

STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

**STATE REVOLVING FUND LOAN  
PROGRAM for  
Point Source Water Pollution Control**

**LOAN APPLICATION**



Florida Department of Environmental Protection  
State Revolving Fund Program  
Marjory Stoneman Douglas Building  
3900 Commonwealth Blvd., MS 3505  
Tallahassee, FL 32399-3000

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**LOAN APPLICATION**

- (1) **SUBMITTAL.** Submit the application and attachments to the Department of Environmental Protection, MS 3505, State Revolving Fund Program, 3900 Commonwealth Blvd., Tallahassee, Florida 32399-3000. The application (and backup) may be submitted electronically to the Department’s Project Manager.
- (2) **COMPLETING THE APPLICATION.**
  - (a) This application consists of five parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; (IV) AUTHORIZATION AND ASSURANCES; and (V) SUPPLEMENTARY INFORMATION.
  - (b) All information provided on this application must be printed. Monetary amounts may be rounded.
  - (c) Forms and attachments to be submitted are denoted with italic print.
- (3) **ASSISTANCE.** Completing this application may require information that can be obtained from Clean Water State Revolving Fund Program staff. Please email [SRF\\_Reporting@dep.state.fl.us](mailto:SRF_Reporting@dep.state.fl.us) for assistance in completing this application.

**PART I - ADMINISTRATIVE INFORMATION**

- (1) **PROJECT SPONSOR** \_\_\_\_\_  
Federal Employer Identification Number \_\_\_\_\_  
DUNS Number \_\_\_\_\_
- (2) **AUTHORIZED REPRESENTATIVE** (person authorized to sign or attest loan documents).  
Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ FAX \_\_\_\_\_ Email \_\_\_\_\_  
Mailing Address \_\_\_\_\_

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- (3) **PRIMARY CONTACT** (person to answer questions regarding this application).  
Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ FAX \_\_\_\_\_ Email \_\_\_\_\_  
Employer \_\_\_\_\_  
Mailing Address \_\_\_\_\_

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- (4) **ADDITIONAL CONTACTS.** If more than one additional person is to receive copies of Department correspondence, attach the information (*Attachment #*\_\_\_\_\_).  
Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ FAX \_\_\_\_\_ Email \_\_\_\_\_  
Employer \_\_\_\_\_  
Mailing Address \_\_\_\_\_

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- (5) **PROJECT NUMBER** (listed on the Department's priority list). \_\_\_\_\_
- (6) **INTERIM FINANCING.** A local government project sponsor that has interim financing may be subject to certain conditions regarding such financing.

**Is the project currently being funded with interim financing?**       Yes       No

**PART II – PROJECT INFORMATION**

If you are applying for a planning, design, or SSES loan for a project that will involve construction, complete only Subpart A below. If you are applying for a loan to construct a project that is already planned and designed, complete only Subpart B below.

**A. PLANNING, DESIGN OR SSES PROJECT**

Information should be provided for each separate facility to be planned and designed as appropriate. For design/build projects (not eligible for design loans) or those where multiple facilities, segments, or phases are involved, please attach information for activities, schedule, and cost for each. (*Attachment #*\_\_\_\_)

- (1) **ACTIVITIES.** Attach a brief description of the scope of planning and design activities to be financed by this loan. Include a list of any specialized studies to be performed. (*Attachment #*\_\_\_\_) Are these activities the same as those scheduled on the *Request for Inclusion Form*?  Yes  No. If “No”, please explain. (*Attachment #*\_\_\_\_)
  
- (2) **SCHEDULE.**
  - (a) Provide proposed completion dates for the items. (Please call Department staff to discuss time frames needed to complete required tasks.)
 

|                                    |  |
|------------------------------------|--|
| Planning documentation             |  |
| Engineering work                   |  |
| Certification of site availability |  |
| Permit                             |  |
  - (b) Do you anticipate that an interlocal agreement with another party will be necessary to implement the project? If “Yes”, please explain. (*Attachment #*\_\_\_\_)  Yes  No
  - (c) Is this a design/build project?  Yes  No
  - (3) **COST.** Is the cost information submitted for the planning, design or SSES loan priority list current?  Yes  No  
 If “No”, please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (*Attachment #*\_\_\_\_) Note that the disbursable amount will be limited to the priority list amount.

PRECONSTRUCTION LOAN APPLICANTS PROCEED TO PART III.

**B. CONSTRUCTION OR I/I REHABILITATION PROJECT**

- (1) **ACTIVITIES.**
  - (a) Attach a brief description of construction or I/I rehabilitation activities to be financed by this loan. Include a list of the contracts (by title) corresponding to the plans and specifications accepted by the Department (*Attachment #*\_\_\_\_).  
 Are these contracts the same as those scheduled on the *Request for Inclusion Form*?  Yes  No  
 If “No”, please explain. (*Attachment #*\_\_\_\_)
  - (b) Have any of the contracts been bid?  Yes  No  
 If “Yes”, indicate which contracts have been bid. (*Attachment #*\_\_\_\_)
  - (c) Was planning, design, or SSES for this project financed in another SRF loan?  Yes  No  
 If “Yes”, give the SRF loan number. \_\_\_\_\_
  - (d) Does this project involve an interlocal agreement with other local governments or other entities?  Yes  No  
 If “Yes”, attach a copy of the interlocal agreement. (*Attachment #*\_\_\_\_)  
 Is the interlocal agreement fully executed and enforceable?  Yes  No  
 If “No”, please explain (*Attachment #*\_\_\_\_).

- (2) SCHEDULE. (month and year)
- (a) Anticipated notice to proceed for first construction contract. \_\_\_\_\_
- (b) Anticipated completion of all construction contracts. \_\_\_\_\_
- (3) COST. Is the cost information submitted for the priority list current?  Yes  No

If "No", please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (Attachment #\_\_\_\_\_) Note that the disburseable amount will be limited to the priority list amount.

**PART III - FINANCIAL INFORMATION**

Estimates of the capitalized interest, project useful life for financial hardship loans, financing rate, pledged revenue coverage, limitations on annual loan amounts for large projects, applicability and amount of repayment reserves, amount of the loan service fee and any other information may be obtained by contacting staff in the State Revolving Fund Management Section.

- (1) PRINCIPAL. The requested amount of the loan which does not include capitalized interest is \$ \_\_\_\_\_

Note that the disburseable amount will be limited to the priority list amount and must be consistent with the project information provided under **PART II** of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect actual disbursement timing. The principal amount of the loan does not include the loan service fee.

- (2) TERMS AND REPAYMENT.
- (a) Loans to local government project sponsors are amortized over the lesser of useful life of the project or 20 years unless the project is to serve a small community qualifying as having a financial hardship. Loans to financial hardship communities may be amortized over the lesser of useful life of the project or 30 years. Loans to non-governmental project sponsors are amortized over the lesser of the useful of the project or 20 years. Finance charges and principal are paid semiannually.

What is the useful life of the project? \_\_\_\_\_ (years)  
 Over how many years would you like to amortize the loan? \_\_\_\_\_ (years)

- (b) List all revenues that are to be pledged for repayment of this loan. \_\_\_\_\_.
- (c) Pledged revenue receipts or collections by the project sponsor must exceed the amount of the repayments due to the Department unless there are other collateral provisions. The excess revenue, or coverage, generally is 15% of each repayment.

What coverage is proposed for the loan? \_\_\_\_\_% (coverage percentage)

- (d) Is any other financial assistance being applied to this project?  Yes  No  
 If "Yes", please list. (Attachment #\_\_\_\_\_) \_\_\_\_\_

- (3) ANNUAL FUNDING LIMIT. Large project funding (generally, loans in excess of \$10 million) may be provided in increments pursuant to the initial loan agreement and subsequent amendments. Each increment shall have a separate financing rate as established in the agreement or amendment providing that increment.

(4) INFORMATION ON LIENS.

- (a) Describe, if applicable, all debt obligations having a prior or parity lien on the revenues pledged to repay this loan. (Attachment #\_\_\_\_\_) For example: City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of \$10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.
- (b) Using the Part V, *Schedule of Prior and Parity Liens*, provide debt service information, if applicable, on each prior and parity obligation.

- (c) For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating. (*Attachment #\_\_\_\_\_*).
  - (d) Describe any other notes and loans payable from the revenues pledged to repay this loan. (*Attachment #\_\_\_\_\_*).
- (5) ACTUAL AND PROJECTED REVENUES.
- (a) Complete the Part V, *Schedule of Actual Revenues and Debt Coverage* for the past two fiscal years.
  - (b) Complete the Part V, *Schedule of Projected Revenues and Debt Coverage*, demonstrating the availability of pledged revenues for loan repayment.
- (6) AVAILABILITY OF PLEDGED REVENUES. All sources must be supported by a written legal opinion. (*Attachment #\_\_\_\_\_*) The opinion must address the following:
- (a) Availability of the revenues to repay the loan.
  - (b) Right to increase rates at which revenues shall be collected to repay the loan.
  - (c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.
- (7) LOAN SERVICE FEE. A loan service fee is assessed on each loan. The fee is not part of the loan. The fee along with interest thereon will be deducted from the first available repayments after the final amendment to the loan agreement.

**PART IV – AUTHORIZATION AND ASSURANCES**

- (1) AUTHORIZATION. Provide an authorizing resolution of the Applicant's governing body or other evidence of authorization (*Attachment #\_\_\_\_\_*) for the following:
- (a) Pledging revenues to repay the loan.
  - (b) Designation of the Authorized Representative(s) to file this application, provide assurances, execute the loan agreement, and represent the Applicant in carrying out responsibilities (including that of requesting loan disbursements) under the loan agreement.
- (2) ASSURANCES. The Applicant agrees to comply with the laws, rules, regulations, policies and conditions relating to the loan for this project. Applicants should seek further information from the Clean Water State Revolving Fund Program staff as to the applicability of the requirements if the necessity for the assurances is of concern. Specifically, the Applicant certifies that it has complied, as appropriate, and will comply with the following requirements, as appropriate, in undertaking the Project:
- (a) Assurances for capitalization grant projects.
    1. Complete all facilities for which funding has been provided.
    2. The Archaeological and Historic Preservation Act of 1974, PL 93-291, and the National Historic Preservation Act of 1966, PL 89-665, as amended, regarding identification and protection of historic properties.
    3. The Clean Air Act, 42 U.S.C. 7506(c), which requires conformance with State Air Quality Implementation Plans.
    4. The Coastal Zone Management Act of 1972, PL 92-583, as amended, which requires assurance of project consistency with the approved State management program developed under this Act.
    5. The Endangered Species Act, 16 U.S.C. 1531, et seq., which requires that projects avoid disrupting threatened or endangered species and their habitats.
    6. Executive Order 11593, Protection and Enhancement of the Cultural Environment, regarding preservation, restoration and maintenance of the historic and cultural environment.
    7. Executive Order 11988, Floodplain Management, related to avoiding, to the extent possible, adverse impacts associated with floodplain occupancy, modification and development whenever there is a practicable alternative.
    8. Executive Order 11990, Protection of Wetlands, related to avoiding, to the extent possible, adverse impacts associated with the destruction or modification of wetlands and avoiding support of construction in wetlands.
    9. The Fish and Wildlife Coordination Act, PL 85-624, as amended, which requires that actions to control natural streams or other water bodies be undertaken to protect fish and wildlife resources and their habitats.

10. The Safe Drinking Water Act, Section 1424(e), PL 93-523, as amended, regarding protection of underground sources of drinking water.
  11. The Wild and Scenic Rivers Act, PL 90-542, as amended, related to protecting components or potential components of the national wild and scenic rivers system.
  12. The federal statutes relating to nondiscrimination, including: The Civil rights Act of 1964, PL 88-352, which prohibits discrimination on the basis of race, color or national origin; the Age Discrimination Act, PL 94-135, which prohibits discrimination on the basis of age; Section 13 of the Federal Water Pollution Control Act, PL 92-500, which prohibits sex discrimination; the Rehabilitation Act of 1973, PL 93-112, as amended, which prohibits discrimination on the basis of handicaps.
  13. Executive Order 11246, Equal Employment Opportunity, which provides for equal opportunity for all qualified persons.
  14. Executive Orders 11625 and 12138, Women's and Minority Business Enterprise, which require that small, minority, and women's business and labor surplus areas are used when possible as sources of supplies, equipment, construction and services.
  15. The Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq., regarding protection and conservation of the coastal barrier resources.
  16. The Farmland Protection Policy Act, 7 U.S.C. 4201 et seq., regarding protection of agricultural lands from irreversible loss.
  17. The Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646, which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally assisted programs.
  18. The Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended, which requires that projects be carried out in accordance with area wide planning activities.
  19. Section 306 of the Clean Air Act, Section 508 of the Clean Water Act and Executive Order 11738, which prohibit manufacturers, firms, or other enterprises on the EPA's list of Violating Facilities from participating in the Project.
  20. Executive Order 12549, Debarment and Suspension, which prohibits any award to a party which is debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs.
  21. Minority and Women's Business Enterprise participation in project work using numerical goals, established by the U.S. Environmental Protection Agency, and to be set forth in the specifications for construction and materials contracts.
- (b) Assurances for other projects.
1. Chapter 161, Part I, F.S., "Beach and Shore Preservation Act" and Part III, "Coastal Zone Protection Act of 1985" which regulate coastal zone construction and all activities likely to affect the condition of the beaches or shore.
  2. Chapter 163, Part II, F.S., the "Local Government Comprehensive Planning and Land Development Regulation Act" which requires units of local government to establish and implement comprehensive planning programs to control future development.
  3. Chapter 186, F.S., State and Regional Planning, which requires conformance of projects with Regional Plans and the State Comprehensive Plan.
  4. Chapter 253, F.S., "Emergency Archaeological Property Acquisition Act of 1988" which requires protection of archaeological properties of major statewide significance discovered during construction activities.
  5. Chapter 258, Part III, F.S., which requires protection of components or potential components of the national wild and scenic rivers system.
  6. Chapter 267, F.S., the "Florida Historical Resources Act" which requires identification, protection, and preservation of historic properties, archaeological and anthropological sites.
  7. Chapter 287, Part I, F.S., which prohibits parties convicted of public entity crimes or discrimination from participating in State-assisted projects and which requires consideration of the utilization of Minority Business Enterprises in State-assisted projects.
  8. Chapter 372, F.S., the Florida Endangered and Threatened Species Act which prohibits the killing or wounding of an endangered, threatened, or special concern species or intentionally destroying their eggs or nest.





## SCHEDULE OF PRIOR AND PARITY LIENS

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least fifteen fiscal years. Use additional pages as necessary.

### Identify Each Obligation

|                  | #1 Utility System Refunding Revenue Note, Series 2020 | #2 Refunding Bond, Series 2015 | #3 SRF DW580430 |        |           |    |    |                                       |                                   |
|------------------|---|--------------------------------|-----------------|--------|-----------|----|----|---------------------------------------|-----------------------------------|
|                  | \$17,750,000  | \$15,355,000                   | \$6,410,536     |        |           |    |    |                                       |                                   |
| Coverage %       | 115%  | 115%                           | 115%            |        |           |    |    |                                       |                                   |
| Insured (Yes/No) | No  | No                             | No              |        |           |    |    |                                       |                                   |
|                  | #4 SRF WW580440                                       | #5 SRF DW580480                |                 |        |           |    |    |                                       |                                   |
|                  | \$575,627   | \$30,451,118                   |                 |        |           |    |    |                                       |                                   |
| Coverage %       | 115%  | 115%                           |                 |        |           |    |    |                                       |                                   |
| Insured (Yes/No) | No  | No                             |                 |        |           |    |    |                                       |                                   |
| Fiscal Year      | Annual Debt Service (Principal + Interest)            |                                |                 |        |           |    |    | Total Non-SRF Debt Service w/coverage | Total SRF Debt Service w/coverage |
|                  | #1  | #2                             | #3              | #4     | #5        | #6 | #7 |                                       |                                   |
| 2019             | 1,157,350   | 1,100,375                      |                 | 28,854 |           |    |    | 2,596,384                             | 33,182                            |
| 2020             | 1,158,950   | 1,100,450                      |                 | 28,854 |           |    |    | 2,598,310                             | 33,182                            |
| 2021             | 144,390   | 1,096,575                      | 236,194         | 28,854 |           |    |    | 1,698,732                             | 304,805                           |
| 2022             | 1,021,221   | 1,096,325                      | 364,251         | 28,854 |           |    |    | 2,854,067                             | 452,070                           |
| 2023             | 1,024,539   | 1,099,375                      | 364,251         | 28,854 |           |    |    | 2,861,390                             | 452,070                           |
| 2024             | 1,021,956   | 1,096,300                      | 364,251         | 28,854 |           |    |    | 2,854,883                             | 452,070                           |
| 2025             | 1,022,872   | 1,097,175                      | 364,251         | 28,854 |           |    |    | 2,856,942                             | 452,070                           |
| 2026             | 1,022,422   | 1,101,175                      | 364,251         | 28,854 |           |    |    | 2,861,025                             | 452,070                           |
| 2027             | 1,020,622   | 1,098,300                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,855,649                             | 2,286,477                         |
| 2028             | 1,022,063   | 1,096,850                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,855,638                             | 2,286,477                         |
| 2029             | 1,021,687   | 1,098,775                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,857,420                             | 2,286,477                         |
| 2030             | 1,019,934   | 1,100,650                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,857,559                             | 2,286,477                         |
| 2031             | 1,022,228   | 1,099,725                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,859,134                             | 2,286,477                         |
| 2032             | 1,023,307   | 1,096,159                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,856,274                             | 2,286,477                         |
| 2033             | 1,018,267   | 1,100,469                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,855,434                             | 2,286,477                         |
| 2034             | 1,022,219   | 1,098,131                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,857,290                             | 2,286,477                         |
| 2035             | 1,025,076   | 1,099,084                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,861,672                             | 2,286,477                         |
| 2036             | 1,021,857   | 1,098,225                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,856,983                             | 2,286,477                         |
| 2037             | 1,026,035   |                                | 364,251         | 28,854 | 1,595,136 |    |    | 1,598,829                             | 2,286,477                         |
| 2038             | 1,022,926   |                                | 364,251         | 14,427 | 1,595,136 |    |    | 1,595,253                             | 2,269,886                         |
| 2039             | 1,024,223   |                                | 364,251         |        | 1,595,136 |    |    | 1,596,745                             | 2,253,295                         |
| 2040             | 1,019,926   |                                | 364,251         |        | 1,595,136 |    |    | 1,591,803                             | 2,253,295                         |
| 2041             | 1,020,035   |                                | 182,125         |        | 1,595,136 |    |    | 1,382,484                             | 2,043,850                         |
| 2042             | 1,019,483   |                                |                 |        | 1,595,136 |    |    | 1,172,405                             | 1,834,406                         |
| 2043             | 1,018,271   |                                |                 |        | 1,595,136 |    |    | 1,171,012                             | 1,834,406                         |
| 2044             |   |                                |                 |        | 1,595,136 |    |    | -                                     | 1,834,406                         |
| 2045             |   |                                |                 |        | 1,595,136 |    |    |                                       | 1,834,406                         |
| 2046             |   |                                |                 |        | 1,595,136 |    |    |                                       | 1,834,406                         |
| 2047             |   |                                |                 |        |           |    |    |                                       |                                   |
| 2048             |   |                                |                 |        |           |    |    |                                       |                                   |
| 2049             |   |                                |                 |        |           |    |    |                                       |                                   |
| 2050             |   |                                |                 |        |           |    |    |                                       |                                   |

(1) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$20,770,000 was refunded by the 2020 Bond Issue.

**SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Provide information for the two fiscal years preceding the anticipated date of the SRF loan agreement.)

|   | <u>FY2022</u>               | <u>FY2023</u>               |
|---|-----------------------------|-----------------------------|
| (a) Operating Revenues:   |                             |                             |
| Water/Sewer Service   | <u>26,465,968</u>           | <u>27,911,923</u>           |
| Other <u>Miscellaneous</u>  | <u>112,850</u>              | <u>283,234</u>              |
| (b) Interest Income   | <u>                    </u> | <u>                    </u> |
| (c) Other Income or<br>Revenue (Identify)   | <u>                    </u> | <u>                    </u> |
| (d) Total Revenues  | <u>26,578,818</u>           | <u>28,195,157</u>           |
| <br>(e) Operating Expenses<br>(excluding interest on debt,<br>depreciation, and other<br>non-cash items)  | <u>13,671,919</u>           | <u>16,375,241</u>           |
| (f) Net Revenues<br>(f = d - e)   | <u>12,906,899</u>           | <u>11,819,916</u>           |
| <br>(g) Debt Service (including<br>required coverage; should<br>reflect last column of<br>preceding page) | <u>3,306,137</u>            | <u>3,313,460</u>            |

- (h) Attach audited annual financial report(s), or pages thereof, and any other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF loan. (*Attachment #   D*)
- (i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (*Attachment #   D*)
- (j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (*Attachment #*)

**SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Begin with the fiscal year preceding first anticipated semiannual loan payment.)

|  | <b>FY2024</b>     | <b>FY2025</b>     | <b>FY2026</b>     | <b>FY2027</b>     | <b>FY2028</b>     |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenues   |                   |                   |                   |                   |                   |
| (a) (Identify)   |                   |                   |                   |                   |                   |
| Water/Sewer/Reclaimed  | 25,975,756        | 27,679,383        | 29,502,552        | 31,454,108        | 33,360,289        |
| (b) Interest Income  | 759,910           | 573,193           | 557,795           | 585,214           | 539,191           |
| (c) Other Incomes or Revenues (Identify)                               |                   |                   |                   |                   |                   |
| Other Operating Income   | 2,882,584         | 2,951,440         | 3,010,052         | 3,070,342         | 3,132,369         |
| <b>(d) Total Revenues</b>  | <b>29,618,250</b> | <b>31,204,016</b> | <b>33,070,399</b> | <b>35,109,664</b> | <b>37,031,849</b> |
| (e) Operating Expenses   | 16,637,729        | 16,929,689        | 17,980,876        | 19,310,733        | 20,131,597        |
| (f) <b>Net Revenues (f = d - e)</b>                                    | <b>12,980,521</b> | <b>14,274,327</b> | <b>15,089,523</b> | <b>15,798,931</b> | <b>16,900,252</b> |
| Existing Debt Service on Non-SRF Projects                              |                   |                   |                   |                   |                   |
| (g) (including coverage)   | 2,854,883         | 2,856,942         | 2,861,025         | 2,855,649         | 2,855,638         |
| Existing SRF Loan Debt   |                   |                   |                   |                   |                   |
| (h) (including coverage)   | 452,070           | 452,070           | 452,070           | 2,286,477         | 2,286,477         |
| <b>(i) Total Existing Debt Service (I = g + h)</b>                     | <b>3,306,954</b>  | <b>3,309,012</b>  | <b>3,313,096</b>  | <b>5,142,126</b>  | <b>5,142,115</b>  |
| Projected Debt Service on Non-SRF Future Projects (including coverage) |                   |                   |                   |                   |                   |
| (j)  |                   |                   |                   |                   |                   |
| Projected SRF Loan Debt Service (including coverage)                   |                   |                   |                   |                   |                   |
| (k)  |                   |                   | 285,230           | 285,230           | 285,230           |
| <b>(l) Total Debt Service (Existing and Projected) (I = I + j + k)</b> | <b>3,306,954</b>  | <b>3,309,012</b>  | <b>3,598,326</b>  | <b>5,427,356</b>  | <b>5,427,345</b>  |
| <b>(m) Net Revenues After Debt (m = f - I)</b>                         | <b>9,673,567</b>  | <b>10,965,315</b> | <b>11,491,197</b> | <b>10,371,575</b> | <b>11,472,907</b> |

(n) Identify the source of the above information and explain methods used to develop the projections (*Attachment # \_\_D\_\_*). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.

(o) Are the above projections consistent with the capital improvements financing information in the accepted water facilities plan?  
 Yes     No. If not, explain on *Attachment # \_\_*.



# Attachment A

## Additional Contacts

## Additional Contacts

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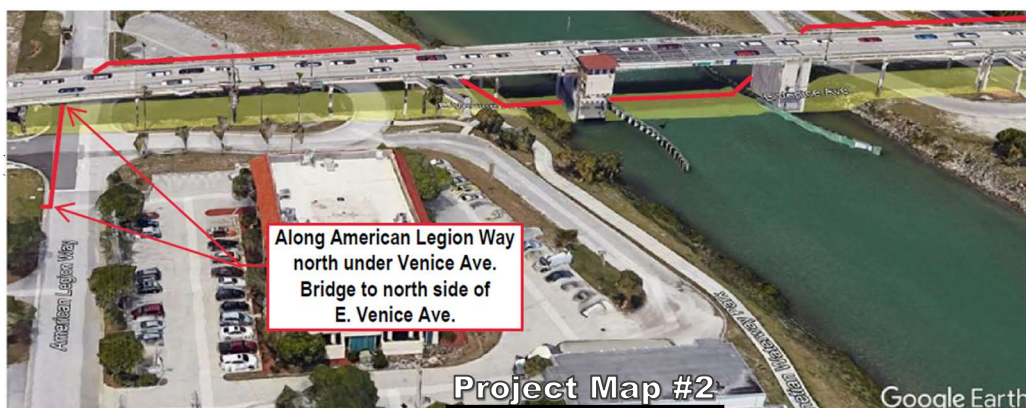
# Attachment B

## Project Description

## City of Venice – Intracoastal Second Force Main

- Total estimated cost for construction: \$4,938,360 (\$208,320 of total not eligible for SRF reimbursement)
- The City of Venice Utilities Department is proposing the construction of the following:
  - Installation of an HDPE force main via HDD along East Venice Avenue and under the Intracoastal Waterway to provide a second force main (See Project Map #1).
  - Installation of gravity sewer mains and manholes along Calle De Toro and Warfield Ave. from the City's Water Treatment Plant to the existing Lift Station LS-07 (See Project Map #1 & #2).
  - Construction of a new gravity sewer system along the south side of Legacy Park to connect four (4) existing commercial business to public sewer and abandonment of their ex. septic systems (See Project Map #1).
  - As part of the additive alternate, the Contractor shall furnish and install an in-line channel grinder, associated electrical equipment, controls, and ancillary equipment upstream of the City's Lift Station LS-07, and replacement of the Lift Station LS-07 wet well lids and hatch due to severe corrosion (See Project Map #3).
- The existing Force main under the Intracoastal Waterway conveys wastewater off the island of Venice to the Water Reclamation Facility. If the existing force main were to fail, break, or get damaged by a hurricane, the second force main would be used as a redundant method for conveying wastewater off the Island of Venice.
- The Second Force Main will provide resiliency and reliability to the entire island, which consists of residents, tourists, businesses, and restaurants.
- If the existing force main were to fail, the consequences for the environment and island residents would be catastrophic.
- The second force main will also allow the Utilities Department to perform repairs to the existing line if needed. The additional line provides redundancy, and enhances reliability of the City's sewer collection system while protecting our pristine waterways.

### Area Map of the Intracoastal Second Force Main Project





# Attachment C

## Debt Obligations List

## CONSTRUCTION LOAN WATER/WASTEWATER DEBT OBLIGATION

- City of Venice, Florida, Utility System Refunding Revenue Note, Series 2020, issued in the amount of \$17,750,000 - Resolution 2020-48 (Balance as of 9/30/23 \$16,355,000)
- City of Venice, Florida, Utility System Refunding Revenue Note, Series 2015, issued in the amount of \$15,355,000 - Resolution 2015-11 - 2/10/2015 (Principal balance as of 9/30/2023 \$11,390,000)
- City of Venice, Florida, State Revolving Loan Fund, DW580430, issued Final Amendment amount of \$6,507,746.57 - Resolution 2016-13 - 4/26/2016 (Principal balance as of 9/30/2023 \$5,824,604)
- City of Venice, Florida, State Revolving Loan Fund, WW580440, issued in the amount of \$575,627 - Resolution 2016-30 - 10/25/2016 (Balance as of 9/30/2023 \$418,385)
- City of Venice, Florida, State Revolving Loan Fund, DW580480, issued in the amount of \$30,451,118 - Resolution 2021-25 - 9/28/2021 (Balance as of 9/30/2023 \$30,451,118)

# Attachment D

Financial Back-up Documents

Attachment D – Financial Back-up Documents

## SCHEDULE OF PRIOR AND PARITY LIENS

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least fifteen fiscal years. Use additional pages as necessary.

**Identify Each Obligation**

|                  | #1 Utility System Refunding Revenue Note, Series 2020 | #2 Refunding Bond, Series 2015 | #3 SRF DW580430 |        |           |    |    |                                       |                                   |
|------------------|---|--------------------------------|-----------------|--------|-----------|----|----|---------------------------------------|-----------------------------------|
|                  | \$17,750,000  | \$15,355,000                   | \$6,410,536     |        |           |    |    |                                       |                                   |
| Coverage %       | 115%  | 115%                           | 115%            |        |           |    |    |                                       |                                   |
| Insured (Yes/No) | No  | No                             | No              |        |           |    |    |                                       |                                   |
|                  | #4 SRF WW580440                                       | #5 SRF DW580480                |                 |        |           |    |    |                                       |                                   |
|                  | \$575,627   | \$30,451,118                   |                 |        |           |    |    |                                       |                                   |
| Coverage %       | 115%  | 115%                           |                 |        |           |    |    |                                       |                                   |
| Insured (Yes/No) | No  | No                             |                 |        |           |    |    |                                       |                                   |
| Fiscal Year      | Annual Debt Service (Principal + Interest)            |                                |                 |        |           |    |    | Total Non-SRF Debt Service w/coverage | Total SRF Debt Service w/coverage |
|                  | #1  | #2                             | #3              | #4     | #5        | #6 | #7 |                                       |                                   |
| 2019             | 1,157,350   | 1,100,375                      |                 | 28,854 |           |    |    | 2,596,384                             | 33,182                            |
| 2020             | 1,158,950   | 1,100,450                      |                 | 28,854 |           |    |    | 2,598,310                             | 33,182                            |
| 2021             | 144,390   | 1,096,575                      | 236,194         | 28,854 |           |    |    | 1,698,732                             | 304,805                           |
| 2022             | 1,021,221   | 1,096,325                      | 364,251         | 28,854 |           |    |    | 2,854,067                             | 452,070                           |
| 2023             | 1,024,539   | 1,099,375                      | 364,251         | 28,854 |           |    |    | 2,861,390                             | 452,070                           |
| 2024             | 1,021,956   | 1,096,300                      | 364,251         | 28,854 |           |    |    | 2,854,883                             | 452,070                           |
| 2025             | 1,022,872   | 1,097,175                      | 364,251         | 28,854 |           |    |    | 2,856,942                             | 452,070                           |
| 2026             | 1,022,422   | 1,101,175                      | 364,251         | 28,854 |           |    |    | 2,861,025                             | 452,070                           |
| 2027             | 1,020,622   | 1,098,300                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,855,649                             | 2,286,477                         |
| 2028             | 1,022,063   | 1,096,850                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,855,638                             | 2,286,477                         |
| 2029             | 1,021,687   | 1,098,775                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,857,420                             | 2,286,477                         |
| 2030             | 1,019,934   | 1,100,650                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,857,559                             | 2,286,477                         |
| 2031             | 1,022,228   | 1,099,725                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,859,134                             | 2,286,477                         |
| 2032             | 1,023,307   | 1,096,159                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,856,274                             | 2,286,477                         |
| 2033             | 1,018,267   | 1,100,469                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,855,434                             | 2,286,477                         |
| 2034             | 1,022,219   | 1,098,131                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,857,290                             | 2,286,477                         |
| 2035             | 1,025,076   | 1,099,084                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,861,672                             | 2,286,477                         |
| 2036             | 1,021,857   | 1,098,225                      | 364,251         | 28,854 | 1,595,136 |    |    | 2,856,983                             | 2,286,477                         |
| 2037             | 1,026,035   |                                | 364,251         | 28,854 | 1,595,136 |    |    | 1,598,829                             | 2,286,477                         |
| 2038             | 1,022,926   |                                | 364,251         | 14,427 | 1,595,136 |    |    | 1,595,253                             | 2,269,886                         |
| 2039             | 1,024,223   |                                | 364,251         |        | 1,595,136 |    |    | 1,596,745                             | 2,253,295                         |
| 2040             | 1,019,926   |                                | 364,251         |        | 1,595,136 |    |    | 1,591,803                             | 2,253,295                         |
| 2041             | 1,020,035   |                                | 182,125         |        | 1,595,136 |    |    | 1,382,484                             | 2,043,850                         |
| 2042             | 1,019,483   |                                |                 |        | 1,595,136 |    |    | 1,172,405                             | 1,834,406                         |
| 2043             | 1,018,271   |                                |                 |        | 1,595,136 |    |    | 1,171,012                             | 1,834,406                         |
| 2044             |   |                                |                 |        | 1,595,136 |    |    | -                                     | 1,834,406                         |
| 2045             |   |                                |                 |        | 1,595,136 |    |    |                                       | 1,834,406                         |
| 2046             |   |                                |                 |        | 1,595,136 |    |    |                                       | 1,834,406                         |
| 2047             |   |                                |                 |        |           |    |    |                                       |                                   |
| 2048             |   |                                |                 |        |           |    |    |                                       |                                   |
| 2049             |   |                                |                 |        |           |    |    |                                       |                                   |
| 2050             |   |                                |                 |        |           |    |    |                                       |                                   |

(1) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$20,770,000 was refunded by the 2020 Bond Issue.

**SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Provide information for the two fiscal years preceding the anticipated date of the SRF loan agreement.)

|   | <u>FY2022</u>               | <u>FY2023</u>               |
|---|-----------------------------|-----------------------------|
| (a) Operating Revenues:   |                             |                             |
| Water/Sewer Service   | <u>26,465,968</u>           | <u>27,911,923</u>           |
| Other <u>Miscellaneous</u>  | <u>112,850</u>              | <u>283,234</u>              |
| (b) Interest Income   | <u>                    </u> | <u>                    </u> |
| (c) Other Income or<br>Revenue (Identify)   | <u>                    </u> | <u>                    </u> |
| (d) Total Revenues  | <u>26,578,818</u>           | <u>28,195,157</u>           |
| <br>(e) Operating Expenses<br>(excluding interest on debt,<br>depreciation, and other<br>non-cash items)  | <u>13,671,919</u>           | <u>16,375,241</u>           |
| (f) Net Revenues<br>(f = d - e)   | <u>12,906,899</u>           | <u>11,819,916</u>           |
| <br>(g) Debt Service (including<br>required coverage; should<br>reflect last column of<br>preceding page) | <u>3,306,137</u>            | <u>3,313,460</u>            |

- (h) Attach audited annual financial report(s), or pages thereof, and any other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF loan. (*Attachment #   D*)
- (i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (*Attachment #   D*)
- (j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (*Attachment #*)

**City of Venice, Florida**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For Fiscal Year Ended September 30, 2022**

|   | <b>Business-Type Activities</b>    |                     |                      |
|---|------------------------------------|---------------------|----------------------|
|   | <b>Water and Sewer<br/>Utility</b> | <b>Solid Waste</b>  | <b>Airport</b>       |
| <b>OPERATING REVENUES</b>                             |                                    |                     |                      |
| Charges for services                                  | \$ 26,465,968                      | \$ 7,648,188        | \$ -                 |
| Rentals   | 82,889                             | -                   | 2,311,553            |
| Interfund charges                                     | -                                  | -                   | -                    |
| Miscellaneous   | 29,961                             | 49,438              | 74,963               |
| Total operating revenues                              | <u>26,578,818</u>                  | <u>7,697,626</u>    | <u>2,386,516</u>     |
| <b>OPERATING EXPENSES</b>                             |                                    |                     |                      |
| Personal services                                     | 6,320,737                          | 2,212,851           | 718,284              |
| Insurance   | 432,613                            | 48,631              | 121,077              |
| Professional/contractual services                     | 1,478,007                          | 1,299,660           | 165,109              |
| Claims  | -                                  | -                   | -                    |
| Repair and maintenance                                | 2,102,663                          | 840,207             | 164,599              |
| Utilities   | 992,762                            | 20,036              | 106,739              |
| Other services and charges                            | 2,345,137                          | 1,448,804           | 210,874              |
| Depreciation  | 6,215,669                          | 43,796              | 2,253,702            |
| Total operating expenses                              | <u>19,887,588</u>                  | <u>5,913,985</u>    | <u>3,740,384</u>     |
| Operating income (loss)                               | <u>6,691,230</u>                   | <u>1,783,641</u>    | <u>(1,353,868)</u>   |
| <b>NON OPERATING REVENUES (EXPENSES)</b>              |                                    |                     |                      |
| Operating Grants                                      | 5,295                              | -                   | -                    |
| Interest earnings - investments                       | 139,986                            | 19,566              | 18,514               |
| Interest earnings - leases                            | 8,842                              | -                   | 327,967              |
| Disposition of capital assets                         | 3,000                              | 94,000              | (104,160)            |
| Interest expense and fiscal charges                   | (852,228)                          | -                   | -                    |
| Net non-operating revenues (expenses)                 | <u>(695,105)</u>                   | <u>113,566</u>      | <u>242,321</u>       |
| Income (loss) before contributions and transfers      | <u>5,996,125</u>                   | <u>1,897,207</u>    | <u>(1,111,547)</u>   |
| <b>CAPITAL CONTRIBUTIONS</b>                          |                                    |                     |                      |
| Developer capital contributions                       | 1,474,257                          | -                   | -                    |
| Federal and state grants                              | 940,591                            | -                   | 2,241,173            |
| Impact/plant capacity fees                            | 6,807,226                          | 285,132             | -                    |
| Capital assets transferred in from governmental funds | -                                  | -                   | -                    |
| Total capital contributions                           | <u>9,222,074</u>                   | <u>285,132</u>      | <u>2,241,173</u>     |
| <b>TRANSFERS</b>                                      |                                    |                     |                      |
| Transfers in  | -                                  | -                   | -                    |
| Transfers out   | (1,954,143)                        | (744,988)           | (325,452)            |
| Net transfers   | <u>(1,954,143)</u>                 | <u>(744,988)</u>    | <u>(325,452)</u>     |
| Change in net position                                | 13,264,056                         | 1,437,351           | 804,174              |
| Total net position at beginning of year               | <u>120,367,734</u>                 | <u>3,954,391</u>    | <u>35,474,037</u>    |
| Total net position at end of year                     | <u>\$ 133,631,790</u>              | <u>\$ 5,391,742</u> | <u>\$ 36,278,211</u> |

See accompanying Notes to Financial Statements.

**City of Venice, Florida**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For Fiscal Year Ended September 30, 2023**

|   | <b>Business-Type Activities</b>    |                     |                      |
|---|------------------------------------|---------------------|----------------------|
|   | <b>Water and Sewer<br/>Utility</b> | <b>Solid Waste</b>  | <b>Airport</b>       |
| <b>OPERATING REVENUES</b>                             |                                    |                     |                      |
| Charges for services                                  | \$ 27,820,912                      | \$ 7,680,026        | \$ -                 |
| Rentals   | 91,011                             | -                   | 2,150,126            |
| Interfund charges                                     | -                                  | -                   | -                    |
| Miscellaneous   | 283,234                            | 28,524              | 148,058              |
| Total operating revenues                              | <u>28,195,157</u>                  | <u>7,708,550</u>    | <u>2,298,184</u>     |
| <b>OPERATING EXPENSES</b>                             |                                    |                     |                      |
| Personal services                                     | 7,065,978                          | 2,459,565           | 693,026              |
| Insurance   | 471,455                            | 56,113              | 129,387              |
| Professional/contractual services                     | 2,011,024                          | 5,952,481           | 190,010              |
| Claims  | -                                  | -                   | -                    |
| Repair and maintenance                                | 3,022,639                          | 954,371             | 417,938              |
| Utilities   | 1,097,366                          | 21,077              | 125,633              |
| Other services and charges                            | 2,706,779                          | 1,501,708           | 224,536              |
| Depreciation  | 6,489,264                          | 9,708               | 2,312,243            |
| Total operating expenses                              | <u>22,864,505</u>                  | <u>10,955,023</u>   | <u>4,092,773</u>     |
| Operating income (loss)                               | <u>5,330,652</u>                   | <u>(3,246,473)</u>  | <u>(1,794,589)</u>   |
| <b>NON OPERATING REVENUES (EXPENSES)</b>              |                                    |                     |                      |
| Operating Grants                                      | 1,980                              | -                   | -                    |
| Interest earnings - investments                       | 1,942,915                          | 118,109             | 276,386              |
| Interest earnings - leases                            | 7,066                              | -                   | 327,106              |
| Disposition of capital assets                         | 5,000                              | -                   | -                    |
| Interest expense and fiscal charges                   | (805,021)                          | -                   | -                    |
| Net non-operating revenues (expenses)                 | <u>1,151,940</u>                   | <u>118,109</u>      | <u>603,492</u>       |
| Income (loss) before contributions and transfers      | <u>6,482,592</u>                   | <u>(3,128,364)</u>  | <u>(1,191,097)</u>   |
| <b>CAPITAL CONTRIBUTIONS</b>                          |                                    |                     |                      |
| Developer capital contributions                       | 3,006,689                          | -                   | -                    |
| Federal and state grants                              | 2,179,118                          | -                   | 1,341,934            |
| Impact/plant capacity fees                            | 8,439,399                          | 144,346             | -                    |
| Capital assets transferred in from governmental funds | -                                  | -                   | -                    |
| Total capital contributions                           | <u>13,625,206</u>                  | <u>144,346</u>      | <u>1,341,934</u>     |
| <b>TRANSFERS</b>                                      |                                    |                     |                      |
| Transfers in  | -                                  | -                   | -                    |
| Transfers out   | (2,284,727)                        | (822,622)           | (459,340)            |
| Net transfers   | <u>(2,284,727)</u>                 | <u>(822,622)</u>    | <u>(459,340)</u>     |
| Change in net position                                | 17,823,071                         | (3,806,640)         | (308,503)            |
| Total net position at beginning of year               | <u>133,631,790</u>                 | <u>5,391,742</u>    | <u>36,278,211</u>    |
| Total net position at end of year                     | <u>\$ 151,454,861</u>              | <u>\$ 1,585,102</u> | <u>\$ 35,969,708</u> |

See accompanying Notes to Financial Statements.

**SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Begin with the fiscal year preceding first anticipated semiannual loan payment.)

|  | <b>FY2024</b>     | <b>FY2025</b>     | <b>FY2026</b>     | <b>FY2027</b>     | <b>FY2028</b>     |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenues   |                   |                   |                   |                   |                   |
| (a) (Identify)   |                   |                   |                   |                   |                   |
| Water/Sewer/Reclaimed  | 25,975,756        | 27,679,383        | 29,502,552        | 31,454,108        | 33,360,289        |
| (b) Interest Income  | 759,910           | 573,193           | 557,795           | 585,214           | 539,191           |
| (c) Other Incomes or Revenues (Identify)                               |                   |                   |                   |                   |                   |
| Other Operating Income   | 2,882,584         | 2,951,440         | 3,010,052         | 3,070,342         | 3,132,369         |
| <b>(d) Total Revenues</b>  | <b>29,618,250</b> | <b>31,204,016</b> | <b>33,070,399</b> | <b>35,109,664</b> | <b>37,031,849</b> |
| (e) Operating Expenses   | 16,637,729        | 16,929,689        | 17,980,876        | 19,310,733        | 20,131,597        |
| (f) <b>Net Revenues (f = d - e)</b>                                    | <b>12,980,521</b> | <b>14,274,327</b> | <b>15,089,523</b> | <b>15,798,931</b> | <b>16,900,252</b> |
| Existing Debt Service on Non-SRF Projects                              |                   |                   |                   |                   |                   |
| (g) (including coverage)   | 2,854,883         | 2,856,942         | 2,861,025         | 2,855,649         | 2,855,638         |
| Existing SRF Loan Debt   |                   |                   |                   |                   |                   |
| (h) (including coverage)   | 452,070           | 452,070           | 452,070           | 2,286,477         | 2,286,477         |
| <b>(i) Total Existing Debt Service (I = g + h)</b>                     | <b>3,306,954</b>  | <b>3,309,012</b>  | <b>3,313,096</b>  | <b>5,142,126</b>  | <b>5,142,115</b>  |
| Projected Debt Service on Non-SRF Future Projects (including coverage) |                   |                   |                   |                   |                   |
| (j)  |                   |                   |                   |                   |                   |
| Projected SRF Loan Debt Service (including coverage)                   |                   |                   |                   |                   |                   |
| (k)  |                   |                   | 285,230           | 285,230           | 285,230           |
| <b>(l) Total Debt Service (Existing and Projected) (I = I + j + k)</b> | <b>3,306,954</b>  | <b>3,309,012</b>  | <b>3,598,326</b>  | <b>5,427,356</b>  | <b>5,427,345</b>  |
| <b>(m) Net Revenues After Debt (m = f - I)</b>                         | <b>9,673,567</b>  | <b>10,965,315</b> | <b>11,491,197</b> | <b>10,371,575</b> | <b>11,472,907</b> |

(n) Identify the source of the above information and explain methods used to develop the projections (*Attachment # \_\_D\_\_*). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.

(o) Are the above projections consistent with the capital improvements financing information in the accepted water facilities plan?  
 Yes     No. If not, explain on *Attachment # \_\_*.



## Projection Worksheet

| Revenues                               | FY2024            | FY2025            | FY2026            | FY2027            | FY2028            |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Water/Sewer/Reclaimed                  | 25,975,756        | 27,679,383        | 29,502,552        | 31,454,108        | 33,360,289        |
| Miscellaneous                          |                   |                   |                   |                   |                   |
| Penalty Water, Sewer and Reuse         | 108,000           | 108,000           | 108,000           | 108,000           | 108,000           |
| Sarasota County Sewer Treatment Cost   | 2,286,484         | 2,355,340         | 2,413,952         | 2,474,242         | 2,536,269         |
| Miscellaneous income/revenue           | 6,800             | 6,800             | 6,800             | 6,800             | 6,800             |
| 362.10-01 Rev Cell Tower Rents         | 93,400            | 93,400            | 93,400            | 93,400            | 93,400            |
| 362.10-00 Surplus Proceeds/Scrap       | 3,500             | 3,500             | 3,500             | 3,500             | 3,500             |
| Ad valorem Tax Reimburse               | 9,200             | 9,200             | 9,200             | 9,200             | 9,200             |
| Water/Sewer/Reuse Tap Fees             | 263,000           | 263,000           | 263,000           | 263,000           | 263,000           |
| 369.30-00 Insurance settlement         | 25,000            | 25,000            | 25,000            | 25,000            | 25,000            |
| Fire Svc Standby Charge/Hydrant Rental | 74,700            | 74,700            | 74,700            | 74,700            | 74,700            |
| Operating Grants/SWFWMD                | 12,500            | 12,500            | 12,500            | 12,500            | 12,500            |
| Miscellaneous Total                    | <b>2,882,584</b>  | <b>2,951,440</b>  | <b>3,010,052</b>  | <b>3,070,342</b>  | <b>3,132,369</b>  |
| Interest Earnings                      | <b>759,910</b>    | <b>573,193</b>    | <b>557,795</b>    | <b>585,214</b>    | <b>539,191</b>    |
| TTL Operating Rev                      | 29,618,250        | 31,204,016        | 33,070,399        | 35,109,664        | 37,031,849        |
| Operating Expense                      | 16,637,729        | 16,929,689        | 17,980,876        | 19,310,733        | 20,131,597        |
| <b>Net</b>                             | <b>12,980,521</b> | <b>14,274,327</b> | <b>15,089,523</b> | <b>15,798,931</b> | <b>16,900,252</b> |

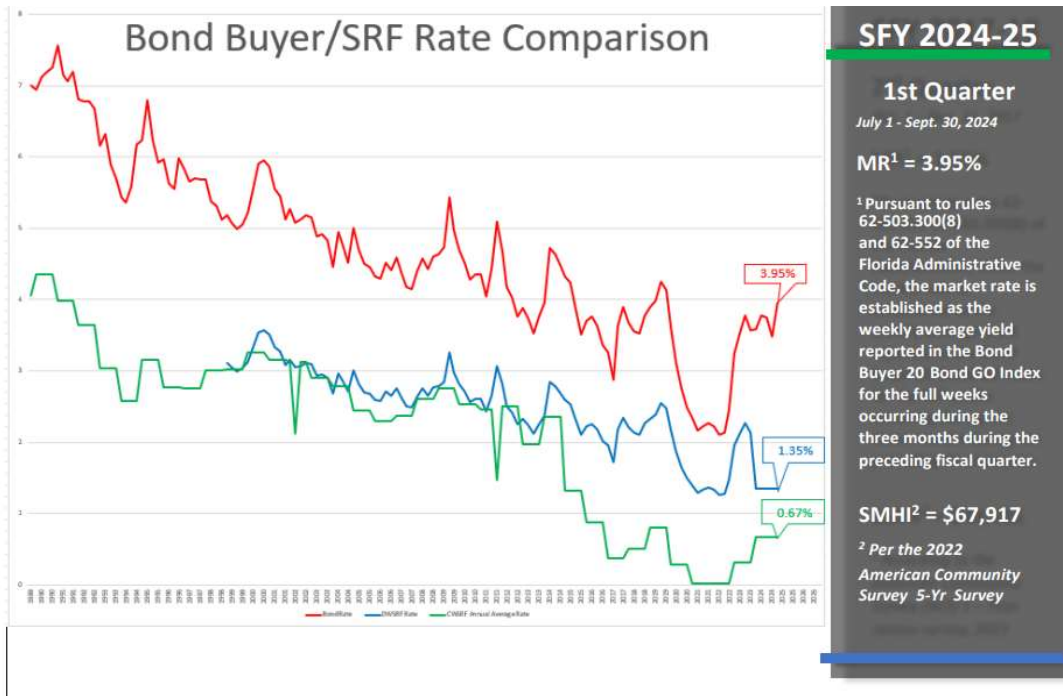
# Project Cost Worksheet

## City of Venice

### WW58049

City of Venice, Intracoastal FM

| Item                             | %   | Amount           |
|----------------------------------|-----|------------------|
| Construction                     |     | 3,941,700        |
| Eligible Land                    |     | 0                |
| Other (Contingency Eligible)     |     | 0                |
| Contingency Percentage/Amount    | 10% | 394,170          |
| Technical Services               |     | 394,170          |
| Special Studies                  |     |                  |
| <b>Total</b>                     |     | <b>4,730,040</b> |
|                                  |     |                  |
| Years to Construct               |     | 2.0              |
| Anticipated Interest Rate        |     | 1.50%            |
| Anticipated Capitalized Interest |     | 70,951           |
| <b>TOTAL</b>                     |     | <b>4,800,991</b> |
| Fees                             | 2%  | 96,020           |
| <b>Total for Amortization</b>    |     | <b>4,897,010</b> |



## Draft Interest Amortization

|  |                      |
|--|----------------------|
| Loan Amount ( <b>pv</b> ) <sup>1</sup> | \$4,897,010          |
| Interest Rate ( <b>rate</b> )          | 1.50%                |
| Total # of Periods ( <b>Nper</b> )     | 20                   |
| Payment per Period                     | <b>\$285,229.98</b>  |
| Total Interest Paid                    | <b>\$ 807,589.09</b> |

| Period | Payment Amount | Interest  | Cumulative Interest | Principal  | Principal Paid | Balance      |
|--------|----------------|-----------|---------------------|------------|----------------|--------------|
|        |                |           |                     |            | \$             | 4,897,010.41 |
| 1      | 285,229.98     | 73,455.16 | 73,455.16           | 211,774.82 | 211,774.82     | 4,685,235.59 |
| 2      | 285,229.98     | 70,278.53 | 143,733.69          | 214,951.44 | 426,726.26     | 4,470,284.15 |
| 3      | 285,229.98     | 67,054.26 | 210,787.95          | 218,175.71 | 644,901.97     | 4,252,108.44 |
| 4      | 285,229.98     | 63,781.63 | 274,569.58          | 221,448.35 | 866,350.32     | 4,030,660.09 |
| 5      | 285,229.98     | 60,459.90 | 335,029.48          | 224,770.07 | 1,091,120.39   | 3,805,890.02 |
| 6      | 285,229.98     | 57,088.35 | 392,117.83          | 228,141.62 | 1,319,262.02   | 3,577,748.39 |
| 7      | 285,229.98     | 53,666.23 | 445,784.06          | 231,563.75 | 1,550,825.77   | 3,346,184.64 |
| 8      | 285,229.98     | 50,192.77 | 495,976.83          | 235,037.21 | 1,785,862.97   | 3,111,147.44 |
| 9      | 285,229.98     | 46,667.21 | 542,644.04          | 238,562.76 | 2,024,425.74   | 2,872,584.67 |
| 10     | 285,229.98     | 43,088.77 | 585,732.81          | 242,141.20 | 2,266,566.94   | 2,630,443.47 |
| 11     | 285,229.98     | 39,456.65 | 625,189.46          | 245,773.32 | 2,512,340.27   | 2,384,670.15 |
| 12     | 285,229.98     | 35,770.05 | 660,959.51          | 249,459.92 | 2,761,800.19   | 2,135,210.22 |
| 13     | 285,229.98     | 32,028.15 | 692,987.67          | 253,201.82 | 3,015,002.01   | 1,882,008.40 |
| 14     | 285,229.98     | 28,230.13 | 721,217.79          | 256,999.85 | 3,272,001.86   | 1,625,008.55 |
| 15     | 285,229.98     | 24,375.13 | 745,592.92          | 260,854.85 | 3,532,856.71   | 1,364,153.71 |
| 16     | 285,229.98     | 20,462.31 | 766,055.23          | 264,767.67 | 3,797,624.38   | 1,099,386.04 |
| 17     | 285,229.98     | 16,490.79 | 782,546.02          | 268,739.18 | 4,066,363.56   | 830,646.85   |
| 18     | 285,229.98     | 12,459.70 | 795,005.72          | 272,770.27 | 4,339,133.83   | 557,876.58   |
| 19     | 285,229.98     | 8,368.15  | 803,373.87          | 276,861.83 | 4,615,995.66   | 281,014.75   |
| 20     | 285,229.98     | 4,215.22  | 807,589.09          | 281,014.75 | 4,897,010.41   | 0.00         |
|        | -              | -         | -                   | -          | -              | -            |

<sup>1</sup> The amount identified is the Construction, Allowance and also includes estimated Service Fee and Capitalized Interest rate.



City of Venice, FL

# Utility Rate Study

## Final Report

Pages

August 28, 2023





August 28, 2023

Mr. Javier A. Vargas  
City of Venice  
200 North Warfield Avenue  
Venice, FL 34285

Re: Utility Rate Study – Final  
Report

Dear Mr. Vargas,

Stantec is pleased to provide you with this Final Report of the findings from the Utility Rate Study (Study) that we completed for the City of Venice Utilities system (City or Utility). We appreciate the fine assistance provided by you, other members of City staff, and certain stakeholders who participated in and contributed to the Study. I ask that you please distribute this report to the appropriate individuals at the City.

Key findings and recommendations are provided in the attached report. The report contains the recommended rate plan for FY 2024 – FY 2028 for the water, sewer, and reclaimed systems, as well as the Plant Capacity Fee recommendations for the next four years.

If you or others at the City have any questions, please do not hesitate to call me at (813) 204-3331 or email at [andrew.burnham@stantec.com](mailto:andrew.burnham@stantec.com). We appreciate the opportunity to be of service to the City, and we look forward to the possibility of doing so again in the near future.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Burnham".

Andrew Burnham  
Vice President, Management & Technology Services

Enclosure

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# 1. EXECUTIVE SUMMARY

## 1.1 INTRODUCTION

This Executive Summary presents an overview of the results of the Utility Rate Study (Study) that was completed for the water and sewer systems of the City of Venice (hereafter referred to as the City or Utility) by Stantec Consulting Services Inc. The findings of the Study are based on a set of assumptions and data that are subject to change, which could have a measurable effect on the findings.

### **Objectives**

The principal objectives or components of the Study are as follows:

**Revenue Sufficiency Analysis** – Measure the adequacy of revenue from current rates to satisfy projected annual expenditure requirements and identify levels of any necessary future rate adjustments.

**Plant Capacity Fees** – Calculate plant capacity fees for the water and sewer systems, based on capital investments and system capacities.

**Miscellaneous Fees** – Calculate cost of providing miscellaneous services and update fees as needed.

## 1.2 REVENUE SUFFICIENCY ANALYSIS

This analysis evaluated the sufficiency of the Utility's revenues to meet all of its current and projected financial requirements over a ten-year projection period and determined the level of any rate revenue increases necessary in each year of the projection period to provide sufficient revenues to fund all of the Utility's requirements. During interactive meetings with City staff and the Stakeholder Working Group, we discussed the source data and assumptions of the analysis and reviewed several alternative capital scenarios for the Utility. Through this process, we identified the financial management plan and associated plan of annual water, sewer, and reclaimed water rate revenue increases presented in Table 1-1. The higher water rate increases are based on higher capital spending for water projects, specifically the Water Treatment Plant Relocation presently planned in FY 2033. The additional revenue from the water rate increase above the 3.00% annual indexing adjustment are intended to be used to fund this project until the Utility borrows to support construction, after which time the additional revenue will be used for debt service and/or other annual expenditure requirements associated with the project.

**Table 1-1 Proposed Plan of Rate Adjustments**

| Service Type | Projected Years |         |         |         |         |
|--------------|-----------------|---------|---------|---------|---------|
|              | FY 2024         | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| Water        | 5.25%           | 5.25%   | 5.25%   | 5.25%   | 5.25%   |
| Sewer        | 3.00%           | 3.00%   | 3.00%   | 3.00%   | 3.00%   |
| Reclaimed    | 3.00%           | 3.00%   | 3.00%   | 3.00%   | 3.00%   |

### 1.3 PLANT CAPACITY FEES

A capital charge is a one-time charge paid by a new customer to recover a portion or all the cost of constructing water and sewer system capacity. These charges are also often assessed to existing customers requiring increased system capacity. Capital charges are often called impact fees, system development charges, connection charges, etc., however the City refers to them as Plant Capacity Fees (PCF). Stantec calculated a PCF for both the water and sewer systems, designed to recover costs for new users to buy into the existing systems as well as recover a portion of the costs of capital projects which expand system capacity. Stantec calculated the below PCFs based on current data.

**Table 1-2 Calculated Plant Capacity Fee (PCF)**

| Service | Current PCF per ERU | Calculated PCF per ERU | % Change in PCF per ERU |
|---------|---------------------|------------------------|-------------------------|
| Water   | \$3,925             | \$4,039                | 3%                      |
| Sewer   | \$1,832             | \$3,379                | 84%                     |

The Florida Impact Fee Act<sup>1,2</sup> states that impact fees increasing 25 percent or more must be phased in over a period of four years to a maximum level of 50 percent higher than current impact fees. The below shows the proposed PCFs by year, assuming water PCFs will remain at their current level and sewer PCFs will be increased by 50 percent in equal, annual increments over the next four years.

**Table 1-3 Proposed PCF by Year**

|                            | FY 2023<br>(Current) | FY 2024        | FY 2025        | FY 2026        | FY 2027        |
|----------------------------|----------------------|----------------|----------------|----------------|----------------|
| Water PCF (per ERU)        | \$3,925              | \$3,925        | \$3,925        | \$3,925        | \$3,925        |
| Sewer PCF (per ERU)        | \$1,832              | \$2,061        | \$2,290        | \$2,519        | \$2,748        |
| <b>Total PCF (per ERU)</b> | <b>\$5,757</b>       | <b>\$5,986</b> | <b>\$6,215</b> | <b>\$6,444</b> | <b>\$6,673</b> |

### 1.4 MISCELLANEOUS FEES

The City currently charges customers for miscellaneous services, such as service turn on/turn off and for installing meters and taps of various sizes. As part of the Study, Stantec provided the City with a miscellaneous fee developer template, where the cost of providing these services can be calculated. The City used this developer, as well as its current labor and materials charges, to estimate the cost of providing service to customers requiring only a meter installation. The summary of new fees is shown in Table 1-4. Other than applying the recommended indexing adjustments to tap fees, no other changes to the City's current miscellaneous fees are proposed at this time.

<sup>1</sup> Stat. 163.31801 (2022).

<sup>2</sup> While the statute exempts water and sewer connection fees, it has been conservatively interpreted and applied to the City's PCFs for purposes of this Study.



**Table 1-4 Proposed Meter Set Fees**

| New Service                   | Calculated Fee |
|-------------------------------|----------------|
| Water Meter Installation – ¾” | \$446          |
| Water Meter Installation – 1” | \$515          |
| Water Meter Installation 1 ½” | \$936          |
| Water Meter Installation 2”   | \$1,187        |

## 2. INTRODUCTION

This Final Report presents the results of the Utility Rate Study (Study) that was completed for the water and sewer systems of the City of Venice (hereafter referred to as the City or Utility) by Stantec Consulting Services Inc. The findings of the Study are based on a set of assumptions and data that are subject to change, which could have a measurable effect on the findings. Section 3 of this report outlines the specific details of the Revenue Sufficiency Analysis, Section 4 outlines the specific details of the Plant Capacity Fee Analysis, and Section 5 outlines the specific details of the Miscellaneous Fee Analysis.

### 2.1 BACKGROUND

The City of Venice is located on the southwest coast of Florida and covers approximately sixteen square miles of land. The City's utilities department provides potable water, reclaimed water, and sanitary sewer services to approximately 13,000 connections and over 25,000 customers. The management, financing, and operations of the Utility is authorized by an elected City Council, a City Manager, Director of Finance, and Utilities Director.

During FY 2018 Stantec performed a rate study for water, sewer, and reclaimed rates to determine appropriate cost allocation and a plan of rate increases for each utility. In 2019 Stantec performed a plant capacity fee calculation, which established the City's current levels of PCFs. Stantec was involved in the 2022 Infrastructure Report Card Evaluation and identified the level of water and sewer rate increases needed to fund the capital projects identified during the analysis. The City retained Stantec this year to update the prior studies using the most current assumptions and develop a plan of future rate increases.

During the Study, as well as each prior rate study performed by Stantec, the City established a Stakeholder Working Group made up of members that represent different customer groups within the City. The Stakeholder Working Group met throughout the Study to discuss key assumptions, review the progress of the Study, and offer input to ensure financial sustainability of the Utility and fair and equitable distribution of costs.

### 2.2 OBJECTIVES

The principal objectives or components of the Study are as follows:

**Revenue Sufficiency Analysis** – Measure the adequacy of revenue from current rates to satisfy projected annual expenditure requirements and identify levels of any necessary future rate adjustments.

**Plant Capacity Fees** – Calculate plant capacity fees for the water and sewer systems, based on capital investments and system capacities.

**Miscellaneous Fees** – Calculate cost of providing miscellaneous services and update fees as needed.

## 3. REVENUE SUFFICIENCY ANALYSIS

### 3.1 DESCRIPTION

This section presents the financial management plan and associated plan of rate adjustments developed in the revenue sufficiency analysis that was conducted as part of the Study. The following sub-sections of the report describe the source data and assumptions used, as well as the findings and recommendations.

During the analysis, we reviewed alternative multi-year financial plans and corresponding rate revenue adjustments through interactive work sessions with City staff and the Stakeholder Working Group. During these work sessions, we examined the impact of various inputs or assumptions upon key financial indicators. Through these exercises, we developed the proposed financial plan and annual rate revenue adjustments that will allow the City to fund its cost requirements throughout the projection period and meet its financial performance goals and objectives.

To perform the revenue sufficiency analysis, we obtained the City's historical and budgeted financial information regarding the operation of its Utility, as well as historical customer counts and volume data by class of customer. We also obtained the Utility's multi-year capital improvement program (CIP), and documented the City's current debt service obligations and covenants, or promises made to lenders, relative to net income coverage requirements, reserves, etc. We also counseled with City staff regarding other assumptions and policies that would affect the financial performance of the Utility, such as trends in demands, planned developments/customer growth, debt coverage levels, levels of reserves, capital funding sources, earnings on invested funds, and escalation rates for operating costs.

All of this information was entered into a comprehensive financial planning model. This model produced a 10-year projection of the adequacy of revenues provided by the current rates of the Utility to meet its current and projected financial requirements, and then determined the level of rate revenue increases necessary in each year of the projection period to satisfy the system's annual financial requirements.

The financial planning model utilizes all projected available unrestricted funds in each year of the projection period to pay for capital expenditures. The model is set up to reflect the rules of cash-funded expenditures (Pay-As-You-Go or PAYGO) as defined and applied by City staff and produces a detailed summary of the funding sources to be used for each project in the CIP. To the extent that current revenues and unrestricted reserves are not adequate to fund all capital projects in any year of the projection period, the model identifies a borrowing requirement to fund those projects, or portions thereof that are determined to be eligible for borrowing. The financial plan is used to develop a borrowing program that includes the required borrowing amount by year and the estimated annual debt service requirements for each year in the projection period. All supporting schedules for the revenue sufficiency analysis can be found in Appendix A of this report.

## 3.2 SOURCE DATA

The following presents the key source data relied upon in updating the revenue sufficiency analysis.

### 3.2.1 Beginning Fund Balances

The fiscal year FY 2022 Annual Comprehensive Financial Report (ACFR) and supporting trial balance schedules provided by City staff were used to establish the beginning FY 2023 balances for the Utility as of September 30, 2022.

### 3.2.2 Revenues

The revenues utilized in the analysis reflect an evaluation of multiple years of historical customer demand characteristics per billing records provided by and discussed with City staff. Revenues consist of rate revenue, PCF revenue, connection fees, interest income, and other revenue from miscellaneous service charges.

Rate revenues in each year are calculated based on assumed rate increases, customer counts, and billed volumes for each respective service. The following table shows projected rate revenues based upon the identified plan of rate adjustments recommended herein as well as assumed customer growth. These rate adjustments are necessary to cover nominal increases in operation and maintenance (O&M) costs, debt service, and capital expenditures.

**Table 3-1 Total Rate Revenue Projection Summary**

| Rate Revenue | Current Year        | Projected Years     |                     |                     |                     |                     |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|              | 2023                | 2024                | 2025                | 2026                | 2027                | 2028                |
| Water        | \$12,751,100        | \$13,791,982        | \$14,917,924        | \$16,135,885        | \$17,453,395        | \$18,695,310        |
| Sewer        | \$10,740,000        | \$11,200,690        | \$11,738,757        | \$12,302,750        | \$12,893,921        | \$13,513,583        |
| Reclaimed    | \$945,000           | \$983,084           | \$1,022,702         | \$1,063,917         | \$1,106,917         | \$1,151,396         |
| <b>Total</b> | <b>\$24,436,100</b> | <b>\$25,975,755</b> | <b>\$27,679,383</b> | <b>\$29,505,552</b> | <b>\$31,454,108</b> | <b>\$33,360,290</b> |

### 3.2.3 Operating Expenditures

The Utility's operating expenditures include the costs to operate the utilities' treatment, distribution, collection, and administrative functions. The expenditures include personnel items such as salaries and wages, life and health insurance, overtime, and retirement contributions, as well as operating costs such as supplies, utilities, communication services, freight and postage, and repair and maintenance of vehicle fleets. The analysis is based on the FY 2023 Adopted Budget adjusted annually thereafter, based upon assumed cost escalation factors that were reviewed with City staff. Table 3-2 presents the total projected annual O&M expenses of the Utility.

**Table 3-2 Total O&M Expense Projection Summary**

|                               | Current Year | Projected Years   |              |              |              |              |
|-------------------------------|--------------|-------------------|--------------|--------------|--------------|--------------|
|                               | 2023         | 2024 <sup>1</sup> | 2025         | 2026         | 2027         | 2028         |
| <b>Total O&amp;M Expenses</b> | \$15,450,855 | \$15,331,210      | \$15,619,336 | \$16,592,410 | \$17,817,638 | \$18,586,189 |

<sup>1</sup>FY 2024 Professional Services expected to decrease from FY 2023 levels.

### 3.2.4 Debt Service

#### *Outstanding Debt*

The City's current debt obligations include a series of revenue bonds and two state revolving fund (SRF) loans. In FY 2023, the total debt service payment is \$2.9M, which is approximately 12% of the total operating revenue collected.

#### *Proposed Debt*

Stantec is currently projecting needs for future debt issues and state revolving fund loans. While the capital projects that would likely be funded by future SRF loans have already been determined by the City, additional borrowing is determined after considering available fund balances and rate revenues. Projected debt service payments are presented in Table 3-3.

#### *Debt Service Coverage*

The Utility must maintain adjusted net revenues that are at least 1.15 times greater than the annual debt service expense (principal and interest payments on senior lien and subordinate debt). To the extent the Utility is unable to meet these requirements, it could face the possibility of having its credit rating downgraded, which would affect interest rates and terms of future financing activities. As a policy decision, utilities often measure revenue sufficiency and set rates based upon a higher coverage level to ensure compliance with this covenant in the event future projections of revenue and expenses do not occur as predicted. As such, the Revenue Sufficiency Analysis was established with a minimum target debt service coverage ratio of at least 1.50 on adjusted net revenues for senior lien and subordinate debt. In each year of the financial forecast, the Utility's debt service is higher than this minimum target and is reflective of the need for a portion of the annual revenues of the Utility to go toward capital funding.

**Table 3-3 Projected Total Annual Debt Service and Coverage Calculations**

| Description                | Current Year       | Projected Years    |                    |                    |                    |                    |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                            | 2023               | 2024               | 2025               | 2026               | 2027               | 2028               |
| <b>Existing DS Payment</b> | \$2,947,315        | \$2,514,761        | \$2,515,666        | \$2,518,737        | \$2,518,190        | \$2,517,293        |
| <b>Cumulative New DS</b>   | -                  | \$801,538          | \$2,561,543        | \$3,950,190        | \$4,562,562        | \$4,592,797        |
| <b>Total DS Payment</b>    | <b>\$2,947,315</b> | <b>\$3,316,299</b> | <b>\$5,077,209</b> | <b>\$6,468,927</b> | <b>\$7,080,752</b> | <b>\$7,110,091</b> |
| <b>Senior-Lien DSC</b>     | 6.18               | 6.04               | 5.34               | 4.92               | 5.02               | 5.38               |
| <b>Subordinate DSC</b>     | 13.34              | 12.51              | 5.84               | 4.18               | 3.77               | 4.07               |

### 3.2.5 Capital Improvement Program

City staff provided the multi-year CIP in project level detail from FY 2023 through FY 2033, which included encumbered capital funds from FY 2022. Throughout this Study task, Stantec worked with staff to refine the capital project cost estimates, discuss timing of the projects, and review optimal funding methods of the projects.

