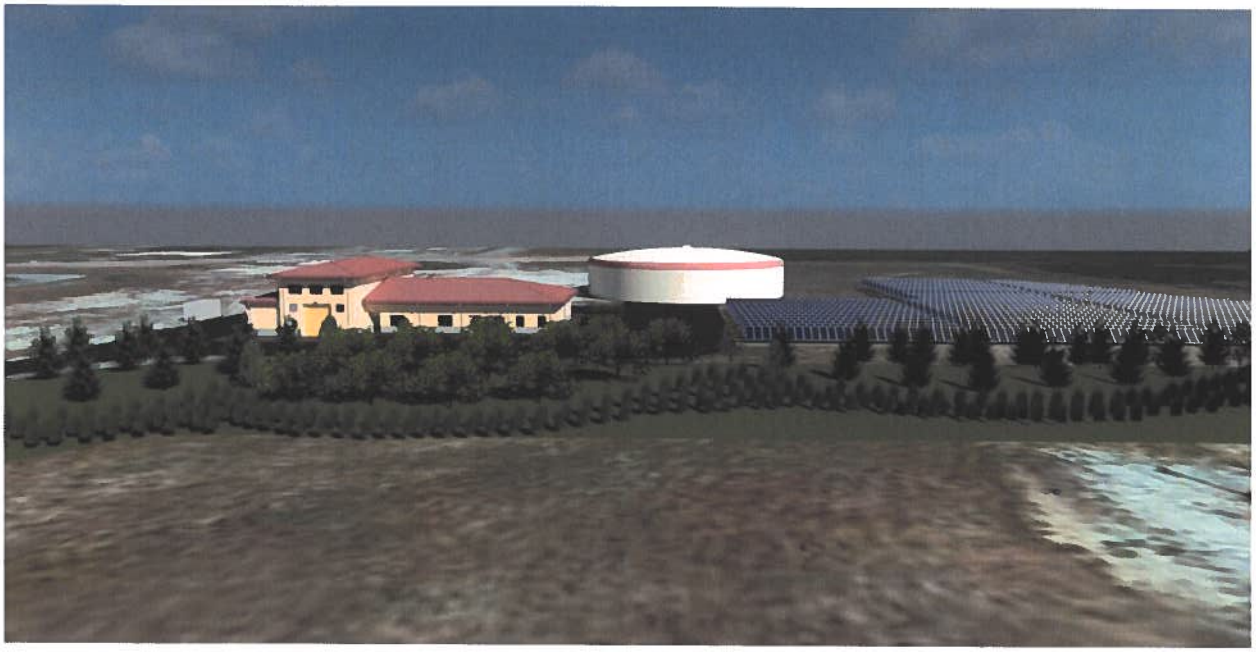
Hazen and Sawyer
7334 Delainey Court
Sarasota, FL 34240



City of Venice Facilities Plan for Potable, Wastewater, and Stormwater Funding

Final Report
April 2021

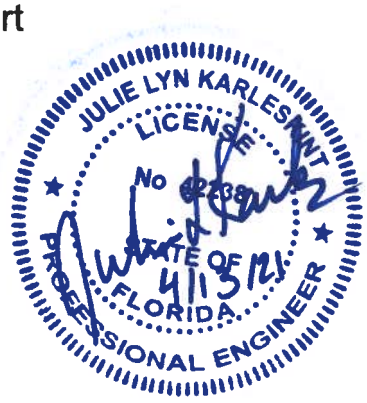


Table of Contents

List of Tables

List of Figures

List of Appendices

List of Acronyms

Abbreviation	Definition
°F	Degrees Fahrenheit
3-MADF	3-Month Average Daily Flow
AADF	Average annual daily flow
AC	Asbestos-cement
ASR	Aquifer Storage & Recovery
BNR	Biological nutrient removal
CI	Cast iron
CIP	Capital Improvement Plan
City	City of Venice
DIP	Ductile iron pipe
ERD	Energy recovery device
EWRF	Eastside Water Reclamation Facility

Abbreviation	Definition
FAC	Florida Administrative Code
FAS	Floridan Aquifer System
FDEP	Florida Department of Environmental Protection
FGS	Florida Geological Survey
FIRM	Flood Insurance Rate Map
FLAQS	Florida Air Quality System
FP	Facility Plan
ft	Feet
gpcd	Gallon per capita day
gpd	Gallons per day
GST	Ground storage tank
HDPE	High density polyethylene
I/I	Infiltration and Inflow
IAS	Intermediate Aquifer System
ICWW	Intercoastal Waterway
in	Inch
JPA/ILSBA	Joint Planning Area/Interlocal Service Boundary Agreement Areas
kW	Kilowatt
LF	Linear feet
LOS	Level of service
MGD	Million Gallons per Day
MOT	Maintenance of traffic
NPDES	National Pollutant Discharge Elimination System
O&M	Operation & Maintenance
Plan	Facilities Plan
PFD	Process flow diagram
ppb	Part per billion
PSARs	Public supply annual reports
PVC	polyvinyl chloride
RO	Reverse Osmosis
SAS	Surficial Aquifer System
SRF	State Revolving Fund
SWFWMD	Southwest Florida Water Management District

Abbreviation	Definition
TDS	Total dissolved solids
USDA	United States Department of Agriculture
USEPA	United States Environmental Protection Agency
USGS	United States Geological Survey
VCP	Vitrified clay pipe
WHPAs	Wellhead Protection Areas
WRF	Water Reclamation Facility
WSMP	Water Supply Master Plan
WTP	Water Treatment Plant
WUP	Water Use Permit
WWMP	Wastewater Master Plan

CHAPTER 1.0 EXECUTIVE SUMMARY

This Facility Plan (Plan) was prepared for the Florida Department of Environmental Protection (FDEP) by Hazen and Sawyer to meet the requirements of the State Revolving Fund (SRF) loan funding program for the City of Venice's (City) potable and clean water projects. This document addresses the projects identified in the 2020 Capital Improvement Program (CIP) Plan and it is anticipated this plan will be amended for future projects that require SRF funding as the City moves forward in implementing the recommended improvements.

The proposed projects that have been identified for implementation within the next five years include the following:

- Potable Water (Projects associated with raw water supply, water treatment and distribution)
    - East Gate Utilities Water Relocation Phase 3
    - Water Main Replacement Phase 7 and 8
    - Potable Water Storage Tank and Booster Pump Station
    - Second Stage Membrane Addition to Water Treatment Plant
    - WTP Additional Generator with Switchgear
    - Well No. 8E
    - Deep Injection Well at Water Treatment Plant for Concentrate Disposal
- Clean Water (Projects associated with wastewater, reclaimed water and storm water and associated collection/distribution systems)
    - East Gate Utilities Wastewater Relocation Phase 3
    - Rehabilitation of Lift Station No. 5 Gravity System Improvement in conjunction with WM relocation Phase 8
    - ASR Well at AWTP
    - AWTP Equalization (If ASR is feasible, will convert existing reclaimed water storage tank to EQ tank)
    - Stormwater Treatment Improvements

The estimated capital cost for the proposed potable and clean water projects are approximately $41,243,000 and $16,819,000, respectively. The estimated present value cost for the proposed potable and clean water projects are approximately $38,008,000 and $18,853,000, respectively.

CHAPTER 2.0 INTRODUCTION

2.1 Background

The City of Venice Utilities Department is responsible for the planning and implementation of the service area infrastructure needs. The City is located in southwest Sarasota County on the west coast of Florida. Figure 2-1 shows the planning area for City of Venice, which includes the existing service area and future annexation areas that are part of the Joint Planning Area/Interlocal Service Boundary Agreement Areas (JPA/ILSBA). The annexation areas have been identified by the City for future water service.

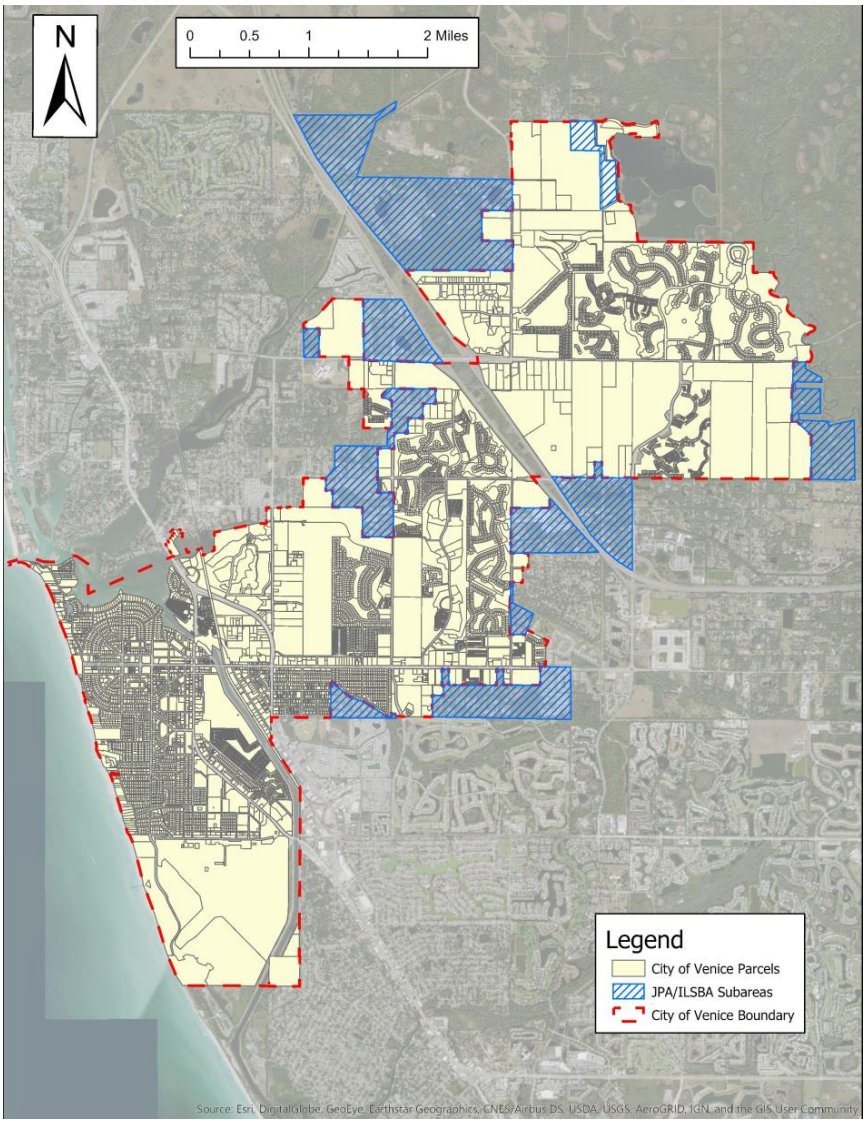


Figure 2-1: City of Venice & JPA/ILSBA Planning Area from Water Supply Master Plan

The City's drinking water supply system consists of fifteen wells (fourteen operational, one additional permitted), which pump water from two brackish raw water well fields, one reverse osmosis (RO) water

treatment plant (WTP), one booster pump station, two elevated storage tanks and approximately 190 miles of distribution piping. Figure 2-2 shows the location of the WTP, the two wellfields, and the City's water towers. The RO WTP was constructed in the 1970s and the distribution system was constructed between the early 1900s to the present. The RO WTP has a maximum treatment capacity of 4.66 million gallons per day (MGD) and the wellfields are limited to an average daily permitted withdrawal of 6.86 MGD and a peak monthly withdrawal of 8.24 MGD.

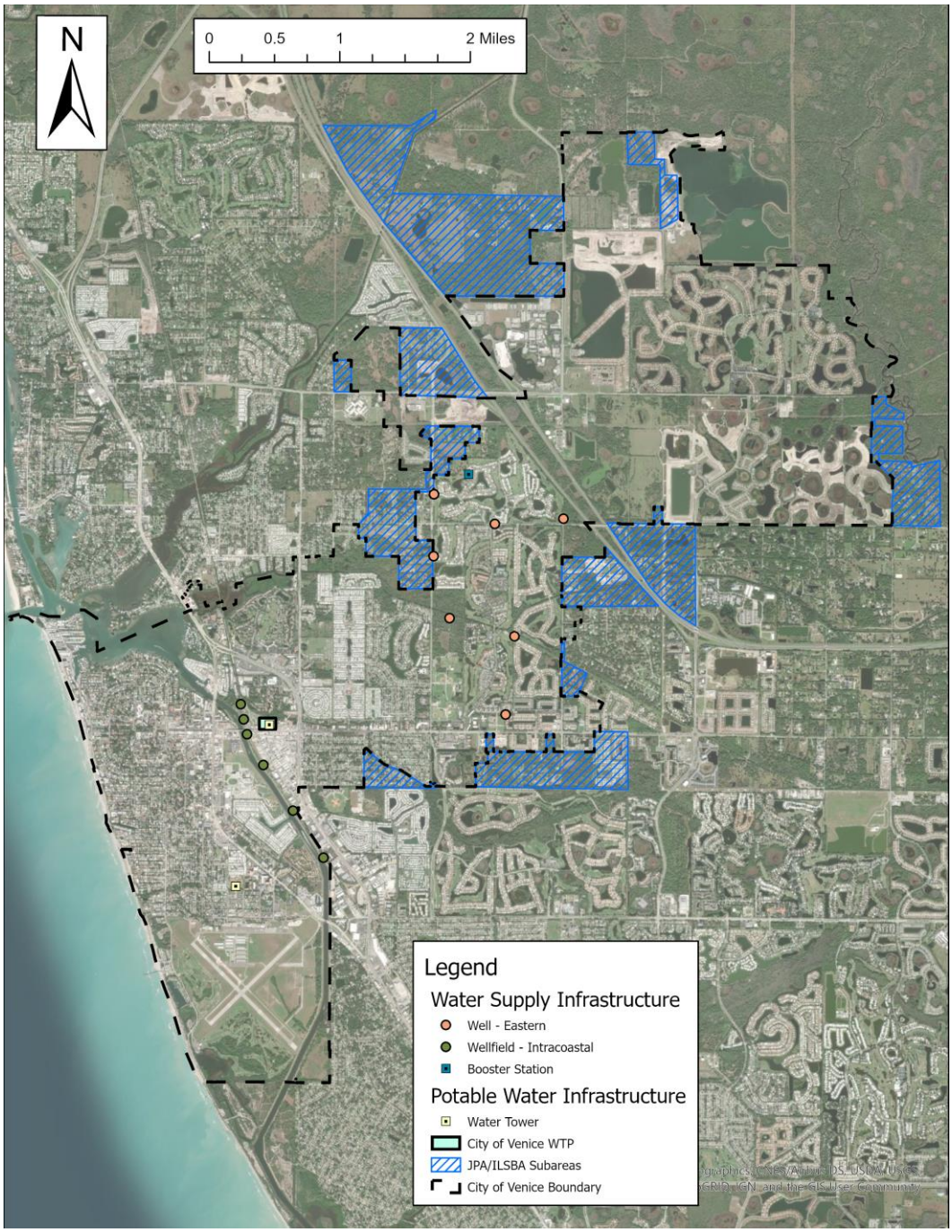


Figure 2-2: City of Venice Water Infrastructure Map

Using gravity sanitary sewer mains, lift stations, and force mains, the City's wastewater flow is received and treated at the Eastside Water Reclamation Facility (EWRF). The EWRF (Facility ID FL0041441) is currently permitted to treat 8.0 MGD based on a three-month average daily flow (3‐MADF). Of the total 8.0 MGD capacity, Sarasota County owns 3.0 MGD of capacity and sends flow to the plant on an as-needed basis. The interconnection between Sarasota County and the City is located just upstream of the EWRF entrance road at the intersection of Laurel Road and Knights Trail Road.

As of March 2021, the EWRF treated a monthly average daily flow of 3.52 MGD, of which approximately 34 percent was contributed from Sarasota County and the remaining 66 percent from the City. The City reuses the treated wastewater to provide irrigation water to commercial users, residential users, and golf courses to meet their needs and reduce the use of precious groundwater resources. In addition to irrigation, the City also has other disposal options for treated effluent when reclaimed water demands are low; these options include two permitted surface water discharge locations and interconnect with Sarasota County, which discharges to a deep injection well. This diversification of disposal methods allows the City reliable disposal capacity under varying conditions. In December 2019, approximately 2.27 MGD of treated effluent was reused, with the remainder sent to Sarasota County for disposal.

2.2 Need

The 2019 WSMP recommended numerous projects that the City should implement over the next 10 years. The City is currently in the process of implementing the following projects and is seeking assistance with funding. Future projects may also be added as the City continues to implement its Master Plan and as future needs arise. The projects that are presently scheduled for implementation and included in this plan are the following:

- New Water Supply Well 8E - A new water supply well has been permitted and incorporated in the City's Water Use Permit to provide additional redundancy and improved rotation for the well field management plan. Final site selection has been completed and the new well project is in the permitting and planning phase.
- Potable Water Storage Tank and Booster Pump Station – The purpose of this project is to meet the demands and maintain fire protection in the Northeast quadrant of the city. A ground storage tank and booster pump station are needed to efficiently regulate flows and pressures in this area. This is anticipated to improve productivity, save operations cost, improve water pressures, and fire flows in the area. In addition, a chemical feed system to maintain chlorine residuals in this area and a bi-directional interconnect station with Sarasota County would be added.
- Water Treatment Plant Additional Generator with Switchgear – The water plant generator is 29 years old and has exceeded its estimated useful life. The generator has also required significant maintenance and is not considered fully reliable should an emergency occur, therefor an additional backup generator is needed to assure the continuous operation of the facility in case of emergency.
- Second Stage Membrane Addition to Water Treatment Plant – Two second stage membrane trains are planned to be constructed and implemented to increase the efficiency of the existing RO WTP. The addition of two second stage membrane trains will require an associated footprint

expansion of the plant to the west. The area where the expansion is planned is shared with the generator project and will require an environmental impacts assessment. The second stage trains will improve the plant efficiency thereby addressing the condition on their water use permit and provide the ability to meet future water demands of the City. This project has been split into two phases.

- East Gate Utilities Water Main Replacement (Phases 3) – The waterlines in the Eastgate area were primarily installed in the early 1950's and located within rear lot easements which are difficult to access and maintain. The cast iron waterlines are subject to tuberculation, scaling, corrosion, and increased pressure loss. The City is proposing to relocate these water lines from the rear lot easements to the public right of way along the road where they can be more easily accessed and maintained. Replacement and relocation of the East Gate water lines is expected to be completed in conjunction with the sewer line replacement and relocation projects. This project is a phased project, and the City plans to relocate other areas in future years.
- Water Main Replacements – In addition to the East Gate service area, the City has many other areas that have waterlines located in rear lot easements that are proposed to be relocated over the next five years. This work is primarily located on Venice Island and is also being performed in a phased manner. The City anticipates implementing Phases 7 and 8 as part of this Plan.
- Deep Well for Concentrate Disposal – Increasing the recovery of the RO process at the WTP will decrease the volume of concentrate discharged as more fresh water will be produced for every gallon of raw water processed. At the same time, the concentrations of the various constituents within the concentrate stream is expected to increase which may make discharge to the intercoastal canal no longer viable. Consequently, the addition of the second stage membrane trains will likely require a switch to deep well injection for concentrate disposal. This project will provide the City an adequate disposal method for their RO system's concentrate once the second stage membranes are implemented.

The City is currently in the process of implementing several of the recommended projects, in addition to other identified projects that will help improve the City's wastewater and stormwater systems. The City is seeking assistance with SRF funding to help these projects move forward. Future projects may also be added as the City continues to implement recommended projects from their water supply master plan (WSMP) and wastewater master plan (WWMP), and as future needs arise. The projects that are included in this plan include the following:

- East Gate Utilities Sewer Replacement- The sewers in the Eastgate area are primarily vitrified clay pipe installed in the early 1950's and located within rear lot easements, which are difficult to access and maintain. Currently, these lines are subject to excessive infiltration and inflow and require significant maintenance. Therefore, the City plans to relocate these sewers to the front of the properties with new PVC pipe that is subject to significantly less maintenance.
- Rehabilitation of Lift Station No. 5 – This lift station has reached the end of its serviceable life and is in need of rehabilitation in order to assure its continued operation and minimize the occurrence of wastewater overflows.

- Additional Reclaimed Water Storage – The City's expanding reclaimed water system has led to an increase in reclaimed water demand. Current projections show the need for up to 2 MGD of additional reclaimed water storage to meet the expanding system's projected reclaimed water demand. An aquifer storage and recovery (ASR) well is recommended to meet the additional reclaimed water storage demand. The ASR well will provide the flexibility to store reclaimed water during the wet season and supply reclaimed water during the dry season.
- AWTP Equalization Tank – An equalization tank is needed at the AWTP to improve plant operations and allow for better treatment at the facility. The City is planning to convert one of their reclaimed water tanks within the AWTP into an equalization tank if an ASR well is approved and implemented for reclaimed water storage.
- Stormwater Rehabilitation Program - The City is planning to rehabilitate the existing stormwater infrastructure to maintain its current integrity, to protect water quality, and prevent flooding. This program will be city-wide, encompass several projects spanning the next five years, and will include a nutrient offsets program. The 2022 planned projects are the Deertown Gully headwall replacement and water quality improvement projects along with the outfall #1 and #2 water quality system expansion project. These projects aim to reduce the volume of water and improve the quality discharged at each respective location, in addition to improving flooding impacts for the area. Both of these locations discharge to the Gulf of Mexico.

A map showing the general location of the projects as numbered above is shown on Figure 2-3, which also provides the planning area for this Plan.

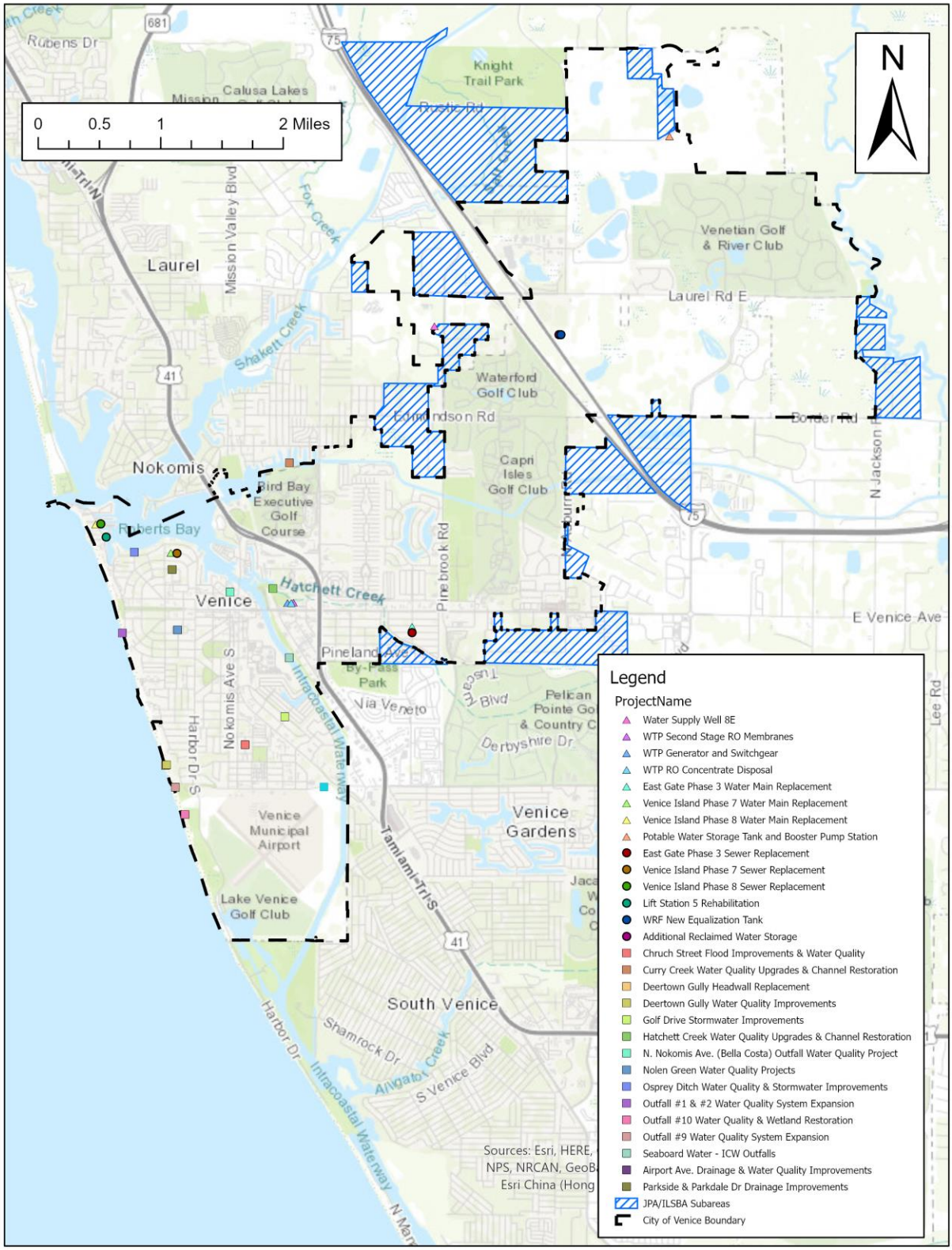


Figure 2-3: City of Venice Estimated Proposed Project Locations

2.3 Scope of Study

The scope of this Plan is to provide the information necessary to obtain SRF funding for implementation of the projects included in the City's Capital Improvement Plan and identified in this Plan. The scope of the plan is described below:

- Inventory of existing water facilities, service area characteristics, and environmental conditions.
- Establish design needs for the planning period.
- Identify and evaluate various water system alternatives to satisfy the planning year needs.
- Recommend the most cost-effective, environmentally sound facilities to meet the planning needs.
- Describe recommended facilities and their cost.
- Present a schedule of implementation of the recommended facilities.
- Identify any adverse environmental impacts and propose mitigating measures.
- Identify a source of financing and estimate the cost per household.

This Plan includes the information noted in Clean Water SRF Planning Requirements based on Section 62-503.700(2) FAC. This information is incorporated in the following sections, outlined below:

- Executive Summary – Summary of recommended projects and estimated cost.
- Introduction – Background of projects and associated need with location map
- Existing Conditions – Review of existing conditions including description of planning area, socio-economic conditions, wastewater utility and storm water utility.
- Development of Alternatives and Cost Comparison – Summary of various alternatives and cost for projects proposed for funding.
- Description of Selected Alternatives and Environmental Effects and Benefits – Cost comparison of at least two alternatives for all selected projects.
- Implementation and Compliance with Funding Requirements – Review of public participation process, financial feasibility, schedule and adopting resolution.

CHAPTER 3.0 ENVIRONMENTAL IMPACTS

3.1 Description of Planning Area

3.1.1 Planning Area

The City of Venice is located in southwest Sarasota County on the Gulf of Mexico. The planning area includes the City water service area and areas that are anticipated to be served by future annexation in accordance with the JPA/ILSBA shown in Figure 3-1.

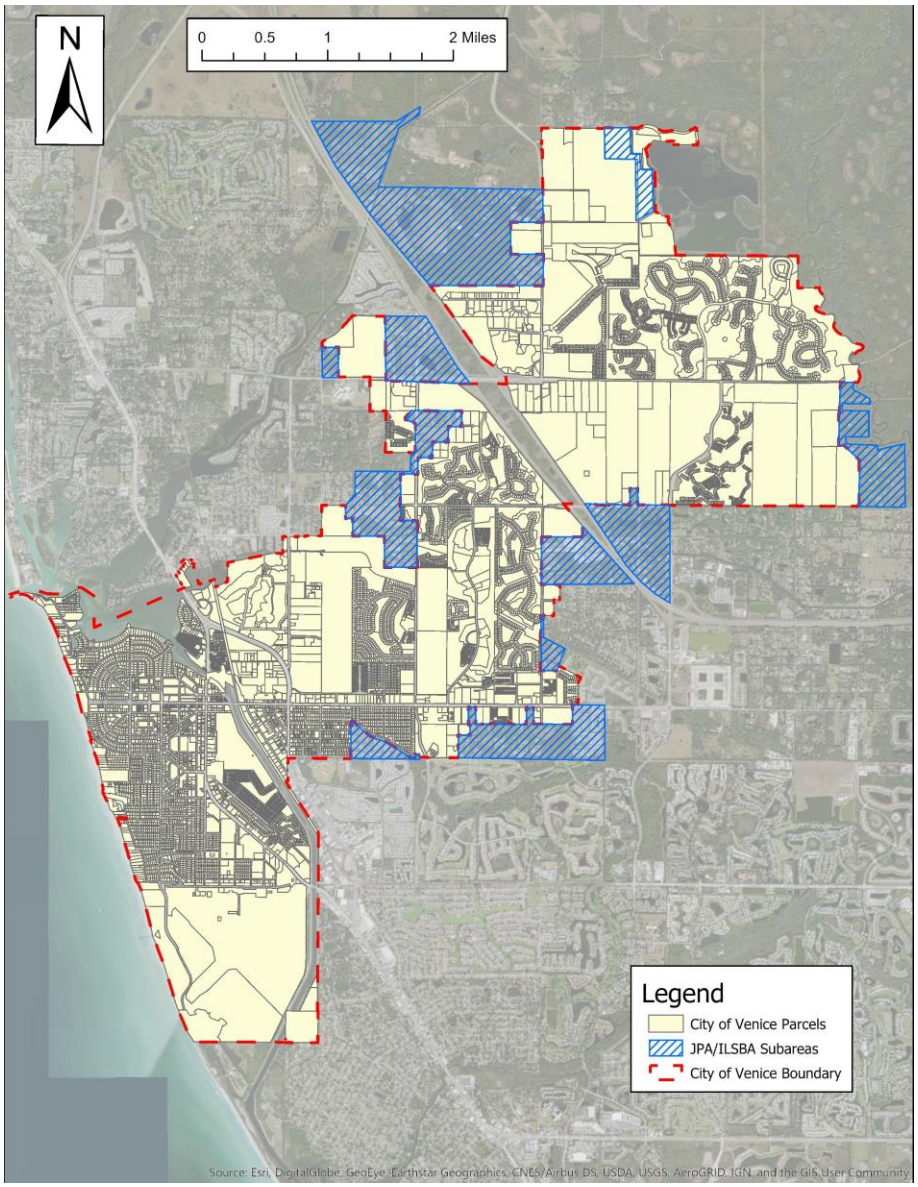


Figure 3-1: City of Venice and JPA/ILSBA Boundaries

3.1.2 Climate

Like most coastal communities in south Florida, the climate is oceanic and subtropical, characterized by high relative humidity, short mild winters, long warm summers, and rainfall that is abundant, but heaviest from June through September. According to the Soil Survey of the area provided by the United States Department of Agriculture (USDA) Soil Conservation Service, the average annual temperature is approximately 76º Fahrenheit (F). During the summer, the average temperature is 83ºF and the average daily maximum is 96 ºF. Winters are generally short and mild, with average daily temperature of 71° F with the average daily minimum of 51° F. The average annual rainfall is approximately 49 inches with 76 percent of rainfall seen between the months of April through September.

3.1.3 Topography and Drainage

The topography of the City is flat, typical of a coastal community on the southwest coast of Florida. Elevations range from mean sea level, along the gulf coast, to approximately 15 feet above mean sea level. Most of the area is poorly drained with the water table at or near the land surface. Natural drainage systems have been channelized and there are also many ditches to improve drainage. Soils are primarily sandy soils.

3.1.4 Geology, Soils and Physiography

The service area is located along the coast, with the dominant soil types being sandy soils. According to the USDA, Soil Conservation Service, nearly all of Sarasota County is in the Gulf Coastal Lowlands. The City is within the Coastal Area drainage basin, which is the low-lying coastal area between the Myakka River and Alafia river drainage basins. An important drainage feature is the manmade Intracoastal Waterway, that was completed in 1966. This waterway is open to the Gulf of Mexico and under tidal influence. Many of the sloughs in the area were connected by canal and drained to the Gulf of Mexico so that the rich muck lands and adjacent areas could be farmed. Sediments primarily consist of quartz sand, consolidated and unconsolidated shell beds, clay, limestone and dolomite. These sediments range in age from Oligocene (38 to 22.5 million years ago) to Holocene (10,000 years ago to the present).

3.1.5 Surface and Ground Water Hydrology

Surface waters are designated Class III waters, suitable for recreation and for propagation of fish and wildlife. The Sarasota Bay Estuarine System stretches into parts of north Venice island and is designated as a special outstanding Florida water. The planning area is located on the gulf coast of Florida in the Dona and Roberts Bay Watershed.

The geologic and hydrogeologic conditions of Sarasota County have been described in numerous publications over the past century. Initially, the US Geological Survey (USGS) defined the geologic conditions of the region based on various classification schemes for sedimentary rocks. With recent emphasis on groundwater resources, research throughout the 1990s by the Florida Geological Survey (FGS), SWFWMD, and the USGS has shifted toward re-defining the geology of the area into hydro-stratigraphic units. In general, the hydrogeology of Sarasota County is represented by three regional aquifer systems: the Surficial Aquifer System (SAS), the Intermediate Aquifer System (IAS), and the

Floridan Aquifer System (FAS). These aquifer systems are separated by regional aquitards, or semi-confining units. Each aquifer system generally contains one or more water producing zones separated by less permeable units which provide confined or semi-confined conditions and upward hydraulic gradients.

3.1.6 Source Water Protection

The Wellhead Protection Program is a pollution prevention and management program used to protect underground based sources of drinking water. The federal SDWA, as amended in 1986, established a program for the States to delineate and manage Wellhead Protection Areas (WHPAs) for protection of ground water supplies from contamination. A Wellhead Protection Area is defined as the surface and subsurface area surrounding a public water supply well, through which contaminants are reasonably likely to move toward and reach the well.

On August 18, 1998, USEPA approved Florida's Wellhead Protection Program. The Florida Wellhead Protection Program coordinates and builds on existing programs and rules that protect Florida's ground water resources. The program also enables local governments to expand on these rules by implementing their own strategies for protecting drinking water wells. The FDEP Wellhead Protection program incorporates the Wellhead Protection rule, Chapter 62-521, FAC., and the ground water protection measures administered by the FDEP regulatory programs. The Wellhead Protection Rule establishes a 500-foot radius circular Wellhead Protection Area around all wells, which serve community and non-transient non-community public water systems. The rule prohibits certain new installations from locating in wellhead protection areas and specifies additional performance standards for other new installations and activities. FDEP regulatory programs also implement specific performance, permitting, and monitoring criteria designed to protect ground water on a statewide basis.

Sarasota County Ordinance 92-079, the "Wellhead Protection Ordinance," also provides criteria for delineating wellhead protection areas; defines restrictions, including prohibition and regulation of certain substances, activities, and facilities in wellhead protection areas; and establishes permitting requirements, compliance review inspections and enforcement procedures. This ordinance has been adopted by the City of Venice. Currently, the City utilizes groundwater as their primary source water from the IAS. The primary production zone consists of the Tampa Member of the Lower Arcadia Formation of the IAS which is known as PZ3. This zone serves as the primary source for many public water supplies in the region of IAS.

3.1.7 Environmentally Sensitive Areas or Features

The proposed projects are all located in previously developed areas and are not anticipated to impact any wetlands, prime agricultural lands, environmentally sensitive lands, endangered species, or any archeological and historical sites. The US Fish and Wildlife Service provides an online species report of threatened and endangered species that are known or are believed to occur in specific areas. A review of this data for Sarasota County is provided in Table 3-1. A site visit was made to the proposed project sites and none of the listed species were observed at that time.

Of the species listed, the most likely species to be encountered include the Gopher tortoise, Eastern indigo snake, and Florida scrub jay although none of these species were observed when investigating the project sites. Should any evidence of these protected species be observed during construction, it will be brought

to the attention of the City with the possible impacts noted and construction plans modified as necessary to accommodate the listed species. The nesting sites for Bald Eagles in Sarasota County were also investigated and none of the proposed project sites were within 660 ft of any active eagle nest.

Table 3-1: Threatened and Endangered Species in Sarasota County

Group	Name	Status
Birds	Whooping crane (*Grus americana*)	Federal Non-Essential Experimental Population
Birds	Wood stork (*Mycteria americana*)	Federally designated Threatened
Birds	Audubon's crested caracara (*Polyborus plancus audubonii*)	Federally designated Threatened
Birds	Piping plover (*Charadrius melodus*)	Federally designated Threatened
Birds	Florida scrub-jay (*Aphelocoma coerulescens*)	Federally designated Threatened
Birds	Rufa red knot (*Calidris canutus rufa*)	Federally designated Threatened
Fishes	Gulf sturgeon (*Acipenser oxyrinchus [=oxyhynchus] desotoi*)	Federally designated Threatened
Flowering Plants	Aboriginal prickly-apple (*Harrisia (=Cereus) aboriginum (=gracilis)*)	Federally Endangered
Flowering Plants	Florida bonamia (*Bonamia grandiflora*)	Federally Threatened
Flowering Plants	Pygmy fringe-tree (*Chionanthus pygmaeus*)	Federally Endangered
Mammals	Florida manatee (*Trichechus manatus latirostris*)	Federally designated Threatened
Mammals	Florida panther (*Puma [=Felis] concolor coryi*)	Federally designated Endangered
Reptiles	American alligator (*Alligator mississippiensis*)	Federally designated Threatened due to Similarity of Appearance
Reptiles	Hawksbill sea turtle (*Eretmochelys imbricata*)	Federally designated Endangered
Reptiles	Leatherback sea turtle (*Dermochelys coriacea*)	Federally designated Endangered
Reptiles	Green sea turtle (*Chelonia mydas*)	Federally designated Threatened
Reptiles	Loggerhead sea turtle (*Caretta caretta*)	Federally designated Threatened
Reptiles	Eastern indigo snake (*Drymarchon corais couperi*)	Federally designated Threatened
Reptiles	Gopher tortoise (*Gopherus polyphemus*)	State-designated Threatened

3.1.8 Floodplain

Flood zones for the City were evaluated utilizing the Flood Insurance Rate Map (FIRM) for the City. Since the City is located on the Gulf coast of Florida much of the City's area was designated to be in areas labeled as AE, which has a one percent annual chance of flooding. All construction performed in the

floodplain will be completed in accordance with state and local regulatory and building department requirements.

3.1.9 Air Quality

The FDEP monitors and records ambient air quality continuously. This data can be found on the Florida's Air Quality System (FLAQS) website, which includes daily, monthly, and highest readings, attainment status, and contaminant levels. The attainment status of an area determines whether said region is in compliance with FDEP regulations.

Sarasota County receives its attainment status from the Jackson Road monitoring location. According to the FLAQS, Sarasota County is an "attainment" area, with a 3- Year Attainment Average for Ozone of 61 parts per billion (ppb), which is less than the National Ambient Air Quality Standard of 70 ppb. The construction of the City of Venice's CIP projects will not create any impact on the existing City air quality.

3.2 Socio-economic Conditions

3.2.1 Population

According to the City's 2019 Water Supply Master Plan (WSMP) the City currently has 26,500 potable water customers. Most of the customers are permanent residents with an estimated 4,200 seasonal customer (2017 Florida Bureau of Economic Business and Research study). Per Florida Administrative Code (FAC) and SWFWMD guidelines, future planning for the City must be based on the combination of the permanent and seasonal populations, known as the functional population. Based on maximum allowable density, the City's population could reach 43,246 at buildout; however, a functional population of only 29,600 is expected by 2025 and 32,000 is expected by 2035. Projections suggest that approximately 35% of the population will reside within the JPA/ILSBA areas. Table 3-2 summarizes the functional population projections.

Table 3-2: Future Land Use Map and JPA/ILSBA Combined Functional Population Projections*

Year	Functional Population
2025	29,600
2030	30,900
2035	32,000
2040	32,800
2045	33,500

*Black & Veatch Population and Demand Projections Report, 2018

3.2.2 Land Use and Development

Areas along the Intracoastal Waterway are predominantly planning areas, with some regions designated to government use and industrial use. Much of the island to the west is also high-density residential, with

some commercial regions. The airport and surrounding open space lie to the southwest. The eastern regions of the City were anticipated to be a blend of low to medium-density residential, commercial, and recreational areas, and government property. However, recent development has shown it to be higher density instead. The region Northeast of I-75 is largely undeveloped and within planning areas, except for the residential use area to the east. Figure 3-2 shows a map of the future land use designations for the City of Venice.

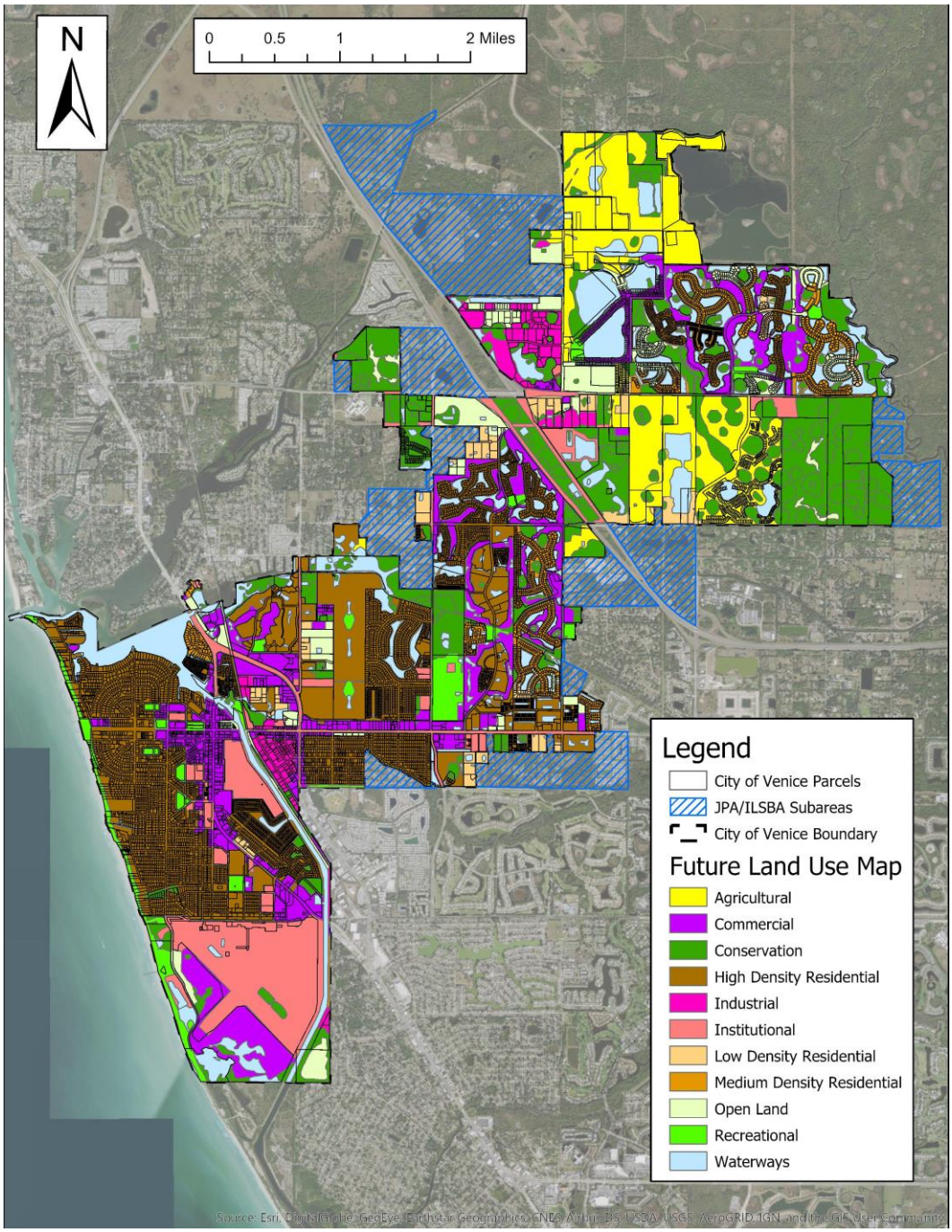


Figure 3-2: City of Venice Future Land Use Map

3.3 Water Supply, Treatment and Transmission/Distribution System

3.3.1 Description of Existing Water System

3.3.1.1 Water Supply

The City utilizes a series of groundwater wells to meet public water demands. The City is currently permitted (Permit # 20005393.010) by the SWFWMD for an average daily withdrawal of 6.86 MGD and a peak month withdrawal of 8.24 MGD. In accordance with the City's WUP, the withdrawal allocation is permitted from fifteen production wells. The wells provide brackish groundwater from the IAS, which is treated by RO technology at the City's RO WTP. Table 3-3 provides a summary of the permitted wells with associated average and peak month allocation. The location of the water supply wells including both the eastern and western well field in shown in Figure 3-3.

Table 3-3: Permitted Water Supply Wells

I.D. NO. PERMITTEE/ DISTRICT	DIAM (IN.)	DEPTH TTL./CSD.FT. (feet bls)	MAXIMUM PERMITTED WITHDRAWAL (GPD)	AVERAGE ANNUAL FLOW (gpd)	PEAK MONTHLY FLOW (gpd)
RO-2W/33	10	385 / 230	405,700	324,149	409,631
RO-3W/34	10	450 / 230	425,100	300,245	414,941
RO-4W/35	10	450 / 230	434,700	508,429	647,895
RO-2A/49	10	450 / 230	405,700	304,076	435,127
RO-8W/50	12	450 / 230	627,900	284,226	400,425
[1]RO-7W/51	12	350 / 230	405,700	0	0
RO-1E/52	12	405 / 269	483,000	242,769	327,621
RO-2E/54	12	261 / 207	627,900	381,131	586,436
RO-3E/55	12	360 / 197	627,900	460,978	573,123
RO-4E/56	12	320 / 242	627,900	315,479	438,031
RO-5E/57	12	320 / 228	627,900	242,769	585,171
RO-1A/65	12	359 / 225	531,300	219,066	325,488
RO-6E/77	12	320 / 220	627,900	171,561	319,930
RO-7E/78	12	320 / 220	627,900	518,500	698,460
[2]RO-8E/79	12	350 / 230	627,900	0	0
RO-7AW/80	10	385 / 230	531,000	258,157	363,549

Notes: [1] Abandoned | [2] Proposed

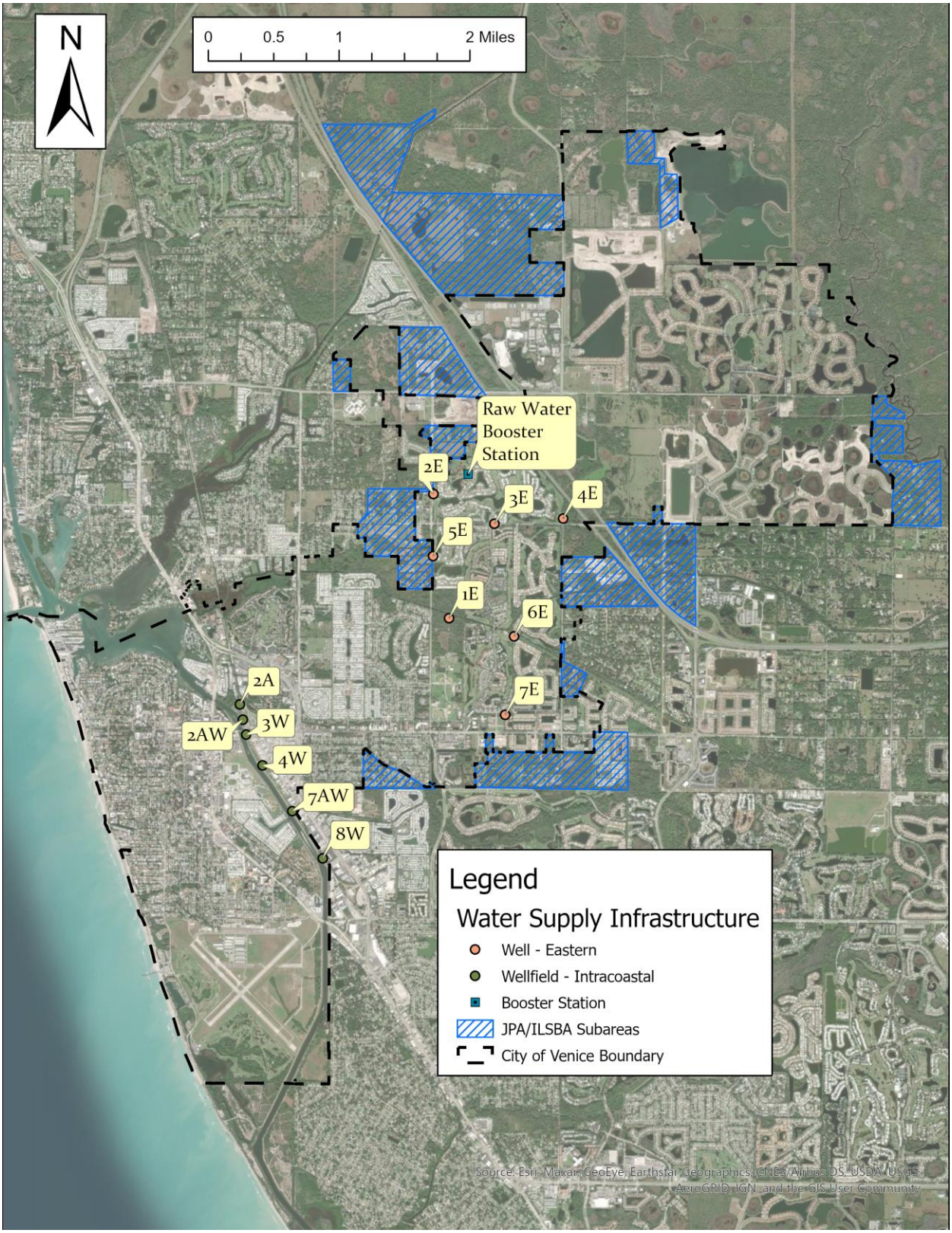


Figure 3-3: City of Venice Water Supply Wells

3.3.1.2 Water Treatment

The brackish ground water requires reverse osmosis treatment for removal of Total Dissolved Solids (TDS), degasification to remove dissolved gases, pH adjustment and disinfection prior to distribution. Water from the wells is sent via raw water mains to the RO WTP located on North Warfield Avenue. A process flow diagram of the water treatment process is provided in Figure 3-4.

The existing RO WTP has a maximum treatment capacity of 4.66 MGD. The total finished water plant capacity varies with the treatment efficiency of the RO membranes. Currently the plant has a recovery rate of approximately 50 percent; therefore, half of the raw water that is withdrawn is processed and distributed through the potable water distribution system, while the rest is disposed of as concentrate.

In 2018, the City completed a pilot study that investigated the feasibility of increasing the current RO permeate recovery of 50%. The evaluation found that the current RO system recovery could be increased to 60% without additional capital improvements to the system. The increased recovery was found to have no anticipated impact on the O&M cost (including energy use) for the City. A more recent pilot study concluded that an increase to 75% recovery could be achieve with a two stage RO system.

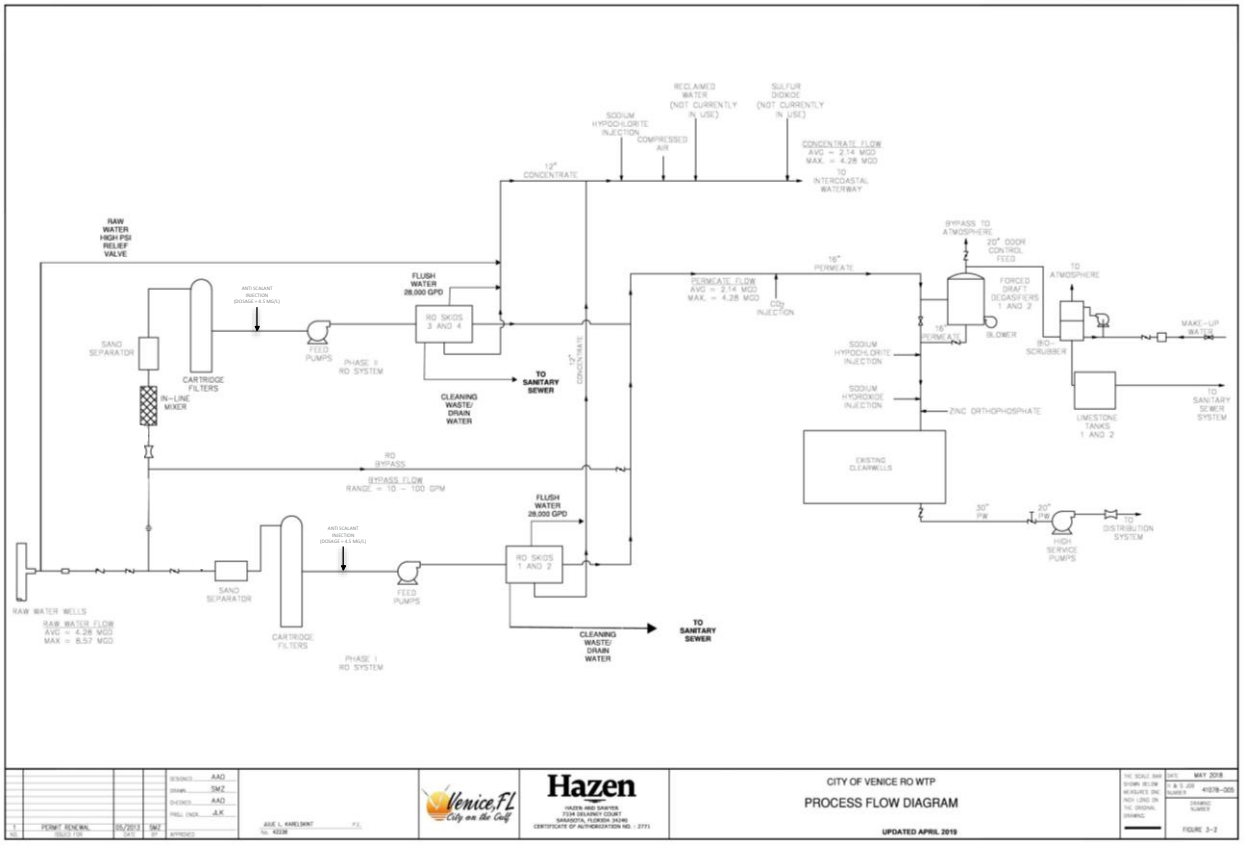


Figure 3-4: Venice RO WTP Process Flow Diagram

3.3.1.3 WTP Concentrate

The RO concentrate discharge from the WTP is currently disposed via surface water to the intracoastal canal in accordance with the FDEP Permit No. FL0035335-0010-IW5A. The permit authorizes the discharge of 3.42 MGD, monthly average, of the concentrate from the WTP. The amount of discharge from the RO WTP is limited based upon the permitted single sample maximum discharge limits of 6 µg/L fluoride, 5 µg/L copper, 25 pCi/L radium 226 and 228, and 65 pCi/L for gross alpha. The WTP currently discharges approximately 3.42 MGD with concentrations below these levels. Therefore, the City will be performing pilot testing of a second RO stage, added to the existing RO systems at the RO WTP to determine the maximum recovery that can be achieved without exceeding the permit limitations.

The previous study projected that the addition of a second stage RO unit may require a modification to the City's Industrial Wastewater Discharge Permit. Although the constituent loading to the discharge point would remain the same, the second RO unit would decrease the volume of concentrate discharged. Since the same quantity of constituents in the discharge stream would now be in a smaller volume, the concentration would increase. This concentration increase, although the overall loading has not changed, may require an increase to the permit concentrations of radionuclides, fluoride, and copper.

A draft permit was issued by FDEP which updated the mixing zone to allow the increased concentration of these constituents. However, the receiving waterbody (the intercoastal waterway) was listed as impaired since the last permit renewal period which resulted in new nutrient limits being incorporated into the draft permit. The proposed permit nutrient limits are 1011 lbs/month of total nitrogen and 174 lbs/month of total phosphorus. The loading limits included in the draft permit were based on an average of the past five years of data and are currently not achievable based on current flows. The City has appealed the draft permit and in the interim they are currently evaluating various options, including nutrient offsets and deep well injection, to meet the proposed nutrient limits.

3.3.1.4 Water Distribution System

The distribution system includes over 7.5 miles of raw water mains, approximately 195 miles of potable water mains, over 1,200 fire hydrants and over 3,500 main line valves. The water distribution system includes piping that dates back to the early 1900's. The piping network supplies homes, businesses, irrigation meters and fire hydrants throughout the City. Water storage is provided at the treatment plant and in the distribution system which provides 3.1 MG of total storage capacity. Table 3-4 shows the total length of the distribution network piping classified by diameter and type of piping. Table 3-5 provides a summary of the finished water storage facilities. A map of the distribution piping network is provided in Figure 3-5.

Table 3-4: Potable Water Distribution Pipe Material and Approximate Length of Pipe (ft)

Pipe Diameter (in)	AC (ft)	CI (ft)	Copper (ft)	DIP (ft)	HDPE (ft)	PVC (ft)	Unknown (ft)	Total (ft)
1						812	149	962
2		571	142	375	589	49,849	3,764	55,289
3	737			12		1,198	4,961	6,909
4	20,562	2,251		875	305	31,053	36,150	91,197
6	42,515	5,209		2,757	4,642	183,135	94,349	332,607
8	13,625	1,692		398	137	244,980	30,603	291,435
10	6,279	3,618		1,715	1,353	23,635	4,589	41,188
12	6,296	349		708	1,283	143,877	34,234	186,747
14					356			356
16				8,930		5,127	2,310	16,367
20				663				663
24				72			40	112
Unknown						1,645	1,456	3,102
Total	90,014	13,690	142	16,503	8,665	685,312	212,607	1,026,933

AC = Asbestos-Cement
CI = Cast Iron
DIP = Ductile Iron Pipe
HDPE = High Density Polyethylene
PVC = Polyvinyl Chloride

Table 3-5: Current Finished Water Storage

Storage Location	Total Volume (MG)
Clear Well at Treatment Plant	1.0
Elevated Tank at Treatment Plant	0.3
Elevated Tank at Chuck Reiter Ball Field	0.3
Booster Pump Station Ground Storage Tank	1.5
Total Storage Capacity	**3.1**

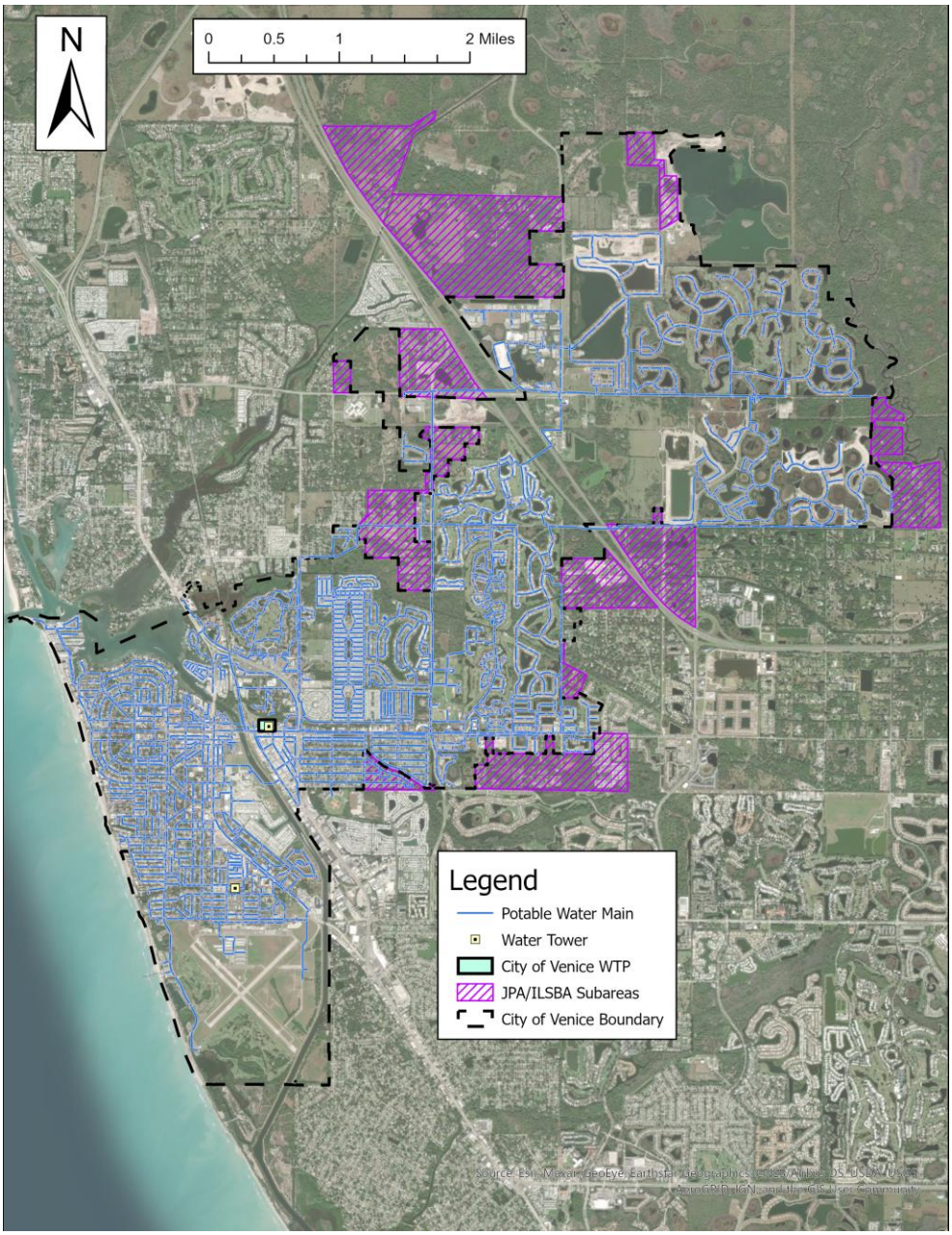


Figure 3-5: City of Venice Water Distribution System

3.3.2 Present and historical water usage

Due to water conservation measures and modifications to the distribution system to decrease flushing, the actual per capita usage within the City has remained consistent. Although, the comprehensive plan for the City of Venice established the level of service (LOS) for annual flow at 90 gpd per capita and for max day flow at 135 gpd per capita. A recent (2018) population and demand projection report completed by Black & Veatch calculated the average LOS for the City to be 84 gpd per capita and max LOS of 123 gpd per capita. The City's gross water use flows and functional population reported in the past 5 public supply

annual reports (PSARs) are shown in Table 3-6. Figure 3-6 shows the recent population and water use increases the City has experienced.

Table 3-6: City of Venice Historic Water Production Rates and Per Capita Demand

Year	City of Venice Functional Population	Gross Water Use Flows (gpd)	Per Capita Demand (gpcd)
		Annual Average	Annual Average
2014	33,857	2,199,000	65
2015	34,225	2,197,000	64
2016	34,778	2,183,000	63
2017	34,747	2,228,000	64
2018	35,697	2,106,000	59
2019	38,420	2,378,038	62
5-Year Average (2014-2018)			**63**

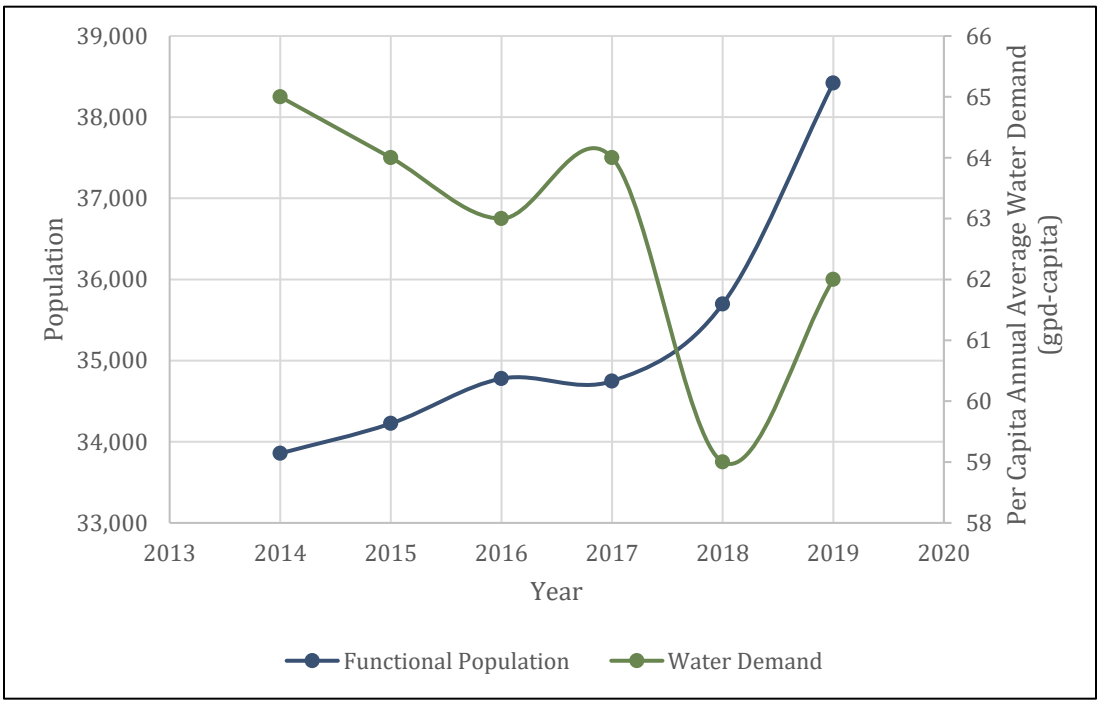


Figure 3-6: City of Venice Population and Water Use Data (2014-2019)

3.3.3 Water Conservation

Individual water meters are used throughout the City. The City has a water conservation program that allows once a week watering for customers using potable water and unrestricted use of reclaimed water. In addition, the Utility Department has implemented the Toilet Rebate Program in 2012. This program is cooperatively funded by the Southwest Florida Water Management District. Since its inception, more than 600 customers replaced high flow toilets or urinals with low-flow, water-saving units that require 1.6 gallons or less to flush. This conservation program saves money for both the customer and the city. The Utilities Department also provides free water conservation kits to all City customers. These kits include a

water-efficient showerhead, faucet aerators, dye tabs, educational material with water saving tips, and a plastic tote bag, designed to help determine the water usage amount. As shown on Figure 3-6, these water conservation efforts have assisted in reducing the City's annual average water demand from 65 gpcd to 62 gpcd even though the City's population has increased by approximately 8% in the last 5 years.

3.3.4 Performance of Existing Water System

Additional wells are required to improve well rotation, meet future demands and to replace wells that are no longer serviceable. The water distribution system dates back to the early 1900's with many cast iron pipes located in backyard easements without ease of access. Many of the pipes are corroded and require replacement. Relocating these lines will allow the City to provide better service to its existing customers.

The water treatment plant is currently meeting all demands and regulatory requirements, however, the SWFWMD Water Use Permit Condition 25 required the City to perform a study to assess the necessary steps, costs, and potential outcomes related to increasing water treatment efficiency to the highest degree feasible, with a target efficiency of 75% or greater. Additionally, the City is looking to increase their WTP capacity to help meet future water demands for the area. Table 3-7 summarizes the future demands for the projected functional population. A pilot study determined that it was economically, technologically, and environmentally feasible to go forward with increasing the recovery to 75%. To improve the recovery, the City is proposing a second RO stage to be added to the existing RO equipment which will improve the plant efficiency without additional water supply resources.

