has the authority to execute this Second Amendment and to perform its obligations and duties hereunder, and each party has satisfied all conditions precedent to the execution of this Second Amendment so that this Second Amendment constitutes a legal and binding obligation of each party hereto.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which is hereby acknowledged, the District and the Contractor agree as follows:

SECTION 1. The recitals stated above are true and correct and are incorporated by reference as a material part of this Second Amendment.

SECTION 2. The Agreement is hereby amended to include the Services identified in Exhibit A.

SECTION 3. All remaining terms and conditions of the Agreement are hereby adopted, reaffirmed and incorporated as if restated herein.

[Signature page follows]

IN WITNESS WHEREOF, the parties execute this Second Amendment the day and year first written above.

Attest:

Jeff S. Walden
Secretary/Assistant Secretary

BOGGY CREEK IMPROVEMENT DISTRICT

Richard J. Jurek
Authorized Signatory, Board of Supervisors

Attest:

Maulanea Cornett
Witness

**CENTRAL FLORIDA LOCATING, INC., d/b/a CFL
Geological Solutions, a Florida corporation**

Sandra Rickerson
By: Sandra Rickerson
Its: President

Exhibit A: Change Order dated May 19, 2023



PO Box 1468
Bushnell, FL 33513
833-229-2227
cfl-inc.com

Central Florida Locating, Inc.
DBA CFL Geological Solutions

Date: 5/19/23
Client: Boggy Creek Improvement District (BCID), 3501 Quadrangle Boulevard, Suite 270, Orlando, FL 32817
E-Mail: Scott Grossman, PSM, Executive VP, Director of Survey - DWMA <sgrossman@dwma.com>
Project: BCID Lake Nona Revised FM Route **Revised Scope of Services** **CFL 22072 R3 CO-001**

CFL is requesting a Second Amendment to BCID issued Geophysical Services Agreement dated 4/21/22 based upon revised scope of services requested by Scott Grossman of DWMA. CFL's request may be subject to change should the requirements change, is valid for thirty (30) days from date of request, and is Non-Transferrable.

SCOPE OF SERVICES

CFL's Scope of Services are described below, and Scope of Services additional information and limitations continues in Terms and Conditions of Services Proposal.

GEOPHYSICAL HORIZONTAL LOCATING METHODOLOGIES: 2D Ground Penetrating Radar (GPR) and Electromagnetic (EM) Technologies

- CFL will utilize 2D GPR and EM technologies to horizontally locate detectable underground utilities within the 5/19/23 Revised Red Outlined Areas shown on the attached image provided by DWMA. The locate areas will need to be designated at time work.
- CFL will use paint and flags to mark located utilities and will provide a technician's field drawing of located utilities.
- CFL's scope of services does not include the locating of abandoned utilities that are no longer locatable; cut utilities; electrical lines and lighting systems that are not energized at time of locate work; low voltage lines; roof drains; small irrigation lines; gravity sewer; storm lines; unshielded FOC, poly pipes, and small PVC pipes with no or non-working tracer wire; vacant conduits; and utilities with self-cancelling loops.
- CFL requests that client and/or client representative provide available as-builts, engineering prints, etc. of existing utilities.
- CFL can only perform GPR Scanning & EM Locating in accessible areas that are clear of obstacles such as construction materials, dirt/materials mounds, fencing, high weeds, landscaping, machinery, pipes, standing water, steep banks, trees, undergrowth, uneven terrain, vehicles, etc.

4-21-22 BCID EXECUTED AGREEMENT

4-21-22 BCID Executed Agreement - Horizontal Locating-----	\$29,120.00
4-21-22 BCID Executed Agreement - 10 Vertical Excavations (Dirt Soft Digs)-----	\$ 4,000.00
4-21-22 BCID Executed Agreement – Total-----	\$33,120.00

7-19-22 BCID EXECUTED FIRST AMENDMENT

CFL R2 CO-001: 6-17-22 Revised FM Route Cost	
Revision 2 Change Order 001 for Revised Scope-----	\$19,000.00
TOTAL-----	\$52,120.00

5/19/23 CFL Note:
A Change Order, at CFL's current Soft Dig Rate, will be submitted for any requested Dirt Soft Digs over 10.