In total, the CIP used in this analysis from FY 2023 – FY 2033 is approximately \$331 million, which includes a \$100 million Water Plant Relocation in FY 2033. Table 3-4 presents total capital spending in the next five years. A full schedule of the CIP can be found in Schedule 3 of Appendix A.

**Table 3-4 Projected Total Capital Improvement Plan Expenditures**

|                               | Current Year | Projected Years |              |              |             |              |
|-------------------------------|--------------|-----------------|--------------|--------------|-------------|--------------|
|                               | 2023         | 2024            | 2025         | 2026         | 2027        | 2028         |
| <b>Total Capital Expenses</b> | \$31,119,311 | \$55,122,380    | \$40,696,022 | \$27,654,187 | \$9,750,000 | \$22,500,000 |

### 3.2.6 Operating Reserve Fund Balance

Reserve balances for utility systems are funds set aside for a specific cash flow requirement, financial need, project, task, or legal covenant. These balances are maintained to meet short-term cash flow requirements and, at the same time, minimize the risk associated with meeting the financial obligations and continued operational and capital needs under adverse conditions. The level of reserves maintained by a utility is an important component and consideration of developing a utility system multi-year financial management plan.

Many utilities, rating agencies, and the investment community place a significant emphasis on having sufficient reserves available for potentially adverse conditions. The rationale related to the maintenance of adequate reserves is twofold. First, it helps to assure a utility that it will have adequate funds available to meet its financial obligations during unusual periods (i.e., when revenues are unusually low and/or expenditures are unusually high). Second, it provides funds that can be used for emergency repairs or replacements to the system that can occur because of natural disasters or unanticipated system failures.

As such, it is important for the Utility to establish financial policies that clearly state the basis for establishing targeted reserve balances. Financial policies should articulate how these balances are established, their use, and how to determine the adequacy of the reserve fund balances. It is important to note that once reserve targets are established, they should be reviewed annually during the budgeting process to monitor current levels and conform with stated policies and practices. Decisions can be made to maintain, increase, or spend down reserve balances, as appropriate, depending upon the impact of such decisions to upcoming budgets.

Moreover, a utility should review the approach used to establish reserve balances every three to five years. This time frame is appropriate given that debt levels and capital infrastructure activity can vary

during this time, which would influence the appropriate level of reserve balances. This type of review allows for reserve targets to be modified to better reflect existing conditions and issues.

The City's operating reserve target is calculated based on total annual expenditures, including operating expenses, debt service, cash funded capital, and transfers out of the operating fund. The Utility's target level of reserves is the sum of six months of current year O&M expenses, prior year depreciation, and current year debt service. As can be seen below, the Utility will meet or exceed this minimum target over the forecast period.

**Table 3-5 Minimum Annual Reserve Targets**

|                             | Current Year | Projected Years |        |        |        |        |
|-----------------------------|--------------|-----------------|--------|--------|--------|--------|
|                             | 2023         | 2024            | 2025   | 2026   | 2027   | 2028   |
| <b>Fund Balance (\$M)</b>   | \$26.0       | \$13.7          | \$14.3 | \$16.1 | \$16.8 | \$17.4 |
| <b>Reserve Target (\$M)</b> | \$12.6       | \$13.2          | \$14.3 | \$15.4 | \$16.2 | \$17.1 |

### 3.3 ASSUMPTIONS

Estimating future revenues and expenses requires various assumptions to be applied in the financial plan. The following summarizes a few assumptions used in the analysis. All assumptions used in this analysis are presented in Schedule 1 of Appendix A, and cost escalation factors utilized can be found in Schedule 6 of Appendix A.

- O&M expense escalation factors vary by type of expenditure and year.
- Interest earnings rate on fund balances is set at 2.00% per year throughout the projection period.
- Debt issued in the plan assumes 2.00% issuance costs, 30-year repayment term, and interest rates starting at 5.00% for revenue bonds. For SRF loans, 20-year terms, 2.00% loan service fees, and interest rates starting at 1.25% indexing at 0.25% each year until reaching 2.00% are assumed.
- Debt service coverage for both revenue bonds and SRF loans is set to a minimum target of 1.50 as desired by City staff.
- Water customers are projected to grow 3.00% each year through FY 2027 and then 2.00% per year thereafter.
- Sewer customers are projected to grow 1.00% in FY 2023 and increasing to 2.00% per year by FY 2025 and each year thereafter.
- Reclaimed water customers are projected to grow 1.00% each year.
- Water and sewer usage per account is assumed to decrease by 0.50% per year; reclaimed water use per account is assumed to decrease by 1.00% per year.

### 3.4 RESULTS

Based upon the data, assumptions, and policies provided, the City's current water and sewer rates will not provide sufficient revenue to meet its future debt service, capital, operating, and reserve requirements over a multi-year projection period. Assuming current rates, the fund balance is projected to fall below the target level by FY 2026 and become negative by FY 2028, while the debt service coverage is projected to fall below the minimum target level by FY 2032.

The financial plan includes water and sewer rate revenue increases that will meet the Utility's current and projected cost requirements. The table below summarizes proposed rate increases, projected debt issuance, and debt service coverage in FY 2023 and from FY 2024- FY 2028. The Pro Forma on Schedule 7 and Panel on Schedule 12 of Appendix A provide detail supporting these results.

The higher water rate increases included in the forecast are based on higher capital spending for water projects, specifically the \$100 million Water Treatment Plant Relocation presently planned in FY 2033. The additional revenue from the water rate increase above the 3.00% annual indexing adjustment are intended to be used to fund this project until the Utility borrows to support construction, after which time the additional revenue will be used for debt service and/or other annual expenditure requirements associated with the project.

**Table 3-6 Key Performance Statistics Summary**

| Description                                    | Current Year                                  | Projected Years |        |        |        |        |
|--|---|-----------------|--------|--------|--------|--------|
|  | 2023  | 2024            | 2025   | 2026   | 2027   | 2027   |
| <b>Water</b>                                   | 2.15%   | 5.25%           | 5.25%  | 5.25%  | 5.25%  | 5.25%  |
| <b>Sewer</b>                                   | 2.15%   | 3.00%           | 3.00%  | 3.00%  | 3.00%  | 3.00%  |
| <b>Reclaimed</b>                               | 6.82% (High Pressure)<br>2.15% (Low Pressure) | 3.00%           | 3.00%  | 3.00%  | 3.00%  | 3.00%  |
| <b>Proposed Debt Proceeds (\$M)</b>            | \$9.5   | \$25.4          | \$27.0 | \$15.4 | \$2.2  | \$3.8  |
| <b>Senior-Lien Debt Service Coverage Ratio</b> | 6.18  | 5.99            | 5.11   | 4.60   | 4.59   | 4.71   |
| <b>Subordinate Debt Service Coverage Ratio</b> | 13.34   | 12.49           | 5.77   | 4.11   | 3.69   | 3.91   |
| <b>Ending Cash Balance(\$M) *</b>              | \$23.1  | \$23.1          | \$20.2 | \$20.6 | \$20.9 | \$20.5 |

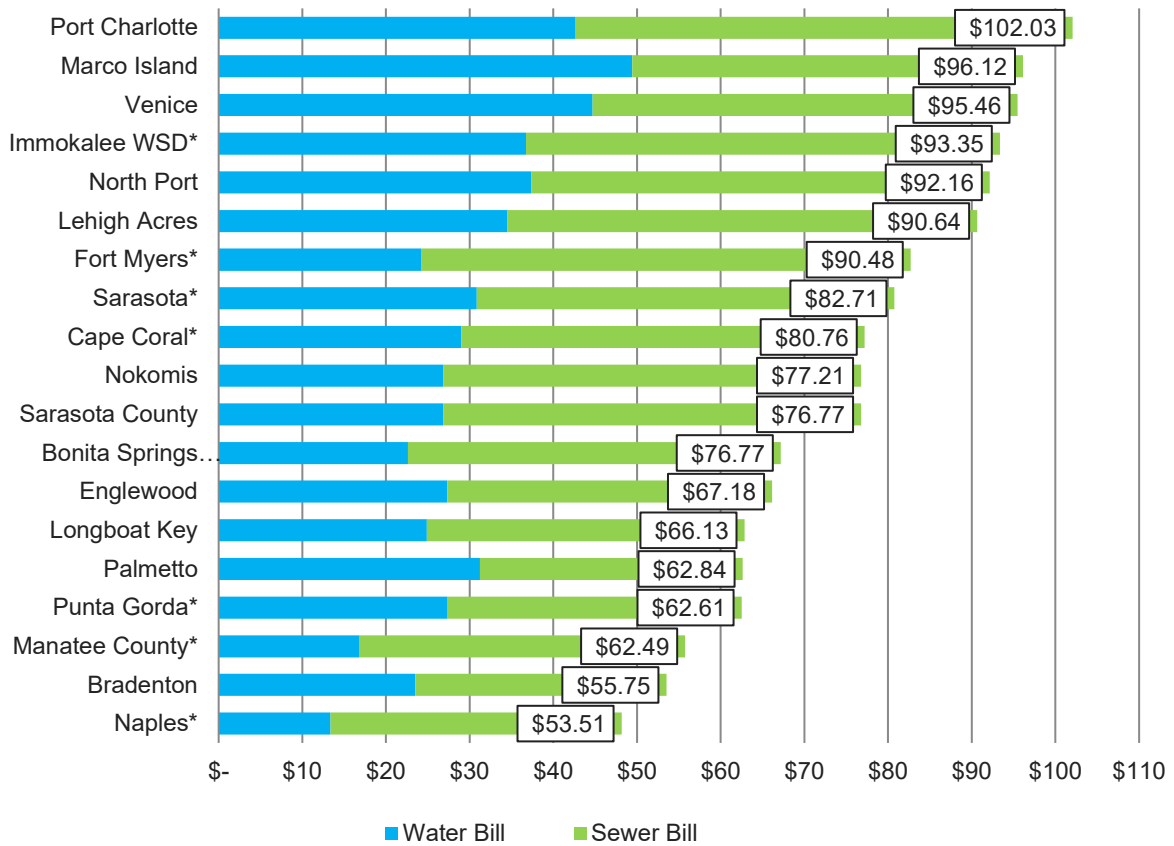
\* Ending cash balance for water and sewer utility operating fund, includes PCF and restricted cash

#### 3.4.1 Local Rate Survey

Figure 3-1 shows the City's monthly utility bill for a typical customer (3,000 gallons of water use) compared to other local utilities. While the City of Venice is currently at the higher end of the survey, other local utilities have planned water and sewer rate increases ranging from 3.5 percent to 9.75 percent per year such that it is presently anticipated that the City will compare more favorably over time.



**Figure 3-1 Local Rate Survey at 3,000 gallons per month.**

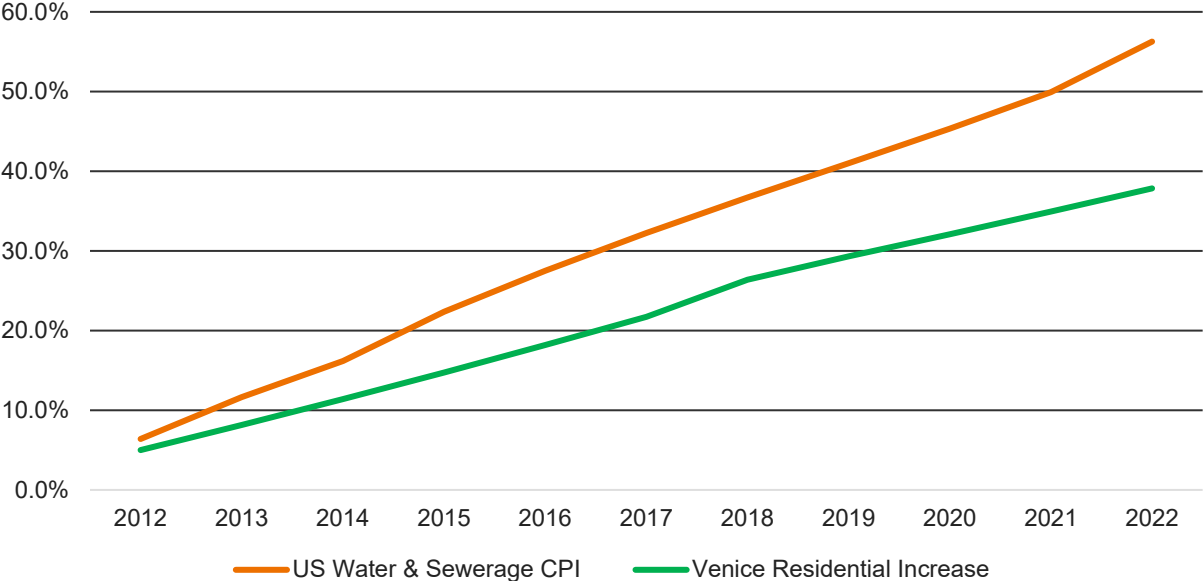


\*Indicates utility is planning a rate increase in FY 2024. Rate increases range from 3.5 to 9.75 percent.

### 3.4.2 Comparison to National Increases

It is important to note that the recommended annual rate adjustments identified herein are consistent with national trends and our industry experience. Figure 3-1 demonstrates the U.S. Consumer Price Index (CPI) Water & Sewerage Maintenance Series, which measures the average national change in the cost of water and wastewater service to households, and it indicates that the City of Venice cumulative bill increases have been about 20% lower than the average across the U.S. over the past ten years.

**Figure 3-1 Cumulative Increase in U.S. Water & Sewer Cost vs. City of Venice**



## 4. PLANT CAPACITY FEES

### 4.1 BACKGROUND

A capital charge is a one-time charge paid by a new customer to recover a portion or all the cost of constructing water and sewer system capacity. These charges are also often assessed to existing customers requiring increased system capacity. Capital charges are often called impact fees, system development charges, connection charges, etc., however the City refers to them as plant capacity fees (PCF). In general, capital charges are based upon the costs of utility infrastructure including, but not limited to, treatment facilities, effluent disposal facilities, transmission mains and collection systems. Capital charges serve as the mechanism by which growth can “pay its own way” and minimize the extent to which existing customers must bear the cost of facilities that will be used to serve new customers.

The City currently assesses water and sewer PCFs that are designed to recover the cost of water and sewer capacity from new connections to the system. It is recommended that utilities revisit their PCFs periodically, as system costs and capacities change over time. The City hired Stantec in 2019 to perform its most recent PCF Study<sup>3</sup>. The 2019 study resulted in a water PCF increase from \$1,210 to the current level of \$3,925 (a 224% increase) for a 3/4” meter, and a sewer PCF increase from \$1,450 to the current level of \$1,832 (a 26% increase) for a 3/4” meter. The City has retained the services of Stantec again this year to calculate updated water and sewer PCFs.

### 4.2 GENERAL METHODOLOGY

There are three primary approaches to calculating PCFs. Each of the approaches are discussed below.

#### *Buy-In Method*

Under this approach, PCFs are calculated based solely on the existing utility system assets. Specifically, the replacement cost new less depreciation (RCNLD) of each system’s major functional components often times serves as the cost basis for the fee calculation. This approach is most appropriate for a system with considerable excess capacity, such that most new connections to the system will be served by that existing excess capacity and the customers are effectively “buying-in” to the existing system.

#### *Incremental Cost Method*

The second approach is to use the portion of each system’s multi-year capital improvement program (CIP) associated with the provision of additional system capacity by functional system component as the cost basis for the PCF calculation. This approach is most appropriate where 1) the existing system has

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<sup>3</sup> Plant Capacity Charge Study Final Report dated March 19, 2019.

limited or no excess capacity to accommodate growth, and 2) the CIP contains a significant number of projects that provide additional system capacity for each functional system component representative of the cost of capacity for the entire system.

#### *Combined Cost Method*

The third approach is a combination of the two approaches described above. This approach is most appropriate when 1) there is excess capacity in the current system that will accommodate some growth, but additional capacity is needed in the short-term as reflected in each system's CIP, and 2) the CIP includes a significant amount of projects that will provide additional system capacity, but does not necessarily have a sufficient number of projects in each functional area to be reflective of a total system.

The table below summarizes each of the three approaches and their typical application.

**Table 4-1 Description of Approaches and Applications**

| Approach:                      | Description:   | Appropriate for:   |
|--------------------------------|--|--|
| <b>Buy-in method</b>           | Fees are based on cost of constructing existing utility system             | System with ample existing capacity to sell  |
| <b>Incremental cost method</b> | Fees are based on planned capital improvements                             | System with no/very limited existing capacity to sell                                      |
| <b>Combined method</b>         | Fees are based on cost of existing system and planned capital improvements | System with existing capacity to sell and with significant growth-related capital projects |

Given that the City has some excess capacity in its current system yet is planning growth-related projects over the next ten years, the most appropriate methodology chosen for the calculation of the PCFs in this Study is the **combined method**.

### 4.3 BASIS OF ANALYSIS

The first step in calculating PCFs is to determine the cost basis for the existing system. The net system value was calculated using the following approach:

- 1) The existing system assets as of September 30, 2022 were analyzed to determine the replacement cost new less depreciation of the City's existing water and sewer system components.
- 2) Any donated assets and/or assets not funded by the City (funded by grants, developers, Sarasota County, etc.) are removed from the system assets.
- 3) The assets are further reduced by the outstanding principal on debt.
- 4) The resulting net system value is used in the determination of the fee.

The following sections outlines the details of the analysis for the existing water and sewer systems.

### 4.3.1 Total Plant in Service Value

The City provided a detailed asset inventory list, which includes a description of the asset category, year placed in service, department and division of the asset, original cost, and useful life for each system asset through FY 2022. These assets were classified by each major system function, and a replacement cost new less depreciation was calculated for each asset record, using the data provided by the City and the Engineering News Record Construction Cost Index. It is important to note that the asset listing includes specific reclaimed water assets. The reclaimed water system is part of the sewer disposal system, and therefore reclaimed-specific assets are included in the sewer system value. Schedule 4 in the Appendix shows the RCNLD for the City's existing system based upon the asset records provided by City staff.

### 4.3.2 Credits

The below sections describe credits, or reductions in the plant in service, to account for the portion of the asset values that will not be recovered by the water and sewer PCFs.

#### *Principal on Outstanding Debt*

Once the system values were identified for each functional component, an adjustment was made in the form of a credit for the principal on all outstanding debt that will be recovered in user fees after new customers connect to the water and/or sewer systems. Upon connection to either system, new customers will pay monthly user rates associated with the use of utility service. In addition to the systems' operating costs, the user rates recover the principal and interest payments associated with the debt incurred to fund the capital costs of the system. Therefore, to avoid a double recovery of those capital costs in the PCF and user rates, a credit is provided based on the total principal outstanding on existing debt.

#### *Donated and Grant-Funded Assets*

System assets that were donated to the City or funded with grants were excluded from the PCF calculation. If the City did not incur the cost of purchasing and/or constructing the asset, they cannot include the costs in the system value used to determine the PCF.

#### *Assets Funded by Sarasota County*

As part of an agreement between the City and Sarasota County, a portion of the expansion of the sewer treatment plant was paid for by the County. To avoid recovering asset costs that were not paid for by the City's customers, the sewer plant asset value was reduced by the amount funded by Sarasota County.

Table 4-2 presents the resulting net plant in service values after the reductions for outstanding principal, donated assets, grant-funded assets, and assets funded by Sarasota County.

**Table 4-2 Calculation of Net Plant in Service by System Component**

|                             | Water                |                      | Sewer                |                      |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
|                             | Treatment            | Transmission         | Treatment            | Collection           |
| Gross Plant in Service      | \$ 27,865,465        | \$ 57,266,446        | \$ 55,705,381        | \$ 37,807,299        |
| Less: Principal Credit      | 8,440,081            | 13,539,386           | 8,442,126            | 12,019,360           |
| Less: Excluded Assets       | 439,280              | 19,640,101           | 11,101,894           | 11,469,147           |
| <b>Net Plant in Service</b> | <b>\$ 18,986,104</b> | <b>\$ 26,721,642</b> | <b>\$ 36,161,361</b> | <b>\$ 20,138,729</b> |

### 4.3.3 Future Capital Value

The next step in calculating PCFs is to determine the value of future growth-related capital. City staff provided input as to which projects will increase the capacity of the water and/or sewer systems, and therefore should be included in the basis of the fee calculation. These projects are indicated in Schedule 5 of the Appendix.<sup>4</sup> The CIP value is calculated using the following approach:

- 1) Planned growth-related water and sewer capital projects between FY 2023 and FY 2028 are allocated to system functions.
- 2) FY 2022 encumbrances and project rollovers for growth-related CIP and current construction work in progress (CWIP) are included in the CIP used in the calculation.
- 3) All, or a portion, of some capital project costs were included in the calculation, although the projects are not growth-related, because they are replacing assets determined by City staff to be fully depreciated and therefore not otherwise captured in the cost basis of the fee.

Table 4-3 presents the resulting CIP cost and the detailed project information can be found in Schedule 5 of the Appendix.

**Table 4-3 CIP Value by System Component**

| System | Treatment     | Transmission/<br>Conveyance |
|--------|---------------|-----------------------------|
| Water  | \$ 26,937,218 | \$ 13,539,386               |
| Sewer  | 12,146,565    | 12,019,360                  |

The total net system value and capital improvement program costs are shown in the following table.

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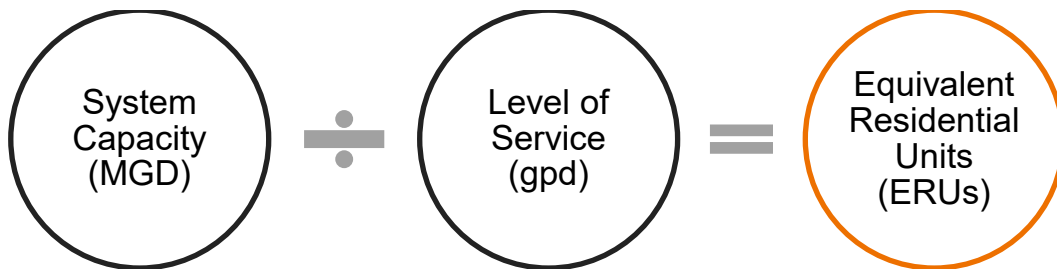
<sup>4</sup> It is important to note that, although certain projects were used in the basis of the fee calculation to most accurately represent the historical and future investment in the system, whether or not a project can be funded using plant capacity fees depends on how much of that project is adding growth to the system. Schedule 3 of Appendix B includes a column that indicates how much of each project is considered to be growth-related at the time of this Study, and therefore could be funded with plant capacity fees.

**Table 4-4 Total Cost Basis by System Component**

| System | Treatment     | Transmission/<br>Conveyance |
|--------|---------------|-----------------------------|
| Water  | \$ 45,923,322 | \$ 40,261,028               |
| Sewer  | 48,307,927    | 32,158,089                  |

#### 4.3.4 Capacities

Once the system values were determined and allocated to each system and its functional components, the next step was to determine system capacities by functional cost component as stated in terms of equivalent residential units (ERUs). Expressing the system capacities in terms of ERUs allows for the development of the unit pricing of capacity, which is essential for the determination of PCFs. The total system capacity, stated in terms of system function in millions of gallons per day (MGD), divided by the level of service in gallons per day is equal to the total number of ERUs the City can serve with the existing system capacity.



#### 4.3.5 System Capacity

The City's water and sewer systems consist of numerous functional components such as water treatment, water transmission, sewer conveyance, and sewer treatment and disposal (including reclaimed water functions). Each of the functional components have a physical or regulatory permitted capacity. For the water treatment system, the capacity used in the analysis is City staff's estimate of the usable potable water treatment capacity after consideration of wastewater from the reverse osmosis process. For the sewer treatment system, the capacity used in the analysis is the City's portion of the treatment plant capacity and does not reflect the portion of the treatment plant reserved for, and funded by, the County. Table 4-5 summarizes the capacity by system component used in the fee calculation for the City.

**Table 4-5 System Capacity by System Component (MGD)**

| System | Treatment        | Transmission/<br>Collection |
|--------|------------------|-----------------------------|
| Water  | 5.6              | 5.6                         |
| Sewer  | 5.0 <sup>1</sup> | 5.0                         |

<sup>1</sup> Represents only the City's portion of sewer treatment capacity.

### 4.3.6 Level of Service Standards

In the evaluation of the capital facility needs for providing water and sewer utility services, it is critical that a level of service standard be used. The LOS is an indicator of the extent or degrees of service provided by, or proposed to be provided by a facility, based on and related to the operational characteristics of the facility. Level of service equates to the capacity per unit of demand for each public facility or service. Level of service standards are established to ensure that adequate facility capacity will be provided for future development and for purposes of issuing development orders or permits.

For water and sewer service, the level of service that is commonly used in the industry is the amount of capacity allocable to an ERU expressed as the amount of usage in gallons on an average day or maximum day basis. This allocation would generally represent the amount of capacity allowable to an ERU, whether such capacity is used on an average day or maximum day basis. The level of service used as part of this process is based on the City's 2017 comprehensive plan and represents maximum daily usage per ERU for the water system and average daily usage per ERU for the sewer system. The level of service for the water system is shown in Table 4-6 and for the sewer system is shown in Table 4-7.

**Table 4-6 Water Level of Service Calculation**

| Water   |            |
|---|------------|
| Peak Maximum Daily Flow per capita per day (gpd) <sup>1</sup> | 135        |
| People per Household  | 1.82       |
| <b>Peak Day Use per ERU (gpd)</b>                             | <b>250</b> |

<sup>1</sup>City of Venice Comprehensive Plan 2017-2027.

<sup>2</sup>U.S. Census 2021 Five-Year Estimates, City of Venice.

**Table 4-7 Sewer Level of Service Calculation**

| Sewer  |            |
|--|------------|
| Average annual gallons per capita per day (gpd) <sup>1</sup> | 91         |
| People per Household   | 1.82       |
| Ratio of Maximum Day to Average Day <sup>3</sup>             | 1.17       |
| <b>Peak Day Use per ERU (gpd)</b>                            | <b>200</b> |

<sup>1</sup>City of Venice Comprehensive Plan 2017-2027.

<sup>2</sup>U.S. Census 2021 Five-Year Estimates, City of Venice.

<sup>3</sup>Water Reclamation Facility Influent Data, 2022.

The calculation of ERUs for each system component is based on the total system capacity by system component divided by the level of service for each system. The resulting ERUs for each system component are presented in Table 4-8.

**Table 4-8 Equivalent Units Calculation**

|                         | Water         | Sewer         |
|-------------------------|---------------|---------------|
| System Capacity (MGD)   | 5.6           | 5.0           |
| Level of Service (gpd)  | 250           | 200           |
| <b>Equivalent Units</b> | <b>22,400</b> | <b>25,000</b> |



## 4.4 RESULTS

This section summarizes the results of the Study, the water and sewer PCF calculation, and conclusions and recommendations.

### 4.4.1 Calculated Plant Capacity Fees

To calculate the PCF, the total cost basis described in Section 4.3 for each functional component was divided by the ERUs for each functional component to calculate a capacity cost per ERU. Table 4-9 shows the current and calculated water and sewer PCFs for each meter size and customer type, as well as the change between the current and calculated charges.

**Table 4-9 Water & Sewer Plant Capacity Fee Calculation**

|                               | Water          | Sewer          |
|-------------------------------|----------------|----------------|
| Gross Plant in Service        | \$65.1M        | \$70.9M        |
| Capital Improvement Program   | \$40.5M        | \$24.2M        |
| Principal Credit              | (\$19.3) M     | (\$14.6) M     |
| <b>Net System Value</b>       | <b>\$86.2M</b> | <b>\$80.5M</b> |
| System Capacity (MGD)         | 5.6            | 5.0            |
| Level of Service (gpd)        | 250            | 200            |
| <b>Equivalent Units</b>       | <b>22,400</b>  | <b>25,000</b>  |
| Escalation Factor to FY 2024  | 4.99%          | 4.99%          |
| <b>Calculated Fee per ERU</b> | <b>\$4,039</b> | <b>\$3,379</b> |
| Current Fee per ERU           | \$3,925        | \$1,832        |
| <i>Change</i>                 | 3%             | 84%            |

The Florida Impact Fee Act<sup>5,6</sup> states that impact fees increasing 25 percent or more must be phased in over a period of four years to a maximum level of 50 percent higher than current impact fees. Table 4-10 shows the proposed PCFs by year, assuming water PCFs will remain at their current level and sewer PCFs will be increased by 50 percent in equal, annual increments over the next four years.

**Table 4-10 Proposed PCF by Year**

|                            | FY 2023<br>(Current) | FY 2024        | FY 2025        | FY 2026        | FY 2027        |
|----------------------------|----------------------|----------------|----------------|----------------|----------------|
| Water PCF (per ERU)        | \$3,925              | \$3,925        | \$3,925        | \$3,925        | \$3,925        |
| Sewer PCF (per ERU)        | \$1,832              | \$2,061        | \$2,290        | \$2,519        | \$2,748        |
| <b>Total PCF (per ERU)</b> | <b>\$5,757</b>       | <b>\$5,986</b> | <b>\$6,215</b> | <b>\$6,444</b> | <b>\$6,673</b> |

<sup>5</sup> Stat. 163.31801 (2022).

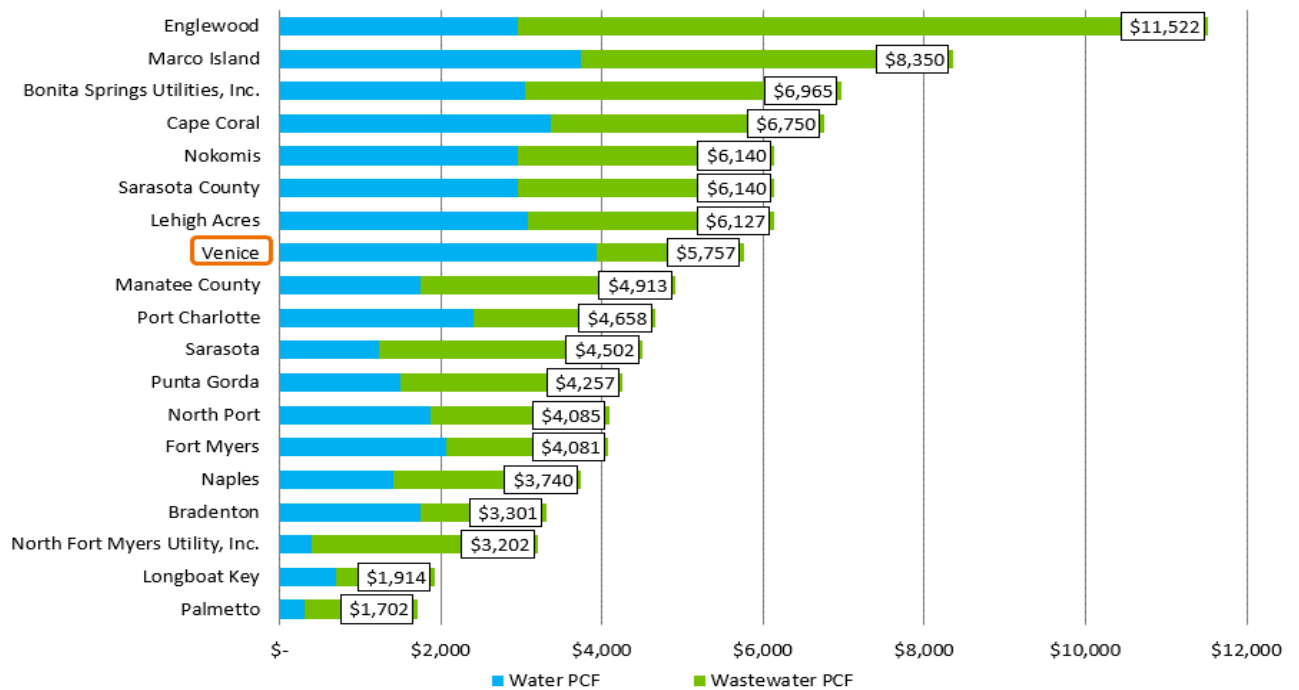
<sup>6</sup> While the statute exempts water and sewer connection fees, it has been conservatively interpreted and applied to the City's PCFs for purposes of this Study.

### 4.4.2 Local PCF Survey

The following survey shows the PCFs for neighboring communities as compared to the City’s current fees. It is important to note that the reader must view the comparison with caution as no in-depth analysis has been performed to identify the methods used in the development of the capital charges imposed by other utilities, nor has any analysis been performed to determine whether 100% of the cost of new facilities is recovered from such fees (or if a portion of the costs are recovered through user fees). Additionally, no analysis was conducted as to the types of capital facilities currently in service or planned for the utilities surveyed. Some reasons why impact fees differ among utilities include the following:

- Source of supply
- Proximity to source of supply
- Type and complexity of treatment
- Effluent disposal method
- Density of service area
- Availability of grant funding to finance CIP
- Age of system
- Utility life cycle (e.g., growth-oriented vs. mature)
- Level of service standards
- Administrative policies

Figure 4-1 Residential 3/4” PCF Survey



### 4.4.3 Conclusions and Recommendations

Our analysis indicates that the City's current PCFs are supported by cost and could be increased to the levels shown in Table 4-7. We recommend that the City review its PCFs at least every four years to ensure that they continue to reflect its current cost of capacity. As the City continues to expand its facilities, future changes in technology, demands, development patterns, or other factors may necessitate additional adjustments to its development fees.

## 5. MISCELLANEOUS FEES

This section of the report presents the analysis of miscellaneous service charges that was conducted as part of the Study.

### 5.1 DESCRIPTION

The City currently applies miscellaneous service charges in relation to the provision of specific services to individual customers. Tap installation, temporary discontinuance, and meter testing are examples of the types of services for which the City has miscellaneous service charges. The intent of miscellaneous service charges is to ensure the recipient of a specific service bears the costs associated with providing that service.

Miscellaneous service charges are typically calculated by determining the costs, including both the time and materials, necessary to provide the service. Identification of the type of employee(s) involved in providing each service (meter reader, operations specialist, construction inspector, customer service representative, etc.) and of the materials used (water meter, couplings, forms, vehicles, equipment, etc.) is the first step in developing appropriate fees. The employee(s) cost, including any overhead allocations (i.e., benefits) are then added to the costs of materials, including any overhead allocations (purchasing, warehousing, etc.) to determine the charge for each respective service.

Stantec created a cost-of-service template to be used for each miscellaneous service charge listed in the City's rate policies and rate schedules. This template provides a consistent methodology for assigning the appropriate time and material costs necessary for providing each service. Figure 5-1 shows the calculation and methodology used to calculate each fee using this template.

#### Figure 5-1 Miscellaneous Fee Calculator

##### Labor

- How much time does each role spend to perform this service?

##### Equipment/Vehicles

- What pieces of equipment or vehicles are utilized to perform the service?