Table 3-7: Potable Water Projections (gpd)*

Year	Functional Population	Average Annual Daily Demand (MGD)	Max Day Demand (MGD)	Peak Hourly Demand (MGD)
2025	29,600	2.7	3.6	6.5
2030	30,900	2.8	3.8	6.8
2035	32,000	2.9	3.9	7.1
2040	32,800	3.0	4.0	7.2
2045	33,500	3.0	4.1	7.4

*Black & Veatch Population and Demand Projections Report, 2018

3.4 Wastewater Collection, Treatment and Effluent Disposal

3.4.1 Wastewater Collection System

There are approximately 500,291 linear feet (LF) of gravity sewer mains, not including any lines less than or equal to 6 inches in diameter. The total length of pressurized force main within the City limits is approximately 192,323 LF and the City operates 88 lift stations. This system records operational data such as the number of pump starts and pump run time. The collection system contains some cast iron piping installed as far back as the 1950's. These components make up a collection system that transports wastewater to the northeastern part of the City to be treated at the Eastside WRF. A map of the existing collection system is provided in Figure 3-7.

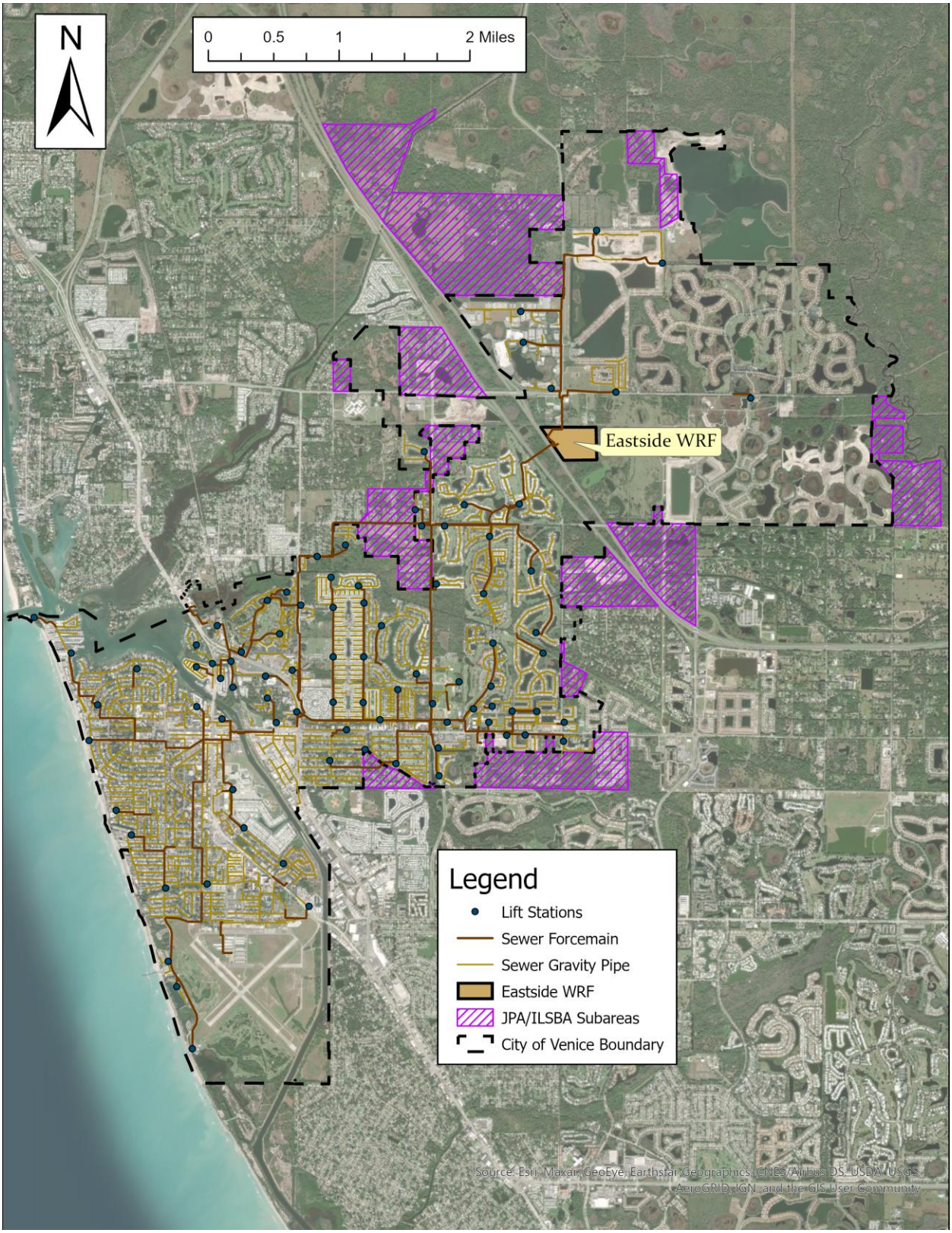


Figure 3-7: City of Venice Wastewater Collection System

3.4.2 Wastewater Treatment

The EWRF facility primarily treats wastewater utilizing four four-stage Bardenpho process trains which removes organic content and nutrient concentration to levels below land application regulations. Prior to the biological nutrient removal (BNR) process, the wastewater must first undergo preliminary treatment consisting of mechanical bar screens and grit removal. Following the BNR process, the WRF consists of four clarifiers, three dual media automatic backwash traveling bridge filters, and three chlorine contact chambers fitted with a sodium hypochlorite system and the option to provide aeration in the event surface water discharge is necessary. Sludge is processed by four aerated holding tanks and dewatered using two belt filter presses prior to being transported by contract haulers for stabilization and final disposal. A Process Flow Diagram (PFD) for the facility is shown Figure 3-8 which includes the recent construction of a second 7.5 MG Reclaimed Water Storage Tank to provide a total of 10.5 MG of reclaimed water storage.

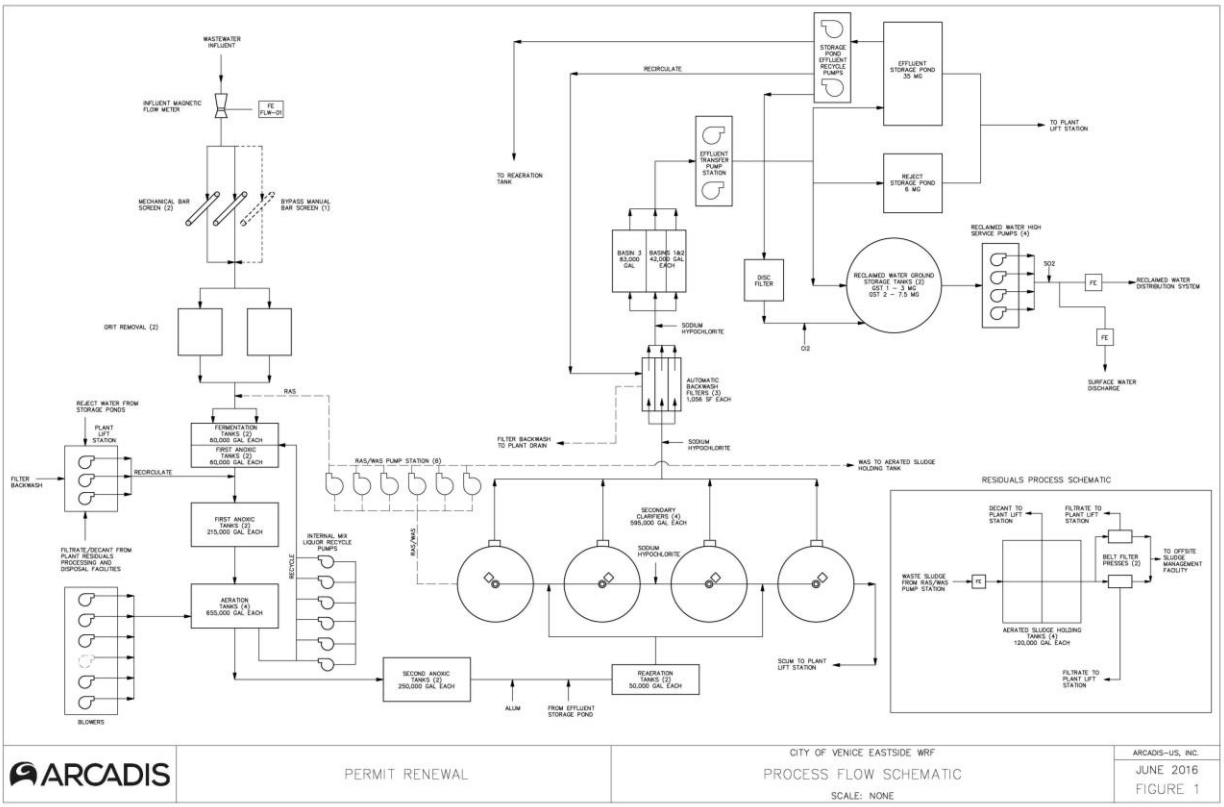


Figure 3-8: City of Venice Eastside WRF Process Flow Diagram

Currently, the facility has a capacity of 8.0 MGD on a maximum 3-month rolling average and the annual average daily flow (AADF) into the EWRF was approximately 3.3 MGD at the end of 2019. By 2030, it is estimated that the AADF at the EWRF will reach 6.1 MGD.

3.4.3 Effluent Disposal

Treated effluent from the water reclamation facility is primarily disposed of via reuse for irrigation, however, the City also has two surface water discharges and interconnect with Sarasota County.

3.4.3.1 Reclaimed Water Distribution System

The reclaimed water distribution system is comprised of approximately 275,167 LF of piping, ranging from 1 to 24 inches, with 6-inch pipes account for almost 24% of the system. The reclaimed system serves residential homes, businesses, parks, and golf courses, with an expansive future service area planned. Table 3-8 shows the total length of the distribution network piping classified by diameter. A map of the distribution piping network is provided in Figure 3-9.

Table 3-8: Reclaimed Water Distribution Pipe

Pipe Diameter (in)	Pipe Length (ft)	Contribution (%)
1	421	0.2
2	27,446	10.0
3	13,021	4.7
4	56,014	20.4
6	68,182	24.8
8	38,600	14.0
10	8,521	3.1
12	16,768	6.1
16	17,811	6.5
18	10,507	3.8
24	17,564	6.4
Unknown	311	0.1
TOTAL (ft)	**275,167**	**100**

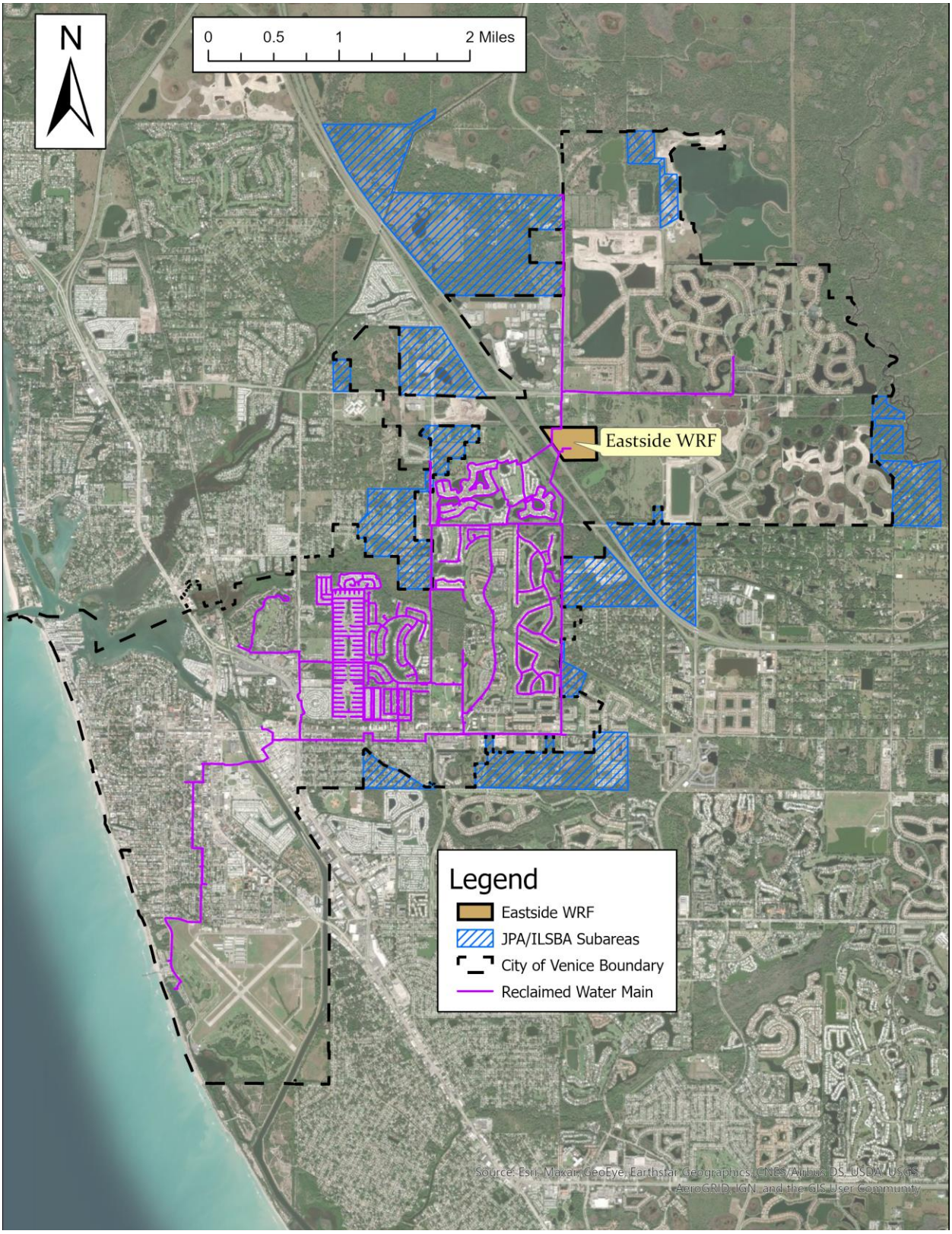


Figure 3-9: City of Venice Reclaimed Water Distribution System

Reclaimed water storage is provided at the treatment plant using both ground storage tanks and lined ponds. In addition, storage is provided throughout the system to large users which have unlined ponds located on their property. Overall, the current storage capacity of the reclaimed system is 85 MG, with 39.5 MG of storage located within unlined storage ponds for offsite bulk users. Table 3-9 provides a summary of the reclaimed water storage facilities. The reclaimed water system also has permitted discharges to four storm water storage lakes, which have intermittent overflows to surface water. Currently, the City projects an increase in reclaimed water demand in line with the recent population growth. This increase in reclaimed water demand will likely require additional storage. The City is currently evaluating an Aquifer Storage and Recovery (ASR) well to increase their reclaimed water storage capacity as an alternative to traditional ground storage tanks.

Table 3-9: Reclaimed Water Storage

Storage Location	Total Volume (MG)
Reclaimed Water Ground Storage Tank Eastside WRF (2 tanks)	10.5
Eastside WRF Reclaimed Water Lined Pond	35
Lake Venice Golf Course Unlined Pond	6.8
Venetian Golf and River Club Unlined Pond	14.6
Waterford Golf Course Unlined Pond	7.7
Capri Isle Golf Course North Unlined Pond	5.4
Capri Isle Golf Course South Unlined Pond	4.5
Bird Bay Golf Course	0.5
Total Storage Capacity	**85**

3.4.3.2 Surface Water Discharges

The EWRF has an existing 3.0 MGD AADF permitted discharge to Curry Creek and thence to Roberts Bay which is an aerated cascade flowing into Curry Creek. In addition, the facility has a permitted internal outfall for 1.0 MGD AADF of reclaimed water to the Venice Reverse Osmosis Concentrate Disposal system which is regulated under Industrial Permit No. FL0035335.

3.5 Stormwater System

The City's Stormwater Division is responsible for the maintenance of the stormwater infrastructure, which is funded through a stormwater system utility fund. The Storm Water Management Utility was established in September 1995 as an enterprise fund to be used for storm water management and related expenses. The fund provides adequate and stable funding for the City's National Pollutant Discharge Elimination System (NPDES) stormwater permit, which is part of the Sarasota County Municipal Separate Stormwater System. The City's stormwater system consists of approximately 44 miles of stormwater pipes and culverts, inlets, control structures, dry retention ponds, a storm water pump station and more than 20 stormwater outfalls. Figure 3-10 provide graphic illustrations of the current stormwater pipe system for the City.

Some of the stormwater infrastructure currently in place discharges to the intracoastal waterway (ICWW) which was recently designated as an impaired waterway. The City is currently in discussions with local

authorities on the approval of a nutrient offsets program to help manage the nutrient loading to the ICWW. The City plans to improve several stormwater structures that discharge to the ICWW which should reduce the nutrient load to the impaired waterway. These stormwater improvements which are expected to reduce the nutrient load to the ICWW should also be considered as candidates in the proposed nutrient offset program.

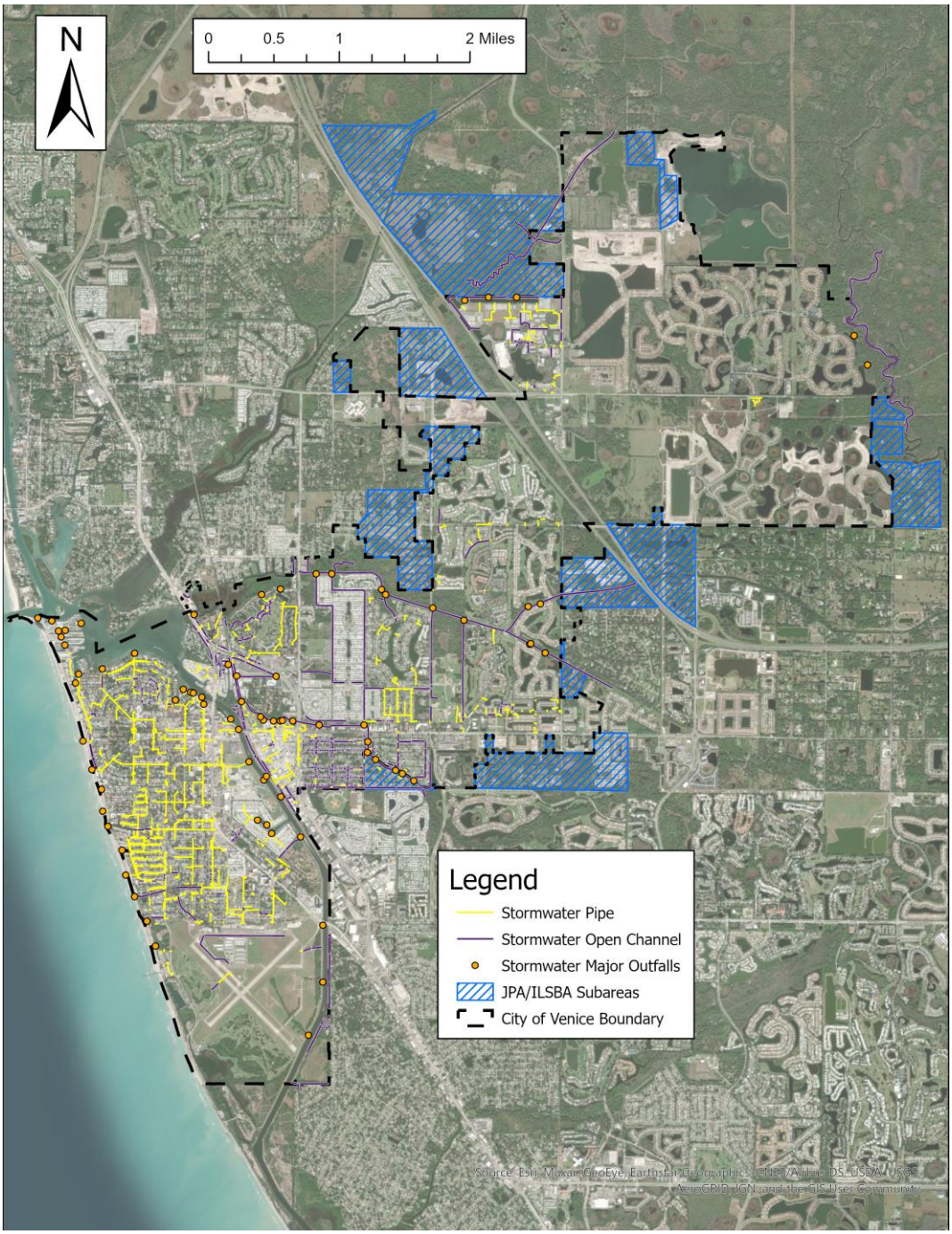


Figure 3-10: City of Venice Stormwater System

3.6 Managerial Capacity

The City of Venice has the sole responsibility and authority to build, operate and maintain its water system. No inter-local agreements are necessary for the City to provide drinking water services throughout the planning area. The City's Utilities Department provides services for both water and wastewater. The water plant is a Category II Class B facility which requires staffing by a Class C or higher operator, 16 hours/day, 7 days/week. The lead/chief operator must be a Class B or higher. The City of Venice WTP currently exceeds these criteria with 24 hr/day staffing, 7 days/week and a water treatment plant supervisor and lead operator that are both Class A.

CHAPTER 4.0 DEVELOPMENT OF ALTERNATIVES

4.1 General

This Plan is being developed to obtain funding to provide for facilities and infrastructure improvements deemed necessary by the City that are anticipated to be implemented within the next five years. As additional facilities and infrastructure are needed, it is anticipated that this FP will be amended to meet future planning needs. The projects included below are incorporated in the next five-year capital improvement budget for water supply, water treatment, water transmission, wastewater collection, reuse storage and reuse distribution and storm water improvements. The costs were based on completed relevant studies conducted on behalf of the City by several firms and engineering judgement.

4.2 Options for Water Supply

4.2.1 Well 8E

The City has a new water supply well, RO 8E/79, that has been included in the Water Use Permit to provide additional water supply and allow increased well rotation in accordance with the City's well field management plan. In addition to drilling a new well, the City also proposes to drill a test well to the Floridan Aquifer while the driller is mobilized on site. The test well will provide the City with additional water quality data concerning the Floridan aquifer as a potential water supply source in the future. To assist the City in developing alternative locations for the new well, an engineering firm was retained to evaluate the best locations for siting a new production well and to develop cost estimates for the proposed well and various raw water pipeline alignments.

4.2.1.1 Locate New Well 8E at Well Field Park.

The Well Field Park site was proposed because it would eliminate the need for land acquisition since the parcel is owned by the City of Venice (site address of 1300 Ridgewood Ave, Venice FL, 34292). The site is currently a community park with the proposed well projected to be located approximately 540' north and 95' east of the southwest corner of the parcel. A well at this site was had the major benefit of being located adjacent to the existing raw water main. However, since the City's existing wellfield is now reaching the end of its serviceable life, the life expectancy of a new well in this proposed location does not align with the City's future water supply planning goals and thus was not investigated further.

4.2.1.2 Locate New Well 8E at Pinebrook Rd

The proposed site lies off Pinebrook Rd between Curry Ln and Laurel Road. The site is located approximately 2,900 LF from the 16" Raw Water Main and will provide greater flexibility for the City as they look to extending future wells to the east to minimize impacts to ground water. A major benefit of this location is the proximity it has with an existing raw water main. Construction of the supply well will be limited to inside of the City owned property at this location. The estimated cost for new water supply well, test well and raw water main for this option is shown in Table 4-1.

Table 4-1: Proposed Pinebrook Rd Well Site Cost Estimate

Item No.	Description	Est. Qty.	Unit	Unit Price ($)	Extended Price ($)
1	Production Well Construction	1	LS	340,230	340,230
2	Well Site and Transmission Main Construction	1	LS	1,815,383	1,815,383
				Total Estimated Construction Cost ($)	**2,155,613**

*Stantec Well RO-8E Engineer's Opinion of Probable Construction Cost 90% Submittal Report, 2020

4.2.1.3 Locate New Well at City Owned Parcel Along Haul Rd

The proposed site is located east of Interstate 75 (I-75), near the intersection of Laurel Road East and Knights Trail Road. The parcel is owned by the City with a street address of 749 Knights Trail Road, Nokomis, FL, 34275. The proposed well location is approximately 200' east of the easterly right of way of Knights Trail Road, almost directly in the central (north-south) part of the parcel. The estimated cost for new water supply well, test well and raw water main for this option is shown in Table 4-2. The drawbacks to this site location are the distance to existing raw water mains and the need to cross I-75.

Table 4-2: Proposed Haul Rd Well Site Cost Estimate

Item No.	Description	Est. Qty.	Unit	Unit Price ($)	Extended Price ($)
1	Production Well Construction	1	EA	340,230	340,230
2	Well Site and Transmission Main Construction	1	LS	1,815,383	1,815,383
4	16" Raw Water Main Installation (including road restoration)	6,400	LF	300	1,920,000
5	I-75 Crossing (directional drill with permitting included)	1,450	LF	400	580,000
				Total Estimated Construction Cost ($)	**4,655,613**

4.3 Options for Water Treatment

4.3.1 WTP RO System Efficiency Improvement

In 2018, the City completed a pilot study that investigated the feasibility of increasing the current RO permeate recovery of 50%. The evaluation found that the current RO system recovery could be increased to 60% without additional capital improvements to the system. The increased recovery was found to have no anticipated impact on the O&M cost (including energy use) for the City. A more recent pilot study concluded that an increase to 75% recovery could be achieve with a two stage RO system. Increasing the recovery of the RO process at the WTP will increase the concentrations of the various constituents within the concentrate which may make discharge to the intercoastal canal no longer viable. To address this, a new deep well or nutrient offsets will be needed to properly discharge the concentrate generated by the RO process.

4.3.1.1 No Action

The current WTP capacity may not be sufficient as the City's population continues to grow. Foregoing improvements to the RO system's recovery would avoid immediate capital cost expenditures but may limit the City's ability to provide potable water services to its customers. In addition, the increased recovery is projected to reduce the nutrient load from the concentrate discharge which aligns with the City's and regulatory agencies' goals for the impaired waterway. Since without improvements to the RO system recovery the City risks not having enough capacity to meet future demands, this option was not evaluated further.

4.3.1.2 Second Stage Membrane Addition (Two Phase Project)

One alternative to increase the City's water production capacity is to increase the recovery of the RO WTP through the addition of a second stage to the RO system. This alternative would increase production capacity without increasing the amount of water required to be extracted from the permitted raw water supply wells. As the recovery increases, the amount of finished water able to be produced from the same amount of raw feed water also increases. In s two stage systems, concentrate from the first stage is fed to the second stage to produce additional permeate and a lower volume, more highly concentrated, waste stream. While the concentration of the various constituents will increase in the smaller volume, the actual constituent (mass) load in the stream being discharged will not change. The RO system expansion from a 1-stage system to a 2-stage system will be completed in two phases. Phase 1 covers the addition of a second stage system in RO building A which does not require a building expansion. Phase 2 covers the addition of another second stage system in RO building B which does require a building expansion. The estimated cost for Phase 1 is $3,000,000 and for Phase 2 is $3,500,000. Cost breakdowns for both Phases of the project can be found in Table 4-3.

Table 4-3: Addition of Two Second Stage Membrane Trains Cost Estimate*

Item No.	Description	**Phase 1 Cost ($)	**Phase 2 Cost ($)
1	Secondary RO Units	1,000,000	1,000,000
2	Phase II Building Expansion	0	160,000
3	Flood Proofing of Phase II Building	0	70,000
4	Subtotal Equipment Cost	1,000,000	1,230,000
5	Equipment Tax (7%)	70,000	90,000
6	Equipment Installation (15%)	150,000	190,000
7	Mechanical (10%)	100,000	130,000
8	Site Work & Building Piping (15%)	150,000	190,000
9	Electrical and I&C (12%)	120,000	150,000
10	Subtotal Facility Costs	1,600,000	2,000,000
11	General Requirements (5%)	80,000	100,000
12	Contractor Overhead and Profit (15%)	240,000	300,000
13	Subtotal Construction Costs	2,000,000	2,400,000
14	Engineering, Legal and Administration (15%)	300,000	360,000
15	Contingency (30%)	600,000	720,000
	Total Capital Cost ($)	**3,000,000**	**3,500,000**

**Water Treatment Plant Reverse Osmosis Process Efficiency Study Technical Memorandum* (B&V, *2018)*
***Costs adjusted to 2020 values using n = 2 and i = 3% and rounded*

4.3.1.3 Single Stage RO Plant Expansion

Another alternative to increase production capacity is to increase the number of single stage RO trains while maintaining the current 50% recovery. This alternative would maintain current operating strategies since system recoveries would remain unchanged. Scaling potential would be minimized at this recovery rate and chemical usage would only increase in proportion to the increased flows, minimizing impacts to current operations and maintenance requirements. This alternative, however, would require increased withdrawals from existing (or additional) wells, necessitating a modification to the existing WUP. Permitting of this alternative may not be possible given that increased raw water withdrawals from the Intermediate Aquifer are not favored by the SWFWMD, especially since other alternatives are available that do not require increased raw water withdrawals.

It is assumed that four new wells could be permitted and installed in the Intermediate Aquifer System, with each providing a raw water flow of 1.0 MGD. This would provide an additional feed supply of 4 MGD, and a treated water flow increase of 2.0 MGD (4.32 MGD + 2.0 MGD = 6.32 MGD). The planning level capital cost for this alternative is estimated to be about $13,630,000 with contingency, engineering, legal, and administrative fees. This does not include a potential alternative concentrate disposal method which may be required if additional discharges to the ICWW cannot be permitted.

4.3.2 Water Treatment Plant Generator with Switchgear

The generator and switchgear equipment at the WTP is 29 years old and the planned WTP expansion may increase the future backup power requirement for the facility. The City has recently incurred significant maintenance expenses due to extended run times during severe weather/storm events.

4.3.2.1 No Action

The current generator and switchgear equipment are approximately 32 years old and may not be sufficient once the WTP's expansion is complete. Foregoing replacement of the equipment would avoid immediate capital cost expenditures, but O&M costs may increase due to the age of the equipment. In addition, the risk of significant equipment failure and associated consequences should a failure occur increases. Since without replacement the City risks not having enough back-up power to operate the WTP, this option was not evaluated further.

4.3.2.2 1,250kW Diesel Generator and Switchgear

Recent years has seen an increase in the frequency and intensity of weather events that have been causing issues with the current aged equipment. A new diesel generator and switchgear system would address the recent maintenance issues the City has been experiencing and increase the resiliency and capacity of their backup power system. Table 4-4 presents the associated estimated capital cost for a new 1,250kW Tier II diesel generator with switchgear replacement project.

Table 4-4: 1,250 kW Diesel Generator and Switchgear Cost Estimate*

Item No.	Description	Cost ($)
1	Site Work	64,964
2	Yard Piping	64,615
3	Electrical Demolition	174
4	1250 kW 480V Diesel Genset Generator	627,959
5	Genset Pad	82,703
6	3200A 480V Main-Tie-Main Switchgear	587,323
7	Duct Bank – 1250kW Genset and 3200A SWGR	111,484
8	Conduit & Wire Runs Integrate Existing > SWGR & Genset	345,780
9	Electrical Room & SCADA Modifications > 3200A SWGR	207,556
10	Grounding and Lightning Protection	7,367
	Total Direct Cost Subtotal ($)	***2,099,925***
1	Allowances (Elec. Connections SWGR to MCC)	150,000
2	Risk Assessment Mark-Up's	393,512
3	General Requirements	394,554
4	Contractor Fee	325,878
5	Insurances & Bond	42,099
	Total Construction Cost ($)	**3,405,968**

*Generator and Switchgear Replacement Project BODR (Black and Veatch, 2020)

4.3.2.3 2,500kW Diesel Generator and Switchgear

Recent years has seen an increase in the frequency and intensity of weather events that have been causing issues with the current aged equipment. A new 2,500kW generator and switchgear system to fully replace their existing system would address the recent maintenance issues the City has been experiencing and provide the additional backup power capacity using only one system. A new 2,500kW may reduce the O&M costs associated with the backup power system (since only need to maintain and inspect one), but it removes the added value of redundant backup power generators. Table 4-5 presents the associated estimated capital cost for a new 2,500kW diesel generator and switchgear project.

Table 4-5: 2,500 kW Diesel Generator and Switchgear Cost Estimate

Item No.	Description	Cost ($)
1	Site Work	64,964
2	Yard Piping	64,615
3	Electrical Demolition	174
4	2500 kW 480V Diesel Genset Generator	872,500
5	Genset Pad	120,500
6	3200A 480V Main-Tie-Main Switchgear	587,323
7	Duct Bank – 1250kW Genset and 3200A SWGR	111,484
8	Conduit & Wire Runs Integrate Existing > SWGR & Genset	345,780
9	Electrical Room & SCADA Modifications > 3200A SWGR	207,556
10	Grounding and Lightning Protection	7,367
	Total Direct Cost Subtotal ($)	***2,382,263***
1	Allowances (Elec. Connections SWGR to MCC)	150,000
2	Risk Assessment Mark-Up's	393,512
3	General Requirements	394,554
4	Contractor Fee	325,878
5	Insurances & Bond	42,099
	Total Construction Cost ($)	**3,688,306**

4.3.3 WTP RO System Concentrate Disposal Method

Increasing the recovery of the RO process at the WTP will decrease the volume of concentrate discharged as more fresh water will be produced for every gallon of raw water processed. At the same time, the concentrations of the various constituents within the concentrate stream is expected to increase which may make discharge to the intercoastal canal no longer viable. Consequently, the addition of the second stage membrane trains may require a new concentrate disposal method.

4.3.3.1 No Action – Intercoastal Discharge

This alternative would be to accept the existing permit the FDEP has developed which would put the City in a situation of noncompliance immediately. This permit is currently being disputed. However, if the permit is approved by the involved parties, the City could be subject to fines associated with the addition of nutrients from the concentrate. Thus, this alternative was not investigated further.

4.3.3.2 Deep Well Injection Discharge

Another option is to leave the current disposal method (surface discharge) as an emergency discharge option and switch to deep well injection as the main disposal method for the proper disposal of the RO concentrate stream. A study conducted in 2018 by Black and Veatch on behalf of the City explored the

cost related to the construction, permitting, and installation of a deep well. The capital and O&M costs for a 5 MGD well was based off the estimate in the 2020 Jacobs *Class I Deep Injection Well Feasibility Study* report, with a summary of the capital costs presented in Table 4-6.

Table 4-6: Class I Deep Injection Well Cost Estimate*

Item No.	Description	Est. Qty.	Unit	Unit Price ($)	Extended Price ($)
1	Injection Well	1	EA	5,623,000	5,623,000
2	LZ Monitoring Well	1	EA	1,349,000	1,349,000
3	UZ Monitoring Well	1	EA	742,000	742,000
4	5 MGD Injection Well Pump Station	1	EA	2,517,000	2,517,000
5	Yard Piping and SST Wellheads	1	LS	862,000	862,000
6	Engineering Design	1	LS	407,000	407,000
				Total Estimated Cost ($)	**11,500,000**

*Based off *2020 Jacobs Class I Deep Injection Well Feasibility Study*

4.3.3.3 Nutrient Offsets

This third option would include working with FDEP to develop nutrient offsets to address the nutrient load associated with the RO discharge. Currently, the FDEP has not developed a nutrient trading credit program for impaired waters, therefore, the City would be required to work with ENGINEER and regulatory authorities to develop potential nutrient offset projects that would reduce nutrient loads into the intracoastal waterway (ICWW). Potential nutrient offset projects include (1) additional treatment at the WRF to provide enhanced nutrient removal for reclaimed water, and (2) stormwater treatment improvements that would reduce nutrient runoff into the ICWW. Nutrient offset options are still being evaluated and will be updated with costs when available, yet nutrient offsets via WRF treatment improvements may be the most cost-effective solution for the City.

4.4 Options for Water Distribution

4.4.1 Water Main Replacement

Prior to, and around the 1950's, many utilities, including water mains, were installed in rear lot easements. The most current practice is to install the utilities in easements at the front of the residences because the rear lot easements have become increasingly difficult to access and maintain. In many cases residents have pushed their backyard fences back, encroaching on the utility easements, thus creating very narrow access. In addition to narrow access, the easements are not well maintained (mowed, cleared of vegetation, etc.), and are a common dumping ground for yard waste such as branches, logs, and lawn furniture. The service, repair, and replacement work, when necessary, is inconvenient to customers and costly to the City. Similarly, the response time for pipe breaks in rear lot easements is significantly increased and requires additional manpower and cost.

Currently, the water mains in these three areas are reaching the end of their service life, and the 1950's cast iron piping is becoming increasingly more tuberculated, thereby replacement is becoming necessary. The water distribution system improvements incorporated in this Plan encompass replacing these water mains in several different areas. This includes the East Gate and Venice Island. The following sections outline the available options that were evaluated for replacing the water mains.

4.4.1.1 No Action

Alternative 1 is to not take action. In this alternative, the waterline would remain in ground as is, without movement or replacement. If no action is taken, maintenance of the water main will continue to be problematic, with the aging cast iron pipe reducing available fire flow and pressures and increases risks associated with pipeline failure. Therefore, this alternative was not investigated further.

4.4.1.2 Replace and Relocate Cast Iron Water Mains with Open Cut PVC Water Mains

This option includes replacement of the existing 2", 3" and 4" water lines, fire hydrants, valves and water services in the rear lot easements and installing new 6" or larger water mains and associated hydrants, valves and services in the public right-of-way fronting customer's homes with PVC via open cut method. The existing mains would be abandoned. This alternative will improve available fire-flow, reduce risks associated with pipeline failure, and minimize difficulty associated with pipe maintenance. The estimated cost per linear foot for open cut PVC is $56, although cost could be significantly more depending on the needed restoration. Table 4-7 presents the cost estimate for the water main replacement using open cut PVC.

Table 4-7: Water Main Replacement using Open Cut PVC Cost Estimate

Item No.	Description	Unit Price ($)	East Gate Phase 3		Venice Island Phase 8		Venice Island Phase 7	
			Est. Qty.	Cost ($)	Est. Qty.	Cost ($)	Est. Qty.	Cost ($)
1	6" Open Cut PVC	56	10,080	564,480	9,200	515,200	5,900	330,400
2	Fire Hydrants	6,970	40	278,800	35	243,950	15	104,550
3	New Water Service	2,910	200	582,000	300	873,000	200	582,000
4	Abandon Existing Mains	20	10,080	201,600	9,200	184,000	5,900	118,000
Subtotal ($)				**1,626,880**		**1,816,150**		**1,134,950**
30 % Contingency, Engineering, Legal and Administrative Fee ($)				**488,064**		**544,845**		**340,485**
Total Estimated Construction Cost ($)				**2,115,000**		**2,361,000**		**1,476,000**

4.4.1.3 Replace and Relocate Case Iron Water using Directional Drill HDPE Water Mains

This option includes replacement of the existing 2", 3" and 4" water lines, fire hydrants, valves and water services in the rear lot easements and installing new 6" or larger water mains and associated hydrants,

valves and services in the public right-of-way fronting customer's homes with directional drill method using either HDPE or fusible PVC. This alternative will also significantly improve available fire-flow, reduce risks associated with pipeline failure, and minimize current issues associated with pipe maintenance. The estimated cost per linear foot for directional drill installed is $43 which is due to less surface restoration required. Table 4-8 presents the cost estimate for the water main replacement for direction drill using HDPE or other fusible piping.

Table 4-8: Water Main Replacement using Directional Drill HDPE Cost Estimate

Item No.	Description	Unit Price ($)	East Gate Phase 3		Venice Island Phase 8		Venice Island Phase 7	
			Est. Qty.	Cost ($)	Est. Qty.	Cost ($)	Est. Qty.	Cost ($)
1	6" Directional Drill HDPE	43	10,080	433,440	9,200	395,600	5,900	253,700
2	Fire Hydrants	6,970	40	278,800	35	243,950	15	104,550
3	New Water Service	2,910	200	582,000	300	873,000	200	582,000
4	Abandon Existing Mains	20	10,080	201,600	9,200	184,000	5,900	118,000
Subtotal ($)				**1,495,840**		**1,696,550**		**1,058,250**
30 % Contingency, Engineering, Legal and Administrative Fee ($)				**448,752**		**508,965**		**317,475**
Total Estimated Construction Cost ($)				**1,945,000**		**2,206,000**		**1,376,000**

4.4.2 Potable Water Storage Tank and Booster Pump Station

The City's Water Master Plan for 2045 projects the need for a new water booster pump station and storage tank east of I-75 to enhance water quality and meet future water demands. The project would consist of a booster pump station, a chemical feed system, a 2 MGD storage tank, construction of a solar farm to provide power to the station with emergency back-up generator, on-site stormwater management system, and associated potable water transmission main to connect to the City's distribution system. As part of the transmission main work, a new bi-directional emergency interconnect with Sarasota County would be installed. In addition, the City's fiber optics service will be extended to the site and a wastewater discharge force main will be routed from the site to Toscana Isles (neighborhood with wastewater collection system). The addition of the solar farm is part of the City's effort to reduce its carbon footprint and "go green".

4.4.2.1 No Action

Foregoing the addition of a new storage tank and booster station would avoid immediate capital cost expenditures but would place the NE section of the City at risk due to insufficient fire flow pressure and the inability to boost the disinfectant residual. Thus, this option was not evaluated further.

4.4.2.2 Storage Tank and Booster Station on City Owned Land

Replacing and moving the facility to a City owned parcel near the Ajax property will increase personnel productivity, reduce operation costs, and improve the pressure, fire flow, and distribution of potable water within the system. Table 4-9 presents the cost estimate for a new storage tank and booster station at the City owned parcel near the Ajax property.

Table 4-9: New Storage Tank and Booster Station Cost Estimate*

Category	Sub-Category	Cost
Sitework & Yard Piping		
	Earthwork	$170,000
	Paving	$288,000
	Fencing	$70,000
	Yard Piping	$395,000
Off-Site Yard Piping		
	PW Transmission Mains (14,520 LF of 16-inch)	$2,193,000
	Gravity Sewer (600 LF @ $100/LF)	$60,000
	Fiber Optic Extension (10,670 LF)	$615,000
	Emergency Interconnect Facility	$54,000
Water Storage Tank		
	Earthwork	$70,000
	Pre-stressed Concrete Storage Tank	$1,202,000
Booster Pump Station		
	Earthwork	$20,000
	Pump Station Building	$1,000,000
	Building HVAC	$90,000
	Pumps & Piping	$140,000
	Solar Farm	$1,000,000
	Generator	$180,000
Electrical/I&C		$550,000
SUBTOTAL		**$8,097,000**
General Requirements @ 10%		$809,700
SUBTOTAL		**$8,907,000**
General Contractor OH&P @ 12%		$1,068,840
SUBTOTAL		**$9,976,000**
Contingency @ 20%		$1,995,200
SUBTOTAL		**$11,971,000**
Bonds & Insurance @ 1.5%		$179,565
Total		**12,150,000**

**Venice Water Storage Tank and Booster Pump Station Report* (B&V, *2020)*

4.4.2.3 Storage Tank and Booster Station on Alternative Location

Replacing and moving the facility to a parcel at the intersection of Border Rd and N Auburn Rd will increase personnel productivity, reduce operation costs, and improve the pressure, fire flow, and distribution of potable water within the system. In contrast with the previous option, this location would require land acquisition but likely less off-site yard piping. Table 4-10 presents the cost estimate for a new storage tank and booster station at the intersection of Border Rd and N Auburn Rd.

Table 4-10: New Storage Tank and Booster Station Cost Estimate

Category	Sub-Category	Cost
Sitework & Yard Piping		
	Earthwork	$170,000
	Paving	$288,000
	Fencing	$70,000
	Yard Piping	$395,000
Off-Site Yard Piping		
	PW Transmission Mains (11,000 LF of 16-inch)	$1,661,000
	Gravity Sewer (600 LF @ $100/LF)	$60,000
	Fiber Optic Extension (8,500 LF)	$424,000
	Emergency Interconnect Facility	$54,000
Water Storage Tank		
	Earthwork	$70,000
	Pre-stressed Concrete Storage Tank	$1,202,000
Booster Pump Station		
	Earthwork	$20,000
	Pump Station Building	$1,000,000
	Building HVAC	$90,000
	Pumps & Piping	$140,000
	Solar Farm	$1,000,000
	Generator	$180,000
Electrical/I&C		$550,000
Land Acquisition		$1,409,000
SUBTOTAL		**$8,783,000**
General Requirements @ 10%		$878,300
SUBTOTAL		**$9,661,000**
General Contractor OH&P @ 12%		$1,159,320
SUBTOTAL		**$10,820,000**
Contingency @ 25%		$2,164,000
SUBTOTAL		**$12,984,000**
Bonds & Insurance @ 1.5%		$194,760
Total		**13,180,000**

4.5 Options for Wastewater Collection

4.5.1 Sewer Main Replacement

The gravity wastewater collection system improvements are part of the City's ongoing Infiltration and Inflow (I/I) reduction program. Currently, the City is proposing to re-locate sewer mains located in backyard easements to the roadway in front of the homes so that they may be more readily accessed for maintenance. The replacement and relocation of the sewers located in back yard easements will reduce infiltration and inflow due to the installation of new pipe and pipe joints and provide better access for maintenance. The project was phased to coincide with the replacement of the water mains, which are also located in backyard easements, to minimize construction and disruption to the area residents. Overall, the project will involve the replacement of approximately 21,000 LF of gravity sewer and associated manholes and services.

4.5.1.1 No Action

Alternative 1 is to not take action. In this alternative, the existing sewer mains would remain as is, without movement or replacement. If no action is taken, maintenance of the gravity sewer main will continue to be problematic with limited access to the sewer mains based on its location and subject to increased I/I and wastewater overflows due to increased damage to the sewer mains. Therefore, this option was not investigated further.

4.5.1.2 Replace Sewers with Gravity System

This alternative calls for the City to replace the gravity collection system piping by constructing front lot sewer lines in road right-of-ways and abandoning the rear lot sewer lines. This alternative would reduce sanitary sewer overflows, reduce risks associated with pipeline failure, and minimize difficultly associated with pipe maintenance. The estimated cost is provided in Table 4-11 for gravity sewer.

Table 4-11: Wastewater Sewer Replacement – Gravity Sewer Alternative Cost Estimate

Item No.	Description	Unit Price ($)	Venice Island 8		Venice Island 7		East Gate Phase 3	
			Est. Qty.	Cost ($)	Est. Qty.	Cost ($)	Est. Qty.	Cost ($)
1	Gravity Sewer	60	9,200	552,000	5,600	336,000	5,800	348,000
2	Manholes	5,000	35	175,000	20	100,000	20	100,000
3	Laterals w/ Clean Outs	1,600	300	480,000	200	320,000	180	288,000
4	Remove/Abandon Existing Sewer	20	9,200	184,000	5,600	112,000	5,800	116,000
Subtotal ($)				**1,391,000**		**868,000**		**852,000**
30 % Contingency, Engineering, Legal and Administrative Fee ($)				417,300		260,400		255,600
Total Estimated Cost ($)				**1,809,000**		**1,129,000**		**1,108,000**

4.5.1.3 Replace Sewer with Vacuum System

This alternative calls for the City to replace the old gravity collection system piping by constructing front lot vacuum sewer lines in road right-of-ways and abandoning the rear lot sewer lines. This alternative would reduce sanitary sewer overflows, reduce risks associated with pipeline failure, and minimize difficultly associated with pipe maintenance. Vacuum pipe installation is generally cheaper, but vacuum station and operation and maintenance costs are typically higher than gravity. The estimated cost is provided in Table 4-12 for vacuum sewer.

Table 4-12: Wastewater Sewer Replacement – Vacuum Sewer Alternative Cost Estimate

Item No.	Description	Unit Price ($)	Venice Island 8		Venice Island 7		East Gate Phase 3	
			Est. Qty.	Cost ($)	Est. Qty.	Cost ($)	Est. Qty.	Cost ($)
1	Vacuum Sewer	30	9,200	276,000	5,600	168,000	5,800	174,000
2	Vacuum Station	1,000,000	35	1,000,000	20	1,000,000	20	1,000,000
3	Laterals w/ Clean Outs	1,600	300	480,000	200	320,000	180	288,000
4	Remove/Abandon Existing Sewer	20	9,200	184,000	5,600	112,000	5,800	116,000
Subtotal ($)				**1,940,000**		**1,600,000**		**1,578,000**
30 % Contingency, Engineering, Legal and Administrative Fee ($)				582,000		480,000		473,400
Total Estimated Cost ($)				**2,522,000**		**2,080,000**		**2,052,000**

4.5.2 Lift Station No. 5

Several City lift stations are aged (put in service circa 2002-2003) and thus require maintenance. These lift stations tend to have higher electrical and maintenance costs due to the aged equipment in use.

4.5.2.1 No Action

Foregoing replacement or rehabilitation of the equipment would avoid immediate capital cost expenditures but would increase O&M costs. In addition, this alternative would increase the risk of significant equipment failure and sanitary sewer overflows events. Therefore, this alternative was not investigated further.

4.5.2.2 Rehabilitate Lift Stations

Lift station No. 5 could be rehabilitated to extend the life of the equipment in use. This would involve some capital costs in terms of major part replacements (i.e. pumps) but avoids the capital expenses associated with the establishment of a new site. Rehabilitation of the existing lift station would reduce the risk of infrastructure failure due to the equipment's old age. The cost for rehabilitating lift station No. 5 within the City's system is estimated at $300,000. With contingency, engineering, legal and administrative fee the total construction cost is estimated at $390,000.

4.5.2.3 Replace Lift Stations

Sometimes complete replacement of lift stations ends up being more economical than rehabilitation. This option would involve higher capital expenses, but the new facilities would operate more efficiently and reduce O&M costs. Replacement of the existing lift station would reduce the risk of infrastructure failure due to the equipment's old age. Table 4-13 presents the cost estimate for replacing lift station No. 5 within the City's system.

Table 4-13: Replacement of Lift Stations Cost Estimate

Item No.	Description	Est. Qty.	Unit	Unit Price ($)	Extended Price ($)
1	Equipment	1	EA	300,000	300,000
2	Feeder Manhole	1	EA	10,000	10,000
3	Precast Concrete Wet Well	1	EA	6,000	6,000
4	Land	1	EA	50,000	50,000
				Subtotal ($)	**366,000**
				30 % Contingency, Engineering, Legal and Administrative Fee ($)	**109,800**
				Total Estimated Cost ($)	**480,000**

4.6 Options for Wastewater Treatment

4.6.1 AWTP Equalization Tank

The current WRF does not have an equalization tank to buffer the incoming wastewater flow prior to treatment through the four-stage Bardenpho process. The lack of an equalization tank generates operational risks with maintaining a properly functioning biological process.

4.6.1.1 No Action

Although the WRF is operational, the facility does not have flexibility to mitigate influent spikes in concentration or flows. Foregoing the addition of an equalization tank would avoid immediate capital cost expenditures, but operationally hinder the monitoring and control over the biological treatment process. In addition, the risk of significant biological reactor failure (bacteria die-off) is not mitigated. Thus, this alternative was not investigated further.

4.6.1.2 Repurpose Ground Storage Tank

Should the reclaimed water ASR well be approved by permitting agencies and built, one of the existing 3 MG reclaimed water storage tanks within the WRF could be repurposed as an equalization tank. This option would mitigate capital costs by reusing an existing asset while increasing the operational control over the treatment plant. Table 4-14 presents the cost estimate to convert one of the existing 3 MG reclaimed water ground storage tanks into an equalization tank for the WRF.

Table 4-14: Reclaimed Water GST to Equalization Tank Conversion Cost Estimate

Item No.	Description	Est. Qty.	Unit	Unit Price ($)	Extended Price ($)
1	Exterior Destructive Inspection	1	LS	6,000	6,000
2	Interior Destructive Inspection	1	LS	6,000	6,000
3	Diaphragm Repairs	1	LS	40,000	40,000
4	Roof Modifications	1	LS	500,000	700,000
5	Repair Manhole	1	LS	5,000	5,000
6	Exterior Pressure Washing	1	LS	18,000	18,000
7	Exterior Coatings	1	LS	76,000	76,000
8	Coat Interior Piping	1	LS	45,000	45,000
9	Equalization basin aeration/mixing system	1	LS	485,000	485,000
10	Installation of aeration/mixing system	1	LS	194,000	194,000
11	Influent and effluent pipe	1	LS	270,000	270,000
12	Basin drain pumps (2)	1	LS	54,000	54,000
13	Effluent flow meter	1	LS	13,000	13,000
14	Instrumentation & control	1	LS	140,000	140,000
15	Electrical	1	LS	140,000	140,000
Subtotal ($)					**2,192,000**
30 % Contingency, Engineering, Legal and Administrative Fee ($)					**657,600**
Total Estimated Cost ($)					**2,850,000**

4.6.1.3 New Equalization Basin

If an ASR well is not approved by permitting agencies, a new equalization tank will be built for the WRF. This option would be more costly but would provide the same operational flexibility needed at the WRF to improve the ability to control the biological process. The equalization basin should improve the efficiency of the process and produce higher quality effluent. Table 4-15 presents the cost estimate to build a new equalization basin for the WRF.

Table 4-15: New Equalization Basin Cost Estimate

Item No.	Description	Est. Qty.	Unit	Unit Price ($)	Extended Price ($)
1	3 MG Concrete Basin	1	LS	1,500,000	1,500,000
2	Pile Foundation	1	LS	300,000	300,000
3	Equalization basin aeration/mixing system	1	LS	485,000	485,000
4	Installation of aeration/mixing system	1	LS	194,000	194,000
5	Basin coating system	1	LS	34,000	34,000
6	Influent and effluent pipe (allowances)	1	LS	270,000	270,000
7	Basin drain pump (2)	1	LS	54,000	54,000
8	Effluent flow meter	1	LS	13,000	13,000
9	Instrumentation & control	1	LS	140,000	140,000
10	Electrical	1	LS	140,000	140,000
				Subtotal ($)	**3,130,000**
				30 % Contingency, Engineering, Legal and Administrative Fee ($)	**939,000**
				Total Estimated Cost ($)	**4,070,000**

4.7 Options for Reclaimed Water Systems

4.7.1 Increase Reclaimed Water Storage

Reclaimed water demand has been increasing steadily with the City's increasing functional population. While reclaimed water demand is typically easily met during wet season, during dry season inadequate storage has made it difficult to meet the demand comfortably. Thus, an increase in the reclaimed water storage capacity would benefit the City.

4.7.1.1 No Action

Although the current capacity is sufficient, it could prove to be inadequate during extended drought events. Foregoing expanding reclaimed water storage capacity would avoid immediate capital cost expenditures but could also limit the income gained from selling available reclaimed water to City customers. In addition, the risk of insignificant capacity in times of drought would decrease the City's income from reclaimed water sells. Therefore, this alternative was not investigated further.

4.7.1.2 ASR Well

The addition of an ASR well would increase the available reclaimed water storage capacity. The facility would require less footprint than traditional storage tanks. Table 4-16 presents a cost estimate for a new ASR well for reclaimed water storage.

Table 4-16: New Reclaimed Water ASR Well Cost Estimate*

Item No.	Description	Est. Qty.	Unit	Extended Price ($)
1	Sitework	1	LS	241,105
2	Yard Pipe	1	LS	494,784
3	Site Electrical	1	LS	217,852
4	ASR Recharge Pump Station	1	LS	692,091
5	Inline Ultraviolet UV Disinfection Reactor	1	LS	814,227
6	ASR Well	1	LS	853,690
7	Monitoring Wells	1	LS	750,695
8	Sodium Bisulfate Storage and Feed System	1	LS	392,909
9	Filter Modifications	1	LS	41,456
10	Inline UV Disinfection Reactor	1	LS	682,000
11	Markup on equipment 15%	1	LS	102,300
	Total Construction Cost ($)			**5,283,111**

**Based off City of Venice Aquifer Storage & Recovery Well Phase 2A (Jacobs, 2021)*

4.7.1.3 Two New Ground Storage Tanks

The addition of two 1 MGD new ground storage tanks would increase the available reclaimed water storage capacity for the City. Based on a previous study, the new GSTs are proposed to be located at the airport. Table 4-17 presents a cost estimate for two new reclaimed water ground storage tanks. Based on a previous study, the new GSTs are proposed to be located at the airport.

Table 4-17: Two New Reclaimed Water Ground Storage Tanks Cost Estimate

Item No.	Description	Est. Qty.	Unit	Unit Price ($)	Extended Price ($)
1	Site work	2	LS	470,000	940,000
2	Yard Piping	2	LS	780,000	1,560,000
3	1 MG Domed Prestressed Concrete Tank	2	LS	860,000	1,720,000
4	Aluminum Spiral Staircase	2	EA	200,000	400,000
				Subtotal ($)	**4,620,000**
				30 % Contingency, Engineering, Legal and Administrative Fee ($)	**1,386,000**
				Total Estimated Cost ($)	**6,010,000**

4.8 Options for Stormwater Systems

The City is performed an assessment of the stormwater infrastructure and plans to rehabilitate the stormwater system based on the final assessment. The assessment included field sampling and computer modeling to determine the constituent loads into the various discharge points from the stormwater system. The evaluation resulted in the identification of various outfalls with high discharge loadings and best management practice options to reduce the discharge loads.

A more comprehensive study was planned for the 2020 fiscal year to develop robust best management practices to reduce pollutant loading discharges from the City's stormwater system. In addition, as part of the City's goal to reduce flooding and maintain the stormwater system, they have identified several projects that will improve drainage in the Venice Island area. The City also plans to complete a Stormwater Management Plan Update in the 2022 fiscal year to further define the proposed projects' scopes and priority designations.

4.8.1 No Action

Foregoing replacement or improvement of the stormwater infrastructure would avoid immediate capital cost expenditures but would increase the nutrient loads to the City's waterways and the probabilities of flooding. Given the City's goal is to reduce the nutrient loads to their waterways and minimize & mitigate flooding events, this alternative was not investigated further.

4.8.2 Stormwater Improvement Projects

Some of the proposed stormwater improvement projects are phased projects, with design occurring ahead of construction. While this facility plan covers CIP projects for the next five years, the City's 10-yr CIP was included to provide information on projects which span between the two (such as Seaboard Area – ICW Outfalls). Descriptions of each of the projects follow with the estimated costs associated with each project summarized in Table 4-18 and Table 4-19.

Project Descriptions:

- *Church Street Flood Improvement & Water Quality* – Design and construction of stormwater system upgrade to address standing water during rain events and to provide water quality treatment prior to discharge to Deertown Gully with an ultimate outfall to the Gulf of Mexico.
- *Curry Creek Water Quality Upgrades & Channel Restoration* – Natural waterways accumulate sediment which can impede stormwater flow, navigation, and water quality. Periodic maintenance dredging can remove sediment with elevated nutrient and bacteria concentrations and restore natural function of the waterway.
- *Deertown Gully Headwall Replacement* – Replacement of headwall to enhance performance of water quality treatment swale. Deertown Gully discharges to the Gulf of Mexico via channel flow at the beach.
- *Deertown Gully Water Quality Improvements* – Upgrade of Deertown Gully stormwater management system to improve water quality and flooding impacts. Deertown Gully discharges to the Gulf of Mexico via channel flow at the beach.
- *Golf Drive Stormwater Improvements* – Design and construction of stormwater system upgrade to address flooding during rain events and to provide water quality treatment prior to discharge to Intracoastal Waterway with ultimate discharge to Gulf of Mexico through Venice Inlet
- *Hatchett Creek Water Quality Upgrades & Channel Restoration* – Natural waterways accumulate sediment which can impede stormwater flow, navigation, and water quality. Periodic maintenance dredging can remove sediment with elevated nutrient and bacteria concentrations and restore natural function of the waterway.
- *Seaboard Water ICW Outfalls* – Seaboard commercial and industrial area has two primary outfalls that discharge to the Intracoastal Waterway. This project includes a two phase upgrade with first project scheduled for design and construction in FY2024. The second outfall will be evaluated for design/construction starting in FY2026.

- *Nolen Green Water Quality Projects* – Utilize Nolen Green areas within the City to provide water quality improvements by installing rain gardens or other water quality improvements.
- *N. Nokomis Ave. (Bella Costa) Outfall Water Quality Project* – Design and construction to upgrade the water quality system to treat stormwater runoff from the downtown area that currently is treated with a single baffle box. Water discharges into the Bella Costa boat basin connected to Roberts Bay with ultimate discharge to the Gulf of Mexico via the Venice Inlet.
- *Osprey Ditch Water Quality & Stormwater Improvements* – Design and construction of the water quality system to treat stormwater runoff from Osprey Ditch including closing in the deep concrete swale and adding water quality components.
- *Outfall #10 Water Quality & Wetland Restoration* – Upgrade the existing swale system including wetland restoration and removal of invasive species to restore the natural function/ Expansion of dry retention prior to discharge at Outfall #10 will also be evaluated. Outfall #10 is located just north of the Pier Parking Area. Currently Outfall #10 discharges via a pipe directly to the Gulf of Mexico during large rain events.
- *Outfall #1 & #2 Water Quality System Expansion* – Design and construction of the water quality system installed between Outfall #1 located at Venice Beach and Outfall #2 located at the west end of Alhambra. This phase includes design, permitting and construction of an expansion of the water quality treatment system installed to further reduce the amount of water discharged and improve the water quality of outfall waters directly to the Gulf of Mexico.
- *Outfall #9 Water Quality System Expansion* – Upgrade the existing swale system located at Outfall #9 to increase volume of water quality treatment prior to direct discharge to the Gulf of Mexico just south of Beach Road.
- *Parkside & Parkdale Water Quality and Stormwater Improvements* – Design and construction of the water quality system to treat stormwater runoff and reduce flooding during storm events. This region ultimately discharges into the Park Blvd. system to Roberts Bay with ultimate discharge to the Gulf of Mexico via the Venice Inlet.
- *Airport Ave. Drainage & Water Quality Upgrades* – Upgrades of Airport Avenue stormwater management system to improve water quality and flooding impacts. Airport Avenue ultimately discharges to Deertown Gully which then discharges to the Gulf of Mexico via channel flow at the beach. It also serves as important emergency access to the airport in the event of disaster recovery.
- *Airport Area ICW Outfalls* – The Venice Airport has four primary outfalls that discharge to the Intracoastal Waterway. This project includes a four phase upgrade with first project scheduled for 2028 and completing water quality upgrades for the remainder of the outfalls in two year intervals.
- *Circle Dr. Water Quality & Stormwater Improvements* – Upgrade of Circle Drive stormwater management system to improve water quality and flooding impacts. Circle Drive neighborhood outfalls to Deertown Gully which then discharges to the Gulf of Mexico via channel flow at the beach.

- *Tarpon Center Water Quality System Improvements* – Design and construction of the water quality system to treat stormwater runoff from Tarpon Center Drive which currently direct discharge to Roberts Bay which flows to the Gulf of Mexico via Venice Inlet.
- *Valencia Rd. Water Quality & Stormwater Improvements* – Upgrade of Valencia Rd. stormwater management system to improve water quality and flooding impacts. Portions of Valencia Rd. discharges to Outfall #2 (Alhambra) to the Gulf of Mexico.
- *Venezia Park Stormwater Treatment Upgrades* – Evaluate opportunities to provide rain garden or other attractive water quality feature within the park to treat street runoff prior to discharge.
- *Future Water Quality Projects* – Based on the findings of system evaluation and completion of designated projects within the next four fiscal years, a consistent dollar amount allocation for future water quality projects has been included to be consistent with Stormwater Rate Study.

Table 4-18: FY2022 to FY2026 Stormwater Projects Capital Cost Projection*

Project Name	FY2022	FY2023	FY2024	FY2025	FY2026	Total
Church St. Flood Improvements & Water Quality			$50,000	$320,000		$370,000
Curry Creek Improvements			$300,000			$300,000
Deertown Gully Headwall Replacement	$25,000					$25,000
Deertown Gully Water Quality Upgrades	$75,000	$500,000				$575,000
Golf Dr. Stormwater Improvements			$150,000	$300,000		$450,000
Hatchett Creek Improvements				$300,000		$300,000
Seaboard Area – ICW Outfalls			$200,000		$300,000	$500,000
Nolen Green Stormwater Ponds/Rain Gardens		$25,000		$30,000		$55,000
North Nokomis (Bella Costa) Outfall Upgrades			$200,000			$200,000
Osprey Ditch Stormwater Upgrades			$100,000		$650,000	$750,000
Outfall #10 Water Quality & Wetland Restoration		$125,000				$125,000
Outfall 1 & 2 Water Quality Treatment Expansion	$400,000					$400,000
Outfall 9 Improvement		$100,000				$100,000
Parkdale & Parkside Dr. Drainage Improvement				$50,000		$50,000
Airport Ave. Drainage & Water Quality Improvements					$50,000	$50,000
Total	**$500,000**	**$750,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$4,250,000**

**Based off City of Venice 10 Year CIP*

Table 4-19: FY2027 to FY2030 Stormwater Projects Cost Projection*

Project Name	FY2027	FY2028	FY2029	FY2030	Total
Parkdale & Parkside Dr. Drainage Improvement	$300,000				$300,000
Airport Ave. Drainage & Water Quality Improvements	$300,000				$300,000
Airport Area – ICW Outfalls		$200,000		$200,000	$400,000
Circle Drive Flood Improvement & Water Quality	$400,000				$400,000
Tarpon Center Stormwater Upgrades		$100,000	$350,000		$450,000
Valencia Rd. Flood Improvements & Water Quality		$200,000	$650,000		$850,000
Venezia Park – Stormwater Treatment Upgrades		$200,000			$200,000
Future Water Quality Projects		$300,000		$800,000	$1,100,000
Total	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$4,000,000**

**Based off City of Venice 10 Year CIP*

4.9 Potable Water Project Alternatives Present Value Analysis

A present value analysis was conducted on the discussed potable water project alternatives (excluding no action alternatives). The present value analysis took into consideration capital costs, operation and maintenance (O&M) costs, and salvage value. The assumed interest rate was 3% and the analysis covered a 20-year period. In addition, the salvage value for new or rehabilitated infrastructure alternatives was assumed to be 60% of the capital cost at the end of the 20-year period and 0% for "no action" alternatives. Data for the capital and O&M cost estimates were based on referenced reports and engineering judgement. Table 4-20 provides a summary of the present value analysis for the different options associated with water supply, water treatment and water distribution for the City.