PAYMENT: A Lump Sum invoice will be submitted via e-mail to client and is due net 30 in full with no retainage.
Payments not received within 30 days of date of invoice may result in legal actions.

SCHEDULE: A work start date will be provided upon receipt of an Authorization to Proceed.

Regards,
Sandra Rickerson
President
Central Florida Locating, Inc.

AUTHORIZATION TO PROCEED (ATP) – BCID Second Amendment to Geophysical Services Agreement

ATP - Client legally authorizes CFL to proceed and acknowledges that Scope of Services, Compensation, Payment Terms, and Terms and Conditions in this proposal are accepted.

PLEASE E-MAIL BCID Second Amendment to Geophysical Services Agreement to: CFL@CFL-INC.COM

Innovative and Reliable Solutions



Terms and Conditions

Central Florida Locating, Inc.
dba CFL Geological Solutions

Page 2

(A) LIMITS OF GPR AND ELECTROMAGNETIC SERVICES: If Services are Provided

CFL will make every effort to horizontally detect the underground utilities, objects or voids described in the Scope of Work or as requested at the time of work within the designated work area(s). However, CFL cannot mark utilities/objects/voids that are undetectable. Therefore, CFL **cannot guarantee** that all subsurface utilities/objects/voids will be accounted for. Locate limitations that CFL will not be held liable for include but are not limited to:

- **GROUND PENETRATING RADAR (GPR):**
 - GPR investigations are highly site specific and can be limited by attenuation of GPR signals by subsurface materials.
 - GPR investigations are limited by uneven terrain conditions, bushes, trees, debris, etc.
 - All vertically stacked utilities/objects may not be detected since GPR signals are reflected by the top most utility/object.
 - Some utilities/objects may not return a reflected signal to the GPR receiver.
 - GPR scans cannot be made immediately next to buildings/objects due to equipment restrictions.
 - Pipes with little or no liquid content at time of locate work may not be detected with GPR.
- **ELECTROMAGNETIC LOCATING :**
 - The number of access points within designated locate area(s) may be limited or non-existent.
 - Utility or property owner may restrict or deny the use of utility access points.
 - Utility may not adequately carry the imposed current from the electromagnetic locate equipment.
 - Fiber & other non-metallic lines with no or non-working tracer wire are untoneable with electromagnetic locate equipment.

(B) DESIGN ENGINEER and CONTRACTORS

Due to locate limitations, the client's/owner's Design Engineer is expected to gather and identify existing facility information from various prints and underground facility owners/operators to confirm that no other subsurface utilities/objects are present in the project area, and Contractors are responsible to abide by Florida Statutes 556.106 - Sunshine 811.

(C) FIELD DRAWINGS/PRINTS/REPORTS

CFL is not liable for any print, survey, field drawing or report that identifies or fails to identify CFL detected utilities or objects. CFL field drawings represent the requested scope of services within designated area(s) as of date of work; may not reflect a comprehensive utility survey of all subsurface utilities/objects; are not technical drawings created by a professional such as surveyor, engineer, or draftsman; are not drawn to scale and only depict an approximate location of referenced utilities/objects; are not created based on any type of drawing standards; and are for informational purposes only.

(D) MACHINE DEPTHS: If Service is Provided

Machine depths are approximate readings, **are not guaranteed depths**, are provided for informational purposes only, and should not be relied upon for any type of subsurface work. CFL will not accept any responsibility for actions taken based on provided machine depths.

(E) VERTICAL EXCAVATION (DIRT SOFT DIG): Information/Limitations: If Service is Provided

Soft Digs are made within grassed or otherwise unpaved surface conditions to a maximum depth of approximately 8 feet to determine the depth of the utility/object. If requested, CFL also will provide the size and material type.