##### Materials

- What materials are used as part of this service?



|   |   |   |   |                           |   |                        |
|---|---|---|---|---------------------------|---|------------------------|
| Hours Spent<br>(Customer Service, Utility Tech) | X | Costs per Hour<br>(Labor, vehicles & equipment) | = | Unit Costs<br>(Materials) | = | <b>Cost of Service</b> |
|---|---|---|---|---------------------------|---|------------------------|

The City currently charges for installation of meters based on whether the service includes a short tap or a long tap. In addition to providing these services, the City may provide service for a meter installation

only. The City used its miscellaneous fee developer to calculate the cost of providing meter set only service based on the labor and materials needed for each size of meter. Table 5-1 shows the calculation of meter set fee service for each meter size. Other than applying the recommended indexing adjustments to tap fees, no other changes to the City's current miscellaneous fees are proposed at this time.

**Table 5-1 Proposed Meter Set Fees**

| New Service                   | Calculated Fee |
|-------------------------------|----------------|
| Water Meter Installation – ¾" | \$446          |
| Water Meter Installation – 1" | \$515          |
| Water Meter Installation 1 ½" | \$936          |
| Water Meter Installation 2"   | \$1,187        |

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## APPENDIX A: REVENUE SUFFICIENCY ANALYSIS SCHEDULES

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|  | <u>FY 2023</u> | <u>FY 2024</u> | <u>FY 2025</u> | <u>FY 2026</u> | <u>FY 2027</u> | <u>FY 2028</u> | <u>FY 2029</u> | <u>FY 2030</u> | <u>FY 2031</u> | <u>FY 2032</u> | <u>FY 2033</u> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b><u>Annual Water System Growth<sup>1</sup></u></b>     |                |                |                |                |                |                |                |                |                |                |                |
| Water Accounts   | 13,540         | 13,946         | 14,364         | 14,795         | 15,239         | 15,544         | 15,855         | 16,172         | 16,495         | 16,825         | 17,162         |
| Growth in Accounts                                       | 394            | 406            | 418            | 431            | 444            | 305            | 311            | 317            | 323            | 330            | 337            |
| % Increase in Accounts                                   | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          |
| % Change in Usage per Account                            | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         |
| Total Billed Usage (Gallons)                             | 804,961,148    | 824,964,432    | 845,464,799    | 866,474,599    | 888,006,493    | 901,237,789    | 914,666,232    | 928,294,759    | 942,126,351    | 956,164,034    | 970,410,878    |
| % Increase in Total Billed Water Use                     | N/A            | 2.49%          | 2.48%          | 2.49%          | 2.48%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          |
| <b><u>Annual Sewer System Growth<sup>1</sup></u></b>     |                |                |                |                |                |                |                |                |                |                |                |
| Sewer Accounts   | 12,935         | 13,129         | 13,392         | 13,659         | 13,933         | 14,211         | 14,495         | 14,785         | 15,081         | 15,383         | 15,690         |
| Growth in Accounts                                       | 128            | 194            | 263            | 268            | 273            | 279            | 284            | 290            | 296            | 302            | 308            |
| % Increase in Accounts                                   | 1.00%          | 1.50%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          |
| % Change in Usage per Account                            | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         | -0.50%         |
| Total Billed Usage (Gallons)                             | 769,000,230    | 776,632,557    | 788,204,382    | 799,948,628    | 811,867,862    | 823,964,693    | 836,241,767    | 848,701,770    | 861,347,426    | 874,181,503    | 887,206,807    |
| % Increase in Total Billed Sewer Use                     | 0.50%          | 0.99%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          | 1.49%          |
| <b><u>Annual Reclaimed System Growth<sup>1</sup></u></b> |                |                |                |                |                |                |                |                |                |                |                |
| Reclaimed Accounts                                       | 2,743          | 2,771          | 2,798          | 2,826          | 2,855          | 2,883          | 2,912          | 2,941          | 2,971          | 3,000          | 3,030          |
| Growth in Accounts                                       | 27             | 27             | 28             | 28             | 28             | 29             | 29             | 29             | 29             | 30             | 30             |
| % Increase in Accounts                                   | 1.00%          | 1.00%          | 1.00%          | 1.00%          | 1.00%          | 1.00%          | 1.00%          | 1.00%          | 1.00%          | 1.00%          | 1.00%          |
| <b><u>Capital Spending:</u></b>                          |                |                |                |                |                |                |                |                |                |                |                |
| Annual Capital Spending Execution %                      | 100%           | 100%           | 100%           | 100%           | 100%           | 100%           | 100%           | 100%           | 100%           | 100%           | 100%           |
| <b><u>Plant Capacity Charge (3/4" Meter):</u></b>        |                |                |                |                |                |                |                |                |                |                |                |
| Water  | \$3,925        | \$3,925        | \$3,925        | \$3,925        | \$3,925        | \$3,925        | \$3,925        | \$3,925        | \$3,925        | \$3,925        | \$3,925        |
| Sewer  | \$1,832        | \$2,061        | \$2,290        | \$2,519        | \$2,748        | \$2,748        | \$2,748        | \$2,748        | \$2,748        | \$2,748        | \$2,748        |
| <b><u>Interest Earnings Rate on Fund Balances</u></b>    |                |                |                |                |                |                |                |                |                |                |                |
|  | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          | 2.00%          |
| <b><u>Operating Budget Reserve:</u></b>                  |                |                |                |                |                |                |                |                |                |                |                |
| Policy Target (Number of Months of Operating Reserve)    | 6              | 6              | 6              | 6              | 6              | 6              | 6              | 6              | 6              | 6              | 6              |

<sup>1</sup>based on FY 2022 accounts and volume, plus assumed growth in accounts and usage per account.



|   | Water and<br>Sewer Utility<br>Operating Fund | Restricted<br>Debt Service<br>Reserves | Water Plant<br>Capacity<br>Charge | Sewer Plant<br>Capacity<br>Charge | Sarasota<br>County | R&R Fund         |
|---|--|--|-----------------------------------|-----------------------------------|--------------------|------------------|
| <b>CURRENT UNRESTRICTED ASSETS</b>                    |  |  |                                   |                                   |                    |                  |
| Pooled Cash   | \$ 37,812,472                                | \$ 2,734,555                           | \$ 11,469,736                     | \$ -                              | \$ 1,380,265       | \$ 1,000,000     |
| Receivables:  |  |  |                                   |                                   |                    |                  |
| Billed  | 1,275,382                                    | -                                      | -                                 | -                                 | -                  | -                |
| Unbilled  | 1,719,646                                    | -                                      | -                                 | -                                 | -                  | -                |
| Due from Other Governments                            | 279,736                                      | -                                      | -                                 | -                                 | -                  | -                |
| Inventories   | 730,578                                      | -                                      | -                                 | -                                 | -                  | -                |
| <b>TOTAL ASSETS</b>                                   | <b>\$ 41,817,814</b>                         | <b>2,734,555</b>                       | <b>11,469,736</b>                 | <b>-</b>                          | <b>1,380,265</b>   | <b>1,000,000</b> |
| <b>CURRENT LIABILITIES</b>                            |  |  |                                   |                                   |                    |                  |
| Accounts Payable                                      | \$ (1,741,122)                               | \$ -                                   | \$ -                              | \$ -                              | \$ -               | \$ -             |
| Accrued Liabilities                                   | (246,903)                                    | -                                      | -                                 | -                                 | -                  | -                |
| Due to Other Governments                              | (185,760)                                    | -                                      | -                                 | -                                 | -                  | -                |
| Accrued Interest Payable                              | (265,559)                                    | -                                      | -                                 | -                                 | -                  | -                |
| Accrued Insurance Claims                              | -  | -                                      | -                                 | -                                 | -                  | -                |
| Customer Deposits                                     | (932,667)                                    | -                                      | -                                 | -                                 | -                  | -                |
| Unearned Revenue                                      | (2,179,118)                                  | -                                      | -                                 | -                                 | -                  | -                |
| Notes Payable   | -  | -                                      | -                                 | -                                 | -                  | -                |
| Bonds Payable   | -  | -                                      | -                                 | -                                 | -                  | -                |
| <b>CALCULATED FUND BALANCE (ASSETS - LIABILITIES)</b> | <b>\$ 36,266,685</b>                         | <b>2,734,555</b>                       | <b>11,469,736</b>                 | <b>-</b>                          | <b>1,380,265</b>   | <b>1,000,000</b> |
| Plus/(Less): Inventories                              | (730,578)                                    |  |                                   |                                   |                    |                  |
| <b>AVAILABLE FUND BALANCE</b>                         | <b>\$ 35,536,107</b>                         | <b>2,734,555</b>                       | <b>11,469,736</b>                 | <b>-</b>                          | <b>1,380,265</b>   | <b>1,000,000</b> |
| <b>TOTAL AVAILABLE FUNDS</b>                          | <b>\$ 52,120,663</b>                         |  |                                   |                                   |                    |                  |

|  | FY 2023    | FY 2024   | FY 2025      | FY 2026      | FY 2027   | FY 2028    | FY 2029 | FY 2030 | FY 2031 | FY 2032 | FY 2033     |
|--|------------|-----------|--------------|--------------|-----------|------------|---------|---------|---------|---------|-------------|
| <b>UTILITIES</b>                                 |            |           |              |              |           |            |         |         |         |         |             |
| <b>Administration</b>                            |            |           |              |              |           |            |         |         |         |         |             |
| <b>Machinery &amp; Equipment:</b>                |            |           |              |              |           |            |         |         |         |         |             |
| 1 Technology Improvements                        | \$ -       | \$ 40,000 | \$ -         | \$ -         | \$ -      | \$ -       | \$ -    | \$ -    | \$ -    | \$ -    | \$ -        |
| <b>Distribution and Collection Improvements:</b> |            |           |              |              |           |            |         |         |         |         |             |
| 2 Alley Infrastructure Imps                      | \$ 500,000 | \$ -      | \$ -         | \$ -         | \$ -      | \$ -       | \$ -    | \$ -    | \$ -    | \$ -    | \$ -        |
| 3 Collection System Improvements                 | 1,049,528  | 1,000,000 | 1,000,000    | 1,000,000    | 1,000,000 | 1,000,000  | -       | -       | -       | -       | -           |
| 4 Discovery Way Water Main Replacement           | -          | -         | 600,000      | -            | -         | -          | -       | -       | -       | -       | -           |
| 5 Distribution System Improvements               | 463,736    | 500,000   | 500,000      | 500,000      | 500,000   | 500,000    | -       | -       | -       | -       | -           |
| 6 Force Main Improvements                        | -          | 500,000   | 500,000      | 500,000      | 500,000   | 500,000    | -       | -       | -       | -       | -           |
| 7 Pipeline and Forcemain Relocate                | 289,855    | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 8 Sewer Cleanout Additions                       | 1,000,000  | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 9 Knights Trail Force Main                       | -          | -         | 5,546,775    | -            | -         | -          | -       | -       | -       | -       | -           |
| 10 Knights Trail Water Main                      | -          | 1,475,550 | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 11 Nokomis Groves Force Main                     | -          | 1,800,000 | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 12 Meter Change Out Program                      | 343,608    | 150,000   | 150,000      | 150,000      | 150,000   | 150,000    | -       | -       | -       | -       | -           |
| 13 Second Force Main Under I-75                  | 1,755,600  | 5,266,800 | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 14 Capri Isle Water Service Replacement          | 80,095     | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 15 Interoastal 2nd Force Main                    | 1,821,844  | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 16 Eastgate Relocation Phase II                  | 590,070    | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 17 Eastgate Relocation Phase III                 | -          | -         | -            | 750,000      | 750,000   | 1,500,000  | -       | -       | -       | -       | -           |
| 18 Bay Indies Utilities Relocation               | -          | 5,261,445 | 6,138,352    | 6,138,352    | -         | -          | -       | -       | -       | -       | -           |
| 19 Cockhill WM Replacement                       | 308,466    | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 20 Water Main Replacement Program (SRF/PCF)      | 2,679,714  | 5,359,428 | 2,679,714    | -            | -         | -          | -       | -       | -       | -       | -           |
| 21 Water Service Line Replacement                | 1,249,057  | 650,000   | 500,000      | 500,000      | 500,000   | 500,000    | -       | -       | -       | -       | -           |
| <b>Machinery &amp; Equipment:</b>                |            |           |              |              |           |            |         |         |         |         |             |
| 22 Technical Unit Equipment Improvements         | \$ 25,000  | \$ 25,000 | \$ 25,000    | \$ 25,000    | \$ 25,000 | \$ 25,000  | \$ -    | \$ -    | \$ -    | \$ -    | \$ -        |
| <b>Water Production</b>                          |            |           |              |              |           |            |         |         |         |         |             |
| <b>Buildings</b>                                 |            |           |              |              |           |            |         |         |         |         |             |
| 23 WTP Building B Lab Imps                       | \$ 50,000  | \$ -      | \$ -         | \$ -         | \$ -      | \$ -       | \$ -    | \$ -    | \$ -    | \$ -    | \$ -        |
| 25 Water Treatment Plant Relocation              | -          | 3,500,000 | -            | -            | -         | 10,000,000 | -       | -       | -       | -       | 100,000,000 |
| 26 WTP Building Improvements                     | -          | 200,000   | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| <b>Improvements:</b>                             |            |           |              |              |           |            |         |         |         |         |             |
| 27 Deep Injection Well (SRF/F/PCF)               | \$ -       | \$ -      | \$ 5,750,000 | \$ 5,750,000 | \$ -      | \$ -       | \$ -    | \$ -    | \$ -    | \$ -    | \$ -        |
| 28 RO Membrane Replacement                       | -          | -         | -            | -            | 1,500,000 | 1,500,000  | -       | -       | -       | -       | -           |
| 29 Water Booster Pump Station                    | -          | 500,000   | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 30 Well Management Program (SRF) - 8E Well       | 1,125,000  | 3,375,000 | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 31 WTP Improvements                              | 500,000    | 500,000   | 500,000      | 500,000      | 500,000   | 500,000    | -       | -       | -       | -       | -           |
| 32 Booster Station                               | 2,196,863  | 8,787,452 | 10,984,316   | -            | -         | -          | -       | -       | -       | -       | -           |
| 33 WTP 2nd Stage Membrane Addn Ph 2 (SRF/PCF)    | 1,593,587  | 4,780,762 | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 34 WTP Parking Lot Repaving                      | 19,311     | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 35 Potable Water Sec Syst Imps                   | 100,000    | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 36 Phase II RO CIP System                        | 120,000    | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 37 WTP Security System Upgrade                   | 25,000     | 50,000    | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 38 Degasifier Imps                               | 84,642     | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 39 WTP Energy Projects                           | 150,000    | -         | -            | -            | -         | -          | -       | -       | -       | -       | -           |
| 40 Machinery and Equipment:                      |            |           |              |              |           |            |         |         |         |         |             |

Appendix A: Schedule 3A – Capital Improvement Program by Year

|   | <u>FY 2023</u>       | <u>FY 2024</u>       | <u>FY 2025</u>       | <u>FY 2026</u>       | <u>FY 2027</u>      | <u>FY 2028</u>       | <u>FY 2029</u>      | <u>FY 2030</u>      | <u>FY 2031</u>      | <u>FY 2032</u>      | <u>FY 2033</u>        |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| 41 New Production Well RO 8E/79                         | \$ 217,318           | \$ -                 | \$ -                 | \$ -                 | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                  |
| 42 WTP Generator/Switch Repl                            | 3,024,857            | 2,016,571            | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 43 CO2 Bulk Tank Repl                                   | 140,315              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 44 Onsite Emergency Generators at Wells                 | 127,080              | 120,000              | 60,000               | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| <b>Water Reclamation and Lift Stations</b>              |                      |                      |                      |                      |                     |                      |                     |                     |                     |                     |                       |
| <u>Buildings</u>  |                      |                      |                      |                      |                     |                      |                     |                     |                     |                     |                       |
| 45 WRF Additional Storage Building                      | \$ -                 | \$ 200,000           | \$ -                 | \$ -                 | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                  |
| <u>Improvements:</u>                                    |                      |                      |                      |                      |                     |                      |                     |                     |                     |                     |                       |
| 46 Aquifer Storage & Recovery Well (SRF/S/PCF/SC)       | \$ -                 | \$ -                 | \$ -                 | \$ 7,506,835         | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                  |
| 47 WRF Headworks  | 230,580              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 48 WRF Aeration Blower Replacement                      | 377,162              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 49 WRF Security System Upgrades                         | 60,000               | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 50 Septage Receiving Station                            | 362,940              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 51 Reject Pond Lining                                   | -                    | 923,213              | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 52 SMH Lift Station Upgrade                             | 43,330               | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 53 Auger Repl at Belt Presses                           | 150,000              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 54 WRF PLC Upgrade                                      | 158,093              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 55 Knights Trail Lift Station                           | 4,027,771            | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 56 Nokomis Groves Lift Station                          | -                    | 2,100,000            | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 57 Maxine Barrett Park Aerator                          | 8,966                | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 58 Micro C Chemical Feed System                         | 137,060              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 59 Reclaimed Water Dist System Expansion                | 2,125,000            | 2,125,000            | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 60 WRF Energy Conservation and Eff. Improve (SC)        | -                    | -                    | 3,500,000            | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 61 WRF Improvements (SC)                                | 649,765              | 500,000              | 500,000              | 500,000              | 500,000             | 500,000              | -                   | -                   | -                   | -                   | -                     |
| 62 Fuel Tank Replacement                                | 100,000              | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| <u>Machinery and Equipment:</u>                         |                      |                      |                      |                      |                     |                      |                     |                     |                     |                     |                       |
| 63 Lift Station Rehab Program                           | \$ -                 | \$ -                 | \$ -                 | \$ 500,000           | \$ 500,000          | \$ 500,000           | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                  |
| 64 Lift Station Replacement Pumps                       | 100,000              | 100,000              | 100,000              | 100,000              | 100,000             | 100,000              | -                   | -                   | -                   | -                   | -                     |
| 65 Onsite Emergency Generators at Lift Stations         | 100,000              | 100,000              | 60,000               | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 66 WRF Effluent Pumps                                   | 338,098              | 1,014,294            | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 67 3MG Equalization Tank                                | -                    | 1,601,866            | 1,601,866            | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 68 Reclaimed Water Storage Tank                         | -                    | 600,000              | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| <u>TBD</u>  |                      |                      |                      |                      |                     |                      |                     |                     |                     |                     |                       |
| 69 Projected Future Projects - WRF                      | -                    | -                    | -                    | 1,500,000            | 1,500,000           | 3,000,000            | 2,678,320           | 2,678,320           | 2,678,320           | 2,678,320           | 2,678,320             |
| 70 Projected Future Projects - Water PCF                | -                    | -                    | -                    | 1,500,000            | 1,500,000           | 2,000,000            | 1,624,000           | 1,624,000           | 1,624,000           | 1,624,000           | 1,624,000             |
| 71 Projected Future Projects - Sewer PCF                | -                    | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 72 Projected Future Projects - SRF Loan                 | -                    | -                    | -                    | -                    | -                   | -                    | -                   | -                   | -                   | -                   | -                     |
| 73 Projected Future Projects - WS Ops                   | -                    | -                    | -                    | 225,000              | 225,000             | 225,000              | 4,497,680           | 4,497,680           | 4,497,680           | 4,497,680           | 4,497,680             |
| 74 <b>Grand Total CIP - with Water Plant Relocation</b> | <b>\$ 31,119,311</b> | <b>\$ 55,122,380</b> | <b>\$ 40,696,022</b> | <b>\$ 27,645,187</b> | <b>\$ 9,750,000</b> | <b>\$ 22,500,000</b> | <b>\$ 8,800,000</b> | <b>\$ 8,800,000</b> | <b>\$ 8,800,000</b> | <b>\$ 8,800,000</b> | <b>\$ 108,800,000</b> |

|  | Total Cost    | Water Plant Capacity Charge | Sewer Plant Capacity Charge | Sarasota County Match | Grant Fund | Water and Sewer Utility Operating Fund | Water Plant Relocation Funds | Senior Lien Funding | Subordinate Funding |
|--|---------------|-----------------------------|-----------------------------|-----------------------|------------|--|------------------------------|---------------------|---------------------|
| <b>UTILITIES</b>                                 |               |                             |                             |                       |            |  |                              |                     |                     |
| <b>Administration</b>                            |               |                             |                             |                       |            |  |                              |                     |                     |
| <b>Machinery &amp; Equipment:</b>                |               |                             |                             |                       |            |  |                              |                     |                     |
| 1 Technology Improvements                        | \$ 40,000     | \$ -                        | \$ -                        | \$ -                  | \$ -       | \$ 40,000                              | \$ -                         | \$ -                | \$ -                |
| <b>Distribution and Collection Improvements:</b> |               |                             |                             |                       |            |  |                              |                     |                     |
| 2 Alley Infrastructure Imps                      | \$ 500,000    | \$ -                        | \$ -                        | \$ -                  | \$ -       | \$ 500,000                             | \$ -                         | \$ -                | \$ -                |
| 3 Collection System Improvements                 | 6,069,528     | -                           | -                           | -                     | -          | 6,069,528                              | -                            | -                   | -                   |
| 4 Discovery Way Water Main Replacement           | 600,000       | 600,000                     | -                           | -                     | -          | -                                      | -                            | -                   | -                   |
| 5 Distribution System Improvements               | 2,963,736     | -                           | -                           | -                     | -          | 2,963,736                              | -                            | -                   | -                   |
| 6 Force Main Improvements                        | 2,500,000     | -                           | -                           | -                     | -          | 2,500,000                              | -                            | -                   | -                   |
| 7 Pipeline and Forcemain Relocate                | 289,855       | -                           | -                           | -                     | -          | 289,855                                | -                            | -                   | -                   |
| 8 Sewer Cleanout Additions                       | 1,000,000     | -                           | -                           | -                     | -          | 1,000,000                              | -                            | -                   | -                   |
| 9 Knights Trail Force Main                       | 5,546,775     | -                           | 31,305                      | -                     | -          | 2,110,654                              | -                            | 3,404,817           | -                   |
| 10 Knights Trail Water Main                      | 1,475,550     | 1,475,550                   | -                           | -                     | -          | -                                      | -                            | -                   | -                   |
| 11 Nokomis Groves Force Main                     | 1,800,000     | -                           | -                           | -                     | -          | 1,800,000                              | -                            | -                   | -                   |
| 12 Meter Change Out Program                      | 1,093,608     | -                           | -                           | -                     | -          | 1,093,608                              | -                            | -                   | -                   |
| 13 Second Force Main Under I-75                  | 7,022,400     | -                           | -                           | -                     | -          | 7,022,400                              | -                            | -                   | -                   |
| 14 Capri Isle Water Service Replacement          | 80,095        | -                           | -                           | -                     | -          | 80,095                                 | -                            | -                   | -                   |
| 15 Intercoastal 2nd Force Main                   | 1,821,844     | -                           | -                           | -                     | -          | -                                      | -                            | -                   | 1,821,844           |
| 16 Eastgate Relocation Phase II                  | 560,070       | 59,007                      | -                           | -                     | -          | 531,063                                | -                            | -                   | -                   |
| 17 Eastgate Relocation Phase III                 | 3,000,000     | 300,000                     | -                           | -                     | -          | 200,000                                | -                            | -                   | 2,500,000           |
| 18 Bay Indies Utilities Relocation               | 17,538,149    | 1,753,815                   | -                           | -                     | -          | -                                      | -                            | 15,784,334          | -                   |
| 19 Cockrill WM Replacement                       | 308,466       | -                           | -                           | -                     | -          | 308,466                                | -                            | -                   | -                   |
| 20 Water Main Replacement Program (SRF/PCF)      | 10,718,855    | 2,679,714                   | -                           | -                     | -          | -                                      | -                            | -                   | 8,039,141           |
| 21 Water Service Line Replacement                | 3,899,057     | -                           | -                           | -                     | -          | 3,899,057                              | -                            | -                   | -                   |
| <b>Machinery &amp; Equipment:</b>                |               |                             |                             |                       |            |  |                              |                     |                     |
| 22 Technical Unit Equipment Improvements         | \$ 150,000    | \$ -                        | \$ -                        | \$ -                  | \$ -       | \$ 150,000                             | \$ -                         | \$ -                | \$ -                |
| <b>Water Production</b>                          |               |                             |                             |                       |            |  |                              |                     |                     |
| <b>Buildings</b>                                 |               |                             |                             |                       |            |  |                              |                     |                     |
| 23 WTP Building B Lab Imps                       | \$ 50,000     | \$ -                        | \$ -                        | \$ -                  | \$ -       | \$ 50,000                              | \$ -                         | \$ -                | \$ -                |
| 24 WTP Bldg D (Meter Shop) Upgrades              | 500,000       | -                           | -                           | -                     | -          | 500,000                                | -                            | -                   | -                   |
| 25 Water Treatment Plant Relocation              | 113,500,000   | -                           | -                           | -                     | -          | 3,500,000                              | 27,000,000                   | -                   | 83,000,000          |
| 26 WTP Building Improvements                     | 200,000       | -                           | -                           | -                     | -          | 200,000                                | -                            | -                   | -                   |
| <b>Improvements:</b>                             |               |                             |                             |                       |            |  |                              |                     |                     |
| 27 Deep Injection Well (SRF/F/PCF)               | \$ 11,500,000 | \$ 1,500,000                | \$ -                        | \$ -                  | \$ -       | \$ -                                   | \$ -                         | \$ -                | \$ 10,000,000       |
| 28 RO Membrane Replacement                       | 3,000,000     | -                           | -                           | -                     | -          | 3,000,000                              | -                            | -                   | -                   |
| 29 Water Booster Pump Station                    | 500,000       | -                           | -                           | -                     | -          | -                                      | -                            | -                   | 500,000             |
| 30 Well Management Program (SRF) - 8E Well       | 4,500,000     | -                           | -                           | -                     | -          | -                                      | -                            | -                   | 4,500,000           |
| 31 WTP Improvements                              | 3,000,000     | -                           | -                           | -                     | -          | 3,000,000                              | -                            | -                   | -                   |
| 32 Booster Station                               | 21,968,631    | 6,879,078                   | -                           | -                     | -          | -                                      | -                            | -                   | 15,089,553          |
| 33 WTP 2nd Stage Membrane Addn Ph 2 (SRF/PCF)    | 6,374,349     | 794,349                     | -                           | -                     | -          | -                                      | -                            | -                   | 5,580,000           |

Appendix A: Schedule 3B – Capital Improvement Program Funding Sources

|   | Total Cost            | Water Plant Capacity Charge | Sewer Plant Capacity Charge | Sarasota County Match | Grant Fund          | Water and Sewer Utility Operating Fund | Water Plant Relocation Funds | Senior Lien Funding  | Subordinate Funding   |
|---|-----------------------|-----------------------------|-----------------------------|-----------------------|---------------------|--|------------------------------|----------------------|-----------------------|
| 34 WTP Parking Lot Repaving                             | 19,311                | -                           | -                           | -                     | -                   | 19,311                                 | -                            | -                    | -                     |
| 35 Potable Water Sec Syst Imps                          | 100,000               | -                           | -                           | -                     | -                   | 100,000                                | -                            | -                    | -                     |
| 36 Phase II RO CIP System                               | 120,000               | -                           | -                           | -                     | -                   | 120,000                                | -                            | -                    | -                     |
| 37 WTP Security System Upgrade                          | 75,000                | -                           | -                           | -                     | -                   | 75,000                                 | -                            | -                    | -                     |
| 38 Degasifier Imps                                      | 84,642                | -                           | -                           | -                     | -                   | 84,642                                 | -                            | -                    | -                     |
| 39 WTP Energy Projects                                  | 150,000               | -                           | -                           | -                     | -                   | 150,000                                | -                            | -                    | -                     |
| <u>Machinery and Equipment:</u>                         |                       |                             |                             |                       |                     |  |                              |                      |                       |
| 41 New Production Well RO 8E/79                         | \$ 217,318            | \$ -                        | \$ -                        | \$ -                  | \$ -                | \$ 217,318                             | \$ -                         | \$ -                 | \$ -                  |
| 42 WTP Generator/Switch Repl                            | 5,041,428             | -                           | -                           | -                     | 2,179,118           | 62,310                                 | -                            | -                    | 2,800,000             |
| 43 CO2 Bulk Tank Repl                                   | 140,315               | -                           | -                           | -                     | -                   | 140,315                                | -                            | -                    | -                     |
| 44 Onsite Emergency Generators at Wells                 | 307,080               | -                           | -                           | -                     | -                   | 307,080                                | -                            | -                    | -                     |
| <u>Water Reclamation and Lift Stations</u>              |                       |                             |                             |                       |                     |  |                              |                      |                       |
| <u>Buildings</u>  |                       |                             |                             |                       |                     |  |                              |                      |                       |
| 45 WRF Additional Storage Building                      | \$ 200,000            | \$ -                        | \$ -                        | \$ 75,000             | \$ -                | \$ 125,000                             | \$ -                         | \$ -                 | \$ -                  |
| <u>Improvements:</u>                                    |                       |                             |                             |                       |                     |  |                              |                      |                       |
| 46 Aquifer Storage & Recovery Well (SRF/S/PCF/SC)       | \$ 7,506,835          | \$ -                        | \$ -                        | \$ 1,877,564          | \$ 2,500,000        | \$ 238,049                             | \$ -                         | \$ -                 | \$ 2,891,222          |
| 47 WRF Headworks  | 230,580               | -                           | -                           | 86,468                | -                   | 144,113                                | -                            | -                    | -                     |
| 48 WRF Aeration Blower Replacement                      | 377,162               | -                           | -                           | 141,436               | -                   | 235,726                                | -                            | -                    | -                     |
| 49 WRF Security System Upgrades                         | 80,000                | -                           | -                           | 22,500                | -                   | 37,500                                 | -                            | -                    | -                     |
| 50 Septage Receiving Station                            | 382,940               | -                           | -                           | -                     | -                   | 382,940                                | -                            | -                    | -                     |
| 51 Reject Pond Lining                                   | 923,213               | -                           | -                           | 346,205               | -                   | 577,008                                | -                            | -                    | -                     |
| 52 SMH Lift Station Upgrade                             | 43,330                | -                           | -                           | -                     | -                   | 43,330                                 | -                            | -                    | -                     |
| 53 Auger Repl at Belt Presses                           | 150,000               | -                           | -                           | 56,250                | -                   | 93,750                                 | -                            | -                    | -                     |
| 54 WRF PLC Upgrade                                      | 158,093               | -                           | -                           | 59,285                | -                   | 98,808                                 | -                            | -                    | -                     |
| 55 Knights Trail Lift Station                           | 4,027,771             | -                           | -                           | -                     | -                   | 4,027,771                              | -                            | -                    | -                     |
| 56 Nokomis Groves Lift Station                          | 2,100,000             | -                           | -                           | -                     | -                   | 2,100,000                              | -                            | -                    | -                     |
| 57 Maxine Barrett Park Aerator                          | 8,968                 | -                           | -                           | -                     | -                   | 8,968                                  | -                            | -                    | -                     |
| 58 Micro C Chemical Feed System                         | 137,060               | -                           | -                           | 51,398                | -                   | 85,663                                 | -                            | -                    | -                     |
| 59 Reclaimed Water Dist System Expansion                | 4,250,000             | -                           | -                           | -                     | -                   | 4,250,000                              | -                            | -                    | -                     |
| 60 WRF Energy Conservation and Eff. Improve (SC)        | 3,500,000             | -                           | -                           | 1,312,500             | -                   | -                                      | -                            | 2,187,500            | -                     |
| 61 WRF Improvements (SC)                                | 3,149,785             | -                           | -                           | 1,181,162             | -                   | 718,603                                | -                            | 1,250,000            | -                     |
| 62 Fuel Tank Replacement                                | 100,000               | -                           | -                           | -                     | -                   | 100,000                                | -                            | -                    | -                     |
| <u>Machinery and Equipment:</u>                         |                       |                             |                             |                       |                     |  |                              |                      |                       |
| 63 Lift Station Rehab Program                           | \$ 1,500,000          | \$ -                        | \$ -                        | \$ -                  | \$ -                | \$ 1,500,000                           | \$ -                         | \$ -                 | \$ -                  |
| 64 Lift Station Replacement Pumps                       | 600,000               | -                           | -                           | -                     | -                   | 600,000                                | -                            | -                    | -                     |
| 65 Onsite Emergency Generators at Lift Stations         | 280,000               | -                           | -                           | -                     | -                   | 280,000                                | -                            | -                    | -                     |
| 66 WRF Effluent Pumps                                   | 1,352,392             | -                           | -                           | 507,147               | -                   | 399,048                                | -                            | 446,197              | -                     |
| 67 3MG Equalization Tank                                | 3,203,731             | -                           | -                           | 1,201,399             | -                   | -                                      | -                            | -                    | 2,002,332             |
| 68 Reclaimed Water Storage Tank                         | 600,000               | -                           | -                           | -                     | -                   | 600,000                                | -                            | -                    | -                     |
| <u>IBD</u>  |                       |                             |                             |                       |                     |  |                              |                      |                       |
| 69 Projected Future Projects - WRF                      | \$ 19,391,600         | \$ -                        | \$ -                        | \$ 7,271,850          | \$ -                | \$ 8,369,750                           | \$ -                         | \$ 3,750,000         | \$ -                  |
| 70 Projected Future Projects - Water PCF                | 13,119,999            | 11,644,449                  | -                           | -                     | -                   | 1,475,550                              | -                            | -                    | -                     |
| 71 Projected Future Projects - Sewer PCF                | -                     | -                           | -                           | -                     | -                   | -                                      | -                            | -                    | -                     |
| 72 Projected Future Projects - SRF Loan                 | -                     | -                           | -                           | -                     | -                   | -                                      | -                            | -                    | -                     |
| 73 Projected Future Projects - WS Ops                   | 23,163,401            | -                           | -                           | -                     | -                   | 18,316,508                             | -                            | 4,846,893            | -                     |
| <b>74 Grand Total CIP - with Water Plant Relocation</b> | <b>\$ 330,832,900</b> | <b>\$ 27,685,962</b>        | <b>\$ 31,305</b>            | <b>\$ 14,190,163</b>  | <b>\$ 4,679,118</b> | <b>\$ 86,852,521</b>                   | <b>\$ 27,000,000</b>         | <b>\$ 31,669,740</b> | <b>\$ 138,724,092</b> |