Table 4-20: Present Value Analysis of Potable Water Project Alternatives

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Water Supply	Well 8E	New Well at Pinebrook Rd	2,160,000	48,000	718,000	2,157,000
		New Well at Haul Rd	4,660,000	65,000	1,549,000	4,079,000
Water Treatment	WTP RO System Efficiency Improvement	2nd Stage Membranes *Phase 1*	3,000,000	95,000	997,000	3,417,000
		2nd Stage Membranes *Phase 2*	3,500,000	95,000	1,163,000	3,751,000
		Single Stage RO Plant Expansion	13,630,000	133,000	4,528,000	11,081,000
	WTP Generator and Switchgear	1,250 kW Diesel Generator & Switchgear	3,405,968	46,000	1,132,000	2,959,000
		2,500 kW Diesel Generator & Switchgear	3,688,306	68,000	1,226,000	3,474,000
	WTP RO System Concentrate Disposal Method	Deep Well Injection	11,500,000	156,540	3,821,000	10,008,000
		Nutrient Offsets[1]	-	-	-	-
Water Distribution	Water Main Replacement	Replace with PVC *East Gate 3*	2,115,000	44,000	703,000	2,067,000
		Replace with PVC *Venice Island 8*	2,361,000	44,000	785,000	2,231,000
		Replace with PVC *Venice Island 7*	1,476,000	44,000	491,000	1,640,000
		Replace with HDPE *East Gate 3*	1,945,000	44,000	647,000	1,953,000
		Replace with HDPE *Venice Island 8*	2,206,000	44,000	733,000	2,128,000
		Replace with HDPE *Venice Island 7*	1,376,000	44,000	458,000	1,573,000
	Tank and Booster	Storage Tank and Booster Station on City Owned Land	12,150,000	131,000	4,037,000	10,062,000
		Storage Tank and Booster Station at Alternative Location	13,180,000	131,000	4,379,000	10,750,000

[1]This option is still being evaluated and will be updated with costs when available.

4.10 Wastewater Project Alternatives Present Value Analysis

A present value analysis was conducted on the discussed clean water project alternatives (except no action alternatives). The present value analysis took into consideration capital costs, operation and maintenance (O&M) costs, and salvage value. The assumed interest rate was 3% and the analysis covered a 20-year period. In addition, the salvage value for new or rehabilitated infrastructure alternatives was assumed to be 60% of the capital cost at the end of the 20-year period and 0% for "no action" alternatives. Data for the capital and O&M cost estimates were based on referenced reports and engineering judgement. Table 4-21 provides a summary of the present value analysis for the different options associated with wastewater collection, wastewater treatment and reclaimed water system for the City.

Table 4-21: Present Value Analysis of Wastewater Project Alternatives

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Wastewater Collection	Sewer Main Replacement	Gravity Sewers *Venice Island 8*	1,809,000	55,000	601,000	2,027,000
		Gravity Sewers *Venice Island 7*	1,129,000	55,000	376,000	1,572,000
		Gravity Sewers *East Gate 3*	1,108,000	55,000	369,000	1,558,000
		Gravity Sewers *Venice Island 8*	2,522,000	228,000	838,000	5,077,000
		Gravity Sewers *Venice Island 7*	2,080,000	228,000	691,000	4,782,000
		Gravity Sewers *East Gate 3*	2,052,000	228,000	682,000	4,763,000
	Lift Station No. 5	Rehabilitate Lift Stations	390,000	12,300	130,000	443,000
		Replace Lift Stations	480,000	9,800	160,000	466,000
Wastewater Treatment	AWTP Equalization Tank	Repurpose and Convert Reclaimed Water GST	2,850,000	100,000	947,000	3,391,000
		New Equalization Tank	4,070,000	100,000	1,353,000	4,205,000
Reclaimed Water System	Increase Reclaimed Water Storage	New ASR Well	5,283,111	150,000	1,756,000	5,759,000
		Two New GST	6,010,000	150,000	1,997,000	6,245,000
Stormwater Improvements	FY2022 - FY2026	Complete Improvements	4,250,000	85,000	1,412,000	4,103,000

4.11 Stormwater Projects Present Value Analysis

A present value analysis was conducted on the discussed stormwater projects, with the no action alternatives excluded. The present value analysis took into consideration capital costs, operation and maintenance (O&M) costs, and salvage value. The assumed interest rate was 3% and the analysis covered a 20-year period. In addition, the salvage value for new or rehabilitated infrastructure alternatives was assumed to be 60% of the capital cost at the end of the 20-year period. The O&M costs for the 2022-2026 stormwater improvements projects was assumed to be 2% of the total estimated capital cost. Data for the capital and O&M cost estimates were based on referenced reports and engineering judgement. Table 4-22 provides a summary of the present value analysis for the planned stormwater projects within the City.

Table 4-22: Present Value Analysis of Stormwater Project Alternatives

Category	Project Name	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Stormwater System	Church St. Flood Improvements & Water Quality	370,000	7,400	123,000	358,000
	Curry Creek Improvements	300,000	6,000	100,000	290,000
	Deertown Gully Headwall Replacement	25,000	500	9,000	24,000
	Deertown Gully Water Quality Upgrades	575,000	11,500	192,000	555,000
	Golf Dr. Stormwater Improvements	450,000	9,000	150,000	434,000
	Hatchett Creek Improvements	300,000	6,000	100,000	290,000
	Seaboard Area – ICW Outfalls	500,000	10,000	167,000	482,000
	Nolen Green Stormwater Ponds/Rain Gardens	55,000	1,100	19,000	53,000
	North Nokomis (Bella Costa) Outfall Upgrades	200,000	4,000	67,000	193,000
	Osprey Ditch Stormwater Upgrades	750,000	15,000	250,000	724,000
	Outfall #10 Water Quality & Wetland Restoration	125,000	2,500	42,000	121,000
	Outfall 1 & 2 Water Quality Treatment Expansion	400,000	8,000	133,000	387,000
	Outfall 9 Improvement	100,000	2,000	34,000	96,000
	Parkdale & Parkside Dr. Drainage Improvement	50,000	1,000	17,000	48,000
	Airport Ave. Drainage & Water Quality Improvements	50,000	1,000	17,000	48,000

CHAPTER 5.0 PROPOSED PROJECTS

5.1 Description and Cost of Proposed Projects

The following section provides a summary of the proposed water and wastewater CIP projects for implementation using State Revolving Funds (SRF) program funding. The proposed projects were categorized into the following bins: water supply, water treatment, water distribution, wastewater collection, wastewater treatment, and reclaimed water. A budgetary style cost estimate is presented for each of the proposed projects described. The costs were based on completed relevant studies conducted on behalf of the City by several firms and engineering judgement.

5.1.1 Water Supply

A new water supply well, 8E, is proposed to be constructed off Pinebrook Rd which is near well 2E. The well will have a surface diameter of 16-inches with a minimum casing depth of 220 feet and drilled to an estimated total depth of 320 ft. Adjacent to the new water supply well will be a Floridan aquifer test well drilled to 1,000 ft bls to provide additional information on the hydrogeology of the lower aquifer system and assess its feasibility as a future water supply source. Best management practice will be taken when drilling the well to minimize impacts to the environment. This will include silt fences, turbidity barriers, erosion controls and other necessary requirements in accordance with all local, state, and federal regulations. The budgetary style present value estimate for the proposed water supply well 8E is shown in Table 5-1.

Table 5-1: Well 8E – New Well off Pinebrook Rd Cost Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Water Supply	Well 8E	Pinebrook Rd Site	2,160,000	48,000	718,000	2,157,000

5.1.2 Water Treatment

Of the three alternatives presented to increase the WTP recovery from 50% to 75%, the addition of two second stage skids to the existing RO system was selected as the preferred alternative. The second stage membrane skids will treat the concentrate stream of the first stage membranes and produce additional potable water and a higher strength concentrate. This option will provide the greatest increase in capacity for the associated cost. The increase constituent concentrations in the concentrate stream may necessitate the switch to an injection well for disposal, as opposed to the current intercoastal discharge pipe.

Phase 1 of the second stage membrane project is planned to be located in the open space shown on Figure 5-1 within the existing membrane building. An expansion of another building will be required for Phase 2. Expanding the single stage skids to two stages would require new feed, permeate, interconnecting and concentrate piping, as well as inter-stage booster pumps, additional valves, an energy recovery device (ERD), and instrumentations and controls. Table 5-2 presents a budgetary style present value estimate for the two second stage membrane skids.

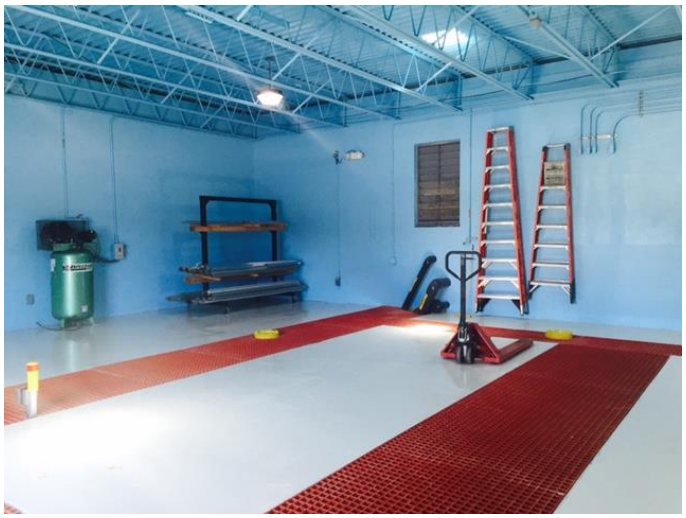


Figure 5-1: Open Space Within Existing RO Membrane Building

Table 5-2: Plant Expansion – Two 2nd Stage Membrane Skids Present Value Estimate

Category	Project Name	Phases	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Water Treatment	WTP RO System Efficiency Improvement	Phase 1	3,000,000	95,000	997,000	3,417,000
		Phase 2	3,500,000	95,000	1,163,000	3,751,000

In addition, the WTP's generator and switchgear system is old and the planned RO expansion may increase the WTP's backup power requirement. Therefore, a project purchasing an additional generator was proposed. Of the alternatives presented, the most favorable alternative was a new 1,250kW diesel generator and switchgear system for the WTP. The new equipment will address the age of the current system, the potential future power requirements for the WTP, and increase the resiliency of the overall utility which is susceptible to power outages during storm season. Table 5-3 presents the associated estimated present value cost for a new 1,250 kW Tier II diesel generator with switchgear replacement.

Table 5-3: 1,250kW Diesel Generator and Switchgear System Present Value Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Water Treatment	WTP Generator and Switchgear	1,250 kW Diesel Generator	3,406,000	46,000	1,132,000	2,959,000

The disposal of concentrate from the RO WTP is currently being achieved via a permitted surface water discharge to the ICWW. However, with the recent determination that the ICWW is an impaired water the FDEP has imposed nutrient limitations that the existing discharge cannot meet. Since there is currently no cost-effective technology for treating the concentrate for nutrients the only options are to construct a deep well or establish nutrient offsets. The City has been discussing with FDEP the establishment of a nutrient offsets program tied to planned improvements of the wastewater treatment plant to address the proposed changes to the WTP's surface water concentrate discharge permit. With respect to the concentrate

disposal method project, the an alternative has not been selected since the nutrient offsets alternative is still being evaluated at this time. Table 5-4 presents the present value estimate to for the two alternatives being considered, with the nutrient offsets program projected to be more cost effective than the deep well injection option. Should the nutrient offset program not be approved by FDEP, a deep well injection project would be the next best option at addressing the WTP concentrate disposal permit changes. The present value estimate for the deep well (backup plan) is approximately $10 M.

Table 5-4: Nutrient Offsets Program Present Value Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Water Treatment	WTP RO System Concentrate Disposal Method	Nutrient Offsets[1]	-	-	-	-
		Deep Well Injection	11,500,000	156,540	3,821,000	10,008,000

[1]*This option is still being evaluated and will be updated with costs when available.*

5.1.3 Water Distribution

To address the aging distribution system infrastructure, the replacement of back-lot water mains and relocation to front easements with HDPE piping throughout various areas of the City in a phased manner was selected as the preferred alternative. This project is already underway with several phases currently completed or under construction. Best management practices will be utilized to minimize the impacts of construction. The phases that were included in this Facility Plan are East Gate Phase 3, Venice Island Phase 8, and Venice Island Phase 7, for a total of approximately 25,000 ft of new pipe. Table 5-5 presents the budgetary style cost estimate for the water main replacement and relocation projects in each area.

Table 5-5: Water Main Replacement and Relocation with PVC Piping Present Value Estimate

Category	Project Name	Phases	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Water Distribution	Water Main Replacement	East Gate 3	1,945,000	44,000	647,000	1,953,000
		Venice Island 8	2,206,000	44,000	733,000	2,128,000
		Venice Island 7	1,376,000	44,000	458,000	1,573,000

In addition to the water main relocation and replacement project, a new ground storage tank and booster station at a City owned parcel near the Ajax property was selected as the preferred alternative to address flow, pressure and disinfectant residual concerns in the northeast section of the City. The project includes a new 2 MGD ground storage tank, a booster station equipped with a chemical feed system, and an emergency interconnect with Sarasota County's potable water distribution system. Table 5-6 presents the budgetary style present value estimate for a new ground storage tank and booster station.

Table 5-6: Ground Storage Tank and Booster Station Present Value Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Water Distribution	Tank and Booster Station	City Owned Parcel	12,150,000	131,000	4,037,000	10,062,000

5.1.4 Wastewater Collection

In a similar fashion to the water distribution project, the wastewater collection project centered on the replacement of aged infrastructure located in rear-lots and relocation to front easements. For this facilities plan, the collection system project included part of East Gate as well as Venice Island. Two collection systems were evaluated, with the vacuum system alternative having been selected in the end. Table 5-7 presents the gravity system present value estimate for East Gate and Venice Island.

Table 5-7: Gravity Sewer Replacement and Relocation Present Value Estimate

Category	Project Name	Phases	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Wastewater Collection	Gravity Sewer Main Replacement	East Gate 3	1,809,000	55,000	601,000	2,027,000
		Venice Island 8	1,129,000	55,000	376,000	1,572,000
		Venice Island 7	1,108,000	55,000	369,000	1,558,000

In addition to the replacement and relocation of aged wastewater collection pipes, several lift stations were identified that needed service. Out of the alternatives reviewed, the rehabilitation of these lifts stations was selected as the most cost-effective alternative. Table 5-8 presents the present value estimate for the rehabilitation of four lift stations within the City's wastewater collection system. The cost estimate assumes that no new land or wet well are necessary to rehab the lift stations.

Table 5-8: Lift Station No. 5 Present Value Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Wastewater Collection	Lift Stations No. 5	Rehabilitate Lift Stations	390,000	12,300	130,000	443,000

5.1.5 Wastewater Treatment

The lack of an equalization tank generates operational risks with maintaining a properly functioning biological process. Of the alternatives evaluated, the most cost-effective alternative found was to repurpose an existing reclaimed water ground storage tank into an equalization tank. This project would improve the WRF's downstream operations. This option is viable should a new ASR well be constructed for reclaim water storage. Table 5-9 presents the present value estimate to convert the existing ground storage tank into an equalization tank.

Table 5-9: Reclaim Water GST Conversion to Equalization Tank Present Value Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Wastewater Treatment	AWTP Equalization Tank	Repurpose Reclaimed Water GST	2,850,000	100,000	947,000	3,391,000

5.1.6 Reclaimed Water

While reclaimed water demand is typically easily met during wet season, during dry season inadequate storage has made it difficult to meet the demand comfortably. Thus, an increase in the reclaimed water

storage capacity would benefit the City. A new ASR well was selected as the proposed alternative for increasing the storage capacity of the reclaimed water system. The new ASR well is proposed to be located near the WRF and would allow one of the current reclaimed water ground storage tanks to be repurposed into an equalization basin for the WRF. Table 5-10 presents a budgetary style present value estimate for a new ASR well.

Table 5-10: ASR Well Present Value Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Reclaimed Water System	Increase Reclaimed Water Storage	New ASR Well	5,283,000	150,000	1,756,000	5,759,000

5.1.7 Stormwater

The City recently performed an evaluation of its stormwater infrastructure, which included field sampling and computer modeling, to determine the constituent loads into the various discharge points from the stormwater system. The evaluation resulted in the identification of various outfalls with high discharge loadings and best management practice options to reduce the discharge loads. In addition, as part of the City's goal to reduce flooding and maintain the stormwater system, they have identified several projects that will improve drainage in the Venice Island area. Table 5-11 present a present value summary of the three stormwater projects planned for FY2022. A full list of projects can be found in Section 4.11.

Table 5-11: FY2022 Stormwater Projects Present Value Estimate

Category	Project Name	Alternative	Capital Cost ($)	O&M Cost ($/yr)	Salvage Value ($)	Present Value ($)
Stormwater FY2022	Deertown Gully Headwall	Infrastructure Improvements	25,000	500	9,000	24,000
	Deertown Gully Upgrades	Infrastructure Improvements	75,000	1,500	25,000	73,000
	Outfall #1 & #2 Expansion	Infrastructure Improvements	400,000	8,000	133,000	387,000

The Deertown Gully headwall project aims to replace the headwall of the structure to enhance performance of water quality treatment swale. The Deertown Gully water quality improvements project aims to improve water quality and flooding inpacts for the area by rehabilitating the infrastructure in place. The Outfall #1 and #2 project focuses on design and construction of a water quality system to be installed between the two outfalls to improved water quality and reduce the water quantity discharged to Gulf of Mexico.The current present value cost estimate for the stormwater improvement projects projected to occur between FY2022 and FY2026 amount to approximately $4.10M. The City plans to complete a Stormwater Management Plan Update in the 2022 fiscal year to further define the proposed projects' scopes and priority designations.

5.1.8 Proposed Potable, Wastewater/Reclaimed Water and Stormwater Projects Summary

Table 5-12 summarizes the budgetary style cost estimates for the proposed potable water, wastewater, and stormwater projects within this facilities plan.

Table 5-12: Proposed Potable, Wastewater/Reclaimed Water, and Stormwater Cost Estimate Summary

Category	Project Name	Alternative	Capital Cost ($)
Water Supply	Well 8E	New Well off Pinebrook Rd	2,160,000
Water Treatment	[1]WTP RO System Efficiency Improvement	2nd Stage Membrane Phase 1	3,000,000
		2nd Stage Membrane Phase 2	3,500,000
	WTP Generator and Switchgear	1,250 kW Diesel Generator & Switchgear	3,406,000
	[2]WTP RO System Concentrate Disposal Method	Deep Injection Well	11,500,000
		Nutrient Offset	TBD
Water Distribution	[1]Water Main Replacement using directional drill with HDPE pipe	East Gate Phase 3	1,945,000
		Venice Island Phase 8	2,206,000
		Venice Island Phase 7	1,376,000
	Potable Water Storage Tank and Booster Station	Storage Tank and Booster Station	12,150,000
		Potable Water Subtotal	**41,243,000**
Wastewater Collection	[1]Sewer Main Replacement with gravity sewer	East Gate Phase 3	1,108,000
		Venice Island Phase 8	1,809,000
		Venice Island Phase 7	1,129,000
	Lift Station No. 5	Rehabilitate Lift Stations	390,000
Wastewater Treatment	AWTP Equalization Tank	Repurpose and Convert Reclaimed Water GST	2,850,000
Reclaimed Water System	Increase Reclaimed Water Storage	ASR Well	5,283,000
		Wastewater/Reclaimed Water Subtotal	**12,569,000**
Stormwater System	Church St. Flood Improvements & Water Quality	Infrastructure Improvement	370,000
	Curry Creek Improvements		300,000
	Deertown Gully Headwall Replacement		25,000
	Deertown Gully Water Quality Upgrades		575,000
	Golf Dr. Stormwater Improvements		450,000
	Hatchett Creek Improvements		300,000
	Seaboard Area – ICW Outfalls		500,000
	Nolen Green Stormwater Ponds/Rain Gardens		55,000
	North Nokomis (Bella Costa) Outfall Upgrades		200,000
	Osprey Ditch Stormwater Upgrades		750,000
	Outfall #10 Water Quality & Wetland Restoration		125,000
	Outfall 1 & 2 Water Quality Treatment Expansion		400,000
	Outfall 9 Improvement		100,000
	Parkdale & Parkside Dr. Drainage Improvement		50,000
	Airport Ave. Drainage & Water Quality Improvements		50,000
		Stormwater Subtotal	**4,250,000**
		TOTAL	**58,062,000**

[1]Project to be completed in phases.
[2]Both alternatives have been included since the costs for one of them is not known at this time. The Nutrient Offset alternative cost will be based on the cost of improving systems in the reclaim water treatment system. Once costs are known for both projects, the most cost-effective one should be selected.

5.2 Environmental Impacts of Proposed Projects

The short-term impacts during construction of the proposed projects include increased noise levels, increased airborne particulates and surface runoff during rainfall. Control measures will be implemented to minimize these temporary effects. The long-term impacts of the projects are beneficial, with improved water supply reliability, water treatment improvements with reduced withdrawals from the intermediate aquifer, reduced infiltration and inflow into the collection system, reduced potential for wastewater overflows, increased availability of reclaimed water and water savings for potable water by expanding the reclaimed water system. In addition, the proposed Solar Farm is part of the City's "Go Green" mission. The solar farm will provide clean renewable energy at their planned booster pump station and ground storage facility and thus help reduce the City's overall greenhouse gas emissions.

5.3 Consistency with the Comprehensive Plan

Aforementioned projects are consistent with the City's Comprehensive Plan; especially those policies pertaining to Infrastructure Replacement and Improvement and Level of Service.

CHAPTER 6.0 IMPLEMENTATION AND COMPLIANCE

6.1 Public Meeting

A public meeting is to be held on the April 27, 2021 City Council Meeting to present Resolution 2021-14 and Facilities Planning Document. The meeting will be noticed and published on the City's website, 14 days before the prior to meeting. Resolution 2021-14 adopts the Facilities Plan for Potable Water, Wastewater and Stormwater funding and designates the authorized representatives. The public and council will be given and opportunity to speak and comment prior to the adoption of Resolution. An addendum will be provided to FDEP which will include the resolution , meeting minutes and documentation of public notice upon acceptance Council.

6.2 Regulatory Agency Review

To qualify for a subsidized loan from the SRF, various governmental agencies were contacted to verify that they are satisfied with the proposed improvements that are being recommended by the City for solving future potable and clean water issues. Copies of the plan were sent to the following government agencies for review and comments.

- Florida Department of Environmental Protection
- Florida Department of Health
- Southwest Florida Water Management District
- US Environmental Protection Agency
- Southwest Florida Regional Planning Council
- Department of Community Affairs, State Clearinghouse.
- US Fish and Wildlife Service

If additional information and certifications are requested by regulatory agencies through the regulatory agency review during review, this information will be provided via Addendum in addition to any other documents required by FDEP prior to award. This includes the fiscal sustainability, cost and effectiveness certification and water/energy certification required by the Water Resources and Development Act of 2014; Project Sponsor's Professional Services Procurement Certification.

6.3 Financial Planning

The FDEP SRF loan program is expected to be the financing source for these projects. A capital financing plan for the wastewater projects and business plan for the drinking water projects has been prepared by the City to show the public and state agencies what the financial impact on the users. It is anticipated that

the City's Utilities Department, which serves approximately 26,500 customers, will pay the cost for the improvements under the existing rates that are now in service. These plans are provided in the Appendix.

6.4 Implementation

The City of Venice Utilities Department has the sole responsibility and authority to implement the recommended improvements. There are no interlocal agreements necessary for the City to provide drinking water and wastewater services throughout the planning area.

6.5 Implementation Schedule

The following schedules is shown in Table 6-1 which has been developed for the implementation of the proposed improvements; these schedules are subject to various projects and schedules being met and may change.

Table 6-1: Proposed Implementation Schedule for City of Venice Drinking Water and Clean Water Projects

Date	Task
March 2021	Submit draft FP to FDEP/Clearinghouse (CH) for review
April 2021	Hold public hearing on FP and Capital Financing Plan
April 2021	FP resolution and meeting minute to FDEP
June 2021	FDEP/CH approval of FP
June 2021	Publication of EID in Florida Administrative Weekly
June 2021	Environmental Clearance Received
July 2021	Biddable plans, specifications and permits submitted to FDEP
August 2021	Hearing to place projects on priority list
September 2021	Application Complete
September 2021	Loan Agreement Received
September 2021	Project NTP

Appendix A: Capital Financing Plan

City of Venice, Florida
Facilities Plan Update

Clean Water (wastewater)

Clean Water Capital Financing Plan

3/29/2021

FDEP Capital Financing Plan CW/Business Plan DW		Clean Water Program	Drinking Water Program
FY 21/22		**Wastewater/Reclaimed**	**Drinking Water**
Watermain Replacement P8	4,015,000	1,809,000	2,206,000
Booster Pump Station	12,150,000		12,150,000
2nd Stage Membraine P1	3,000,000		3,000,000
KW Diesel Generator & Swtichgear	3,406,000		3,406,000
FY 23/24		**Wastewater/Reclaimed**	**Drinking Water**
East Gate Phase 3	3,053,000	1,108,000	1,945,000
AWTP Equalization Tank	2,850,000	2,850,000	
Watermain Phase 7	2,505,000	1,129,000	1,376,000
2nd Stage Membrane P2	3,500,000		3,500,000
Well 8E	2,160,000		2,160,000
ASR Well	5,283,000	5,283,000	
FY 25/26		**Wastewater/Reclaimed**	**Drinking Water**
Deep Injection Well	11,500,000.0		11,500,000
Lift Station #5	390,000.0	390,000	
Total	**53,812,000.00**	**12,569,000**	**41,243,000**

FDEP Capital Financing Plan CW		Clean Water Program
FY 22/23		**Stormwater**
Outfall 1 & 2 Water Quality Treatment Expansion	400,000	400,000
Deartown Gully Water Quality Upgrades	575,000	575,000
Outfall #10 Water Quality Wetland Restoration	125,000	125,000
Deartown Gully Headwall Replacement	25,000	25,000
Outfall #9 Improvements	100,000	100,000
FY 23/24		**Stormwater**
Church St. Flood Improvements & Water Quality	370,000	370,000
Curry Creek Improvements	300,000	300,000
Golf Dr. Stormwater Improvements	450,000	450,000
Hatchett Creek Improvements	300,000	300,000
Seaboard Avea - ICW Outfalls	500,000	500,000
Nolen Green Stormwater Ponds/Rain Gardens	55,000	55,000
North Nokomis Outfall Upgrades	200,000	200,000
Osprey Dit Stormwater Upgrades	750,000	750,000
Parkdale & Parkside Dr. Drainage	50,000	50,000
Airport Ave. Drainage & Water Quality Improvements	50,000	50,000
Total		**4,250,000**

	Clean Water (Wastewater, Reclaimed & Stormwater	Drinking Water Program	Facilities Plan Total
Total	**16,819,000**	**41,243,000**	**58,062,000**

FDEP SRF Clean Water Utility Projects Estimated at $12,569,000

CAPITAL FINANCING PLAN

City of Venice
(Project Sponsor)
Ron Fiensod, Mayor
(Authorized Representative and Title)
Venice, FL 34285
(City, State, and Zip Code)

Linda Senne, Finance Director
(Capital Financing Plan Contact, Title and Telephone Number)
401 West Venice Ave
(Mailing Address)
Venice, FL 34285
(City, State, and Zip Code)

The Department needs to know about the financial capabilities of potential State Revolving Fund (SRF) loan applicants. Therefore, a financial capability demonstration (and certification) is required well before the evaluation of the actual loan application.

The sources of revenues being dedicated to repayment of the SRF loan are Water/Sewer Net Operating Revenues

(Note: Projects pledging utility operating revenues should attach a copy of the existing/proposed rate ordinance)

Estimate of Proposed SRF Loan Debt Service

Capital Cost*	**12,569,000**
Loan Service Fee (2% of capital cost)	**252,417**
Subtotal	**12,821,417**
Capitalized Interest**	**51,847**
Total Cost to be Amortized	**12,873,264**
Interest Rate***	**.33**
Annual Debt Service	**666,198**
Annual Debt Service Including Coverage Factor****	**742,812**

* Capital Cost = Allowance + Construction Cost (including a 10% contingency) + Technical Services after Bid Opening.
** Estimated Capitalized Interest = Subtotal times Interest Rate times construction time in years divided by two.
***20 GO Bond Rate times Affordability Index divided by 200.
**** Coverage Factor is generally 15%. However, it may be higher if other than utility operating revenues are pledged.

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 2013 PNC (SRF) Refunding Loan		#2 Refunding Bond, Series 2020 [1]		#3 Series 2015			
	$4,157,000		$17,780,000		$15,355,000		
Coverage %	115%	Coverage %	115%	Coverage %	115%		
Insured (Yes/No)	No	Insured (Yes/No)	No	Insured (Yes/Nc	No		
# 4 SRF DW580430	$8,168,449	**#5 SRF WW580440**	$575,627				
Coverage %	115%	Coverage %	115%				
Insured (Yes/No)	No	Insured (Yes/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	430,340	1,157,350	1,100,375		28,854			3,091,275	33,182
2020	430,740	1,158,950	1,100,450		28,854			3,093,661	33,182
2021	431,033	18,625,497	1,096,575	236,194	28,854			23,176,070	304,805
2022	430,210	1,021,221	1,096,325	472,388	28,854			2,929,920	576,428
2023	431,280	1,024,539	1,099,375	472,388	28,854			2,938,474	576,428
2024		1,021,956	1,096,300	472,388	28,854			2,435,995	576,428
2025		1,022,872	1,097,175	472,388	28,854			2,438,054	576,428
2026		1,022,422	1,101,175	472,388	28,854			2,442,137	576,428
2027		1,020,622	1,098,300	472,388	28,854			2,436,760	576,428
2028		1,022,063	1,096,850	472,388	28,854			2,436,750	576,428
2029		1,021,687	1,098,775	472,388	28,854			2,438,532	576,428
2030		1,019,934	1,100,650	472,388	28,854			2,438,671	576,428
2031		1,022,228	1,099,725	472,388	28,854			2,440,245	576,428
2032		1,023,307	1,096,159	472,388	28,854			2,437,386	576,428
2033		1,018,267	1,100,469	472,388	28,854			2,436,546	576,428
2034		1,022,219	1,098,131	472,388	28,854			2,438,402	576,428
2035		1,025,076	1,099,084	472,388	28,854			2,442,784	576,428
2036		1,021,857	1,098,225	472,388	28,854			2,438,094	576,428
2037		1,026,035		472,388	28,854			1,179,940	576,428
2038		1,022,926		472,388	14,427			1,176,365	559,837
2039		1,024,223		472,388				1,177,857	543,246
2040		1,019,926		472,388				1,172,915	543,246
2041		1,020,035		236,194				1,173,040	-
2042		1,019,483						1,172,405	
2043		1,018,271						1,171,012	-
2044								-	
2045									
2046									

(1) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of $20,770,000 was refunded by the 2021 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

		FY2019	FY2020
(a)	Operating Revenues: Water/Sewer Service	24,071,196	27,214,709
	Other _____		
(b)	Interest Income	866,237	477,459
(c)	Other Income or Revenue (Identify)		
(d)	Total Revenues	24,937,433	27,692,168
(e)	Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	12,657,837	13,030,579
(f)	Net Revenues (f = d - e)	12,279,596	14,661,589
(g)	Debt Service (Including coverage) Excluding SRF Loans	3,091,275	3,093,661
(h)	Debt Service (including coverage) for Outstanding SRF Loans	33,182	33,182
(i)	Net Revenues After Debt Service (i=f-g-h)	9,155,139	11,534,746

Source: CAFR

Notes: Please see ATTACHMENT 1 for back-up Financial Documentation

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

FOR RATE-BASED SYSTEM PLEDGED REVENUE

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

		FY2022	FY023	FY024	FY025	FY026
(a)	Operating Revenues (Identify) Water/Sewer/Reclaimed	24,926,046	25,424,567	25,933,058	26,451,719	26,980,754
(b)	Interest Income	255,000	260,100	265,302	270,608	276,020
(c)	Other Incomes or Revenues (Identify) Other Operating Income	1,422,604	1,425,056	1,427,557	1,430,108	1,432,711
(d)	Total Revenues	**26,603,650**	**27,109,723**	**27,625,917**	**28,152,436**	**28,689,485**
(e)	Operating Expenses	14,531,809	14,822,446	15,118,895	15,421,272	15,729,698
(f)	**Net Revenues (f = d - e)**	**12,071,841**	**12,287,277**	**12,507,023**	**12,731,163**	**12,959,787**
(g)	Existing Debt Service on Non-SRF Projects (including coverage)	2,929,920	2,938,474	2,435,995	2,438,054	2,442,137
(h)	Existing SRF Loan Debt (including coverage)	576,428	576,428	576,428	576,428	576,428
(i)	**Total Existing Debt Service (I = g + h)**	**3,506,348**	**3,514,902**	**3,012,423**	**3,014,482**	**3,018,565**
(j)	Projected Debt Service on Non-SRF Future Projects (including coverage)					
(k)	Projected SRF Loan Debt Service (including coverage)			1,333,917	1,333,917	2,477,536
(l)	**Total Debt Service (Existing and Projected) (l = I + j + k)**	**3,506,348**	**3,514,902**	**4,346,340**	**4,348,399**	**5,496,101**
(m)	**Net Revenues After Debt (m = f - l)**	**8,565,492**	**8,772,376**	**8,160,683**	**8,382,764**	**7,463,685**

Source: CAFR 2020, Attachment 1

Notes: 2% Increase in Revenues / 2% Increase in Debt. 2% increase in Revenues is conservative approach because the City has seen a increase in revenues due to growth in the area. Please see attachment 1 for projection worksheet.

CERTIFICATION

I, Linda Senne, Finance Director , certify that I have reviewed the information
Chief Financial Officer (please print)

included in the preceding capital financing plan worksheets, and to the best of my knowledge, this information accurately reflects the financial capability of City of Venice
Project Sponsor

I further certify that City of Venice has the financial capability to ensure
Project Sponsor

adequate construction, operation, and maintenance of the system, including this SRF project.

Linda Senne
Signature

4/13/2021
Date

City of Venice, Florida
Facilities Plan Update

Attachment 1
Clean Water (wastewater)

Clean Water Capital Financing Plan

3/29/2021

Overall Project Cost Worksheet and Draft Interest Amortization

Project Cost Worksheet
City of Venice

Clean Water Projects (Utilities)

Item	%	Amount
Construction		12,569,000
Eligible Land		0
Other (Contingency Eligible)		0
Contingency Percentage/Amount	10%	0
Technical Services	10%	0
Special Studies		
Total		**12,569,000**
		-
Years to Construct		2.5
Anticipated Interest Rate		0.33%
Anticipated Capitalized Interest		51,847
TOTAL		**12,620,847**
Fees	2%	252,417
Total for Amortization		**12,873,264**

Interest Rate:	1.33
Fair Labor Standards- Davis Bacon Rate Reduction	-0.75
American-Iron-Steel Rate Reduction	-0.25
"Green" rate reduction	0
	0.33

Draft Interest Amortization

Loan Amount (**pv**)[1]	$12,873,264
Interest Rate (**rate**)	0.33%
Total # of Periods (**Nper**)	20

Payment per Period	**$666,198.80**
Total Interest Paid	**$ 450,711.90**

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 12,873,264.07
1	666,198.80	42,481.77	42,481.77	623,717.03	623,717.03	12,249,547.04
2	666,198.80	40,423.51	82,905.28	625,775.29	1,249,492.32	11,623,771.75
3	666,198.80	38,358.45	121,263.72	627,840.35	1,877,332.67	10,995,931.40
4	666,198.80	36,286.57	157,550.30	629,912.22	2,507,244.90	10,366,019.17
5	666,198.80	34,207.86	191,758.16	631,990.94	3,139,235.83	9,734,028.24
6	666,198.80	32,122.29	223,880.45	634,076.51	3,773,312.34	9,099,951.73
7	666,198.80	30,029.84	253,910.29	636,168.96	4,409,481.29	8,463,782.77
8	666,198.80	27,930.48	281,840.78	638,268.32	5,047,749.61	7,825,514.46
9	666,198.80	25,824.20	307,664.98	640,374.60	5,688,124.21	7,185,139.86
10	666,198.80	23,710.96	331,375.94	642,487.84	6,330,612.05	6,542,652.02
11	666,198.80	21,590.75	352,966.69	644,608.05	6,975,220.09	5,898,043.97
12	666,198.80	19,463.55	372,430.23	646,735.25	7,621,955.35	5,251,308.72
13	666,198.80	17,329.32	389,759.55	648,869.48	8,270,824.83	4,602,439.24
14	666,198.80	15,188.05	404,947.60	651,010.75	8,921,835.58	3,951,428.49
15	666,198.80	13,039.71	417,987.32	653,159.08	9,574,994.66	3,298,269.41
16	666,198.80	10,884.29	428,871.60	655,314.51	10,230,309.17	2,642,954.90
17	666,198.80	8,721.75	437,593.36	657,477.05	10,887,786.22	1,985,477.85
18	666,198.80	6,552.08	444,145.43	659,646.72	11,547,432.94	1,325,831.13
19	666,198.80	4,375.24	448,520.68	661,823.56	12,209,256.49	664,007.57
20	666,198.80	2,191.22	450,711.90	664,007.57	12,873,264.07	0.00
	-	-	-	-	-	-

Schedule of Actual Revenues, Debt Coverage, FY19, and FY20 CAFR

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.)

		FY2019	FY2020
(a)	Operating Revenues:		
	Water/Sewer Service	24,071,196	27,214,709
	Other _____		
(b)	Interest Income	866,237	477,459
(c)	Other Income or Revenue (Identify)		
(d)	Total Revenues	24,937,433	27,692,168
(e)	Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	12,657,837	13,030,579
(f)	Net Revenues (f = d - e)	12,279,596	14,661,589
(g)	Debt Service (Including coverage) Excluding SRF Loans	3,091,275	3,093,661
(h)	Debt Service (including coverage) for Outstanding SRF Loans	28,854	33,182
(i)	Net Revenues After Debt Service (i=f-g-h)	9,159,467	11,534,746

Source: CAFR

Notes: Please see ATTACHMENT A for back-up Financial Documentation

Schedule of Actual Revenues and Debt Coverage - Worksheet		
	2019	2020
Operating Revenues		
Charges for Services	22,976,129	24,032,839
Miscellaneous	1,095,067	3,181,870
Total Revenues	24,071,196	27,214,709
Interest Income	**866,237**	**477,459.00**
Operating Expenses		
Personal Services	5,807,923	6,124,876
Insurance	343,284	353,736
Supplies and materials	-	-
Professional services	1,844,682	1,579,408
Maintenance	1,824,444	2,246,746
Utilities	815,512	809,089
Other services and changes	2,021,992	1,916,724
Depreciation and amortization	-	-
Total Operating Expenses	12,657,837	13,030,579

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2019

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	$ 22,976,129	$ 6,749,048	$ -
Rentals	-	-	2,093,818
Miscellaneous	1,095,067	14,034	51,625
Total operating revenues	24,071,196	6,763,082	2,145,443
OPERATING EXPENSES			
Personal services	5,807,923	2,227,996	716,450
Insurance	343,284	46,464	90,084
Professional/contractual services	1,844,682	1,644,840	203,170
Claims	-	-	-
Repair and maintenance	1,824,444	667,074	95,648
Utilities	815,512	10,109	95,054
Other services and charges	2,021,992	1,512,678	187,209
Depreciation	5,213,864	175,044	2,123,250
Total operating expenses	17,871,701	6,284,205	3,510,865
Operating income (loss)	6,199,495	478,877	(1,365,422)
NON OPERATING REVENUES (EXPENSES)			
Operating Grants	31,957	267,784	-
Interest earnings	866,237	46,431	153,846
Disposition of capital assets	12,300	-	(115,465)
Interest expense	(1,226,338)	-	-
Net non-operating revenues (expenses)	(315,844)	314,215	38,381
Income (loss) before contributions and transfers	5,883,651	793,092	(1,327,041)
CAPITAL CONTRIBUTIONS			
Developer capital contributions	840,141	-	-
Federal and state grants	500,000	-	420,257
Capital assets transferred in from governmental funds	-	-	-
Total capital contributions	1,340,141	-	420,257
TRANSFERS			
Transfers in	-	-	-
Transfers out	(1,871,788)	(651,042)	(368,196)
Net transfers	(1,871,788)	(651,042)	(368,196)
Change in net position	5,352,004	142,050	(1,274,980)
Total net position at beginning of year	96,381,982	1,888,601	36,660,062
Total net position at end of year	$ 101,733,986	$ 2,030,651	$ 35,385,082

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, 2020

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	$ 24,032,839	$ 7,020,902	$ -
Rentals	-	-	2,163,794
Interfund charges	-	-	-
Miscellaneous	3,181,870	9,276	57,953
Total operating revenues	27,214,709	7,030,178	2,221,747
OPERATING EXPENSES			
Personal services	6,124,876	2,210,029	740,874
Insurance	353,736	43,080	92,808
Professional/contractual services	1,579,408	1,485,687	387,224
Claims		-	-
Repair and maintenance	2,246,746	802,749	109,125
Utilities	809,089	10,319	94,381
Other services and charges	1,916,724	1,829,706	187,594
Depreciation	5,336,070	64,994	2,049,010
Total operating expenses	18,366,649	6,446,564	3,661,016
Operating income (loss)	8,848,060	583,614	(1,439,269)
NON OPERATING REVENUES (EXPENSES)			
Operating Grants	9,216	173,119	69,000
Interest earnings	477,459	37,799	65,174
Disposition of capital assets	-	2,300	2,100
Interest expense	(1,196,343)	-	-
Net non-operating revenues (expenses)	(709,668)	213,218	136,274
Income (loss) before contributions and transfers	8,138,392	796,832	(1,302,995)
CAPITAL CONTRIBUTIONS			
Developer capital contributions	3,428,637	-	-
Federal and state grants	-	-	2,548,054
Capital assets transferred in from governmental funds	-	-	-
Total capital contributions	3,428,637	-	2,548,054
TRANSFERS			
Transfers in	-	-	-
Transfers out	(1,954,685)	(553,166)	(310,979)
Net transfers	(1,954,685)	(553,166)	(310,979)
Change in net position	9,612,344	243,666	934,080
Total net position at beginning of year	101,733,986	2,030,651	35,385,082
Total net position at end of year	$ 111,346,330	$ 2,274,317	$ 36,319,162

See accompanying Notes to Financial Statements.

Schedule of Projected Revenues and Debt Coverage, Projection Worksheet and Notes.

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

FOR RATE-BASED SYSTEM PLEDGED REVENUE

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

		FY2022	FY023	FY024	FY025	FY026
(a)	Operating Revenues (Identify) Water/Sewer/Reclaimed	24,926,046	25,424,567	25,933,058	26,451,719	26,980,754
(b)	Interest Income	255,000	260,100	265,302	270,608	276,020
(c)	Other Incomes or Revenues (Identify) Other Operating Income	1,422,604	1,425,056	1,427,557	1,430,108	1,432,711
(d)	Total Revenues	**26,603,650**	**27,109,723**	**27,625,917**	**28,152,436**	**28,689,485**
(e)	Operating Expenses	14,531,809	14,822,446	15,118,895	15,421,272	15,729,698
(f)	**Net Revenues (f = d - e)**	**12,071,841**	**12,287,277**	**12,507,023**	**12,731,163**	**12,959,787**
(g)	Existing Debt Service on Non-SRF Projects (including coverage)	2,929,920	2,938,474	2,435,995	2,438,054	2,442,137
(h)	Existing SRF Loan Debt (including coverage)	576,428	576,428	576,428	576,428	576,428
(i)	**Total Existing Debt Service (I = g + h)**	**3,506,348**	**3,514,902**	**3,012,423**	**3,014,482**	**3,018,565**
(j)	Projected Debt Service on Non-SRF Future Projects (including coverage)					
(k)	Projected SRF Loan Debt Service (including coverage)			1,333,917	1,333,917	2,477,536
(l)	**Total Debt Service (Existing and Projected) (l = I + j + k)**	**3,506,348**	**3,514,902**	**4,346,340**	**4,348,399**	**5,496,101**
(m)	**Net Revenues After Debt (m = f - l)**	**8,565,492**	**8,772,376**	**8,160,683**	**8,382,764**	**7,463,685**

Source: CAFR 2020, Attachment 1

Notes: 2% Increase in Revenues / 2% Increase in Debt. 2% increase in Revenues is conservative approach because the City has seen a increase in revenues due to growth in the area. Please see attachment 1 for projection worksheet.

Projection Worksheet

		CAFR	CAFR	CAFR	Budget	2% Yearly Increase								
Revenues		FY2018	FY2019	FY2020	FY2021	FY2022		FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
Charges for Service	Water/Sewer/Reclaimed	22,743,950	22,976,129	24,032,839	24,166,820	24,650,156	2%	25,143,160	25,646,023	26,158,943	26,682,122	27,215,764	27,760,080	28,315,281
	Miscellaneous													
343.65-70	WTR PC Fees-Int 55%			142		-		-						
343.65-71	WTR PC Fees Prin 45%	1,078,435	708,090	2,240,242	1,400,000	1,000,000	0%	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
343.65-73	Sewer PC Fees Prin 45%	635,695	303,970	814,507	750,000	300,000	0%	300,000	300,000	300,000	300,000	300,000	300,000	300,000
362.10-01	Rev Cell Tower Rents	83,730	81,285	82,742	88,200	89,964	2%	91,763	93,599	95,471	97,380	99,328	101,314	103,340
362.10-00	Surplus Proceeds/Auction Misc	2,400		28		-		-	-	-	-	-	-	-
365.11-00	Scrap-Pollut CTRL	993	3,423	3,388	8,800	8,976	2%	9,156	9,339	9,525	9,716	9,910	10,108	10,311
369.00-00	Rev-Other Miscellaneous	5,771	(3,216)	17,704	5,000	5,100	2%	5,202	5,306	5,412	5,520	5,631	5,743	5,858
369.30-00	Insurance settlement	17,550	1,516	23,115	18,200	18,564	2%	18,935	19,314	19,700	20,094	20,496	20,906	21,324
369.90-26	Sales Tax Coll Allow and adjustments	14,387		1		-		-	-	-	-	-	-	-
Miscellaneous Total CAFR		1,838,960	1,095,067	3,181,870	2,270,200	1,422,604		1,425,056	1,427,557	1,430,108	1,432,711	1,435,365	1,438,072	1,440,833
Interest Earnings		554,172	866,237	477,459	250,000	255,000		260,100	265,302	270,608	276,020	281,541	287,171	292,915
TTL Operating Rev		**25,137,082**	**24,937,434**	**27,692,167**	**26,687,020**	**26,327,760**		**26,828,316**	**27,338,882**	**27,859,660**	**28,390,853**	**28,932,670**	**29,485,323**	**30,049,030**
Operating Expense		FY2018	FY2019	FY2020	FY2021	FY2022		FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
Personal Services		5,381,497	5,807,923	6,124,876	5,998,782	6,118,758	2%	6,241,133	6,365,955	6,493,275	6,623,140	6,755,603	6,890,715	7,028,529
Insurance		366,108	343,284	353,736	378,878	386,456	2%	394,185	402,068	410,110	418,312	426,678	435,212	443,916
Professional/Cont Svc		1,548,113	1,844,682	1,579,408	2,441,576	2,490,408	2%	2,540,216	2,591,020	2,642,840	2,695,697	2,749,611	2,804,603	2,860,695
Repair & Maintenance		2,059,087	1,824,444	2,246,746	2,089,315	2,131,101	2%	2,173,723	2,217,198	2,261,542	2,306,773	2,352,908	2,399,966	2,447,966
Utilities		848,731	815,512	809,089	829,818	846,414	2%	863,343	880,610	898,222	916,186	934,510	953,200	972,264
Other Svc and Charges		1,857,435	2,021,992	1,916,724	2,508,503	2,558,673	2%	2,609,847	2,662,043	2,715,284	2,769,590	2,824,982	2,881,481	2,939,111
Depreciation (not included in SRF Calculat														
Total Expenses		12,060,971	12,657,837	13,030,579	14,246,872	14,531,809		14,822,446	15,118,895	15,421,272	15,729,698	16,044,292	16,365,178	16,692,481
	Net	**13,076,111**	**12,279,597**	**14,661,588**	**12,440,148**	**11,795,951**		**12,005,870**	**12,219,987**	**12,438,387**	**12,661,155**	**12,888,378**	**13,120,146**	**13,356,548**

Notes:

The CAFR was utilized to calculate Revenues and Expenses FY2017-2020.

FY2021 the current budget was utilized to calculate the Revenues and Expenses and the encumbrance roll was also used from FY20 to FY21.

FY2022-FY2029 – A 2% yearly increase was utilized to calculate future years for both Revenues and Operation Expenses. Rate Study may include higher percentage; however, we wanted to remain conservative in this planning document.

Schedule of Prior and Parity Liens and Debt Obligation List

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 2013 PNC (SRF) Refunding Loan		#2 Refunding Bond, Series 2020 [1]		#3 Series 2015				
	$4,157,000		$17,780,000		$15,355,000			
Coverage %	115%	Coverage %	115%	Coverage %	115%			
Insured (Yes/No)	No	Insured (Yes/No)	No	Insured (Yes/Nc	No			
# 4 SRF DW580430	$8,168,449	#5 SRF WW580440	$575,627					
Coverage %	115%	Coverage %	115%					
Insured (Yes/No)	No	Insured (Yes/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	430,340	1,157,350	1,100,375		28,854			3,091,275	33,182
2020	430,740	1,158,950	1,100,450		28,854			3,093,661	33,182
2021	431,033	144,390	1,096,575	236,194	28,854			1,922,797	304,805
2022	430,210	1,021,221	1,096,325	472,388	28,854			2,929,920	576,428
2023	431,280	1,024,539	1,099,375	472,388	28,854			2,938,474	576,428
2024		1,021,956	1,096,300	472,388	28,854			2,435,995	576,428
2025		1,022,872	1,097,175	472,388	28,854			2,438,054	576,428
2026		1,022,422	1,101,175	472,388	28,854			2,442,137	576,428
2027		1,020,622	1,098,300	472,388	28,854			2,436,760	576,428
2028		1,022,063	1,096,850	472,388	28,854			2,436,750	576,428
2029		1,021,687	1,098,775	472,388	28,854			2,438,532	576,428
2030		1,019,934	1,100,650	472,388	28,854			2,438,671	576,428
2031		1,022,228	1,099,725	472,388	28,854			2,440,245	576,428
2032		1,023,307	1,096,159	472,388	28,854			2,437,386	576,428
2033		1,018,267	1,100,469	472,388	28,854			2,436,546	576,428
2034		1,022,219	1,098,131	472,388	28,854			2,438,402	576,428
2035		1,025,076	1,099,084	472,388	28,854			2,442,784	576,428
2036		1,021,857	1,098,225	472,388	28,854			2,438,094	576,428
2037		1,026,035		472,388	28,854			1,179,940	576,428
2038		1,022,926		472,388	14,427			1,176,365	559,837
2039		1,024,223		472,388				1,177,857	543,246
2040		1,019,926		472,388				1,172,915	543,246
2041		1,020,035		236,194				1,173,040	-
2042		1,019,483						1,172,405	
2043		1,018,271						1,171,012	-
2044								-	
2045									
2046									

(1) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of $20,770,000 was refunded by the 2021 Bond Issue.

Construction Loan Water/Wastewater Debt Obligation

- City of Venice, Florida, Utility System Refunding Revenue Note, Series 2013, issued in the amount of $4,157,000 - Resolution 2013-09[1] - 5/14/2013 (Principal balance as of FY20 $1,256,000)

- City of Venice, Florida, Taxable Utility System Refunding Revenue Bonds, Series 2020, issued in the amount of $17,750,000 - Resolution 2020-48 (Balance as of FY20 $17,750,000) [1]

- City of Venice, Florida, Utility System Refunding Revenue Note, Series 2015, issued in the amount of $15,355,000 - Resolution 2015-1[1] - 2/10/2015 (Principal balance as of FY20 $13,245,000)

- City of Venice, Florida, State Revolving Loan Fund, DW580430, issued in the amount of $8,168,449 - Resolution 2016-13 - 4/26/2016 (Principal balance as of FY20 $8,168,449)

- 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 FY20 $504,948)

[1] Utility System Refunding Revenue Bond, Series 2020 paid the Bond 2012 that was issued in the amount of $20,770,000

City of Venice, Florida

Facilities Plan Update

Stormwater

Capital Financing Plan

3/29/2021

FDEP Capital Financing Plan CW/Business Plan DW		Clean Water Program	Drinking Water Program
FY 21/22		**Wastewater/Reclaimed**	**Drinking Water**
Watermain Replacement P8	4,015,000	1,809,000	2,206,000
Booster Pump Station	12,150,000		12,150,000
2nd Stage Membraine P1	3,000,000		3,000,000
KW Diesel Generator & Swtichgear	3,406,000		3,406,000
FY 23/24		**Wastewater/Reclaimed**	**Drinking Water**
East Gate Phase 3	3,053,000	1,108,000	1,945,000
AWTP Equalization Tank	2,850,000	2,850,000	
Watermain Phase 7	2,505,000	1,129,000	1,376,000
2nd Stage Membrane P2	3,500,000		3,500,000
Well 8E	2,160,000		2,160,000
ASR Well	5,283,000	5,283,000	
FY 25/26		**Wastewater/Reclaimed**	**Drinking Water**
Deep Injection Well	11,500,000.0		11,500,000
Lift Station #5	390,000.0	390,000	
Total	**53,812,000.00**	**12,569,000**	**41,243,000**

FDEP Capital Financing Plan CW		Clean Water Program
FY 22/23		**Stormwater**
Outfall 1 & 2 Water Quality Treatment Expansion	400,000	400,000
Deartown Gully Water Quality Upgrades	575,000	575,000
Outfall #10 Water Quality Wetland Restoration	125,000	125,000
Deartown Gully Headwall Replacement	25,000	25,000
Outfall #9 Improvements	100,000	100,000
FY 23/24		**Stormwater**
Church St. Flood Improvements & Water Quality	370,000	370,000
Curry Creek Improvements	300,000	300,000
Golf Dr. Stormwater Improvements	450,000	450,000
Hatchett Creek Improvements	300,000	300,000
Seaboard Avea - ICW Outfalls	500,000	500,000
Nolen Green Stormwater Ponds/Rain Gardens	55,000	55,000
North Nokomis Outfall Upgrades	200,000	200,000
Osprey Dit Stormwater Upgrades	750,000	750,000
Parkdale & Parkside Dr. Drainage	50,000	50,000
Airport Ave. Drainage & Water Quality Improvements	50,000	50,000
Total		**4,250,000**

	Clean Water (Wastewater, Reclaimed & Stormwater	Drinking Water Program	Facilities Plan Total
Total	**16,819,000**	**41,243,000**	**58,062,000**

FDEP SRF Clean Water Funding - Stormwater Projects Estimate $4,250,000

CAPITAL FINANCING PLAN

City of Venice
(Project Sponsor)
Ron Fiensod, Mayor
(Authorized Representative and Title)
Venice, FL 34285
(City, State, and Zip Code)

Linda Senne, Finance Director
(Capital Financing Plan Contact, Title and Telephone Number)
401 West Venice Ave
(Mailing Address)
Venice, FL 34285
(City, State, and Zip Code)

The Department needs to know about the financial capabilities of potential State Revolving Fund (SRF) loan applicants. Therefore, a financial capability demonstration (and certification) is required well before the evaluation of the actual loan application.

The sources of revenues being dedicated to repayment of the SRF loan are Stormwater Net Operating Revenues
(Note: Projects pledging utility operating revenues should attach a copy of the existing/proposed rate ordinance)

Estimate of Proposed SRF Loan Debt Service

Capital Cost*	**4,250,000**
Loan Service Fee (2% of capital cost)	**85,000**
Subtotal	**4,335,000**
Capitalized Interest**	**17,531**
Total Cost to be Amortized	**4,352,531**
Interest Rate***	**.33**
Annual Debt Service	**255,264.13**
Annual Debt Service Including Coverage Factor****	**251,169.51**

* Capital Cost = Allowance + Construction Cost (including a 10% contingency) + Technical Services after Bid Opening.
** Estimated Capitalized Interest = Subtotal times Interest Rate times construction time in years divided by two.
***20 GO Bond Rate times Affordability Index divided by 200.
**** Coverage Factor is generally 15%. However, it may be higher if other than utility operating revenues are pledged.

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 SRF SW580460 $527,599								
Coverage % 115%		Coverage % 115%		Coverage % 115%				
Insured (Yes/No) No		Insured (Yes/No) No		Insured (Yes/Nc No				
Coverage % 115%		Coverage % 115%						
Insured (Yes/No) No		Insured (Yes/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								-	-
2020								-	-
2021	14,414							-	16,575.69
2022	28,827							-	33,151.37
2023	28,827							-	33,151.37
2024	28,827							-	33,151.37
2025	28,827							-	33,151.37
2026	28,827							-	33,151.37
2027	28,827							-	33,151.37
2028	28,827							-	33,151.37
2029	28,827							-	33,151.37
2030	28,827							-	33,151.37
2031	28,827							-	33,151.37
2032	28,827							-	33,151.37
2033	28,827							-	33,151.37
2034	28,827							-	33,151.37
2035	28,827							-	33,151.37
2036	28,827							-	33,151.37
2037	28,827							-	33,151.37
2038	28,827							-	33,151.37
2039	28,827							-	33,151.37
2040	28,827							-	33,151.37
2041	14,414							-	16,575.69
2042									
2043									
2044									
2045									
2046									
2047									
2048									
2049									
2050									

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.)

		FY2019	FY2020
(a)	Operating Revenues:		
	Water/Sewer Service	1,583,737	1,620,178
	Other _____		
(b)	Interest Income	39,402	20,757
(c)	Other Income or Revenue (Identify)		115,676
(d)	Total Revenues	1,623,139	1,756,611
(e)	Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	1,134,588	1,560,116
(f)	Net Revenues (f = d - e)	488,551	196,495
(g)	Debt Service (including required coverage; should reflect last column of preceding page)	-	-
(h)	Debt Service (Including coverage) for Outstanding SRF Loans	-	-
(i)	Net Revenues after Debt Service (i = f-g-h)	488,551	196,495

Source: CAFR
Notes: Please see Attachment 1 for breakdown of Operating Expenses

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

FOR RATE-BASED SYSTEM PLEDGED REVENUE

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

		FY2022	FY023	FY024	FY025	FY026
(a)	Operating Revenues (Identify) Stormwater	3,306,069	3,906,751	4,379,892	4,467,928	4,557,733
(b)	Interest Income	12,361	14,517	16,702	18,153	19,269
(c)	Other Incomes or Revenues (Identify)					
(d)	Total Revenues	**3,318,430**	**3,921,268**	**4,396,594**	**4,486,081**	**4,577,002**
(e)	Operating Expenses	2,347,883	2,656,649	2,903,998	3,071,362	3,089,640
(f)	**Net Revenues (f = d - e)**	**970,547**	**1,264,619**	**1,492,596**	**1,414,719**	**1,487,362**
(g)	Existing Debt Service on Non-SRF Projects (including coverage)	0	0	0	0	0
(h)	Existing SRF Loan Debt (including coverage)	33,151	33,151	33,151	33,151	33,151
(i)	**Total Existing Debt Service (I = g + h)**	**33,151**	**33,151**	**33,151**	**33,151**	**33,151**
(j)	Projected Debt Service on Non-SRF Future Projects (including coverage)					
(k)	Projected SRF Loan Debt Service (including coverage)			72,396	72,396	323,565
(l)	**Total Debt Service (Existing and Projected) (I = I + j + k)**	**33,151**	**33,151**	**105,547**	**105,547**	**356,717**
(m)	**Net Revenues After Debt (m = f - I)**	**937,396**	**1,231,468**	**1,387,049**	**1,309,172**	**1,130,645**

Source: City of Venice, Florida - Stantec Fiscal Year 2020 Stormwater Utility Rate Study - Final Report 9/1/2020

Notes: Please see Attachment 1 that included current Rate Study that was used for the projections. Also depreciation was not included in the expense calculation.

CERTIFICATION

I, Linda Senne, Finance Director , certify that I have reviewed the information
Chief Financial Officer (please print)

included in the preceding capital financing plan worksheets, and to the best of my knowledge, this information accurately reflects the financial capability of City of Venice

Project Sponsor

I further certify that City of Venice has the financial capability to ensure
Project Sponsor

adequate construction, operation, and maintenance of the system, including this SRF project.

Linda Senne
Signature

4/13/2021
Date

City of Venice, Florida
Facilities Plan Update

Stormwater Attachment 1

Capital Financing Plan

3/29/2021

Project Cost Worksheet and Draft Interest Amortization

Project Cost Worksheet
City of Venice

Total FY 21-FY22-FY23-FY24-FY25

Item	%	Amount
Construction		4,250,000
Eligible Land		0
Other (Contingency Eligible)		0
Contingency Percentage/Amount	10%	0
Technical Services	10%	0
Special Studies		
Total		**4,250,000**
		-
Years to Construct		2.5
Anticipated Interest Rate		0.33%
Anticipated Capitalized Interest		17,531
TOTAL		**4,267,531**
Fees	2%	85,351
Total for Amortization		**4,352,882**

Interest Rate:	1.33
Fair Labor Standards- Davis Bacon Rate Reduction	-0.75
American-Iron-Steel Rate Reduction	-0.25
"Green" rate reduction	0
	0.33

Draft Interest Amortization

Loan Amount (**pv**)[1]	$4,352,882
Interest Rate (**rate**)	0.33%
Total # of Periods (**Nper**)	20

Payment per Period	**$225,264.13**
Total Interest Paid	**$ 152,400.79**

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 4,352,881.88
1	225,264.13	14,364.51	14,364.51	210,899.62	210,899.62	4,141,982.25
2	225,264.13	13,668.54	28,033.05	211,595.59	422,495.22	3,930,386.66
3	225,264.13	12,970.28	41,003.33	212,293.86	634,789.07	3,718,092.80
4	225,264.13	12,269.71	53,273.03	212,994.43	847,783.50	3,505,098.38
5	225,264.13	11,566.82	64,839.86	213,697.31	1,061,480.81	3,291,401.07
6	225,264.13	10,861.62	75,701.48	214,402.51	1,275,883.32	3,076,998.56
7	225,264.13	10,154.10	85,855.58	215,110.04	1,490,993.36	2,861,888.52
8	225,264.13	9,444.23	95,299.81	215,819.90	1,706,813.26	2,646,068.62
9	225,264.13	8,732.03	104,031.84	216,532.11	1,923,345.37	2,429,536.51
10	225,264.13	8,017.47	112,049.31	217,246.66	2,140,592.03	2,212,289.85
11	225,264.13	7,300.56	119,349.86	217,963.58	2,358,555.61	1,994,326.27
12	225,264.13	6,581.28	125,931.14	218,682.86	2,577,238.46	1,775,643.41
13	225,264.13	5,859.62	131,790.76	219,404.51	2,796,642.97	1,556,238.90
14	225,264.13	5,135.59	136,926.35	220,128.55	3,016,771.52	1,336,110.36
15	225,264.13	4,409.16	141,335.52	220,854.97	3,237,626.49	1,115,255.39
16	225,264.13	3,680.34	145,015.86	221,583.79	3,459,210.28	893,671.60
17	225,264.13	2,949.12	147,964.97	222,315.02	3,681,525.29	671,356.58
18	225,264.13	2,215.48	150,180.45	223,048.66	3,904,573.95	448,307.92
19	225,264.13	1,479.42	151,659.87	223,784.72	4,128,358.67	224,523.21
20	225,264.13	740.93	152,400.79	224,523.21	4,352,881.88	0.00
	-	-	-	-	-	-

Schedule of Actual Revenues, FY19 CAFR and FY20 CAFR

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.)

		FY2019	FY2020
(a)	Operating Revenues:		
	Water/Sewer Service	1,583,737	1,620,178
	Other _____		
(b)	Interest Income	39,402	20,757
(c)	Other Income or Revenue (Identify)		115,676
(d)	Total Revenues	1,623,139	1,756,611
(e)	Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	1,134,588	1,560,116
(f)	Net Revenues (f = d - e)	488,551	196,495
(g)	Debt Service (including required coverage; should reflect last column of preceding page)	-	-
(h)	Debt Service (Including coverage) for Outstanding SRF Loans	-	-
(i)	Net Revenues after Debt Service (i = f-g-h)	488,551	196,495

Source: CAFR
Notes: Please see Attachment 1 for breakdown of Operating Expenses

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2019

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
ASSETS			
Current assets:			
Pooled cash and investments	$ 31,833,212	$ 2,313,379	$ 4,718,258
Other cash	-	-	100
Accounts receivable	2,609,609	904,599	2,985
Due from other governments	196,753	-	110,165
Inventories	629,463	-	
Total current assets	35,269,037	3,217,978	4,831,508
Noncurrent assets:			
Restricted assets:			
Pooled cash and investments	10,845,224	-	2,971,923
Capital assets:			
Land	956,663	220,000	-
Construction in progress	3,498,560	-	1,059,282
Buildings	4,052,220	12,500	7,853,997
Improvements and infrastructure	163,044,639	59,268	34,271,276
Machinery and equipment	9,241,592	4,421,686	567,731
Less accumulated depreciation	(79,082,508)	(4,211,642)	(15,395,587)
Total capital assets	101,711,166	501,812	28,356,699
Total noncurrent assets	112,556,390	501,812	31,328,622
Total assets	147,825,427	3,719,790	36,160,130
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	1,334,985	487,061	173,528
Related to OPEB	124,569	46,683	11,670
Total deferred outflows	1,459,554	533,744	185,198

See accompanying Notes to Financial Statements

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,461,782	$ 40,326,631	$ 14,536,346
-	100	24,563
203,412	3,720,605	56,499
-	306,918	-
-	629,463	-
1,665,194	44,983,717	14,617,408
-	13,817,147	-
1,451,835	2,628,498	-
1,352	4,559,194	-
-	11,918,717	-
9,524,104	206,899,287	-
432,268	14,663,277	9,595,355
(4,467,530)	(103,157,267)	(4,393,042)
6,942,029	137,511,706	5,202,313
6,942,029	151,328,853	5,202,313
8,607,223	196,312,570	19,819,721
153,809	2,149,383	-
737	183,659	-
154,546	2,333,042	-

continued

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2019

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
LIABILITIES			
Current liabilities:			
Accounts payable	$ 1,862,474	$ 116,506	$ 147,217
Accrued liabilities	182,458	63,867	200,269
Due to other governments	120,704	-	7,640
Accrued interest payable	419,477	-	-
Accrued insurance claims	-	-	-
Customer deposits	821,760	130,111	-
Compensated absences	135,774	69,952	10,033
Notes payable	433,854	-	-
Bonds payable	1,035,000	-	-
Total current liabilities	5,011,501	380,436	365,159
Noncurrent liabilities:			
Compensated absences	135,773	69,952	10,034
Net pension liabilities	3,447,233	1,257,706	448,089
Total OPEB obligation	1,098,162	411,540	102,885
Notes payable	4,856,959	-	-
Bonds payable	32,720,217	-	-
Total noncurrent liabilities	42,258,344	1,739,198	561,008
Total liabilities	47,269,845	2,119,634	926,167
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	213,201	77,785	27,713
Related to OPEB	67,949	25,464	6,366
Total deferred inflows	281,150	103,249	34,079
NET POSITION			
Net investment in capital assets	64,926,361	501,812	28,356,699
Restricted for:			
Capital projects	6,237,171	-	2,971,923
Debt service	927,351	-	-
Renewal and replacement	1,000,000	-	-
Unrestricted	28,643,103	1,528,839	4,056,460
Total net position	$ 101,733,986	$ 2,030,651	$ 35,385,082

See accompanying Notes to Financial Statements

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 116,592	$ 2,242,789	$ 969,896
21,785	468,379	9,769
-	128,344	-
-	419,477	-
-	-	835,232
-	951,871	-
-	215,759	-
-	433,854	-
-	1,035,000	-
138,377	5,895,473	1,814,897
-	215,759	-
397,171	5,550,199	-
6,498	1,619,085	-
-	4,856,959	-
-	32,720,217	-
403,669	44,962,219	-
542,046	50,857,692	1,814,897
24,564	343,263	-
402	100,181	-
24,966	443,444	-
6,942,029	100,726,901	5,202,313
-	9,209,094	-
-	927,351	-
-	1,000,000	-
1,252,728	35,481,130	12,802,511
$ 8,194,757	$ 147,344,476	$ 18,004,824

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2019

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	$ 22,976,129	$ 6,749,048	$ -
Rentals	-	-	2,093,818
Miscellaneous	1,095,067	14,034	51,625
Total operating revenues	24,071,196	6,763,082	2,145,443
OPERATING EXPENSES			
Personal services	5,807,923	2,227,996	716,450
Insurance	343,284	46,464	90,084
Professional/contractual services	1,844,682	1,644,840	203,170
Claims	-	-	-
Repair and maintenance	1,824,444	667,074	95,648
Utilities	815,512	10,109	95,054
Other services and charges	2,021,992	1,512,678	187,209
Depreciation	5,213,864	175,044	2,123,250
Total operating expenses	17,871,701	6,284,205	3,510,865
Operating income (loss)	6,199,495	478,877	(1,365,422)
NON OPERATING REVENUES (EXPENSES)			
Operating Grants	31,957	267,784	-
Interest earnings	866,237	46,431	153,846
Disposition of capital assets	12,300	-	(115,465)
Interest expense	(1,226,338)	-	-
Net non-operating revenues (expenses)	(315,844)	314,215	38,381
Income (loss) before contributions and transfers	5,883,651	793,092	(1,327,041)
CAPITAL CONTRIBUTIONS			
Developer capital contributions	840,141	-	-
Federal and state grants	500,000	-	420,257
Capital assets transferred in from governmental funds	-	-	-
Total capital contributions	1,340,141	-	420,257
TRANSFERS			
Transfers in	-	-	-
Transfers out	(1,871,788)	(651,042)	(368,196)
Net transfers	(1,871,788)	(651,042)	(368,196)
Change in net position	5,352,004	142,050	(1,274,980)
Total net position at beginning of year	96,381,982	1,888,601	36,660,062
Total net position at end of year	$ 101,733,986	$ 2,030,651	$ 35,385,082

See accompanying Notes to Financial Statements.