- Soft Dig vertical depth measurements are made from the top of each exposed utility/object to the ground surface.
- The vertical depth range and visual inspection ability is dependent on events such as ground water level.
- Client must obtain/provide CFL with any required soft dig permits before soft dig work is performed. Client will be responsible for any permitting soft dig fines assessed by governing agency.

(F) CORE BORE WITH VERTICAL EXCAVATION (DIRT SOFT DIG): Information/Limitations: If Service is Provided

A Core Bore is made in asphalt or concrete to vertically expose a utility/object to determine the depth of the utility/object from the top of the utility/object to the pavement surface.

- Vertical Excavation limits apply (See Item E).
- Test hole will be backfilled with like materials compacted in 6" lifts or with a flowable fill mixture.
- The current asphalt thickness will be replaced with double asphalt thickness.
- **Asphalt/Concrete Core Bore Permits are to be furnished to CFL by the client prior to work being scheduled.** Client is responsible for cost of all permits, MOT, Traffic Control, and any permitting fines assessed by governing agency.

(G) DIRECT PUSH SOIL SAMPLING: Information/Limitations: If Service is Provided

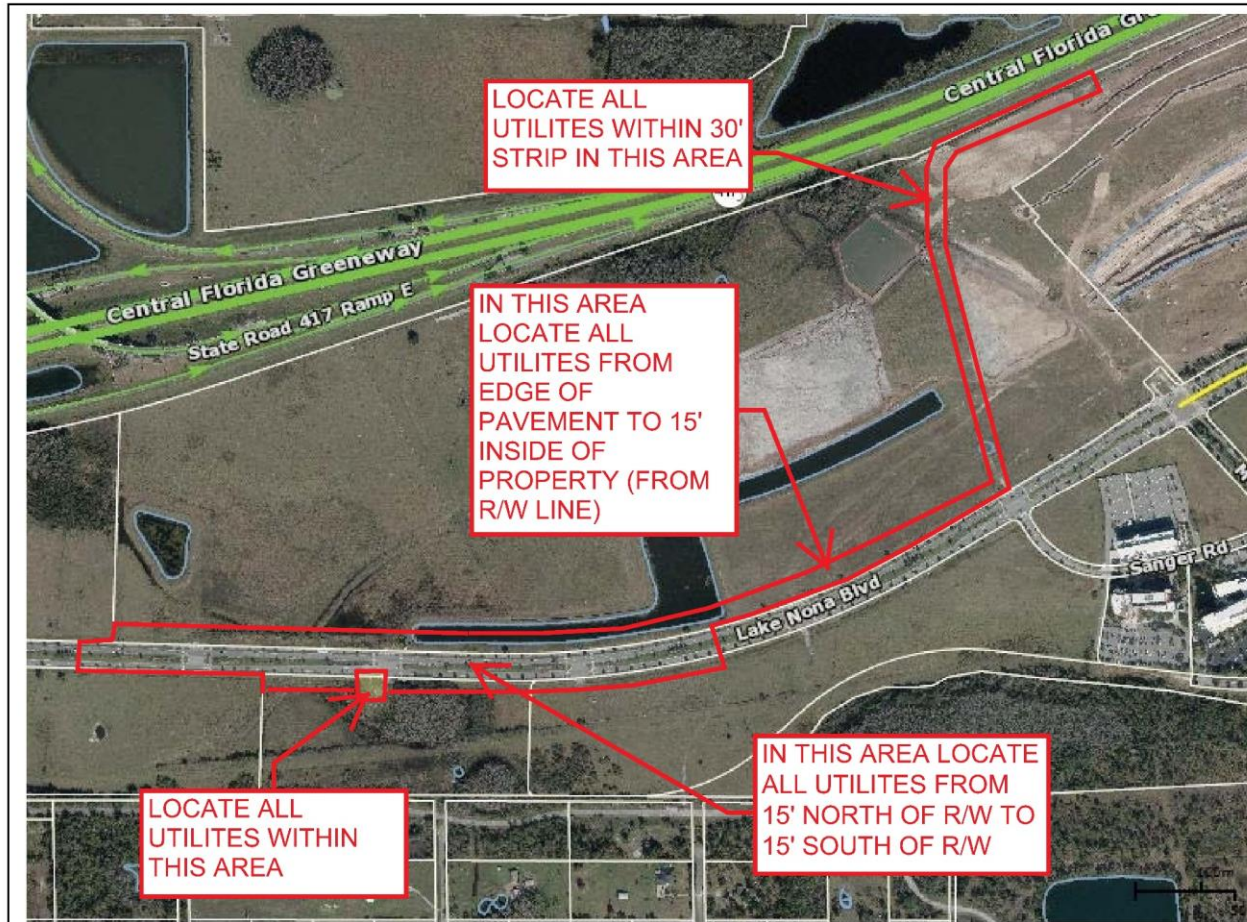
Direct Push Soil Sampling limitations that CFL will not be held liable for include but are not limited to:

- Direct push rods may not penetrate to desired depth due to subsurface sediment and/or material hardness.
- Direct push rods may not penetrate through consolidated sediment, rock and/or debris.

(H) CERTIFICATE OF INS (COI): New/Revised COI Requests

- Client COI requirements must be provided to CFL prior to the Authorization to Proceed being issued.
- CFL will invoice client for all costs associated with client COI requirements that incur billable charges to CFL.

Innovative and Reliable Solutions



**CFL Project Site:
Lake Nona Blvd
Orlando, FL 32827**

5/19/23 REVISED LOCATE AREAS
CFL will horizontally locate detectable underground utilities within the **REVISED RED OUTLINED AREAS.**

NOTE:
Image with revised Red Outlined Locate Areas along with Locate Instructions was provided by DWMA. The locate areas will need to be designated at time of work.



Central Florida Locating, Inc.
aka **CFL Geological Solutions**

114 N Jumper Drive
Bushnell, FL 33513
Office: (352) 793-4246
Fax: (352) 793-8675

*"Innovative and Reliable
Subsurface Solutions"*

Client:	Boggy Creek Improvement District
Project:	Utility Locates - BCID Lake Nona Revised FM Route
Methods:	Utility Locating Services

Date:	5/19/23
	Proposal
Sheet:	1 of 1

Additional Notes:
Central Florida Locating, Inc. (CFL) is an Associate Member of the Florida Geotechnical Society and Soil Survey.
Central Florida Locating, Inc. (CFL) is a Florida General Geology License (GGL 800).
Disclaimer: Central Florida Locating, Inc. (CFL) will not be held responsible for any information provided in this drawing, any action taken as a result of reading this drawing, or any utility located and not listed in this drawing. Furthermore, CFL cannot guarantee that all utilities are shown. All utilities shown are based on records for utility locates for subsurface utilities. If digging in any of the areas identified in this drawing, please call CFL at (352) 793-4246 to have the utility located. This drawing may not be reproduced without the written consent of CFL.

BOGGY CREEK IMPROVEMENT DISTRICT

**Operation and Maintenance Expenditures Paid
in May 2023 in an amount totaling \$77,822.75**
(provided under separate cover)

BOGGY CREEK IMPROVEMENT DISTRICT

**Requisition Nos. 2018-291 – 2018-292
& 2018-294 – 2018-296 Paid in May 2023
in an amount totaling \$4,516.64
*(provided under separate cover)***

BOGGY CREEK IMPROVEMENT DISTRICT

Work Authorizations/Proposed Services
(if applicable)

BOGGY CREEK IMPROVEMENT DISTRICT

**District's Financial Position
and Budget to Actual YTD**
(provided under separate cover)