|  | <u>FY 2023<sup>1</sup></u> | <u>FY 2024</u> | <u>FY 2025</u> | <u>FY 2026</u> | <u>FY 2027</u> | <u>FY 2028</u> | <u>FY 2029</u> | <u>FY 2030</u> | <u>FY 2031</u> | <u>FY 2032</u> | <u>FY 2033</u> |
|--|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Water Rate Revenue</b>                      |                            |                |                |                |                |                |                |                |                |                |                |
| 1 Assumed Water Rate Increase <sup>2</sup>     | 2.15%                      | 5.25%          | 5.25%          | 5.25%          | 5.25%          | 5.25%          | 5.25%          | 5.25%          | 5.25%          | 5.25%          | 5.25%          |
| 2 Water Base Rate Revenue                      | \$ 6,140,000               | \$ 6,656,221   | \$ 7,215,842   | \$ 7,822,514   | \$ 8,480,192   | \$ 9,103,910   | \$ 9,773,503   | \$ 10,492,344  | \$ 11,264,056  | \$ 12,092,527  | \$ 12,981,932  |
| 3 Water Usage Rate Revenue                     | 5,750,000                  | 6,202,264      | 6,690,101      | 7,216,308      | 7,783,904      | 8,314,628      | 8,881,538      | 9,487,102      | 10,133,954     | 10,824,909     | 11,562,976     |
| 4 Water Billing Charge Revenue                 | 861,100                    | 933,497        | 1,011,981      | 1,097,063      | 1,189,299      | 1,276,772      | 1,370,678      | 1,471,491      | 1,579,720      | 1,695,908      | 1,820,642      |
| <b>Sewer Rate Revenue</b>                      |                            |                |                |                |                |                |                |                |                |                |                |
| 5 Assumed Sewer Rate Increase <sup>2</sup>     | 2.15%                      | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          |
| 6 Sewer Base Rate Revenue                      | \$ 5,490,000               | \$ 5,739,521   | \$ 6,029,940   | \$ 6,335,055   | \$ 6,655,609   | \$ 6,992,383   | \$ 7,346,197   | \$ 7,717,915   | \$ 8,108,441   | \$ 8,518,729   | \$ 8,949,776   |
| 7 Sewer Usage Rate Revenue                     | 5,250,000                  | 5,461,169      | 5,708,817      | 5,967,695      | 6,238,312      | 6,521,201      | 6,816,917      | 7,126,044      | 7,449,189      | 7,786,987      | 8,140,104      |
| <b>Reclaimed Rate Revenue</b>                  |                            |                |                |                |                |                |                |                |                |                |                |
| 8 Assumed Reclaimed Rate Increase <sup>2</sup> | 6.82 / 2.15%               | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          | 3.00%          |
| 9 Reclaimed Rate Revenue                       | \$ 945,000                 | \$ 983,084     | \$ 1,022,702   | \$ 1,063,917   | \$ 1,106,792   | \$ 1,151,396   | \$ 1,197,797   | \$ 1,246,069   | \$ 1,296,285   | \$ 1,348,526   | \$ 1,402,871   |
| <b>Other Operating Revenue:</b>                |                            |                |                |                |                |                |                |                |                |                |                |
| 10 Penalty- Water                              | \$ 65,000                  | \$ 65,000      | \$ 65,000      | \$ 65,000      | \$ 65,000      | \$ 65,000      | \$ 65,000      | \$ 65,000      | \$ 65,000      | \$ 65,000      | \$ 65,000      |
| 11 Fire Svc Standby Charge                     | 70,200                     | 70,200         | 70,200         | 70,200         | 70,200         | 70,200         | 70,200         | 70,200         | 70,200         | 70,200         | 70,200         |
| 12 Fire Svc Hydrant Rental                     | 4,500                      | 4,500          | 4,500          | 4,500          | 4,500          | 4,500          | 4,500          | 4,500          | 4,500          | 4,500          | 4,500          |
| 13 Tap Fees - Water                            | 250,000                    | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        | 250,000        |
| 14 Penalties-Reuse                             | 3,000                      | 3,000          | 3,000          | 3,000          | 3,000          | 3,000          | 3,000          | 3,000          | 3,000          | 3,000          | 3,000          |
| 15 Reuse Tap Fee                               | 7,000                      | 7,000          | 7,000          | 7,000          | 7,000          | 7,000          | 7,000          | 7,000          | 7,000          | 7,000          | 7,000          |
| 16 Sar Co Swr Treat Cons Chg                   | 2,243,791                  | 2,286,486      | 2,355,340      | 2,413,952      | 2,474,242      | 2,536,269      | 2,600,093      | 2,665,778      | 2,733,388      | 2,802,992      | 2,855,346      |
| 17 Penalty- Sewer                              | 40,000                     | 40,000         | 40,000         | 40,000         | 40,000         | 40,000         | 40,000         | 40,000         | 40,000         | 40,000         | 40,000         |
| 18 Tap Fees - Sewer                            | 6,000                      | 6,000          | 6,000          | 6,000          | 6,000          | 6,000          | 6,000          | 6,000          | 6,000          | 6,000          | 6,000          |
| 19 Miscellaneous Income                        | 1,800                      | 1,800          | 1,800          | 1,800          | 1,800          | 1,800          | 1,800          | 1,800          | 1,800          | 1,800          | 1,800          |
| 20 Ad Valorem Tax Reimburse                    | 9,200                      | 9,200          | 9,200          | 9,200          | 9,200          | 9,200          | 9,200          | 9,200          | 9,200          | 9,200          | 9,200          |
| 21 Cell Tower Lease Rents                      | 92,000                     | 93,400         | 93,400         | 93,400         | 93,400         | 93,400         | 93,400         | 93,400         | 93,400         | 93,400         | 93,400         |
| 22 Surplus/Scrap                               | 3,500                      | 3,500          | 3,500          | 3,500          | 3,500          | 3,500          | 3,500          | 3,500          | 3,500          | 3,500          | 3,500          |
| 23 Other Miscellaneous Revenue                 | 5,000                      | 5,000          | 5,000          | 5,000          | 5,000          | 5,000          | 5,000          | 5,000          | 5,000          | 5,000          | 5,000          |
| 24 Insurance Settlement                        | 25,000                     | 25,000         | 25,000         | 25,000         | 25,000         | 25,000         | 25,000         | 25,000         | 25,000         | 25,000         | 25,000         |
| 25 Operating Grants/SWFWMD                     | 12,500                     | 12,500         | 12,500         | 12,500         | 12,500         | 12,500         | 12,500         | 12,500         | 12,500         | 12,500         | 12,500         |
| 26 Total Other Operating Revenue               | \$ 2,838,491               | \$ 2,882,586   | \$ 2,951,440   | \$ 3,010,052   | \$ 3,070,342   | \$ 3,132,369   | \$ 3,196,193   | \$ 3,261,878   | \$ 3,329,488   | \$ 3,399,092   | \$ 3,451,446   |
| <b>Non-Operating Revenue:</b>                  |                            |                |                |                |                |                |                |                |                |                |                |
| 27 Interest Income                             | \$ 1,300,000               | \$ 759,910     | \$ 573,193     | \$ 557,795     | \$ 585,214     | \$ 539,191     | \$ 529,752     | \$ 648,025     | \$ 759,958     | \$ 892,369     | \$ 884,867     |
| 29 Total Non-Operating Revenue                 | \$ 1,300,000               | \$ 759,910     | \$ 573,193     | \$ 557,795     | \$ 585,214     | \$ 539,191     | \$ 529,752     | \$ 648,025     | \$ 759,958     | \$ 892,369     | \$ 884,867     |
| 30 TOTAL OPERATING CASH INFLOWS                | \$ 28,574,591              | \$ 29,618,251  | \$ 31,204,016  | \$ 33,070,398  | \$ 35,109,644  | \$ 37,031,850  | \$ 39,112,576  | \$ 41,450,868  | \$ 43,921,091  | \$ 46,559,047  | \$ 49,194,615  |

<sup>1</sup>FY 2023 Rate Increases based on adopted rate plan.  
<sup>2</sup>Rate increases and revenues assume no water plant relocation.

|   | <u>FY 2023</u>  | <u>FY 2024</u>      | <u>FY 2025</u>      | <u>FY 2026</u>      | <u>FY 2027</u>      | <u>FY 2028</u>      | <u>FY 2029</u>      | <u>FY 2030</u>      | <u>FY 2031</u>      | <u>FY 2032</u>      | <u>FY 2033</u>      |                     |
|---|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>FUND 421 UTILITY ADMIN EXP DEPARTMENT 1201</b> |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <i>Exp - Insurance</i>                            |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 1   | 536.45-00 - INSURANCE                                   | \$ 10,469           | \$ 10,992           | \$ 11,432           | \$ 11,775           | \$ 12,128           | \$ 12,492           | \$ 12,867           | \$ 13,253           | \$ 13,651           | \$ 14,060           | \$ 14,482           |
| <i>Exp - Maintenance</i>                          |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 2   | 536.46-00 - REPAIR & MAINTENANCE SVCS                   | \$ 35,500           | \$ 37,275           | \$ 38,766           | \$ 39,929           | \$ 41,127           | \$ 42,361           | \$ 43,631           | \$ 44,940           | \$ 46,289           | \$ 47,677           | \$ 49,108           |
| 3   | 536.46-02 - REPAIR & MAINT / COMPUTER DEVICES           | 12,000              | 12,600              | 13,104              | 13,497              | 13,902              | 14,319              | 14,749              | 15,191              | 15,647              | 16,116              | 16,600              |
| 4   | 536.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR         | 700                 | 735                 | 764                 | 787                 | 811                 | 835                 | 860                 | 886                 | 913                 | 940                 | 968                 |
| 5   | 536.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS         | 500                 | 525                 | 546                 | 562                 | 579                 | 597                 | 615                 | 633                 | 652                 | 672                 | 692                 |
| 6   | 536.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER         | 14,800              | 15,540              | 16,162              | 16,646              | 17,146              | 17,660              | 18,190              | 18,736              | 19,298              | 19,877              | 20,473              |
| 7   | 536.46-40 - REPAIR & MAINT / INFO SYS                   | 52,222              | 54,833              | 57,026              | 58,737              | 60,499              | 62,314              | 64,184              | 66,109              | 68,093              | 70,135              | 72,239              |
| <i>Exp - Miscellaneous, services and supplies</i> |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 8   | 536.40-00 - TRAVEL AND TRAINING                         | \$ 7,000            | \$ 7,350            | \$ 7,644            | \$ 7,873            | \$ 8,110            | \$ 8,353            | \$ 8,603            | \$ 8,861            | \$ 9,127            | \$ 9,401            | \$ 9,683            |
| 9   | 536.41-00 - COMMUNICATION SERVICES                      | 44,805              | 47,045              | 48,927              | 50,395              | 51,907              | 53,464              | 55,068              | 56,720              | 58,421              | 60,174              | 61,979              |
| 10  | 536.41-40 - COMMUNICATION SVCS- IS                      | 17,352              | 18,220              | 18,948              | 19,517              | 20,102              | 20,705              | 21,327              | 21,966              | 22,625              | 23,304              | 24,003              |
| 11  | 536.42-00 - FREIGHT & POSTAGE                           | 65,000              | 68,250              | 70,980              | 73,109              | 75,303              | 77,562              | 79,889              | 82,285              | 84,754              | 87,296              | 89,915              |
| 12  | 536.44-00 - RENTALS & LEASES                            | 16,000              | 16,800              | 17,472              | 17,996              | 18,536              | 19,092              | 19,665              | 20,255              | 20,862              | 21,488              | 22,133              |
| 13  | 536.44-50 - RENTALS & LEASES-FLEET REPL                 | 18,657              | 19,590              | 20,373              | 20,985              | 21,614              | 22,263              | 22,930              | 23,618              | 24,327              | 25,057              | 25,808              |
| 14  | 536.47-00 - PRINTING AND BINDING                        | 11,000              | 11,550              | 12,012              | 12,372              | 12,744              | 13,126              | 13,520              | 13,925              | 14,343              | 14,773              | 15,216              |
| 15  | 536.49-00 - OTHER CHARGES/OBLIGATIONS                   | 594,500             | 624,225             | 649,194             | 668,670             | 688,730             | 709,392             | 730,674             | 752,594             | 775,172             | 798,427             | 822,380             |
| 16  | 536.51-00 - OFFICE SUPPLIES                             | 2,500               | 2,625               | 2,730               | 2,812               | 2,896               | 2,983               | 3,073               | 3,165               | 3,260               | 3,358               | 3,458               |
| 17  | 536.52-00 - OPERATING SUPPLIES                          | 16,000              | 16,800              | 17,472              | 17,996              | 18,536              | 19,092              | 19,665              | 20,255              | 20,862              | 21,488              | 22,133              |
| 18  | 536.52-25 - OPERATING SUPPLIES / SAFETY SHOES           | 750                 | 788                 | 819                 | 844                 | 869                 | 895                 | 922                 | 949                 | 978                 | 1,007               | 1,037               |
| 19  | 536.52-35 - OPERATING SUPPLIES / GASOLINE               | 1,000               | 1,050               | 1,092               | 1,125               | 1,159               | 1,193               | 1,229               | 1,266               | 1,304               | 1,343               | 1,383               |
| 20  | 536.52-46 - OPERATING SUPPLIES / UNIFORMS               | 2,500               | 2,625               | 2,730               | 2,812               | 2,896               | 2,983               | 3,073               | 3,165               | 3,260               | 3,358               | 3,458               |
| 21  | 536.54-00 - BOOKS, PUBS, SUBS, MEMBER                   | 2,741               | 2,878               | 2,993               | 3,083               | 3,175               | 3,271               | 3,369               | 3,470               | 3,574               | 3,681               | 3,792               |
| <i>Exp - Professional Services</i>                |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 22  | 536.31-00 - PROFESSIONAL SERVICES                       | \$ 460,252          | \$ 229,500          | \$ 238,680          | \$ 245,840          | \$ 253,216          | \$ 260,812          | \$ 268,636          | \$ 276,696          | \$ 284,996          | \$ 293,546          | \$ 302,353          |
| 23  | 536.31-03 - PROFESSIONAL SERVICES / LEGAL               | 25,000              | 26,250              | 27,300              | 28,119              | 28,963              | 29,831              | 30,726              | 31,648              | 32,598              | 33,576              | 34,583              |
| 24  | 536.31-05 - PROFESSIONAL SERVICES / ADVERTISING         | 1,500               | 1,575               | 1,638               | 1,687               | 1,738               | 1,790               | 1,844               | 1,899               | 1,956               | 2,015               | 2,075               |
| 25  | 536.31-40 - PROFESSIONAL SERVICES / INFO SYS            | 3,111               | 3,267               | 3,397               | 3,499               | 3,604               | 3,712               | 3,824               | 3,938               | 4,056               | 4,178               | 4,303               |
| 26  | 536.32-00 - ACCOUNTING AND AUDITING                     | 14,617              | 15,348              | 15,962              | 16,441              | 16,934              | 17,442              | 17,965              | 18,504              | 19,059              | 19,631              | 20,220              |
| 27  | 536.34-00 - OTHER CONTRACTUAL SERVICE                   | 1,500               | 1,575               | 1,638               | 1,687               | 1,738               | 1,790               | 1,844               | 1,899               | 1,956               | 2,015               | 2,075               |
| <i>Exp - Salaries and Wages</i>                   |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 28  | 536.12-00 - REGULAR SALARIES & WAGES                    | \$ 804,316          | \$ 844,532          | \$ 886,758          | \$ 931,096          | \$ 977,651          | \$ 1,026,534        | \$ 1,077,860        | \$ 1,131,753        | \$ 1,188,341        | \$ 1,247,758        | \$ 1,310,146        |
| 29  | 536.14-00 - OVERTIME                                    | 1,500               | 1,575               | 1,654               | 1,736               | 1,823               | 1,914               | 2,010               | 2,111               | 2,216               | 2,327               | 2,443               |
| 30  | 536.15-00 - SPECIAL PAY                                 | 15,592              | 16,372              | 17,190              | 18,050              | 18,952              | 19,900              | 20,895              | 21,940              | 23,036              | 24,188              | 25,398              |
| 31  | 536.21-00 - FICA  | 62,838              | 65,980              | 69,279              | 72,743              | 76,380              | 80,199              | 84,209              | 88,419              | 92,840              | 97,482              | 102,356             |
| 32  | 536.22-00 - RETIREMENT CONTRIBUTIONS                    | 100,047             | 105,049             | 110,302             | 115,817             | 121,608             | 127,688             | 134,073             | 140,776             | 147,815             | 155,206             | 162,966             |
| 33  | 536.23-00 - LIFE AND HEALTH INSURANCE                   | 172,786             | 181,425             | 190,497             | 200,021             | 210,022             | 220,524             | 231,550             | 243,127             | 255,284             | 268,048             | 281,450             |
| 34  | 536.24-00 - WORKERS' COMPENSATION                       | 3,090               | 3,245               | 3,407               | 3,577               | 3,756               | 3,944               | 4,141               | 4,348               | 4,565               | 4,794               | 5,033               |
| 35  | <b>Total FUND 421 UTILITY ADMIN EXP DEPARTMENT 1201</b> | <b>\$ 2,592,145</b> | <b>\$ 2,467,988</b> | <b>\$ 2,578,889</b> | <b>\$ 2,681,837</b> | <b>\$ 2,789,153</b> | <b>\$ 2,901,032</b> | <b>\$ 3,017,677</b> | <b>\$ 3,139,302</b> | <b>\$ 3,266,130</b> | <b>\$ 3,398,396</b> | <b>\$ 3,536,344</b> |

|  | <u>FY 2023</u>   | <u>FY 2024</u>      | <u>FY 2025</u>      | <u>FY 2026</u>      | <u>FY 2027</u>      | <u>FY 2028</u>      | <u>FY 2029</u>      | <u>FY 2030</u>      | <u>FY 2031</u>      | <u>FY 2032</u>      | <u>FY 2033</u>      |                     |
|--|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>FUND 421 UTILITIES DISTRIBUTION DEPARTMENT 1202</b> |  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <i>Exp - Insurance</i>                                 |  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 36   | 536.45-00 - INSURANCE  | \$ 44,389           | \$ 46,608           | \$ 48,473           | \$ 49,927           | \$ 51,425           | \$ 52,968           | \$ 54,557           | \$ 56,193           | \$ 57,879           | \$ 59,615           | \$ 61,404           |
| <i>Exp - Maintenance</i>                               |  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 37   | 536.46-00 - REPAIR & MAINTENANCE SVCS                        | \$ 926,182          | \$ 972,491          | \$ 1,011,391        | \$ 1,041,732        | \$ 1,072,984        | \$ 1,105,174        | \$ 1,138,329        | \$ 1,172,479        | \$ 1,207,653        | \$ 1,243,883        | \$ 1,281,200        |
| 38   | 536.46-03 - REPAIR & MAINT / INVENTORY                       | 550,000             | 577,500             | 600,600             | 618,618             | 637,177             | 656,292             | 675,981             | 696,260             | 717,148             | 738,662             | 760,822             |
| 39   | 536.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR              | 30,000              | 31,500              | 32,760              | 33,743              | 34,755              | 35,798              | 36,872              | 37,978              | 39,117              | 40,291              | 41,499              |
| 40   | 536.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS              | 20,000              | 21,000              | 21,840              | 22,495              | 23,170              | 23,865              | 24,581              | 25,319              | 26,078              | 26,860              | 27,666              |
| 41   | 536.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER              | 12,000              | 12,600              | 13,104              | 13,497              | 13,902              | 14,319              | 14,749              | 15,191              | 15,647              | 16,116              | 16,600              |
| <i>Exp - Miscellaneous, services and supplies</i>      |  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 42   | 536.40-00 - TRAVEL AND TRAINING                              | \$ 39,880           | \$ 41,874           | \$ 43,549           | \$ 44,855           | \$ 46,201           | \$ 47,587           | \$ 49,015           | \$ 50,485           | \$ 52,000           | \$ 53,560           | \$ 55,167           |
| 43   | 536.42-00 - FREIGHT & POSTAGE                                | 2,500               | 2,625               | 2,730               | 2,812               | 2,896               | 2,983               | 3,073               | 3,165               | 3,260               | 3,358               | 3,458               |
| 44   | 536.44-00 - RENTALS AND LEASES                               | 5,000               | 5,250               | 5,460               | 5,624               | 5,793               | 5,966               | 6,145               | 6,330               | 6,520               | 6,715               | 6,917               |
| 45   | 536.44-50 - RENTALS AND LEASES-FLEET REPL                    | 314,381             | 330,100             | 343,304             | 353,603             | 364,211             | 375,138             | 386,392             | 397,983             | 409,923             | 422,221             | 434,887             |
| 46   | 536.47-00 - PRINTING AND BINDING                             | 5,000               | 5,250               | 5,460               | 5,624               | 5,793               | 5,966               | 6,145               | 6,330               | 6,520               | 6,715               | 6,917               |
| 47   | 536.51-00 - OFFICE SUPPLIES                                  | 2,500               | 2,625               | 2,730               | 2,812               | 2,896               | 2,983               | 3,073               | 3,165               | 3,260               | 3,358               | 3,458               |
| 48   | 536.52-00 - OPERATING SUPPLIES                               | 60,000              | 63,000              | 65,520              | 67,486              | 69,510              | 71,595              | 73,743              | 75,956              | 78,234              | 80,581              | 82,999              |
| 49   | 536.52-04 - OPERATING SUPP/TREES, SHRUBS, & SOD              | 4,000               | 4,200               | 4,368               | 4,499               | 4,634               | 4,773               | 4,916               | 5,064               | 5,216               | 5,372               | 5,533               |
| 50   | 536.52-25 - OPER SUPP / SAFETY SHOES REIMBURSE               | 3,900               | 4,095               | 4,259               | 4,387               | 4,518               | 4,654               | 4,793               | 4,937               | 5,085               | 5,238               | 5,395               |
| 51   | 536.52-35 - OPERATING SUPPLIES / GASOLINE                    | 60,000              | 63,000              | 65,520              | 67,486              | 69,510              | 71,595              | 73,743              | 75,956              | 78,234              | 80,581              | 82,999              |
| 52   | 536.52-46 - OPERATING SUPPLIES / UNIFORMS                    | 10,000              | 10,500              | 10,920              | 11,248              | 11,585              | 11,933              | 12,291              | 12,659              | 13,039              | 13,430              | 13,833              |
| 53   | 536.53-00 - ROAD MATERIALS & SUPPLIES                        | 7,000               | 7,350               | 7,644               | 7,873               | 8,110               | 8,353               | 8,603               | 8,861               | 9,127               | 9,401               | 9,683               |
| 54   | 536.54-00 - BOOKS, PUBS, SUBS, MEMBER                        | 2,730               | 2,867               | 2,981               | 3,071               | 3,163               | 3,258               | 3,355               | 3,456               | 3,560               | 3,666               | 3,776               |
| <i>Exp - Professional/Contractual Services</i>         |  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 55   | 536.31-00 - PROFESSIONAL SERVICES                            | \$ 628,525          | \$ 710,000          | \$ 460,000          | \$ 710,000          | \$ 460,000          | \$ 600,000          | \$ 618,000          | \$ 636,540          | \$ 655,636          | \$ 675,305          | \$ 695,564          |
| 56   | 536.34-00 OTHER CONTRACTUAL SERVICES                         | 18,500              | 19,425              | 20,202              | 20,808              | 21,432              | 22,075              | 22,738              | 23,420              | 24,122              | 24,846              | 25,591              |
| <i>Exp - Salaries and Wages</i>                        |  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 57   | 536.12-00 - REGULAR SALARIES & WAGES                         | \$ 1,437,166        | \$ 1,509,024        | \$ 1,584,476        | \$ 1,663,699        | \$ 1,746,884        | \$ 1,834,228        | \$ 1,925,940        | \$ 2,022,237        | \$ 2,123,349        | \$ 2,229,516        | \$ 2,340,992        |
| 58   | 536.14-00 - OVERTIME   | 45,000              | 47,250              | 49,613              | 52,093              | 54,698              | 57,433              | 60,304              | 63,320              | 66,485              | 69,810              | 73,300              |
| 59   | 536.15-00 - SPECIAL PAY                                      | 57,808              | 60,698              | 63,733              | 66,920              | 70,266              | 73,779              | 77,468              | 81,342              | 85,409              | 89,679              | 94,163              |
| 60   | 536.21-00 - FICA   | 117,808             | 123,698             | 129,883             | 136,377             | 143,196             | 150,356             | 157,874             | 165,768             | 174,056             | 182,759             | 191,897             |
| 61   | 536.22-00 - RETIREMENT CONTRIBUTIONS                         | 187,569             | 196,947             | 206,795             | 217,135             | 227,991             | 239,391             | 251,360             | 263,928             | 277,125             | 290,981             | 305,530             |
| 62   | 536.23-00 - LIFE AND HEALTH INSURANCE                        | 424,111             | 445,317             | 467,582             | 490,961             | 515,510             | 541,285             | 568,349             | 596,767             | 626,605             | 657,935             | 690,832             |
| 63   | 536.24-00 - WORKERS' COMPENSATION                            | 30,697              | 32,232              | 33,843              | 35,536              | 37,312              | 39,178              | 41,137              | 43,194              | 45,353              | 47,621              | 50,002              |
| 64   | <b>Total FUND 421 UTILITIES DISTRIBUTION DEPARTMENT 1202</b> | <b>\$ 5,046,646</b> | <b>\$ 5,349,027</b> | <b>\$ 5,308,740</b> | <b>\$ 5,754,921</b> | <b>\$ 5,709,523</b> | <b>\$ 6,062,925</b> | <b>\$ 6,303,526</b> | <b>\$ 6,554,281</b> | <b>\$ 6,815,640</b> | <b>\$ 7,088,077</b> | <b>\$ 7,372,085</b> |



|   | <u>FY 2023</u>      | <u>FY 2024</u>      | <u>FY 2025</u>      | <u>FY 2026</u>      | <u>FY 2027</u>      | <u>FY 2028</u>      | <u>FY 2029</u>      | <u>FY 2030</u>      | <u>FY 2031</u>      | <u>FY 2032</u>      | <u>FY 2033</u>      |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>FUND 421 WATER PRODUCTION EXP DEPARTMENT 1203</b>          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <i>Exp - Insurance</i>  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 65 533.45-00 - INSURANCE                                      | \$ 144,609          | \$ 151,839          | \$ 157,913          | \$ 162,650          | \$ 167,530          | \$ 172,556          | \$ 177,733          | \$ 183,064          | \$ 188,556          | \$ 194,213          | \$ 200,039          |
| <i>Exp - Maintenance</i>                                      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 66 533.46-00 - REPAIR & MAINTENANCE SVCS                      | \$ 358,690          | \$ 376,625          | \$ 391,689          | \$ 403,440          | \$ 415,543          | \$ 428,010          | \$ 440,850          | \$ 454,075          | \$ 467,698          | \$ 481,729          | \$ 496,181          |
| 67 533.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR            | 4,100               | 4,305               | 4,477               | 4,612               | 4,750               | 4,892               | 5,039               | 5,190               | 5,346               | 5,506               | 5,672               |
| 68 533.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS            | 5,800               | 6,090               | 6,334               | 6,524               | 6,719               | 6,921               | 7,129               | 7,342               | 7,563               | 7,790               | 8,023               |
| 69 533.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER            | 2,500               | 2,625               | 2,730               | 2,812               | 2,896               | 2,983               | 3,073               | 3,165               | 3,260               | 3,358               | 3,458               |
| <i>Exp - Miscellaneous, services and supplies</i>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 70 533.40-00 - TRAVEL AND TRAINING                            | \$ 14,890           | \$ 15,635           | \$ 16,260           | \$ 16,748           | \$ 17,250           | \$ 17,768           | \$ 18,301           | \$ 18,850           | \$ 19,415           | \$ 19,998           | \$ 20,598           |
| 71 533.42-00 - FREIGHT & POSTAGE                              | 450                 | 473                 | 491                 | 506                 | 521                 | 537                 | 553                 | 570                 | 587                 | 604                 | 622                 |
| 72 533.44-00 - RENTALS AND LEASES                             | 2,000               | 2,100               | 2,184               | 2,250               | 2,317               | 2,387               | 2,458               | 2,532               | 2,608               | 2,686               | 2,767               |
| 73 533.44-50 - RENTALS AND LEASES-FLEET REPL                  | 62,662              | 65,795              | 68,427              | 70,480              | 72,594              | 74,772              | 77,015              | 79,326              | 81,705              | 84,156              | 86,681              |
| 74 533.47-00 - PRINTING AND BINDING                           | 500                 | 525                 | 546                 | 562                 | 579                 | 597                 | 615                 | 633                 | 652                 | 672                 | 692                 |
| 75 533.48-00 - PROMOTIONAL ACTIVITIES                         | 34,700              | 36,435              | 37,892              | 39,029              | 40,200              | 41,406              | 42,648              | 43,928              | 45,246              | 46,603              | 48,001              |
| 76 533.51-00 - OFFICE SUPPLIES                                | 2,500               | 2,625               | 2,730               | 2,812               | 2,896               | 2,983               | 3,073               | 3,165               | 3,260               | 3,358               | 3,458               |
| 77 533.52-00 - OPERATING SUPPLIES                             | 427,500             | 448,875             | 466,830             | 480,835             | 495,260             | 510,118             | 525,421             | 541,184             | 557,419             | 574,142             | 591,366             |
| 78 533.52-02 - OPER SUPPLIES / ODOR CONTROL                   | 20,000              | 21,000              | 21,840              | 22,495              | 23,170              | 23,865              | 24,581              | 25,319              | 26,078              | 26,860              | 27,666              |
| 79 533.52-04 - OPER SUPP / TREES, SHRUBS, SOD                 | 500                 | 525                 | 546                 | 562                 | 579                 | 597                 | 615                 | 633                 | 652                 | 672                 | 692                 |
| 80 533.52-25 - OPER SUPP / SAFETY SHOES REIMBURS              | 2,550               | 2,678               | 2,785               | 2,868               | 2,954               | 3,043               | 3,134               | 3,228               | 3,325               | 3,425               | 3,527               |
| 81 533.52-46 - OPERATING SUPPLIES / UNIFORMS                  | 8,000               | 8,400               | 8,736               | 8,998               | 9,268               | 9,546               | 9,832               | 10,127              | 10,431              | 10,744              | 11,067              |
| 82 533.52-35 - OPERATING SUPPLIES / GASOLINE                  | 24,000              | 25,200              | 26,208              | 26,994              | 27,804              | 28,638              | 29,497              | 30,382              | 31,294              | 32,233              | 33,200              |
| 83 533.54-00 - BOOKS, Pubs, SUBS, MEMBER                      | 13,777              | 14,466              | 15,044              | 15,496              | 15,961              | 16,440              | 16,933              | 17,441              | 17,964              | 18,503              | 19,058              |
| <i>Exp - Professional Services</i>                            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 84 533.31-00 - PROFESSIONAL SERVICES                          | \$ 1,007,435        | \$ 350,000          | \$ 364,000          | \$ 374,920          | \$ 665,000          | \$ 700,000          | \$ 500,000          | \$ 515,000          | \$ 530,450          | \$ 546,364          | \$ 562,754          |
| 85 533.34-00 - OTHER CONTRACTUAL SERVICE                      | 150,232             | 157,744             | 164,053             | 168,975             | 174,044             | 179,266             | 184,643             | 190,183             | 195,888             | 201,765             | 207,818             |
| <i>Exp - Salaries and Wages</i>                               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 86 533.12-00 - REGULAR SALARIES & WAGES                       | \$ 920,196          | \$ 966,206          | \$ 1,014,516        | \$ 1,065,242        | \$ 1,118,504        | \$ 1,174,429        | \$ 1,233,151        | \$ 1,294,808        | \$ 1,359,549        | \$ 1,427,526        | \$ 1,498,902        |
| 87 533.14-00 - OVERTIME                                       | 45,000              | 47,250              | 49,613              | 52,093              | 54,698              | 57,433              | 60,304              | 63,320              | 66,485              | 69,810              | 73,300              |
| 88 533.15-00 - SPECIAL PAY                                    | 60,812              | 63,853              | 67,045              | 70,397              | 73,917              | 77,613              | 81,494              | 85,569              | 89,847              | 94,339              | 99,056              |
| 89 533.21-00 - FICA   | 78,490              | 82,415              | 86,535              | 90,862              | 95,405              | 100,175             | 105,184             | 110,443             | 115,965             | 121,764             | 127,852             |
| 90 533.22-00 - RETIREMENT CONTRIBUTIONS                       | 124,968             | 131,216             | 137,777             | 144,666             | 151,899             | 159,494             | 167,469             | 175,843             | 184,635             | 193,866             | 203,560             |
| 91 533.23-00 - LIFE AND HEALTH INSURANCE                      | 251,325             | 263,891             | 277,086             | 290,940             | 305,487             | 320,761             | 336,800             | 353,640             | 371,321             | 389,888             | 409,382             |
| 92 533.24-00 - WORKERS' COMPENSATION                          | 23,712              | 24,898              | 26,142              | 27,450              | 28,822              | 30,263              | 31,776              | 33,365              | 35,033              | 36,785              | 38,624              |
| <i>Exp - Utilities</i>  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| 93 533.43-00 - UTILITY SERVICES                               | \$ 437,730          | \$ 459,617          | \$ 478,001          | \$ 492,341          | \$ 507,111          | \$ 522,325          | \$ 537,995          | \$ 554,134          | \$ 570,758          | \$ 587,881          | \$ 605,518          |
| 94 <b>Total FUND 421 WATER PRODUCTION EXP DEPARTMENT 1203</b> | <b>\$ 4,229,628</b> | <b>\$ 3,733,303</b> | <b>\$ 3,898,432</b> | <b>\$ 4,048,559</b> | <b>\$ 4,483,681</b> | <b>\$ 4,669,817</b> | <b>\$ 4,627,314</b> | <b>\$ 4,806,457</b> | <b>\$ 4,992,991</b> | <b>\$ 5,187,237</b> | <b>\$ 5,389,534</b> |