Business-Type Activities		
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,583,737	$ 31,308,914	$ 10,452,588
-	2,093,818	-
-	1,160,726	285,375
1,583,737	34,563,458	10,737,963
617,103	9,369,472	195,126
5,688	485,520	2,446,120
141,864	3,834,556	466,559
-	-	4,451,593
204,568	2,791,734	-
4,093	924,768	-
161,272	3,883,151	153,202
413,154	7,925,312	981,510
1,547,742	29,214,513	8,694,110
35,995	5,348,945	2,043,853
-	299,741	-
39,402	1,105,916	290,919
-	(103,165)	127,808
-	(1,226,338)	-
39,402	76,154	418,727
75,397	5,425,099	2,462,580
-	840,141	-
-	920,257	-
-	-	1,242,250
-	1,760,398	1,242,250
-	-	451,184
(371,149)	(3,262,175)	(11,635)
(371,149)	(3,262,175)	439,549
(295,752)	3,923,322	4,144,379
8,490,509	143,421,154	13,860,445
$ 8,194,757	$ 147,344,476	$ 18,004,824

City of Venice, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds		
	Water and Sewer Utility	Solid Waste	Airport
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 24,501,377	$ 6,651,439	$ 2,144,548
Payments to suppliers	(6,669,751)	(3,946,364)	(43,247)
Payments to employees	(5,399,154)	(1,968,945)	(594,939)
Claims paid	-	-	-
Net cash provided (used) by operating activities	12,432,472	736,130	1,506,362
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers in from other funds	-	-	-
Transfers out to other funds	(1,871,788)	(651,042)	(368,196)
Operating grants	31,957	267,784	-
Net cash provided (used) by noncapital and related financing activities	(1,839,831)	(383,258)	(368,196)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Note proceeds	1,251,563	-	-
Purchases of capital assets	(7,444,943)	-	(838,625)
Proceeds from sale of capital assets	12,300	-	4,400
Principal paid on notes	(426,854)	-	-
Principal paid on revenue bonds	(990,000)	-	-
Interest paid on revenue bonds and notes	(1,331,518)	-	-
Capital grants	500,000	-	420,257
Net cash provided (used) by capital and related financing activities	(8,429,452)	-	(413,968)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	1,750,294	-	-
Interest earnings	866,237	46,431	153,846
Net cash provided (used) by investing activities	2,616,531	46,431	153,846
Net increase (decrease) in cash and cash equivalents	4,779,720	399,303	878,044
Cash and cash equivalents at beginning of year	37,898,716	1,914,076	6,812,237
Cash and cash equivalents at end of year	$ 42,678,436	$ 2,313,379	$ 7,690,281
Cash and cash equivalents classified as:			
Pooled cash and investments	$ 31,833,212	$ 2,313,379	$ 4,718,258
Other cash	-	-	100
Pooled cash and investments - restricted	10,845,224	-	2,971,923
Total cash and cash equivalents at end of year	$ 42,678,436	$ 2,313,379	$ 7,690,281
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 6,199,495	$ 478,877	$ (1,365,422)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	5,213,864	175,044	2,123,250
Pension adjustments	503,751	137,775	74,403
OPEB adjustments	(29,852)	104,407	(866)
Change in assets and liabilities:			
Accounts receivable	409,977	(111,643)	(1,377)
Inventory	(206,101)	-	-
Due from other governments	(89,072)	-	652,425
Prepaid items	-	-	-
Accounts payable	403,001	(64,000)	(24,507)
Accrued liabilities	(45,257)	11,569	43,637
Compensated absences	(19,873)	5,300	4,337
Due to other governments	20,204	-	482
Customer deposits	72,335	(1,199)	-
Accrued claims	-	-	-
Net cash provided (used) by operating activities	$ 12,432,472	$ 736,130	$ 1,506,362

Supplemental disclosure of noncash investing, capital and financing activities:
Water and Sewer Utility Fund recognized $840,141 in utility line donations through capital contributions.
Capital assets with a cost of $1,242,250 (no depreciation) were transferred into the internal service funds from Governmental Activities.

See accompanying Notes to Financial Statements.

Business-type Activities		Activities
Storm Water Drainage	Totals	Internal Service Funds
$ 1,586,980	$ 34,884,344	$ 10,682,175
(420,291)	(11,079,653)	(2,441,516)
(628,521)	(8,591,559)	(199,481)
-	-	(4,492,341)
538,168	15,213,132	3,548,837
-	-	451,184
(371,149)	(3,262,175)	(11,635)
-	299,741	-
(371,149)	(2,962,434)	439,549
-	1,251,563	-
(504,257)	(8,787,825)	(2,158,119)
-	16,700	399,860
-	(426,854)	-
-	(990,000)	-
-	(1,331,518)	-
-	920,257	-
(504,257)	(9,347,677)	(1,758,259)
-	1,750,294	-
39,402	1,105,916	290,919
39,402	2,856,210	290,919
(297,836)	5,759,231	2,521,046
1,759,618	48,384,647	12,039,863
$ 1,461,782	$ 54,143,878	$ 14,560,909
$ 1,461,782	$ 40,326,631	$ 14,536,346
-	100	24,563
-	13,817,147	-
$ 1,461,782	$ 54,143,878	$ 14,560,909
$ 35,995	$ 5,348,945	$ 2,043,853
413,154	7,925,312	981,510
79,962	795,891	-
(98,568)	(24,879)	-
3,243	300,200	(55,788)
-	(206,101)	-
-	563,353	-
-	-	7,250
97,194	411,688	617,115
7,188	17,137	(4,355)
-	(10,236)	-
-	20,686	-
-	71,136	-
-	-	(40,748)
$ 538,168	$ 15,213,132	$ 3,548,837

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2020

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
ASSETS			
Current assets:			
Pooled cash and investments	$ 32,289,319	$ 2,931,105	$ 4,892,042
Other cash	-	-	100
Accounts receivable	2,535,732	791,622	4,114
Due from other governments	209,865	-	397,497
Inventories	399,048	-	
Total current assets	35,433,964	3,722,727	5,293,753
Noncurrent assets:			
Restricted assets:			
Pooled cash and investments	11,521,241	-	2,831,751
Capital assets:			
Land	956,663	220,000	-
Construction in progress	11,425,689	-	363,599
Buildings	4,200,273	12,500	7,853,997
Improvements and infrastructure	169,334,625	59,268	37,711,180
Machinery and equipment	9,544,548	2,737,490	558,317
Less accumulated depreciation	(84,418,578)	(2,575,150)	(17,428,847)
Total capital assets	111,043,220	454,108	29,058,246
Total noncurrent assets	122,564,461	454,108	31,889,997
Total assets	157,998,425	4,176,835	37,183,750
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	1,374,708	503,710	178,397
Related to OPEB	138,328	51,839	12,960
Total deferred outflows	1,513,036	555,549	191,357

See accompanying Notes to Financial Statements

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,323,365	$ 41,435,831	$ 15,424,792
-	100	16,933
181,297	3,512,765	179,212
97,461	704,823	-
-	399,048	-
1,602,123	46,052,567	15,620,937
-	14,352,992	-
1,451,835	2,628,498	-
-	11,789,288	-
-	12,066,770	-
10,059,804	217,164,877	-
416,318	13,256,673	12,636,513
(4,896,014)	(109,318,589)	(5,330,385)
7,031,943	147,587,517	7,306,128
7,031,943	161,940,509	7,306,128
8,634,066	207,993,076	22,927,065
167,903	2,224,718	-
819	203,946	-
168,722	2,428,664	-

continued

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2020

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
LIABILITIES			
Current liabilities:			
Accounts payable	$ 2,124,553	$ 115,419	$ 181,025
Accrued liabilities	214,290	71,269	177,536
Due to other governments	98,438	-	6,557
Accrued interest payable	402,940	-	-
Accrued insurance claims	-	-	-
Customer deposits	849,975	132,611	-
Compensated absences	157,503	74,234	15,672
Notes payable	630,056	-	-
Bonds payable	1,080,000	-	-
Total current liabilities	5,557,755	393,533	380,790
Noncurrent liabilities:			
Compensated absences	157,503	74,234	15,673
Net pension liabilities	4,193,155	1,536,423	544,150
Total OPEB liability	1,120,695	419,984	104,997
Notes payable	5,495,422	-	-
Bonds payable	31,549,075	-	-
Total noncurrent liabilities	42,515,850	2,030,641	664,820
Total liabilities	48,073,605	2,424,174	1,045,610
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	48,744	17,860	6,326
Related to OPEB	42,782	16,033	4,009
Total deferred inflows	91,526	33,893	10,335
NET POSITION			
Net investment in capital assets	74,549,892	454,108	29,058,246
Restricted for:			
Capital projects	6,891,456	-	2,831,751
Debt service	965,620	-	-
Renewal and replacement	1,000,000	-	-
Unrestricted	27,939,362	1,820,209	4,429,165
Total net position	$ 111,346,330	$ 2,274,317	$ 36,319,162

See accompanying Notes to Financial Statements

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 251,689	$ 2,672,686	$ 645,162
26,179	489,274	10,993
-	104,995	-
-	402,940	-
-	-	1,015,801
-	982,586	-
-	247,409	-
14,564	644,620	-
-	1,080,000	-
292,432	6,624,510	1,671,956
-	247,410	-
512,141	6,785,869	-
6,631	1,652,307	-
333,239	5,828,661	-
-	31,549,075	-
852,011	46,063,322	-
1,144,443	52,687,832	1,671,956
5,953	78,883	-
253	63,077	-
6,206	141,960	-
7,031,943	111,094,189	7,306,128
-	9,723,207	-
-	965,620	-
-	1,000,000	-
620,196	34,808,932	13,948,981
$ 7,652,139	$ 157,591,948	$ 21,255,109

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2020

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	$ 24,032,839	$ 7,020,902	$ -
Rentals	-	-	2,163,794
Interfund charges	-	-	-
Miscellaneous	3,181,870	9,276	57,953
Total operating revenues	27,214,709	7,030,178	2,221,747
OPERATING EXPENSES			
Personal services	6,124,876	2,210,029	740,874
Insurance	353,736	43,080	92,808
Professional/contractual services	1,579,408	1,485,687	387,224
Claims		-	-
Repair and maintenance	2,246,746	802,749	109,125
Utilities	809,089	10,319	94,381
Other services and charges	1,916,724	1,829,706	187,594
Depreciation	5,336,070	64,994	2,049,010
Total operating expenses	18,366,649	6,446,564	3,661,016
Operating income (loss)	8,848,060	583,614	(1,439,269)
NON OPERATING REVENUES (EXPENSES)			
Operating Grants	9,216	173,119	69,000
Interest earnings	477,459	37,799	65,174
Disposition of capital assets	-	2,300	2,100
Interest expense	(1,196,343)	-	-
Net non-operating revenues (expenses)	(709,668)	213,218	136,274
Income (loss) before contributions and transfers	8,138,392	796,832	(1,302,995)
CAPITAL CONTRIBUTIONS			
Developer capital contributions	3,428,637	-	-
Federal and state grants	-	-	2,548,054
Capital assets transferred in from governmental funds	-	-	-
Total capital contributions	3,428,637	-	2,548,054
TRANSFERS			
Transfers in	-	-	-
Transfers out	(1,954,685)	(553,166)	(310,979)
Net transfers	(1,954,685)	(553,166)	(310,979)
Change in net position	9,612,344	243,666	934,080
Total net position at beginning of year	101,733,986	2,030,651	35,385,082
Total net position at end of year	$ 111,346,330	$ 2,274,317	$ 36,319,162

See accompanying Notes to Financial Statements.

Business-Type Activities		
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,620,178	$ 32,673,919	$ -
-	2,163,794	-
-	-	8,529,408
-	3,249,099	2,829,705
1,620,178	38,086,812	11,359,113
779,251	9,855,030	204,268
5,148	494,772	2,757,872
333,878	3,786,197	449,968
-	-	4,871,405
306,697	3,465,317	-
4,038	917,827	-
131,104	4,065,128	143,165
444,434	7,894,508	1,079,062
2,004,550	30,478,779	9,505,740
(384,372)	7,608,033	1,853,373
115,676	367,011	-
20,757	601,189	223,418
2,500	6,900	167,000
(7,214)	(1,203,557)	-
131,719	(228,457)	390,418
(252,653)	7,379,576	2,243,791
-	3,428,637	-
-	2,548,054	-
-	-	700,209
-	5,976,691	700,209
-	-	321,285
(289,965)	(3,108,795)	(15,000)
(289,965)	(3,108,795)	306,285
(542,618)	10,247,472	3,250,285
8,194,757	147,344,476	18,004,824
$ 7,652,139	$ 157,591,948	$ 21,255,109

City of Venice, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds		
	Water and Sewer Utility	Solid Waste	Airport
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 27,266,320	$ 7,143,155	$ 2,219,535
Interfund charges	-	-	-
Payments to suppliers	(6,398,106)	(4,170,128)	(1,124,656)
Payments to employees	(5,524,236)	(1,998,063)	(684,059)
Claims paid	-	-	-
Net cash provided (used) by operating activities	15,343,978	974,964	410,820
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers in from other funds	-	-	-
Transfers out to other funds	(1,954,685)	(553,166)	(310,979)
Operating grants	9,216	173,119	69,000
Net cash provided (used) by noncapital and related financing activities	(1,945,469)	(380,047)	(241,979)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Note proceeds	1,268,519	-	-
Purchases of capital assets	(11,239,487)	(17,290)	(2,934,296)
Proceeds from sale of capital assets	-	2,300	185,839
Principal paid on notes	(433,854)	-	-
Principal paid on revenue bonds	(1,035,000)	-	-
Interest paid on revenue bonds and notes	(1,304,022)	-	-
Capital grants	-	-	2,548,054
Net cash provided (used) by capital and related financing activities	(12,743,844)	(14,990)	(200,403)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earnings	477,459	37,799	65,174
Net cash provided (used) by investing activities	477,459	37,799	65,174
Net increase (decrease) in cash and cash equivalents	1,132,124	617,726	33,612
Cash and cash equivalents at beginning of year	42,678,436	2,313,379	7,690,281
Cash and cash equivalents at end of year	$ 43,810,560	$ 2,931,105	$ 7,723,893
Cash and cash equivalents classified as:			
Pooled cash and investments	$ 32,289,319	$ 2,931,105	$ 4,892,042
Other cash	-	-	100
Pooled cash and investments - restricted	11,521,241	-	2,831,751
Total cash and cash equivalents at end of year	$ 43,810,560	$ 2,931,105	$ 7,723,893
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 8,848,060	$ 583,614	$ (1,439,269)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	5,336,070	64,994	2,049,010
Pension adjustments	541,742	202,143	69,805
OPEB adjustments	(16,393)	(6,143)	(1,535)
Change in assets and liabilities:			
Accounts receivable	73,877	112,977	(1,129)
Inventory	230,415	-	-
Due from other governments	(13,112)	-	(287,332)
Accounts payable	262,079	(1,087)	33,808
Accrued liabilities	31,832	7,402	(22,733)
Compensated absences	43,459	8,564	11,278
Due to other governments	(22,266)	-	(1,083)
Customer deposits	28,215	2,500	-
Accrued claims	-	-	-
Net cash provided (used) by operating activities	$ 15,343,978	$ 974,964	$ 410,820

Supplemental disclosure of noncash investing, capital and financing activities:
Water and Sewer Utility Fund recognized $3,428,637 in utility line donations through capital contributions.
Capital assets with a cost of $700,209 (no depreciation) were transferred into the internal service funds from Governmental Activities.

See accompanying Notes to Financial Statements.

Business-type Activities		Activities
Storm Water Drainage	Totals	Internal Service Funds
$ 1,642,293	$ 38,271,303	$ 2,706,992
-	-	8,529,408
(743,229)	(12,436,119)	(3,675,739)
(692,690)	(8,899,048)	(203,044)
-	-	(4,690,836)
206,374	16,936,136	2,666,781
-	-	321,285
(289,965)	(3,108,795)	(15,000)
115,676	367,011	-
(174,289)	(2,741,784)	306,285
347,803	1,616,322	-
(534,348)	(14,725,421)	(2,482,668)
2,500	190,639	167,000
-	(433,854)	-
-	(1,035,000)	-
(7,214)	(1,311,236)	-
-	2,548,054	-
(191,259)	(13,150,496)	(2,315,668)
20,757	601,189	223,418
20,757	601,189	223,418
(138,417)	1,645,045	880,816
1,461,782	54,143,878	14,560,909
$ 1,323,365	$ 55,788,923	$ 15,441,725
$ 1,323,365	$ 41,435,831	$ 15,424,792
-	100	16,933
-	14,352,992	-
$ 1,323,365	$ 55,788,923	$ 15,441,725
$ (384,372)	$ 7,608,033	$ 1,853,373
444,434	7,894,508	1,079,062
82,265	895,955	-
(98)	(24,169)	-
22,115	207,840	(122,713)
-	230,415	-
(97,461)	(397,905)	-
135,097	429,897	(324,734)
4,394	20,895	1,224
-	63,301	-
-	(23,349)	-
-	30,715	-
-	-	180,569
$ 206,374	$ 16,936,136	$ 2,666,781

Schedule of Projected Revenues, Debt Coverage Projection Worksheet and Rate Study

Notes: Rate Study was utilized for Revenue and Debt Projections

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

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

		FY2022	FY023	FY024	FY025	FY026
(a)	Operating Revenues (Identify)					
	Stormwater	3,306,069	3,906,751	4,379,892	4,467,928	4,557,733
(b)	Interest Income	12,361	14,517	16,702	18,153	19,269
(c)	Other Incomes or Revenues (Identify)					
(d)	Total Revenues	**3,318,430**	**3,921,268**	**4,396,594**	**4,486,081**	**4,577,002**
(e)	Operating Expenses	2,347,883	2,656,649	2,903,998	3,071,362	3,089,640
(f)	**Net Revenues (f = d - e)**	**970,547**	**1,264,619**	**1,492,596**	**1,414,719**	**1,487,362**
(g)	Existing Debt Service on Non-SRF Projects (including coverage)	0	0	0	0	0
(h)	Existing SRF Loan Debt (including coverage)	33,151	33,151	33,151	33,151	33,151
(i)	**Total Existing Debt Service (I = g + h)**	**33,151**	**33,151**	**33,151**	**33,151**	**33,151**
(j)	Projected Debt Service on Non-SRF Future Projects (including coverage)					
(k)	Projected SRF Loan Debt Service (including coverage)			72,396	72,396	323,565
(l)	**Total Debt Service (Existing and Projected) (l = l + j + k)**	**33,151**	**33,151**	**105,547**	**105,547**	**356,717**
(m)	**Net Revenues After Debt (m = f - l)**	**937,396**	**1,231,468**	**1,387,049**	**1,309,172**	**1,130,645**

Source: City of Venice, Florida - Stantec Fiscal Year 2020 Stormwater Utility Rate Study - Final Report 9/1/2020

Notes: Please see Attachment A that included current Rate Study that was used for the projections. Also depreciation was not included in the expense calculation.

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

WORKSHEET

STORMWATER

Revenues	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
Revenues											
343.90-90 Water Quality Fee			250,000								
343.90-XX Stormwater Rate Increase			565,000	875,136.00	567,652	434,043	44,237	45,126	46,033	46,958	47,902
343-90-(1-14) Demand Charges/User Fees	1,578,912	1,606,500	1,622,565	2,406,864	3,306,068	3,906,781	4,379,892	4,467,928	4,557,733	4,649,344	4,742,796
Penalty/Growth	4,825	5,200	5,252	24,069	33,031	39,068	43,799	44,679	45,577	46,793	47,428
	1,583,737	**1,611,700**	**2,442,817**	**3,306,069**	**3,906,751**	**4,379,892**	**4,467,928**	**4,557,733**	**4,649,343**	**4,743,095**	**4,838,126**
Interest Earnings	**39,402**	**15,800**	**13,853**	**12,361.00**	**14,517**	**16,702**	**18,153**	**19,269**	**20,331**	**20,918**	**21,083**
TTL Operating Rev	**1,623,139**	**1,627,500**	**2,456,670**	**3,318,430**	**3,921,268**	**4,396,594**	**4,486,081**	**4,577,002**	**4,669,674**	**4,764,013**	**4,859,209**
Personal Services	617,103	718,451	799,096	1,009,891.00	1,118,506	1,214,774	1,192,821	1,176,876	1,235,421	1,283,715	1,320,047
Insurance	5,688	5,151	11,857	12,213	12,579	12,956	13,345	13,746	14,158	14,583	15,020
Professional/Cont Svc	141,864	173,124	125,778	100,448	103,461	106,565	109,762	113,054	116,447	119,939	123,537
Repair & Maintenance	204,568	346,561	784,042	938,768	1,103,431	1,227,534	1,352,361	1,377,932	1,404,270	1,431,397	1,459,339
Utilities	4,093	4,000	4,093	4,188	4,285	4,385	4,479	4,575	4,674	4,774	4,877
Misc, Svc and supplies	161,272	207,178	215,911	282,375	314,387	337,784	398,594	403,457	409,043	415,734	433,700
Depreciation (not included in SRF Calculat											
Total Expenses	1,134,588	1,454,465	1,940,777	2,347,883	2,656,649	2,903,998	3,071,362	3,089,640	3,184,013	3,270,142	3,356,520
Net	**488,551**	**173,035**	**515,893**	**970,547**	**1,264,619**	**1,492,596**	**1,414,719**	**1,487,362**	**1,485,661**	**1,493,871**	**1,502,689**

Comments:

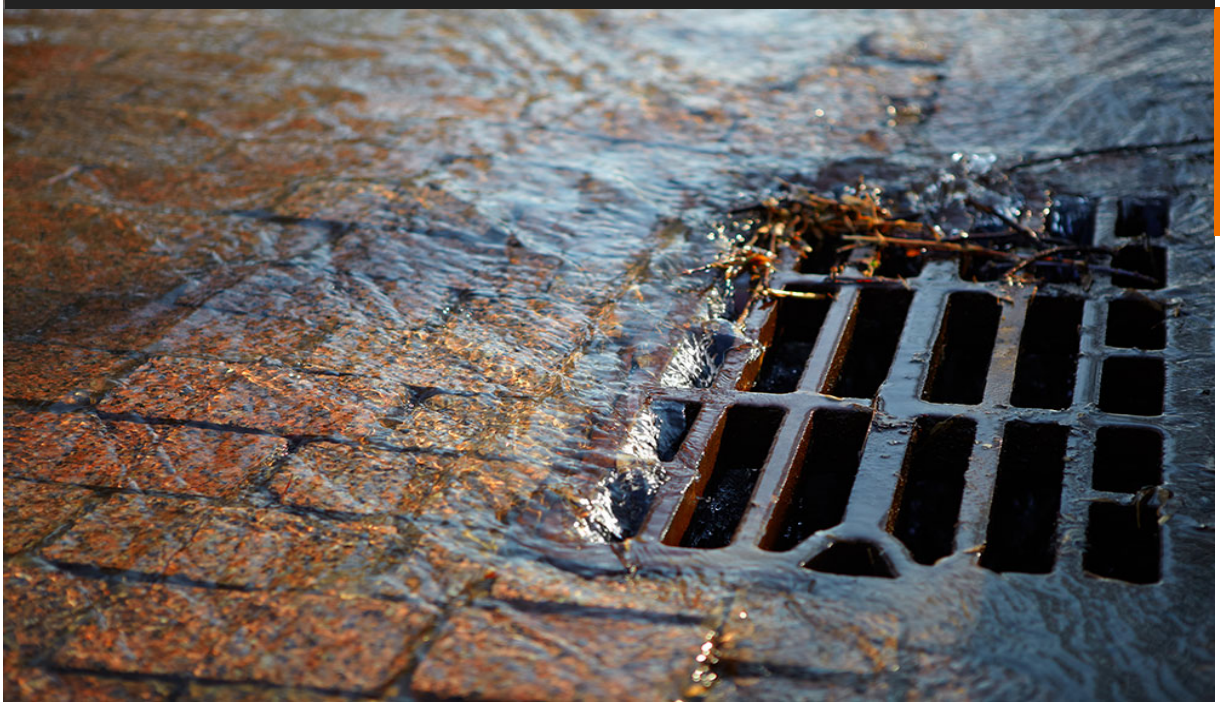
Source: Stormwater Rate Study 2020

Stantec

City of Venice, Florida

Fiscal Year 2020 Stormwater Utility Rate Study – Final Report

September 1, 2020



Stantec

September 1, 2020

Kathleen J. Weeden
PE, CFM, LEED AP
City Engineer
401 W. Venice Avenue
Venice, FL 34285

Re: Fiscal Year 2020
Stormwater Utility Rate Study
– Final Report

Dear Ms. Weeden,

Stantec Consulting Services Inc. (Stantec) is pleased to present this final report of the Fiscal Year 2020 Stormwater Utility Rate Study (Study) that was performed on behalf of the City of Venice, Florida (City) and its Engineering/Stormwater Department.

We appreciate the fine assistance provided by you and all the members of City staff who actively participated in and contributed to this Study. Please feel free to distribute this report to the appropriate members of City staff for their review and comments in addition to your own.

If you have any questions or would like to discuss, please do not hesitate to call me at (941) 504-7239 or email me at kelly.westover@stantec.com. We appreciate the opportunity to be of service to the City and look forward to the possibility of doing so again in the future.

Sincerely,

Kelly Westover

Managing Consultant, Financial Services

6900 Professional Parkway
Sarasota, Florida 34240
(941) 504-7239
kelly.westover@stantec.com

Enclosure

TABLE OF CONTENTS

1. INTRODUCTION

On behalf of the City of Venice (City) and its Engineering/Stormwater Department, Stantec Consulting Services Inc. (Stantec) has conducted a Fiscal Year 2020 Stormwater Rate Study (Study) for the City's Stormwater Utility (Utility or System). This report presents the objectives, approach, methodologies, source data, assumptions, and the findings and recommendations of the Study.

1.1 BACKGROUND

The City of Venice provides stormwater management services within the City limits. The management of the City's System includes essential planning, engineering, design, construction, operations, maintenance, inspection, permitting, and enforcement activities that manage stormwater runoff quantity and quality. Each of these activities are critical to mitigate flooding, protect individual and personal property, manage water quality, and comply with federal, state, and local regulatory requirements.

The City employs numerous means of conveying stormwater runoff within the City, generally categorized as open conveyance (canals, ditches and swales); closed conveyance (inlets and pipes); and storage (dry and wet retention / detention). The City's System represents millions of dollars of investment in stormwater infrastructure.

The City's System is subject to the federal Clean Water Act, which requires the City to meet the requirements of the National Pollutant Discharge Elimination System (NPDES) program. The NPDES program requires regulated entities to comply with the Municipal Separate Storm Sewer System (MS4) Permit. The NPDES program is administered by the Department of Environmental Protection under Chapter 62-624 F.A.C. in Florida. The MS4 Permit requires specific activities to be undertaken within the community to manage the stormwater system discharges to protect the quality of surface waters. The activities are typically referred to as the "six minimum control measures" and consist of the following:

1) Public Education and Outreach
2) Public Participation / Involvement
3) Illicit Discharge Detection and Elimination
4) Construction Site Runoff Control
5) Post-Construction Site Stormwater Runoff Control
6) Pollution Prevention / Good Housekeeping

The Stormwater Department is responsible for the investment in and maintenance of the City's System as it serves to protect individual and personal property while reducing the impacts of urban runoff on the natural environment.

The Stormwater Management Utility was established in September 1995 as an enterprise fund to provide adequate and stable funding for compliance with the NPDES permit and the capital improvements of the System. Section 74-301 of the Venice Code of Ordinances grants City Council the authority to establish rates and charges to fund the stormwater management system.

The City currently charges a monthly fee for stormwater services to customers on their utility bills as outlined in Rate Resolution No. 2006-21. The monthly rate is based on a formula that involves a multitude of components and varies for every parcel. The rate formula considers the following variables:

1) Gross area and impervious area of the parcel;
2) Land Use Factor (LUF);
3) A Southwest Florida Water Management District (SWFWMD) permitted water management district (WMD);
4) Service factor (Svc-Fac);
5) Water quality factor (WQ); and
6) Annual budget for the Stormwater Utility Fund.

The City uses a generally accepted industry standard approach to calculating stormwater fees, involving all the listed parameters above arranged in form of an algebraic function to arrive at a unique fee per parcel billed. The following contains the formula for computation, while this report details each component.

$$\text{Parcel ESF} = ((\text{Impervious Area} * .85/3000) + (\text{Pervious Area} * .15/8000)) *$$

$$(\text{LUF} + (\text{WMD} * (1\text{-LUF}))) * (\text{Service Factor})$$

1.2 SCOPE OF SERVICES

The purpose of this Study was to develop a sustainable financial plan and review the existing fee structure for the City's Utility. The objective is for the rate to satisfy the projected cost of providing the desired level of service and provide an equitable allocation of costs to customers through potential modifications to the existing rate structure to enhance the long term sustainability of the Utility.

The core scope of services for the Study are as follows:

- Revenue Sufficiency Analysis (RSA) – Determine the level of revenue required to recover all the Utility's operations, maintenance and capital costs while meeting financial targets and management objectives to develop a multi-year financial

management plan. Conduct a comparable monthly stormwater fee survey of the surrounding communities.

- Billing Unit Analysis – Evaluate parcel data using the Sarasota County Property Appraiser parcel data and perform a detailed analysis of the gross, pervious, and impervious area for each parcel including a data quality assurance and quality control analysis. Perform benchmarking to evaluate the City's stormwater billing unit basis with conformance to industry standard practices.
- Stormwater Rate Design – Review the City's current stormwater fee structure and develop modifications for consideration that enhance the simplicity, defensibility and community understandability. Calculate customer bill impacts associated with the new rate structure.
- Stakeholder Working Group – Conduct interactive sessions with a stakeholder working group regarding the revenue sufficiency analysis, billing unit analysis and stormwater rate design to elicit feedback, guidance, and buy-in for the recommendations.

2. REVENUE SUFFICIENCY ANALYSIS

2.1 DESCRIPTION

This section presents the details of the multi-year revenue sufficiency analysis (RSA) that was conducted by Stantec. The following sub-sections of the report present a description of the source data, assumptions, while Appendix A includes detailed supporting schedules for the financial management plans identified herein for the Utility.

Over the conduct of the RSA, Stantec reviewed several alternative multi-year financial management plans through interactive work sessions with City staff. During these work sessions, Stantec examined the impact of various inputs and assumptions upon key financial indicators, summarizing the results of the forecasting model under various conditions. In this way, local financial and operating information was incorporated, and management input was considered as Stantec developed the recommended financial management plan for the Utility. The result is a financial plan that makes use of the City's current and best assumptions and data to satisfy the Utility's revenue requirements over a multi-year projection period, while meeting key financial performance objectives and minimizing fee adjustments to the greatest extent possible.

In order to initiate the RSA, Stantec obtained the City's historical and budgeted financial information regarding the operation of its Utility, as well as information pertaining to any available cash balances attributable to stormwater operations at the beginning of FY 2020 (October 1, 2019), future year operating expenditure requirements, and the planned capital improvement program (CIP). Stantec also discussed with City staff other assumptions and policies that would affect the performance of the Utility, such as planned developments/customer growth, capital funding sources, debt coverage and fund reserve levels, earnings on invested funds, escalation rates for operating costs, and other considerations.

During the evaluation, Stantec performed a review of the City's proposed operations and maintenance budget, rehabilitation and replacement program, and planned water quality projects to provide an opinion on appropriate spending for the cost requirements of the City's stormwater system for its identified level of service.

This information was entered into the financial module of Stantec's proprietary Financial Analysis and Management System (FAMS) interactive modeling system. This module of FAMS produced a 10-year projection of the sufficiency of the revenue provided by stormwater fees to meet current and projected financial requirements. Based upon these projections, Stantec then determined the level of revenue necessary in each year of the projection period to satisfy the

Utility's annual financial requirements and more specifically, the level of revenue necessary in FY 2021 for which the level of fees will be based upon.

The revenue sufficiency and financial planning module of FAMS utilizes all projected available funds in each year of the projection period to pay for capital projects. The model is set to reflect the rules of cash application as defined and applied by City Staff, and it 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. In this way, FAMS is used to develop a borrowing program that includes the required borrowing amount by year and the resultant annual debt service requirements for each year in the projection period.

2.2 SOURCE DATA

The following sections describe the various source data and assumptions supporting the System revenue requirements identified during the Study.

2.2.1 Beginning Fund Balance

The City provided the detailed 2019 trial balance that served as the basis for the FY 2020 beginning fund balances as of October 1, 2019.

2.2.2 Revenues

The Utility's revenue sources consist of stormwater fee revenue and interest income. FY 2021 projected stormwater fee revenue is based upon the estimated revenue to be collected at the end of FY 2020 (September 30, 2020), with the application of assumed growth in stormwater accounts. Stormwater fee revenue projections for the remainder of the projection represent FY 2021 projected revenues adjusted for assumed account growth and future projected fee adjustments.

2.2.3 Operating Expenditures

The Utility's operating expenditures include all operating and maintenance (O&M) and personnel expenditures. The RSA based the operating expenditure projections on the individual expense categories and expense amounts contained in the FY 2020 Adopted Budget and FY 2021 Proposed Budget. The FY 2021 Proposed Budget includes additional fleet costs as well as repair and maintenance costs, such as pipe relining and taking over stormwater infrastructure previously maintained by Sarasota County. The Utility has identified these additional costs as necessary to provide the minimum level of service. Projected operating

expenditures and cash outflows (excluding the capital program) are presented in Schedule 4 of Appendix A.

2.3 ASSUMPTIONS

2.3.1 Cost Escalation

Annual cost escalation factors for the various categories of operating and maintenance expenses were developed based upon discussions with City staff, a review of historical trends, and Stantec's industry experience. The escalation factors agreed upon with City staff for each expense line item were applied to the projections starting in FY 2022, with the exception of the Repairs & Maintenance (R&M) pipe lining costs, capital lease – fleet costs and fleet rent/depreciation costs. A list of the specific escalation factors can be found on Schedule 5 of Appendix A.

2.3.2 Interest Earnings

Stantec calculates interest earnings revenue based on available fund balance throughout the forecast period. The Study reflects assumed interest earning rates on invested funds of 1.25% throughout the entirety of the forecast period.

2.3.3 Customer Growth Assumptions

The Utility has seen a steady increase in customer accounts year over year, mostly in the eastern portions of the service area. As such, an assumption of 1.00% growth in stormwater billing units has been applied for each year of the projection period.

2.3.4 Minimum Reserve Policy

Reserve balances for utilities 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 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 economic conditions. The rationale related to the maintenance of adequate reserves is twofold. First, it helps to ensure that a utility 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.

The City's operating reserve target is calculated based on total annual O&M and capital expenditures. The Utility targets and budgets for a minimum reserve of four months' worth of O&M and capital expenditures.

2.3.5 Capital Improvement Program

Planned capital improvements provide an opportunity to mitigate flooding in targeted areas and improve the quality of stormwater runoff by removing pollutants before it reaches receiving bodies of water. Historically, the Utility has heard vocalized concerns and encouragement to provide capital projects to improve water quality in the City's important waterbodies regulated under the Clean Water Act. The City is a coastal community with stormwater flowing into the Gulf of Mexico, Intercoastal waterway, Curry Creek, Hatchett Creek, and Roberts and Dona Bays. Maintaining good water quality is important to the City and the community. As such, the capital improvement program primarily consists of water quality related projects such as outfall improvements, and offline treatment areas. The RSA assumes that the level of planned spending related to water quality projects will include a phased approach, starting at $250,000 in FY 2021, increasing up to $1,000,000 by FY 2024. A full schedule of the water quality projects, and annual costs can be found on Schedule 6 of the Appendix.

2.4 FINDINGS & RECOMMENDATIONS

Based on the source data and assumptions presented herein, and the results of multiple discussions held with City staff and an independent Stakeholder Working Group further defined in Section 5 of this report, the RSA resulted in the following findings and recommendations relative to the financial sustainability of the Utility:

- The Utility is proposing an approximately $600,000 increase in the O&M budget in FY 2021 and a $250,000 capital improvement budget designated for water quality projects.
- The level of current stormwater revenues is not sufficient to cover the Utility's operations and maintenance and capital requirements in FY 2020 or any year thereafter.
- Stantec recommends the Utility increase the level of stormwater fee revenue collected in FY 2021 to cover the budgeted deficit from FY 2020 and to fund all cost requirements in FY 2021. Table 2-1 provides an outlook of future revenue adjustment needs.

Table 2-1: Calculated Revenue Adjustment Plan

Year	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenue Adjustment	47.86%	36.00%	17.00%	11.00%	1.00%

- Stantec recommends that the City perform annual revenue sufficiency analyses each year to determine if the annual rate revenue plan is adequate, such that the current level of service can be upheld and the burden placed on the rate payers remains minimal.

Appendix A includes detailed supporting schedules, presenting all components of the financial management plan developed for the Utility.

3. STORMWATER BILLING UNIT ANALYSIS

Stormwater management efforts are fundamentally faced with the systematic management of stormwater runoff in a community, which is primarily driven through the quantity and quality of stormwater delivered from the property base. The City's System serves the property base of the community by receiving the runoff from parcels during storm events and conveying the water to receiving bodies. This critical function provides the protection of private property from flooding during adverse storm events and maintains clear and passable roads so that parcels are accessible. Additionally, the City manages its stormwater to improve the quality of runoff entering receiving bodies of water in accordance with environmental regulations.

The City currently collects revenue through a monthly stormwater fee that is levied on the monthly utility bill for properties with utility service. The current fee requires several key parcel characteristics to calculate an accurate fee using the current formula for each individual parcel. Characteristics such as the square fee of pervious area and impervious area, designation as to whether the parcel is covered by a Southwest Florida Water Management District permit and a specific land use factor are all assigned to a parcel. A significant amount of time has elapsed since the city revisited its current billing units and ensured their accuracy for the purposes of stormwater billing. This is especially important in that the City's current stormwater fee structure results in a unique fee per parcel.

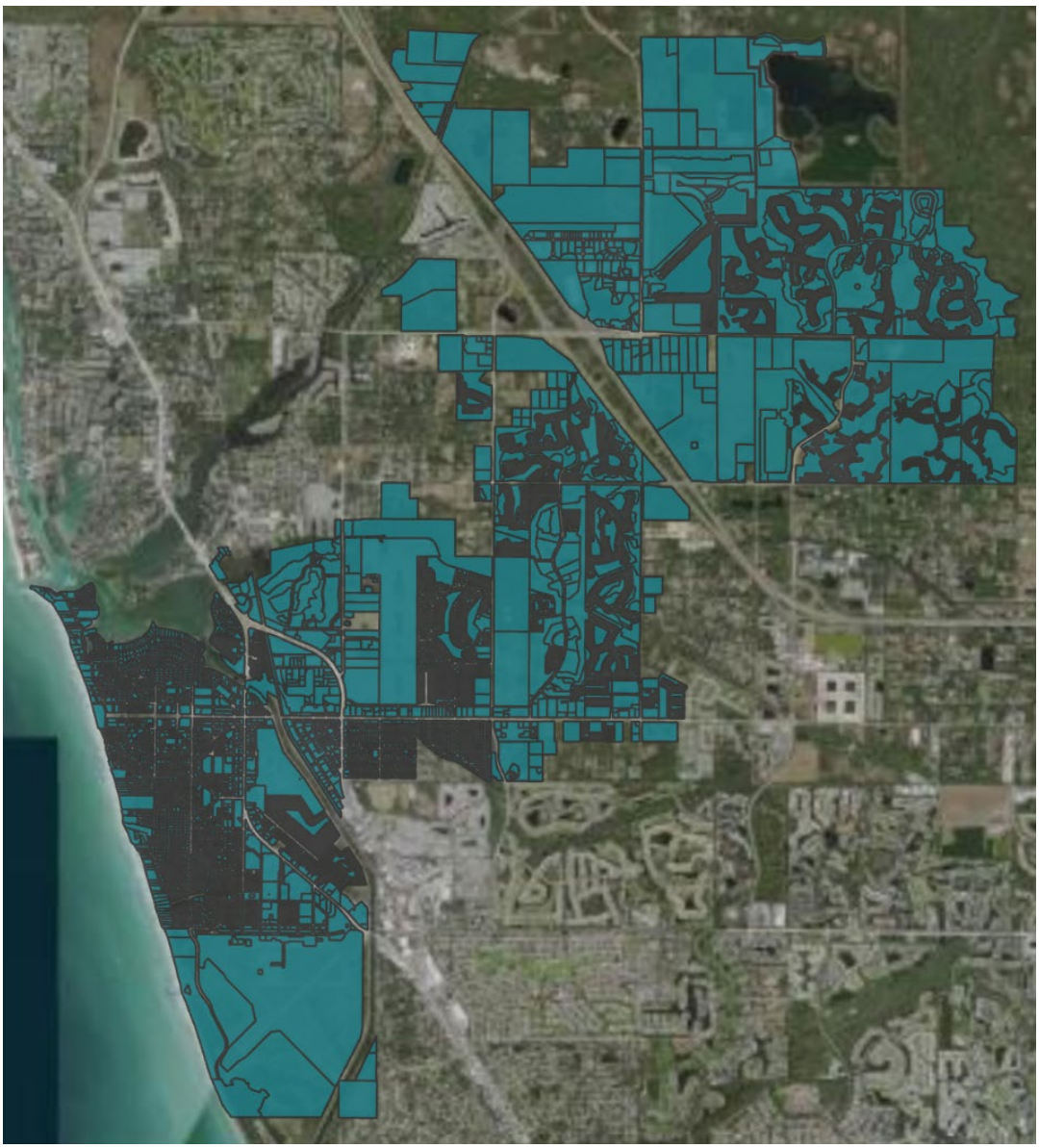
3.1 STORMWATER BILLING UNIT UPDATE

In order to ensure the ongoing accuracy of the stormwater billing in City, Stantec provided two options for the City's consideration to update the stormwater billing units of impervious area per parcel. The first option used the existing parcel data from the Sarasota County Property Appraiser's (SCPA) office, which provides an off the shelf data source for impervious area but has limitations on accuracy. The second option uses Geospatial tools commonly referred to as GIS to measure impervious area using aerial imagery data. The tradeoff is one of accuracy versus cost. The SCPA data is readily available but since it was not initially collected or intended to provide estimates of impervious area it can be less accurate than the GIS measurements. The SCPA data can be arranged in a fashion that provides for a reasonable estimate of impervious area on each parcel by accounting for permitted fixed structures like buildings, concrete pavement or accessory structures. Often, this means that impervious area that was installed without a permit may not be captured. It usually does not include driveways, sidewalks and other impervious area that would not have a taxable value to capture. On the other hand, using GIS data captures all visible impervious area on a parcel and then computes that total amount of impervious area per

parcels in square feet. The cost of the GIS analysis is often double that of using the Property Appraisers data.

For the purpose of this update, the City selected to use the readily available Property Appraiser's data as the basis for the update of stormwater billing data. As such, Stantec gathered three primary data sets from the SCPA: 1) the parcel records for the City of Venice, 2) county wide structure sketch data and 3) county wide extract features data. Figure 3-1 displays the City's current parcel inventory as of the time of the analysis with 17,682 parcels encompassing 198 active land uses.

Figure 3-1: Venice Parcel Map and Study Area



To create updated impervious area estimates, each parcel sketch attributes, and extra features were analyzed to determine if they met the following criteria: 1) an element of impervious area and 2) recorded in square footage universally on all parcels. Table 3-1 and Table 3-2 display the parcel characteristics that met the two-pronged criteria.

Table 3-1: Sketch Impervious Area Elements Included

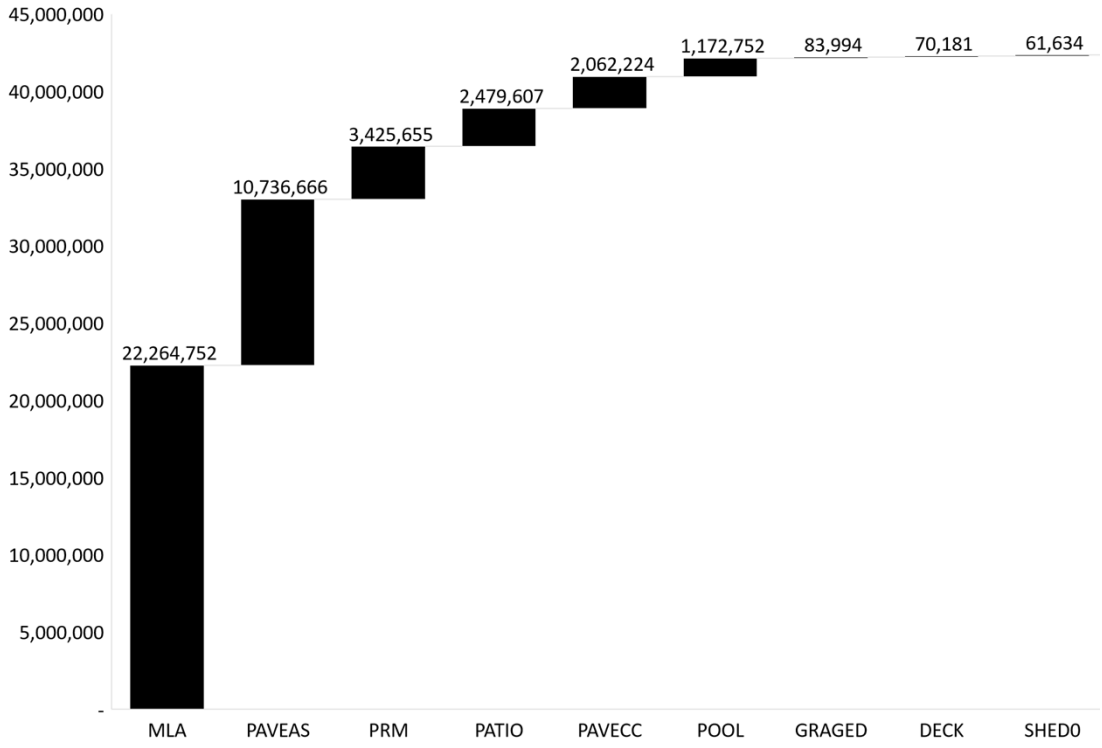
Subarea	Full Name	Count	Area (sqft)
WDK	Wood Deck Attached	327	60,446
AGA	Att Garage Avg	7,638	3,570,891
UTL	Utility Average	3,923	446,530
MLA	Main Living Area Res/Condo	16,517	22,952,746
OPA	Open Porch, Average	11,684	1,771,766
PTG	Patio, Good	477	73,070
LLA	Lower Living Area - Res/Condo	18	16,747
PAT	Patio, masonry	320	66,859
SPA	Screened porch, Average	7,277	1,019,869
CPA	Carport, Average	1,944	559,087
AGG	Att Garage Good	17	32,467
CPF	Carport, Fair	88	30,098
EPG	Enclosed Porch, Good	773	183,612
EPA	Enclosed Porch, Average	3,034	451,301
OPF	Open Porch, Fair	2,896	289,504
PTF	Patio, Fair	776	113,176
UTF	Utility Fair	100	42,844
DCK	Loading Dock	50	84,524
PRM	Main Area Commercial	2,280	10,168,221
CYF	Canopy, Fair	311	193,455
CPY	Canopy, Average	246	231,928
UTG	Utility Good	53	80,934
CYG	Canopy, Good	36	22,228
CYE	Canopy, Excellent	31	32,485
SPF	Screened porch, Fair	495	81,738
SPG	Screened porch, Good	55	12,887
EPF	Enclosed Porch, Fair	16	4,669
OPG	Open Porch, Good	60	12,975
CPG	Carport, Good	8	3,206
AGF	Att Garage Fair	11	9,022
CBG	Mobile Home Cabana, Good for MH	296	68,955
CBA	Mobile Home Cabana, Avg for MH	110	20,065

Table 3-2: Extra Impervious Area Element Included

Extra Features	Count	Area (sqft)
POOL	3,374	1,177,202
SPA	1,320	60,774
PATIO	4,840	2,583,793
PAVEAS	487	11,593,229
PAVECC	380	2,173,062
DECK	185	77,747
GRAGED	146	83,994
SHED	100	25,904
CARPRT	93	59,763
SHED0	906	67,260
SHUFFL	11	3,800
TENNIS	8	57,000

To create a singular estimate of impervious area for each parcel in the service area, elements in Tables 3-1 and 3-2 were then summated. The result was over 44 million square feet (sq. ft.) of identified impervious area attached to billable parcels within the service area. Figure 3-2 displays the most common elements that were identified by type and total square feet. Most of the impervious area that was identified was found in buildings and pavement features.

Figure 3-2: Impervious Area by Element



The next component of the analysis included a comparison of the newly summated impervious area completed as part of this analysis to the currently billed impervious area database. That process illuminated serval variances between the Property Appraiser impervious area data and the current database that warranted further action. Most notably, the Property Appraiser data includes very little information for impervious area on multi-family land use such as condos, leading to an under count in the amount of impervious area present on the parcel. In these situations, City staff revised the SCPA impervious area estimate that more closely approximated the impervious area present on each parcel based on a desktop inspection using aerial imagery. The resulting total impervious area is over 59 million square feet as indicated in Table 3-3.

Table 3-3: Total Parcel Characteristics Area

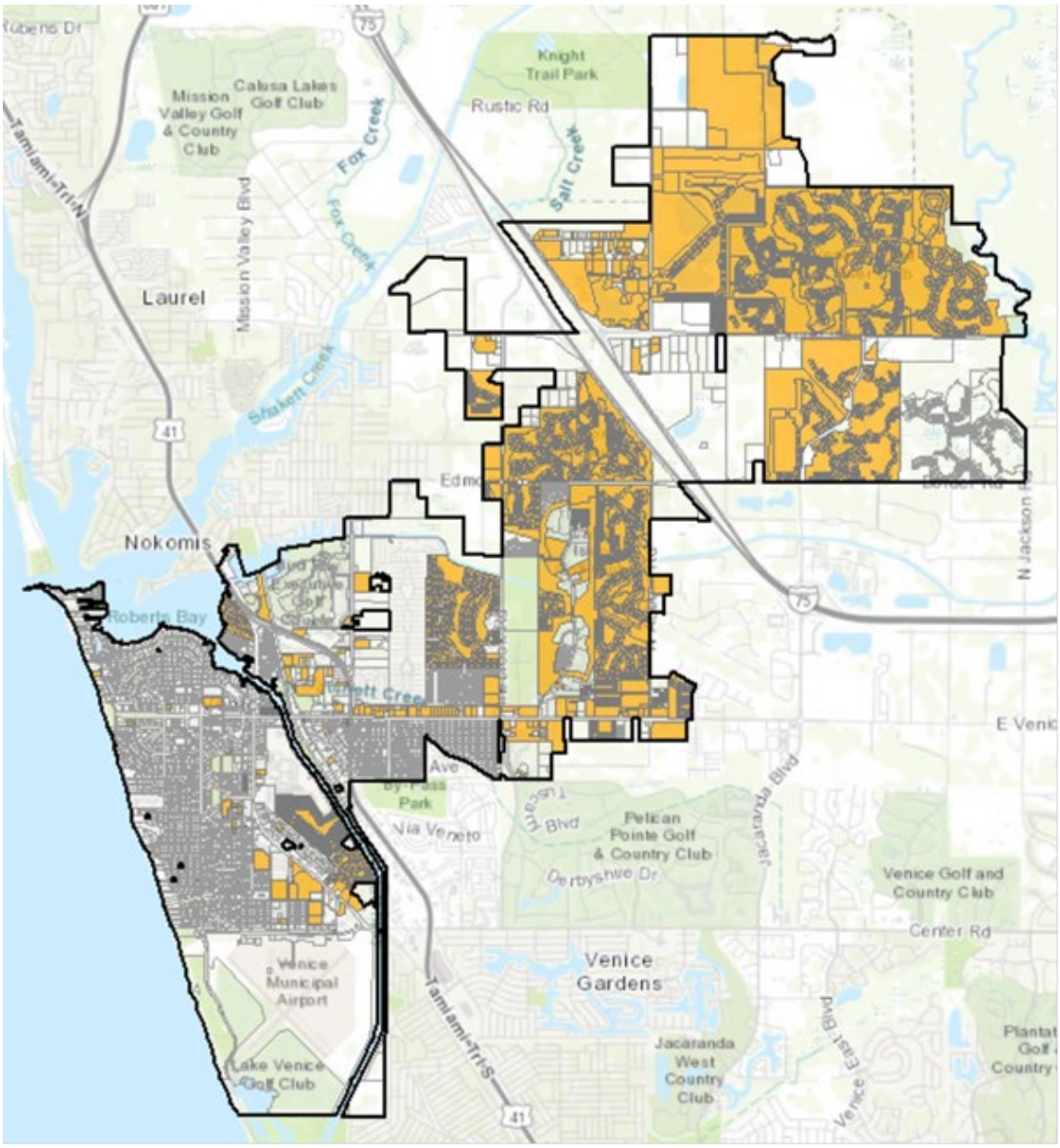
	Number of Parcels	Gross Area (Sqft)	Impervious Area (Sqft)
Total	**9,775**	**316,162,591**	**59,146,702**

Once completed, the impervious area measurements served as a foundational element to the rest of the analysis by providing updated billing units.

3.1.1 Water Management District Designation (WMD)

The City's current stormwater fee structure considers each parcel's inclusion in a water management permitted area when calculating stormwater fees. The distinction indicates that a parcel is served by a private stormwater asset(s) such as retention or detention facilities that provide some level of attenuation and treatment prior to entering the City's stormwater system. The City tracks all permitted facilities within the service area but relating permitted structures to billed parcels and billed stormwater accounts requires a cross walk using GIS. Stantec completed an update of this cross walk as part of the Study and identified 4,688 parcels/accounts that should receive this designation. Figure 3-3 displays in orange the parcels identified within the City's service area as having an active WMD.

Figure 3-3: Water Management District Parcels



3.2 STORMWATER FEE STRUCTURE

The City of Venice has had a stormwater utility and stormwater fee in place since the early 1990s. Stantec reviewed the fee, the City's key objectives and provided recommendations to the City and Stakeholder Working Group in order to modernize and simplify the current structure. The current fee is non-industry standard in that it calculates a unique fee for each parcel and uses numerous parcel characteristics to determine each parcel's allocation of equivalent stormwater units (ESF). The calculation to determine a parcel's ESF is below:

Parcel ESF = ((Impervious Area * .85/3000) + (Pervious Area * .15/8000)) *

(LUF + (WMD * (1-LUF))) * (Service Factor)

Impervious area prevents or impedes the infiltration of stormwater into the soil as compared to the way it entered in natural conditions prior to development. Common impervious surfaces include but are not limited to rooftops, sidewalks, walkways, patio areas, driveways, parking lots, storage areas, compacted gravel and soil surfaces, paver bricks, stones, swimming pools, and other surfaces.

Pervious area means land surfaces which allow the penetration of water into the ground.

Land use factor (LUF) is a factor used to assess the relative degree of stormwater pollutant concentrations from typical properties with a variety of land uses for the purpose of calculating stormwater fees. Vacant land is used as a baseline with a LUF of 1.0. All other properties within the city are charged a LUF based on the average levels of stormwater pollutants generated from a property within its land use, as defined by the city land development code (Chapter 86), as compared to average levels of stormwater pollutants generated from typical vacant land.

Treatment factor (WMD) parcels that have active SWFWMD permitted stormwater management systems that are in compliance with the annual certification required in Section 74-297 of the Venice City Code of Ordinances will calculate an “Effective LUF” of 1.0 and receive a discount compared to other parcels that have not contributed such systems.

Service factor is a factor assigned to relate the amount of stormwater service provided to a property by the city to the final stormwater fee for individual properties. Stormwater services provided to properties include but are not limited to operation and maintenance of the stormwater conveyance system; storm sewer construction, replacement and retrofit; enforcement and inspections; regulatory compliance; and public education. Service factors are available for mobile/manufactured homes at 0.90 and golf courses at 0.60.

3.2.1 Fee Modifications

After detailed discussion with City staff and the Stakeholder Working Group this Study focused its efforts in improving the current stormwater fee structure as opposed to making wholesale changes to the formula. The recommended modifications were aimed widely at simplifying the application of the fee where possible and ensuring the correct appointment of cost to parcels in the City’s stormwater service area to enhance defensibility.

Upon reviewing the detailed parcel data, Stantec further considered the appropriate fee mechanism for charging parcels to arrive at a recommended stormwater utility fee structure. There are three typical approaches used to develop fee structures in the stormwater industry. These approaches include the following:

- Flat Fee - All parcels within a customer class are charged a flat fee based on the average impervious area for the class. This approach is often used for single-family residential parcels within communities that do not have measurements of impervious area for these parcels or when the community contains a very homogenous distribution of impervious area among single-family residential properties.

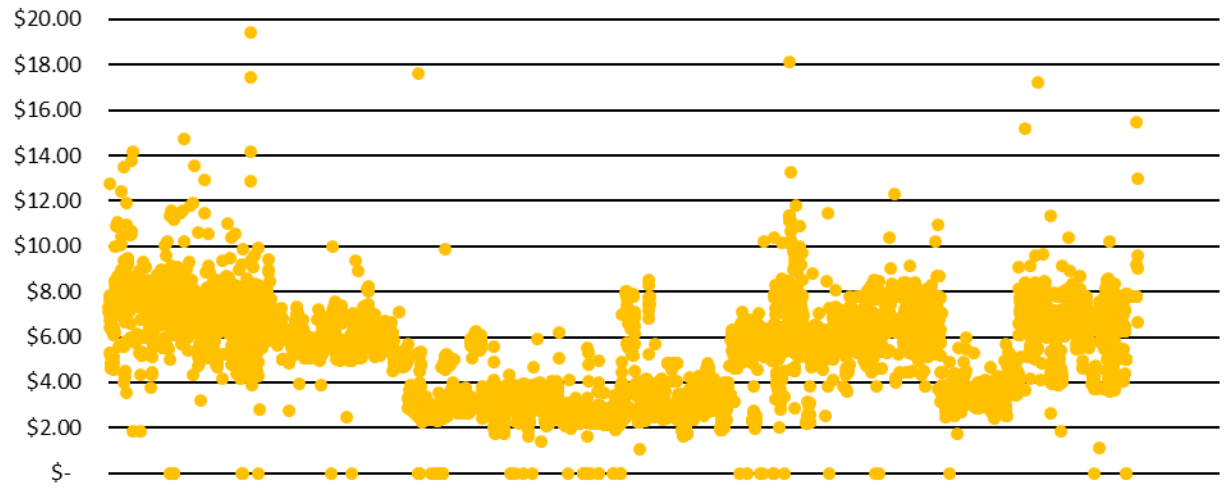
- Tiered - Properties are placed into tiers based on the actual impervious area on the individual parcel and charged a stormwater utility fee based on their associated tier. This approach is commonly used for single-family residential parcels among communities with a wider distribution of impervious area and enough impervious area per parcel data to support the structure.

- Parcel Specific - Parcels are charged a stormwater utility fee based on the actual measured impervious area on the individual parcel. While there are communities that have implemented stormwater utility fee structures that are based on actual impervious area for all customer classes, such as the City, this structure is typically applied to non-single-family residential, commercial, and industrial parcels. The significant variation in the impervious area on these parcels precludes the use of tiered or flat fee structures.

Tiered Single-Family Residential Fee Recommendations

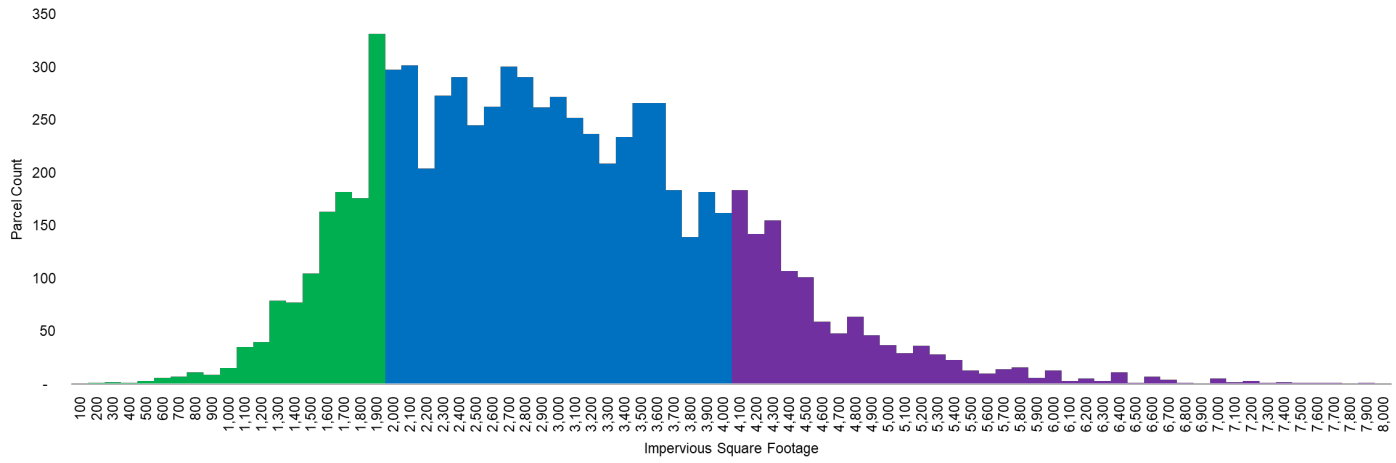
Single family residential parcels comprise the largest land use class of parcels in the City's service area, with over 7,400 parcels designated to that land use by the SCPA. The City's current fee assess an individual fee to each of these parcels based on its exact development characteristics. Figure 3-4 presents a dot plot of all current single-family parcel stormwater fees. Observationally, while the fees are unique, the development characteristics of single-family homes tend to be very similar to one each other, this results in a clustering effect with regards to the current fees. The average fee is $5.23, but the frequency of the average is quite low, meaning a good portion of single-family home pay a bit more than average and some pay less.

Figure 3-4: Current Single-Family Fees



Based on the relative similarity in single family home developmental characteristics from one to each other and general industry practices, Stantec recommends that the City consider using a tiered approach to assessing fees for stormwater. Tiers allow for administrative simplicity but also differentiate fees for single family home parcels that have developmental characteristics that are statistically different than the average. Figure 3-5 displays the impervious area distributions for single family homes within the service area. The distribution is normally distributed, meaning that many observations revolve symmetrically around a mean. One standard deviation has been used in order to construct tier boundaries and are shown in the green (tier 1), blue (tier 2), purple (tier 3) colors. Setting the tier break points using one standard deviation ensures that they are not arbitrary and provide meaningful differentiation.

Figure 3-5: Single-Family Distribution and Tiers



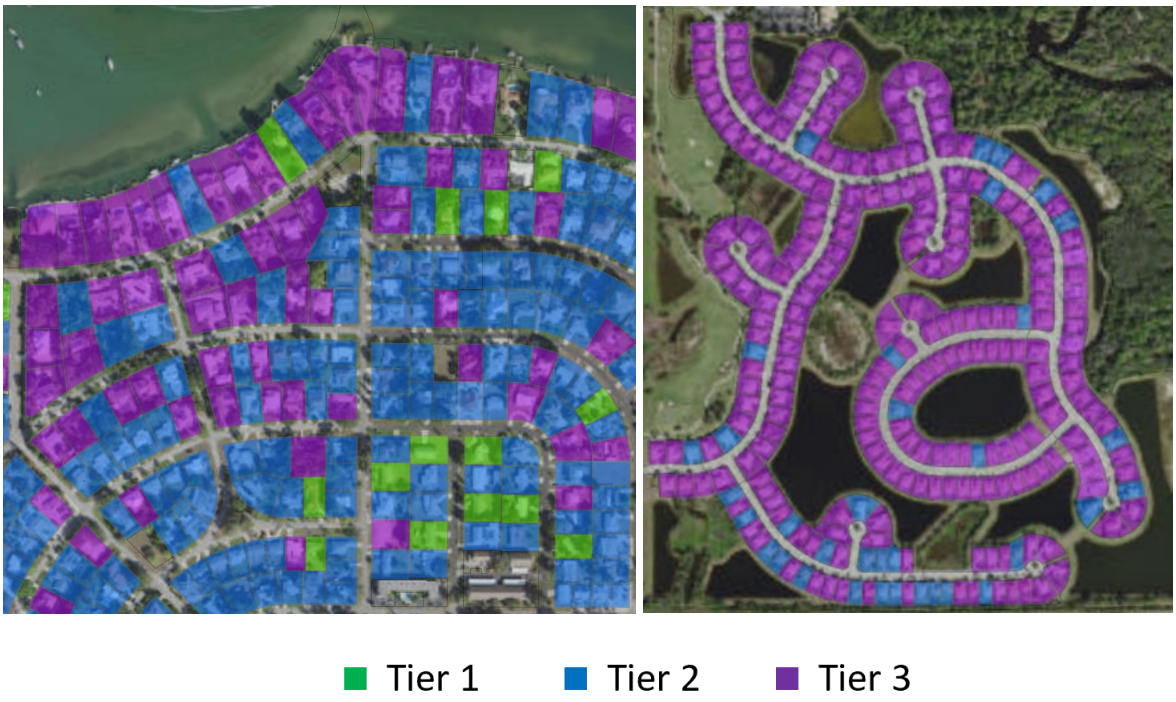
Once the tier boundary analysis was completed Table 3-4 could be populated which displays the important characteristics of billable stormwater units by tier. The average gross area was utilized for each tier once a parcel was assigned a tier based on their measured impervious area. Average pervious area was then calculated by reducing the gross area by the impervious area since the City's stormwater fee structure requires both impervious and pervious area to produce a stormwater fee. The tier analysis results in a set of impervious and pervious billing units that can be applied uniformly to parcels once placed into one of the three tiers based on their measured impervious area. This fee modification will greatly reduce the number of unique fees calculated and administered but differentiate the fee when meaningful difference in parcel characteristics exist.