|   | FY 2023              | FY 2024              | FY 2025              | FY 2026              | FY 2027              | FY 2028              | FY 2029              | FY 2030              | FY 2031              | FY 2032              | FY 2033              |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>FUND 421 WATER RECLAMATION EXP DEPARTMENT 1204</b>           |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <i>Exp - Insurance</i>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 95 535.45-00 - INSURANCE  | \$ 271,988           | \$ 285,587           | \$ 297,011           | \$ 305,921           | \$ 315,099           | \$ 324,552           | \$ 334,288           | \$ 344,317           | \$ 354,647           | \$ 365,266           | \$ 376,245           |
| <i>Exp - Maintenance</i>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 96 535.46-00 - REPAIR & MAINTENANCE SVCS                        | \$ 479,653           | \$ 503,636           | \$ 523,781           | \$ 539,495           | \$ 555,679           | \$ 572,350           | \$ 589,520           | \$ 607,206           | \$ 625,422           | \$ 644,185           | \$ 663,510           |
| 97 535.46-03 - REPAIR & MAINT / INVENTORY                       | 20,000               | 21,000               | 21,840               | 22,495               | 23,170               | 23,865               | 24,581               | 25,319               | 26,078               | 26,860               | 27,666               |
| 98 535.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR              | 10,000               | 10,500               | 10,920               | 11,248               | 11,585               | 11,933               | 12,291               | 12,659               | 13,039               | 13,430               | 13,833               |
| 99 535.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS              | 7,000                | 7,350                | 7,644                | 7,873                | 8,110                | 8,353                | 8,603                | 8,861                | 9,127                | 9,401                | 9,683                |
| 100 535.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER             | 6,500                | 6,825                | 7,098                | 7,311                | 7,530                | 7,756                | 7,989                | 8,229                | 8,475                | 8,730                | 8,992                |
| <i>Exp - Miscellaneous, services and supplies</i>               |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 101 535.40-00 - TRAVEL AND TRAINING                             | \$ 17,695            | \$ 18,580            | \$ 19,323            | \$ 19,903            | \$ 20,500            | \$ 21,115            | \$ 21,748            | \$ 22,401            | \$ 23,073            | \$ 23,765            | \$ 24,478            |
| 102 535.42-00 - FREIGHT & POSTAGE                               | 750                  | 788                  | 819                  | 844                  | 869                  | 895                  | 922                  | 949                  | 978                  | 1,007                | 1,037                |
| 103 535.44-00 - RENTALS AND LEASES                              | 3,500                | 3,675                | 3,822                | 3,937                | 4,055                | 4,176                | 4,302                | 4,431                | 4,564                | 4,701                | 4,842                |
| 104 535.44-50 - RENTALS AND LEASES-FLEET REPL                   | 103,216              | 108,377              | 112,712              | 116,093              | 119,576              | 123,163              | 126,858              | 130,664              | 134,584              | 138,621              | 142,780              |
| 105 535.47-00 - PRINTING & BINDING                              | 400                  | 420                  | 437                  | 450                  | 463                  | 477                  | 492                  | 506                  | 522                  | 537                  | 553                  |
| 106 535.51-00 - OFFICE SUPPLIES                                 | 3,500                | 3,675                | 3,822                | 3,937                | 4,055                | 4,176                | 4,302                | 4,431                | 4,564                | 4,701                | 4,842                |
| 107 535.52-00 - OPERATING SUPPLIES                              | 431,500              | 453,075              | 471,198              | 485,334              | 499,894              | 514,891              | 530,338              | 546,248              | 562,635              | 579,514              | 596,900              |
| 108 535.52-02 - OPER SUPP / ODOR CONTROL                        | 260,000              | 273,000              | 283,920              | 292,438              | 301,211              | 310,247              | 319,554              | 329,141              | 339,015              | 349,186              | 359,661              |
| 109 535.52-04 - OPER SUPP / TREES, SHRUBS, & BOD                | 1,000                | 1,050                | 1,092                | 1,125                | 1,159                | 1,193                | 1,229                | 1,266                | 1,304                | 1,343                | 1,383                |
| 110 535.52-25 - OPER SUPP / SAFETY SHOES REIMBURSE              | 2,850                | 2,993                | 3,112                | 3,206                | 3,302                | 3,401                | 3,503                | 3,608                | 3,716                | 3,828                | 3,942                |
| 111 535.52-46 - OPERATING SUPPLIES / UNIFORMS                   | 9,000                | 9,450                | 9,828                | 10,123               | 10,427               | 10,739               | 11,062               | 11,393               | 11,735               | 12,087               | 12,450               |
| 112 536.53-00 - ROAD MATERIALS & SUPPLIES                       | 1,000                | 1,050                | 1,092                | 1,125                | 1,159                | 1,193                | 1,229                | 1,266                | 1,304                | 1,343                | 1,383                |
| 113 535.52-35 - OPERATING SUPPLIES / GASOLINE                   | 60,000               | 63,000               | 65,520               | 67,486               | 69,510               | 71,595               | 73,743               | 75,956               | 78,234               | 80,581               | 82,999               |
| 114 535.54-00 - BOOKS, SUBSCRIPTIONS                            | 9,835                | 10,327               | 10,740               | 11,062               | 11,394               | 11,736               | 12,088               | 12,450               | 12,824               | 13,209               | 13,605               |
| <i>Exp - Professional Services</i>                              |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 115 535.31-00 - PROFESSIONAL SERVICES                           | \$ 471,236           | \$ 415,000           | \$ 115,000           | \$ 115,000           | \$ 580,000           | \$ 365,000           | \$ 375,950           | \$ 387,229           | \$ 398,845           | \$ 410,811           | \$ 423,135           |
| 116 535.34-00 - OTHER CONTRACTUAL SERVICE                       | 412,046              | 432,648              | 449,954              | 463,453              | 477,356              | 491,677              | 506,427              | 521,620              | 537,269              | 553,387              | 569,989              |
| <i>Exp - Salaries and Wages</i>                                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 117 535.12-00 - REGULAR SALARIES & WAGES                        | \$ 1,161,602         | \$ 1,219,682         | \$ 1,280,666         | \$ 1,344,700         | \$ 1,411,934         | \$ 1,482,531         | \$ 1,556,658         | \$ 1,634,491         | \$ 1,716,215         | \$ 1,802,026         | \$ 1,892,127         |
| 118 535.14-00 - OVERTIME  | 50,000               | 52,500               | 55,125               | 57,881               | 60,775               | 63,814               | 67,005               | 70,355               | 73,873               | 77,566               | 81,445               |
| 119 535.15-00 - SPECIAL PAY                                     | 41,256               | 43,319               | 45,485               | 47,759               | 50,147               | 52,654               | 55,287               | 58,051               | 60,954               | 64,002               | 67,202               |
| 120 535.21-00 - FICA  | 95,844               | 100,636              | 105,668              | 110,951              | 116,499              | 122,324              | 128,440              | 134,862              | 141,605              | 148,686              | 156,120              |
| 121 535.22-00 - RETIREMENT CONTRIBUTIONS                        | 161,474              | 169,548              | 178,025              | 186,926              | 196,273              | 206,086              | 216,391              | 227,210              | 238,571              | 250,499              | 263,024              |
| 122 535.23-00 - LIFE & HEALTH INSURANCE                         | 298,449              | 313,371              | 329,040              | 345,492              | 362,767              | 380,905              | 399,950              | 419,948              | 440,945              | 462,992              | 486,142              |
| 123 535.24-00 - WORKERS' COMPENSATION                           | 31,369               | 32,937               | 34,584               | 36,314               | 38,129               | 40,036               | 42,037               | 44,139               | 46,346               | 48,664               | 51,097               |
| <i>Exp - Utilities</i>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 124 535.43-00 - UTILITY SERVICES                                | \$ 374,596           | \$ 393,326           | \$ 409,059           | \$ 421,331           | \$ 433,971           | \$ 446,990           | \$ 460,399           | \$ 474,211           | \$ 488,438           | \$ 503,091           | \$ 518,183           |
| 125 535.43-02 - UTILITY SERVICES / LIFT STATIONS                | 123,893              | 130,088              | 135,291              | 139,350              | 143,530              | 147,836              | 152,271              | 156,840              | 161,545              | 166,391              | 171,383              |
| 126 FTE for Growth  | -                    | -                    | 150,000              | 315,000              | 488,250              | 670,163              | 861,171              | 1,061,729            | 1,272,316            | 1,493,431            | 1,725,603            |
| 127 <b>Total FUND 421 WATER RECLAMATION EXP DEPARTMENT 1204</b> | <b>\$ 4,921,152</b>  | <b>\$ 5,087,412</b>  | <b>\$ 5,143,628</b>  | <b>\$ 5,495,559</b>  | <b>\$ 6,328,376</b>  | <b>\$ 6,497,823</b>  | <b>\$ 6,910,628</b>  | <b>\$ 7,341,985</b>  | <b>\$ 7,792,761</b>  | <b>\$ 8,263,860</b>  | <b>\$ 8,756,233</b>  |
| 128 <b>TOTAL OPERATING EXPENSES</b>                             | <b>\$ 16,789,571</b> | <b>\$ 16,637,729</b> | <b>\$ 16,929,689</b> | <b>\$ 17,980,876</b> | <b>\$ 19,310,733</b> | <b>\$ 20,131,597</b> | <b>\$ 20,859,145</b> | <b>\$ 21,842,025</b> | <b>\$ 22,867,522</b> | <b>\$ 23,937,571</b> | <b>\$ 25,054,197</b> |
| <b>Operating Expense Summary by Category</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 129 Personal Services   | \$ 6,804,825         | \$ 7,145,066         | \$ 7,652,320         | \$ 8,192,436         | \$ 8,759,557         | \$ 9,355,035         | \$ 9,980,287         | \$ 10,636,801        | \$ 11,326,141        | \$ 12,049,948        | \$ 12,809,946        |
| 130 Operating Expense   | 9,984,746            | 9,492,663            | 9,277,369            | 9,788,440            | 10,551,176           | 10,776,561           | 10,878,858           | 11,205,224           | 11,541,381           | 11,887,622           | 12,244,251           |
| <b>Total Operating Expenses by Category</b>                     | <b>\$ 16,789,571</b> | <b>\$ 16,637,729</b> | <b>\$ 16,929,689</b> | <b>\$ 17,980,876</b> | <b>\$ 19,310,733</b> | <b>\$ 20,131,597</b> | <b>\$ 20,859,145</b> | <b>\$ 21,842,025</b> | <b>\$ 22,867,522</b> | <b>\$ 23,937,571</b> | <b>\$ 25,054,197</b> |
| <b>Operating Expense Execution</b>                              |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 131 Personal Services   | 95%                  | 95%                  | 95%                  | 95%                  | 95%                  | 95%                  | 95%                  | 95%                  | 95%                  | 95%                  | 95%                  |
| 132 Operating Expense   | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  | 90%                  |
| <b>Executed Operating Expenses</b>                              |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 133 Personal Services   | \$ 6,464,584         | \$ 6,787,813         | \$ 7,269,704         | \$ 7,782,814         | \$ 8,221,579         | \$ 8,887,283         | \$ 9,481,273         | \$ 10,104,961        | \$ 10,759,834        | \$ 11,447,451        | \$ 12,169,449        |
| 134 Operating Expense   | 8,986,271            | 8,543,397            | 8,349,632            | 8,809,596            | 9,496,059            | 9,698,905            | 9,790,972            | 10,084,702           | 10,387,243           | 10,698,860           | 11,019,826           |
| 135 <b>Total Executed Operating Expenses</b>                    | <b>\$ 15,450,855</b> | <b>\$ 15,331,210</b> | <b>\$ 15,619,336</b> | <b>\$ 16,592,410</b> | <b>\$ 17,817,638</b> | <b>\$ 18,586,189</b> | <b>\$ 19,272,245</b> | <b>\$ 20,189,663</b> | <b>\$ 21,147,077</b> | <b>\$ 22,146,311</b> | <b>\$ 23,189,274</b> |

Appendix A: Schedule 5 – Projection of Cash Outflows

|  | <u>FY 2023</u>       | <u>FY 2024</u>       | <u>FY 2025</u>       | <u>FY 2026</u>       | <u>FY 2027</u>       | <u>FY 2028</u>       | <u>FY 2029</u>       | <u>FY 2030</u>       | <u>FY 2031</u>       | <u>FY 2032</u>       | <u>FY 2033</u>       |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Transfers Out:</b>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 136 536.49-02 - Administrative Charges                                 | \$ 1,964,727         | \$ 2,195,000         | \$ 2,304,750         | \$ 2,419,988         | \$ 2,540,987         | \$ 2,668,036         | \$ 2,801,438         | \$ 2,941,510         | \$ 3,088,585         | \$ 3,243,015         | \$ 3,405,165         |
| 137 9902-581.91-28 - Transfers To Fleet Fund                           | 320,000              | 400,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              |
| 138 <b>Total Transfers Out</b>   | <b>\$ 2,284,727</b>  | <b>\$ 3,595,000</b>  | <b>\$ 4,304,750</b>  | <b>\$ 4,919,988</b>  | <b>\$ 5,540,987</b>  | <b>\$ 6,168,036</b>  | <b>\$ 6,801,438</b>  | <b>\$ 7,441,510</b>  | <b>\$ 8,088,585</b>  | <b>\$ 8,743,015</b>  | <b>\$ 9,905,165</b>  |
| <b>Debt Service Payments:</b>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 139 Existing Outstanding Debt  | \$ 2,947,315         | \$ 2,514,761         | \$ 2,515,666         | \$ 2,518,737         | \$ 2,518,190         | \$ 2,517,293         | \$ 2,517,914         | \$ 2,522,586         | \$ 2,523,452         | \$ 2,515,255         | \$ 2,524,115         |
| 140 Cumulative Annual New Debt Service (model calculated) <sup>1</sup> | -                    | 824,303              | 2,707,589            | 4,204,226            | 4,919,519            | 5,108,225            | 5,398,035            | 5,493,921            | 5,508,027            | 5,508,135            | 5,508,135            |
| 141 Less: Debt Paid by Sewer PCFs                                      | (450,000)            | (399,882)            | (570,000)            | (570,000)            | (570,000)            | (570,000)            | (570,000)            | (570,000)            | (570,000)            | (570,000)            | (570,000)            |
| 142 <b>Total Debt Service Payments</b>                                 | <b>\$ 2,497,315</b>  | <b>\$ 2,939,181</b>  | <b>\$ 4,653,254</b>  | <b>\$ 6,152,963</b>  | <b>\$ 6,867,709</b>  | <b>\$ 7,055,518</b>  | <b>\$ 7,345,949</b>  | <b>\$ 7,446,507</b>  | <b>\$ 7,461,479</b>  | <b>\$ 7,453,390</b>  | <b>\$ 7,462,250</b>  |
| 143 <b>TOTAL OPERATING CASH OUTFLOWS</b>                               | <b>\$ 20,232,897</b> | <b>\$ 21,865,391</b> | <b>\$ 24,577,340</b> | <b>\$ 27,665,361</b> | <b>\$ 30,226,334</b> | <b>\$ 31,809,743</b> | <b>\$ 33,419,632</b> | <b>\$ 35,077,680</b> | <b>\$ 36,697,142</b> | <b>\$ 38,342,715</b> | <b>\$ 34,556,690</b> |

<sup>1</sup>The City is assuming new subordinate debt service payments will begin in the year following the debt issuance.

| <b><u>Operating Expense Category</u></b> | <b><u>FY 2024</u></b> | <b><u>FY 2025</u></b> | <b><u>FY 2026</u></b> | <b><u>FY 2027</u></b> | <b><u>FY 2028</u></b> | <b><u>FY 2029</u></b> | <b><u>FY 2030</u></b> | <b><u>FY 2031</u></b> | <b><u>FY 2032</u></b> | <b><u>FY 2033</u></b> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Insurance                                | 5.00%                 | 4.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 |
| Miscellaneous, services and supplies     | 5.00%                 | 4.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 |
| Professional Services                    | 5.00%                 | 4.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 |
| Salaries and Wages                       | 5.00%                 | 5.00%                 | 5.00%                 | 5.00%                 | 5.00%                 | 5.00%                 | 5.00%                 | 5.00%                 | 5.00%                 | 5.00%                 |
| Professional/Contractual Services        | 5.00%                 | 4.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 |
| Utilities                                | 5.00%                 | 4.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 | 3.00%                 |

|   | FY 2023   | FY 2024              | FY 2025              | FY 2026              | FY 2027              | FY 2028              | FY 2029              | FY 2030              | FY 2031              | FY 2032              | FY 2033              |                      |
|---|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Water Rate Revenue</b>                         |   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 1   | Water Base Rate Revenue                               | \$ 6,140,000         | \$ 6,140,000         | \$ 6,656,221         | \$ 7,215,842         | \$ 7,822,514         | \$ 8,480,192         | \$ 9,103,910         | \$ 9,773,503         | \$ 10,492,344        | \$ 11,264,056        | \$ 12,092,527        |
| 2   | Additional Rate Revenue From Growth                   | -                    | 184,200              | 199,687              | 216,475              | 234,675              | 169,604              | 182,078              | 195,470              | 209,847              | 225,281              | 241,851              |
| 3   | Proposed Water Base Rate Adjustments <sup>1</sup>     | -                    | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                |
| 4   | Additional Rate Revenue From Rate Adjustment          | -                    | 332,021              | 359,935              | 390,197              | 423,002              | 454,114              | 487,514              | 523,371              | 561,865              | 603,190              | 647,555              |
| 5   | <b>Total Revenue Generated from Base Rates</b>        | <b>\$ 6,140,000</b>  | <b>\$ 6,656,221</b>  | <b>\$ 7,215,842</b>  | <b>\$ 7,822,514</b>  | <b>\$ 8,480,192</b>  | <b>\$ 9,103,910</b>  | <b>\$ 9,773,503</b>  | <b>\$ 10,492,344</b> | <b>\$ 11,264,056</b> | <b>\$ 12,092,527</b> | <b>\$ 12,981,932</b> |
| 6   | Billing Charge Revenue                                | 861,100              | 861,100              | 933,497              | 1,011,981            | 1,097,063            | 1,189,299            | 1,276,772            | 1,370,678            | 1,471,491            | 1,579,720            | 1,695,908            |
| 7   | Additional Billing Charge Revenue from Growth         | -                    | 25,833               | 28,005               | 30,359               | 32,912               | 23,786               | 25,535               | 27,414               | 29,430               | 31,594               | 33,918               |
| 8   | Proposed Water Billing Rate Adjustments <sup>1</sup>  | -                    | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                |
| 9   | Additional Revenue from Rate Increase                 | -                    | 46,564               | 50,479               | 54,723               | 59,324               | 63,687               | 68,371               | 73,400               | 78,798               | 84,594               | 90,816               |
| 10  | <b>Total Billing Charge Revenue</b>                   | <b>\$ 861,100</b>    | <b>\$ 933,497</b>    | <b>\$ 1,011,981</b>  | <b>\$ 1,097,063</b>  | <b>\$ 1,189,299</b>  | <b>\$ 1,276,772</b>  | <b>\$ 1,370,678</b>  | <b>\$ 1,471,491</b>  | <b>\$ 1,579,720</b>  | <b>\$ 1,695,908</b>  | <b>\$ 1,820,442</b>  |
| 11  | Revenue Generated from Usage Rates                    | 5,750,000            | 5,750,000            | 6,202,244            | 6,690,101            | 7,216,308            | 7,783,904            | 8,314,628            | 8,881,538            | 9,487,102            | 10,133,954           | 10,824,909           |
| 12  | Additional Revenue from Growth                        | -                    | 142,888              | 154,126              | 166,249              | 179,325              | 115,980              | 123,888              | 132,335              | 141,358              | 150,996              | 161,291              |
| 13  | Proposed Water Usage Rate Adjustments <sup>1</sup>    | -                    | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                | 5.25%                |
| 14  | Additional Rate Revenue from Rate Adjustment          | -                    | 309,377              | 333,710              | 359,958              | 388,271              | 414,744              | 443,022              | 473,228              | 505,494              | 539,960              | 576,776              |
| 15  | <b>Total Revenue Generated from Usage Rates</b>       | <b>\$ 5,750,000</b>  | <b>\$ 6,202,244</b>  | <b>\$ 6,690,101</b>  | <b>\$ 7,216,308</b>  | <b>\$ 7,783,904</b>  | <b>\$ 8,314,628</b>  | <b>\$ 8,881,538</b>  | <b>\$ 9,487,102</b>  | <b>\$ 10,133,954</b> | <b>\$ 10,824,909</b> | <b>\$ 11,562,976</b> |
| 16  | <b>Total Water Rate Revenue</b>                       | <b>\$ 12,751,100</b> | <b>\$ 13,791,982</b> | <b>\$ 14,917,924</b> | <b>\$ 16,135,885</b> | <b>\$ 17,463,395</b> | <b>\$ 18,695,310</b> | <b>\$ 20,025,719</b> | <b>\$ 21,480,937</b> | <b>\$ 22,977,729</b> | <b>\$ 24,613,344</b> | <b>\$ 26,365,551</b> |
| <b>Sewer Rate Revenue</b>                         |   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 17  | Sewer Base Rate Revenue                               | \$ 5,490,000         | \$ 5,490,000         | \$ 5,739,521         | \$ 6,029,940         | \$ 6,335,055         | \$ 6,655,609         | \$ 6,992,383         | \$ 7,346,197         | \$ 7,717,915         | \$ 8,108,441         | \$ 8,518,729         |
| 18  | Additional Base Rate Revenue From Growth              | -                    | 82,350               | 114,790              | 120,599              | 126,701              | 133,112              | 139,848              | 146,924              | 154,358              | 162,169              | 170,375              |
| 19  | Proposed Base Rate Adjustments                        | -                    | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                |
| 20  | Additional Base Rate Revenue From Rate Adjustment     | -                    | 167,171              | 175,629              | 184,516              | 193,853              | 203,662              | 213,967              | 224,794              | 236,168              | 248,118              | 260,673              |
| 21  | <b>Total Revenue Generated from Base Rates</b>        | <b>\$ 5,490,000</b>  | <b>\$ 5,739,521</b>  | <b>\$ 6,029,940</b>  | <b>\$ 6,335,055</b>  | <b>\$ 6,655,609</b>  | <b>\$ 6,992,383</b>  | <b>\$ 7,346,197</b>  | <b>\$ 7,717,915</b>  | <b>\$ 8,108,441</b>  | <b>\$ 8,518,729</b>  | <b>\$ 8,949,776</b>  |
| 22  | Revenue Generated from Usage Rates                    | 5,250,000            | 5,250,000            | 5,461,149            | 5,708,817            | 5,967,695            | 6,238,312            | 6,521,201            | 6,816,917            | 7,126,044            | 7,449,189            | 7,786,987            |
| 23  | Additional Revenue from Growth                        | -                    | 52,106               | 81,371               | 85,061               | 88,919               | 92,951               | 97,166               | 101,572              | 106,178              | 110,993              | 116,026              |
| 24  | Proposed Sewer Usage Rate Adjustments                 | -                    | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                |
| 25  | Additional Rate Revenue from Rate Adjustment          | -                    | 159,043              | 166,276              | 173,816              | 181,698              | 189,938              | 198,551              | 207,555              | 216,967              | 226,805              | 237,090              |
| 26  | <b>Total Revenue Generated from Usage Rates</b>       | <b>\$ 5,250,000</b>  | <b>\$ 5,461,149</b>  | <b>\$ 5,708,817</b>  | <b>\$ 5,967,695</b>  | <b>\$ 6,238,312</b>  | <b>\$ 6,521,201</b>  | <b>\$ 6,816,917</b>  | <b>\$ 7,126,044</b>  | <b>\$ 7,449,189</b>  | <b>\$ 7,786,987</b>  | <b>\$ 8,140,104</b>  |
| 27  | <b>Total Sewer Rate Revenue</b>                       | <b>\$ 10,740,000</b> | <b>\$ 11,200,690</b> | <b>\$ 11,738,757</b> | <b>\$ 12,302,750</b> | <b>\$ 12,893,921</b> | <b>\$ 13,513,583</b> | <b>\$ 14,163,115</b> | <b>\$ 14,843,959</b> | <b>\$ 15,557,630</b> | <b>\$ 16,305,716</b> | <b>\$ 17,089,880</b> |
| <b>Reclaimed Rate Revenue</b>                     |   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 28  | Reclaimed Base Rate Revenue                           | \$ 945,000           | \$ 945,000           | \$ 983,084           | \$ 1,022,702         | \$ 1,063,917         | \$ 1,106,792         | \$ 1,151,396         | \$ 1,197,797         | \$ 1,246,069         | \$ 1,296,285         | \$ 1,348,526         |
| 29  | Additional Rate Revenue From Growth                   | -                    | 9,450                | 9,831                | 10,227               | 10,639               | 11,068               | 11,514               | 11,978               | 12,461               | 12,963               | 13,485               |
| 30  | Proposed Reclaimed Rate Adjustments                   | -                    | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                | 3.00%                |
| 31  | Additional Rate Revenue From Rate Adjustment          | -                    | 28,634               | 29,787               | 30,988               | 32,237               | 33,536               | 34,887               | 36,293               | 37,756               | 39,277               | 40,840               |
| 32  | <b>Total Reclaimed Rate Revenue</b>                   | <b>\$ 945,000</b>    | <b>\$ 983,084</b>    | <b>\$ 1,022,702</b>  | <b>\$ 1,063,917</b>  | <b>\$ 1,106,792</b>  | <b>\$ 1,151,396</b>  | <b>\$ 1,197,797</b>  | <b>\$ 1,246,069</b>  | <b>\$ 1,296,285</b>  | <b>\$ 1,348,526</b>  | <b>\$ 1,402,871</b>  |
| 33  | <b>Total Water, Sewer, and Reclaimed Rate Revenue</b> | <b>\$ 24,436,100</b> | <b>\$ 25,975,755</b> | <b>\$ 27,679,383</b> | <b>\$ 29,502,552</b> | <b>\$ 31,454,108</b> | <b>\$ 33,360,290</b> | <b>\$ 35,386,632</b> | <b>\$ 37,540,965</b> | <b>\$ 39,831,645</b> | <b>\$ 42,267,586</b> | <b>\$ 44,858,302</b> |
| <b>Plus: Other Operating Revenues</b>             |   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 34  | Other Operating Revenues                              | \$ 2,838,491         | \$ 2,882,586         | \$ 2,951,440         | \$ 3,010,052         | \$ 3,070,342         | \$ 3,132,369         | \$ 3,196,193         | \$ 3,261,878         | \$ 3,329,488         | \$ 3,399,092         | \$ 3,451,446         |
| 35  | <b>Equals: Total Operating Revenue</b>                | <b>\$ 27,274,591</b> | <b>\$ 28,858,341</b> | <b>\$ 30,630,823</b> | <b>\$ 32,512,604</b> | <b>\$ 34,524,450</b> | <b>\$ 36,492,659</b> | <b>\$ 38,582,825</b> | <b>\$ 40,802,843</b> | <b>\$ 43,161,132</b> | <b>\$ 45,666,678</b> | <b>\$ 48,309,748</b> |
| <b>Less: Operating Expenses</b>                   |   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 36  | Personal Services                                     | \$ (6,464,584)       | \$ (6,787,813)       | \$ (7,269,704)       | \$ (7,782,814)       | \$ (8,321,579)       | \$ (8,887,283)       | \$ (9,481,273)       | \$ (10,104,961)      | \$ (10,759,834)      | \$ (11,447,451)      | \$ (12,169,449)      |
| 37  | Fixed O&M   | (8,956,271)          | (8,543,977)          | (8,349,632)          | (8,809,598)          | (9,496,059)          | (9,695,905)          | (9,790,972)          | (10,084,702)         | (10,387,243)         | (10,698,850)         | (11,019,826)         |
| 38  | <b>Equals: Net Operating Income</b>                   | <b>\$ 11,853,736</b> | <b>\$ 13,527,131</b> | <b>\$ 15,011,487</b> | <b>\$ 16,920,194</b> | <b>\$ 16,706,812</b> | <b>\$ 17,906,470</b> | <b>\$ 19,310,580</b> | <b>\$ 20,613,180</b> | <b>\$ 22,014,056</b> | <b>\$ 23,520,367</b> | <b>\$ 25,120,474</b> |
| <b>Plus: Non-Operating Income/(Expense)</b>       |   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 39  | Interest Income - Unrestricted                        | \$ 1,300,000         | \$ 759,910           | \$ 573,193           | \$ 557,795           | \$ 585,214           | \$ 539,191           | \$ 529,752           | \$ 648,025           | \$ 759,958           | \$ 892,369           | \$ 884,867           |
| 40  | Water Plant Capacity Charge                           | 2,000,000            | 1,994,309            | 1,442,138            | 1,691,402            | 1,742,144            | 1,196,273            | 1,220,198            | 1,244,602            | 1,269,494            | 1,294,884            | 1,320,782            |
| 41  | Sewer Plant Capacity Charge                           | 450,000              | 399,882              | 601,305              | 674,664              | 750,717              | 765,731              | 781,046              | 796,667              | 812,600              | 828,852              | 845,429              |
| 42  | <b>Equals: Operating Fund Net Income</b>              | <b>\$ 15,573,736</b> | <b>\$ 16,281,233</b> | <b>\$ 17,828,123</b> | <b>\$ 18,844,054</b> | <b>\$ 19,784,888</b> | <b>\$ 20,407,665</b> | <b>\$ 21,841,575</b> | <b>\$ 23,302,474</b> | <b>\$ 24,856,108</b> | <b>\$ 26,536,473</b> | <b>\$ 28,171,552</b> |
| <b>Less: Revenues Excluded from Coverage Test</b> |   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| 43  | Plant Capacity Charges                                | \$ (2,450,000)       | (1,994,191)          | (2,243,443)          | (2,366,066)          | (2,492,861)          | (1,962,004)          | (2,001,244)          | (2,041,269)          | (2,082,094)          | (2,123,736)          | (2,166,211)          |
| 44  | Restricted Interest Income                            | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| 45  | <b>Equals: Net Income Available For Debt Service</b>  | <b>\$ 13,123,736</b> | <b>\$ 14,287,041</b> | <b>\$ 15,584,680</b> | <b>\$ 16,477,988</b> | <b>\$ 17,292,027</b> | <b>\$ 18,445,661</b> | <b>\$ 19,840,331</b> | <b>\$ 21,261,205</b> | <b>\$ 22,774,014</b> | <b>\$ 24,412,736</b> | <b>\$ 26,005,341</b> |

|   | FY 2023         | FY 2024       | FY 2025       | FY 2026       | FY 2027        | FY 2028        | FY 2029       | FY 2030       | FY 2031       | FY 2032       | FY 2033       |
|---|-----------------|---------------|---------------|---------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|
| <b>Senior-Lien Debt Service Coverage Test</b>                               |                 |               |               |               |                |                |               |               |               |               |               |
| 46 Existing Senior Debt Service   | \$ 2,122,931    | \$ 2,121,657  | \$ 2,122,562  | \$ 2,125,633  | \$ 2,125,086   | \$ 2,124,189   | \$ 2,124,810  | \$ 2,129,482  | \$ 2,130,348  | \$ 2,122,151  | \$ 2,131,011  |
| 47 Cumulative New Senior-Lien Debt Service                                  | -               | 264,362       | 927,072       | 1,459,729     | 1,442,487      | 1,788,227      | 1,992,106     | 2,087,992     | 2,102,098     | 2,102,206     | 2,102,206     |
| 48 Total Senior-Lien Debt Service   | \$ 2,122,931    | \$ 2,386,019  | \$ 3,049,634  | \$ 3,585,362  | \$ 3,767,573   | \$ 3,912,417   | \$ 4,116,916  | \$ 4,217,474  | \$ 4,232,446  | \$ 4,224,357  | \$ 4,233,217  |
| 49 Calculated Debt Service Coverage (Revenues Only)                         | 1.50 Req. 6.18  | 5.99          | 5.11          | 4.60          | 4.59           | 4.71           | 4.82          | 5.04          | 5.38          | 5.78          | 6.14          |
| <b>Cash Flow Test</b>   |                 |               |               |               |                |                |               |               |               |               |               |
| 50 Net Income Available For Senior-Lien Debt Service                        | \$ 13,123,736   | \$ 14,287,041 | \$ 15,584,680 | \$ 16,477,988 | \$ 17,292,027  | \$ 18,445,661  | \$ 19,840,331 | \$ 21,261,205 | \$ 22,774,014 | \$ 24,412,736 | \$ 26,005,341 |
| 51 Total Senior-Lien Debt Service and Coverage                              | (2,122,931)     | (2,386,019)   | (3,049,634)   | (3,585,362)   | (3,767,573)    | (3,912,417)    | (4,116,916)   | (4,217,474)   | (4,232,446)   | (4,224,357)   | (4,233,217)   |
| 52 Net Income Available for Subordinate Debt Service                        | \$ 11,000,805   | \$ 11,901,022 | \$ 12,535,047 | \$ 12,892,626 | \$ 13,524,454  | \$ 14,533,244  | \$ 15,723,415 | \$ 17,043,730 | \$ 18,541,567 | \$ 20,188,380 | \$ 21,772,124 |
| <b>Subordinate Debt Service Coverage Test</b>                               |                 |               |               |               |                |                |               |               |               |               |               |
| 53 Existing Subordinate Debt Service  | \$ 824,384      | \$ 393,104    | \$ 393,104    | \$ 393,104    | \$ 393,104     | \$ 393,104     | \$ 393,104    | \$ 393,104    | \$ 393,104    | \$ 393,104    | \$ 393,104    |
| 54 Cumulative New Subordinate Debt Service                                  | -               | 559,941       | 1,780,517     | 2,744,498     | 3,277,032      | 3,319,998      | 3,405,929     | 3,405,929     | 3,405,929     | 3,405,929     | 3,405,929     |
| 55 Total Subordinate Debt Service   | \$ 824,384      | \$ 953,045    | \$ 2,173,621  | \$ 3,137,602  | \$ 3,670,136   | \$ 3,713,102   | \$ 3,799,033  | \$ 3,799,033  | \$ 3,799,033  | \$ 3,799,033  | \$ 3,799,033  |
| 56 Calculated Debt Service Coverage   | 1.50 Req. 13.34 | 12.49         | 5.77          | 4.11          | 3.69           | 3.91           | 4.14          | 4.49          | 4.88          | 5.31          | 5.73          |
| <b>Net Income Available for Debt Service</b>                                |                 |               |               |               |                |                |               |               |               |               |               |
| 57 Net Interfund Transfers (In - Out)                                       | (2,284,727)     | (3,595,000)   | (4,304,750)   | (4,919,988)   | (5,540,987)    | (6,168,036)    | (6,801,428)   | (7,441,510)   | (8,088,585)   | (8,743,015)   | (9,405,165)   |
| 58 Net Debt Service Payment (Debt Service - Plant Capacity Charges Payment) | (2,497,315)     | (2,939,181)   | (4,653,254)   | (6,152,963)   | (6,867,709)    | (7,055,518)    | (7,245,949)   | (7,446,507)   | (7,461,479)   | (7,453,390)   | (7,462,250)   |
| 59 Net Cash Flow  | \$ 8,341,694    | \$ 7,752,860  | \$ 6,626,676  | \$ 5,405,037  | \$ 4,883,331   | \$ 5,222,107   | \$ 5,692,944  | \$ 6,373,187  | \$ 7,223,949  | \$ 8,216,332  | \$ 14,637,925 |
| <b>Available Working Capital Reserve Fund</b>                               |                 |               |               |               |                |                |               |               |               |               |               |
| 60 Balance At Beginning Of Fiscal Year                                      | \$ 35,536,107   | \$ 26,009,760 | \$ 13,208,651 | \$ 14,329,673 | \$ 15,521,661  | \$ 15,129,992  | \$ 15,077,098 | \$ 17,758,893 | \$ 18,476,120 | \$ 19,180,965 | \$ 20,896,551 |
| 61 Minimum Working Capital Reserve Target                                   | 12,586,890      | 13,208,651    | 14,329,673    | 15,521,661    | 16,426,748     | 17,115,291     | 17,758,893    | 18,476,120    | 19,180,965    | 19,906,122    | 23,314,693    |
| 62 Excess Working Capital Above Target                                      | 12,442,944      | 2,960,284     | -             | -             | 188,671        | 2,806,222      | 3,092,381     | 789,333       | 2,827         | -             | -             |
| 63 Reserve Fund Balance Used For Cash Flow Deficit                          | -               | -             | -             | -             | -              | -              | -             | -             | -             | -             | -             |
| 64 Excess Fund Balance, Net Of Cash Flow Deficit                            | \$ 12,442,944   | \$ 2,960,284  | \$ -          | \$ -          | \$ 188,671     | \$ 2,806,222   | \$ 3,092,381  | \$ 789,333    | \$ 2,827      | \$ -          | \$ -          |
| <b>Unrestricted Working Capital Reserve Fund Test</b>                       |                 |               |               |               |                |                |               |               |               |               |               |
| 65 Balance At Beginning Of Fiscal Year                                      | \$ 35,536,107   | \$ 26,009,760 | \$ 13,208,651 | \$ 14,329,673 | \$ 15,521,661  | \$ 15,129,992  | \$ 15,077,098 | \$ 17,758,893 | \$ 18,476,120 | \$ 19,180,965 | \$ 20,896,551 |
| 66 Cash Flow Surplus/(Deficit)  | 8,341,694       | 7,752,860     | 6,626,676     | 5,405,037     | 4,883,331      | 5,222,107      | 5,692,944     | 6,373,187     | 7,223,949     | 8,216,332     | 14,637,925    |
| 67 Projects Designated to be Paid with Cash                                 | (10,203,247)    | (14,060,000)  | (3,395,000)   | (3,775,000)   | (5,275,000)    | (5,275,000)    | -             | -             | -             | -             | -             |
| 68 Projects Paid with Reserve Funds (Non Specified Funds or Cash)           | (7,664,794)     | (6,493,969)   | (2,110,654)   | (438,049)     | -              | -              | (3,011,150)   | (5,655,940)   | (6,519,104)   | (6,500,746)   | (6,474,848)   |
| 69 Balance At End Of Fiscal Year  | \$ 26,009,760   | \$ 13,208,651 | \$ 14,329,673 | \$ 15,521,661 | \$ 15,129,992  | \$ 15,077,098  | \$ 17,758,893 | \$ 18,476,120 | \$ 19,180,965 | \$ 20,896,551 | \$ 29,059,628 |
| 70 Minimum Working Capital Reserve Target                                   | 12,586,890      | 13,208,651    | 14,329,673    | 15,521,661    | 16,426,748     | 17,115,291     | 17,758,893    | 18,476,120    | 19,180,965    | 19,906,122    | 23,314,693    |
| 71 Excess Working Capital Above Target                                      | \$ 13,422,870   | \$ -          | \$ -          | \$ 0          | \$ (1,296,757) | \$ (2,038,193) | \$ 0          | \$ 0          | \$ 0          | \$ 990,429    | \$ 5,744,934  |

<sup>1</sup>Rate increases and revenues assume no water plant relocation.

| <u>Capital Project Funding Sources:</u> | <u>FY 2023</u>       | <u>FY 2024</u>    | <u>FY 2025</u>    | <u>FY 2026</u>    | <u>FY 2027</u>   | <u>FY 2028</u>    | <u>FY 2029</u>   | <u>FY 2030</u>   | <u>FY 2031</u>   | <u>FY 2032</u>   | <u>FY 2033</u>     |
|---|----------------------|-------------------|-------------------|-------------------|------------------|-------------------|------------------|------------------|------------------|------------------|--------------------|
| Water Plant Capacity Charge             | \$ 1,615,431         | \$ 6,688,944      | \$ 6,073,303      | \$ 2,938,835      | \$ 1,575,000     | \$ 2,150,000      | \$ 1,514,688     | \$ 1,244,602     | \$ 1,269,494     | \$ 1,294,884     | \$ 1,320,782       |
| Sewer Plant Capacity Charge             | -                    | -                 | 31,305            | -                 | -                | -                 | -                | -                | -                | -                | -                  |
| Sarasota County Grant Fund              | 787,784              | 1,589,765         | 2,100,700         | 2,627,564         | 750,000          | 1,312,500         | 1,004,370        | 1,004,370        | 1,004,370        | 1,004,370        | 1,004,370          |
| Water And Sewer Utility Operating Fund  | 17,868,041           | 20,553,969        | 5,505,654         | 4,213,049         | 5,275,000        | 5,275,000         | 3,011,150        | 5,655,960        | 6,519,104        | 6,500,746        | 6,474,848          |
| Water Plant Relocation Funds            | -                    | -                 | -                 | -                 | -                | 10,000,000        | -                | -                | -                | -                | 17,000,000         |
| Senior-Lien Debt Proceeds               | -                    | 5,181,497         | 11,429,334        | 6,999,517         | 1,475,000        | 2,412,500         | 3,269,793        | 895,068          | 7,032            | -                | -                  |
| Subordinate Debt Proceeds               | 9,540,585            | 20,236,558        | 15,555,728        | 8,366,222         | 675,000          | 1,350,000         | -                | -                | -                | -                | 83,000,000         |
| <b>Total Projects Paid</b>              | <b>\$ 31,119,311</b> | <b>55,122,380</b> | <b>40,696,022</b> | <b>27,645,187</b> | <b>9,750,000</b> | <b>22,500,000</b> | <b>8,800,000</b> | <b>8,800,000</b> | <b>8,800,000</b> | <b>8,800,000</b> | <b>108,800,000</b> |

Appendix A: Schedule 9 – Long-Term Borrowing Projections

|  | FY 2023                    | FY 2024       | FY 2025       | FY 2026       | FY 2027      | FY 2028      | FY 2029      | FY 2030      | FY 2031      | FY 2032      | FY 2033      |
|--|----------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Term (Years)</b>                        | 30                         | 30            | 30            | 30            | 30           | 30           | 30           | 30           | 30           | 30           | 30           |
| <b>Interest Rate</b>                       | 5.00%                      | 5.00%         | 5.00%         | 5.00%         | 5.00%        | 5.00%        | 5.00%        | 5.00%        | 5.00%        | 5.00%        | 5.00%        |
| <b>Sources of Funds</b>                    |                            |               |               |               |              |              |              |              |              |              |              |
| Par Amount                                 | \$ -                       | \$ 5,287,242  | \$ 11,662,585 | \$ 7,142,364  | \$ 1,505,102 | \$ 2,461,735 | \$ 3,336,523 | \$ 913,335   | \$ 7,175     | \$ -         | \$ -         |
| <b>Uses of Funds</b>                       |                            |               |               |               |              |              |              |              |              |              |              |
| Proceeds                                   | \$ -                       | \$ 5,181,497  | \$ 11,429,334 | \$ 6,999,517  | \$ 1,475,000 | \$ 2,412,500 | \$ 3,269,793 | \$ 895,068   | \$ 7,032     | \$ -         | \$ -         |
| Cost of Issuance                           | 2.00% of Par               | 105,745       | 233,252       | 142,847       | 30,102       | 49,235       | 66,730       | 18,267       | 144          | -            | -            |
| Underwriter's Discount                     | \$0.00 per \$1,000         | -             | -             | -             | -            | -            | -            | -            | -            | -            | -            |
| Bond Insurance                             | - times total Debt Service | -             | -             | -             | -            | -            | -            | -            | -            | -            | -            |
| Capitalized Interest                       | - Years Interest           | -             | -             | -             | -            | -            | -            | -            | -            | -            | -            |
| Debt Service Surety                        | 0.00% of Debt Service      | -             | -             | -             | -            | -            | -            | -            | -            | -            | -            |
| Debt Service Reserve                       | 1 Years of Debt Service    | -             | -             | -             | -            | -            | -            | -            | -            | -            | -            |
| Other Costs                                | -                          | -             | -             | -             | -            | -            | -            | -            | -            | -            | -            |
| <b>Total Uses</b>                          | \$ -                       | \$ 5,287,242  | \$ 11,662,585 | \$ 7,142,364  | \$ 1,505,102 | \$ 2,461,735 | \$ 3,336,523 | \$ 913,335   | \$ 7,175     | \$ -         | \$ -         |
| 1 Year Interest                            | \$ -                       | \$ 264,362    | \$ 583,129    | \$ 357,118    | \$ 75,255    | \$ 123,087   | \$ 166,826   | \$ 45,667    | \$ 359       | \$ -         | \$ -         |
| Annual Debt Service                        | \$ -                       | \$ 343,943    | \$ 758,668    | \$ 464,621    | \$ 97,909    | \$ 160,139   | \$ 217,046   | \$ 59,414    | \$ 467       | \$ -         | \$ -         |
| <b>Total Debt Service</b>                  | \$ -                       | \$ 10,318,280 | \$ 22,760,037 | \$ 13,938,631 | \$ 2,937,271 | \$ 4,804,182 | \$ 6,511,368 | \$ 1,782,413 | \$ 14,002    | \$ -         | \$ -         |
| <b>Cumulative Annual New Debt Service*</b> | \$ -                       | \$ 264,362    | \$ 927,072    | \$ 1,459,729  | \$ 1,642,487 | \$ 1,788,227 | \$ 1,992,106 | \$ 2,087,992 | \$ 2,102,098 | \$ 2,102,206 | \$ 2,102,206 |

\*Interest-only payment is required in the first year of issuance.



Appendix A: Schedule 10 – Subordinate Debt Service Projections

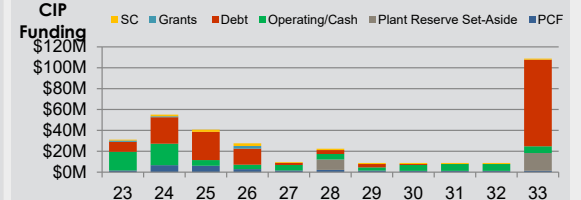
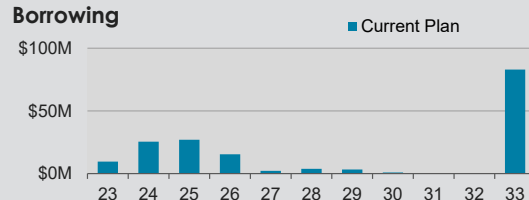
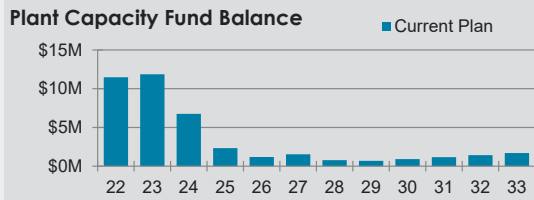
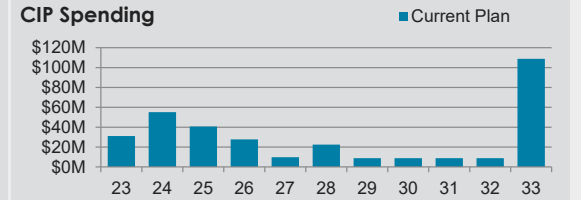
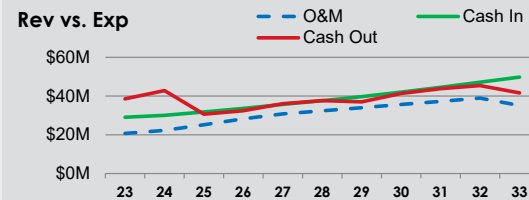
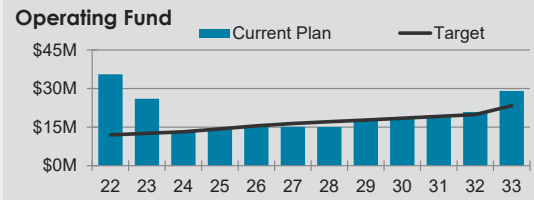
|   | <u>FY 2023</u>          | <u>FY 2024</u>      | <u>FY 2025</u>       | <u>FY 2026</u>      | <u>FY 2027</u>      | <u>FY 2028</u>      | <u>FY 2029</u>      | <u>FY 2030</u>      | <u>FY 2031</u>      | <u>FY 2032</u>      | <u>FY 2033</u>       |
|---|-------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| <b>Term (Years)</b>                       | 20                      | 20                  | 20                   | 20                  | 20                  | 20                  | 20                  | 20                  | 20                  | 20                  | 20                   |
| <b>Interest Rate</b>                      | 1.25%                   | 1.50%               | 1.75%                | 2.00%               | 2.00%               | 2.00%               | 2.00%               | 2.00%               | 2.00%               | 2.00%               | 2.00%                |
| <b>Sources of Funds</b>                   |                         |                     |                      |                     |                     |                     |                     |                     |                     |                     |                      |
| Par Amount                                | \$ 9,854,578            | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ 86,387,755        |
| <b>Uses of Funds</b>                      |                         |                     |                      |                     |                     |                     |                     |                     |                     |                     |                      |
| Proceeds                                  | \$ 9,540,585            | \$ 20,236,558       | \$ 15,555,728        | \$ -                | \$ 675,000          | \$ 1,350,000        | \$ -                | \$ -                | \$ -                | \$ -                | \$ 83,000,000        |
| Cost of Issuance                          | 0.00% of Par            | -                   | -                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                    |
| Loan Repayment Res.                       | 0.00% of Capital Cost   | -                   | -                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                    |
| Loan Service Fee                          | 2.00% of Capital Cost   | 190,812             | 404,731              | 311,115             | 167,324             | 13,500              | 27,000              | -                   | -                   | -                   | 1,660,000            |
| Capitalized Interest                      | 1 Years Interest        | 123,182             | -                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 1,727,755            |
| Debt Service Reserve                      | - Years of Debt Service | -                   | -                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                    |
| Other Costs                               | -                       | -                   | -                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                    |
| <b>Total Uses</b>                         | <b>\$ 9,854,578</b>     | <b>\$ -</b>         | <b>\$ 16,149,458</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 86,387,755</b> |
| 1 Year Interest                           | \$ 123,182              | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ 1,727,755         |
| Annual Debt Service                       | \$ 559,941              | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ 5,283,192         |
| Total Debt Service                        | \$ 11,198,820           | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ 105,663,832       |
| <b>Cumulative Annual New Debt Service</b> | <b>\$ 559,941</b>       | <b>\$ 1,780,517</b> | <b>\$ 2,744,498</b>  | <b>\$ 3,277,032</b> | <b>\$ 3,319,998</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b> | <b>\$ 8,689,121</b>  |
| <b>Delayed Debt Service Payment*</b>      |                         | <b>\$ 559,941</b>   | <b>\$ 1,780,517</b>  | <b>\$ 2,744,498</b> | <b>\$ 3,277,032</b> | <b>\$ 3,319,998</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b> | <b>\$ 3,405,929</b>  |

\*The City is assuming new subordinate debt service payments will begin in the year following the debt issuance.

|   | <u>FY 2023</u> | <u>FY 2024</u> | <u>FY 2025</u> | <u>FY 2026</u> | <u>FY 2027</u> | <u>FY 2028</u> | <u>FY 2029</u> | <u>FY 2030</u> | <u>FY 2031</u> | <u>FY 2032</u> | <u>FY 2033</u> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>WATER PLANT CAPACITY CHARGE</b>          |                |                |                |                |                |                |                |                |                |                |                |
| Balance at the Beginning of the Fiscal Year | \$ 11,469,736  | \$ 11,854,305  | \$ 6,759,670   | \$ 2,328,506   | \$ 1,081,073   | \$ 1,248,217   | \$ 294,490     | \$ -           | \$ -           | \$ -           | \$ -           |
| Additional Annual Revenues                  | 2,000,000      | 1,594,309      | 1,642,138      | 1,691,402      | 1,742,144      | 1,196,273      | 1,220,198      | 1,244,602      | 1,269,494      | 1,294,884      | 1,320,782      |
| Total Amount Available for Projects         | \$ 13,469,736  | \$ 13,448,614  | \$ 8,401,808   | \$ 4,019,908   | \$ 2,823,217   | \$ 2,444,490   | \$ 1,514,688   | \$ 1,244,602   | \$ 1,269,494   | \$ 1,294,884   | \$ 1,320,782   |
| Amount Paid for Projects                    | (1,615,431)    | (6,688,944)    | (6,073,303)    | (2,938,835)    | (1,575,000)    | (2,150,000)    | (1,514,688)    | (1,244,602)    | (1,269,494)    | (1,294,884)    | (1,320,782)    |
| Subtotal                                    | \$ 11,854,305  | \$ 6,759,670   | \$ 2,328,506   | \$ 1,081,073   | \$ 1,248,217   | \$ 294,490     | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Plus: Interest Earnings                     | 233,240        | 186,140        | 90,882         | 34,096         | 23,293         | 15,427         | 2,945          | -              | -              | -              | -              |
| Less: Interest Allocated to Cash Flow       | (233,240)      | (186,140)      | (90,882)       | (34,096)       | (23,293)       | (15,427)       | (2,945)        | -              | -              | -              | -              |
| Balance at End of Fiscal Year               | \$ 11,854,305  | \$ 6,759,670   | \$ 2,328,506   | \$ 1,081,073   | \$ 1,248,217   | \$ 294,490     | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| <b>SEWER PLANT CAPACITY CHARGE</b>          |                |                |                |                |                |                |                |                |                |                |                |
| Balance at the Beginning of the Fiscal Year | \$ -           | \$ -           | \$ -           | \$ -           | \$ 104,664     | \$ 285,381     | \$ 481,112     | \$ 692,158     | \$ 918,825     | \$ 1,161,425   | \$ 1,420,278   |
| Additional Annual Revenues                  | 450,000        | 399,882        | 601,305        | 674,664        | 750,717        | 765,731        | 781,046        | 796,667        | 812,600        | 828,852        | 845,429        |
| Total Amount Available for Projects         | \$ -           | \$ -           | \$ 31,305      | \$ 104,664     | \$ 285,381     | \$ 481,112     | \$ 692,158     | \$ 918,825     | \$ 1,161,425   | \$ 1,420,278   | \$ 1,695,707   |
| Amount Paid for Projects                    | -              | -              | (31,305)       | -              | -              | -              | -              | -              | -              | -              | -              |
| Subtotal                                    | \$ -           | \$ -           | \$ -           | \$ 104,664     | \$ 285,381     | \$ 481,112     | \$ 692,158     | \$ 918,825     | \$ 1,161,425   | \$ 1,420,278   | \$ 1,695,707   |
| Plus: Interest Earnings                     | -              | -              | -              | 1,047          | 3,900          | 7,665          | 11,733         | 16,110         | 20,803         | 25,817         | 31,160         |
| Less: Interest Allocated to Cash Flow       | -              | -              | -              | (1,047)        | (3,900)        | (7,665)        | (11,733)       | (16,110)       | (20,803)       | (25,817)       | (31,160)       |
| Balance at End of Fiscal Year               | \$ -           | \$ -           | \$ -           | \$ 104,664     | \$ 285,381     | \$ 481,112     | \$ 692,158     | \$ 918,825     | \$ 1,161,425   | \$ 1,420,278   | \$ 1,695,707   |
| <b>SARASOTA COUNTY</b>                      |                |                |                |                |                |                |                |                |                |                |                |
| Balance at the Beginning of the Fiscal Year | \$ 1,380,265   | \$ 1,834,319   | \$ 2,183,506   | \$ 2,540,201   | \$ 2,904,565   | \$ 3,276,763   | \$ 3,656,963   | \$ 4,045,338   | \$ 4,442,062   | \$ 4,847,316   | \$ 5,261,283   |
| Additional Annual Revenues                  | 1,241,838      | 1,938,952      | 2,457,395      | 2,991,928      | 1,122,198      | 1,692,700      | 1,392,744      | 1,401,094      | 1,409,624      | 1,418,337      | 1,427,237      |
| Subtotal                                    | \$ 2,622,103   | \$ 3,773,271   | \$ 4,640,901   | \$ 5,532,129   | \$ 4,026,763   | \$ 4,969,463   | \$ 5,049,708   | \$ 5,446,432   | \$ 5,851,686   | \$ 6,265,653   | \$ 6,688,520   |
| Less: Minimum Fund Balance                  | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| Total Amount Available for Projects         | \$ 2,622,103   | \$ 3,773,271   | \$ 4,640,901   | \$ 5,532,129   | \$ 4,026,763   | \$ 4,969,463   | \$ 5,049,708   | \$ 5,446,432   | \$ 5,851,686   | \$ 6,265,653   | \$ 6,688,520   |
| Amount Paid for Projects                    | (787,784)      | (1,589,765)    | (2,100,700)    | (2,627,564)    | (750,000)      | (1,312,500)    | (1,004,370)    | (1,004,370)    | (1,004,370)    | (1,004,370)    | (1,004,370)    |
| Subtotal                                    | \$ 1,834,319   | \$ 2,183,506   | \$ 2,540,201   | \$ 2,904,565   | \$ 3,276,763   | \$ 3,656,963   | \$ 4,045,338   | \$ 4,442,062   | \$ 4,847,316   | \$ 5,261,283   | \$ 5,684,150   |
| Plus: Interest Earnings                     | 32,146         | 40,178         | 47,237         | 54,448         | 61,813         | 69,337         | 77,023         | 84,874         | 92,894         | 101,086        | 109,454        |
| Less: Interest Allocated to Cash Flow       | (32,146)       | (40,178)       | (47,237)       | (54,448)       | (61,813)       | (69,337)       | (77,023)       | (84,874)       | (92,894)       | (101,086)      | (109,454)      |
| Balance at End of Fiscal Year               | \$ 1,834,319   | \$ 2,183,506   | \$ 2,540,201   | \$ 2,904,565   | \$ 3,276,763   | \$ 3,656,963   | \$ 4,045,338   | \$ 4,442,062   | \$ 4,847,316   | \$ 5,261,283   | \$ 5,684,150   |
| <b>R&amp;R FUND</b>                         |                |                |                |                |                |                |                |                |                |                |                |
| Balance at the Beginning of the Fiscal Year | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   |
| Less: Minimum Fund Balance                  | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| Add Back: Minimum Fund Balance              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| Plus: Interest Earnings                     | 20,000         | 20,000         | 20,000         | 20,000         | 20,000         | 20,000         | 20,000         | 20,000         | 20,000         | 20,000         | 20,000         |
| Less: Interest Allocated to Cash Flow       | (20,000)       | (20,000)       | (20,000)       | (20,000)       | (20,000)       | (20,000)       | (20,000)       | (20,000)       | (20,000)       | (20,000)       | (20,000)       |
| Balance at End of Fiscal Year               | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   | \$ 1,000,000   |

|   | <u>FY 2023</u> | <u>FY 2024</u> | <u>FY 2025</u> | <u>FY 2026</u> | <u>FY 2027</u> | <u>FY 2028</u> | <u>FY 2029</u> | <u>FY 2030</u> | <u>FY 2031</u> | <u>FY 2032</u> | <u>FY 2033</u> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>GRANT FUND</b>                             |                |                |                |                |                |                |                |                |                |                |                |
| Balance at the Beginning of the Fiscal Year   | \$ -           | \$ 3,171,647   | \$ 2,500,000   | \$ 2,500,000   | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Additional Annual Revenues                    | 4,479,118      | 200,000        | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| Total Amount Available for Projects           | \$ 4,479,118   | \$ 3,371,647   | \$ 2,500,000   | \$ 2,500,000   | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Amount Paid for Projects                      | (1,307,471)    | (871,647)      | -              | (2,500,000)    | -              | -              | -              | -              | -              | -              | -              |
| Subtotal                                      | \$ 3,171,647   | \$ 2,500,000   | \$ 2,500,000   | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Plus: Interest Earnings                       | 31,716         | 56,716         | 50,000         | 25,000         | -              | -              | -              | -              | -              | -              | -              |
| Less: Interest Allocated to Cash Flow         | (31,716)       | (56,716)       | (50,000)       | (25,000)       | -              | -              | -              | -              | -              | -              | -              |
| Balance at End of Fiscal Year                 | \$ 3,171,647   | \$ 2,500,000   | \$ 2,500,000   | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| <b>WATER AND SEWER UTILITY OPERATING FUND</b> |                |                |                |                |                |                |                |                |                |                |                |
| Balance At Beginning Of Fiscal Year           | \$ 35,536,107  | \$ 26,009,760  | \$ 13,208,651  | \$ 14,329,673  | \$ 15,521,661  | \$ 15,129,992  | \$ 15,077,098  | \$ 17,758,893  | \$ 18,476,120  | \$ 19,180,965  | \$ 20,896,551  |
| Net Cash Flow                                 | 8,341,694      | 7,752,860      | 6,626,676      | 5,405,037      | 4,883,331      | 5,222,107      | 5,692,944      | 6,373,187      | 7,223,949      | 8,216,332      | 14,637,925     |
| Less: Cash-Funded Capital Projects            | (10,203,247)   | (14,060,000)   | (3,395,000)    | (3,775,000)    | (5,275,000)    | (5,275,000)    | -              | -              | -              | -              | -              |
| Subtotal                                      | \$ 33,674,554  | \$ 19,702,620  | \$ 16,440,327  | \$ 15,959,710  | \$ 15,129,992  | \$ 15,077,098  | \$ 20,770,042  | \$ 24,132,080  | \$ 25,700,069  | \$ 27,397,297  | \$ 35,534,476  |
| Less: Restricted Funds                        | (12,586,890)   | (13,208,651)   | (14,329,673)   | (15,521,661)   | (15,129,992)   | (15,077,098)   | (17,758,893)   | (18,476,120)   | (19,180,965)   | (19,906,122)   | (23,314,693)   |
| Total Amount Available For Projects           | \$ 21,087,664  | \$ 6,493,969   | \$ 2,110,654   | \$ 438,049     | \$ -           | \$ -           | \$ 3,011,150   | \$ 5,655,960   | \$ 6,519,104   | \$ 7,491,175   | \$ 12,219,783  |
| Amount Paid For Projects                      | (7,664,794)    | (6,493,969)    | (2,110,654)    | (438,049)      | -              | -              | (3,011,150)    | (5,655,960)    | (6,519,104)    | (6,500,746)    | (6,474,848)    |
| Subtotal                                      | \$ 13,422,870  | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ 990,429     | \$ 5,744,934   |
| Add Back: Restricted Funds                    | 12,586,890     | 13,208,651     | 14,329,673     | 15,521,661     | 15,129,992     | 15,077,098     | 17,758,893     | 18,476,120     | 19,180,965     | 19,906,122     | 23,314,693     |
| Plus: Interest Earnings                       | 615,459        | 392,184        | 275,383        | 298,513        | 306,517        | 302,071        | 328,360        | 362,350        | 376,571        | 400,775        | 499,562        |
| Less: Interest Allocated To Cash Flow         | (615,459)      | (392,184)      | (275,383)      | (298,513)      | (306,517)      | (302,071)      | (328,360)      | (362,350)      | (376,571)      | (400,775)      | (499,562)      |
| Balance At End Of Fiscal Year                 | \$ 26,009,760  | \$ 13,208,651  | \$ 14,329,673  | \$ 15,521,661  | \$ 15,129,992  | \$ 15,077,098  | \$ 17,758,893  | \$ 18,476,120  | \$ 19,180,965  | \$ 20,896,551  | \$ 29,059,628  |
| <b>RESTRICTED RESERVES</b>                    |                |                |                |                |                |                |                |                |                |                |                |
| Balance at the Beginning of the Fiscal Year   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   |
| Subtotal                                      | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   |
| Plus: Interest Earnings                       | 54,691         | 54,691         | 54,691         | 54,691         | 54,691         | 54,691         | 54,691         | 54,691         | 54,691         | 54,691         | 54,691         |
| Less: Interest Allocated to Cash Flow         | (54,691)       | (54,691)       | (54,691)       | (54,691)       | (54,691)       | (54,691)       | (54,691)       | (54,691)       | (54,691)       | (54,691)       | (54,691)       |
| Balance at End of Fiscal Year                 | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   | \$ 2,734,555   |

|                           | FY 2023 | FY 2024 | FY 2025  | FY 2026  | FY 2027  | FY 2028  | FY 2029  | FY 2030  | FY 2031  | FY 2032  | FY 2033  | FY 2028 | FY 2033 |
|---------------------------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------|---------|
| Water Rate Plan           | 5.25%   | 5.25%   | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 29.17%  | 66.78%  |
| Water Billing Charge Plan | 5.25%   | 5.25%   | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    | 5.25%    |         |         |
| Sewer Rate Plan           | 3.00%   | 3.00%   | 3.00%    | 3.00%    | 3.00%    | 3.00%    | 3.00%    | 3.00%    | 3.00%    | 3.00%    | 3.00%    | Plant   | Yes     |
| Senior-Lien DSC           | 6.18    | 5.99    | 5.11     | 4.60     | 4.59     | 4.71     | 4.82     | 5.04     | 5.38     | 5.78     | 6.14     |         |         |
| Subordinate DSC           | 13.34   | 12.49   | 5.77     | 4.11     | 3.69     | 3.91     | 4.14     | 4.49     | 4.88     | 5.31     | 5.73     |         |         |
| Single Family Bill        | \$95.46 | \$99.32 | \$103.36 | \$107.59 | \$111.98 | \$116.57 | \$121.36 | \$126.38 | \$131.63 | \$137.08 | \$142.78 | Check   | 0       |
| Change \$                 | \$3.86  | \$4.04  |          | \$4.23   | \$4.39   | \$4.59   | \$4.79   | \$5.02   | \$5.25   | \$5.45   | \$5.70   |         |         |
| Typical Bill Increase     | 4.04%   | 4.07%   |          | 4.09%    | 4.08%    | 4.10%    | 4.11%    | 4.14%    | 4.15%    | 4.14%    | 4.16%    |         |         |



# APPENDIX B: PLANT CAPACITY FEE ANALYSIS SCHEDULES

- Schedule 1 Fixed Asset Listing & Functional Allocations
- Schedule 2 Summary of System Fixed Assets & Administrative Cost Allocation
- Schedule 3 Capital Improvement Program Listing & Allocations
- Schedule 4 Capital Improvement Summary
- Schedule 5 Schedule of Annual Principal Payments
- Schedule 6 System Capacity
- Schedule 7 Level of Service
- Schedule 8 Plant Capacity Fee Calculation
- Schedule 9 Phasing Plan
- Schedule 10 2024 Plant Capacity Fee Summary























| Asset Type                | Asset Number | Improvement Number | Asset Description                                  | Admin Allocation | Source of Supply/Treatment Allocation | Transmision or Distribution Allocation | Treatment/Disposal Allocation | Conveyance/Collection Allocation | Transmision or Distribution Allocation | Original Cost         | Year Acquired | Net Book Value        | ENR Escalation Factor | RCNLD                 | % of Asset Contributed or Excluded | Contributed/Excluded Assets Value | Net Asset Value       |
|---------------------------|--------------|--------------------|--|------------------|---------------------------------------|--|-------------------------------|----------------------------------|--|-----------------------|---------------|-----------------------|-----------------------|-----------------------|------------------------------------|-----------------------------------|-----------------------|
| M&E                       | 00000880     | 0000               | 00000880-0000 100.00 BLUE STAR 50KW GENERATOR LS # |                  |                                       |  |                               | 100%                             |  | \$ 74,044             | 2021          | \$ 66,540             | 1.07                  | \$ 71,538             |                                    | \$ -                              | \$ 71,538             |
| M&E                       | 00000881     | 0000               | 00000881-0000 100.00 BLUE STAR 50KW GENERATOR LS # |                  |                                       |  |                               | 100%                             |  | \$ 37,055             | 2021          | \$ 33,349             | 1.07                  | \$ 35,800             |                                    | \$ -                              | \$ 35,800             |
| M&E                       | 00000882     | 0000               | 00000882-0000 100.00 EQUIPMENT                     | 100%             |                                       |  |                               |                                  |  | \$ 56,230             | 2021          | \$ 50,607             | 1.07                  | \$ 54,326             | 100%                               | \$ 54,326                         | \$ -                  |
| M&E                       | 00000883     | 0000               | 00000883-0000 100.00 AC                            | 100%             |                                       |  |                               |                                  |  | \$ 13,400             | 2021          | \$ 12,060             | 1.07                  | \$ 12,946             | 100%                               | \$ 12,946                         | \$ -                  |
| M&E                       | 00000920     | 0000               | 00000920-0000 100.00 HOT PRESSURE WASH TR          | 100%             |                                       |  |                               |                                  |  | \$ 10,449             | 2022          | \$ 10,449             | 1.00                  | \$ 10,449             | 100%                               | \$ 10,449                         | \$ -                  |
| M&E                       | 00000958     | 0000               | 00000958-0000 100.00 EQUIPMENT                     | 100%             |                                       |  |                               |                                  |  | \$ 52,459             | 2022          | \$ 52,459             | 1.00                  | \$ 52,459             | 100%                               | \$ 52,459                         | \$ -                  |
| M&E                       | 00000959     | 0000               | 00000959-0000 100.00 EQUIPMENT                     | 100%             |                                       |  |                               |                                  |  | \$ 40,740             | 2022          | \$ 40,740             | 1.00                  | \$ 40,740             | 100%                               | \$ 40,740                         | \$ -                  |
| M&E                       | 00000960     | 0000               | 00000960-0000 100.00 PUMPS - JLS                   |                  |                                       |  |                               | 100%                             |  | \$ 62,789             | 2022          | \$ 62,789             | 1.00                  | \$ 62,789             | 100%                               | \$ 62,789                         | \$ -                  |
|                           |              |                    |  |                  |                                       |  |                               |                                  |  | \$ 0.00               |               | \$ -                  |                       | \$ -                  |                                    | \$ -                              | \$ -                  |
|                           |              |                    |  |                  |                                       |  |                               |                                  |  | \$ 0.00               |               | \$ -                  |                       | \$ -                  |                                    | \$ -                              | \$ -                  |
|                           |              |                    | CWIP   |                  |                                       |  |                               |                                  |  | \$ 0.00               |               | \$ -                  |                       | \$ -                  |                                    | \$ -                              | \$ -                  |
|                           | UT2036       | CWIP               | Collection Sys Improvements                        |                  |                                       |  |                               | 100%                             |  | \$ 350,472            | 2022          | \$ 350,472            | 1.00                  | \$ 350,472            |                                    | \$ -                              | \$ 350,472            |
|                           | UT2002       | CWIP               | Meter Changeout                                    |                  |                                       | 100%                                   |                               |                                  |  | \$ 156,392            | 2022          | \$ 156,392            | 1.00                  | \$ 156,392            |                                    | \$ -                              | \$ 156,392            |
|                           | UT2028       | CWIP               | Pipeline and FM Rep                                |                  |                                       |  |                               | 100%                             |  | \$ 10,145             | 2022          | \$ 10,145             | 1.00                  | \$ 10,145             |                                    | \$ -                              | \$ 10,145             |
|                           | UT2019       | CWIP               | Second FM Under I-75                               |                  |                                       |  |                               | 100%                             |  | \$ 376,791            | 2022          | \$ 376,791            | 1.00                  | \$ 376,791            |                                    | \$ -                              | \$ 376,791            |
|                           | UT2010       | CWIP               | Water Service Line Repl Prgm                       |                  |                                       | 100%                                   |                               |                                  |  | \$ 377,078            | 2022          | \$ 377,078            | 1.00                  | \$ 377,078            |                                    | \$ -                              | \$ 377,078            |
|                           | UT2031       | CWIP               | Capri Isles Water Services                         |                  |                                       | 100%                                   |                               |                                  |  | \$ 168,320            | 2022          | \$ 168,320            | 1.00                  | \$ 168,320            |                                    | \$ -                              | \$ 168,320            |
|                           | UT2033       | CWIP               | Intercoastal 2nd Force Main                        |                  |                                       |  |                               | 100%                             |  | \$ 178,157            | 2022          | \$ 178,157            | 1.00                  | \$ 178,157            |                                    | \$ -                              | \$ 178,157            |
|                           | UT2015       | CWIP               | Eastgate Utility Reio Ph II                        |                  |                                       |  |                               | 100%                             |  | \$ 4,659,930          | 2022          | \$ 4,659,930          | 1.00                  | \$ 4,659,930          |                                    | \$ -                              | \$ 4,659,930          |
|                           | UT2021       | CWIP               | Bay Indies Util Reio                               |                  |                                       |  |                               | 100%                             |  | \$ 209,994            | 2022          | \$ 209,994            | 1.00                  | \$ 209,994            |                                    | \$ -                              | \$ 209,994            |
|                           | UT2030       | CWIP               | Watermain Replacement Ph8                          |                  |                                       |  |                               | 100%                             |  | \$ 39,758             | 2022          | \$ 39,758             | 1.00                  | \$ 39,758             |                                    | \$ -                              | \$ 39,758             |
|                           | UT3010       | CWIP               | Booster Station - AJAX Property                    |                  | 100%                                  |  |                               |                                  |  | \$ 1,559,588          | 2022          | \$ 1,559,588          | 1.00                  | \$ 1,559,588          |                                    | \$ -                              | \$ 1,559,588          |
|                           | UT3019       | CWIP               | WTP Second Stage RO Membrane                       |                  | 100%                                  |  |                               |                                  |  | \$ 426,449            | 2022          | \$ 426,449            | 1.00                  | \$ 426,449            |                                    | \$ -                              | \$ 426,449            |
|                           | UT3016       | CWIP               | WTP Parking Lot Repaving                           |                  | 100%                                  |  |                               |                                  |  | \$ 193,114            | 2022          | \$ 193,114            | 1.00                  | \$ 193,114            |                                    | \$ -                              | \$ 193,114            |
|                           | UT3026       | CWIP               | Well Management Program                            |                  | 100%                                  |  |                               |                                  |  | \$ 194,310            | 2022          | \$ 194,310            | 1.00                  | \$ 194,310            |                                    | \$ -                              | \$ 194,310            |
|                           | UT3025       | CWIP               | Degasifier Imps                                    |                  | 100%                                  |  |                               |                                  |  | \$ 55,043             | 2022          | \$ 55,043             | 1.00                  | \$ 55,043             |                                    | \$ -                              | \$ 55,043             |
|                           | UT3014       | CWIP               | New Production Well RO 3E79                        |                  | 100%                                  |  |                               |                                  |  | \$ 374,753            | 2022          | \$ 374,753            | 1.00                  | \$ 374,753            |                                    | \$ -                              | \$ 374,753            |
|                           | UT3020       | CWIP               | WTP Generator & Switch Gear Replacement            |                  | 100%                                  |  |                               |                                  |  | \$ 605,213            | 2022          | \$ 605,213            | 1.00                  | \$ 605,213            |                                    | \$ -                              | \$ 605,213            |
|                           | UT4011       | CWIP               | ASR Well   |                  |                                       |  | 100%                          |                                  |  | \$ 195,665            | 2022          | \$ 195,665            | 1.00                  | \$ 195,665            |                                    | \$ -                              | \$ 195,665            |
|                           | UT4016       | CWIP               | WRP Headworks                                      |                  |                                       |  | 100%                          |                                  |  | \$ 110,130            | 2022          | \$ 110,130            | 1.00                  | \$ 110,130            |                                    | \$ -                              | \$ 110,130            |
|                           | UT4017       | CWIP               | WRP Aeration Blower Rep                            |                  |                                       |  | 100%                          |                                  |  | \$ 182,838            | 2022          | \$ 182,838            | 1.00                  | \$ 182,838            |                                    | \$ -                              | \$ 182,838            |
|                           | UT4023       | CWIP               | SMH Lift Station Upgrade                           |                  |                                       |  |                               | 100%                             |  | \$ 21,180             | 2022          | \$ 21,180             | 1.00                  | \$ 21,180             |                                    | \$ -                              | \$ 21,180             |
|                           | UT4025       | CWIP               | WRP PLC Upgrade                                    |                  |                                       |  | 100%                          |                                  |  | \$ 779,937            | 2022          | \$ 779,937            | 1.00                  | \$ 779,937            |                                    | \$ -                              | \$ 779,937            |
|                           | UT4029       | CWIP               | Knight Trail Lift Station                          |                  |                                       |  |                               | 100%                             |  | \$ 174,569            | 2022          | \$ 174,569            | 1.00                  | \$ 174,569            |                                    | \$ -                              | \$ 174,569            |
|                           | UT4015       | CWIP               | WRP Effluent Pump                                  |                  |                                       |  |                               | 100%                             |  | \$ 505,227            | 2022          | \$ 505,227            | 1.00                  | \$ 505,227            |                                    | \$ -                              | \$ 505,227            |
|                           | UT4025       | CWIP               | 3MG Equalization Tank                              |                  |                                       |  | 100%                          |                                  |  | \$ 46,265             | 2022          | \$ 46,265             | 1.00                  | \$ 46,265             |                                    | \$ -                              | \$ 46,265             |
| <b>Total Fixed Assets</b> |              |                    |  |                  |                                       |  |                               |                                  |  | <b>\$ 218,210,888</b> |               | <b>\$ 121,484,848</b> |                       | <b>\$ 180,785,307</b> |                                    | <b>\$ 42,860,423</b>              | <b>\$ 138,144,886</b> |