Table 3-4: Single-Family Tiers and Billing Units

Tier	Impervious Range	Number of Parcels	Gross Area (Sqft)	Impervious Area (Sqft)	Pervious Area (Sqft)
Tier 1	<1,900	1,087	8,500	1,600	6,900
Tier 2	≥1,900 ≤4,000	5,277	9,400	2,800	6,600
Tier 3	>4,000	1,372	13,900	4,400	9,500

Figure 3-6 displays two example neighborhoods with a large portion of single-family homes present and tiers assigned to each parcel using color to denote each tier, green (tier 1), blue (tier 2), purple (tier 3). In the image to left on the northern island, the observer can clearly see that parcels with more impervious are on the intercostal boundary and parcel with less impervious are in the interior of the island. The neighborhood shown on the right is from a newer centrally planned community east of interstate 75, in this case the homes have much larger footprints of impervious area and often fall into the purple tier 3.

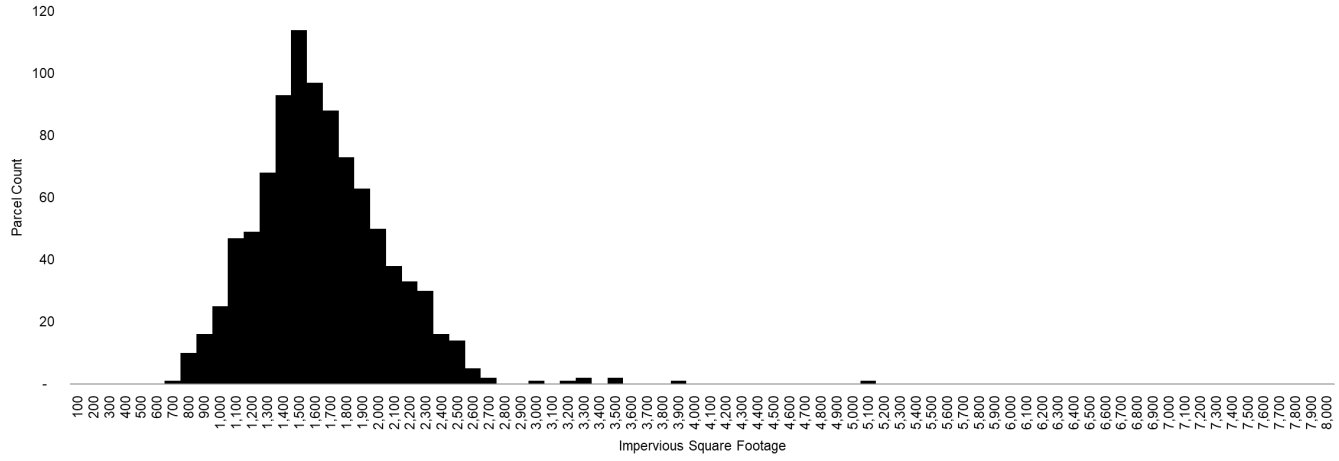
Figure 3-6: Single-Family Tier Examples



Manufactured Home Fee Recommendations

In addition to single family homes, the City has another significant group of parcels developed with manufactured homes. There are 939 manufactured homes that are individually platted and then an additional 3 large master platted parcels that contain another 1,760 parcels, for a total of 2,699 manufactured homes in the service area. Common industry practices would apply a flat fee or tiered fee much like single family homes to this grouping of customers, given that their developmental characteristics are very similar to one each other. Figure 3-7 shows the impervious area distribution of the individually platted manufactured homes are very similar to each other with an average impervious area of 1,592. Stantec recommends that the City consider assessing stormwater fees in flat manner for manufactured homes based on the average impervious area.

Figure 3-7: Manufactured Home Impervious Area Distribution



Using the average impervious area for manufactured homes Table 3-5 displays the parcel characteristics that are recommended for assessing a flat fee to all manufactured home parcels.

Table 3-5: Manufactured Home (MH) Billing Units

	Impervious Range	Number of Units	Gross Area (Sqft)	Impervious Area (Sqft)	Pervious Area (Sqft)
Per MH	All	2,699	3,485	1,592	1,893

Measured Parcel Fee Recommendations

The remaining stormwater parcels are associated with land uses that do not display the same level of homogeneity as single-family homes or manufactured homes and they often differ substantially from one another. Including in this classification of parcels are condo buildings, multifamily properties including single-parcel mobile home parks, commercial properties, golf courses, and vacant parcels of all shapes and sizes. Recognizing the diversity of the remaining parcels in the service area the most appropriate fee structure is one that treats each parcel as an individual, based on the observed parcel characteristics present: gross area, impervious area, and pervious area. Using a measured fee approach ensures that each parcel's fees are sized appropriately. Figure 3-8 displays a distribution of impervious area on the measured parcels in the City's service area. The distribution illuminates the clear lack of a normal distribution and there are several parcels that are not shown due as their impervious well exceed the x axis's rage of 50,000 sqft.

Figure 3-8: Measured Parcel Impervious Area Distribution

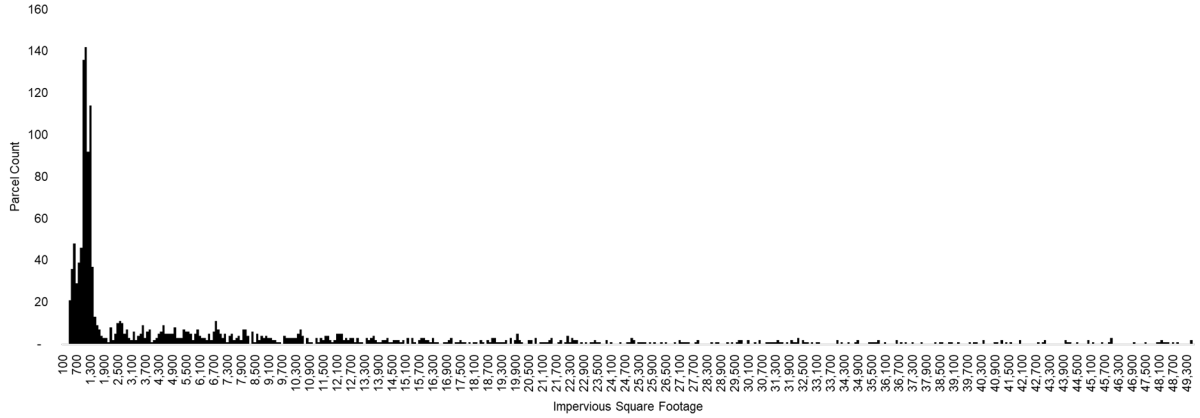


Table 3-6: Measured Accounts Billing Units

	Impervious Range	Number of Accounts	Gross Area (Sqft)	Impervious Area (Sqft)	Pervious Area (Sqft)
Per Parcel	All	1,066	Per Parcel	Per Parcel	Per Parcel

Water Quality Fee Recommendations

In addition to the operations and maintenance fee shown at the beginning of Section 3.3, the City currently charges a $.48 administration charge per dwelling unit/account. The original intent of this portion of the fee was to recover billing, customer services and account maintenance expenses. The City has expressed significant interest in converting this fee to a water quality fee in order to generate revenue that could be dedicated to investing in water quality related capital projects. Stantec evaluated several bases for a water quality fee and discussed the following three options with City staff and the Stakeholder Working Group:

Flat fees- levied on a per parcel basis regardless of the type, size or other characteristics

Impervious area based fees- based on the square footage of developed hard surfaces, impervious area, on the parcel

Gross area based fees- based on the size of the parcel as determined from the SCPA

Ultimately gross area was selected as the basis or unit of measurement to size the water quality fee. A flat fee was considered undiscriminating especially given that one parcel to the next can vary widely in its contributions to stormwater loadings that the City's system must manage. Impervious area already forms the main basis of the O&M fee and thus would be repetitive to

use for the water quality fee. Gross area therefore represents the best alternative analyzed in the analysis and uses readily available data.

In order to simplify the administration of a water quality fee it is recommended that for single family, mobile and manufactured homes, condominiums, and multifamily parcels a per dwelling unit fee is used based on the average gross area per single family home, which is 9,469 sqft.

After reviewing the estimated impacts of the water quality fee with City staff and the Stakeholder Working Group, it was determined that the customer impacts to large gross area parcels would be excessive. As such, a cap on billed gross area was instituted at 5 million sq. ft. for purposes of the water quality fee only. The cap effectively creates a celling by which water quality charges can go no higher. Only a handful of parcels are affected by the cap including four golf courses and the City's municipal airport.

3.3 CALCULATED STORMWATER UTILITY FEES

The revenue requirement identified for the Utility in FY 2021 represents the level of revenue necessary to cover the personnel expenditures, day to day operating expenditures, capital improvement projects, and repair and maintenance activities of the System. Table 3-7 presents the calculated annual stormwater operations and maintenance utility fee per equivalent stormwater unit (ESF) and Table 3-8 the equivalent water quality fee per unit (EWQU) based on the respective identified revenue requirements.

Table 3-7: Monthly O&M Fee Calculation

Funding Level	Revenue Required
Total Annual Revenue Requirement	**$2,181,849**
Assessable ESFs	31,080
Annual Fee Per ESF	**$70.20**
Monthly Fee Per ESF	**$5.85**

Table 3-8: Monthly Water Quality Fee Calculation

Funding Level	Revenue Required
Total Annual Revenue Requirement	**$225,015**
Assessable EWQUs	35,380
Annual Fee Per EWQU	**$6.36**
Monthly Fee Per EWQU	**$0.53**

After the calculated fee per ESU and EWQU was determined, it was possible to calculate the resulting annual stormwater fees for the three customer classes: single-family residential with three residential tiers at differing LUF factors presented in Table 3-9; manufactured homes in Table 3-10 and all other parcels as measured in Table 3-11.

Table 3-9: Calculated Single-Family Residential O&M Fees

Tier	LUF	ESU Allocation	Monthly FY 2021
Tier 1 (Impervious 0– 1,900 Sqft)	1	.58	$3.39
	1.1	.64	$3.74
	1.3	.76	$4.45
	1.6	.93	$5.44
Tier 2 (Impervious 1,901 – 4,000 Sqft)	1	.92	$5.38
	1.1	1.01	$5.91
	1.3	1.19	$6.96
	1.6	1.47	$8.60
Tier 3 (Impervious >4,600 Sqft)	1	1.42	$8.31
	1.1	1.57	$9.18
	1.3	1.85	$10.82
	1.6	2.28	$13.34

Table 3-10: Calculated Manufactured Home O&M Fees

	LUF	ESU Allocation	Monthly FY 2021[1]
Flat Fee	1.6	.74	$4.10

Table 3-11: Calculated Measured O&M Fees

	LUF	ESU Allocation	Monthly FY 2021
Applied per parcel per ESU		1	$5.85

[1] Includes .95 service factor

Using the EWQU, the calculated water quality fees are presented in Table 3-12.

Table 3-12: Calculated Water Quality Fees

	EWQU Allocation	Monthly FY 2021
Per Single family home or multifamily unit	1	$.53
All other parcels per every 9,469 sqft of gross parcel area	1	$.53

3.4 STORMWATER UTILITY CUSTOMER BILL IMPACTS

As part of evaluating changes to the City's stormwater fee structure, Stantec calculated bill impacts to compare the current stormwater fees charged by the City to the calculated stormwater utility fees presented herein. Given that the City currently charges a unique fee to every customer, a representative sampling was used to display the impact of the proposed fee modifications, which will result in different impacts for each parcel and account.

3.4.1 Single-Family Residential Monthly Bill Impacts

By way of the recommended fee structure, residential single-family homes will fall into one of three tiers based on the impervious square footage of their property, resulting in 12 different fee combination once the varying LUFs are considered. The following Table 3-13 provide examples of various single-family residential households and the bill impact that can be expected based on the recommendations herein which include revenue enhancements over current levels and fee structure modifications. Observationally, the monthly change that a single-family home will experience is dependent on the current fee level LUF and new tier assignment, resulting in a wide range of outcomes. While the percentage change in some cases is significant, the dollar change is moderate in relation to the total utility bill.

Table 3-13: Monthly Single-Family Residential Customer Bill Impacts

Customer Type	Current Bill	FY 21 Calculated O&M	FY 21 Calculated WQ	FY 21 Calculated Total	Change $	Change %
Single Family Home	$ 2.94	$ 3.39	$ 0.53	$ 3.92	$ 0.98	33%
Single Family Home	$ 3.98	$ 5.38	$ 0.53	$ 5.91	$ 1.93	49%
Single Family Home	$ 5.80	$ 5.44	$ 0.53	$ 5.97	$ 0.17	3%
Single Family Home	$ 6.90	$ 6.96	$ 0.53	$ 7.49	$ 0.59	9%
Single Family Home	$ 5.96	$ 5.38	$ 0.53	$ 5.91	$ (0.05)	-1%
Single Family Home	$ 5.88	$ 8.31	$ 0.53	$ 8.84	$ 2.96	50%
Single Family Home	$ 2.91	$ 5.38	$ 0.53	$ 5.91	$ 3.00	103%
Single Family Home	$ 3.43	$ 5.38	$ 0.53	$ 5.91	$ 2.48	72%
Single Family Home	$ 5.24	$ 5.38	$ 0.53	$ 5.91	$ 0.67	13%
Single Family Home	$ 5.47	$ 8.31	$ 0.53	$ 8.84	$ 3.37	62%
Single Family Home	$ 5.34	$ 5.44	$ 0.53	$ 5.97	$ 0.63	12%
Single Family Home	$ 7.25	$ 10.82	$ 0.53	$ 11.35	$ 4.10	57%
Single Family Home	$ 3.08	$ 5.38	$ 0.53	$ 5.91	$ 2.83	92%
Single Family Home	$ 2.94	$ 8.31	$ 0.53	$ 8.84	$ 5.90	201%
Single Family Home	$ 8.49	$ 9.18	$ 0.53	$ 9.71	$ 1.22	14%
Single Family Home	$ 10.45	$ 9.18	$ 0.53	$ 9.71	$ (0.74)	-7%
Single Family Home	$ 9.39	$ 5.91	$ 0.53	$ 6.44	$ (2.95)	-31%
Single Family Home	$ 8.19	$ 9.18	$ 0.53	$ 9.71	$ 1.52	19%

3.4.2 Monthly Non Single-Family Residential Bill Impacts

Non single-family parcels have unique fees based on the current structure and are recommended to have unique fees based on their parcel characteristics going forward. Table 3-14 provides examples of various non single-family parcels and the fee impact that can be expected based on the recommendations herein which include revenue enhancements over current levels and fee structure modifications.

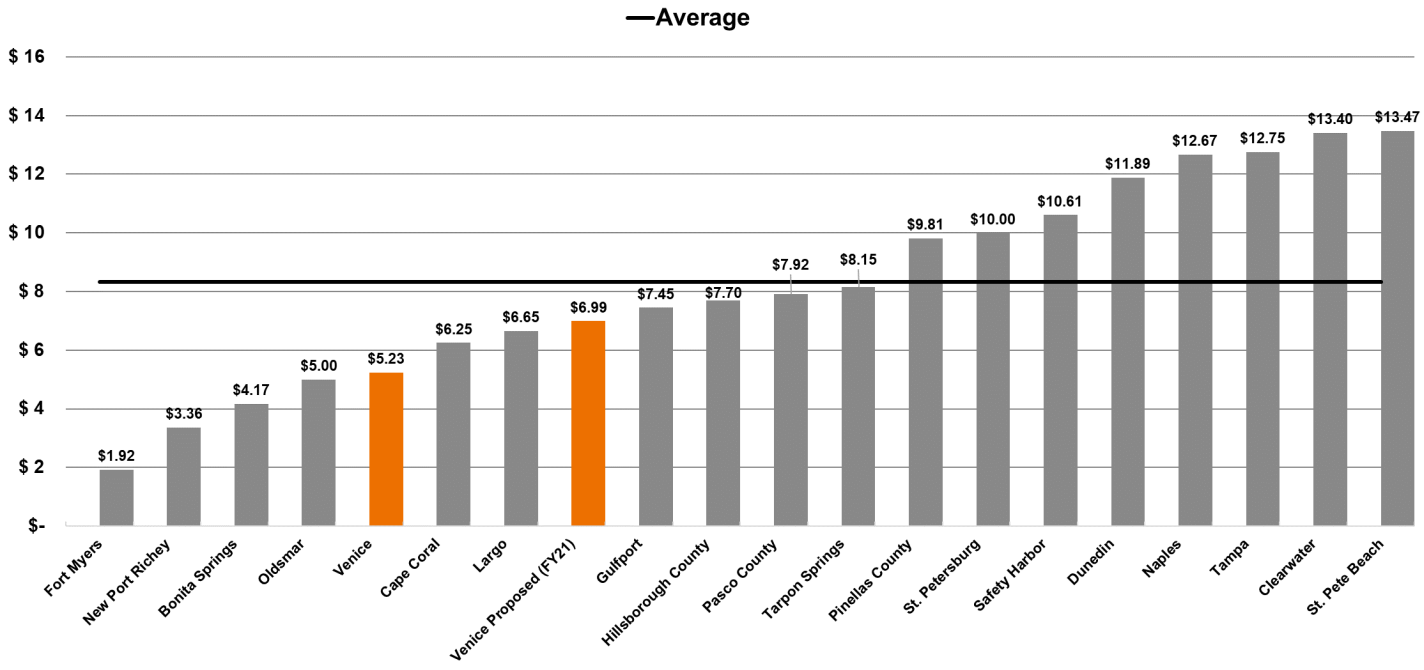
Table 3-14: Monthly Non Single-Family Residential Customer Bill Impacts

Customer Type	Current Bill	FY 21 Calculated O&M	FY 21 Calculated WQ	FY 21 Calculated Total	Change $	Change %
Restaurant	$ 92.38	$ 112.44	$ 2.09	$ 114.53	$ 22.15	24%
Supermarket	$ 919.07	$ 915.35	$ 27.69	$ 943.04	$ 23.97	3%
Manufactured Homes	$ 5,170.42	$ 7,551.06	$ 279.86	$ 7,830.92	$ 2,660.50	51%
Manufactured Homes	$ 786.08	$ 1,369.13	$ 138.86	$ 1,507.99	$ 721.91	92%
Hotel	$ 408.66	$ 369.02	$ 13.76	$ 382.78	$ (25.88)	-6%
Newspaper	$ 51.62	$ 102.14	$ 1.49	$ 103.63	$ 52.01	101%
Dental Office	$ 22.40	$ 34.57	$ 0.83	$ 35.40	$ 13.00	58%
Multi-Family	$ 30.82	$ 119.93	$ 4.11	$ 124.04	$ 93.22	302%
Salon	$ 4.67	$ 11.64	$ 0.16	$ 11.80	$ 7.13	153%
Marina	$ 258.33	$ 150.29	$ 5.35	$ 155.64	$ (102.69)	-40%
Non-Profit	$ 54.58	$ 127.12	$ 6.97	$ 134.09	$ 79.51	146%
Non-Profit	$ 55.22	$ 57.33	$ 5.09	$ 62.42	$ 7.20	13%
Restaurant	$ 79.80	$ 70.20	$ 2.09	$ 72.29	$ (7.51)	-9%
Shopping Center	$ 1,205.65	$ 1,611.97	$ 35.59	$ 1,549.13	$ 343.48	28%
Independent Business	$ 11.51	$ 24.98	$ 0.32	$ 25.30	$ 13.79	120%
Shopping Center	$ 206.57	$ 190.89	$ 11.70	$ 202.59	$ (3.98)	-2%
Drug Store	$ 48.92	$ 68.33	$ 2.88	$ 67.28	$ 18.36	38%
Restaurant	$ 40.34	$ 91.38	$ 1.16	$ 92.54	$ 52.20	129%
Church	$ 158.50	$ 167.54	$ 11.17	$ 178.71	$ 20.21	13%
Church	$ 183.64	$ 85.64	$ 19.07	$ 104.71	$ (78.93)	-43%
Condos	$ 132.95	$ 120.92	$ 10.60	$ 131.52	$ (1.43)	-1%
Condos	$ 124.74	$ 147.36	$ 41.34	$ 188.70	$ 63.96	51%
Condos	$ 302.89	$ 265.30	$ 21.73	$ 287.03	$ (15.86)	-5%
Condos	$ 234.65	$ 301.68	$ 16.96	$ 318.64	$ 83.99	36%
Condos	$ 363.95	$ 392.30	$ 53.00	$ 445.30	$ 81.35	22%
Golf Courses	$ 443.39	$ 696.27	$ 279.86	$ 976.13	$ 532.74	120%
Golf Courses	$ 626.98	$ 379.84	$ 279.86	$ 659.70	$ 32.72	5%
Golf Courses	$ 872.06	$ 1,196.73	$ 279.86	$ 1,476.59	$ 604.53	69%

4. STORMWATER UTILITY FEE BENCHMARKING

There are currently approximately 180 communities in Florida with stormwater utilities, the most of any state in the country. To provide insights into how stormwater utility fees from comparable and local communities align with the fees calculated in this Study, a local benchmarking comparison was developed. Figure 4-1 presents the monthly utility bills for single-family residential properties in peer communities.

Figure 4-1: Monthly Single-Family Residential Stormwater Bill Survey



The gray bars in Figure 4-1 indicate the FY 2020 monthly single-family residential stormwater fees for the City's peer municipalities. The City's average current ($5.23) and calculated ($6.99) stormwater fees in orange presented in the survey represent the calculated monthly fee for the average single-family home. While the bills presented herein represent fees that have been implemented in FY 2020, it is important to recognize that Venice's calculated fees will be effective in FY 2021. Furthermore, while there is currently little information available for FY 2021 fee increases for the other surveyed utilities, it is to be expected that many of the entities will continue to implement fee increases in the future. The survey shows that even with the recommended changes the City is still very competitive to other municipalities and indeed still below the average level of single-family homes.

5. STAKEHOLDER WORKING GROUP

A key component of this year's Study was the formation and engagement of a stormwater Stakeholder Working Group. The working group was comprised of representatives from several key land uses including 1) single-family homes, 2) multi-family homes, 3) commercial establishments, 4) industrial customers. The group was formed by City Council Resolution on November 13th, 2018. The group provided valuable feedback throughout the fee study process and shaped the final recommendations as presented in this study. Additionally, during the final meeting of the group, the group endorsed the recommendations as presented in this report.

The following 7 topic specific meetings were conducted with the stakeholder working group:

February 27th, 2020 Topic – Kick-off, Objectives, Schedule

~~**April 2nd, 2020**~~ – Meeting cancelled due to COVID and rescheduled to May.

May 15th, 2020 Topic – Stormwater Benchmarking, Revenue Sufficiency Analysis and Industry Intro 101

May 29th, 2020 Topic – Revenue Sufficiency Analysis Continued

June 12th, 2020 Topic – Fee Structure Options and Initial Recommendations

June 26th, 2020 Topic – Fee Structure Options and Customer Impacts

August 7th, 2020 Topic – Revised Fee Structure Options and Customer Impacts

August 21st, 2020 Topic – Final Discussion and Recommendations for FY 2021

6. FINDINGS & RECOMMENDATIONS

This section summarizes the major findings as a result of the analysis and recommendations developed in the Study.

Adjust Revenue Recovery. Based on the assumptions and base data discussed herein, it has been determined that the current stormwater fees do not generate the level of revenue necessary to satisfy the Utility's projected operating and capital expenditures over a multi-year period. In the current year FY 2020 the stormwater utility is running a deficit and in order to avoid decreases in the level of service provided, a plan of revenue adjustments has been developed and is displayed in Table 6-1. These adjustments will provide the stormwater utility with the resources need to accomplish its objectives in a sustainable and durable fashion.

Table 6-1: Revenue Adjustment Plan

Year:	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenue Adjustment:	47.86%	36.00%	17.00%	11.00%	1.00%

Modify the stormwater fee structure. Improvements to the fee structure have been identified to enhance simplicity, equity and conformance with industry practices. These include:

Single family homes- Stantec recommends a tiered structure that uses the statistical distribution of impervious area to assign one of three tiers to each single-family home for stormwater billing purposes. This recommendation will result in 12 unique stormwater fees for single family homes, down from the current 7,400+, simplify administration and provide greater customer understanding.

Manufactured homes- This study recommends the use of a flat fee per unit to charge parcels with manufactured homes on them, based on the average impervious area present in this class of parcels.

Water Quality Fee- Given the substantial needs to invest in water quality related projects, a water quality fee has been developed that would charge single family homes (including mobile/manufactured homes) and multifamily units a flat fee, while all other parcels would be charged on the gross area of the parcel.

Perform annual or biennial revenue sufficiency analysis. Stantec also recommends that the City continue to perform annual or biennial updates to the revenue sufficiency analysis to evaluate the adequacy of the modified stormwater fee structure and the revenue generated. Doing so will allow for the incorporation of updated revenue and expense information, as well as changes in economic conditions, regulatory requirements, and other factors that can materially affect the financial management plan.

It is important to note that the projections of future conditions underlying this analysis are not intended to be predictions. Applicable to many utility systems, there are multiple factors beyond the City's control, such as i) weather events, ii) regulatory changes, iii) national, regional, and local economic conditions, iv) the rate of growth in new customers, v) customer reaction to fee adjustments, vi) operating and capital cost inflation, and vii) changes in the timing and composition of the Utility's capital improvement program, that will have material impacts on the future financial condition of the City's utility operations. Further, the projections in this Study rely upon data and guidance provided during the development of the Study, and while the information utilized in this Study is believed to be reliable, detailed independent reviews or auditing of the data were not conducted.

As a result, there is a possibility that there will be differences between forecast and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. While we have no responsibility to update this report for events and circumstances occurring after the date of this report, future management actions should be based upon and adjusted to reflect future results as they occur. These comments are provided to emphasize the importance of active management informed by the actual future results of utility operations by the City. While the planning effort supported by this Study will serve to guide and inform the City in balancing future revenue and spending decisions, it is only through observation of future results that the City will be able to determine the actions required to ensure its financial and operational objectives are met.

Disclaimer

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In preparing this report, Stantec utilized information and data obtained from the City of Venice or public and/or industry sources. Stantec has relied on the information and data without independent verification, except only to the extent such verification is expressly described in this document. Any projections of future conditions presented in the document are not intended as predictions, as there may be differences between forecasted and actual results, and those differences may be material.

Additionally, the purpose of this document is to summarize Stantec's analysis and findings related to this project, and it is not intended to address all aspects that may surround the subject area. Therefore, this document may have limitations, assumptions, or reliance on data that are not readily apparent on the face of it. Moreover, the reader should understand that Stantec was called on to provide judgments on a variety of critical factors which are incapable of precise measurement. As such, the use of this document and its findings by the City of Venice should only occur after consultation with Stantec, and any use of this document and findings by any other person is done so entirely at their own risk.

APPENDIX A: REVENUE SUFFICIENCY ANALYSIS SUPPORTING SCHEDULES

Schedule 1 - Assumptions

Schedule 2 - Beginning Fund Balances

Schedule 3 - Projection of Cash Inflows

Schedule 4 - Projection of Cash Outflows

Schedule 5 - Cost Escalation Factors

Schedule 6 - Capital Improvement Program

Schedule 7 - FAMS Control Panel

Schedule 8 - Pro Forma

Schedule 9 - Capital Funding Summary

Schedule 10 - Funding Summary by Fund

Schedule 1: Assumptions

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Stormwater Fee Increase Adoption Date	N/A	N/A	N/A	10/1/2020	10/1/2021	10/1/2022	10/1/2023	10/1/2024	10/1/2025	10/1/2026	10/1/2027	10/1/2028	10/1/2029
Annual Growth													
Stormwater													
Ending # of Equivalent Stormwater Factors (ESF)	38,627	38,716	39,103	39,494	39,889	40,288	40,691	41,097	41,508	41,924	42,343	42,766	43,194
ESF Growth		89	387	391	395	399	403	407	411	415	419	423	428
% Change in ESF		0.23%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Capital Spending													
Annual Capital Budget (Future Year Dollars)			$ 618,649	$ 250,000	$ 500,000	$ 750,000	$ 1,000,000	$ 1,000,000	$ 1,030,000	$ 1,060,900	$ 1,092,727	$ 1,125,509	$ 1,159,274
Annual Percent Executed			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Annual Escalation Applied			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Average Annual Interest Earnings Rate													
On Fund Balances			0.77%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
Operating Budget Reserve													
Target (Number of Months of Reserve)[1]			4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Operating Budget Execution Percentage													
Personal Services			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Fixed Operations and Maintenance			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Capital Outlay			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

[1] This target is a recommendation of this Study, which is consistent with the City's water and sewer utility's official target, per the Series 2015 Official Statement. The target includes four months worth of annual operating expenditures including debt service and transfers, as well as capital outlay and cash funded capital.

Stantec Grouping of Funds in Model	Revenue Fund	SRF Loan Fund
Current Unrestricted Assets		
Cash and Cash Equivalents	$ 1,461,782	$ 610,000
Accounts Receivables	203,412	-
Total Assets	**$ 1,665,194**	**$ 610,000**
Current Liabilities		
Accounts Payable	$ (116,592)	$ -
Accrued Wages Payable	(21,784)	-
Calculated Fund Balance (Assets - Liabilities)	**$ 1,526,817**	**$ 610,000**
Available Fund Balance	**$ 1,526,817**	**$ 610,000**

Fund Summary	
Revenue Fund	$ 1,526,817
SRF Loan Fund	610,000
Total Available Funds	**$ 2,136,817**

Schedule 3: Projection of Cash Inflows

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Stormwater Fee Revenue Growth Assumptions											
1	% Change in Base Revenue	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Assumed Fee Revenue Increases											
2	Assumed Stormwater Fee Revenue Increase	0.00%	47.86%	36.00%	17.00%	11.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Stormwater Fee Revenue (Including Growth & Rate Increases)											
3	Stormwater Fee Revenue	$ 1,611,700	$ 2,406,864	$ 3,306,068	$ 3,906,781	$ 4,379,892	$ 4,467,928	$ 4,557,733	$ 4,649,344	$ 4,742,796	$ 4,838,126	$ 4,935,372
4	**Total Stormwater Fee Revenue (Including Growth & Rate Increases)**	**$ 1,611,700**	**$ 2,406,864**	**$ 3,306,068**	**$ 3,906,781**	**$ 4,379,892**	**$ 4,467,928**	**$ 4,557,733**	**$ 4,649,344**	**$ 4,742,796**	**$ 4,838,126**	**$ 4,935,372**
	Non-Operating Revenue											
5	334.14-00 - DEPT OF ENVIRON PROTECT	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6	334.36-00 - SWFWMD GRANTS	75,000	-	-	-	-	-	-	-	-	-	-
7	New Resiliency Grant	-	75,000	-	-	-	-	-	-	-	-	-
8	**Total Non-Operating Revenue**	**$ 175,000**	**$ 75,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
	Interest Income[1]											
9	Unrestricted	$ 15,800	$ 12,381	$ 12,361	$ 14,517	$ 16,702	$ 18,153	$ 19,269	$ 20,331	$ 20,918	$ 21,083	$ 20,919
10	**Total Interest Income**	**$ 15,800**	**$ 12,381**	**$ 12,361**	**$ 14,517**	**$ 16,702**	**$ 18,153**	**$ 19,269**	**$ 20,331**	**$ 20,918**	**$ 21,083**	**$ 20,919**
11	**Total Cash Inflows**	**$ 1,802,500**	**$ 2,494,245**	**$ 3,318,430**	**$ 3,921,298**	**$ 4,396,595**	**$ 4,486,081**	**$ 4,577,002**	**$ 4,669,674**	**$ 4,763,713**	**$ 4,859,209**	**$ 4,956,291**

[1] Interest earnings are calculated within the model based on assumed interest earnings rates (on Schedule 1) and ending fund balances within the operating fund each year.

Schedule 4: Projection of Cash Outflows

	Expense Line Item	Expense Type	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Exp - Capital Outlay/Operations & Maintenance Projects[1]												
1	Downtown Infrastructure Project	CO	$ 13,148	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2	Park Blvd. North SW Improvements	CO	50,000	-	-	-	-	-	-	-	-	-	-
3	Outfall Water Quality Improvements	CO	325,000	-	-	-	-	-	-	-	-	-	-
	Other Operating Expenses												
4	541.45-00 - INSURANCE	OMF	$ 5,151	$ 11,857	$ 12,213	$ 12,579	$ 12,956	$ 13,345	$ 13,746	$ 14,158	$ 14,583	$ 15,020	$ 15,471
5	541.46-00 - REPAIRS & MAINTENANCE	OMF	274,200	400,000	412,000	424,360	437,091	450,204	463,710	477,621	491,950	506,708	521,909
6	541.46-00 - REPAIRS & MAINT (COUNTY FAC TSF)	OMF	-	200,000	250,000	300,000	309,000	318,270	327,818	337,653	347,782	358,216	368,962
7	541.46-00 - REPAIRS & MAINT (PIPE LINING)	OMF	-	100,000	200,000	300,000	400,000	500,000	500,000	500,000	500,000	500,000	500,000
8	541.46-02 - REPAIRS & MAINT / COMPUTER DEVICES	OMF	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
9	541.46-37 - REPAIRS & MAINT / FLEET MAINT- LABOR	OMF	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
10	541.46-38 - REPAIRS & MAINT / FLEET MAINT- PARTS	OMF	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127
11	541.46-40 - REPAIRS & MAINTENANCE / INFO SYS	OMF	37,361	38,482	39,636	40,826	42,050	43,312	44,611	45,950	47,328	48,748	50,210
12	541.40-00 - TRAVEL AND TRAINING	OMF	11,500	11,845	12,200	12,566	12,943	13,332	13,732	14,144	14,568	15,005	15,455
13	541.41-00 - COMMUNICATION SERVICES	OMF	1,515	1,755	1,808	1,862	1,918	1,975	2,035	2,096	2,158	2,223	2,290
14	541.41-40 - COMMUNICATION SERVICES / IS	OMF	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
15	541.42-00 - FREIGHT AND POSTAGE	OMF	1,400	1,442	1,485	1,530	1,576	1,623	1,672	1,722	1,773	1,827	1,881
16	541.44-00 - RENTALS AND LEASES	OMF	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407
17	541.44-03 - RENTALS AND LEASES / EQUIP RENTAL	OMF	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
18	541.44-07 - RENTALS AND LEASES / BEACH OUTFALL MAINT	OMF	10,250	10,558	10,875	11,201	11,537	11,883	12,240	12,607	12,985	13,375	13,776
19	541.44-08 - RENTALS AND LEASES / DOCUMATCH SYSTEM	OMF	-	-	-	-	-	-	-	-	-	-	-
20	541.44-50 - RENTALS AND LEASES-FLEET REPL[2]	OMF	57,609	71,919	134,064	161,626	180,439	236,529	236,529	237,107	238,644	251,295	260,195
21	541.47-00 - PRINTING & BINDING	OMF	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
22	541.51-00 - OFFICE SUPPLIES	OMF	4,044	4,165	4,290	4,419	4,551	4,688	4,828	4,973	5,122	5,276	5,434
23	541.52-00 - OPERATING SUPPLIES	OMF	27,160	17,716	18,247	18,795	19,359	19,940	20,538	21,154	21,788	22,442	23,115
24	541.54-00 - BOOKS, PUB, SUB, MEMBERSP	OMF	5,200	5,356	5,517	5,682	5,853	6,028	6,209	6,395	6,587	6,785	6,988
25	541.31-00 - PROFESSIONAL SERVICES	OMF	220,983	120,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619
26	541.31-03 - PROFESSIONAL SERVICES / LEGAL	OMF	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
27	541.34-00 - OTHER CONTRACTUAL SERVICE	OMF	63,646	65,555	67,522	69,547	71,634	73,783	75,996	78,276	80,624	83,043	85,534
28	541.12-00 - REGULAR SALARIES & WAGES	PS	477,192	493,033	510,289	528,149	546,635	565,767	585,569	606,063	627,276	649,230	671,953
29	541.14-00 - OVERTIME	PS	10,000	10,000	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629
30	541.15-00 - SPECIAL PAY	PS	1,900	-	-	-	-	-	-	-	-	-	-
31	541.21-00 - FICA	PS	37,426	38,482	39,829	41,223	42,666	44,159	45,705	47,304	48,960	50,673	52,447
32	541.22-00 - RETIREMENT CONTRIBUTIONS	PS	41,731	51,574	53,379	55,247	57,181	59,182	61,254	63,398	65,617	67,913	70,290
33	9902-581.91-28 TRANSFERS TO FLEET FUND[3]	CO	35,000	100,442	183,470	263,824	330,858	278,672	231,453	257,655	272,493	274,226	262,900
34	Additional FTE[4]	PS	-	54,379	56,282	58,252	60,291	62,401	64,585	66,846	69,186	71,607	74,113
35	**Total Operating Expenses**		**$ 1,996,296**	**$ 2,372,617**	**$ 2,630,273**	**$ 2,947,512**	**$ 3,203,583**	**$ 3,379,935**	**$ 3,407,468**	**$ 3,511,375**	**$ 3,607,329**	**$ 3,703,824**	**$ 3,786,015**
	Total Expenses by Category												
36	Personal Services	PS	$ 718,451	$ 799,096	$ 826,422	$ 854,684	$ 883,916	$ 914,150	$ 945,421	$ 977,766	$ 1,011,220	$ 1,045,821	$ 1,081,611
37	Operations & Maintenance	OMF	854,697	1,198,915	1,337,992	1,538,144	1,689,223	1,878,539	1,912,762	1,948,588	1,986,429	2,036,473	2,083,782
38	Capital Outlay	CO	423,148	100,442	183,470	263,824	330,858	278,672	231,453	257,655	272,493	274,226	262,900
39	**Total Expenses**		**$ 1,996,296**	**$ 2,098,453**	**$ 2,347,884**	**$ 2,656,652**	**$ 2,903,997**	**$ 3,071,361**	**$ 3,089,636**	**$ 3,184,009**	**$ 3,270,142**	**$ 3,356,521**	**$ 3,428,293**
	Expense Execution Factors												
40	Personal Services	PS	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
41	Operations & Maintenance	OMF	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
42	Capital Outlay	CO	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total Expenses at Execution												
43	Personal Services	PS	$ 718,451	$ 799,096	$ 826,422	$ 854,684	$ 883,916	$ 914,150	$ 945,421	$ 977,766	$ 1,011,220	$ 1,045,821	$ 1,081,611
44	Operations & Maintenance	OMF	854,697	1,198,915	1,337,992	1,538,144	1,689,223	1,878,539	1,912,762	1,948,588	1,986,429	2,036,473	2,083,782
45	Capital Outlay	CO	423,148	100,442	183,470	263,824	330,858	278,672	231,453	257,655	272,493	274,226	262,900
46	**Total Expenses at Execution**		**$ 1,996,296**	**$ 2,098,453**	**$ 2,347,884**	**$ 2,656,652**	**$ 2,903,997**	**$ 3,071,361**	**$ 3,089,636**	**$ 3,184,009**	**$ 3,270,142**	**$ 3,356,521**	**$ 3,428,293**

Schedule 4: Projection of Cash Outflows

	Expense Line Item	Expense Type	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Transfers Out												
47	541.49-02 - ADMINISTRATIVE CHARGES		$ 254,965	$ 274,164	$ 282,389	$ 290,861	$ 299,586	$ 308,574	$ 317,831	$ 327,366	$ 337,187	$ 347,303	$ 357,722
48	**Total Transfers Out**		**$ 254,965**	**$ 274,164**	**$ 282,389**	**$ 290,861**	**$ 299,586**	**$ 308,574**	**$ 317,831**	**$ 327,366**	**$ 337,187**	**$ 347,303**	**$ 357,722**
	Debt Service												
49	Live Oak SRF Repayment[5]		$ -	$ 29,426	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546
50	**Total Debt Service**		**$ -**	**$ 29,426**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**
51	**Total Cash Outflows**		**$ 2,251,261**	**$ 2,402,043**	**$ 2,663,819**	**$ 2,981,058**	**$ 3,237,129**	**$ 3,413,481**	**$ 3,441,014**	**$ 3,544,921**	**$ 3,640,875**	**$ 3,737,370**	**$ 3,819,561**

[1] These projects were identified by City staff to be ongoing operations and maintenance projects, rather than large capital improvement projects. For purposes of this study, they are classified in the operating budget as capital outlay.

[2] Reflects the annual projected rent charges to the Stormwater Division from the Fleet Fund; provided by City staff as of August 2020.

[3] Reflects the projected purchase of new vehicles in the Stormwater Division; provided by City staff as of August 2020.

[4] Reflects the fully burdened cost of an additional FTE, net of the cost of a shared FTE that is currently allocated 40% to the Stormwater Division, as provided by City staff on February 10, 2020.

[5] Reflects semiannual payments for the Live Oak SRF expected loan agreement of $610,500.

Schedule 5: Cost Escalation Factors

Expense Line Item Description	Inflation Factor	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Downtown Infrastructure Project	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
SW Infrastructure Rehab	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Cockrill St. Ditch	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Beach Outfall #7	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Live Oak St. Stormwater Improvements	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Other	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Park Blvd. North SW Improvements	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Outfall Water Quality Improvements	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.45-00 - INSURANCE	Insurance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-00 - REPAIRS & MAINTENANCE	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-00 - REPAIRS & MAINT (COUNTY FAC TSF)	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-00 - REPAIRS & MAINT (PIPE LINING)	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-02 - REPAIRS & MAINT / COMPUTER DEVICES	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-37 - REPAIRS & MAINT / FLEET MAINT- LABOR	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-38 - REPAIRS & MAINT / FLEET MAINT- PARTS	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-40 - REPAIRS & MAINTENANCE / INFO SYS	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.40-00 - TRAVEL AND TRAINING	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.40-40 - TRAVEL AND TRAINING / INFO SYS	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.41-00 - COMMUNICATION SERVICES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.41-40 - COMMUNICATION SERVICES / IS	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.42-00 - FREIGHT AND POSTAGE	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-00 - RENTALS AND LEASES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-03 - RENTALS AND LEASES / EQUIP RENTAL	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-05 - RENTALS AND LEASES / PARKS EQUIP RENT	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-07 - RENTALS AND LEASES / BEACH OUTFALL MAINT	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-08 - RENTALS AND LEASES / DOCUMATCH SYSTEM	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.47-00 - PRINTING & BINDING	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.51-00 - OFFICE SUPPLIES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.52-00 - OPERATING SUPPLIES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.54-00 - BOOKS, PUB, SUB, MEMBERSP	Professional Services	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.31-00 - PROFESSIONAL SERVICES	Professional Services	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.31-03 - PROFESSIONAL SERVICES / LEGAL	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.34-00 - OTHER CONTRACTUAL SERVICE	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.12-00 - REGULAR SALARIES & WAGES	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.14-00 - OVERTIME	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.15-00 - SPECIAL PAY	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.21-00 - FICA	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.22-00 - RETIREMENT CONTRIBUTIONS	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
9902-581.91-28 TRANSFERS TO FLEET FUND	N/A[1]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

[1] Annual expenses for this line item vary depending on the timing of expected new vehicle purchases. As such, an inflation factor was not applicable to this line item.

Schedule 6: Capital Improvement Program

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Currently Underway											
1	Live Oak St. Stormwater Improvements[1]	$ 618,649	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Water Quality Projects											
2	Church St. Flood Improvements & Water Quality	$ -	$ -	$ -	$ -	$ 50,000	$ 320,000	$ -	$ -	$ -	$ -	$ -
3	Curry Creek Improvements	-	-	-	-	300,000	-	-	-	-	-	-
4	Deertown Gully Headwall Replacement	-	-	25,000	-	-	-	-	-	-	-	-
5	Deertown Gully Water Quality Upgrades	-	-	75,000	500,000	-	-	-	-	-	-	-
6	Golf Dr. Stormwater Improvements	-	-	-	-	150,000	300,000	-	-	-	-	-
7	Hatchett Creek Improvements	-	-	-	-	-	300,000	-	-	-	-	-
8	Seaboard Area - ICW Outfalls	-	-	-	-	200,000	-	300,000	-	-	-	-
9	Nolen Green Stormwater Ponds/Rain Gardens	-	-	-	25,000	-	30,000	-	-	-	-	-
10	North Nokomis (Bella Costa) Outfall Upgrades	-	-	-	-	200,000	-	-	-	-	-	-
11	Osprey Ditch Stormwater Upgrades	-	-	-	-	100,000	-	650,000	-	-	-	-
12	Outfall #10 Water Quality & Wetland Restoration	-	-	-	125,000	-	-	-	-	-	-	-
13	Outfall 1 & 2 Water Quality Treatment Expansion	-	100,000	400,000	-	-	-	-	-	-	-	-
14	Outfall 9 Improvement	-	-	-	100,000	-	-	-	-	-	-	-
15	Park Blvd. North SW Improvements	-	150,000	-	-	-	-	-	-	-	-	-
16	Parkdale & Parkside Dr. Drainage Improvement	-	-	-	-	-	50,000	-	300,000	-	-	-
17	Airport Ave. Drainage & Water Quality Improvements	-	-	-	-	-	-	50,000	300,000	-	-	-
18	Airport Area - ICW Outfalls	-	-	-	-	-	-	-	-	200,000	-	200,000
19	Circle Drive Flood Improvement & Water Quality	-	-	-	-	-	-	-	400,000	-	-	-
20	Tarpon Center Stormwater Upgrades	-	-	-	-	-	-	-	-	100,000	350,000	-
21	Valencia Rd. Flood Improvements & Water Quality	-	-	-	-	-	-	-	-	200,000	650,000	-
22	Venezia Park - Stormwater Treatment Upgrades	-	-	-	-	-	-	-	-	200,000	-	-
23	Future Water Quality Projects	-	-	-	-	-	-	-	-	300,000	-	800,000
24	**Total CIP Budget (in current dollars)**	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**
25	Cumulative Projected Cost Escalation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%
26	**Resulting CIP Funding Level**	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,030,000**	**$ 1,060,900**	**$ 1,092,727**	**$ 1,125,509**	**$ 1,159,274**
27	Annual CIP Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	**Final CIP Funding Level**	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,030,000**	**$ 1,060,900**	**$ 1,092,727**	**$ 1,125,509**	**$ 1,159,274**

[1] Project is currently underway and is being funded by the SRF loan proceeds as presented on Schedule 2.

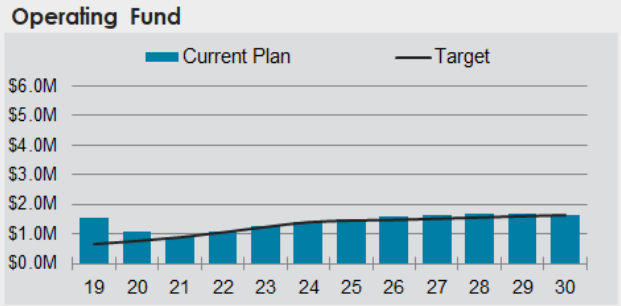
FAMS Financial Analysis & Management System | By Stantec

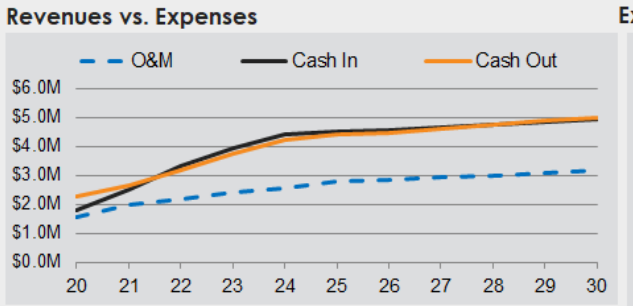
CITY OF VENICE, FL

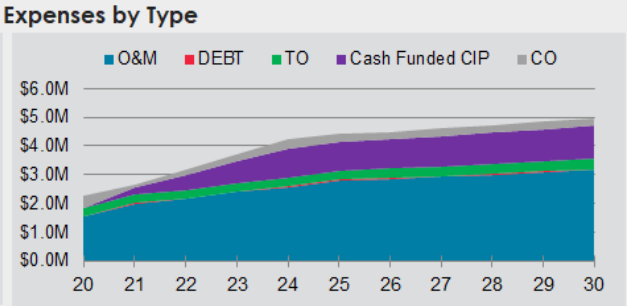
Stantec

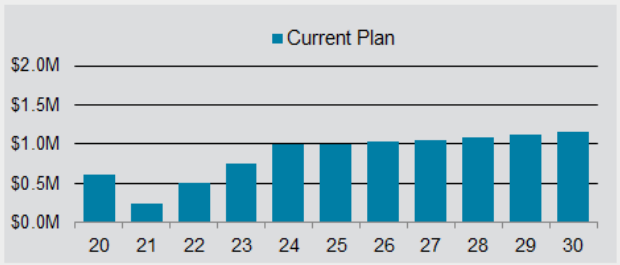
CALC | SAVE | CTRL | LAST | OVR

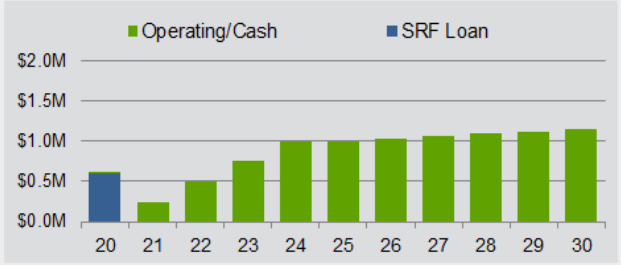
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2025	FY 2030
Stormwater Revenue Plan	0.00%	47.86%	36.00%	17.00%	11.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	163.98%	177.39%
Subordinate DSC	0.00	16.86	34.40	45.56	54.36	50.48	51.24	51.97	52.64	52.97	53.38		

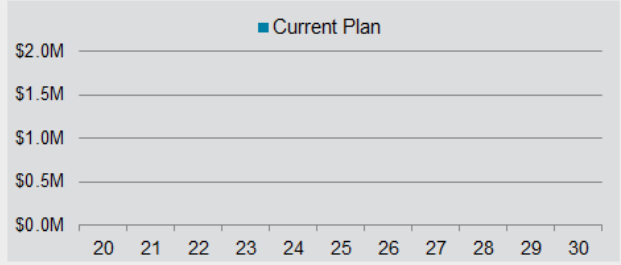












Schedule 8: Pro Forma

			FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Operating Revenue												
1	Stormwater Fee Revenue		$ 1,611,700	$ 1,611,700	$ 2,406,864	$ 3,306,068	$ 3,906,781	$ 4,379,892	$ 4,467,928	$ 4,557,733	$ 4,649,344	$ 4,742,796	$ 4,838,126
2	Revenue Generated From Prior Year Rate Increase		-	-	-	-	-	-	-	-	-	-	-
3	Change in Revenue From Growth		-	16,117	24,069	33,061	39,068	43,799	44,679	45,577	46,493	47,428	48,381
4	Subtotal		$ 1,611,700	$ 1,627,817	$ 2,430,933	$ 3,339,129	$ 3,945,849	$ 4,423,691	$ 4,512,607	$ 4,603,311	$ 4,695,837	$ 4,790,224	$ 4,886,507
5	*Weighted Average Fee Increase*		*0.00%*	*47.86%*	*36.00%*	*17.00%*	*11.00%*	*1.00%*	*1.00%*	*1.00%*	*1.00%*	*1.00%*	*1.00%*
6	Additional Fee Revenue From Fee Increase		-	779,047	875,136	567,652	434,043	44,237	45,126	46,033	46,958	47,902	48,865
7	Total Fee Revenue		$ 1,611,700	$ 2,406,864	$ 3,306,068	$ 3,906,781	$ 4,379,892	$ 4,467,928	$ 4,557,733	$ 4,649,344	$ 4,742,796	$ 4,838,126	$ 4,935,372
8	**Equals: Total Operating Revenue**		**$ 1,611,700**	**$ 2,406,864**	**$ 3,306,068**	**$ 3,906,781**	**$ 4,379,892**	**$ 4,467,928**	**$ 4,557,733**	**$ 4,649,344**	**$ 4,742,796**	**$ 4,838,126**	**$ 4,935,372**
	Less: Operating Expenses (Excluding Capital Outlay)												
9	Personal Services		$ (718,451)	$ (799,096)	$ (826,422)	$ (854,684)	$ (883,916)	$ (914,150)	$ (945,421)	$ (977,766)	$ (1,011,220)	$ (1,045,821)	$ (1,081,611)
10	Operations & Maintenance Costs		(854,697)	(1,198,915)	(1,337,992)	(1,538,144)	(1,689,223)	(1,878,539)	(1,912,762)	(1,948,588)	(1,986,429)	(2,036,473)	(2,083,782)
11	**Equals: Net Operating Income**		**$ 38,552**	**$ 408,853**	**$ 1,141,655**	**$ 1,513,953**	**$ 1,806,753**	**$ 1,675,239**	**$ 1,699,550**	**$ 1,722,990**	**$ 1,745,147**	**$ 1,755,831**	**$ 1,769,979**
	Plus: Non-Operating Income/(Expense)												
12	Non-Operating Revenue		$ 175,000	$ 75,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	Interest Income		15,800	12,381	12,361	14,517	16,702	18,153	19,269	20,331	20,918	21,083	20,919
14	**Equals: Net Income**		**$ 229,352**	**$ 496,234**	**$ 1,154,016**	**$ 1,528,470**	**$ 1,823,456**	**$ 1,693,391**	**$ 1,718,819**	**$ 1,743,321**	**$ 1,766,064**	**$ 1,776,914**	**$ 1,790,898**
	Subordinate Debt Service Coverage Test												
15	Net Income Available for Subordinate Debt Service		$ 229,352	$ 496,234	$ 1,154,016	$ 1,528,470	$ 1,823,456	$ 1,693,391	$ 1,718,819	$ 1,743,321	$ 1,766,064	$ 1,776,914	$ 1,790,898
16	Existing Subordinate Debt		-	29,426	33,546	33,546	33,546	33,546	33,546	33,546	33,546	33,546	33,546
17	**Total Annual Subordinate Debt Service**	**Req.**	**$ -**	**$ 29,426**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**
18	**Calculated Subordinate Debt Service Coverage**	**1.20**	**0**	**16.86**	**34.40**	**45.56**	**54.36**	**50.48**	**51.24**	**51.97**	**52.65**	**52.97**	**53.39**
	Cash Flow Test												
19	Net Income Available For Debt Service		$ 229,352	$ 496,234	$ 1,154,016	$ 1,528,470	$ 1,823,456	$ 1,693,391	$ 1,718,819	$ 1,743,321	$ 1,766,064	$ 1,776,914	$ 1,790,898
	Less: Non-Operating Expenditures												
20	Net Interfund Transfers (In - Out)		(254,965)	(274,164)	(282,389)	(290,861)	(299,586)	(308,574)	(317,831)	(327,366)	(337,187)	(347,303)	(357,722)
21	Net Debt Service Payment		-	(29,426)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)
22	Capital Outlay		(423,148)	(100,442)	(183,470)	(263,824)	(330,858)	(278,672)	(231,453)	(257,655)	(272,493)	(274,226)	(262,900)
23	**Net Cash Flow**		**$ (448,761)**	**$ 92,202**	**$ 654,611**	**$ 940,240**	**$ 1,159,465**	**$ 1,072,599**	**$ 1,135,989**	**$ 1,124,753**	**$ 1,122,839**	**$ 1,121,839**	**$ 1,136,731**
	Unrestricted Reserve Fund Test												
24	Balance At Beginning Of Fiscal Year		$ 1,526,817	$ 1,069,407	$ 911,609	$ 1,066,220	$ 1,256,460	$ 1,415,925	$ 1,488,525	$ 1,594,514	$ 1,658,367	$ 1,688,479	$ 1,684,809
25	Cash Flow Surplus/(Deficit)		-	92,202	654,611	940,240	1,159,465	1,072,599	1,135,989	1,124,753	1,122,839	1,121,839	1,136,731
26	Projects Designated To Be Paid With Cash		-	-	-	-	-	-	-	-	-	-	-
27	Projects Paid With Non Specified Funds		(8,649)	(250,000)	(500,000)	(750,000)	(1,000,000)	(1,000,000)	(1,030,000)	(1,060,900)	(1,092,727)	(1,125,509)	(1,159,274)
28	**Balance At End Of Fiscal Year**		**$ 1,069,407**	**$ 911,609**	**$ 1,066,220**	**$ 1,256,460**	**$ 1,415,925**	**$ 1,488,525**	**$ 1,594,514**	**$ 1,658,367**	**$ 1,688,479**	**$ 1,684,809**	**$ 1,662,265**
29	Minimum Working Capital Reserve Target		753,303	884,014	1,054,606	1,243,686	1,412,376	1,471,160	1,490,338	1,535,274	1,577,867	1,620,960	1,659,612
30	**Excess/(Deficiency) Of Working Capital To Target**		**$ 316,104**	**$ 27,595**	**$ 11,614**	**$ 12,774**	**$ 3,549**	**$ 17,364**	**$ 104,176**	**$ 123,093**	**$ 110,611**	**$ 63,849**	**$ 2,654**

Schedule 9: Capital Project Funding Summary

Final Capital Projects Funding Sources	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
SRF Loan	$ 610,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Fund	8,649	250,000	500,000	750,000	1,000,000	1,000,000	1,030,000	1,060,900	1,092,727	1,125,509	1,159,274
Total Projects Paid	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,030,000**	**$ 1,060,900**	**$ 1,092,727**	**$ 1,125,509**	**$ 1,159,274**

Schedule 10: Funding Summary by Fund

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
SRF Loan Fund											
Balance At Beginning Of Fiscal Year	$ 610,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal	$ 610,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Restricted Funds	-	-	-	-	-	-	-	-	-	-	-
Total Amount Available For Projects	610,000	-	-	-	-	-	-	-	-	-	-
Amount Paid For Projects	(610,000)	-	-	-	-	-	-	-	-	-	-
Subtotal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plus: Interest Earnings	3,006	-	-	-	-	-	-	-	-	-	-
Less: Interest Allocated To Cash Flow	(3,006)	-	-	-	-	-	-	-	-	-	-
Balance At End Of Fiscal Year	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
	-	-	-	-	-	-	-	-	-	-	-
Revenue Fund											
Balance At Beginning Of Fiscal Year	$ 1,526,817	$ 1,069,407	$ 911,609	$ 1,066,220	$ 1,256,460	$ 1,415,925	$ 1,488,525	$ 1,594,514	$ 1,658,367	$ 1,688,479	$ 1,684,809
Net Cash Flow	(448,761)	92,202	654,611	940,240	1,159,465	1,072,599	1,135,989	1,124,753	1,122,839	1,121,839	1,136,731
Less: Cash-Funded Capital Projects	-	-	-	-	-	-	-	-	-	-	-
Less: Payment Of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Subtotal	$ 1,078,056	$ 1,161,609	$ 1,566,220	$ 2,006,460	$ 2,415,925	$ 2,488,525	$ 2,624,514	$ 2,719,267	$ 2,781,206	$ 2,810,318	$ 2,821,539
Less: Restricted Funds	(753,303)	(884,014)	(1,054,606)	(1,243,686)	(1,412,376)	(1,471,160)	(1,490,338)	(1,535,274)	(1,577,867)	(1,620,960)	(1,659,612)
Total Amount Available For Projects	324,753	277,595	511,614	762,774	1,003,549	1,017,364	1,134,176	1,183,993	1,203,338	1,189,358	1,161,928
Amount Paid For Projects	(8,649)	(250,000)	(500,000)	(750,000)	(1,000,000)	(1,000,000)	(1,030,000)	(1,060,900)	(1,092,727)	(1,125,509)	(1,159,274)
Subtotal	$ 316,104	$ 27,595	$ 11,614	$ 12,774	$ 3,549	$ 17,364	$ 104,176	$ 123,093	$ 110,611	$ 63,849	$ 2,654
Add Back: Restricted Funds	753,303	884,014	1,054,606	1,243,686	1,412,376	1,471,160	1,490,338	1,535,274	1,577,867	1,620,960	1,659,612
Plus: Interest Earnings	12,794	12,381	12,361	14,517	16,702	18,153	19,269	20,331	20,918	21,083	20,919
Less: Interest Allocated To Cash Flow	(12,794)	(12,381)	(12,361)	(14,517)	(16,702)	(18,153)	(19,269)	(20,331)	(20,918)	(21,083)	(20,919)
Balance At End Of Fiscal Year	**$ 1,069,407**	**$ 911,609**	**$ 1,066,220**	**$ 1,256,460**	**$ 1,415,925**	**$ 1,488,525**	**$ 1,594,514**	**$ 1,658,367**	**$ 1,688,479**	**$ 1,684,809**	**$ 1,662,265**

Appendix B: Business Plan

City of Venice, Florida
Facilities Plan Update

Drinking Water (Potable Water)

Drinking Water State Revolving Fund Business Plan

3/29/2021

FDEP Capital Financing Plan CW/Business Plan DW		Cleanwater Program	Drinking Water Program
FY 21/22		**Wastewater/Reclaimed**	**Drinking Water**
Watermain Replacement P8	4,015,000	1,809,000	2,206,000
Booster Pump Station	12,150,000		12,150,000
2nd Stage Membraine P1	3,000,000		3,000,000
KW Diesel Generator & Swtichgear	3,406,000		3,406,000
FY 23/24		**Wastewater/Reclaimed**	**Drinking Water**
East Gate Phase 3	3,053,000	1,108,000	1,945,000
AWTP Equalization Tank	2,850,000	2,850,000	
Watermain Phase 7	2,505,000	1,129,000	1,376,000
2nd Stage Membrane P2	3,500,000		3,500,000
Well 8E	2,160,000		2,160,000
ASR Well	5,283,000	5,283,000	
FY 25/26		**Wastewater/Reclaimed**	**Drinking Water**
Deep Injection Well	11,500,000.0		11,500,000
Lift Station #5	390,000.0	390,000	
Total	**53,812,000.00**	**12,569,000**	**41,243,000**

FDEP SRF Drinking Water Program - Projects and Estimated Cost $41,243,000

FDEP Capital Financing Plan CW		Cleanwater Program
FY 22/23		**Stormwater**
Outfall 1 & 2 Water Quality Treatment Expansion	400,000	400,000
Deartown Gully Water Quality Upgrades	575,000	575,000
Outfall #10 Water Quality Wetland Restoration	125,000	125,000
Deartown Gully Headwall Replacement	25,000	25,000
Outfall #9 Improvements	100,000	100,000
FY 23/24		**Stormwater**
Church St. Flood Improvements & Water Quality	370,000	370,000
Curry Creek Improvements	300,000	300,000
Golf Dr. Stormwater Improvements	450,000	450,000
Hatchett Creek Improvements	300,000	300,000
Seaboard Avea - ICW Outfalls	500,000	500,000
Nolen Green Stormwater Ponds/Rain Gardens	55,000	55,000
North Nokomis Outfall Upgrades	200,000	200,000
Osprey Dit Stormwater Upgrades	750,000	750,000
Parkdale & Parkside Dr. Drainage	50,000	50,000
Airport Ave. Drainage & Water Quality Improvements	50,000	50,000
Total		**4,250,000**

	Cleanwater (Wastewater, Reclaimed & Stormwater	Drinking Water Program	Facilities Plan Total
Total	**16,819,000**	**41,243,000**	**58,062,000**

DRINKING WATER STATE REVOLVING FUND BUSINESS PLAN

Sponsor Name: City of Venice System Population: 28,985

DWSRF Project #: PWS ID#: 59-6000443

Contact Person and Title: Javier Vargas, Utilities Director Telephone: 941-882-7309

Mailing Address: 401 West Venice Ave City: Venice State: FL Zip: 34285

Contact for Finance Plan (if different): Brenda Westlake Telephone: 941-882-7424

Mailing Address: 401 West Venice Ave City: Venice State: FL Zip: 34285

e-mail: Jvargas@venicegov.com, bwestlake@venicegov.com Fax:

Source Type: ☒ Ground Water ☐ Purchase Water

☐ Surface Water ☐ Surface/Ground Combined

The Drinking Water State Revolving Fund Program (DWSRF), authorized by the 1996 amendments to the Safe Drinking Water Act, provides financial assistance to public water systems (PWS). To obtain this assistance, project sponsors must demonstrate Capacity Development or demonstrate how the assistance will ensure these requirements are met. The term Capacity Development takes into consideration three vital areas of a public water system: Technical, Managerial, and Financial capabilities.

FINANCIAL

A financial capability demonstration (and certification) is required well before the evaluation of the actual loan or grant application. This demonstration is necessary to ensure that the system has the financial capability to repay the loan, if applicable, and to adequately operate and maintain the system. Financial capability also includes funding future capital improvements that may be required. Please see Rule 62-552.700(4) in Chapter 62-552, F.A.C. for further details.

It is expected that the revenues to be dedicated to repaying a loan will be generated either from water and sewer utility operations or from water utility operations alone. If the source of revenues will not be from such enterprises, this set of worksheets alone will not satisfy the Department's needs. (Please contact the Department for further guidance if dedicated revenues will be generated externally to such utilities.)

The following worksheets have been developed to identify the minimum information needed. The completed worksheets should be used in disclosing DWSRF project financing to the public during the required dedicated revenue hearing. The worksheets can serve to identify the impacts of the SRF project on residential users and how the project fits into the project sponsor's overall capital improvement program for the water and sewer utility (or water utility, as appropriate). Supplemental capital financing documentation may be submitted with these worksheets and may be presented at the required dedicated revenue hearing.