| Function     |                            | Gross RCNLD Asset Value | Net RCNLD Asset Value | % of Total  | Allocated Admin Costs | Net Asset Value + Allocated Admin |
|--------------|----------------------------|-------------------------|-----------------------|-------------|-----------------------|-----------------------------------|
| Water        | Source of Supply/Treatment | \$ 27,455,344           | \$ 27,449,803         | 20.17%      | \$ 410,121            | \$ 27,859,924                     |
| Water        | Transmission/ Distribution | \$ 56,703,796           | \$ 37,658,746         | 27.67%      | \$ 562,650            | \$ 38,221,396                     |
| Sewer        | Treatment/Disposal         | \$ 53,534,151           | \$ 43,954,784         | 32.29%      | \$ 656,718            | \$ 44,611,502                     |
| Sewer        | Conveyance/Collection      | \$ 37,413,448           | \$ 26,360,833         | 19.37%      | \$ 393,851            | \$ 26,754,684                     |
| Reclaimed    | Transmission/Distribution  | \$ 1,504,247            | \$ 687,113            | 0.50%       | \$ 10,266             | \$ 697,379                        |
| <b>Total</b> |                            | <b>\$ 176,610,985</b>   | <b>\$ 136,111,279</b> | <b>100%</b> | <b>\$ 2,033,606</b>   | <b>\$ 138,144,885</b>             |

Appendix B: Schedule 3 – Capital Improvement Program Listing & Allocations

| Project Name                                  | FY 2023              | FY 2024              | FY 2025              | FY 2026              | FY 2027              | FY 2028              | Cost                  | Source of        |                  |                    |                             |                                      | % Growth | CIP Cost Calc.       |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|------------------|------------------|--------------------|-----------------------------|--------------------------------------|----------|----------------------|
|   |                      |                      |                      |                      |                      |                      |                       | Water Allocation | Sewer Allocation | Reclaim Allocation | Supply/Treatment Allocation | Transmission/Distribution Allocation |          |                      |
| <b>UTILITIES</b>                              |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| <b>Administration</b>                         |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| Machinery & Equipment:                        |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| Technology Improvements                       | \$ -                 | \$ 40,000            | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ 40,000             | 50%              | 50%              |                    |                             | 100%                                 |          | \$ -                 |
| <b>Distribution and Collection</b>            |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| <b>Improvements:</b>                          |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| Alley Infrastructure Imps                     | \$ 500,000           | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ 500,000            | 100%             |                  |                    |                             | 100%                                 |          | \$ -                 |
| Collection System Improvements                | 1,069,528            | 1,000,000            | 1,000,000            | 1,000,000            | 1,000,000            | 1,000,000            | 6,069,528             |                  | 100%             |                    |                             | 100%                                 |          | -                    |
| Discovery Way Water Main Replacement          | 300,000              | 300,000              | -                    | -                    | -                    | -                    | 600,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Distribution System Improvements              | 463,736              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 2,963,736             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Force Main Improvements                       | -                    | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 2,500,000             |                  | 100%             |                    |                             | 100%                                 |          | -                    |
| Pipeline and Forcemain Relocate               | 289,855              | -                    | -                    | -                    | -                    | -                    | 289,855               |                  | 100%             |                    |                             | 100%                                 |          | -                    |
| Sewer Cleanout Additions                      | 1,000,000            | -                    | -                    | -                    | -                    | -                    | 1,000,000             |                  | 100%             |                    |                             | 100%                                 |          | -                    |
| Knights Trail Force Main                      | 346,775              | 3,000,000            | 2,200,000            | -                    | -                    | -                    | 5,546,775             |                  | 100%             |                    |                             | 100%                                 | 100%     | 5,546,775            |
| Nokomis Groves Force Main                     | -                    | 1,800,000            | -                    | -                    | -                    | -                    | 1,800,000             |                  | 100%             |                    |                             | 100%                                 | 100%     | 1,800,000            |
| Meter Change Out Program                      | 343,608              | 150,000              | 150,000              | 150,000              | 150,000              | 150,000              | 1,093,608             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Second Force Main Under I-75                  | 3,322,400            | 3,700,000            | -                    | -                    | -                    | -                    | 7,022,400             |                  | 100%             |                    |                             | 100%                                 | 25%      | 1,755,600            |
| Capri Isle Water Service Replacement          | 80,095               | -                    | -                    | -                    | -                    | -                    | 80,095                | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Intercoastal 2nd Force Main                   | 1,821,844            | -                    | -                    | -                    | -                    | -                    | 1,821,844             |                  | 100%             |                    |                             | 100%                                 | 25%      | 455,461              |
| Eastgate Relocation Phase II                  | 590,070              | -                    | -                    | -                    | -                    | -                    | 590,070               | 70%              | 30%              |                    |                             | 100%                                 | 25%      | 147,518              |
| Eastgate Relocation Phase III                 | 3,000,000            | -                    | -                    | -                    | -                    | -                    | 3,000,000             | 70%              | 30%              |                    |                             | 100%                                 | 25%      | 750,000              |
| Bay Indies Utilities Relocation               | 7,538,149            | -                    | 5,000,000            | 5,000,000            | -                    | -                    | 17,538,149            | 50%              | 50%              |                    |                             | 100%                                 | 25%      | 4,384,537            |
| Cockrill WM Replacement                       | 308,466              | -                    | -                    | -                    | -                    | -                    | 308,466               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Water Main Replacement Program (SRF/PCF)      | 4,218,855            | 500,000              | 2,000,000            | 2,000,000            | 2,000,000            | 2,000,000            | 10,718,855            | 100%             |                  |                    |                             | 100%                                 |          | 10,718,855           |
| Water Service Line Replacement                | 1,249,057            | 650,000              | 500,000              | 500,000              | 500,000              | 500,000              | 3,899,057             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| <b>Machinery &amp; Equipment:</b>             |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| Technical Unit Equipment Improvements         | \$ 25,000            | \$ 25,000            | \$ 25,000            | \$ 25,000            | \$ 25,000            | \$ 25,000            | \$ 150,000            | 50%              | 50%              |                    |                             | 100%                                 |          | \$ -                 |
| <b>Water Production</b>                       |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| <b>Buildings</b>                              |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| WTP Building B Lab Imps                       | \$ 50,000            | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ 50,000             | 100%             |                  |                    |                             | 100%                                 |          | \$ -                 |
| WTP Bldg D (Meter Shop) Upgrades              | 500,000              | -                    | -                    | -                    | -                    | -                    | 500,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Water Treatment Plant Relocation              | -                    | 3,500,000            | -                    | -                    | -                    | 10,000,000           | 13,500,000            | 100%             |                  |                    |                             | 100%                                 | 25%      | 3,375,000            |
| WTP Building Improvements                     | -                    | 200,000              | -                    | -                    | -                    | -                    | 200,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| <b>Improvements:</b>                          |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| Deep Injection Well (SRF/PCF)                 | \$ -                 | \$ 1,500,000         | \$ 10,000,000        | \$ -                 | \$ -                 | \$ -                 | \$ 11,500,000         | 100%             |                  |                    |                             | 100%                                 |          | \$ -                 |
| RO Membrane Replacement                       | -                    | 1,500,000            | 1,500,000            | -                    | -                    | -                    | 3,000,000             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Water Booster Pump Station                    | -                    | 500,000              | -                    | -                    | -                    | -                    | 500,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Well Management Program (SRF) - 8E Well       | 3,000,000            | 1,500,000            | -                    | -                    | -                    | -                    | 4,500,000             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WTP Improvements                              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 3,000,000             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Booster Station                               | 21,968,631           | -                    | -                    | -                    | -                    | -                    | 21,968,631            | 100%             |                  |                    |                             | 100%                                 | 100%     | 21,968,631           |
| WTP 2nd Stage Membrane Addn Ph 2 (SRF/PCF)    | 3,374,349            | 3,000,000            | -                    | -                    | -                    | -                    | 6,374,349             | 100%             |                  |                    |                             | 100%                                 | 25%      | 1,593,587            |
| WTP Parking Lot Repaving                      | 19,311               | -                    | -                    | -                    | -                    | -                    | 19,311                | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Potable Water Sec Syst Imps                   | 100,000              | -                    | -                    | -                    | -                    | -                    | 100,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Phase II RO CIP System                        | 120,000              | -                    | -                    | -                    | -                    | -                    | 120,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WTP Security System Upgrade                   | 25,000               | 50,000               | -                    | -                    | -                    | -                    | 75,000                | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Degasifier Imps                               | 84,642               | -                    | -                    | -                    | -                    | -                    | 84,642                | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WTP Energy Projects                           | 150,000              | -                    | -                    | -                    | -                    | -                    | 150,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| <b>Machinery and Equipment:</b>               |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| New Production Well RO 8E/79                  | \$ 217,318           | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ 217,318            | 100%             |                  |                    |                             | 100%                                 |          | \$ -                 |
| WTP Generator/Switch Repl                     | 5,041,428            | -                    | -                    | -                    | -                    | -                    | 5,041,428             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| CO2 Bulk Tank Repl                            | 140,315              | -                    | -                    | -                    | -                    | -                    | 140,315               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Onsite Emergency Generators at Wells          | 127,080              | 120,000              | 60,000               | -                    | -                    | -                    | 307,080               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| <b>Water Reclamation and Lift Stations</b>    |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| <b>Buildings</b>                              |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| WRF Additional Storage Building               | \$ -                 | \$ 200,000           | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ 200,000            |                  | 90%              | 10%                |                             | 100%                                 |          | \$ -                 |
| <b>Improvements:</b>                          |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| Aquifer Storage & Recovery Well (SRF/S/PCF/S) | \$ 4,769,335         | \$ 2,737,500         | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ 7,506,835          |                  | 100%             |                    |                             | 100%                                 | 38%      | \$ 2,815,063         |
| WRF Headworks                                 | 230,580              | -                    | -                    | -                    | -                    | -                    | 230,580               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WRF Aeration Blower Replacement               | 377,162              | -                    | -                    | -                    | -                    | -                    | 377,162               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WRF Security System Upgrades                  | 60,000               | -                    | -                    | -                    | -                    | -                    | 60,000                | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Septage Receiving Station                     | 362,940              | -                    | -                    | -                    | -                    | -                    | 362,940               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Reject Pond Lining                            | 923,213              | -                    | -                    | -                    | -                    | -                    | 923,213               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| SMH Lift Station Upgrade                      | 43,330               | -                    | -                    | -                    | -                    | -                    | 43,330                | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Auger Repl at Belt Presses                    | 150,000              | -                    | -                    | -                    | -                    | -                    | 150,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WRF PLC Upgrade                               | 158,093              | -                    | -                    | -                    | -                    | -                    | 158,093               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Knights Trail Lift Station                    | 4,027,771            | -                    | -                    | -                    | -                    | -                    | 4,027,771             | 100%             |                  |                    |                             | 100%                                 | 100%     | 4,027,771            |
| Nokomis Groves Lift Station                   | -                    | 2,100,000            | -                    | -                    | -                    | -                    | 2,100,000             | 100%             |                  |                    |                             | 100%                                 | 100%     | 2,100,000            |
| Maxine Barrett Park Aerator                   | 8,966                | -                    | -                    | -                    | -                    | -                    | 8,966                 | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Micro C Chemical Feed System                  | 137,060              | -                    | -                    | -                    | -                    | -                    | 137,060               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Reclaimed Water Dist System Expansion         | 250,000              | 1,000,000            | -                    | 1,000,000            | 1,000,000            | 1,000,000            | 4,250,000             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WRF Energy Conservation and Eff. Improve (SC) | 500,000              | 3,000,000            | -                    | -                    | -                    | -                    | 3,500,000             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WRF Improvements (SC)                         | 649,765              | 500,000              | 500,000              | 500,000              | 500,000              | 500,000              | 3,149,765             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Fuel Tank Replacement                         | 100,000              | -                    | -                    | -                    | -                    | -                    | 100,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| <b>Machinery and Equipment:</b>               |                      |                      |                      |                      |                      |                      |                       |                  |                  |                    |                             |                                      |          |                      |
| Lift Station Rehab Program                    | \$ -                 | \$ -                 | \$ -                 | \$ 500,000           | \$ 500,000           | \$ 500,000           | \$ 1,500,000          |                  | 100%             |                    |                             | 100%                                 |          | \$ -                 |
| Lift Station Replacement Pumps                | 100,000              | 100,000              | 100,000              | 100,000              | 100,000              | 100,000              | 600,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| Onsite Emergency Generators at Lift Stations  | 100,000              | 100,000              | 60,000               | -                    | -                    | -                    | 260,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| WRF Effluent Pumps                            | 1,352,392            | -                    | -                    | -                    | -                    | -                    | 1,352,392             | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| 3MG Equalization Tank                         | 3,203,731            | -                    | -                    | -                    | -                    | -                    | 3,203,731             | 100%             |                  |                    |                             | 100%                                 | 100%     | 3,203,731            |
| Reclaimed Water Storage Tank                  | -                    | 600,000              | -                    | -                    | -                    | -                    | 600,000               | 100%             |                  |                    |                             | 100%                                 |          | -                    |
| <b>Total</b>                                  | <b>\$ 79,389,850</b> | <b>\$ 34,872,500</b> | <b>\$ 24,595,000</b> | <b>\$ 15,275,000</b> | <b>\$ 10,275,000</b> | <b>\$ 20,275,000</b> | <b>\$ 173,682,350</b> |                  |                  |                    |                             |                                      |          | <b>\$ 64,642,529</b> |

| Function                   |                                   | Capital<br>Improvement<br>Costs | % of Total  |
|----------------------------|-----------------------------------|---------------------------------|-------------|
| <b>Water</b>               | <b>Source of Supply/Treatment</b> | \$ 26,937,218                   | 41.67%      |
| <b>Water</b>               | <b>Transmission/ Distribution</b> | \$ 13,539,386                   | 20.95%      |
| <b>Sewer</b>               | <b>Treatment/Disposal</b>         | \$ 12,146,565                   | 18.79%      |
| <b>Sewer</b>               | <b>Conveyance/Collection</b>      | \$ 12,019,360                   | 18.59%      |
| <b>Reclaimed</b>           | <b>Transmission/Distribution</b>  | \$ -                            | 0.00%       |
| <b>Total Expansion CIP</b> |                                   | <b>\$ 64,642,529</b>            | <b>100%</b> |
| Excluded Non-Expansion CIP |                                   | \$ 109,039,821                  |             |
| <b>Total System CIP</b>    |                                   | <b>\$ 173,682,350</b>           |             |

| Debt Issue   | % Water Allocation | % Sewer Allocation | % Reclaimed Allocation | Total Outstanding Principal | Water               | Sewer               | Reclaimed  |
|--|--------------------|--------------------|------------------------|-----------------------------|---------------------|---------------------|------------|
| Series 2015 Revenue Bonds  | 43.0%              | 57.0%              | 0.0%                   | \$11,390,000                | \$4,901,117         | \$6,488,883         | \$0        |
| SRF Loan # DW580430 (Drinking Water - Construction Loan Agreement) | 100.0%             | 0.0%               | 0.0%                   | \$5,822,945                 | \$5,822,945         | \$0                 | \$0        |
| SRF Loan # WW580430 (Clean Water - Construction Loan Agreement)    | 0.0%               | 100.0%             | 0.0%                   | \$418,386                   | \$0                 | \$418,386           | \$0        |
| Series 2020 Revenue Bonds  | 52.7%              | 47.3%              | 0.0%                   | \$16,355,000                | \$8,620,721         | \$7,734,280         | \$0        |
| <b>Total Annual Principal Payments</b>                             |                    |                    |                        | <b>\$33,986,331</b>         | <b>\$19,344,783</b> | <b>\$14,641,549</b> | <b>\$0</b> |

| Source of Supply/Treatment |                         |                            |
|----------------------------|-------------------------|----------------------------|
| Water Treatment Plants     | Existing Capacity (MGD) | Incremental Capacity (MGD) |
| RO WTP                     | 4.48                    | 1.12                       |
|                            | 4.48                    | 1.12                       |

| Treatment/Disposal          |                |                            |
|-----------------------------|----------------|----------------------------|
| Wastewater Treatment Plants | Capacity (MGD) | Incremental Capacity (MGD) |
| Eastside WRF                | 5.00           |                            |
|                             | 5.00           | 0.00                       |

| Transmission/ Distribution |                |                            |
|----------------------------|----------------|----------------------------|
|                            | Capacity (MGD) | Incremental Capacity (MGD) |
| Transmission Lines         | 4.48           | 1.12                       |
|                            | 4.48           | 1.12                       |

| Conveyance/Collection |                |                            |
|-----------------------|----------------|----------------------------|
|                       | Capacity (MGD) | Incremental Capacity (MGD) |
| Transmission Lines    | 5.00           |                            |
|                       | 5.00           | 0.00                       |

| Water Level of Service                                   |      |
|--|------|
| Source File: City of Venice Comprehensive Plan 2017-2027 |      |
| Peak maximum daily flow per capita                       | 135  |
| People per household (Census)                            | 1.82 |
| Peak Day Use per ERU (gpd)                               | 250  |

| Sewer Level of Service  |      |
|---|------|
| Source File: City of Venice Comprehensive Plan 2017-2027, WRF Influent Data 2019-2022 |      |
| Average annual gallons per capita per day   | 91   |
| People per household (Census)   | 1.82 |
| Ratio of Max to Average   | 1.17 |
| Average Daily Usage per ERU   | 200  |

| COV WRF INFLUENT DATA [2019-2022] |         |         |         |         |         |         |         |         |
|-----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| MONTH                             | YEAR    |         |         |         |         |         |         |         |
|                                   | 2019    |         | 2020    |         | 2021    |         | 2022    |         |
|                                   | Average | 3-Month | 3-Month | 3-Month | 3-Month | 3-Month | 3-Month | 3-Month |
| Jan                               | 3.667   | 3.896   | 3.260   | 3.304   | 3.639   | 3.876   | 3       | 3.526   |
| Feb                               | 3.890   | 3.921   | 3.473   | 3.198   | 3.995   | 3.880   | 4       | 3.489   |
| Mar                               | 4.132   | 3.541   | 3.180   | 3.103   | 3.994   | 3.533   | 4       | 3.223   |
| Apr                               | 3.740   | 3.028   | 2.941   | 3.465   | 3.652   | 3.170   | 3       | 3.025   |
| May                               | 2.750   | 2.771   | 3.188   | 3.591   | 2.954   | 3.289   | 3       | 2.971   |
| Jun                               | 2.593   | 3.067   | 4.265   | 3.757   | 2.903   | 3.763   | 3       | 3.308   |
| Jul                               | 2.970   | 3.241   | 3.320   | 3.695   | 4.010   | 3.940   | 3       | 3.670   |
| Aug                               | 3.639   | 3.385   | 3.686   | 3.589   | 4.377   | 3.635   | 4       | 4.117   |
| Sep                               | 3.115   | 3.216   | 4.080   | 3.763   | 3.433   | 3.371   | 4.060   | 4.107   |
| Oct                               | 3.402   | 3.185   | 3.001   | 3.625   | 3       | 3.307   | 4       | 3.885   |
| Nov                               | 3.132   |         | 4.207   |         | 4       |         | 3.800   |         |
| Dec                               | 3.020   |         | 3.667   |         | 3       |         | 3       |         |
| Max Month                         | 4.132   | 3.921   |         | 3.763   |         | 3.940   |         | 4.117   |
| Average Month                     | 3.338   |         | 3.522   |         | 3.573   |         | 3.526   |         |
| Ratio                             | 1.17    |         | 1.07    |         | 1.10    |         | 1.17    |         |

| Functional Component:                   | Source of Supply/Treatment | Transmission/ Distribution | Total                |
|---|----------------------------|----------------------------|----------------------|
| Gross Plant in Service Value            | \$ 27,865,465              | \$ 57,266,446              | \$ 85,131,911        |
| Capital Improvement Cost                | 26,937,218                 | 13,539,386                 | 40,476,604           |
| Gross System Value                      | \$ 54,802,683              | \$ 70,805,832              | \$ 125,608,515       |
| <b>Less:</b>                            |                            |                            |                      |
| Principal Credit                        | \$ 8,440,081               | \$ 10,904,702              | \$ 19,344,783        |
| Specific Asset Contributions/Exclusions | 439,280                    | 19,640,101                 | 20,079,381           |
| <b>Net System Value</b>                 | <b>\$ 45,923,322</b>       | <b>\$ 40,261,028</b>       | <b>\$ 86,184,351</b> |
| <i>Fee Calculation:</i>                 |                            |                            |                      |
| Capacity                                |                            |                            |                      |
| Million Gallons Per Day (MGD)           | 5.60                       | 5.60                       |                      |
| Level of Service (gpd)                  | 250                        | 250                        |                      |
| ERUs                                    | 22,400                     | 22,400                     |                      |
| Initial Capacity Cost per ERU           | \$ 2,050                   | \$ 1,797                   | \$ 3,847             |
| Percentage of Full Cost Recovery        |                            |                            | 100.00%              |
| Escalation Factor to Effective Year     |                            |                            | 4.99%                |
| Calculated Fee per ERU                  | \$ 2,152                   | \$ 1,887                   | \$ 4,039             |
| Current Fee per ERU                     |                            |                            | 3,925                |
| Dollar Change                           |                            |                            | \$ 114               |
| Percent Change                          |                            |                            | 3%                   |

| Functional Component:                   | Treatment/Disposal   | Conveyance/Collection | Total                |
|---|----------------------|-----------------------|----------------------|
| Gross Plant in Service Value            | \$ 55,705,381        | \$ 37,807,299         | \$ 93,512,681        |
| Capital Improvement Cost                | 12,146,565           | 12,019,360            | 24,165,925           |
| Gross System Value                      | \$ 67,851,946        | \$ 49,826,659         | \$ 117,678,606       |
| Less:                                   |                      |                       |                      |
| Principal Credit                        | \$ 8,442,126         | \$ 6,199,423          | \$ 14,641,549        |
| Specific Asset Contributions/Exclusions | 11,101,894           | 11,469,147            | 22,571,041           |
| <b>Net System Value</b>                 | <b>\$ 48,307,927</b> | <b>\$ 32,158,089</b>  | <b>\$ 80,466,016</b> |
| <i>Fee Calculation:</i>                 |                      |                       |                      |
| Capacity                                |                      |                       |                      |
| Million Gallons Per Day (MGD)           | 5.00                 | 5.00                  |                      |
| Level of Service (gpd)                  | 200                  | 200                   |                      |
| ERUs                                    | 25,000               | 25,000                |                      |
| Initial Capacity Cost per ERU           | \$ 1,932             | \$ 1,286              | \$ 3,218             |
| Percentage of Full Cost Recovery        |                      |                       | 100.00%              |
| Escalation Factor to Effective Year     |                      |                       | 4.99%                |
| Calculated Fee per ERU                  | \$ 2,028             | \$ 1,350              | \$ 3,379             |
| Current Fee per ERU                     |                      |                       | 1,832                |
| Change                                  |                      |                       | \$ 1,547             |
| Percent Change                          |                      |                       | 84%                  |



|                                  | <b>2023</b>  | <b>2024</b>  | <b>2025</b>  | <b>2026</b>  | <b>2027</b>  |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Water PCF (per ERU)              | 3,925        | 3,925        | 3,925        | 3,925        | 3,925        |
| Sewer PCF (per ERU) <sup>1</sup> | 1,832        | 2,061        | 2,290        | 2,519        | 2,748        |
| <b>Total PCF (per ERU)</b>       | <b>5,757</b> | <b>5,986</b> | <b>6,215</b> | <b>6,444</b> | <b>6,673</b> |
| <i>Combined increase</i>         |              | 4.0%         | 3.8%         | 3.7%         | 3.6%         |

<sup>1</sup>Phased in over 4 years to a maximum 50% increase, based on Florida Impact Fee Act.

| Water      |                        |                               |                                  |               |
|------------|------------------------|-------------------------------|----------------------------------|---------------|
| Meter Size | AWWA Meter Equivalents | Current Plant Capacity Charge | Calculated Plant Capacity Charge | \$ Difference |
| 3/4"       | 1.00                   | \$ 3,925                      | \$ 4,039                         | \$ 114        |
| 1"         | 1.67                   | \$ 6,542                      | \$ 6,732                         | \$ 190        |
| 1.5"       | 3.33                   | \$ 13,084                     | \$ 13,463                        | \$ 379        |
| 2"         | 5.33                   | \$ 20,935                     | \$ 21,541                        | \$ 606        |
| 3"         | 11.67                  | \$ 45,796                     | \$ 47,121                        | \$ 1,325      |
| 4"         | 20.00                  | \$ 78,507                     | \$ 80,779                        | \$ 2,272      |
| 6"         | 45.00                  | \$ 176,640                    | \$ 181,753                       | \$ 5,113      |
| 8"         | 53.33                  | \$ 209,351                    | \$ 215,411                       | \$ 6,060      |
| 10"        | 140.00                 | \$ 549,546                    | \$ 565,454                       | \$ 15,908     |

| Classification                       | Current Plant Capacity Charge | Calculated Plant Capacity Charge | \$ Difference |
|--------------------------------------|-------------------------------|----------------------------------|---------------|
| Each Manufactured home dwelling unit | \$ 3,038                      | \$ 3,126                         | \$ 88         |
| Each Multifamily dwelling unit       | \$ 3,262                      | \$ 3,357                         | \$ 95         |
| Each hotel and motel unit            | Based on Meter Size           |                                  |               |

| Sewer      |                        |                               |                                  |               |
|------------|------------------------|-------------------------------|----------------------------------|---------------|
| Meter Size | AWWA Meter Equivalents | Current Plant Capacity Charge | Calculated Plant Capacity Charge | \$ Difference |
| 3/4"       | 1.00                   | \$ 1,832                      | \$ 2,061                         | \$ 229        |
| 1"         | 1.67                   | \$ 3,054                      | \$ 3,435                         | \$ 381        |
| 1.5"       | 3.33                   | \$ 6,108                      | \$ 6,870                         | \$ 762        |
| 2"         | 5.33                   | \$ 9,773                      | \$ 10,992                        | \$ 1,219      |
| 3"         | 11.67                  | \$ 21,378                     | \$ 24,045                        | \$ 2,667      |
| 4"         | 20.00                  | \$ 36,647                     | \$ 41,220                        | \$ 4,573      |
| 6"         | 45.00                  | \$ 82,457                     | \$ 92,745                        | \$ 10,288     |
| 8"         | 53.33                  | \$ 97,726                     | \$ 109,920                       | \$ 12,194     |
| 10"        | 140.00                 | \$ 256,532                    | \$ 288,540                       | \$ 32,008     |

| Classification                       | Current Plant Capacity Charge | Calculated Plant Capacity Charge | \$ Difference |
|--------------------------------------|-------------------------------|----------------------------------|---------------|
| Each Manufactured home dwelling unit | \$ 1,418                      | \$ 1,595                         | \$ 177        |
| Each Multifamily dwelling unit       | \$ 1,523                      | \$ 1,713                         | \$ 190        |
| Each hotel and motel unit            | Based on Meter Size           |                                  |               |

# Attachment E

Legal Opinion

Attachment E – Legal Opinion

<< Date >>

RE: SRF Project Number WW58049 – City of Venice  
Intracoastal Second Force Main

Dear Mr. Chase:

I am the duly appointed City Attorney for the City of Venice. The City of Venice proposes to borrow \$4,897,010 (including an estimated capitalized interest) from the State Revolving fund for construction of the Intracoastal Second Force Main project. The loan will be secured by the net operating revenues of the City's water and sewer systems and the pledged revenues are legally available to pledge. The City of Venice has the legal authority to increase rates to ensure repayment of the loan.

The pledge net operating revenues will be subject to a prior lien in connection with following transactions:

- (1) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2020, issued in the amount of \$17,750,000.
- (2) City of Venice, Florida Utility System Revenue bonds (Green Bonds), Series 2015 issued in the amount of \$15,355,000.
- (3) City of Venice, Florida, Florida Department of Environmental Protection Agency, State Revolving Fund, DW580430, issued in the amount of \$6,410,536.
- (4) City of Venice, Florida, Florida Department of Environmental Protection Agency, State Revolving Fund, WW580440, issued in the amount of \$575,627.
- (5) City of Venice, Florida, Florida Department of Environmental Protection Agency, State Revolving Fund, DW580480, issued in the amount of \$30,451,118.

Best Regards,

Kelly Fernandez, Esq.

cc: Linda Senne, City of Venice Finance Director  
Javier Vargas, City of Venice Utilities Director

# Attachment F

Loan Resolution

Attachment F – Loan Resolution

**RESOLUTION NO. 2024-18**

**A RESOLUTION OF THE CITY OF VENICE, FLORIDA, RELATING TO THE STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION; AUTHORIZING THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, the State of Florida Department of Environmental Protection State Revolving Fund provides loans to local governments to finance the construction of force main projects; and

**WHEREAS**, the Florida Administrative Code requires authorization to apply for loans, to establish pledged revenues, to designate an authorized representative; to provide assurances of compliance with loan program requirements; and to enter into a loan agreement; and

**WHEREAS**, the State Revolving Fund loan priority list designates Project Number WW58049 as eligible for available funding; and

**WHEREAS**, the City of Venice intends to enter into a loan agreement with the Department of Environmental Protection under the State Revolving Fund to obtain funds for the construction of the Intercostal Force Main project in the amount of \$4,730,040.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA, as follows:**

**SECTION 1.** The Whereas clauses above are ratified and confirmed as true and correct.

**SECTION 2.** The City of Venice, Florida, is authorized to apply for a loan from the State of Florida Department of Environmental Protection State Revolving Fund to finance the Intracoastal Force Main project.

**SECTION 3.** The revenues pledged for the repayment of the loan are the net operating revenues of the City's water and wastewater utility system, subject to all prior pledges and liens created pursuant to Resolution No. 2020-48 Utility System Refunding Revenue Note Series 2020, and outstanding SRF loans.

**SECTION 4.** The Mayor is hereby designated as the authorized representative to provide the assurance and commitments required by the loan application and agreement.

**SECTION 5.** The Mayor is hereby designated as the authorized representative to execute the loan application and subsequent loan agreement which will be binding obligation in accordance with its terms when signed by both parties. The Mayor is authorized to represent the City in carrying out the City’s responsibilities under the loan agreement. The Mayor is authorized to delegate the responsibility to appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

**SECTION 6.** This Resolution shall take effect immediately upon its approval and adoption as required by law.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA, AT A MEETING HELD ON THE 27<sup>TH</sup> DAY OF AUGUST 2024.**

\_\_\_\_\_  
Nick Pachota, Mayor

ATTEST:

\_\_\_\_\_  
Kelly Michaels, MMC, City Clerk

I, Kelly Michaels, MMC, City Clerk of the City of Venice, Florida, a municipal corporation in Sarasota County, Florida, do hereby certify that the foregoing is a full and complete, true and correct copy of a Resolution duly adopted by the City Council of said city at a meeting thereof duly convened and held on the 27<sup>th</sup> day of August 2024, a quorum being present.

WITNESS my hand and official seal of said City this 27<sup>th</sup> day of August 2024.

\_\_\_\_\_  
Kelly Michaels, MMC, City Clerk

(S E A L)

Approved as to form:

\_\_\_\_\_  
Kelly Fernandez, City Attorney