The revenues being dedicated to repayment of the DWSRF loan are:	Net Water, Wastewater and Reclaimed Revenues
What is the frequency of water system billing?	Monthly
How often are system rates reviewed for adequacy?	Yearly
When was the last time rates were reviewed?	2020
What resources and guidance does the water system use for setting water user rates, fees or charges?	2018 Stantec Utility Rate Study
What is your water system bond rating?	AA
Is a rate increase necessary as a result of this project?	No
What is the Median Household Income (MHI) for the entire system?	60,086

Which, if any, of the following activities must be undertaken to implement the DWSRF project?

Acquire privately held land?	Yes ☐	No ☒
Acquire land held by another public water system entity?	Yes ☐	No ☒
Enter into inter-local or inter-project sponsoring agency's agreements?	Yes ☐	No ☒
Does the system have an annual budget with a separate reserve account for equipment replacement and/or capital improvement?	Yes ☒	No ☐
Does the system have a capital improvement plan? How many years does it cover? 5	Yes ☒	No ☐
Does the system have a governing board of directors? (City Council)	Yes ☒	No ☐

Does the water system employ the services of a professional engineer?	Yes ☒ No ☐
Are there procedures for billing and collection?	Yes ☒ No ☐
Does the system have audited financial statements?	Yes ☒ No ☐
Are there standard purchasing procedures that provide controls over expenditures?	Yes ☒ No ☐
What year will construction be completed and repayments begin (for the first project)?	FY24/25
What is the estimated cost of your SRF project?	$41,243,000 (FY21-FY26)

Please attach a copy of the user charge ordinance.

Table 1
WATER RATE REVENUE SUMMARY

		LAST YR. 2020	YEAR 1 (Current Year) 2021	YEAR 2 2022	YEAR 3 2023		SRF Project 2024
1.	Number of Residential Customers	20,275	20,605	21,017	21,437		21,866
2.	Number of New Residential Service Connections	201	330	412	420		429
3.	Annual Residential Water Sales (Gallons)	573,770,928	585,246,347	596,951,273	608,890,299		621,068,105
4.	Avg Daily Residential Usage (Gal/day) (Line 3 divided by line 1 divided by 365)	78	78	78	78		78
5.	Annual Residential Water Sales ($)	8,596,847	8,768,784	8,944,159	9,123,043		9,305,503
6.	Average Annual Residential Bill (line 5 divided by line 1)	424.01	425.57	425.57	425.57		425.57
7.	Annual Residential Bill Amount Uncollected	19,140	19,140	19,140	19,140		19,140
8.	Total Residential Rates Collected (Line 5 minus line 7)	8,577,707	8,749,644	8,295,202	9,103,903		9,286,364
9.	Impact and Connection Fees per Residential Service	10,558	4,030	2,305	2,260		2,216
10.	Total Residential Impact and Connection Fees (Line 2 times line 9)	2,128,230	1,330,000	950,000	950,000		950,000
11.	Number of Commercial Customers	1,004	1,014	1,034	1,055		1,076
12.	Number of New Commercial Service Connections	13	10	20	21		21
13.	Annual Commercial Water Sales (Gallons)	192,858,857	196,716,034	200,650,355	204,663,362		208,756,629
14.	Annual Commercial Water Sales ($)	1,976,829	2,016,366	2,056,693	2,097,827		2,139,786
15.	Annual Commercial Bill Amount Uncollected						
16.	Total Commercial/Industrial Bills Collected (Line 14 minus line 15)	1,976,829	2,016,366	2,056,693	2,097,827		2,139,786
17.	Impact and Connection Fees for Commercial Service	8,616	6,972	2,465	2,417		2,370
18.	Total Commercial Impact and Connection Fees (Line 12 times line 17)	112,012	70,000	50,000	50,000		50,000
19.	Bulk Water Sales						
20.	Total Projected Water Revenue (Line 8+10+16+18+19)	12,794,778	12,166,010	11,981,713	12,201,730		12,426,147

* Large meters should be checked annually for accuracy.

Instructions for Completing Table 1

Identify the source of the above information and explain methods used to develop the projections (*Attachment #* _____). 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. In completing this table assume through year 3 that no SRF project is constructed. In the " SRF Project" column enter the numbers that reflect the first year in which the SRF loan will begin repayments. When completing the numbers in this column assume that the SRF project will be financed using 100% loan funding.

Line 1 Include the actual number of customers for last year and year 1 (current year). The numbers in years 2 and 3 should reflect an estimated number of residential customers, adjusted for growth. In the SRF column include the expected number of customers based on constructing your SRF project.

Line 2 This line is a subset of line 1. It should reflect the number of new customers for that year.

Line 3 This line is your total volume (gallons) of water used by your residential customers. Use actual gallons sold for Last Year and do an estimate for the current year based on total to-date. To determine Year 2 and 3 water sales, first calculate the average daily residential usage in gallons per day on line 4. The estimated water sales for Year 2 and 3 can now be determined by multiplying line 4 by line 1.

Line 4 This is the average daily residential usage (gallons per day) by a single residential customer. To get this number divide line 3 by line 1. Use Last Year and Current Year to project usage for Year 2 and 3. Usage should be fairly constant.

Line 5 This is your total residential water sales in dollars. Year 2 and 3 water sales should reflect any increases in rates (i.e. due to inflation). In the SRF column list what the sales would need to be if the SRF project was a 100% loan (to meet all expenses).

Line 6 To obtain the average annual residential bill, divide line 5 by line 1.

Line 7 This is the amount of the uncollected residential bills outstanding for the year.

Line 8 Line 5 minus line 7.

Line 9 This line is the impact and connection fee for new residential service.

Line 10 Multiply line 2 by line 9.

Line 11 Include the actual number of customers for last year and year 1 (current year). The numbers in years 2 and 3 should reflect an estimated number of commercial customers, adjusted for growth. In the SRF column include the expected number of customers based on constructing your SRF project.

Line 12 This line is a subset of line 11. It should reflect the number of new customers that will be charged an impact or connection fee.

Line 13 This line is your total volume (gallons) of water used by your commercial accounts.

Line 14 This is your total commercial water sales in dollars. Year 2 and 3 water sales should reflect any increases in rates (i.e. due to inflation). In the SRF column list what the sales would need to be if the SRF project was a 100% loan (to meet all expenses).

Line 15 This is the amount of the uncollected residential bills outstanding for the year.

Line 16 Total revenue collected for commercial accounts (line 14 minus line 15).

Line 17 This line is the impact and connection fee for new commercial/industrial accounts.

Line 18 Multiply line 12 by line 17.

Line 19 Total revenue for bulk water sales to consecutive systems.

Line 20 Total of line 8+10+16+18+19.

TABLE 2

INCOME, EXPENSES, AND CASH FLOW STATEMENT

	Income, Expense, and Cash Flow Statement	Last Yr. 2020	Year 1 2021	Year 2 2022	Year 3 2023		SRF Project 2024
	OPERATING REVENUES						
1	Water Rates (Water, Wastewater, Reclaimed – Net Revenues to pay debt service for loans)	23,698,339	24,372,800	24,860,946	25,358,861		25,866,740
2	Fire Protection	64,500	64,500	65,100	65,706		66,318
3	Fees and Services						
4	Interest Income						
5a	Other – Miscellaneous	44,236	32,000	32,640	33,293		33,599
5b	Other – Cell Tower Leases	82,742	88,200	89,964	91,763		93.599
6	**Total (Lines 1 - 5)**	27,214,709	26,707,500	26,348,650	26,849,623		27,360,615
	NON-OPERATING REVENUES						
7	Interest Income	477,459	250,00	255,000	260,100		265,302
8	Interfund Transfer						
9	Proceeds from the Sale of Assets						
10	Leases and Extraction Fees						
11	Construction Grants	9,216	765,000	15,000	15,000		15,000
12	Proceeds from Borrowing	1,268,520	28,648,365	6,675,000	7,437,500		6,375,000
13	Equity Contribution						
14	Other -						
15	**Total (Lines 7 - 14)**	1,755,195	29,663,365	6,945,000	7,712,600		6,655,302
	OPERATING EXPENSES						
	OPERATION AND MAINTENANCE						
16	Salaries (Operators)	5,599,527	5,998,782	6,118,758	6,241,133		6,365,955
17	Benefits						
18	Utilities	809,089	829,818	846,414	863.343		880,610
19	Chemicals & Treatment (Other Service Charges)	1,916,724	2,517,553	2,558,673	2,609,747		2,662,043
20	Monitoring						
21	Materials, Supplies & Parts						
22	Transportation						
23	Purchased Water Costs						
24	Outside Services –						
25	Other – Repair & Maintenance	2,246,746	2,791,344	2,131,101	2,173,723		2,217,198

26	**Total (Lines 16 – 25)**	10,572,086	12,137,497	11,654,946	11,888,045		12,125,806
	ADMINISTRATIVE						
27	Salaries and Benefits						
28	Building Overhead						
29	Office Supplies & Postage						
30	Insurance	353,736	378,878	386,456	394,185		402,068
31	Customer Billing & Collection						
32	Accounting and Legal						
33	A/E & Professional Services	1,579,408	2,891,084	2,490,408	2,540,216		2,591,020
34	Other -						
35	**TOTAL (Lines27 – 34)**	1,933,144	3,26,962	2,876,864	2,934,400		2,993,088
36	**Net Operating Income (Line 6 minus 26 minus 35)**	14,709,479	11,300,041	11,816,840	12,027,177		12,241,721
	NON-OPERATING EXPENSES						
37	Debt-Repayment – Principal and Interest	2,7856,339	20,418,153	3,048,998	3,054,436		2,619,498
38	Capital Improvements Acquisition of Plant Equipment	11,239,847	48,875,553	22,720,000	13,720,000		16,020,000
39	Interfund Transfers						
40	To General Fund	1,703,400	1,875,246	1,912,751	1,951,006		1,990,026
41	To Replacement Fund	251,285	877,434	250,000	255,000		260,100
42	To Emergency Fund						
43	Depreciation Expenses (If money is set aside)						
44	Other -						
45	**TOTAL (Lines 37 + 44)**	15,950,511	72,046,386	27,931,749	18,982,442		20,889,624
46	**Net Non-Operating Income (Line 15 minus Line 45)**	(14,195,316)	(42,383,021)	(20,986,749)	(11,269,842)		(14,234,322)
47	**Net Income Before Taxes (Lines 36 + 46)**	514,162	(31,082,980)	(9,169,910)	757,335		(1,992,601)
	TAXES (N/A for publicly owned systems)						
48	Income Taxes						
49	Other Taxes						
50	**TOTAL (Lines 48 + 49)**						
51	**Net Income After Taxes (Line 47 minus 50)**	514,162	(31,082,980)	(9,169,910)	757,355		(1,992,601)

NOTE: The Utilities Fund has $43 million on hand at 9/30/20, most of which can be utilized to cover the above shortfalls. In addition, budgeted capital will often spread over multiple years, so some of the above shortages will be pushed to future years.

Instructions for Completing Table 2

Identify the source of the above information and explain methods used to develop the projections (*Attachment* # _____). 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.

REVENUES- Revenues include all sources of income to the system. They are separated on this form as: "Operating", lines 1-6 and "Non-Operating", lines 7-15. When using the subcategory "other" under any item, please write a descriptive term.

EXPENSES- Expenses include all those activities or purchases which incur cost for the system. Expenses can be estimated in various ways. One method bases the projections on historical expense. This can be accomplished by using historical costs and escalating them from known and projected changes. An example of a known change would be an increase in labor costs for the budget period due to known or anticipated salary increases. An example of a projected increase or escalation in costs would be a 5% annual inflation rate. Materials and Supplies expense, for instance, would be expected to increase with the projected inflation rate. Expenses are separated on this form in the same fashion as Revenues with further subtopics to more clearly define expenses. When using the subcategory "other" under any item please write a descriptive term and cross out the word "other". Expenses are separated on this form as "Operating", lines 16-26, "Administrative", lines 27-35, "Non-Operating", lines 37-45, and "Taxes" lines 48-50.

Lines 1 This line includes all money received for supplying water service. Information should come from completed Attachment 1.

Line 2 If a separate fee is charged for fire protection include on this line.

Line 3 Include all miscellaneous fees and charges generated by providing water service other than for the actual water service (for example, connection fees, bad check fees, reconnect fees, meter testing fees, etc.).

Line 4 Interest earned from cash on hand or on fees financed by the utility.

Line 5 If used, please describe.

Non-operating revenues are funds generated outside the water system and used by the water system to cover expenses.

Lines 7-15 Items should be clear, modify topics if needed.

Lines 16-17 Salaries and Benefits (Operators), include all compensation to employees of your system when the work is related to the system's O&M. This account should not include compensation of officers, directors, or general and administrative staff. Volunteer labor cannot be applied.

Line 18 Utilities, includes the cost of all electric power, gas, telephone, water (at least account for what is being used at the plant), and any other system-related expenses incurred in producing and delivering water.

Line 19 Chemicals and treatment is intended to cover the cost of all chemicals used in the treatment of your water.

Line 20 Monitoring, includes all water monitoring costs incurred by the system. This should include both in-house monitoring and analysis costs as well as outside laboratory costs.

Line 21 Materials, supplies, and parts means all materials and supplies used in the O&M of the water system and in providing and delivering the water to the customer. Include any repairs or parts needed in producing and delivering water. This would include grease, oil, and minor repairs to equipment. This should not include materials for administrative purposes such as postage, copying or copy machine supplies, billing forms, or letterhead.

Line 22 Transportation is intended to include all expenses related to trucks, automobiles, construction equipment, and other vehicle expense used in producing and delivering water to the customer.

Line 23 Include the cost of purchasing water. Use only if a consecutive system.

Administration expenses are considered overhead but not those directly related to O&M of the daily production and delivery of water to the customer. This category includes billing and administrative costs incurred by the system. For example, all meter reading costs, secretarial costs, postage, publications, reference materials, uncollectible debts insurance accounting services, and all other overhead items belong in this subsection.

Lines 27 Salaries and Benefits include all compensation to employees of your system in which the work is related to the administration of the system, such as officers, directors, secretarial, and meter reading salaries and benefits. This account should not include compensation of operators. If an employee performs both operation and meter reading a percentage of their salary should appear under the appropriate topic. For example, if an operator reads meters 25% of the time, ¾ of their salary should be shown on line 16 and ¼ of their salary on line 27.

Line 28 Overhead associated with the building itself such as, mortgage payment, insurance, taxes, maintenance, etc.

Line 29 Office supplies and postage includes all materials and supplies in administration of the water system. This includes office supplies, postage, copier charges, and paper.

Line 30 Insurance (Vehicles, Liability, Workers' Compensation) includes all insurance costs associated with the coverage for the vehicles, general liability, workers' compensation insurance, and other insurance costs related to the operation and administration of the system.

Line 31 Customer billing and collection should include all expenses specific to this function such as, special billing forms or software.

Lines 32 Accounting and legal expenses includes all salaries and wages with legal and accounting functions for the system even if they are outside services.

Line 33 A/E and professional services means all engineering and other professional services expenses associated with water system planning and design requirements.

Line 34 Other means expenses such as employee training and water certification requirements (classes, registration fees, travel, etc.), public relations campaigns and public notifications, etc. Also include any recurring expenses that did not fit into any of the above line items.

Non-operating expenses are ones that are necessary and paid by the water system, but are not part of daily O&M or Administration of the system. Debt Repayment and Capital Improvements are typical items that may appear on this type of analysis.

Lines 37-42 Expenses that are involved in operating or administering the water system that were not considered in the totals appearing on lines 26 and 35 should be shown in these items, modify if necessary.

Line 38 Capital improvements include facility and non-facility costs related to: 1) Meeting growth requirements or improving your system's infrastructure to provide better service and reliability to existing customers, 2) replacing or renovating existing facilities, or 3) to ensure compliance with drinking water regulations.

Line 39-42 Identify any transfer of funds used to offsets other non-water system related capital expenditures. These lines represent some possible categories, modify if needed.

Line 43 Depreciation expense only applies to systems which are currently depreciating investments made in the past (recovery of previously invested funds). Include amounts on this line only if money is actually set aside.

Line 44 Include any recurring non-operating expenses that did not fit into any of the above line items.

Taxes can be incurred in a variety of ways such as a state utility tax, business and occupation tax, property tax or federal income tax. Each of these taxes can be accounted for separately within the operating budget, modify if necessary.

Lines 48-49 Include any incurred taxes.

SCHEDULE OF PRIOR, PARITY, AND PROJECTED LIENS

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least fifteen fiscal years. Include all existing and projected liens on the system. Use additional pages as necessary.

Identify Each Obligation		Coverage		Insured?
#1	2013 PNC (SRF) Refunding Loan	115%		No
#2	Refunding Bond, Series 2020	115%		No
#3	Bond Series 2015	115%		No
#4	SRF DW580430	115%		No
#5	SRF WW580440	115%		No

Annual Debt Service (Principal Plus Interest)

Fiscal Year	#1	#2	#3	#4	#5	Total Debt Service	Total Debt Service Incl. Coverage
2019	$430,340	$1,157,350	$1,100,375	$0	$28,854	$2,716,919	$3,124,457
2020	$430,740	$1,158,950	$1,100,450	$0	$28,854	$2,718,994	$3,126,843
2021	$431,033	$18,625,497	$1,096,575	$236,194	$28,854	$20,418,153	$23,480,876
2022	$430,210	$1,021,221	$1,096,325	$472,338	$28,854	$3,048,948	$3,506,290
2023		$1,024,539	$1,099,375	$472,338	$28,854	$2,625,106	$3,018,872
2024		$1,021,956	$1,096,300	$472,338	$28,854	$2,619,448	$3,012,365
2025		$1,022,872	$1,097,175	$472,338	$28,854	$2,621,239	$3,014,425
2026		$1,022,422	$1,101,175	$472,338	$28,854	$2,624,789	$3,018,507
2027		$1,020,622	$1,098,300	$472,338	$28,854	$2,620,114	$3,013,131
2028		$1,022,063	$1,096,850	$472,338	$28,854	$2,620,105	$3,013,121
2029		$1,021,687	$1,098,775	$472,338	$28,854	$2,621,654	$3,014,902
2030		$1,019,934	$1,100,650	$472,338	$28,854	$2,621,776	$3,015,042
2031		$1,022,228	$1,099,725	$472,338	$28,854	$2,623,145	$3,016,617
2032		$1,023,307	$1,096,159	$472,338	$28,854	$2,620,658	$3,013,757
2033		$1,018,267	$1,100,469	$472,338	$28,854	$2,619,928	$3,012,917
2034		$1,022,219	$1,098,131	$472,338	$28,854	$2,621,542	$3,014,773
2035		$1,025,076	$1,099,084	$472,338	$28,854	$2,625,352	$3,019,155
2036		$1,021,857	$1,098,225	$472,338	$28,854	$2,621,274	$3,014,465
2037		$1,026,035		$472,338	$28,854	$1,527,227	$1,756,311
2038		$1,022,926		$472,338	$14,427	$1,509,691	$1,736,145
2039		$1,024,233		$472,338		$1,496,571	$1,721,057
2040		$1,019,926		$472,338		$1,492,264	$1,716,104
2041		$1,020,035		$236,194		$1,256,229	$1,444,663
2042		$1,019,483				$1,019,483	$1,172,405
2023		$1,018,271				$1,018,271	$1,171,012
2043						$0	$0

SCHEDULE OF PRIOR, PARITY, OR PROJECTED REVENUES AND DEBT COVERAGE FOR RATE-BASED SYSTEM PLEDGED REVENUE

(Provide information beginning with the two fiscal years preceding the anticipated date of the first SRF loan repayment.)

		FY22	FY23	FY24	FY25	FY26
(a)	Net Operating Revenues. (Table 2 line 36)	11,816,840	12,027,177	12,241,721	12,460,555	12,683,766
(b)	Debt Service (including required coverage) pledged to all prior, parity, or projected projects (last column of Table 3).	3,506,348	3,514,092	3,012,423	3,014,482	3,018,565
(c)	Net Revenue (= a – b)	8,310,492	8,512,276	9,229,298	9,446,073	9,655,201

(d) 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 #* 1)

(e) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (*Attachment #* B)

(f) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment #1) Note on Table 2 – The Utilities Fund has $43 million on hand at 9/30/20, most of which can be utilized to cover the shortfalls. In addition, budgeted capital will often spread over multiple years, so some of the shortfalls will be pushed to future years.

(k) Identify the source of the above information and explain methods used to develop the projections (Attachment # 1). 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.

LIST OF ATTACHMENTS (use additional sheets if necessary)

Attachment
Attachment 1 – Financial Documents to Business Plan
Overall Project Cost Worksheet and Draft Interest Amortization
Schedule of Prior and Parity and Projected Liens with Debt Obligation List
Table 2 – With Projections and CAFR FY19 and FY20
Utilities Capital Improvement Program – FY21 Budget
Utility Rate Study

TECHNICAL: Accurate answers to the following questions will help identify the technical strengths as well as areas that may need improving within your system. If a question or section does not apply to your system, please write N/A for not applicable. For questions that ask you to rate your system from 1 to 5, answer 1 for worst case scenario and answer 5 for the best case scenario.

- System has current and accurate data showing average and peak gpd used — Yes ☒ No ☐
- System's capacity exceeds peak demand by more than 20% (Percentage - %) — Yes ☒ No ☐
- System can meet peak demand without pumping at peak capacity for extended periods. — Yes ☒ No ☐
- System has an emergency plan in place to meet system demand during a shortage (natural disaster or largest pump/well out, etc.) — Yes ☒ No ☐
- System has accurate records indicating types and percentage of customers use: — Yes ☒ No ☐
  Residential _____% Commercial _____% Industrial _____% Dedicated Irrigation Meter _____%
- System has comprehensive water loss program that compares amount of water produced (plant meter) with total delivered through metered and unmetered service connections (system's unaccounted for water is _____%) — Yes ☒ No ☐

Purchase Water Systems **NA** ☒

System has a written agreement with the supplier that:

- ensures adequate supply of water during shortage conditions, — Yes ☐ No ☐
- does not require the purchase of a minimum amount of water (water is supplied through a meter), — Yes ☐ No ☐
- assures supplying water system will remain in compliance with the appropriate State or federal regulations, and — Yes ☐ No ☐
- assures purchasing system will be notified of any water quality issues. — Yes ☐ No ☐

Surface Water Systems and Systems Using Ground Water Under the Influence of Surface Water **NA** ☒

- System has redundancy for all critical treatment components — 1 2 3 4 5
- System monitors raw, settled, and individual filtered water turbidity — 1 2 3 4 5
- System consistently (95% of the time) has a filtered water turbidity of _____%, which is within the current standard of .3 NTU — 1 2 3 4 5
- System has the capability to add coagulant before the filter and disinfect at various points in the treatment process — 1 2 3 4 5
- System is evaluating (or has evaluated) changes necessary to meet the Enhanced Surface Water Treatment Rule — 1 2 3 4 5
  Some needed changes are: _____
- System is evaluating (or has evaluated) changes needed to meet requirements in the Disinfection By Products Rule — 1 2 3 4 5
  Some planned modifications are: _____

Ground Water System **NA** ☐

- A minimum of two sources of groundwater are provided — Yes ☒ No ☐
- Source water protection area provides a minimum 500 foot radius around each drinking water well — Yes ☒ No ☐
- Groundwater source capacity equals or exceeds the design maximum day demand and equals or exceeds the design average day demand with the largest producing well out of service — Yes ☒ No ☐
- System monitors raw water quality to determine appropriate treatment — 1 2 3 4 5

- System's well(s) have; air/vacuum relief valve, check valve, blow-off, by-pass, meter, working sanitary seal, construction/maintenance records and are properly vented 1 2 3 4 [5]
- System routinely monitors drawdown 1 2 3 4 [5]

Disinfection

- System has adequate contact time of 60 minutes following disinfection and before the first user in the distribution system Yes [X] No [ ]
- Disinfection equipment is regularly inspected and maintained Yes [X] No [ ]
- A chlorine residual is maintained throughout the distribution system 1 2 3 4 [5]

Distribution System

- System has accurate information, including age, for pipe materials that currently make up the distribution system 1 2 3 [4] 5
- Water mains providing fire protection are a minimum of 6-inches in diameter Yes [X] No [ ]
- System is free of severe "water hammer" problems 1 2 3 [4] 5
- System tracks ranges of operating pressure, especially during peak demand 1 2 3 4 [5]
- System maintains a minimum operating pressure of 20 psi Yes [X] No [ ]
- Normal operating pressure is kept between 40 and 100 psi 1 2 3 4 [5]
- System has a routine leak detection program that uses (type of equipment)_____, repairs identified leaks quickly, and keeps water loss in the distribution system below 10%. Average number of leak repairs per year is 35 1 2 [3] 4 5
- System has a cross connection control program in place that addresses: evaluation of each service connection, installation of specified backflow preventer, training, record keeping, annual testing, and education 1 2 3 4 [5]
- System is working to eliminate dead ends in the mains 1 2 [3] 4 5
- System has a flushing program that operates 4 times a year 1 2 3 4 [5]
- System has a map showing the bacteriological, lead and copper, and TTHM (if applicable) sampling points 1 2 3 [4] 5
- System has accurate "as-built" maps of the distribution system posted that show: location of sources (or intakes), size of mains, dead end mains, valves, curb stops on service lines, and proximity of mains to other utilities (gas, electric, etc.) 1 2 3 [4] 5
- System has a routine valve exercise program 1 2 3 [4] 5
- All customers are metered and all meters are routinely calibrated 1 2 3 4 [5]
- Customer complaints are relatively infrequent 1 2 3 4 [5]
  List number of complaints in the past year: 44.

Pumping

- System has a pump maintenance program that includes annual inspection, scheduling of repair, and routine maintenance that is conducted by a qualified contractor 1 2 3 [4] 5
- System has standby or emergency power equipment that is routinely tested under load and can provide 100% of the average daily demand for 4 days 1 2 3 4 [5]

Storage

- System is able to meet peak demand without the high service pumps running at peak capacity for extended period 1 2 3 4 [5]
- System has adequate reserve capacity for fire protection. 1 2 3 [4] 5
  Total storage capacity of the system is 3.1 Million gals
- System's _____ storage tanks receive routine inspection (every 3-5 years) to determine and schedule any needed maintenance 1 2 3 4 [5]

- All storage tanks are equipped with an altitude valve to prevent overflowing and are sized appropriately to ensure adequate turnover and no loss of water quality 1 2 3 4 5
- Storage tanks are covered and the surrounding areas are fenced 1 2 3 4 5
- Storage tanks have a drain valve and an entry hatch to allow access for cleaning and painting of the interior of the tank 1 2 3 4 5

MANAGERIAL: Answering the next set of question will help the system clearly define responsible parties, staffing needs, operational needs, policies, and internal standard that guide system performance. For questions that ask you to rate your system from 1 to 5, answer 1 for worst case scenario and answer 5 for the best case scenario.

- System has a current organizational chart and accompanying position descriptions that clearly define responsibilities of staff members 1 2 3 4 [5]
- The plant is a category B plant operating 24 hours per day.

List names, class, and license numbers for all operators fulfilling staffing requirements:
William Anderson, Supervisor, 7081A, Paul Dagley, Head Operator, 20301A, Anthony Lynch 23147A
Michael Drennan 25748C, Joe Pardee 15143C, Kathy King 141132C, Jack Ritchie, 26865C,
R. Gilreath Trainee

- System is satisfied with service provided by contract operator(s) [NA] 1 2 3 4 5
- The operator's authority and responsibilities are clearly defined 1 2 3 4 [5]

Policies and Plans: Please indicate with a check mark the items for which the water system has written policies or plans.

☒ standard specifications	☒ connection policies	☒ main extension policies
☒ bacteriological sampling plan	☒ emergency operation plan	☒ Lead & Copper sample plan
☒ cross connection control plan	☒ record management plan	☒ TTHM
☒ general rules	☒ disconnection policy	☒ public education & outreach
☒ disaster response plan	☒ personnel policy	☒ Safety/Risk Management Policy

- Based on the answers above the system has: clear organizational structure, defined staffing requirements, and appropriate rules/policies 1 2 3 4 [5]

Operations and Maintenance: The items that follow are elements that may be contained in a thorough Operations and Maintenance (O&M) manual. A complete O&M manual is useful as a quick reference for anything from trouble shooting to emergency procedures. Please indicate with a check mark those items contained in the system's O&M manual.

Introduction and Overview

☒ System name	☒ System ID#	☒ location
☒ design flow capacity	☒ type of treatment	☒ water source
☒ available training	☒ publications available	

☒ Statement of the purpose of the manual and relay to the operator how to best obtain pertinent information
☒ organizational chart (note which activities require qualified and licensed/certified personnel)

General System Description

☒ a flow schematic (source to distribution)
☒ pumping capabilities (source, chemicals, and high service)
☒ storage (raw, finished water, and chemicals)
☒ system map showing location of all wells, intake structures, pumping stations, storage tanks, and the defined service area

System Operation and Control

☒ identification of major system components including a description of the normal operation of each component
☒ possible alternative operation modes and circumstances under which they would be used
☒ schematic diagrams of each treatment process
☒ preventative maintenance program (include inspections performed when the facility is off-line)

- ☒ common operating problems with methods of bypassing while being repaired
- ☒ importance of and how to use laboratory tests for process control
- ☒ routine system operation for each major system component this should include startup and shutdown procedures, safety procedures, and meter reading
- ☒ evaluation of overall system performance

Laboratory Testing

- ☒ identification of samples and tests needed for compliance as well as for process control.
- ☒ sampling locations, time, and methods
- ☒ how to interpret laboratory results and the use of these results to improve the process
- ☒ what should be in laboratory supply and chemicals inventory
- ☒ list of laboratory references;
- ☒ instructions for filling out worksheets for a sample (include completed example)
- ☒ for tests to be performed by outside laboratories, the name of the laboratory, contact person, telephone number, and method of requesting sample pick-up or schedule for sample pick-up

Records and Reports Section

- ☒ a general explanation of the purpose and importance of accurate records and reports
- ☒ a log of complaints and responses
- ☒ daily logs, maintenance records, laboratory records, monthly reports, monitoring reports, sanitary surveys, annual reports, operating cost reports, and accident reports.
- ☒ historical records (permits, standards, pumping capacity, consumption, and drawdown)
- ☒ list of equipment warranties and provisions
- ☒ specific area for filing records
- ☒ procedures for reporting to appropriate agencies (specify how long records should be kept)

Maintenance

- ☒ general information including purpose and value of scheduled and preventative maintenance
- ☒ preventative maintenance schedule and sample worksheets with instructions
- ☒ specifications for fuels, lubricants, filters, etc. for equipment
- ☒ troubleshooting charts or guides which reference pages in manufacturers' O&M manual or system's O&M manual as appropriate
- ☒ a record of data plate information on each piece of equipment maintained, this should include manufacturers' maintenance schedule for routine adjustments
- ☒ a work order system for maintenance of equipment with sample forms to accurately track O&M costs for each piece of equipment
- ☒ brief operation instructions for each piece of equipment with reference to the manufacturers' technical specifications for major system components
- ☐ a mechanism for storage and check out of specialized equipment used infrequently
- ☒ list of outside contract maintenance tasks
- ☒ contact person and phone numbers for equipment manufacturers, major suppliers, and all utilities serving the system
- ☐ list of special tools used and how to replace
- ☒ stocks of spare parts, supplies, chemicals and other items vital to system operation
- ☒ a system of requisitions and/or work orders used to distribute parts, supplies, chemicals, etc. for reorder purposes

Emergency Response Program

- ☒ pre-response activity such as; personnel assignments, emergency equipment inventory, filling a storage tank before a storm hits, copies of all emergency numbers. Laminated copy of phone numbers to keep readily accessible should include water system personnel responsible for making decisions in specific situations; including name, job title, home and work phone number (pager/cell phone number if available), police, fire departments, and for chemical spills or exposure CHEMTECH 800-424-9300.
- ☒ safety procedures for all personnel involved in the response

☒ a contingency plan to ensure proper treatment of water even in adverse conditions which may include agreements with nearby water systems for equipment or personnel
☒ procedures for putting standby and emergency sources into active service
☒ procedures for notifying customers, the local health jurisdiction, and EPA of water quality problems
☒ systematic procedure for returning to normal operation

Appendix

The appendix can contain documents and other information that cannot be easily incorporated into the body of the manual. Large documents such as copies of plans and specifications may be stored separately from the main manual. The following list has examples of items that might be included in appendices. Please check all that apply to your O&M Manual.

☒ Detailed design criteria	☒ User Charge System	☒ Approved shop drawings
☒ Schematics	☒ Piping color codes	☒ Valve indices or schedule
☒ As-built drawings	☒ Drinking water rules/Ordinance	☒ Manufacturers' manuals

- Based on the answers above please rate the system's current O&M Manual. 1 2 3 [4] 5

The last set of questions is designed to help you evaluate the systems' source(s). Please read the item then circle the number from 1 (needs improving) to 5 (top notch) that you feel best describes your systems' current status relative to that item or check boxes as appropriate.

- System has an active Source Water Assessment Program 1 2 3 4 [5]

For Ground Water Systems:

- System has accurate historical information (like well driller's log and construction records) for each well 1 2 3 [4] 5
- Well(s) have the "zone of contribution" identified on a map 1 2 [3] 4 5
- No storage of potential contaminants in close proximity of well(s) 1 2 3 4 [5]
- Well(s) are housed and fenced and have an appropriate concrete pad 1 2 3 4 [5]
- Well casing(s) extend at least 12" above floor or ground 1 2 3 4 [5]

Name of aquifer is known: ☒ Yes ☐ No
Aquifer is: Upper Floridian ☒ Confined ☐ Unconfined

For Surface Water Systems:

- Commercial, industrial, or agricultural operations up stream are identified 1 2 3 4 5
- System has provided a contact to these facilities in case of an accidental release 1 2 3 4 5
- System performs up stream monitoring 1 2 3 4 5
- System has a raw water reservoir of _____ gallons that acts as a buffer 1 2 3 4 5

Overall:

- System has adequate knowledge and program activity to protect and ensure an adequate supply of drinking water 10 years into the future 1 2 3 4 [5]

CERTIFICATION: I, the undersigned authorized representative of the applicant, hereby certify that all information contained in this form and attachments is true, correct, and complete to the best of my knowledge and belief. I also certify that I have been duly authorized to file the business plan and to provide these assurances.

Signature Of Authorized Representative _____

Name (Please Print) Ron Feinsod

Title Mayor

Address 401 West Venice Ave

City Venice State FL Zip 34285

Phone 941-486-2626 Fax _____

City of Venice, Florida
Facilities Plan Update

Attachment 1
Drinking Water
(Potable Water)

3/29/2021

Overall Project Cost Worksheet and Draft Interest Amortization

Project Cost Worksheet

City of Venice

Drinking Water Projects (Utilities)

Item	%	Amount
Construction		41,243,000
Eligible Land		0
Other (Contingency Eligible)		0
Contingency Percentage/Amount	10%	0
Technical Services	10%	0
Special Studies		
Total		**41,243,000**
		-
Years to Construct		2.5
Anticipated Interest Rate		0.33%
Anticipated Capitalized Interest		170,127
TOTAL		**41,413,127**
Fees	2%	828,263
Total for Amortization		**42,241,390**

Interest Rate:	1.33
Fair Labor Standards- Davis Bacon Rate Reduction	-0.75
American-Iron-Steel Rate Reduction	-0.25
"Green" rate reduction	0
	0.33

Draft Interest Amortization

Loan Amount (**pv**)[1]	$42,241,390
Interest Rate (**rate**)	0.33%
Total # of Periods (**Nper**)	20

Payment per Period	**$2,186,016.15**
Total Interest Paid	**$ 1,478,933.16**

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
						$ 42,241,389.92
1	2,186,016.15	139,396.59	139,396.59	2,046,619.57	2,046,619.57	40,194,770.36
2	2,186,016.15	132,642.74	272,039.33	2,053,373.41	4,099,992.98	38,141,396.94
3	2,186,016.15	125,866.61	397,905.94	2,060,149.54	6,160,142.52	36,081,247.40
4	2,186,016.15	119,068.12	516,974.06	2,066,948.04	8,227,090.56	34,014,299.36
5	2,186,016.15	112,247.19	629,221.24	2,073,768.97	10,300,859.53	31,940,530.39
6	2,186,016.15	105,403.75	734,624.99	2,080,612.40	12,381,471.93	29,859,917.99
7	2,186,016.15	98,537.73	833,162.72	2,087,478.42	14,468,950.36	27,772,439.57
8	2,186,016.15	91,649.05	924,811.77	2,094,367.10	16,563,317.46	25,678,072.46
9	2,186,016.15	84,737.64	1,009,549.41	2,101,278.52	18,664,595.98	23,576,793.95
10	2,186,016.15	77,803.42	1,087,352.83	2,108,212.73	20,772,808.71	21,468,581.21
11	2,186,016.15	70,846.32	1,158,199.15	2,115,169.84	22,887,978.55	19,353,411.38
12	2,186,016.15	63,866.26	1,222,065.41	2,122,149.90	25,010,128.44	17,231,261.48
13	2,186,016.15	56,863.16	1,278,928.57	2,129,152.99	27,139,281.43	15,102,108.49
14	2,186,016.15	49,836.96	1,328,765.53	2,136,179.20	29,275,460.63	12,965,929.29
15	2,186,016.15	42,787.57	1,371,553.10	2,143,228.59	31,418,689.22	10,822,700.70
16	2,186,016.15	35,714.91	1,407,268.01	2,150,301.24	33,568,990.46	8,672,399.46
17	2,186,016.15	28,618.92	1,435,886.93	2,157,397.24	35,726,387.70	6,515,002.23
18	2,186,016.15	21,499.51	1,457,386.43	2,164,516.65	37,890,904.34	4,350,485.58
19	2,186,016.15	14,356.60	1,471,743.04	2,171,659.55	40,062,563.89	2,178,826.03
20	2,186,016.15	7,190.13	1,478,933.16	2,178,826.03	42,241,389.92	0.00
	-	-	-	-	-	-

Schedule of Prior, Parity, and Projected Liens with Debt Obligation List

SCHEDULE OF PRIOR, PARITY, AND PROJECTED LIENS

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least fifteen fiscal years. Include all existing and projected liens on the system. Use additional pages as necessary.

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2027		$1,020,622	$1,098,300	$472,338	$28,854	$2,620,114	$3,013,131
2028		$1,022,063	$1,096,850	$472,338	$28,854	$2,620,105	$3,013,121
2029		$1,021,687	$1,098,775	$472,338	$28,854	$2,621,654	$3,014,902
2030		$1,019,934	$1,100,650	$472,338	$28,854	$2,621,776	$3,015,042
2031		$1,022,228	$1,099,725	$472,338	$28,854	$2,623,145	$3,016,617
2032		$1,023,307	$1,096,159	$472,338	$28,854	$2,620,658	$3,013,757
2033		$1,018,267	$1,100,469	$472,338	$28,854	$2,619,928	$3,012,917
2034		$1,022,219	$1,098,131	$472,338	$28,854	$2,621,542	$3,014,773
2035		$1,025,076	$1,099,084	$472,338	$28,854	$2,625,352	$3,019,155
2036		$1,021,857	$1,098,225	$472,338	$28,854	$2,621,274	$3,014,465
2037		$1,026,035		$472,338	$28,854	$1,527,227	$1,756,311
2038		$1,022,926		$472,338	$14,427	$1,509,691	$1,736,145
2039		$1,024,233		$472,338		$1,496,571	$1,721,057
2040		$1,019,926		$472,338		$1,492,264	$1,716,104
2041		$1,020,035		$236,194		$1,256,229	$1,444,663
2042		$1,019,483				$1,019,483	$1,172,405
2023		$1,018,271				$1,018,271	$1,171,012
2043						$0	$0

Construction Loan Water/Wastewater Debt Obligation

- City of Venice, Florida, Utility System Refunding Revenue Note, Series 2013, issued in the amount of $4,157,000 - Resolution 2013-09[1] - 5/14/2013 (Principal balance as of FY20 $1,256,000)

- City of Venice, Florida, Taxable Utility System Refunding Revenue Bonds, Series 2020, issued in the amount of $17,750,000 - Resolution 2020-48 (Balance as of FY20 $17,750,000) [1]

- City of Venice, Florida, Utility System Refunding Revenue Note, Series 2015, issued in the amount of $15,355,000 - Resolution 2015-1[1] - 2/10/2015 (Principal balance as of FY20 $13,245,000)

- City of Venice, Florida, State Revolving Loan Fund, DW580430, issued in the amount of $8,168,449 - Resolution 2016-13 - 4/26/2016 (Principal balance as of FY20 $8,168,449)

- 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 FY20 $504,948)

[1] Utility System Refunding Revenue Bond, Series 2020 paid the Bond 2012 that was issued in the amount of $20,770,000

Table 2 – Income, Expenses and Cash Flow Statement – with Projections and CAFR FY19 and FY20

TABLE 2

INCOME, EXPENSES, AND CASH FLOW STATEMENT

	Income, Expense, and Cash Flow Statement	Last Yr. 2020	Year 1 2021	Year 2 2022	Year 3 2023		SRF Project 2024
	OPERATING REVENUES						
1	Water Rates (Water, Wastewater, Reclaimed – Net Revenues to pay debt service for loans)	23,698,339	24,372,800	24,860,946	25,358,861		25,866,740
2	Fire Protection	64,500	64,500	65,100	65,706		66,318
3	Fees and Services						
4	Interest Income						
5a	Other – Miscellaneous	44,236	32,000	32,640	33,293		33,599
5b	Other – Cell Tower Leases	82,742	88,200	89,964	91,763		93.599
6	**Total (Lines 1 - 5)**	27,214,709	26,707,500	26,348,650	26,849,623		27,360,615
	NON-OPERATING REVENUES						
7	Interest Income	477,459	250,00	255,000	260,100		265,302
8	Interfund Transfer						
9	Proceeds from the Sale of Assets						
10	Leases and Extraction Fees						
11	Construction Grants	9,216	765,000	15,000	15,000		15,000
12	Proceeds from Borrowing	1,268,520	28,648,365	6,675,000	7,437,500		6,375,000
13	Equity Contribution						
14	Other -						
15	**Total (Lines 7 - 14)**	1,755,195	29,663,365	6,945,000	7,712,600		6,655,302
	OPERATING EXPENSES						
	OPERATION AND MAINTENANCE						
16	Salaries (Operators)	5,599,527	5,998,782	6,118,758	6,241,133		6,365,955
17	Benefits						
18	Utilities	809,089	829,818	846,414	863.343		880,610
19	Chemicals & Treatment (Other Service Charges)	1,916,724	2,517,553	2,558,673	2,609,747		2,662,043
20	Monitoring						
21	Materials, Supplies & Parts						
22	Transportation						
23	Purchased Water Costs						
24	Outside Services –						
25	Other – Repair & Maintenance	2,246,746	2,791,344	2,131,101	2,173,723		2,217,198

26	**Total (Lines 16 – 25)**	10,572,086	12,137,497	11,654,946	11,888,045		12,125,806
	ADMINISTRATIVE						
27	Salaries and Benefits						
28	Building Overhead						
29	Office Supplies & Postage						
30	Insurance	353,736	378,878	386,456	394,185		402,068
31	Customer Billing & Collection						
32	Accounting and Legal						
33	A/E & Professional Services	1,579,408	2,891,084	2,490,408	2,540,216		2,591,020
34	Other -						
35	**TOTAL (Lines27 – 34)**	1,933,144	3,26,962	2,876,864	2,934,400		2,993,088
36	**Net Operating Income (Line 6 minus 26 minus 35)**	14,709,479	11,300,041	11,816,840	12,027,177		12,241,721
	NON-OPERATING EXPENSES						
37	Debt-Repayment – Principal and Interest	2,7856,339	20,418,153	3,048,998	3,054,436		2,619,498
38	Capital Improvements Acquisition of Plant Equipment	11,239,847	48,875,553	22,720,000	13,720,000		16,020,000
39	Interfund Transfers						
40	To General Fund	1,703,400	1,875,246	1,912,751	1,951,006		1,990,026
41	To Replacement Fund	251,285	877,434	250,000	255,000		260,100
42	To Emergency Fund						
43	Depreciation Expenses (If money is set aside)						
44	Other -						
45	**TOTAL (Lines 37 + 44)**	15,950,511	72,046,386	27,931,749	18,982,442		20,889,624
46	**Net Non-Operating Income (Line 15 minus Line 45)**	(14,195,316)	(42,383,021)	(20,986,749)	(11,269,842)		(14,234,322)
47	**Net Income Before Taxes (Lines 36 + 46)**	514,162	(31,082,980)	(9,169,910)	757,335		(1,992,601)
	TAXES (N/A for publicly owned systems)						
48	Income Taxes						
49	Other Taxes						
50	**TOTAL (Lines 48 + 49)**						
51	**Net Income After Taxes (Line 47 minus 50)**	514,162	(31,082,980)	(9,169,910)	757,355		(1,992,601)

NOTE: The Utilities Fund has $43 million on hand at 9/30/20, most of which can be utilized to cover the above shortfalls. In addition, budgeted capital will often spread over multiple years, so some of the above shortages will be pushed to future years.

Projection Worksheet

			CAFR	CAFR	CAFR	Roll	Budget	2% Yearly Increase							
Revenues		FY2017	FY2018	FY2019	FY2020	FY2021	FY2021	FY2022		FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
Charges for Service	Water/Sewer/Reclaimed	22,002,940	22,743,950	22,976,129	24,032,839		24,437,300	24,926,046	2%	25,424,567	25,933,058	26,451,719	26,980,754	27,520,369	28,070,776	28,632,192
Miscellaneous																
343.65-70 WTR PC Fees-Int 55%					142			-		-						
343.65-71 WTR PC Fees Prin 45%		760,718	1,078,435	708,090	2,240,242		1,400,000	1,000,000	0%	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
343.65-73 Sewer PC Fees Prin 45%		460,900	635,695	303,970	814,507		750,000	300,000	0%	300,000	300,000	300,000	300,000	300,000	300,000	300,000
362.10-01 Rev Cell Tower Rents		77,587	83,730	81,285	82,742		88,200	89,964	2%	91,763	93,599	95,471	97,380	99,328	101,314	103,340
362.10-00 Surplus Proceeds/Auction Misc		20,058	2,400		28			-		-	-	-	-	-	-	-
365.11-00 Scrap-Pollut CTRL		10,656	993	3,423	3,388		8,800	8,976	2%	9,156	9,339	9,525	9,716	9,910	10,108	10,311
369.00-00 Rev-Other Miscellaneous		(12,883)	5,771	(3,216)	17,704		5,000	5,100	2%	5,202	5,306	5,412	5,520	5,631	5,743	5,858
369.30-00 Insurance settlement		25,256	17,550	1,516	23,115		18,200	18,564	2%	18,935	19,314	19,700	20,094	20,496	20,906	21,324
369.90-26Sales Tax Coll Allow and adjustments		(1,133)	14,387		1			-		-	-	-	-	-	-	-
Miscellaneous Total CAFR		1,341,159	1,838,960	1,095,067	3,181,870		2,270,200	1,422,604		1,425,056	1,427,557	1,430,108	1,432,711	1,435,365	1,438,072	1,440,833
		23,344,099	**24,582,910**	**24,071,196**	**27,214,709**		**26,707,500**	**26,348,650**		**26,849,623**	**27,360,615**	**27,881,828**	**28,413,464**	**28,955,734**	**29,508,848**	**30,073,025**
Interest Earnings		290,421	554,172	866,237	477,459		250,000	255,000		260,100	265,302	270,608	276,020	281,541	287,171	292,915
TTL Operating Rev		**23,634,521**	**25,137,082**	**24,937,434**	**27,692,167**		**26,957,500**	**26,603,650**		**27,109,723**	**27,625,917**	**28,152,436**	**28,689,485**	**29,237,274**	**29,796,020**	**30,365,940**
Operating Expense		FY2017	FY2018	FY2019	FY2020		FY2021	FY2022		FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
Personal Services		5,209,637	5,381,497	5,807,923	6,124,876		5,998,782	6,118,758	2%	6,241,133	6,365,955	6,493,275	6,623,140	6,755,603	6,890,715	7,028,529
Insurance		436,644	366,108	343,284	353,736		378,878	386,456	2%	394,185	402,068	410,110	418,312	426,678	435,212	443,916
Professional/Cont Svc		972,375	1,548,113	1,844,682	1,579,408	449,508	2,441,576	2,490,408	2%	2,540,216	2,591,020	2,642,840	2,695,697	2,749,611	2,804,603	2,860,695
Repair & Maintenance		1,046,973	2,059,087	1,824,444	2,246,746	702,029	2,089,315	2,131,101	2%	2,173,723	2,217,198	2,261,542	2,306,773	2,352,908	2,399,966	2,447,966
Utilities		789,346	848,731	815,512	809,089		829,818	846,414	2%	863,343	880,610	898,222	916,186	934,510	953,200	972,264
Other Svc and Charges		1,822,800	1,857,435	2,021,992	1,916,724	9,050	2,508,503	2,558,673	2%	2,609,847	2,662,043	2,715,284	2,769,590	2,824,982	2,881,481	2,939,111
Depreciation (not included in SRF Calculation)																
Total Expenses		10,277,775	12,060,971	12,657,837	13,030,579		14,246,872	14,531,809		14,822,446	15,118,895	15,421,272	15,729,698	16,044,292	16,365,178	16,692,481
Net		**13,356,746**	**13,076,111**	**12,279,597**	**14,661,588**		**12,710,628**	**12,071,841**		**12,287,277**	**12,507,023**	**12,731,163**	**12,959,787**	**13,192,982**	**13,430,842**	**13,673,459**
Charges for Services			**22,743,950**	**22,976,129**	**24,032,839**		**24,437,300**	**24,926,046**		**25,424,567**	**25,933,058**	**26,451,719**	**26,980,754**	**27,520,369**	**28,070,776**	**28,632,192**
Fire Service Standby Charge			57,958	58,933	59,200		60,000	60,600	1%	61,206	61,818.06	62,436.24	63,060.60	63,691.21	64,328.12	64,971.40
Fire Service Hydrant Rental			4,400	4,400	5,300		4,500	4,500	0%	4,500	4,500	4,500	4,500	4,500	4,500	4,500
			62,358	63,333	64,500		64,500	65,100		65,706	66,318	66,936	67,561	68,191	68,828	69,471
Total Charges for Services minus Fire SVC)			**22,681,592**	**22,912,796**	**23,968,339**		**24,372,800**	**24,860,946**		**25,358,861**	**25,866,740**	**26,384,783**	**26,913,193**	**27,452,178**	**28,001,948**	**28,562,720**

Notes:

The CAFR was utilized to calculate Revenues and Expenses FY2017-2020.

FY2021 the current budget was utilized to calculate the Revenues and Expenses and the encumbrance roll was also used from FY20 to FY21.

FY2022-FY2029 – A 2% yearly increase was utilized to calculate future years for both Revenues and Operation Expenses. Rate Study may include higher percentage; however, we wanted to remain conservative in this planning document.

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2019

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
ASSETS			
Current assets:			
Pooled cash and investments	$ 31,833,212	$ 2,313,379	$ 4,718,258
Other cash	-	-	100
Accounts receivable	2,609,609	904,599	2,985
Due from other governments	196,753	-	110,165
Inventories	629,463	-	
Total current assets	35,269,037	3,217,978	4,831,508
Noncurrent assets:			
Restricted assets:			
Pooled cash and investments	10,845,224	-	2,971,923
Capital assets:			
Land	956,663	220,000	-
Construction in progress	3,498,560	-	1,059,282
Buildings	4,052,220	12,500	7,853,997
Improvements and infrastructure	163,044,639	59,268	34,271,276
Machinery and equipment	9,241,592	4,421,686	567,731
Less accumulated depreciation	(79,082,508)	(4,211,642)	(15,395,587)
Total capital assets	101,711,166	501,812	28,356,699
Total noncurrent assets	112,556,390	501,812	31,328,622
Total assets	147,825,427	3,719,790	36,160,130
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	1,334,985	487,061	173,528
Related to OPEB	124,569	46,683	11,670
Total deferred outflows	1,459,554	533,744	185,198

See accompanying Notes to Financial Statements

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2020

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
ASSETS			
Current assets:			
Pooled cash and investments	$ 32,289,319	$ 2,931,105	$ 4,892,042
Other cash	-	-	100
Accounts receivable	2,535,732	791,622	4,114
Due from other governments	209,865	-	397,497
Inventories	399,048	-	
Total current assets	35,433,964	3,722,727	5,293,753
Noncurrent assets:			
Restricted assets:			
Pooled cash and investments	11,521,241	-	2,831,751
Capital assets:			
Land	956,663	220,000	-
Construction in progress	11,425,689	-	363,599
Buildings	4,200,273	12,500	7,853,997
Improvements and infrastructure	169,334,625	59,268	37,711,180
Machinery and equipment	9,544,548	2,737,490	558,317
Less accumulated depreciation	(84,418,578)	(2,575,150)	(17,428,847)
Total capital assets	111,043,220	454,108	29,058,246
Total noncurrent assets	122,564,461	454,108	31,889,997
Total assets	157,998,425	4,176,835	37,183,750
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	1,374,708	503,710	178,397
Related to OPEB	138,328	51,839	12,960
Total deferred outflows	1,513,036	555,549	191,357

See accompanying Notes to Financial Statements

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,323,365	$ 41,435,831	$ 15,424,792
-	100	16,933
181,297	3,512,765	179,212
97,461	704,823	-
-	399,048	-
1,602,123	46,052,567	15,620,937
-	14,352,992	-
1,451,835	2,628,498	-
-	11,789,288	-
-	12,066,770	-
10,059,804	217,164,877	-
416,318	13,256,673	12,636,513
(4,896,014)	(109,318,589)	(5,330,385)
7,031,943	147,587,517	7,306,128
7,031,943	161,940,509	7,306,128
8,634,066	207,993,076	22,927,065
167,903	2,224,718	-
819	203,946	-
168,722	2,428,664	-

continued

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2020

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
LIABILITIES			
Current liabilities:			
Accounts payable	$ 2,124,553	$ 115,419	$ 181,025
Accrued liabilities	214,290	71,269	177,536
Due to other governments	98,438	-	6,557
Accrued interest payable	402,940	-	-
Accrued insurance claims	-	-	-
Customer deposits	849,975	132,611	-
Compensated absences	157,503	74,234	15,672
Notes payable	630,056	-	-
Bonds payable	1,080,000	-	-
Total current liabilities	5,557,755	393,533	380,790
Noncurrent liabilities:			
Compensated absences	157,503	74,234	15,673
Net pension liabilities	4,193,155	1,536,423	544,150
Total OPEB liability	1,120,695	419,984	104,997
Notes payable	5,495,422	-	-
Bonds payable	31,549,075	-	-
Total noncurrent liabilities	42,515,850	2,030,641	664,820
Total liabilities	48,073,605	2,424,174	1,045,610
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	48,744	17,860	6,326
Related to OPEB	42,782	16,033	4,009
Total deferred inflows	91,526	33,893	10,335
NET POSITION			
Net investment in capital assets	74,549,892	454,108	29,058,246
Restricted for:			
Capital projects	6,891,456	-	2,831,751
Debt service	965,620	-	-
Renewal and replacement	1,000,000	-	-
Unrestricted	27,939,362	1,820,209	4,429,165
Total net position	$ 111,346,330	$ 2,274,317	$ 36,319,162

See accompanying Notes to Financial Statements

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 251,689	$ 2,672,686	$ 645,162
26,179	489,274	10,993
-	104,995	-
-	402,940	-
-	-	1,015,801
-	982,586	-
-	247,409	-
14,564	644,620	-
-	1,080,000	-
292,432	6,624,510	1,671,956
-	247,410	-
512,141	6,785,869	-
6,631	1,652,307	-
333,239	5,828,661	-
-	31,549,075	-
852,011	46,063,322	-
1,144,443	52,687,832	1,671,956
5,953	78,883	-
253	63,077	-
6,206	141,960	-
7,031,943	111,094,189	7,306,128
-	9,723,207	-
-	965,620	-
-	1,000,000	-
620,196	34,808,932	13,948,981
$ 7,652,139	$ 157,591,948	$ 21,255,109

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2020

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	$ 24,032,839	$ 7,020,902	$ -
Rentals	-	-	2,163,794
Interfund charges	-	-	-
Miscellaneous	3,181,870	9,276	57,953
Total operating revenues	27,214,709	7,030,178	2,221,747
OPERATING EXPENSES			
Personal services	6,124,876	2,210,029	740,874
Insurance	353,736	43,080	92,808
Professional/contractual services	1,579,408	1,485,687	387,224
Claims		-	-
Repair and maintenance	2,246,746	802,749	109,125
Utilities	809,089	10,319	94,381
Other services and charges	1,916,724	1,829,706	187,594
Depreciation	5,336,070	64,994	2,049,010
Total operating expenses	18,366,649	6,446,564	3,661,016
Operating income (loss)	8,848,060	583,614	(1,439,269)
NON OPERATING REVENUES (EXPENSES)			
Operating Grants	9,216	173,119	69,000
Interest earnings	477,459	37,799	65,174
Disposition of capital assets	-	2,300	2,100
Interest expense	(1,196,343)	-	-
Net non-operating revenues (expenses)	(709,668)	213,218	136,274
Income (loss) before contributions and transfers	8,138,392	796,832	(1,302,995)
CAPITAL CONTRIBUTIONS			
Developer capital contributions	3,428,637	-	-
Federal and state grants	-	-	2,548,054
Capital assets transferred in from governmental funds	-	-	-
Total capital contributions	3,428,637	-	2,548,054
TRANSFERS			
Transfers in	-	-	-
Transfers out	(1,954,685)	(553,166)	(310,979)
Net transfers	(1,954,685)	(553,166)	(310,979)
Change in net position	9,612,344	243,666	934,080
Total net position at beginning of year	101,733,986	2,030,651	35,385,082
Total net position at end of year	$ 111,346,330	$ 2,274,317	$ 36,319,162

See accompanying Notes to Financial Statements.

Business-Type Activities		
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,620,178	$ 32,673,919	$ -
-	2,163,794	-
-	-	8,529,408
-	3,249,099	2,829,705
1,620,178	38,086,812	11,359,113
779,251	9,855,030	204,268
5,148	494,772	2,757,872
333,878	3,786,197	449,968
-	-	4,871,405
306,697	3,465,317	-
4,038	917,827	-
131,104	4,065,128	143,165
444,434	7,894,508	1,079,062
2,004,550	30,478,779	9,505,740
(384,372)	7,608,033	1,853,373
115,676	367,011	-
20,757	601,189	223,418
2,500	6,900	167,000
(7,214)	(1,203,557)	-
131,719	(228,457)	390,418
(252,653)	7,379,576	2,243,791
-	3,428,637	-
-	2,548,054	-
-	-	700,209
-	5,976,691	700,209
-	-	321,285
(289,965)	(3,108,795)	(15,000)
(289,965)	(3,108,795)	306,285
(542,618)	10,247,472	3,250,285
8,194,757	147,344,476	18,004,824
$ 7,652,139	$ 157,591,948	$ 21,255,109

City of Venice, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds		
	Water and Sewer Utility	Solid Waste	Airport
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 27,266,320	$ 7,143,155	$ 2,219,535
Interfund charges	-	-	-
Payments to suppliers	(6,398,106)	(4,170,128)	(1,124,656)
Payments to employees	(5,524,236)	(1,998,063)	(684,059)
Claims paid	-	-	-
Net cash provided (used) by operating activities	15,343,978	974,964	410,820
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers in from other funds	-	-	-
Transfers out to other funds	(1,954,685)	(553,166)	(310,979)
Operating grants	9,216	173,119	69,000
Net cash provided (used) by noncapital and related financing activities	(1,945,469)	(380,047)	(241,979)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Note proceeds	1,268,519	-	-
Purchases of capital assets	(11,239,487)	(17,290)	(2,934,296)
Proceeds from sale of capital assets	-	2,300	185,839
Principal paid on notes	(433,854)	-	-
Principal paid on revenue bonds	(1,035,000)	-	-
Interest paid on revenue bonds and notes	(1,304,022)	-	-
Capital grants	-	-	2,548,054
Net cash provided (used) by capital and related financing activities	(12,743,844)	(14,990)	(200,403)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earnings	477,459	37,799	65,174
Net cash provided (used) by investing activities	477,459	37,799	65,174
Net increase (decrease) in cash and cash equivalents	1,132,124	617,726	33,612
Cash and cash equivalents at beginning of year	42,678,436	2,313,379	7,690,281
Cash and cash equivalents at end of year	$ 43,810,560	$ 2,931,105	$ 7,723,893
Cash and cash equivalents classified as:			
Pooled cash and investments	$ 32,289,319	$ 2,931,105	$ 4,892,042
Other cash	-	-	100
Pooled cash and investments - restricted	11,521,241	-	2,831,751
Total cash and cash equivalents at end of year	$ 43,810,560	$ 2,931,105	$ 7,723,893
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 8,848,060	$ 583,614	$ (1,439,269)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	5,336,070	64,994	2,049,010
Pension adjustments	541,742	202,143	69,805
OPEB adjustments	(16,393)	(6,143)	(1,535)
Change in assets and liabilities:			
Accounts receivable	73,877	112,977	(1,129)
Inventory	230,415	-	-
Due from other governments	(13,112)	-	(287,332)
Accounts payable	262,079	(1,087)	33,808
Accrued liabilities	31,832	7,402	(22,733)
Compensated absences	43,459	8,564	11,278
Due to other governments	(22,266)	-	(1,083)
Customer deposits	28,215	2,500	-
Accrued claims	-	-	-
Net cash provided (used) by operating activities	$ 15,343,978	$ 974,964	$ 410,820

Supplemental disclosure of noncash investing, capital and financing activities:
Water and Sewer Utility Fund recognized $3,428,637 in utility line donations through capital contributions.
Capital assets with a cost of $700,209 (no depreciation) were transferred into the internal service funds from Governmental Activities.

See accompanying Notes to Financial Statements.

Business-type Activities		Activities
Storm Water Drainage	Totals	Internal Service Funds
$ 1,642,293	$ 38,271,303	$ 2,706,992
-	-	8,529,408
(743,229)	(12,436,119)	(3,675,739)
(692,690)	(8,899,048)	(203,044)
-	-	(4,690,836)
206,374	16,936,136	2,666,781
-	-	321,285
(289,965)	(3,108,795)	(15,000)
115,676	367,011	-
(174,289)	(2,741,784)	306,285
347,803	1,616,322	-
(534,348)	(14,725,421)	(2,482,668)
2,500	190,639	167,000
-	(433,854)	-
-	(1,035,000)	-
(7,214)	(1,311,236)	-
-	2,548,054	-
(191,259)	(13,150,496)	(2,315,668)
20,757	601,189	223,418
20,757	601,189	223,418
(138,417)	1,645,045	880,816
1,461,782	54,143,878	14,560,909
$ 1,323,365	$ 55,788,923	$ 15,441,725
$ 1,323,365	$ 41,435,831	$ 15,424,792
-	100	16,933
-	14,352,992	-
$ 1,323,365	$ 55,788,923	$ 15,441,725
$ (384,372)	$ 7,608,033	$ 1,853,373
444,434	7,894,508	1,079,062
82,265	895,955	-
(98)	(24,169)	-
22,115	207,840	(122,713)
-	230,415	-
(97,461)	(397,905)	-
135,097	429,897	(324,734)
4,394	20,895	1,224
-	63,301	-
-	(23,349)	-
-	30,715	-
-	-	180,569
$ 206,374	$ 16,936,136	$ 2,666,781

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,461,782	$ 40,326,631	$ 14,536,346
-	100	24,563
203,412	3,720,605	56,499
-	306,918	-
-	629,463	-
1,665,194	44,983,717	14,617,408
-	13,817,147	-
1,451,835	2,628,498	-
1,352	4,559,194	-
-	11,918,717	-
9,524,104	206,899,287	-
432,268	14,663,277	9,595,355
(4,467,530)	(103,157,267)	(4,393,042)
6,942,029	137,511,706	5,202,313
6,942,029	151,328,853	5,202,313
8,607,223	196,312,570	19,819,721
153,809	2,149,383	-
737	183,659	-
154,546	2,333,042	-

continued

City of Venice, Florida
Statement of Net Position
Proprietary Funds
September 30, 2019

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
LIABILITIES			
Current liabilities:			
Accounts payable	$ 1,862,474	$ 116,506	$ 147,217
Accrued liabilities	182,458	63,867	200,269
Due to other governments	120,704	-	7,640
Accrued interest payable	419,477	-	-
Accrued insurance claims	-	-	-
Customer deposits	821,760	130,111	-
Compensated absences	135,774	69,952	10,033
Notes payable	433,854	-	-
Bonds payable	1,035,000	-	-
Total current liabilities	5,011,501	380,436	365,159
Noncurrent liabilities:			
Compensated absences	135,773	69,952	10,034
Net pension liabilities	3,447,233	1,257,706	448,089
Total OPEB obligation	1,098,162	411,540	102,885
Notes payable	4,856,959	-	-
Bonds payable	32,720,217	-	-
Total noncurrent liabilities	42,258,344	1,739,198	561,008
Total liabilities	47,269,845	2,119,634	926,167
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	213,201	77,785	27,713
Related to OPEB	67,949	25,464	6,366
Total deferred inflows	281,150	103,249	34,079
NET POSITION			
Net investment in capital assets	64,926,361	501,812	28,356,699
Restricted for:			
Capital projects	6,237,171	-	2,971,923
Debt service	927,351	-	-
Renewal and replacement	1,000,000	-	-
Unrestricted	28,643,103	1,528,839	4,056,460
Total net position	$ 101,733,986	$ 2,030,651	$ 35,385,082

See accompanying Notes to Financial Statements

Business-Type Activities		Governmental Activities
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 116,592	$ 2,242,789	$ 969,896
21,785	468,379	9,769
-	128,344	-
-	419,477	-
-	-	835,232
-	951,871	-
-	215,759	-
-	433,854	-
-	1,035,000	-
138,377	5,895,473	1,814,897
-	215,759	-
397,171	5,550,199	-
6,498	1,619,085	-
-	4,856,959	-
-	32,720,217	-
403,669	44,962,219	-
542,046	50,857,692	1,814,897
24,564	343,263	-
402	100,181	-
24,966	443,444	-
6,942,029	100,726,901	5,202,313
-	9,209,094	-
-	927,351	-
-	1,000,000	-
1,252,728	35,481,130	12,802,511
$ 8,194,757	$ 147,344,476	$ 18,004,824

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2019

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	$ 22,976,129	$ 6,749,048	$ -
Rentals	-	-	2,093,818
Miscellaneous	1,095,067	14,034	51,625
Total operating revenues	24,071,196	6,763,082	2,145,443
OPERATING EXPENSES			
Personal services	5,807,923	2,227,996	716,450
Insurance	343,284	46,464	90,084
Professional/contractual services	1,844,682	1,644,840	203,170
Claims	-	-	-
Repair and maintenance	1,824,444	667,074	95,648
Utilities	815,512	10,109	95,054
Other services and charges	2,021,992	1,512,678	187,209
Depreciation	5,213,864	175,044	2,123,250
Total operating expenses	17,871,701	6,284,205	3,510,865
Operating income (loss)	6,199,495	478,877	(1,365,422)
NON OPERATING REVENUES (EXPENSES)			
Operating Grants	31,957	267,784	-
Interest earnings	866,237	46,431	153,846
Disposition of capital assets	12,300	-	(115,465)
Interest expense	(1,226,338)	-	-
Net non-operating revenues (expenses)	(315,844)	314,215	38,381
Income (loss) before contributions and transfers	5,883,651	793,092	(1,327,041)
CAPITAL CONTRIBUTIONS			
Developer capital contributions	840,141	-	-
Federal and state grants	500,000	-	420,257
Capital assets transferred in from governmental funds	-	-	-
Total capital contributions	1,340,141	-	420,257
TRANSFERS			
Transfers in	-	-	-
Transfers out	(1,871,788)	(651,042)	(368,196)
Net transfers	(1,871,788)	(651,042)	(368,196)
Change in net position	5,352,004	142,050	(1,274,980)
Total net position at beginning of year	96,381,982	1,888,601	36,660,062
Total net position at end of year	$ 101,733,986	$ 2,030,651	$ 35,385,082

See accompanying Notes to Financial Statements.

Business-Type Activities		
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
$ 1,583,737	$ 31,308,914	$ 10,452,588
-	2,093,818	-
-	1,160,726	285,375
1,583,737	34,563,458	10,737,963
617,103	9,369,472	195,126
5,688	485,520	2,446,120
141,864	3,834,556	466,559
-	-	4,451,593
204,568	2,791,734	-
4,093	924,768	-
161,272	3,883,151	153,202
413,154	7,925,312	981,510
1,547,742	29,214,513	8,694,110
35,995	5,348,945	2,043,853
-	299,741	-
39,402	1,105,916	290,919
-	(103,165)	127,808
-	(1,226,338)	-
39,402	76,154	418,727
75,397	5,425,099	2,462,580
-	840,141	-
-	920,257	-
-	-	1,242,250
-	1,760,398	1,242,250
-	-	451,184
(371,149)	(3,262,175)	(11,635)
(371,149)	(3,262,175)	439,549
(295,752)	3,923,322	4,144,379
8,490,509	143,421,154	13,860,445
$ 8,194,757	$ 147,344,476	$ 18,004,824

City of Venice, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds		
	Water and Sewer Utility	Solid Waste	Airport
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 24,501,377	$ 6,651,439	$ 2,144,548
Payments to suppliers	(6,669,751)	(3,946,364)	(43,247)
Payments to employees	(5,399,154)	(1,968,945)	(594,939)
Claims paid	-	-	-
Net cash provided (used) by operating activities	12,432,472	736,130	1,506,362
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers in from other funds	-	-	-
Transfers out to other funds	(1,871,788)	(651,042)	(368,196)
Operating grants	31,957	267,784	-
Net cash provided (used) by noncapital and related financing activities	(1,839,831)	(383,258)	(368,196)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Note proceeds	1,251,563	-	-
Purchases of capital assets	(7,444,943)	-	(838,625)
Proceeds from sale of capital assets	12,300	-	4,400
Principal paid on notes	(426,854)	-	-
Principal paid on revenue bonds	(990,000)	-	-
Interest paid on revenue bonds and notes	(1,331,518)	-	-
Capital grants	500,000	-	420,257
Net cash provided (used) by capital and related financing activities	(8,429,452)	-	(413,968)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	1,750,294	-	-
Interest earnings	866,237	46,431	153,846
Net cash provided (used) by investing activities	2,616,531	46,431	153,846
Net increase (decrease) in cash and cash equivalents	4,779,720	399,303	878,044
Cash and cash equivalents at beginning of year	37,898,716	1,914,076	6,812,237
Cash and cash equivalents at end of year	$ 42,678,436	$ 2,313,379	$ 7,690,281
Cash and cash equivalents classified as:			
Pooled cash and investments	$ 31,833,212	$ 2,313,379	$ 4,718,258
Other cash	-	-	100
Pooled cash and investments - restricted	10,845,224	-	2,971,923
Total cash and cash equivalents at end of year	$ 42,678,436	$ 2,313,379	$ 7,690,281
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 6,199,495	$ 478,877	$ (1,365,422)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	5,213,864	175,044	2,123,250
Pension adjustments	503,751	137,775	74,403
OPEB adjustments	(29,852)	104,407	(866)
Change in assets and liabilities:			
Accounts receivable	409,977	(111,643)	(1,377)
Inventory	(206,101)	-	-
Due from other governments	(89,072)	-	652,425
Prepaid items	-	-	-
Accounts payable	403,001	(64,000)	(24,507)
Accrued liabilities	(45,257)	11,569	43,637
Compensated absences	(19,873)	5,300	4,337
Due to other governments	20,204	-	482
Customer deposits	72,335	(1,199)	-
Accrued claims	-	-	-
Net cash provided (used) by operating activities	$ 12,432,472	$ 736,130	$ 1,506,362

Supplemental disclosure of noncash investing, capital and financing activities:
Water and Sewer Utility Fund recognized $840,141 in utility line donations through capital contributions.
Capital assets with a cost of $1,242,250 (no depreciation) were transferred into the internal service funds from Governmental Activities.

See accompanying Notes to Financial Statements.

Business-type Activities		Activities
Storm Water Drainage	Totals	Internal Service Funds
$ 1,586,980	$ 34,884,344	$ 10,682,175
(420,291)	(11,079,653)	(2,441,516)
(628,521)	(8,591,559)	(199,481)
-	-	(4,492,341)
538,168	15,213,132	3,548,837
-	-	451,184
(371,149)	(3,262,175)	(11,635)
-	299,741	-
(371,149)	(2,962,434)	439,549
-	1,251,563	-
(504,257)	(8,787,825)	(2,158,119)
-	16,700	399,860
-	(426,854)	-
-	(990,000)	-
-	(1,331,518)	-
-	920,257	-
(504,257)	(9,347,677)	(1,758,259)
-	1,750,294	-
39,402	1,105,916	290,919
39,402	2,856,210	290,919
(297,836)	5,759,231	2,521,046
1,759,618	48,384,647	12,039,863
$ 1,461,782	$ 54,143,878	$ 14,560,909
$ 1,461,782	$ 40,326,631	$ 14,536,346
-	100	24,563
-	13,817,147	-
$ 1,461,782	$ 54,143,878	$ 14,560,909
$ 35,995	$ 5,348,945	$ 2,043,853
413,154	7,925,312	981,510
79,962	795,891	-
(98,568)	(24,879)	-
3,243	300,200	(55,788)
-	(206,101)	-
-	563,353	-
-	-	7,250
97,194	411,688	617,115
7,188	17,137	(4,355)
-	(10,236)	-
-	20,686	-
-	71,136	-
-	-	(40,748)
$ 538,168	$ 15,213,132	$ 3,548,837

Utilities Capital Improvement Program

CAPITAL IMPROVEMENT PROGRAM

	Page #	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
UTILITIES FUND #421							
Distribution and Collection							
Improvements:							
Bay Indies Utilities Relocation - Ph. 1 (PCF)	378	$ 4,000,000	$ -	$ -	$ -	$ -	$ 4,000,000
Bay Indies Utilities Relocation - Ph. 2 (PCF)	379	350,000	3,500,000	-	-	-	3,850,000
East Gate Utilities Relocation - Ph 3 (SRF/S/PCF)	380	500,000	2,500,000	-	-	-	3,000,000
Fire Hydrant Replacement Program	381	75,000	75,000	75,000	75,000	75,000	375,000
Force Main Replacements	382	300,000	300,000	300,000	300,000	300,000	1,500,000
I & I Improvements	383	250,000	250,000	250,000	250,000	250,000	1,250,000
Manhole Coating Replacement	384	75,000	75,000	75,000	75,000	75,000	375,000
Meter (Large) Change Out Program	385	300,000	75,000	75,000	75,000	75,000	600,000
Meter (Small) Change Out Program	386	300,000	100,000	500,000	125,000	600,000	1,625,000
Potable Water Valve Replacement	387	225,000	225,000	225,000	225,000	225,000	1,125,000
Reclaimed Valve Replacement Program	388	25,000	25,000	25,000	25,000	25,000	125,000
Sewer Cleanout Additions	389	1,000,000	-	-	-	-	1,000,000
Sewer Line Replacement Program	390	350,000	350,000	350,000	350,000	350,000	1,750,000
Water Service Line Replacement	391	2,000,000	150,000	150,000	150,000	150,000	2,600,000
Water Main Replacement Program (SRF/PCF)	392	4,000,000	500,000	2,000,000	-	-	6,500,000
Second Force Main Under I-75	393	2,000,000	1,500,000	-	-	-	3,500,000
Intracoastal Second Force Main	394	1,000,000	-	-	-	-	1,000,000
Discovery Way Water Main Construction	395	-	-	300,000	-	-	300,000
Machinery & Equipment:						-	
Technical Unit Equipment Improvements	396	25,000	25,000	25,000	25,000	25,000	125,000
Water Production							
Buildings:							
WTP Building B Lab Improvements	397	-	50,000	-	-	-	50,000
WTP Building D (Meter Shop) Upgrades	398	250,000	250,000	-	-	-	500,000
Chemical Fill Station and Containment	399	-	500,000	-	-	-	500,000
Improvements:							
Booster Station - Ajax Property (SRF/S/PCF)	400	2,500,000	-	-	-	-	2,500,000
RO Membrane Replacement	401	-	1,500,000	-	1,500,000	-	3,000,000
Phase II RO CIP System	402	120,000	-	-	-	-	120,000
Well Management Program (SRF)	403	1,500,000	1,500,000	1,500,000	-	-	4,500,000
WTP Security System Upgrade	404	25,000	-	-	-	-	25,000
WTP 2nd Stage Membrane Addn Ph I (SRF/PCF)	405	3,000,000	-	-	-	-	3,000,000
Degasifier Improvements	406	75,000	-	-	-	-	75,000
WTP 2nd Stage Membrane Addn Ph II (SRF/S/PCF)	407	-	500,000	3,000,000	-	-	3,500,000
Deep Injection Well (SRF/F/PCF)	408	-	-	-	1,500,000	10,000,000	11,500,000
Machinery and Equipment:							
CO2 Bulk Tank Replacement	409	175,000	-	-	-	-	175,000
WTP Generator and Switchgear	410	2,500,000	-	-	-	-	2,500,000
Corrosion Inhibitor Bulk Tank Replacement	411	30,000	-	-	-	-	30,000
WTP Equipment Improvements	412	150,000	150,000	150,000	150,000	150,000	750,000
Water Reclamation and Lift Stations							
Improvements:							
Aquifer Storage & Recovery Well (SRF/S/SC/PCF)	413	300,000	4,400,000	100,000	150,000	-	4,950,000
WRF Headworks Improvements (SC)	414	2,000,000	-	-	-	-	2,000,000
WRF Aeration Blower Replacements (SC)	415	500,000	-	-	-	-	500,000
WRF Upgrades (SC)	416	500,000	500,000	-	-	-	1,000,000
WRF Security System Upgrade (SC)	417	60,000	-	-	-	-	60,000
WRF PLC Upgrade (SC)	418	-	1,200,000	-	-	-	1,200,000
Septage Receiving Station	419	500,000	-	-	-	-	500,000
Master Lift Station PLC Upgrade	420	400,000	-	-	-	-	400,000
Reclaimed Water Dist System Expansion	421	-	1,000,000	-	-	-	1,000,000
Auger Replacement at Belt Presses	422	-	250,000	-	-	-	250,000
Machinery and Equipment:							
Reclaimed Water Storage Tank	423	-	100,000	500,000	-	-	600,000
WRF Effluent Pumps (SC)	424	1,200,000	-	-	-	-	1,200,000
3 MG Equalization Tank (SC)	425	-	-	250,000	3,000,000	-	3,250,000
Onsite Emergency Generators at Lift Stations	426	180,000	60,000	60,000	60,000	60,000	420,000
Lift Station Replacement Pumps	427	100,000	100,000	100,000	100,000	100,000	500,000
WRF Equipment Improvements (SC)	428	150,000	150,000	150,000	150,000	150,000	750,000
TOTAL UTILITIES EXPENDITURES		**$ 32,990,000**	**$ 21,860,000**	**$ 10,160,000**	**$ 8,285,000**	**$ 12,610,000**	**$ 85,905,000**

SRF = State Revolving Fund Loan
S = Includes State Grant
F = Includes Federal Grant

PCF = Includes Plant Capacity Fee Funds
SC = Sarasota County Reserve Match

City of Venice – Utility Rate Study – Final Report – August 30, 2018

Stantec

City of Venice, FL

Utility Rate Study

Final Report

August 30, 2018

August 30, 2018

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 for their review and comment in addition to your own.

Key findings and recommendations are provided in the attached report. While we evaluated financial planning forecasts through 2028, the proposed adjustments to rates are presented for the next five years, FY 2019 – FY 2023.

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. 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,

Andrew Burnham
Vice President, Financial Services

Enclosure

TABLE OF CONTENTS

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, sewer, and reclaimed 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.

Reclaimed Cost of Service Analysis – Evaluate the current reclaimed water rates relative to the cost of service and develop an updated multi-year rate schedule reflective of desired cost recovery levels.

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 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.

In summary, the primary rate changes proposed for FY 2019 are to i) increase the water billing charge by $2 to account for the expected annual costs of a City-wide cross connection control program, and ii) adjust high pressure (i.e. retail) and low pressure (i.e. bulk users) reclaimed water rates based upon a target recovery of 54% of the current observed cost of service (see Section 4 of this report) for each respective class.

Table 1-1 Proposed Plan of Water, Sewer, and Reclaimed Water Rate Adjustments

	Projected Years				
Service Type	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**
Water*	0.00%	2.15%	2.15%	2.15%	2.15%
Sewer	0.00%	2.15%	2.15%	2.15%	2.15%
Reclaimed (High Pressure)**	5.66%	7.56%	7.29%	7.04%	6.82%
Reclaimed (Low Pressure)**	-10.83%	2.15%	2.15%	2.15%	2.15%

* The water billing charge is proposed to increase by $2 to recover the cost of the cross-connection control program. No other water rates are proposed to change in FY 2019.
** Rate adjustments were determined as a result of a detailed cost of service analysis.

1.3 RECLAIMED COST OF SERVICE ANALYSIS

The reclaimed water cost of service analysis was completed by following generally accepted practices as described by the American Water Works Association (AWWA) and Water Environment Federation (WEF) as well as methodologies developed in recent similar studies with the Stakeholder Working Group.

The City presently has different usage-based charges for low pressure (i.e. bulk) and high pressure (i.e. retail) reclaimed water customers. These rates were established as part of a study in 2015 with the objective of recovering 41% of the cost to serve each respective customer class. Based upon changes in cost and reclaimed water use since that study was conducted, the current rates for low pressure customers are recovering 61% of the current cost to serve that class, while high pressure rates are recovering approximately 42% of the current cost of service. This results in an overall cost recovery of about 44% of reclaimed water system costs by reclaimed water rates.

The City and its stakeholders has generally supported increasing the cost recovery of reclaimed water rates over time. As such, the Stakeholder Working Group reviewed several alternative scenarios that would increase the overall level of cost recovery within reclaimed water rates. Ultimately, the Stakeholder Working Group recommended an increase in overall cost recovery to 54%, that would be accomplished by adjusting low pressure rates in FY 2019 down to that level of cost recovery, while gradually increasing high-pressure rates over 5 years to achieve 54% cost recovery on an inflation-adjusted basis.

Table 1-2 Proposed Reclaimed Water Rate Schedule from FY 2019-2023

	Existing Rates	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
High Pressure (Retail)						
Tier 1 per Kgal	$1.02	$1.08	$1.16	$1.24	$1.33	$1.42
Tier 2 per Kgal	$1.44	$1.52	$1.64	$1.75	$1.88	$2.01
Low Pressure (Bulk)						
All Use	$0.193	$0.172	$0.176	$0.180	$0.183	$0.187

Kgal = 1,000 gallons

2. INTRODUCTION

This Final Report presents the results of the Utility Rate Study (Study) that was completed for the water, sewer, and reclaimed 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. Sections 3 and 4 of this report outline the specific details of the Revenue Sufficiency Analysis and Reclaimed Cost of Service Analysis, respectively.

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 11,000 connections and over 22,000 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.

In 2012, Burton and Associates[1] performed the FY 2012 Rate Study, during which revisions were made to the water and sewer rate structures and a five-year plan of rate increases was adopted. Following the initial rate study was the FY 2012 Rate Study Update, where residential sub-classes were created, wholesale rates were updated, and reclaimed rates were reviewed. In 2015, the City hired Burton and Associates once again to perform the FY 2015 Reclaimed Water Study to evaluate reclaimed rates and levels of cost recovery, during which a plan was developed to phase in bulk cost recovery to 41% from 21% over three years. The City retained Stantec this year to update the prior studies and adopt a plan of future rate increases.

During the Study, as well as each prior study, the City established a Stakeholder Working Group made up of eight 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.

[1] Burton & Associates was acquired by Hawksley Consulting, Inc. in late 2015. MWH Americas and all its subsidiaries, including Hawksley Consulting, were acquired by Stantec Consulting Services, Inc. in 2016.

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.

Reclaimed Cost of Service Analysis – Evaluate the current reclaimed water rates relative to the cost of service and develop an updated multi-year rate schedule reflective of desired cost recovery levels.

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 several 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 of the 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.

Beginning Fund Balances

The fiscal year FY 2017 Comprehensive Annual Financial Report (CAFR) and supporting trial balance schedules provided by City staff were used to establish the beginning FY 2018 balances for the Utility.

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, 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. 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

	Current Year	Projected Years				
Rate Revenue	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Water	$9,705,654	$10,117,594	$10,466,628	$10,827,771	$11,201,444	$11,588,084
Sewer	$9,660,138	$9,684,997	$9,918,746	$10,158,199	$10,403,499	$10,654,789
Reclaimed	$721,978	$749,412	$802,122	$856,705	$912,789	$971,290
Total	**$20,087,770**	**$20,552,003**	**$21,187,496**	**$21,842,675**	**$22,517,731**	**$23,214,163**

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 2018 Adopted Budget adjusted annually thereafter based upon assumed cost escalation factors that were reviewed with City staff.

It is important to note that during interactive work sessions, the City informed Stantec that they will be taking measures to regulate and monitor backflow prevention activities on behalf of the community starting in FY 2019. As a result, the Utility is expecting to incur additional expenses of approximately $300,000 a year. Based upon a detailed distribution of estimated expenses by customer class provided

by City staff, it was determined that the cost of this program would be best recovered by increasing the water billing charge by $2.00 in FY 2019. Table 3-2 presents the total projected annual O&M expenses.

Table 3-2 Total O&M Expense Projection Summary

	Current Year	Projected Years				
	2018	**2019**	**2020**	**2021**	**2022**	**2023**
Total O&M Expenses	$13,917,498	$11,940,728	$12,482,455	$12,617,293	$13,337,659	$13,802,077

Debt Service

Outstanding Debt

The City's current debt obligations include a series of revenue bonds and a state revolving fund (SRF) loan. In FY 2018, the total debt service payment is $2.8M, 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. The proceeds needed are determined after considering available fund balances and rate revenues, as well as debt service coverage ratio minimums. Projected debt service payments are presented in Table 3-3 on the following page.

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 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 target, which will result in more favorable terms with credit agencies.

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

	Current Year	Projected Years				
Description	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Existing DS Payment	$2,809,430	$2,927,059	$2,929,134	$2,923,902	$2,921,079	$2,927,324
Proposed New DS Payment	-	$413,237	$963,170	$1,638,859	$2,001,293	$2,014,796
Total DS Payment	**$2,809,430**	**$3,340,296**	**$3,892,304**	**$4,562,761**	**$4,922,372**	**$4,942,120**
Senior-Lien DSC	4.09	4.98	4.60	4.33	4.14	4.23
Subordinate DSC	12.70	9.26	6.96	5.64	4.93	5.10

Capital Improvement Program

City staff provided the multi-year CIP in project level detail from FY 2018 through FY 2028, which included encumbered capital funds from FY 2017. 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.

One of the goals in the financial planning process is to optimize funding sources for the next five years to achieve not only the necessary annual renewal and replacement projects, but also meet the need for regulatory-based improvements, system expansion related projects, and cost center capital projects.

In total, the CIP used in this analysis from FY 2018 – FY 2028 is approximately $140 million. Table 3-4 presents total capital spending in the next five years. A full schedule of the CIP can be found in Schedule 8 of Appendix A.

Table 3-4 Projected Total Capital Improvement Plan Expenditures

	Current Year	Projected Years				
Description	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Total Capital Expenses	$23,876,844	$21,108,500	$14,881,275	$13,517,575	$6,575,150	$1,795,150

3.3 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 assure conformance 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 four months of expenses in FY 2018, five months of expenses in FY 2019, and six months of expenses each year thereafter. Table 3-5 presents the annual minimum reserve targets as set forth by the City and fund balances in each year.

Table 3-5 Minimum Annual Reserve Targets

	Current Year	Projected Years				
	2018	**2019**	**2020**	**2021**	**2022**	**2023**
Fund Balance ($M)	$14.1	$11.1	$11.9	$12.4	$14.0	$18.4
Reserve Target ($M)	$10.9	$11.1	$11.9	$12.4	$12.2	$11.2

3.4 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 of the 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 varies by categories identified by staff
- Interest earnings rate on fund balances is set at 1.25% in FY 2018 and indexed at 0.25% each year until it reaches 2.00%
- Debt issued in the plan assumes 2.00% issuance costs, 20-year repayment term, and interest rates starting at 3.75% in FY 2018 and indexing at 0.25% each year until it reaches 5.00% for revenue bonds. For SRF loans, 0% issuance costs with 20-year terms, 2.00% loan service fees, and interest rates starting at 1.25% indexing at 0.25% each year until it reaches 2.00% are used. The debt service coverage for both revenue bonds and SRF loans is set to a minimum target of 1.50 as desired by City staff. These amounts are estimates provided by Stantec for planning purposes and do not represent any decisions made by the Stakeholder Working Group or City Council.
- Water customers are projected to grow 1.50% each year
- Sewer customers are projected to grow 0.50% each year
- Reclaimed water customers are projected to grow 1.00% each year

3.5 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 ongoing debt service, capital, operating, and reserve requirements over a multi-year projection period. The financial plan findings consist of a mix of water and sewer rate revenue increases and proposed debt issuance that will meet the Utility's current and projected cost requirements.

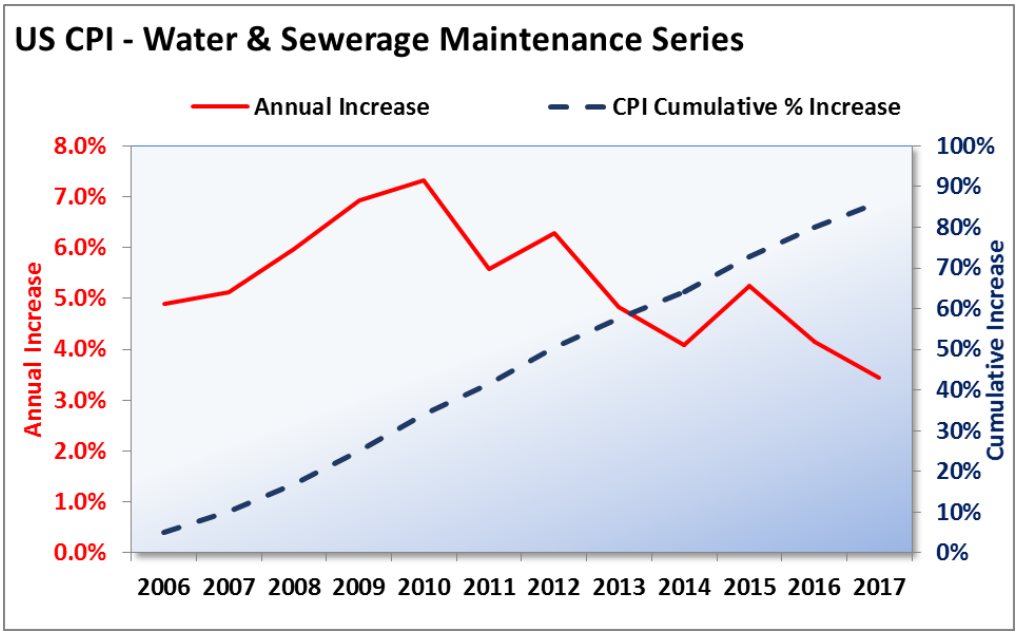
As part of the financial planning analysis, the table below summarizes proposed rate increases, proposed debt issuance, and debt service coverage from FY 2018- FY 2023. The Pro Forma on Schedule 7 and Panel on Schedule 12 of Appendix A provide detail supporting these results. It is important to note that the reclaimed water rate plan that is depicted on the Panel is a result of the cost of service, and the rate increases shown represent the total reclaimed water revenue increases that are projected with the updated rates, per that analysis. Whereas, the reclaimed water rate increases presented in Table 3-6 represent the indexing adjustments made to the actual rates by customer class in each year. The reclaimed water cost of service will be discussed further in Section 4.

Table 3-6 Key Performance Statistics Summary

	Projected Years				
Description	**2019**	**2020**	**2021**	**2022**	**2023**
Water*	0.00%	2.15%	2.15%	2.15%	2.15%
Sewer	0.00%	2.15%	2.15%	2.15%	2.15%
Reclaimed (High Pressure)**	5.66%	7.56%	7.29%	7.04%	6.82%
Reclaimed (Low Pressure)**	-10.83%	2.15%	2.15%	2.15%	2.15%
Proposed Debt Proceeds ($M)***	$7.1	$9.3	$7.2	$0.15	$0.15
Senior-Lien Debt Service Coverage Ratio	4.98	4.60	4.33	4.14	4.23
Ending Cash Balance($M)	$11.1	$11.9	$12.4	$14.0	$18.4

* The water billing charge is proposed to increase by $2 in FY 2019 to recover the cost of the cross-connection control program. No other water rates are proposed to change in FY 2019.
** Rate adjustments were determined as a result of a detailed cost of service analysis.
*** Proceeds are net of issuance costs, loan service fees, and required reserves.

It is important to note that the recommended annual rate adjustments identified herein are consistent with national trends and our industry experience when averaged over the projection period. As demonstrated in the graph on the following page, 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, has risen at an average annual rate of approximately 6% during the past ten years. Moreover, many of our clients across the country are presently experiencing rate increase requirements in the range of 3 to 8% per year.


US CPI - Water & Sewerage Maintenance Series
Annual Increase
CPI Cumulative % Increase
Annual Increase
Cumulative Increase
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
100%
90%
80%
70%
60%
50%
40%
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2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017

4. RECLAIMED COST OF SERVICE ANALYSIS

Following the calculation of revenue requirements for FY 2019 in the long-term financial planning models, Stantec's cost of service rate study scope for the City comprises the reclaimed water cost of service (COS) analysis. This section outlines the steps completed in the COS analysis and presents the rates resulting from the analysis to better align with the City's goal of recovering revenue from the appropriate customers. All the supporting schedules for this analysis can be found in Appendix B of this report.

4.1 COST OF SERVICE STEPS

The following steps were used to prepare the COS analysis:

1. Determine the revenue requirements for a specified annual period, referred to as a test year. Revenue requirements are defined as the amount of money the City must recover from the rates charged to customers in order to meet the operating and capital expenditures anticipated for the test year. The revenue requirements were described in more detail in the financial planning results section. For purposes of evaluating alternative rates and rate structures, FY 2019 is set as the test year.

2. Allocate the revenue requirements to service types and functional components. Consistent with the methodology applied in the FY 2012 Rate Study Update and FY 2015 Reclaimed Water Rate Study, revenue requirements are allocated to the reclaimed water system functions as well as to specific customer classes based on how various classes actually use the system functions. Demand characteristics of customer classes and allocations of costs to customer classes are summarized in this section.

3. Determine rates for service. Rates are based on the allocated costs of service for each customer class, meaning that recommended rates for a given class reflect the cost of serving that class. In this Study, Stantec recommends maintaining the current reclaimed water rate structure but proposes changes to the rates for each customer class. Proposed rates are presented for FY 2019 through FY 2023.

4.2 REVENUE REQUIREMENTS

Revenue requirements for the City's reclaimed water system include total operating and capital expenditures (including fund transfers, debt service requirements, funding of reserve accounts and cash funding of capital expenditures) that must be recovered from the revenues provided from its rate structure. Reclaimed water revenue requirements for FY 2019 are summarized in Table 4-1, and a detailed list of test year expenditures are presented in Schedule 1 of Appendix B. Other operating revenues besides rate revenue are used to offset the total revenue requirement, as that portion of the revenue requirement will not be recovered from rate revenues.

Table 4-1 Summary of Reclaimed Water Revenue Requirements - Test Year 2019

Description	Reclaimed
Operating and Maintenance Expenses	$942,259
Annual Debt Service - Outstanding Debt	$496,324
Capital Projects	$424,571
Total Revenue Requirement	**$1,863,154**
(Less) Non-Rate Revenue	$17,123
(Less) Use of Fund Balance	$150,035
Total Rate Revenue Requirement	**$1,695,995**

4.3 CUSTOMER DEMAND CHARACTERISTICS

Reclaimed Water System

Cost of service ratemaking is a process of allocating the system rate revenue requirements to customers based on the demands they place on the system. Individual customer demands vary depending on the nature of the utility use at the location where service is provided. For example, bulk reclaimed customers who provide their own distribution and storage place a different impact on the system than a residential customer. As a practical matter, it is not feasible to allocate system costs at the individual account level. As such, the industry standard, as promulgated by AWWA's M1 Manual, is to group customers with similar system needs into customer classes. Rates are then developed for each customer class, with each individual customer paying the customer class' average allocated cost of service for each unit of specific usage.

The City's reclaimed water customer classes include:

- High Pressure (Retail)
- Low Pressure (Bulk)

Costs are allocated to reclaimed customer classes based on the operating costs that are applicable to them and the volumes that each class is projected to use.

Using historical billing data, we projected units of service for customer demand in FY 2019. Units of service and associated characteristics that were used in the COS are summarized in the following table:

Table 4-2 Summary of Reclaimed Water Customer Characteristics - Test Year FY 2019

Customer Class	# of Accounts	Avg. Monthly Volume (Kgals)	Avg. Day Usage (MGD)	On-Site Storage Capacity (MGD)	LF of Transmission Main	LF of Distribution Main
High Pressure (Retail)	3,698	44,654	1.468	38.00	91,689	159,235
Low Pressure (Bulk)	5	36,731	1.208	43.78	13,284	0
Totals	3,703	81,385	2.676	81.78	104,973	159,235

4.4 ASSIGNMENT OF ALLOCATION FACTORS TO FUNCTIONAL COMPONENTS

The Study utilized many of the same cost allocation methods as the previous study, which reflected in-depth discussions with City Staff and the Stakeholder Working Group, as well as a substantial level of detail based on the data provided. Table 4-3 summarizes the allocation parameters and cost sharing groups for respective system functions based on an assigned allocation type. The allocation factors were determined using data from the revenue sufficiency analysis and discussions with City staff. Schedule 3 in Appendix B presents the specific reclaimed water expenses allocated to functional components.

Table 4-3 Summary of Allocation Factors to Functional Components

Description	Treatment/ Production	HSP & Storage	Transmission	Distribution
Indirect	15%	19%	27%	38%
Linear Feet*	0%	0%	40%	60%
Reclaimed – Treatment/Storage	50%	50%	0%	0%
Series 2012 Bond	0%	100%	0%	0%
Series 2015 Bond	100%	0%	0%	0%
2013 PNC SRF	0%	0%	48%	52%
New Senior Debt (2019)	34%	0%	26%	40%
5 Yr. Cash Funded Capital	5%	0%	32%	63%

*The allocation of linear feet of pipe was based on a thorough Geographic Information System (GIS) analysis of the system that was performed in the FY 2015 Reclaimed Water Study.

4.5 FUNCTIONALIZED SYSTEM COSTS

O&M Expenses

The reclaimed water functional categories and associated values are used in determining an appropriate allocation of the O&M costs to respective customer classes based on usage characteristics. The functions included in the COS analysis are listed in Table 4-4, which provides a summary of the test year

(FY 2019) O&M expenses by function for both water and sewer systems. The values are assigned based on reviewing each line item of the O&M budget with staff.

Table 4-4 Summary of O&M Expenses - Test Year 2019

System Function/Name	$
Treatment/Production	$192,587
HSP & Storage	202,018
Transmission	220,832
Distribution	326,832
Total O&M	**$942,259**

Capital Expenditures

The capital costs of the reclaimed water system require allocations to functions, like the O&M expenses. Capital costs include annual debt service and PAYGO capital expenditures. The allocation of capital costs to functional components involved a detailed review and allocation of each capital project. The exercise was done with City staff in order to identify projects that were related to reclaimed water and the specific functional components. Table 4-5 presents the capital costs associated with each functional component.

Table 4-5 Summary of Cash Funded Capital and Debt Service Expenses - Test Year 2019

System Function/Name	$
Treatment/Production	$91,639
HSP & Storage	160,743
Transmission	289,298
Distribution	379,214
Total Capital Expenditures	**$920,894**

Non-Rate Revenues

Non-rate revenues are revenues collected for other services provided by the City. In the COS analysis, this revenue is used to reduce the portion of the revenue requirement that needs to be recovered from rates. Use of fund balance was also subtracted from the revenue requirement, as this offsets higher-than-normal cash-funded capital in the test year. Offsetting non-rate revenues and use of fund balances are allocated across all operating and capital cost components based on their weighted distribution.

4.6 ALLOCATED COST OF SERVICES BY CLASS AND FUNCTION

After costs are allocated to functions, each customer class' reclaimed water demands, and other service requirements are applied to determine costs of service by class and service function, with applicable credit allocations.

Credit Basis

When evaluating costs of services that should be recovered from each customer class, it is important to consider the types of costs that each class is directly responsible for. When a certain customer class does not contribute to a certain portion of the cost of service, a credit may be an equitable application. In this Study, low pressure customers don't utilize the full transmission, distribution, and storage functions of the City and are therefore given a credit for the portions of the system that they do not use. The table below shows the allocation of system costs and credits to each customer class.

Table 4-6 Summary of Cost of Service Results by Customer Class – Test Year 2019

Customer Class	Treatment/ Production	HSP & Storage	Transmission	Distribution	Total
High Pressure (Retail)	$141,957	$362,362	$408,500	$642,701	$1,555,519
Low Pressure (Bulk)	$116,769	$(32,148)*	$55,854**	$0	$140,475
GRAND TOTALS	**$258,725**	**$330,215**	**$464,354**	**$642,701**	**$1,695,994**
% of Total	15%	20%	27%	38%	100%

*This represents a HSP & Storage credit for customers who have their own on-site storage facilities.
**The Transmission credit applies to customers who only use a portion of the transmission system during non-peak periods and therefore do not peak the system.

4.7 UNIT COST OF SERVICE BY FUNCTION

After all O&M and Capital costs were allocated to the reclaimed water functional components and the revenue requirements were identified, a unit cost of service allocation by function was calculated to identify the total cost of producing and providing reclaimed water to the retail and bulk customer classes. The unit cost of each functional component was calculated based on associated characteristics. The treatment and storage unit costs were calculated based on the average daily flow volume (MGD) of each customer class, and the transmission/distribution unit costs were calculated based on the linear feet of the class's transmission and distribution lines. Table 4-7 presents the calculated unit costs and Schedule 5 of Appendix B provides a summary of the reclaimed water cost allocations.

Table 4-7 Summary of Unit Costs of Service by Function

Function	O&M	Capital	Subtotal	Total*
Treatment/Production (per Kgal)	$0.20	$0.09	$0.29	$0.26
Adjusted HSP & Storage (per Kgal)	N/A	N/A	$0.68	$0.68
Transmission (per LF of Trans. Main)	$2.10	$2.76	$4.86	$4.42
Distribution (per LF of Dist. Main)	$2.05	$2.38	$4.43	$4.04

*The total unit cost is the cost that is being utilized in calculating total cost recovery from each customer class. It differs from the subtotal because it is net of offsetting non-rate revenues and use of fund balance, whereas the subtotal is not.

4.8 CURRENT COST RECOVERY

The unit costs to serve by function are used to calculate the total costs to serve reclaimed water to the retail and bulk customer classes. From this, the percent of cost recovery that each class is currently achieving compared to current revenues was determined. Table 4-8 summarizes the total costs to serve and the current cost recoveries of each customer class. The resulting cost recovery is 45% for the retail customer class and 61% for the bulk customer class. Schedule 6 in Appendix B presents a supporting summary of the cost of service recovery results.

Table 4-8 Summary of Cost of Service Results - Test Year 2019

Function	High Pressure (Retail) Cost	Low Pressure (Bulk) Cost	Total Cost
Total Cost	**$1,555,520**	**$140,475**	**$1,695,995**
Current Revenues	**$656,007**	**$85,070**	**$741,077**
Current Cost Recovery	**42%**	**61%**	**44%**

4.9 TARGET COST RECOVERY AND PROPOSED RATE SCHEDULE

The reclaimed water cost recovery was discussed with City staff and the Stakeholder Working Group during interactive meetings. One goal of the cost of service analysis was to determine an appropriate target cost recovery for each customer class to be achieved within five years. The City and its stakeholders has generally supported increasing the cost recovery of reclaimed water rates over time. As such, the Stakeholder Working Group reviewed several alternative scenarios that would increase the overall level of cost recovery within reclaimed water rates. Ultimately, the Stakeholder Working Group recommended an increase in overall cost recovery to 54%, that would be accomplished by adjusting low pressure rates in FY 2019 down to that level of cost recovery, while gradually increasing high-pressure rates over 5 years to achieve 54% cost recovery on an inflation-adjusted basis. The following tables show the proposed reclaimed water rates and revenues for the retail and bulk customer classes.

Table 4-9 Proposed Multi-Year Reclaimed Water Rate Schedule

	FY 2018 (Current)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
High Pressure (Retail)						
Tier 1 per Kgal	$1.02	$1.08	$1.16	$1.24	$1.33	$1.42
Tier 2 per Kgal	$1.44	$1.52	$1.64	$1.75	$1.88	$2.01
Cost Recovery %	42%	45%	47%	49%	52%	54%
Low Pressure (Bulk)						
All Usage	$0.193	$0.172	$0.176	$0.180	$0.183	$0.187
Cost Recovery %	61%	54%	54%	54%	54%	54%

Table 4-10 Total Reclaimed Revenue Based on Multi-Year Rate Schedule

Annual Charges in Total	FY 2018 (Current)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
High Pressure (Retail)	$656,007	$693,139	$745,541	$799,876	$856,203	$914,582
Low Pressure (Bulk)	$85,070	$75,814	$77,577	$79,340	$80,662	$82,425
Total Projected Revenue	$741,007	$768,953	$823,118	$879,216	$936,865	$997,007
% Change	-	*3.8%*	*7.0%*	*6.8%*	*6.6%*	*6.4%*

4.10 OVERALL CUSTOMER IMPACTS

During the Study, the Stakeholder Working Group focused on evaluating the impact of rates on customers, especially residential customers. The following tables summarize the customer impacts for two typical residential customers. The below table is for a residential customer with 3,000 gallons per month of water and sewer usage and 14,000 gallons per month of reclaimed water usage. This represents the average water, sewer, and reclaimed usage of the residential customer class.

Table 4-11 Residential ¾" Meter Bill Impacts – 14,000 Gallons of Reclaimed Water

	Gallons*	FY 2018 (Current)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Potable Water	3,000	$39.06	$41.06	$41.94	$42.84	$43.76	$44.71
Sewer	3,000	$46.62	$46.62	$47.61	$48.64	$49.69	$50.75
Reclaimed Water	14,000	$15.11	$15.96	$17.17	$18.42	$19.72	$21.06
Total Bill		**$100.79**	**$103.64**	**$106.72**	**$109.90**	**$113.17**	**$116.52**
$ Change			$2.86	$3.08	$3.18	$3.27	$3.35
% Change			2.83%	2.97%	2.98%	2.97%	2.96%
Total Bill (Excluding Reclaimed)		**$85.68**	**$87.68**	**$89.55**	**$91.48**	**$93.45**	**$95.46**
$ Change			$2.00	$1.87	$1.93	$1.97	$2.01
% Change			2.33%	2.13%	2.16%	2.15%	2.15%

*Average monthly residential usage for each service type.

Based on input from the Stakeholder Working Group, we also evaluated a typical residential customer who uses less reclaimed water. The below table is for a residential customer with 3,000 gallons per month of water and sewer usage and 8,000 gallons per month of reclaimed water usage.

Table 4-12 Residential ¾" Meter Bill Impacts – 8,000 Gallons of Reclaimed Water

	Gallons*	FY 2018 (Current)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Potable Water	3,000	$39.06	$41.06	$41.94	$42.84	$43.76	$44.71
Sewer	3,000	$46.62	$46.62	$47.61	$48.64	$49.69	$50.75
Reclaimed Water	8,000	$8.15	$8.62	$9.27	$9.95	$10.65	$11.37
Total Bill		**$93.83**	**$96.30**	**$98.92**	**$101.43**	**$104.10**	**$106.83**
$ Change			$2.47	$2.52	$2.61	$2.67	$2.74
% Change			2.60%	2.62%	2.64%	2.63%	2.63%
Total Bill (Excluding Reclaimed)		**$85.68**	**$87.68**	**$89.55**	**$91.48**	**$93.45**	**$95.46**
$ Change			$2.00	$1.87	$1.93	$1.97	$2.01
% Change			2.33%	2.13%	2.16%	2.15%	2.15%

*Average monthly residential usage for each service type.

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APPENDIX A: REVENUE SUFFICIENCY ANALYSIS SCHEDULES

Schedule 1 Assumptions

Schedule 2 FY 2018 Beginning Fund Balances

Schedule 3 Capital Improvement Program

Schedule 4 Projection of Cash Inflows

Schedule 5 Projection of Cash Outflows

Schedule 6 Operating Cost Escalation Factors

Schedule 7 Forecast of Net Revenues and Debt Service Coverage (Pro Forma)

Schedule 8 Capital Project Funding Summary

Schedule 9 Long-Term Borrowing Projections

Schedule 10 Subordinate Debt Service Projections

Schedule 11 Funding Summary by Fund

Schedule 12 FAMS-XL Control Panel

Assumptions

Schedule 1

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Annual Water System Growth:											
Water Accounts	12,035	12,215	12,399	12,585	12,773	12,965	13,159	13,357	13,557	13,761	13,967
Growth in Accounts	NA	181	183	186	189	192	194	197	200	203	206
% Increase in Accounts	NA	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
% Increase in Total Billed Water Use	NA	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%	0.99%
Annual Sewer System Growth:											
Sewer Accounts	11,678	11,736	11,795	11,854	11,913	11,973	12,033	12,093	12,153	12,214	12,275
Growth in Accounts	NA	58	59	59	59	60	60	60	60	61	61
% Increase in Accounts	NA	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
% Increase in Total Billed Sewer Use	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Annual Reclaimed System Growth:											
Reclaimed Accounts	3,661	3,698	3,735	3,772	3,810	3,848	3,886	3,925	3,965	4,004	4,044
Growth in Accounts	NA	37	37	37	38	38	38	39	39	40	40
% Increase in Accounts	NA	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
% Increase in Total Billed Reclaimed Use	NA	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
Capital Spending:											
Annual Capital Spending Execution %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Annual CIP Escalation %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Impact Fees:*											
Water	$1,210	$1,210	$1,246	$1,284	$1,322	$1,362	$1,403	$1,445	$1,488	$1,533	$1,579
Sewer	$1,450	$1,450	$1,494	$1,538	$1,584	$1,632	$1,681	$1,731	$1,783	$1,837	$1,892
Interest Earnings Rate on Fund Balances	1.25%	1.50%	1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Operating Expense Spending Percentage:											
% of Annual Personnel Budget Executed	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
% of Annual Variable Expense Budget Executed	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
% of Annual Fixed Expense Budget Executed	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Operating Budget Reserve:											
Policy Target (Number of Months of Operating Reserve)	4.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0

*An escalation factor of 3.00% is being applied to the Impact Fees starting in FY 2020. This is solely an assumption, and any fees set forth would have to be approved and adopted by the City Council.

Beginning Balances as of October 1, 2017 — Schedule 2

	Water and Sewer Utility Operating	Restricted Debt Service Reserves	Water Plant Capacity Charge	Sewer Plant Capacity Charge	Rolled Over Encumbrances Capital	R&R Fund	2015 Bond Construction Acct
CURRENT UNRESTRICTED ASSETS							
Pooled Cash	$ 23,949,787	2,261,225	3,446,436	2,161,579	1,258,663	1,000,000	2,853,952
Receivables:							
Billed	2,789,152						
Due from Other Governments	6,467						
Inventories	644,177						
TOTAL ASSETS	$ 27,389,583	2,261,225	3,446,436	2,161,579	1,258,663	1,000,000	2,853,952
CURRENT LIABILITIES							
Current Liabilities	$ (3,301,290)						
Current Portion of:	-						
Accrued Compensated Absences	(137,963)						
CALCULATED FUND BALANCE (ASSETS - LIABILITIES)	$ 23,950,330	2,261,225	3,446,436	2,161,579	1,258,663	1,000,000	2,853,952
Plus/(Less): Inventories	(644,177)						
AVAILABLE FUND BALANCE	$ 23,306,153	2,261,225	3,446,436	2,161,579	1,258,663	1,000,000	2,853,952

TOTAL AVAILABLE FUNDS	**$ 36,288,008**

Capital Improvement Program — Schedule 3

	Project	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	**DEPT 1202 - UTILITIES DISTRIBUTION PROJECTS**											
2	Meter Shop Improvements	$ 28,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3	Potable Water Valve Repl Ph 12 Encumbered	35,523	-	-	-	-	-	-	-	-	-	-
4	Cast Iron Water Main Replacement	200,000	1,800,000	-	-	-	-	-	-	-	-	-
5	Fire Hydrant Replacement Program	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
6	I & I Improvements	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
7	Manhole Coating Replacement	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
8	Meter (Large) Change Out Program	250,000	252,500	255,025	257,575	260,150	260,150	260,150	260,150	260,150	260,150	260,150
9	Meter (Small) Change Out Program	747,500	775,000	820,000	575,000	105,000	100,000	100,000	100,000	100,000	100,000	100,000
10	Potable Water Valve Replacement	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000
11	*Encumbered*	128,500	-	-	-	-	-	-	-	-	-	-
12	Sewer Replacement via CIPP	60,000	-	-	-	-	-	-	-	-	-	-
13	Sewer Replacement via Excavation	100,000	-	-	-	-	-	-	-	-	-	-
14	Sewer Replacement via Sectional	130,000	-	-	-	-	-	-	-	-	-	-
15	Water Service Line Replacement	25,000	375,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
16	Sewer Cleanout Additions	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-	-	-	-
17	US 41 Bypass Relocations-Gulf Coast	305,000	305,000	-	-	-	-	-	-	-	-	-
18	*Encumbered*	65,611	-	-	-	-	-	-	-	-	-	-
19	Eastgate Utilities Relocation - Phase 1	2,500,000	-	-	-	-	-	-	-	-	-	-
20	*Encumbered*	191,845	-	-	-	-	-	-	-	-	-	-
21	*Grant Funded*	500,000	-	-	-	-	-	-	-	-	-	-
22	Eastgate Utilities Relocation - Phase 2	350,000	2,750,000	-	-	-	-	-	-	-	-	-
23	*Grant Funded*	-	750,000	-	-	-	-	-	-	-	-	-
24	Eastgate Utilities Relocation - Phase 3	-	350,000	3,000,000	-	-	-	-	-	-	-	-
25	Water Main Replacement Program	2,250,000	2,250,000	2,500,000	-	-	-	-	-	-	-	-
26	*Encumbered*	1,709,035	-	-	-	-	-	-	-	-	-	-
27	Venetian Parkway Utilities Relocation	3,500,000	-	-	-	-	-	-	-	-	-	-
28	*Encumbered*	205,124	-	-	-	-	-	-	-	-	-	-
29	Installation of Gateways (5)	75,000	-	-	-	-	-	-	-	-	-	-
30	Trimble GPS Upgrade	12,000	-	-	-	-	-	-	-	-	-	-
31	**DEPT 1203 - WATER PRODUCTION PROJECTS**											
32	WTP Building A Upgrades	$ 800,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
33	*Encumbered*	145,305	-	-	-	-	-	-	-	-	-	-
34	WTP Building B Upgrades	2,300,000	-	-	-	-	-	-	-	-	-	-
35	WTP Building C Upgrades	400,000	-	-	-	-	-	-	-	-	-	-
36	WTP Building D (Meter Shop) Upgrades	75,000	236,250	236,250	-	-	-	-	-	-	-	-
37	WTP High Service Building Upgrade	200,000	-	-	-	-	-	-	-	-	-	-
38	WTP Clearwell Interior Rehab Encumbered	14,146	-	-	-	-	-	-	-	-	-	-
39	Booster Station (Ajax Property)	700,000	6,700,000	-	-	-	-	-	-	-	-	-
40	Sodium Hypochlorite Tank Replacement	120,000	300,000	-	-	-	-	-	-	-	-	-
41	WTP Solar Panel Installation	175,000	-	-	-	-	-	-	-	-	-	-
42	WTP Wellfield and Site Improvements	150,000	-	-	-	-	-	-	-	-	-	-
43	WTP Clearwell Interior Rehab Encumbered	135,175	-	-	-	-	-	-	-	-	-	-
44	WTP RO Clearwell Encumbered	653,245	-	-	-	-	-	-	-	-	-	-
45	New Production Well RO 8E/79	600,000	-	-	-	-	-	-	-	-	-	-
46	Wells and Booster Station Flow Meters	11,000	-	-	-	-	-	-	-	-	-	-
47	WTP Equipment Improvements	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
48	RO CO2 Feed System Encumbered	42,819	-	-	-	-	-	-	-	-	-	-
49	Replace Well 7AW Encumbered	17,825	-	-	-	-	-	-	-	-	-	-

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
50	**DEPT 1204 - WATER RECLAMATION PROJECTS**											
51	Sludge Stabilization Tank Demolition (Expense?) Encumbered	$ 80,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
52	Reclaim Wtr Dtsrn System Encumbered	399,250	-	-	-	-	-	-	-	-	-	-
53	WRF Slide Gate Improvements	300,000	-	-	-	-	-	-	-	-	-	-
54	WRF Seasonal Storage Pond Liner Replace	375,000	-	-	-	375,000	-	-	-	-	-	-
55	WRF Lift Station FM Imps Encumbered	270,547	-	-	-	-	-	-	-	-	-	-
56	Lift Station Replacement Pumps	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
57	Emergency Generators at Lift Stations	60,000	180,000	180,000	180,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
58	Reaeration Blower Replacement Encumbered	492,955	-	-	-	-	-	-	-	-	-	-
59	WRF Equipment Improvements	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
60	*Encumbered*	72,540	-	-	-	-	-	-	-	-	-	-
61	Other Projects Encumbered	43,899	-	-	-	-	-	-	-	-	-	-
62	Bay Indies Utilities Relocation - Phase 1	-	375,000	3,000,000	-	-	-	-	-	-	-	-
63	Bay Indies Utilities Relocation - Phase 2	-	-	375,000	3,000,000	-	-	-	-	-	-	-
64	Aquifer Storage & Recovery Well	-	-	-	600,000	4,400,000	-	-	-	-	-	-
65	Booster Station Generator Replacement	-	82,000	-	-	-	-	-	-	-	-	-
66	CO2 Bulk Tank Replacement	-	175,000	-	-	-	-	-	-	-	-	-
67	Corrosion Inhibitor Bulk Tank Replacement	-	-	-	30,000	-	-	-	-	-	-	-
68	Force Main Replacements	-	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
69	Phase II RO CIP System	-	-	120,000	-	-	-	-	-	-	-	-
70	Reclaimed Water Storage Tank Conversion	-	-	100,000	500,000	-	-	-	-	-	-	-
71	RO Membrane Replacement	-	-	-	1,500,000	-	-	-	-	-	-	-
72	Second Force Main Under I-75	-	200,000	480,000	-	-	-	-	-	-	-	-
73	Outfall Composite, Sampler	-	7,750	-	-	-	-	-	-	-	-	-
74	Sewer Replacement Program	-	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
75	Parkson Aqua Guard Screens	-	-	700,000	-	-	-	-	-	-	-	-
76	Energy Projects (changed from Solar Panel Installation)	-	150,000	-	-	-	-	-	-	-	-	-
77	Reclaimed Valve Replacement Program	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
78	WRF Milling and Resurfacing	-	135,000	-	-	-	-	-	-	-	-	-
79	WRF Storage Building	-	250,000	-	-	-	-	-	-	-	-	-
80	WTP Day Tank Building Upgrade	-	60,000	-	-	-	-	-	-	-	-	-
81	WTP Second Stage Membrane Addition	-	-	300,000	3,000,000	-	-	-	-	-	-	-
82	Well Replacement	-	-	100,000	1,500,000	-	-	-	-	-	-	-
83	WRF Building Improvements	-	-	120,000	-	-	-	-	-	-	-	-
84	WTP Fencing Improvements	-	-	220,000	-	-	-	-	-	-	-	-
85	WTP Generator Replacement	-	350,000	-	-	-	-	-	-	-	-	-
86	Unspecified Projects*	-	-	-	-	-	-	9,780,380	9,780,380	9,780,380	9,780,380	9,780,380
87	**Total Projects Paid**	**$ 23,876,844**	**$ 21,108,500**	**$ 14,881,275**	**$ 13,517,575**	**$ 6,575,150**	**$ 1,795,150**	**$ 11,575,530**	**$ 11,575,530**	**$ 11,575,530**	**$ 11,575,530**	**$ 11,575,530**

* Unspecified Projects were calculated using the average cost of projects from FY 2019 - FY 2023, less repair and maintenance costs.

Projection of Cash Inflows — Schedule 4

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	**Water Rate Revenue**											
2	Assumed Water Rate Increase	**NA**	**0.00%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**
3	Water Rate Revenue	$ 9,705,654	10,117,594	10,466,628	10,827,771	11,201,444	11,588,084	11,988,145	12,402,094	12,830,416	13,273,612	13,732,203
4	**Sewer Rate Revenue**											
5	Assumed Sewer Rate Increase	**NA**	**0.00%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**
6	Sewer Rate Revenue	$ 9,660,138	9,684,997	9,918,746	10,158,199	10,403,499	10,654,789	10,912,218	11,175,936	11,446,099	11,722,866	12,006,400
7	**Reclaimed Rate Revenue**											
8	Assumed Reclaimed Rate Increase*	**NA**	**3.81%**	**7.04%**	**6.82%**	**6.56%**	**6.42%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**	**2.15%**
9	Reclaimed Rate Revenue	$ 721,978	$ 749,412	$ 802,122	$ 856,705	$ 912,789	$ 971,290	$ 992,073	$ 1,013,302	$ 1,034,984	$ 1,057,131	$ 1,079,751
10	**Other Operating Revenue:**											
11	Penalty- Water	$ 64,200	64,200	64,200	64,200	64,200	64,200	64,200	64,200	64,200	64,200	64,200
12	Fire Svc Standby Charge	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300	59,300
13	Tap Fees - Water	192,200	192,200	192,200	192,200	192,200	192,200	192,200	192,200	192,200	192,200	192,200
14	Customer Inquiry Charge	100	100	100	100	100	100	100	100	100	100	100
15	Penalties-Reuse	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
16	Reuse Tap Fee	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
17	Sar Co Swr Treat Cons Chg	2,237,373	2,237,366	2,285,462	2,334,592	2,384,778	2,436,043	2,488,410	2,541,903	2,596,546	2,652,363	2,709,380
18	Sar Co Swr Billing	34,200	34,200	34,200	34,200	34,200	34,200	34,200	34,200	34,200	34,200	34,200
19	Penalty- Sewer	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200	43,200
20	Tap Fees - Sewer	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600
21	Miscellaneous Income	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
22	Ad Valorem Tax Reimburse	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400
23	Cell Tower Lease Rents	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000
24	Auction Misc	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500
25	Surplus/Scrap	0	0	0	0	0	0	0	0	0	0	0
26	Other Miscellaneous Revenue	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
27	Insurance Settlement	29,900	29,900	29,900	29,900	29,900	29,900	29,900	29,900	29,900	29,900	29,900
28	**Total Other Operating Revenue**	**$ 2,780,073**	**$ 2,780,066**	**$ 2,828,162**	**$ 2,877,292**	**$ 2,927,478**	**$ 2,978,743**	**$ 3,031,110**	**$ 3,084,603**	**$ 3,139,246**	**$ 3,195,063**	**$ 3,252,080**
29	**Non-Operating Revenue:**											
30	Interest Income	$ 300,310	239,428	263,644	319,717	344,364	405,116	420,138	386,783	387,362	399,896	416,976
31	Interest Income - Restricted	70,201	61,163	46,896	54,988	34,207	19,296	26,997	35,165	43,822	52,991	62,699
32	**Total Non-Operating Revenue**	**$ 370,512**	**$ 300,591**	**$ 310,540**	**$ 374,706**	**$ 378,571**	**$ 424,411**	**$ 447,135**	**$ 421,949**	**$ 431,184**	**$ 452,888**	**$ 479,675**
33	**TOTAL OPERATING CASH INFLOWS**	**$ 23,238,355**	**$ 23,632,660**	**$ 24,326,198**	**$ 25,094,673**	**$ 25,823,781**	**$ 26,617,318**	**$ 27,370,681**	**$ 28,097,883**	**$ 28,881,928**	**$ 29,701,560**	**$ 30,550,110**

*Reclaimed water rate increase is a result of the Cost of Service analysis and target cost recoveries from the rates.

Projection of Cash Outflows — Schedule 5

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	**FUND 421 UTILITY ADMIN EXP DEPARTMENT 1201**											
2	*Exp - Insurance*											
3	536.45-00 - INSURANCE	$ 6,571	$ 6,768	$ 6,971	$ 7,180	$ 7,396	$ 7,618	$ 7,846	$ 8,082	$ 8,324	$ 8,574	$ 8,831
4	*Exp - Maintenance*											
5	536.46-00 - REPAIR & MAINTENANCE SVCS	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
6	536.46-02 - REPAIR & MAINT / COMPUTER DEVICES	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
7	536.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR	700	721	743	765	788	811	836	861	887	913	941
8	536.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS	500	515	530	546	563	580	597	615	633	652	672
9	536.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER	300	309	318	328	338	348	358	369	380	391	403
10	536.46-40 - REPAIR & MAINT / INFO SYS	107,877	111,113	114,447	117,880	121,417	125,059	128,811	132,675	136,655	140,755	144,978
11	*Exp - Miscellaneous, services and supplies*											
12	536.40-00 - TRAVEL AND TRAINING	3,700	3,811	3,925	4,043	4,164	4,289	4,418	4,551	4,687	4,828	4,972
13	536.41-00 - COMMUNICATION SERVICES	12,768	13,151	13,546	13,952	14,370	14,802	15,246	15,703	16,174	16,659	17,159
14	536.41-40 - COMMUNICATION SVCS- IS	33,636	34,645	35,684	36,755	37,858	38,993	40,163	41,368	42,609	43,887	45,204
15	536.42-00 - FREIGHT & POSTAGE	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
16	536.44-00 - RENTALS & LEASES	14,500	14,935	15,383	15,845	16,320	16,809	17,314	17,833	18,368	18,919	19,487
17	536.44-08 - RENTALS & LEASES / DOCUMATCH SYSTEM	13,598	14,006	14,426	14,859	15,305	15,764	16,237	16,724	17,226	17,742	18,275
18	536.44-50 - RENTALS & LEASES-FLEET REPL	6,146	6,330	6,520	6,716	6,917	7,125	7,339	7,559	7,786	8,019	8,260
19	536.47-00 - PRINTING AND BINDING	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159
20	536.49-00 - OTHER CHARGES/OBLIGATIONS	493,890	508,707	523,968	539,687	555,878	572,554	589,730	607,422	625,645	644,414	663,747
21	536.51-00 - OFFICE SUPPLIES	5,456	5,620	5,788	5,962	6,141	6,325	6,515	6,710	6,911	7,119	7,332
22	536.52-00 - OPERATING SUPPLIES	16,600	17,098	17,611	18,139	18,683	19,244	19,821	20,416	21,028	21,659	22,309
23	536.52-35 - OPERATING SUPPLIES / GASOLINE	500	515	530	546	563	580	597	615	633	652	672
24	536.54-00 - BOOKS, PUBS, SUBS, MEMBER	1,679	1,729	1,781	1,835	1,890	1,946	2,005	2,065	2,127	2,191	2,256
25	*Exp - Professional Services*											
26	536.31-00 - PROFESSIONAL SERVICES	417,123	361,858	293,146	301,940	310,998	407,274	419,492	432,077	445,039	458,390	472,142
27	536.31-03 - PROFESSIONAL SERVICES / LEGAL	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598
28	536.31-05 - PROFESSIONAL SERVICES / ADVERTISING	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
29	536.31-40 - PROFESSIONAL SERVICES / INFO SYS	29,274	30,152	31,057	31,988	32,948	33,937	34,955	36,003	37,083	38,196	39,342
30	536.32-00 - ACCOUNTING AND AUDITING	16,891	17,398	17,920	18,457	19,011	19,581	20,169	20,774	21,397	22,039	22,700
31	536.34-00 - OTHER CONTRACTUAL SERVICE	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016
32	*Exp - Salaries and Wages*											
33	536.12-00 - REGULAR SALARIES & WAGES	648,772	671,479	694,981	719,305	744,481	770,538	797,506	825,419	854,309	884,210	915,157
34	536.14-00 - OVERTIME	100	104	107	111	115	119	123	127	132	136	141
35	536.15-00 - SPECIAL PAY	1,743	1,804	1,867	1,932	2,000	2,070	2,143	2,218	2,295	2,376	2,459
36	536.21-00 - FICA	50,709	52,484	54,321	56,222	58,190	60,226	62,334	64,516	66,774	69,111	71,530
37	536.22-00 - RETIREMENT CONTRIBUTIONS	52,114	53,938	55,826	57,780	59,802	61,895	64,061	66,304	68,624	71,026	73,512
38	536.23-00 - LIFE AND HEALTH INSURANCE	162,847	168,547	174,446	180,551	186,871	193,411	200,181	207,187	214,438	221,944	229,712
39	536.24-00 - WORKERS' COMPENSATION	1,332	1,379	1,427	1,477	1,529	1,582	1,637	1,695	1,754	1,815	1,879
40	**TOTAL FUND 421 UTILITY ADMIN EXP DEPARTMENT 1201**	**$ 2,200,326**	**$ 2,203,145**	**$ 2,194,420**	**$ 2,265,168**	**$ 2,338,210**	**$ 2,500,566**	**$ 2,581,033**	**$ 2,664,104**	**$ 2,749,864**	**$ 2,838,401**	**$ 2,929,807**
41	**FUND 421 UTILITIES DISTRIBUTION DEPARTMENT 1202**											
42	*Exp - Insurance*											
43	536.45-00 - INSURANCE	$ 24,845	$ 25,590	$ 26,358	$ 27,149	$ 27,963	$ 28,802	$ 29,666	$ 30,556	$ 31,473	$ 32,417	$ 33,390
44	*Exp - Maintenance*											
45	536.46-00 - REPAIR & MAINTENANCE SVCS	805,469	829,633	854,522	880,158	906,562	933,759	961,772	990,625	1,020,344	1,050,954	1,082,483
46	536.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317
47	536.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878
48	536.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
49	*Exp - Miscellaneous, services and supplies*											
50	536.40-00 - TRAVEL AND TRAINING	13,900	14,317	14,747	15,189	15,645	16,114	16,597	17,095	17,608	18,136	18,680
51	536.42-00 - FREIGHT & POSTAGE	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
52	536.44-00 - RENTALS AND LEASES	10,304	10,613	10,932	11,259	11,597	11,945	12,304	12,673	13,053	13,444	13,848
53	536.44-50 - RENTALS AND LEASES-FLEET REPL	155,215	159,871	164,668	169,608	174,696	179,937	185,335	190,895	196,622	202,520	208,596
54	536.47-00 - PRINTING AND BINDING	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
55	536.51-00 - OFFICE SUPPLIES	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
56	536.52-00 - OPERATING SUPPLIES	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
57	536.52-04 - OPERATING SUPP/TREES, SHRUBS, & SOD	4,000	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376
58	536.52-25 - OPER SUPP / SAFETY SHOES REIMBURSE	3,750	3,863	3,978	4,098	4,221	4,347	4,478	4,612	4,750	4,893	5,040
59	536.52-35 - OPERATING SUPPLIES / GASOLINE	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757
60	536.53-00 - ROAD MATERIALS & SUPPLIES	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407
61	536.54-00 - BOOKS, PUBS, SUBS, MEMBER	1,950	2,009	2,069	2,131	2,195	2,261	2,328	2,398	2,470	2,544	2,621
62	*Exp - Professional/Contractual Services*											
63	536.31-00 - PROFESSIONAL SERVICES	368,042	309,000	265,225	273,182	281,377	289,819	298,513	307,468	316,693	326,193	335,979
64	536.34-00 - OTHER CONTRACTUAL SERVICE	22,700	23,381	24,082	24,805	25,549	26,316	27,105	27,918	28,756	29,618	30,507
65	*Exp - Salaries and Wages*											
66	536.12-00 - REGULAR SALARIES & WAGES	1,075,242	1,112,875	1,151,826	1,192,140	1,233,865	1,277,050	1,321,747	1,368,008	1,415,888	1,465,444	1,516,735
67	536.14-00 - OVERTIME	25,000	25,875	26,781	27,718	28,688	29,692	30,731	31,807	32,920	34,072	35,265
68	536.15-00 - SPECIAL PAY	29,427	30,457	31,523	32,626	33,768	34,950	36,173	37,439	38,750	40,106	41,510
69	536.21-00 - FICA	86,420	89,445	92,575	95,815	99,169	102,640	106,232	109,950	113,799	117,782	121,904
70	536.22-00 - RETIREMENT CONTRIBUTIONS	90,327	93,488	96,761	100,147	103,652	107,280	111,035	114,921	118,943	123,106	127,415
71	536.23-00 - LIFE AND HEALTH INSURANCE	407,116	421,365	436,113	451,377	467,175	483,526	500,450	517,965	536,094	554,857	574,277
72	536.24-00 - WORKERS' COMPENSATION	25,663	26,561	27,491	28,453	29,449	30,480	31,546	32,651	33,793	34,976	36,200
73	**TOTAL FUND 421 UTILITIES DISTRIBUTION DEPARTMENT 1202**	**$ 3,320,370**	**$ 3,358,594**	**$ 3,415,307**	**$ 3,527,082**	**$ 3,642,535**	**$ 3,761,790**	**$ 3,884,972**	**$ 4,012,211**	**$ 4,143,641**	**$ 4,279,401**	**$ 4,419,635**
74	**FUND 421 WATER PRODUCTION EXP DEPARTMENT 1203**											
75	*Exp - Insurance*											
76	533.45-00 - INSURANCE	$ 122,361	$ 126,032	$ 129,813	$ 133,707	$ 137,718	$ 141,850	$ 146,105	$ 150,489	$ 155,003	$ 159,653	$ 164,443
77	*Exp - Maintenance*											
78	533.46-00 - REPAIR & MAINTENANCE SVCS	340,115	350,318	360,828	371,653	382,802	394,287	406,115	418,299	430,848	443,773	457,086
79	533.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR	4,100	4,223	4,350	4,480	4,615	4,753	4,896	5,042	5,194	5,350	5,510
80	533.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS	5,800	5,974	6,153	6,338	6,528	6,724	6,926	7,133	7,347	7,568	7,795
81	533.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
82	*Exp - Miscellaneous, services and supplies*											
83	533.40-00 - TRAVEL AND TRAINING	5,800	5,974	6,153	6,338	6,528	6,724	6,926	7,133	7,347	7,568	7,795
84	533.42-00 - FREIGHT & POSTAGE	450	464	477	492	506	522	537	553	570	587	605
85	533.44-00 - RENTALS AND LEASES	3,120	3,214	3,310	3,409	3,512	3,617	3,725	3,837	3,952	4,071	4,193
86	533.44-50 - RENTALS AND LEASES-FLEET REPL	14,691	15,132	15,586	16,053	16,535	17,031	17,542	18,068	18,610	19,168	19,743
87	533.47-00 - PRINTING AND BINDING	500	515	530	546	563	580	597	615	633	652	672
88	533.48-00 - PROMOTIONAL ACTIVITIES	57,400	59,122	60,896	62,723	64,604	66,542	68,539	70,595	72,713	74,894	77,141
89	533.51-00 - OFFICE SUPPLIES	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
90	533.52-00 - OPERATING SUPPLIES	339,000	349,170	359,645	370,434	381,547	392,994	404,784	416,927	429,435	442,318	455,588
91	533.52-02 - OPER SUPPLIES / ODOR CONTROL	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195	50,671	52,191	53,757
92	533.52-04 - OPER SUPP / TREES, SHRUBS, SOD	500	515	530	546	563	580	597	615	633	652	672
93	533.52-25 - OPER SUPP / SAFETY SHOES REIMBURS	2,250	2,318	2,387	2,459	2,532	2,608	2,687	2,767	2,850	2,936	3,024
94	533.52-35 - OPERATING SUPPLIES / GASOLINE	12,750	13,133	13,526	13,932	14,350	14,781	15,224	15,681	16,151	16,636	17,135
95	533.54-00 - BOOKS, PUBS, SUBS, MEMBER	13,675	14,085	14,508	14,943	15,391	15,853	16,329	16,819	17,323	17,843	18,378
96	*Exp - Professional Services*											
97	533.31-00 - PROFESSIONAL SERVICES	903,866	255,440	250,372	243,678	490,722	351,260	361,798	372,652	383,831	395,346	407,207
98	533.34-00 - OTHER CONTRACTUAL SERVICE	145,262	149,620	154,108	158,732	163,494	168,398	173,450	178,654	184,014	189,534	195,220

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
99	*Exp - Salaries and Wages*											
100	533.12-00 - REGULAR SALARIES & WAGES	727,538	753,002	779,357	806,634	834,867	864,087	894,330	925,632	958,029	991,560	1,026,264
101	533.14-00 - OVERTIME	35,000	36,225	37,493	38,805	40,163	41,569	43,024	44,530	46,088	47,701	49,371
102	533.15-00 - SPECIAL PAY	25,181	26,062	26,975	27,919	28,896	29,907	30,954	32,037	33,159	34,319	35,520
103	533.21-00 - FICA	60,259	62,368	64,551	66,810	69,149	71,569	74,074	76,666	79,350	82,127	85,001
104	533.22-00 - RETIREMENT CONTRIBUTIONS	68,144	70,529	72,998	75,552	78,197	80,934	83,766	86,698	89,733	92,873	96,124
105	533.23-00 - LIFE AND HEALTH INSURANCE	244,270	252,819	261,668	270,827	280,305	290,116	300,270	310,780	321,657	332,915	344,567
106	533.24-00 - WORKERS' COMPENSATION	22,845	23,645	24,472	25,329	26,215	27,133	28,082	29,065	30,083	31,135	32,225
107	*Exp - Utilities*											
108	533.43-00 - UTILITY SERVICES	380,370	391,781	403,535	415,641	428,110	440,953	454,182	467,807	481,841	496,297	511,185
109	*Exp - Non-Operating*											
110	533.90-00 LIME SLUDGE CLEANUP*	2,180,302	-	-	-	-	-	-	-	-	-	-
111	**TOTAL FUND 421 WATER PRODUCTION EXP DEPARTMENT 1203**	**$ 5,760,549**	**$ 3,018,029**	**$ 3,101,962**	**$ 3,187,153**	**$ 3,529,060**	**$ 3,487,538**	**$ 3,599,190**	**$ 3,714,438**	**$ 3,833,399**	**$ 3,956,191**	**$ 4,082,940**
112	**FUND 421 WATER RECLAMATION EXP DEPARTMENT 1204**											
113	*Exp - Insurance*											
114	535.45-00 - INSURANCE	$ 212,355	$ 218,726	$ 225,287	$ 232,046	$ 239,007	$ 246,178	$ 253,563	$ 261,170	$ 269,005	$ 277,075	$ 285,387
115	*Exp - Maintenance*											
116	535.46-00 - REPAIR & MAINTENANCE SVCS	407,850	420,086	432,688	445,669	459,039	472,810	486,994	501,604	516,652	532,152	548,116
117	535.46-37 - REPAIR & MAINT / FLEET MAINT- LABOR	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
118	535.46-38 - REPAIR & MAINT / FLEET MAINT- PARTS	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407
119	535.46-39 - REPAIR & MAINT / FLEET MAINT- OTHER	6,500	6,695	6,896	7,103	7,316	7,535	7,761	7,994	8,234	8,481	8,735
120	*Exp - Miscellaneous, services and supplies*											
121	535.40-00 - TRAVEL AND TRAINING	3,840	3,955	4,074	4,196	4,322	4,452	4,585	4,723	4,864	5,010	5,161
122	535.42-00 - FREIGHT & POSTAGE	750	773	796	820	844	869	896	922	950	979	1,008
123	535.44-00 - RENTALS AND LEASES	8,440	8,693	8,954	9,223	9,499	9,784	10,078	10,380	10,692	11,012	11,343
124	535.44-50 - RENTALS AND LEASES-FLEET REPL	79,902	82,299	84,768	87,311	89,930	92,628	95,407	98,269	101,217	104,254	107,382
125	535.47-00 - PRINTING & BINDING	400	412	424	437	450	464	478	492	507	522	538
126	535.51-00 - OFFICE SUPPLIES	3,500	3,605	3,713	3,825	3,939	4,057	4,179	4,305	4,434	4,567	4,704
127	535.52-00 - OPERATING SUPPLIES	187,500	193,125	198,919	204,886	211,033	217,364	223,885	230,601	237,519	244,645	251,984
128	535.52-02 - OPER SUPP / ODOR CONTROL	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587
129	535.52-04 - OPER SUPP / TREES, SHRUBS, & SOD	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344
130	535.52-25 - OPER SUPP / SAFETY SHOES REIMBURSE	1,050	1,082	1,114	1,147	1,182	1,217	1,254	1,291	1,330	1,370	1,411
131	535.52-35 - OPERATING SUPPLIES / GASOLINE	38,000	39,140	40,314	41,524	42,769	44,052	45,374	46,735	48,137	49,581	51,069
132	535.54-00 - BOOKS, SUBSCRIPTIONS	8,814	9,078	9,351	9,631	9,920	10,218	10,524	10,840	11,165	11,500	11,845
133	*Exp - Professional Services*											
134	535.31-00 - PROFESSIONAL SERVICES	213,237	103,000	424,360	152,982	264,495	376,764	388,067	399,709	411,700	424,051	436,773
135	535.34-00 - OTHER CONTRACTUAL SERVICE	363,532	374,438	385,671	397,241	409,158	421,433	434,076	447,099	460,511	474,327	488,557
136	*Exp - Salaries and Wages*											
137	535.12-00 - REGULAR SALARIES & WAGES	917,439	949,549	982,784	1,017,181	1,052,782	1,089,630	1,127,767	1,167,239	1,208,092	1,250,375	1,294,138
138	535.14-00 - OVERTIME	50,000	51,750	53,561	55,436	57,376	59,384	61,463	63,614	65,840	68,145	70,530
139	535.15-00 - SPECIAL PAY	28,491	29,488	30,520	31,588	32,694	33,838	35,023	36,249	37,517	38,830	40,189
140	535.21-00 - FICA	76,190	78,857	81,617	84,473	87,430	90,490	93,657	96,935	100,328	103,839	107,474
141	535.22-00 - RETIREMENT CONTRIBUTIONS	81,173	84,014	86,955	89,998	93,148	96,408	99,782	103,275	106,889	110,630	114,503
142	535.23-00 - LIFE & HEALTH INSURANCE	276,839	286,528	296,557	306,936	317,679	328,798	340,306	352,217	364,544	377,303	390,509
143	535.24-00 - WORKERS' COMPENSATION	31,604	32,710	33,855	35,040	36,266	37,536	38,849	40,209	41,616	43,073	44,581
144	*Exp - Utilities*											
145	535.43-00 - UTILITY SERVICES	361,827	372,682	383,862	395,378	407,239	419,457	432,040	445,002	458,352	472,102	486,265
146	535.43-02 - UTILITY SERVICES / LIFT STATIONS	118,609	122,167	125,832	129,607	133,495	137,500	141,625	145,874	150,250	154,758	159,401
147	**TOTAL FUND 421 WATER RECLAMATION EXP DEPARTMENT 1204**	**$ 3,645,842**	**$ 3,645,892**	**$ 4,081,103**	**$ 3,927,256**	**$ 4,160,101**	**$ 4,397,625**	**$ 4,538,234**	**$ 4,683,366**	**$ 4,833,165**	**$ 4,987,784**	**$ 5,147,379**

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
148	*Additional Expenses*											
149	FTE Additions 1202	$ -	$ 160,258	$ 165,867	$ 171,672	$ 177,681	$ 183,900	$ 190,336	$ 196,998	$ 203,893	$ 211,029	$ 218,415
150	FTE Additions 1203	-	80,967	83,801	86,734	89,770	92,911	96,163	99,529	103,013	106,618	110,350
151	FTE Additions 1204	-	139,039	143,905	148,942	154,155	159,550	165,135	170,914	176,896	183,088	189,496
152	Backflow Device Program	-	302,017	311,078	320,410	330,022	339,923	350,120	360,624	371,443	382,586	394,064
153	**TOTAL OPERATING EXPENSES**	**$ 14,927,087**	**$ 12,907,940**	**$ 13,497,443**	**$ 13,634,417**	**$ 14,421,534**	**$ 14,923,804**	**$ 15,405,184**	**$ 15,902,184**	**$ 16,415,314**	**$ 16,945,099**	**$ 17,492,085**
154	**Operating Expense Summary by Category**											
155	Personal Services	$ 5,301,785	$ 5,867,611	$ 6,072,978	$ 6,285,532	$ 6,505,526	$ 6,733,219	$ 6,968,882	$ 7,212,793	$ 7,465,240	$ 7,726,524	$ 7,996,952
156	Fixed Operating Expense	7,445,000	6,738,312	7,113,388	7,028,475	7,585,986	7,850,662	8,086,182	8,328,767	8,578,630	8,835,989	9,101,069
157	Variable Operating Expenses	2,180,302	302,017	311,078	320,410	330,022	339,923	350,120	360,624	371,443	382,586	394,064
158	**Total Operating Expenses by Category**	**$ 14,927,087**	**$ 12,907,940**	**$ 13,497,443**	**$ 13,634,417**	**$ 14,421,534**	**$ 14,923,804**	**$ 15,405,184**	**$ 15,902,184**	**$ 16,415,314**	**$ 16,945,099**	**$ 17,492,085**
159	**Operating Expense Execution**											
160	Personal Services	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
161	Fixed Operating Expense	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
162	Variable Operating Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
163	**Executed Operating Expenses**											
164	Personal Services	$ 5,036,696	$ 5,574,231	$ 5,769,329	$ 5,971,255	$ 6,180,249	$ 6,396,558	$ 6,620,438	$ 6,852,153	$ 7,091,978	$ 7,340,198	$ 7,597,105
165	Fixed Operating Expense	6,700,500	6,064,480	6,402,049	6,325,627	6,827,387	7,065,596	7,277,564	7,495,891	7,720,767	7,952,390	8,190,962
166	Variable Operating Expenses	2,180,302	302,017	311,078	320,410	330,022	339,923	350,120	360,624	371,443	382,586	394,064
167	**Total Executed Operating Expenses**	**$ 13,917,498**	**$ 11,940,728**	**$ 12,482,455**	**$ 12,617,293**	**$ 13,337,659**	**$ 13,802,077**	**$ 14,248,122**	**$ 14,708,668**	**$ 15,184,188**	**$ 15,675,174**	**$ 16,182,130**
168	**Transfers Out:**											
169	536.49-02 - Administrative Charges	$ 1,509,724	1,562,564	1,617,254	1,673,858	1,732,443	1,793,079	1,855,836	1,920,791	1,988,018	2,057,599	2,129,615
170	9902-581.91-28 - Transfers To Fleet Fund	1,265,010	-	-	-	-	-	-	-	-	-	-
171	Sarasota County 10% Revenue Restriction	223,737	223,737	228,546	233,459	238,478	243,604	248,841	254,190	259,655	265,236	270,938
172	**Total Transfers Out**	**$ 2,998,471**	**$ 1,786,301**	**$ 1,845,800**	**$ 1,907,317**	**$ 1,970,921**	**$ 2,036,683**	**$ 2,104,677**	**$ 2,174,981**	**$ 2,247,673**	**$ 2,322,835**	**$ 2,400,553**
173	**Debt Service Payments:**											
174	Existing Outstanding Debt	$ 2,809,430	2,927,059	2,929,134	2,923,902	2,921,079	2,927,324	2,490,594	2,492,719	2,497,744	2,495,722	2,494,116
175	Cumulative Annual New Debt Service (model calculated)**	-	413,237	963,170	1,638,859	2,001,293	2,014,796	2,123,035	2,422,646	2,858,587	3,356,878	3,893,551
176	**Total Debt Service Payments**	**$ 2,809,430**	**$ 3,340,296**	**$ 3,892,304**	**$ 4,562,761**	**$ 4,922,372**	**$ 4,942,120**	**$ 4,613,629**	**$ 4,915,365**	**$ 5,356,331**	**$ 5,852,600**	**$ 6,387,667**
177	**TOTAL OPERATING CASH OUTFLOWS**	**$ 19,725,399**	**$ 17,067,326**	**$ 18,220,560**	**$ 19,087,371**	**$ 20,230,952**	**$ 20,780,879**	**$ 20,966,428**	**$ 21,799,013**	**$ 22,788,192**	**$ 23,850,610**	**$ 24,970,350**

*Represents accrual basis accounting for this project.
**The City is assuming new subordinate debt service payments will begin in the year following the debt issuance.

Operating Cost Escalation Factors — Schedule 6

Operating Expense Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Fixed Operations & Maintenance Costs	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Salaries	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Utilities, Fuel, Chemicals	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Admin Services	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

Forecast of Net Revenues and Debt Service Coverage

Schedule 7

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	**Water Rate Revenue**											
2	Water Base Rate Revenue	$ 5,012,535	$ 5,012,535	$ 5,087,724	$ 5,275,066	$ 5,469,307	$ 5,670,701	$ 5,879,510	$ 6,096,009	$ 6,320,479	$ 6,553,215	$ 6,794,520
3	Additional Rate Revenue From Growth	-	75,188	76,316	79,126	82,040	85,061	88,193	91,440	94,807	98,298	101,918
4	Proposed Water Rate Adjustments	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%
5	Additional Rate Revenue From Rate Adjustment	-	-	111,027	115,115	119,354	123,749	128,306	133,030	137,929	143,008	148,273
6	**Total Revenue Generated from Admin/Customer Charges**	**$ 5,012,535**	**$ 5,087,724**	**$ 5,275,066**	**$ 5,469,307**	**$ 5,670,701**	**$ 5,879,510**	**$ 6,096,009**	**$ 6,320,479**	**$ 6,553,215**	**$ 6,794,520**	**$ 7,044,712**
7	Billing Charge Revenue	200,620	200,620	492,784	510,930	529,743	549,250	569,474	590,444	612,186	634,728	658,100
8	Additional Billing Charge Revenue from Growth	-	3,009	7,392	7,664	7,946	8,239	8,542	8,857	9,183	9,521	9,872
9	Proposed Water Billing Rate Adjustments	0.00%	142.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%
10	Additional Revenue from Rate Increase	-	289,154	10,754	11,150	11,560	11,986	12,427	12,885	13,359	13,851	14,361
11	**Total Billing Charge Revenue**	**$ 200,620**	**$ 492,784**	**$ 510,930**	**$ 529,743**	**$ 549,250**	**$ 569,474**	**$ 590,444**	**$ 612,186**	**$ 634,728**	**$ 658,100**	**$ 682,333**
12	Revenue Generated from Usage Rates	4,492,498	4,492,498	4,537,086	4,680,633	4,828,720	4,981,493	5,139,100	5,301,692	5,469,429	5,642,473	5,820,992
13	Additional Revenue from Growth	-	44,588	45,031	46,455	47,925	49,441	51,006	52,619	54,284	56,002	57,773
14	Proposed Water Usage Rate Adjustments	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%
15	Additional Rate Revenue From Rate Adjustment	-	-	98,516	101,632	104,848	108,165	111,587	115,118	118,760	122,517	126,393
16	**Total Water Rate Revenue**	**$ 9,705,654**	**$ 10,117,594**	**$ 10,466,628**	**$ 10,827,771**	**$ 11,201,444**	**$ 11,588,084**	**$ 11,988,145**	**$ 12,402,094**	**$ 12,830,416**	**$ 13,273,612**	**$ 13,732,203**
17	**Sewer Rate Revenue**											
18	Sewer Base Rate Revenue	$ 4,995,138	$ 4,995,138	$ 5,020,114	$ 5,153,687	$ 5,290,814	$ 5,431,589	$ 5,576,110	$ 5,724,476	$ 5,876,790	$ 6,033,157	$ 6,193,684
19	Additional Base Rate Revenue From Growth	-	24,976	25,101	25,768	26,454	27,158	27,881	28,622	29,384	30,166	30,968
20	Proposed Base Rate Adjustments	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%
21	Additional Base Rate Revenue From Rate Adjustment	-	-	108,472	111,358	114,321	117,363	120,486	123,692	126,983	130,361	133,830
22	**Total Revenue Generated from Admin/Customer Charges**	**$ 4,995,138**	**$ 5,020,114**	**$ 5,153,687**	**$ 5,290,814**	**$ 5,431,589**	**$ 5,576,110**	**$ 5,724,476**	**$ 5,876,790**	**$ 6,033,157**	**$ 6,193,684**	**$ 6,358,483**
23	Revenue Generated from Usage Rates	4,665,000	4,665,000	4,664,883	4,765,059	4,867,386	4,971,910	5,078,679	5,187,741	5,299,145	5,412,942	5,529,182
24	Additional Revenue from Growth	-	(117)	(117)	(119)	(122)	(124)	(127)	(130)	(132)	(135)	(138)
25	Proposed Sewer Usage Rate Adjustments	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%
26	Additional Rate Revenue From Rate Adjustment	-	-	100,292	102,446	104,646	106,893	109,189	111,534	113,929	116,375	118,874
27	**Total Sewer Rate Revenue**	**$ 9,660,138**	**$ 9,684,997**	**$ 9,918,746**	**$ 10,158,199**	**$ 10,403,499**	**$ 10,654,789**	**$ 10,912,218**	**$ 11,175,936**	**$ 11,446,099**	**$ 11,722,866**	**$ 12,006,400**
28	**Reclaimed Rate Revenue**											
29	Reclaimed Usage Rate Revenue	$ 721,978	$ 721,978	$ 749,412	$ 802,122	$ 856,705	$ 912,789	$ 971,290	$ 992,073	$ 1,013,302	$ 1,034,984	$ 1,057,131
30	Additional Rate Revenue From Growth	-	(72)	(75)	(80)	(86)	(91)	(97)	(99)	(101)	(103)	(106)
31	Proposed Reclaimed Rate Adjustments	0.00%	3.81%	7.04%	6.82%	6.56%	6.42%	2.15%	2.15%	2.15%	2.15%	2.15%
32	Additional Rate Revenue From Rate Adjustment	-	27,506	52,785	54,663	56,169	58,592	20,881	21,327	21,784	22,250	22,726
33	**Total Reclaimed Rate Revenue**	**$ 721,978**	**$ 749,412**	**$ 802,122**	**$ 856,705**	**$ 912,789**	**$ 971,290**	**$ 992,073**	**$ 1,013,302**	**$ 1,034,984**	**$ 1,057,131**	**$ 1,079,751**
34	**Total Water, Sewer, and Reclaimed Rate Revenue**	**$ 20,087,771**	**$ 20,552,003**	**$ 21,187,496**	**$ 21,842,675**	**$ 22,517,732**	**$ 23,214,164**	**$ 23,892,436**	**$ 24,591,331**	**$ 25,311,498**	**$ 26,053,609**	**$ 26,818,355**
35	**Plus: Other Operating Revenues**											
36	Other Operating Revenues	$ 2,780,073	$ 2,780,066	$ 2,828,162	$ 2,877,292	$ 2,927,478	$ 2,978,743	$ 3,031,110	$ 3,084,603	$ 3,139,246	$ 3,195,063	$ 3,252,080
37	**Equals: Total Operating Revenue**	**$ 22,867,844**	**$ 23,332,069**	**$ 24,015,658**	**$ 24,719,967**	**$ 25,445,210**	**$ 26,192,907**	**$ 26,923,546**	**$ 27,675,934**	**$ 28,450,744**	**$ 29,248,672**	**$ 30,070,435**
38	**Less: Operating Expenses**											
39	Personal Services	$ (5,036,696)	$ (5,574,231)	$ (5,769,329)	$ (5,971,255)	$ (6,180,249)	$ (6,396,558)	$ (6,620,438)	$ (6,852,153)	$ (7,091,978)	$ (7,340,198)	$ (7,597,105)
40	Variable O&M	(2,180,302)	(302,017)	(311,078)	(320,410)	(330,022)	(339,923)	(350,120)	(360,624)	(371,443)	(382,586)	(394,064)
41	Fixed O&M	(6,700,500)	(6,064,480)	(6,402,049)	(6,325,627)	(6,827,387)	(7,065,596)	(7,277,564)	(7,495,891)	(7,720,767)	(7,952,390)	(8,190,962)
42	**Equals: Net Operating Income**	**$ 8,950,346**	**$ 11,391,340**	**$ 11,533,203**	**$ 12,102,675**	**$ 12,107,551**	**$ 12,390,830**	**$ 12,675,424**	**$ 12,967,266**	**$ 13,266,556**	**$ 13,573,498**	**$ 13,888,305**
43	**Plus: Non-Operating Income/(Expense)**											
44	Interest Income - Unrestricted	$ 300,310	$ 239,428	$ 263,644	$ 319,717	$ 344,364	$ 405,116	$ 420,138	$ 386,783	$ 387,362	$ 399,896	$ 416,976
45	Restricted Interest Income	70,201	61,163	46,896	54,988	34,207	19,296	26,997	35,165	43,822	52,991	62,699
46	Transfers In	-	-	-	-	-	-	-	-	-	-	-
47	**Equals: Operating Fund Net Income**	**$ 9,320,857**	**$ 11,691,931**	**$ 11,843,743**	**$ 12,477,380**	**$ 12,486,122**	**$ 12,815,241**	**$ 13,122,559**	**$ 13,389,215**	**$ 13,697,740**	**$ 14,026,385**	**$ 14,367,980**
48	**Less: Revenues Excluded From Coverage Test**											
49	Other Capital Funding Sources	(70,201)	(61,163)	(46,896)	(54,988)	(34,207)	(19,296)	(26,997)	(35,165)	(43,822)	(52,991)	(62,699)
50	Transfers In	-	-	-	-	-	-	-	-	-	-	-
51	**Equals: Net Income Available For Debt Service**	**$ 9,250,656**	**$ 11,630,769**	**$ 11,796,846**	**$ 12,422,392**	**$ 12,451,916**	**$ 12,795,946**	**$ 13,095,562**	**$ 13,354,050**	**$ 13,653,918**	**$ 13,973,394**	**$ 14,305,281**

			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
52	**Senior-Lien Debt Service Coverage Test**												
53	Existing Senior Debt Service		$ 2,259,100	$ 2,257,725	$ 2,259,400	$ 2,253,875	$ 2,251,875	$ 2,257,050	$ 2,251,600	$ 2,253,725	$ 2,258,750	$ 2,256,728	$ 2,255,122
54	Cumulative New Senior-Lien Debt Service		-	78,702	305,948	616,017	755,665	769,168	877,407	1,177,018	1,612,959	2,111,250	2,647,923
55	**Total Senior-Lien Debt Service**		**$ 2,259,100**	**2,336,427**	**2,565,348**	**2,869,892**	**3,007,540**	**3,026,218**	**3,129,007**	**3,430,743**	**3,871,709**	**4,367,978**	**4,903,045**
56	**Calculated Debt Service Coverage (Revenues Only)**	1.50 Req.	**4.09**	**4.98**	**4.60**	**4.33**	**4.14**	**4.23**	**4.19**	**3.89**	**3.53**	**3.20**	**2.92**
57	**Cash Flow Test**												
58	Net Income Available For Senior-Lien Debt Service		$ 9,250,656	$ 11,630,769	$ 11,796,846	$ 12,422,392	$ 12,451,916	$ 12,795,946	$ 13,095,562	$ 13,354,050	$ 13,653,918	$ 13,973,394	$ 14,305,281
59	Total Senior-Lien Debt Service and Coverage		(2,259,100)	(2,336,427)	(2,565,348)	(2,869,892)	(3,007,540)	(3,026,218)	(3,129,007)	(3,430,743)	(3,871,709)	(4,367,978)	(4,903,045)
60	**Net Income Available for Subordinate Debt Service**		**$ 6,991,556**	**$ 9,294,342**	**$ 9,231,499**	**$ 9,552,500**	**$ 9,444,375**	**$ 9,769,728**	**$ 9,966,555**	**$ 9,923,307**	**$ 9,782,209**	**$ 9,605,416**	**$ 9,402,236**
61	**Subordinate Debt Service Coverage Test**												
62	Existing Subordinate Debt Service		$ 550,330	$ 669,334	$ 669,734	$ 670,027	$ 669,204	$ 670,274	$ 238,994	$ 238,994	$ 238,994	$ 238,994	$ 238,994
63	Cumulative New Subordinate Debt Service		-	334,535	657,223	1,022,843	1,245,628	1,245,628	1,245,628	1,245,628	1,245,628	1,245,628	1,245,628
64	**Total Subordinate Debt Service**		**$ 550,330**	**$ 1,003,869**	**$ 1,326,957**	**$ 1,692,870**	**$ 1,914,832**	**$ 1,915,902**	**$ 1,484,622**	**$ 1,484,622**	**$ 1,484,622**	**$ 1,484,622**	**$ 1,484,622**
65	**Calculated Debt Service Coverage**	1.50 Req.	**12.70**	**9.26**	**6.96**	**5.64**	**4.93**	**5.10**	**6.71**	**6.68**	**6.59**	**6.47**	**6.33**
66	**Net Income Available For Debt Service**		**$ 9,250,656**	**$ 11,630,769**	**$ 11,796,846**	**$ 12,422,392**	**$ 12,451,916**	**$ 12,795,946**	**$ 13,095,562**	**$ 13,354,050**	**$ 13,653,918**	**$ 13,973,394**	**$ 14,305,281**
67	Less: Non-Operating Expenditures												
68	Net Interfund Transfers (In - Out)		(2,998,471)	(1,786,301)	(1,845,800)	(1,907,317)	(1,970,921)	(2,036,683)	(2,104,677)	(2,174,981)	(2,247,673)	(2,322,835)	(2,400,553)
69	Net Debt Service Payment (Debt Service - Plant Capacity Charges Payme		(2,585,692)	(3,116,560)	(3,663,758)	(4,329,302)	(4,683,895)	(4,698,515)	(4,364,788)	(4,661,175)	(5,096,677)	(5,587,364)	(6,116,729)
77	**Net Cash Flow**		**$ 3,666,492**	**$ 6,727,908**	**$ 6,287,288**	**$ 6,185,773**	**$ 5,797,100**	**$ 6,060,747**	**$ 6,626,097**	**$ 6,517,894**	**$ 6,309,568**	**$ 6,063,195**	**$ 5,787,999**
78	**Available Working Capital Reserve Fund**												
79	Balance At Beginning Of Fiscal Year		$ 23,306,153	$ 14,108,416	$ 11,148,132	$ 11,885,327	$ 12,386,157	$ 14,019,237	$ 18,434,834	$ 15,342,453	$ 14,553,120	$ 14,550,294	$ 14,821,366
80	Minimum Working Capital Reserve Target		10,863,209	11,148,132	11,885,327	12,386,157	12,197,486	11,213,015	15,342,453	14,553,120	14,550,294	14,821,366	15,193,239
81	Excess Working Capital Above Target		12,442,944	2,960,284	-	-	188,671	2,806,222	3,092,381	789,333	2,826	-	-
82	Reserve Fund Balance Used For Cash Flow Deficit		-	-	-	-	-	-	-	-	-	-	-
83	**Excess Fund Balance, Net Of Cash Flow Deficit**		**$ 12,442,944**	**$ 2,960,284**	**$ -**	**$ -**	**$ 188,671**	**$ 2,806,222**	**$ 3,092,381**	**$ 789,333**	**$ 2,826**	**$ -**	**$ -**
84	**Unrestricted Working Capital Reserve Fund Test**												
85	Balance At Beginning Of Fiscal Year		$ 23,306,153	$ 14,108,416	$ 11,148,132	$ 11,885,327	$ 12,386,157	$ 14,019,237	$ 18,434,834	$ 15,342,453	$ 14,553,120	$ 14,550,294	$ 14,821,366
86	Cash Flow Surplus/(Deficit)		3,666,492	6,727,908	6,287,288	6,185,773	5,797,100	6,060,747	6,626,097	6,517,894	6,309,568	6,063,195	5,787,999
87	Projects Designated to be Paid with Cash		-	(275,000)	(275,000)	(275,000)	-	-	-	-	-	-	-
88	Projects Paid with Reserve Funds (Non Specified Funds or Cash)		(12,864,229)	(9,413,192)	(5,275,093)	(5,409,943)	(4,164,020)	(1,645,150)	(9,718,478)	(7,307,227)	(6,312,395)	(5,792,122)	(5,416,127)
89	**Balance At End Of Fiscal Year**		**14,108,416**	**11,148,132**	**11,885,327**	**12,386,157**	**14,019,237**	**18,434,834**	**15,342,453**	**14,553,120**	**14,550,294**	**14,821,366**	**15,193,239**
90	Minimum Working Capital Reserve Target		10,863,209	11,148,132	11,885,327	12,386,157	12,197,486	11,213,015	15,342,453	14,553,120	14,550,294	14,821,366	15,193,239
91	**Excess Working Capital Above Target**		**$ 3,245,207**	**$ -**	**$ -**	**$ -**	**$ 1,821,751**	**$ 7,221,820**	**$ -**	**$ (0)**	**$ (0)**	**$ (0)**	**$ (0)**

Capital Project Funding Summary — Schedule 8

Capital Project Funding Sources:	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Water Plant Capacity Charge	$ 700,000	$ 3,536,887	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sewer Plant Capacity Charge	-	-	-	600,000	2,261,130	-	-	-	-	-	-
Rolled Over Encumbrances	1,258,663	-	-	-	-	-	-	-	-	-	-
2015 Bond Construction Account	2,853,952	-	-	-	-	-	-	-	-	-	-
Grant Fund	500,000	750,000	-	-	-	-	-	-	-	-	-
Operating Fund	12,864,229	9,413,192	5,275,093	5,409,943	4,164,020	1,645,150	9,718,478	7,307,227	6,312,395	5,792,122	5,416,127
Subordinate Debt	5,700,000	5,350,000	5,900,000	3,500,000	-	-	-	-	-	-	-
Senior Debt	-	1,783,422	3,431,182	3,732,632	150,000	150,000	1,857,052	4,268,303	5,263,135	5,783,408	6,159,403
Projects Designated to be Paid with Cash (Operating Fund)	-	275,000	275,000	275,000	-	-	-	-	-	-	-
Total Projects Paid	**$ 23,876,844**	**21,108,500**	**14,881,275**	**13,517,575**	**6,575,150**	**1,795,150**	**11,575,530**	**11,575,530**	**11,575,530**	**11,575,530**	**11,575,530**
Total CIP Input	$ 23,876,844	21,108,500	14,881,275	13,517,575	6,575,150	1,795,150	11,575,530	11,575,530	11,575,530	11,575,530	11,575,530
Variance	$ -	-	-	-	-	-	-	-	-	-	-

Long-Term Borrowing Projections — Schedule 9

			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Term (Years)			20	20	20	20	20	20	20	20	20	20	20
Interest Rate			3.75%	4.00%	4.25%	4.50%	4.75%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Sources of Funds													
Par Amount			$ -	1,967,548	3,792,282	4,133,024	166,399	166,712	2,063,947	4,743,838	5,849,504	6,427,741	6,845,626
Uses of Funds													
Proceeds			$ -	1,783,422	3,431,182	3,732,632	150,000	150,000	1,857,052	4,268,303	5,263,135	5,783,408	6,159,403
Cost of Issuance	2.00%	of Par	-	39,351	75,846	82,660	3,328	3,334	41,279	94,877	116,990	128,555	136,913
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	-	144,776	285,255	317,731	13,071	13,377	165,616	380,658	469,379	515,779	549,311
Other Costs	-		-	-	-	-	-	-	-	-	-	-	-
Total Uses			$ -	1,967,548	3,792,282	4,133,024	166,399	166,712	2,063,947	4,743,837	5,849,504	6,427,741	6,845,627
1 Year Interest			$ -	78,702	161,172	185,986	7,904	8,336	103,197	237,192	292,475	321,387	342,281
Annual Debt Service			$ -	144,776	285,255	317,731	13,071	13,377	165,616	380,658	469,379	515,779	549,311
Total Debt Service			$ -	2,895,513	5,705,097	6,354,619	261,414	267,548	3,312,329	7,613,157	9,387,587	10,315,571	10,986,215
Cumulative Annual New Debt Service*			**$ -**	**$ 78,702**	**$ 305,948**	**$ 616,017**	**$ 755,665**	**$ 769,168**	**$ 877,407**	**$ 1,177,018**	**$ 1,612,959**	**$ 2,111,250**	**$ 2,647,923**

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

Subordinate Debt Service Calculation — Schedule 10

			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Term (Years)			20	20	20	20	20	20	20	20	20	20	20
Interest Rate			1.25%	1.50%	1.75%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Sources of Funds													
Par Amount			$ 5,887,595	5,540,102	6,125,191	3,642,857	-	-	-	-	-	-	-
Uses of Funds													
Proceeds			$ 5,700,000	5,350,000	5,900,000	3,500,000	-	-	-	-	-	-	-
Cost of Issuance	0.00%	of Par	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment Res.	0.00%	of Capital Cost	-	-	-	-	-	-	-	-	-	-	-
Loan Service Fee	2.00%	of Capital Cost	114,000	107,000	118,000	70,000	-	-	-	-	-	-	-
Capitalized Interest	1	Years Interest	73,595	83,102	107,191	72,857	-	-	-	-	-	-	-
Debt Service Reserve	-	Years of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Other Costs	-		-	-	-	-	-	-	-	-	-	-	-
Total Uses			$ 5,887,595	5,540,102	6,125,191	3,642,857	-	-	-	-	-	-	-
1 Year Interest			$ 73,595	83,102	107,191	72,857	-	-	-	-	-	-	-
Annual Debt Service			$ 334,535	322,687	365,620	222,785	-	-	-	-	-	-	-
Total Debt Service			$ 6,690,709	6,453,746	7,312,403	4,455,704	-	-	-	-	-	-	-
Cumulative Annual New Debt Service			**$ 334,535**	**$ 657,223**	**$ 1,022,843**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**
Delayed Debt Service Payment*				**$ 334,535**	**$ 657,223**	**$ 1,022,843**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**	**$ 1,245,628**

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

Funding Summary by Fund — Schedule 11

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
WATER PLANT CAPACITY CHARGE											
Balance at the Beginning of the Fiscal Year	$ 3,446,436	3,318,454	24,888	255,682	501,923	764,047	1,042,872	1,339,250	1,654,079	1,988,296	2,342,884
Additional Annual Revenues	530,000	218,433	228,360	238,739	249,590	260,934	272,793	285,192	298,154	311,705	325,872
Less: Annual Expenses	-	-	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Subtotal	$ 3,976,436	3,536,887	253,249	494,422	751,513	1,024,981	1,315,665	1,624,442	1,952,233	2,300,001	2,668,756
Less: Minimum Fund Balance	-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	$ 3,976,436	3,536,887	253,249	494,422	751,513	1,024,981	1,315,665	1,624,442	1,952,233	2,300,001	2,668,756
Amount Paid for Projects	(700,000)	(3,536,887)	-	-	-	-	-	-	-	-	-
Subtotal	$ 3,276,436	-	253,249	494,422	751,513	1,024,981	1,315,665	1,624,442	1,952,233	2,300,001	2,668,756
Add Back: Minimum Fund Balance	-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	42,018	24,888	2,434	7,501	12,534	17,890	23,585	29,637	36,063	42,883	50,116
Less: Interest Allocated to Cash Flow	-	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year	**$ 3,318,454**	**$ 24,888**	**$ 255,682**	**$ 501,923**	**$ 764,047**	**$ 1,042,872**	**$ 1,339,250**	**$ 1,654,079**	**$ 1,988,296**	**$ 2,342,884**	**$ 2,718,872**
SEWER PLANT CAPACITY CHARGE											
Balance at the Beginning of the Fiscal Year	$ 2,161,579	2,375,962	2,496,903	2,629,008	2,167,218	21,672	120,291	224,332	334,028	449,615	571,342
Additional Annual Revenues	186,200	84,666	87,642	90,723	93,912	97,213	100,630	104,167	107,828	111,619	115,542
Less: Annual Expenses	-	-	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Subtotal	$ 2,347,779	2,460,629	2,584,545	2,719,731	2,261,130	118,885	220,920	328,499	441,856	561,234	686,884
Less: Minimum Fund Balance	-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	$ 2,347,779	2,460,629	2,584,545	2,719,731	2,261,130	118,885	220,920	328,499	441,856	561,234	686,884
Amount Paid for Projects	-	-	-	(600,000)	(2,261,130)	-	-	-	-	-	-
Subtotal	$ 2,347,779	2,460,629	2,584,545	2,119,731	-	118,885	220,920	328,499	441,856	561,234	686,884
Add Back: Minimum Fund Balance	-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	28,183	36,274	44,463	47,487	21,672	1,406	3,412	5,528	7,759	10,108	12,582
Less: Interest Allocated to Cash Flow	-	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year	**$ 2,375,962**	**$ 2,496,903**	**$ 2,629,008**	**$ 2,167,218**	**$ 21,672**	**$ 120,291**	**$ 224,332**	**$ 334,028**	**$ 449,615**	**$ 571,342**	**$ 699,466**
ROLLED OVER ENCUMBRANCES CAPITAL FUND											
Balance at the Beginning of the Fiscal Year	$ 1,258,663	-	-	-	-	-	-	-	-	-	-
Additional Annual Revenues	-	-	-	-	-	-	-	-	-	-	-
Less: Annual Expenses	-	-	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Subtotal	$ 1,258,663	-	-	-	-	-	-	-	-	-	-
Less: Minimum Fund Balance	-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	$ 1,258,663	-	-	-	-	-	-	-	-	-	-
Amount Paid for Projects	(1,258,663)	-	-	-	-	-	-	-	-	-	-
Subtotal	$ -	-	-	-	-	-	-	-	-	-	-
Add Back: Minimum Fund Balance	-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings	7,867	-	-	-	-	-	-	-	-	-	-
Less: Interest Allocated to Cash Flow	(7,867)	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
SEWER WWTP FUND (10% SARASOTA REV)												
Balance at the Beginning of the Fiscal Year	$	-	-	-	-	-	-	-	-	-	-	-
Additional Annual Revenues		223,737	223,737	228,546	233,459	238,478	243,604	248,841	254,190	259,655	265,236	270,938
Less: Annual Expenses		-	-	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service		(223,737)	(223,737)	(228,546)	(233,459)	(238,478)	(243,604)	(248,841)	(254,190)	(259,655)	(265,236)	(270,938)
Subtotal	$	-	-	-	-	-	-	-	-	-	-	-
Less: Minimum Fund Balance		-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	$	-	-	-	-	-	-	-	-	-	-	-
Amount Paid for Projects		-	-	-	-	-	-	-	-	-	-	-
Subtotal	$	-	-	-	-	-	-	-	-	-	-	-
Add Back: Minimum Fund Balance		-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings		-	-	-	-	-	-	-	-	-	-	-
Less: Interest Allocated to Cash Flow		-	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
R&R FUND												
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
Additional Annual Revenues		-	-	-	-	-	-	-	-	-	-	-
Less: Annual Expenses		-	-	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service		-	-	-	-	-	-	-	-	-	-	-
Subtotal	$	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		(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)
Total Amount Available for Projects	$	-	-	-	-	-	-	-	-	-	-	-
Amount Paid for Projects		-	-	-	-	-	-	-	-	-	-	-
Subtotal	$	-	-	-	-	-	-	-	-	-	-	-
Add Back: Minimum Fund Balance		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
Plus: Interest Earnings		12,500	15,000	17,500	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Less: Interest Allocated to Cash Flow		(12,500)	(15,000)	(17,500)	(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**
2015 BOND CONSTRUCTION ACCT												
Balance at the Beginning of the Fiscal Year	$	2,853,952	-	-	-	-	-	-	-	-	-	-
Additional Annual Revenues		-	-	-	-	-	-	-	-	-	-	-
Less: Annual Expenses		-	-	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service		-	-	-	-	-	-	-	-	-	-	-
Subtotal	$	2,853,952	-	-	-	-	-	-	-	-	-	-
Less: Minimum Fund Balance		-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	$	2,853,952	-	-	-	-	-	-	-	-	-	-
Amount Paid for Projects		(2,853,952)	-	-	-	-	-	-	-	-	-	-
Subtotal	$	-	-	-	-	-	-	-	-	-	-	-
Add Back: Minimum Fund Balance		-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings		17,837	-	-	-	-	-	-	-	-	-	-
Less: Interest Allocated to Cash Flow		(17,837)	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
GRANT FUND												
Balance at the Beginning of the Fiscal Year	$	-	-	-	-	-	-	-	-	-	-	-
Additional Annual Revenues		500,000	750,000	-	-	-	-	-	-	-	-	-
Less: Annual Expenses		-	-	-	-	-	-	-	-	-	-	-
Less: Payment of Debt Service		-	-	-	-	-	-	-	-	-	-	-
Subtotal	$	500,000	750,000	-	-	-	-	-	-	-	-	-
Less: Minimum Fund Balance		-	-	-	-	-	-	-	-	-	-	-
Total Amount Available for Projects	$	500,000	750,000	-	-	-	-	-	-	-	-	-
Amount Paid for Projects		(500,000)	(750,000)	-	-	-	-	-	-	-	-	-
Subtotal	$	-	-	-	-	-	-	-	-	-	-	-
Add Back: Minimum Fund Balance		-	-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings		-	-	-	-	-	-	-	-	-	-	-
Less: Interest Allocated to Cash Flow		-	-	-	-	-	-	-	-	-	-	-
Balance at End of Fiscal Year	**$**	**-**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
WATER AND SEWER UTILITY OPERATING FUND												
Balance At Beginning Of Fiscal Year	$	23,306,153	14,108,416	11,148,132	11,885,327	12,386,157	14,019,237	18,434,834	15,342,453	14,553,120	14,550,294	14,821,366
Net Cash Flow		3,666,492	6,727,908	6,287,288	6,185,773	5,797,100	6,060,747	6,626,097	6,517,894	6,309,568	6,063,195	5,787,999
Less: Cash-Funded Capital Projects		-	(275,000)	(275,000)	(275,000)	-	-	-	-	-	-	-
Less: Payment Of Debt Service		-	-	-	-	-	-	-	-	-	-	-
Subtotal	$	26,972,645	20,561,324	17,160,420	17,796,100	18,183,257	20,079,984	25,060,931	21,860,347	20,862,689	20,613,488	20,609,366
Less: Restricted Funds		(10,863,209)	(11,148,132)	(11,885,327)	(12,386,157)	(12,197,486)	(11,213,015)	(15,342,453)	(14,553,120)	(14,550,294)	(14,821,366)	(15,193,239)
Total Amount Available For Projects	$	16,109,436	9,413,192	5,275,093	5,409,943	5,985,771	8,866,970	9,718,478	7,307,227	6,312,395	5,792,122	5,416,127
Amount Paid For Projects		(12,864,229)	(9,413,192)	(5,275,093)	(5,409,943)	(4,164,020)	(1,645,150)	(9,718,478)	(7,307,227)	(6,312,395)	(5,792,122)	(5,416,127)
Subtotal	$	3,245,207	-	-	-	1,821,751	7,221,820	-	-	-	-	-
Add Back: Restricted Funds		10,863,209	11,148,132	11,885,327	12,386,157	12,197,486	11,213,015	15,342,453	14,553,120	14,550,294	14,821,366	15,193,239
Plus: Interest Earnings		233,841	189,424	201,543	242,715	264,054	324,541	337,773	298,956	291,034	293,717	300,146
Less: Interest Allocated To Cash Flow		(233,841)	(189,424)	(201,543)	(242,715)	(264,054)	(324,541)	(337,773)	(298,956)	(291,034)	(293,717)	(300,146)
Balance At End Of Fiscal Year	**$**	**14,108,416**	**$ 11,148,132**	**$ 11,885,327**	**$ 12,386,157**	**$ 14,019,237**	**$ 18,434,834**	**$ 15,342,453**	**$ 14,553,120**	**$ 14,550,294**	**$ 14,821,366**	**$ 15,193,239**
RESTRICTED RESERVES												
Balance at the Beginning of the Fiscal Year	$	2,261,225	2,261,225	2,406,001	2,691,255	3,008,986	3,022,057	3,035,435	3,201,051	3,581,709	4,051,088	4,566,867
Additional Funds		-	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve on New Debt		-	144,776	285,255	317,731	13,071	13,377	165,616	380,658	469,379	515,779	549,311
Subtotal	$	2,261,225	2,406,001	2,691,255	3,008,986	3,022,057	3,035,435	3,201,051	3,581,709	4,051,088	4,566,867	5,116,178
Plus: Interest Earnings		28,265	35,004	44,601	57,002	60,310	60,575	62,365	67,828	76,328	86,180	96,830
Less: Interest Allocated to Cash Flow		(28,265)	(35,004)	(44,601)	(57,002)	(60,310)	(60,575)	(62,365)	(67,828)	(76,328)	(86,180)	(96,830)
Balance at End of Fiscal Year	**$**	**2,261,225**	**$ 2,406,001**	**$ 2,691,255**	**$ 3,008,986**	**$ 3,022,057**	**$ 3,035,435**	**$ 3,201,051**	**$ 3,581,709**	**$ 4,051,088**	**$ 4,566,867**	**$ 5,116,178**

FAMS-XL - Control Panel

Schedule 12

CALC LAST1 SAVE OVR1 5YR CTRL

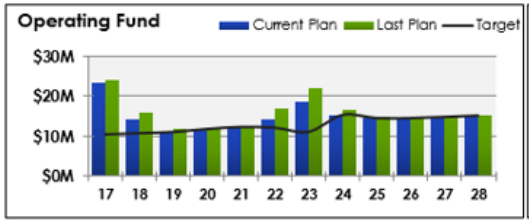
FAMS-XL©

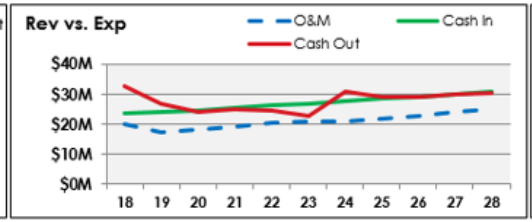
City of Venice, FL

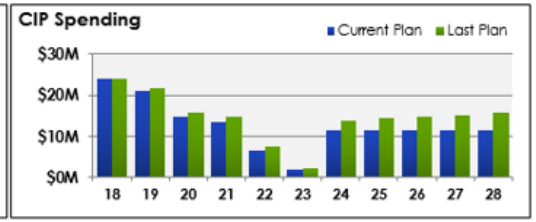
Stantec

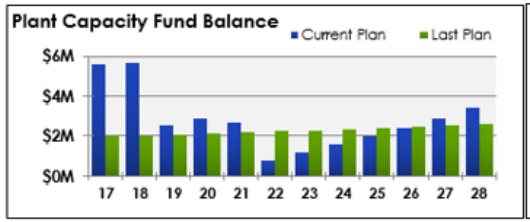
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2022 Cumulative	FY 2027 Cumulative
Override ▶	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%		
Water Rate Plan	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	6.61%	18.57%
Last Plan	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	6.61%	18.57%
Override ▶	0.00%	142.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%		
Water Billing Charge Plan	0.00%	142.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	157.45%	185.82%
Last Plan	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	6.55%	18.62%
Override ▶	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%		
Sewer Rate Plan	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	6.59%	18.53%
Last Plan	0.00%	0.00%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	2.15%	6.61%	18.57%
Override ▶	0.00%	3.81%	7.04%	6.82%	6.56%	6.42%	2.15%	2.15%	2.15%	2.15%	2.15%		
Reclaimed Rate Plan	0.00%	3.81%	7.04%	6.82%	6.56%	6.42%	2.15%	2.15%	2.15%	2.15%	2.15%		
Last Plan	0.00%	3.81%	7.04%	6.82%	6.56%	6.42%	2.15%	2.15%	2.15%	2.15%	2.15%		
Senior-Lien DSC	4.09	4.98	4.60	4.33	4.14	4.23	4.19	3.89	3.53	3.20	2.92		
Last Plan	4.89	5.28	4.87	4.65	4.50	4.61	4.66	4.33	3.79	3.29	2.88		
Avg Bill (3,000 gal)	$85.68	$87.68	$89.55	$91.48	$93.45	$95.46	$97.53	$99.62	$101.74	$103.94	$106.17		
Last Plan	$85.68	$87.68	$89.55	$91.48	$93.45	$95.46	$97.53	$99.62	$101.74	$103.94	$106.17		
Change $		*$2.00*	*$1.87*	*$1.93*	*$1.97*	*$2.01*	*$2.07*	*$2.09*	*$2.12*	*$2.20*	*$2.23*		

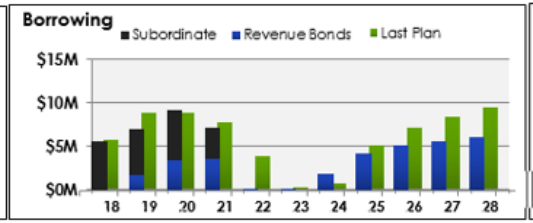
ASR Well Grant %	25%
Backflow Program?	Yes
R&E Types Check	- (0)

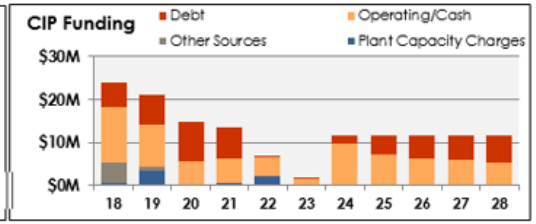












*The Last Plan presented herein represents previously discussed results before Staff review of the initial Draft Report.

APPENDIX B: RECLAIMED WATER COST OF SERVICE ANALYSIS SCHEDULES

Schedule 1 Test Year Expenses

Schedule 2 Expense Allocation Between Service Types

Schedule 3 Reclaimed Water Functional Allocations

Schedule 4 Test Year Revenues

Schedule 5 Reclaimed Water Cost Allocation Summary

Schedule 6 Proposed Multi-Year Reclaimed Water Rate Schedule

Disclaimer

The information presented in Appendix B reflects the information available at the time the Reclaimed Water Cost of Service Analysis was conducted. Some of this information was subsequently updated as part of finalizing the Revenue Sufficiency Analysis presented in Appendix A. As such, there may be some minor discrepancies between certain information presented in each respective Appendix.

FY 2019 Water, Sewer and Reclaimed Water Expenses — Schedule 1

	Expense Code	FY 2015 COSA	FY 2017 Actual	FY 2018 Budget	FY 2019 Projected	FY 2019 Expenses (Executed) [1]	ADJ.	FY 2019 COSA
UTILITIES - ADMINISTRATION [1201]								
REGULAR SALARIES & WAGES	PS	$ 591,101	$ 584,804	$ 600,287	$ 621,297	$ 590,232		$ 590,232
OVERTIME	PS	-	14,103	100	104	98		98
SPECIAL PAY	PS	490	11,389	1,743	1,804	1,714		1,714
FICA	PS	43,464	43,392	47,000	48,645	46,213		46,213
RETIREMENT CONTRIBUTIONS	PS	42,890	46,781	48,230	49,918	47,422		47,422
LIFE AND HEALTH INSURANCE	PS	132,066	162,972	162,847	168,547	160,119		160,119
WORKERS' COMPENSATION	PS	1,031	1,222	1,332	1,379	1,310		1,310
OTHER POST EMPL BENEFIT	PS	41,792	-	-	-	-		-
PROFESSIONAL SERVICES	OMF	273,318	142,572	417,123	361,858	271,393		271,393
LEGAL	OMF	30,000	7,782	25,000	25,750	19,313		19,313
ADVERTISING	OMF	1,500	328	1,500	1,545	1,159		1,159
PROF SVCS- INFO SYS	OMF	-	20,900	29,274	30,152	22,614		22,614
ACCOUNTING AND AUDITING	OMF	20,214	18,360	16,891	17,398	13,048		13,048
OTHER CONTRACTUAL SERVICE	OMF	2,500	-	1,500	1,545	1,159		1,159
TRAVEL AND TRAINING	OMF	3,500	372	3,700	3,811	2,858		2,858
COMMUNICATION SERVICES	OMF	9,700	10,358	12,768	13,151	9,863		9,863
COMMUNICATION SVCS- IS	OMF	29,460	35,472	33,636	34,645	25,984		25,984
FREIGHT & POSTAGE	OMF	46,000	50,091	50,000	51,500	38,625		38,625
RENTALS AND LEASES	OMF	13,760	16,047	14,500	14,935	11,201		11,201
DOCUMATCH SYSTEM LEASE	OMF	15,896	17,911	13,598	14,006	10,504		10,504
ADMINISTRATIVE CHARGES		1,421,166	-	-	-	-		-
FLEET REPL	OMF	-	-	6,146	6,330	4,748		4,748
INSURANCE	OMF	21,793	21,732	6,571	6,768	5,076		5,076
REPAIR & MAINTENANCE SVCS	OMF	3,570	2,079	3,000	3,090	2,318		2,318
COMPUTER DEVICES	OMF	8,800	15,401	5,000	5,150	3,863		3,863
FLEET MAINT- LABOR	OMF	700	662	700	721	541		541
FLEET MAINT- PARTS	OMF	500	747	500	515	386		386
FLEET MAINT- OTHER	OMF	300	6	300	309	232		232
REPAIRS/MAINT- INFO SYS	OMF	73,700	68,037	107,877	111,113	83,335		83,335
PRINTING AND BINDING	OMF	15,000	8,075	15,000	15,450	11,588		11,588
OTHER CHARGES-OBLIGATIONS	OMF	404,111	465,990	493,890	508,707	381,530		381,530
OFFICE SUPPLIES	OMF	3,300	4,879	5,456	5,620	4,215		4,215
OPERATING SUPPLIES	OMF	23,500	21,606	16,600	17,098	12,824		12,824
GASOLINE	OMF	500	689	500	515	386		386
BOOKS, PUBS, SUBS, MEMBER	OMF	2,809	651	1,679	1,729	1,297		1,297
INVENTORY ADJUSTMENT	OMF	-	192,438	-	-	-		-
MTR STS/EXCHGS/HYDRANTS	OMF	-	4,347	-	-	-		-
MACHINERY & EQUIPMENT	(1)	-	(602,242)	-	-	-		-
UTILITIES - ADMINISTRATION [1201] EXPENSES		**$ 3,278,431**	**$ 1,389,953**	**$ 2,144,248**	**$ 2,145,104**	**$ 1,787,167**	**$ -**	**$ 1,787,167**

	Expense Code	FY 2015 COSA	FY 2017 Actual	FY 2018 Budget	FY 2019 Projected	FY 2019 Expenses (Executed) [1]	ADJ.	FY 2019 COSA
UTILITIES - DISTRIBUTION [1202]								
REGULAR SALARIES & WAGES	PS	$ 1,007,097	$ 948,472	$ 1,075,242	$ 1,112,875	$ 1,057,232		$ 1,057,232
OVERTIME	PS	25,000	48,451	25,000	25,875	24,581		24,581
SPECIAL PAY	PS	25,326	42,352	29,427	30,457	28,934		28,934
FICA	PS	82,566	74,891	86,420	89,445	84,972		84,972
RETIREMENT CONTRIBUTIONS	PS	78,683	80,098	90,327	93,488	88,814		88,814
LIFE AND HEALTH INSURANCE	PS	362,575	407,436	407,116	421,365	400,297		400,297
WORKERS' COMPENSATION	PS	23,761	27,996	25,663	26,561	25,233		25,233
PROFESSIONAL SERVICES	OMF	605,000	15,110	368,042	309,000	231,750		231,750
OTHER CONTRACTUAL SERVICE	OMF	20,600	10,995	22,700	23,381	17,536		17,536
TRAVEL AND TRAINING	OMF	7,600	16,055	13,900	14,317	10,738		10,738
COMMUNICATION SVCS	OMF	-	-	-	-	-		-
COMMUNICATION SVCS- IS	OMF	-	237	-	-	-		-
FREIGHT & POSTAGE	OMF	2,000	911	2,000	2,060	1,545		1,545
RENTALS AND LEASES	OMF	11,000	4,095	10,304	10,613	7,960		7,960
FLEET REPL	OMF	-	-	155,215	159,871	119,904		119,904
INSURANCE	OMF	53,567	53,436	24,845	25,590	19,193		19,193
REPAIR & MAINTENANCE SVCS	OMF	656,125	376,414	805,469	829,633	622,225		622,225
FLEET MAINT- LABOR	OMF	30,000	31,713	30,000	30,900	23,175		23,175
FLEET MAINT- PARTS	OMF	20,000	33,996	20,000	20,600	15,450		15,450
FLEET MAINT- OTHER	OMF	12,000	14,567	12,000	12,360	9,270		9,270
PRINTING AND BINDING	OMF	5,000	4,265	5,000	5,150	3,863		3,863
OTHER CHARGES-OBLIGATIONS	OMF	-	3,408	-	-	-		-
OFFICE SUPPLIES	OMF	12,500	4,389	5,000	5,150	3,863		3,863
OPERATING SUPPLIES	OMF	50,000	80,314	50,000	51,500	38,625		38,625
TREES, SHRUBS, & SOD	OMF	2,500	2,072	4,000	4,120	3,090		3,090
SAFETY SHOES REIMBURSEMNT	OMF	3,600	3,240	3,750	3,863	2,897		2,897
GASOLINE	OMF	40,000	32,294	40,000	41,200	30,900		30,900
ROAD MATERIALS & SUPPLIES	OMF	5,000	9,240	7,000	7,210	5,408		5,408
BOOKS, PUBS, SUBS, MEMBER	OMF	3,390	1,696	1,950	2,009	1,506		1,506
BUILDINGS	(1)	-	-	28,000	-	-		-
IMPROV OTHER THAN BLDGS	(1)	-	1,103,022	7,859,739	-	-		-
MACHINERY & EQUIPMENT	(1)	-	-	87,000	-	-		-
FTE ADDITIONS	PS	-	-	-	160,258	152,245		152,245
UTILITIES - DISTRIBUTION [1202] EXPENSES		**$ 3,144,890**	**$ 3,431,165**	**$ 11,295,109**	**$ 3,358,594**	**$ 3,031,204**	**$ -**	**$ 3,031,204**

	Expense Code	FY 2015 COSA	FY 2017 Actual	FY 2018 Budget	FY 2019 Projected	FY 2019 Expenses (Executed) [1]	ADJ.	FY 2019 COSA
UTILITIES - WATER PRODUCTION [1203]								
REGULAR SALARIES & WAGES	PS	$ 721,244	$ 645,568	$ 727,538	$ 753,002	$ 715,352		$ 715,352
OVERTIME	PS	34,999	46,805	35,000	36,225	34,414		34,414
SPECIAL PAY	PS	35,913	29,352	25,181	26,062	24,759		24,759
FICA	PS	57,636	51,813	60,259	62,368	59,250		59,250
RETIREMENT CONTRIBUTIONS	PS	67,104	63,155	68,144	70,529	67,003		67,003
LIFE AND HEALTH INSURANCE	PS	217,545	244,464	244,270	252,819	240,178		240,178
WORKERS' COMPENSATION	PS	26,726	31,459	22,845	23,645	22,462		22,462
PROFESSIONAL SERVICES	OMF	1,115,600	224,616	903,866	255,440	191,580		191,580
OTHER CONTRACTUAL SERVICE	OMF	12,800	90,913	145,262	149,620	112,215		112,215
TRAVEL AND TRAINING	OMF	5,500	3,502	5,800	5,974	4,481		4,481
FREIGHT & POSTAGE	OMF	1,000	1,190	450	464	348		348
RENTALS AND LEASES	OMF	2,750	14,679	3,120	3,214	2,410		2,410
FLEET REPL	OMF	-	-	14,691	15,132	11,349		11,349
INSURANCE	OMF	167,720	167,328	122,361	126,032	94,524		94,524
REPAIR & MAINTENANCE SVCS	OMF	336,000	185,625	340,115	350,318	262,739		262,739
FLEET MAINT- LABOR	OMF	4,100	5,038	4,100	4,223	3,167		3,167
FLEET MAINT- PARTS	OMF	5,800	3,420	5,800	5,974	4,481		4,481
FLEET MAINT- OTHER	OMF	2,500	2,091	2,500	2,575	1,931		1,931
PRINTING AND BINDING	OMF	1,500	-	500	515	386		386
PROMOTIONAL ACTIVITIES	OMF	2,700	40,739	57,400	59,122	44,342		44,342
GAIN/LOSS-DISPOSAL ASSET	OMF	-	-	-	-	-		-
OFFICE SUPPLIES	OMF	2,500	789	2,500	2,575	1,931		1,931
OPERATING SUPPLIES	OMF	287,000	280,412	339,000	349,170	261,878		261,878
ODOR CONTROL	OMF	110,000	9,926	40,000	41,200	30,900		30,900
TREES, SHRUBS, SOD, ETC	OMF	500	471	500	515	386		386
SAFETY SHOES REIMBURSEMNT	OMF	2,250	1,864	2,250	2,318	1,738		1,738
GASOLINE	OMF	6,500	10,100	12,750	13,133	9,849		9,849
BOOKS, PUBS, SUBS, MEMBER	OMF	3,945	13,631	13,675	14,085	10,564		10,564
UTILITIES	OMF	649,200	385,070	380,370	391,781	293,836		293,836
LIME SLUDGE CLEANUP	OMV	-	1,986,463	-	-	-		-
BUILDINGS	(1)	-	131,044	2,555,766	-	-		-
IMPROV OTHER THAN BLDGS	(1)	-	204,288	2,711,568	-	-		-
MACHINERY & EQUIPMENT	(1)	-	10,067	196,402	-	-		-
FTE ADDITIONS	PS	-	-	-	80,967	76,919		76,919
UTILITIES - WATER PRODUCTION [1203] EXPENSES		**$ 3,881,032**	**$ 4,885,882**	**$ 9,043,983**	**$ 3,098,996**	**$ 2,585,370**	**$ -**	**$ 2,585,370**

	Expense Code	FY 2015 COSA	FY 2017 Actual	FY 2018 Budget	FY 2019 Projected	FY 2019 Expenses (Executed) [1]	ADJ.	FY 2019 COSA
UTILITIES - WATER RECLAMATION [1204]								
REGULAR SALARIES & WAGES	PS	$ 917,181	$ 864,904	$ 917,439	$ 949,549	$ 902,072		$ 902,072
OVERTIME	PS	51,997	68,762	50,000	51,750	49,163		49,163
SPECIAL PAY	PS	32,538	10,635	28,491	29,488	28,014		28,014
FICA	PS	72,988	67,566	76,190	78,857	74,914		74,914
RETIREMENT CONTRIBUTIONS	PS	76,020	77,862	81,173	84,014	79,813		79,813
LIFE & HEALTH INSURANCE	PS	261,054	277,056	276,839	286,528	272,202		272,202
WORKERS' COMPENSATION	PS	29,047	34,206	31,604	32,710	31,075		31,075
PROFESSIONAL SERVICES	OMF	338,000	165,054	213,237	103,000	77,250		77,250
OTHER CONTRACTUAL SERVICE	OMF	277,450	275,748	363,532	374,438	280,828		280,828
TRAVEL AND TRAINING	OMF	4,000	5,765	3,840	3,955	2,966		2,966
FREIGHT & POSTAGE	OMF	600	159	750	773	579		579
UTILITY SERVICES	OMF	460,000	303,422	361,827	372,682	279,511		279,511
LIFT STATIONS	OMF	118,000	109,854	118,609	122,167	91,625		91,625
RENTALS AND LEASES	OMF	57,150	130,059	8,440	8,693	6,520		6,520
FLEET REPL	OMF	-	-	79,902	82,299	61,724		61,724
INSURANCE	OMF	194,604	194,148	212,355	218,726	164,044		164,044
REPAIR & MAINTENANCE SVCS	OMF	499,850	289,959	407,850	420,086	315,064		315,064
COMPUTER DEVICES	OMF	-	-	-	-	-		-
FLEET MAINT- LABOR	OMF	10,000	7,105	10,000	10,300	7,725		7,725
FLEET MAINT- PARTS	OMF	7,000	5,785	7,000	7,210	5,408		5,408
FLEET MAINT- OTHER	OMF	6,500	4,328	6,500	6,695	5,021		5,021
PRINTING & BINDING	OMF	400	695	400	412	309		309
OFFICE SUPPLIES	OMF	3,000	1,420	3,500	3,605	2,704		2,704
OPERATING SUPPLIES	OMF	187,750	147,336	187,500	193,125	144,844		144,844
ODOR/CORROSION CONTROL	OMF	220,000	139,175	150,000	154,500	115,875		115,875
TREES, SHRUBS, & SOD	OMF	1,000	1,775	1,000	1,030	773		773
SAFETY SHOES REIMBURSEMNT	OMF	2,700	987	1,050	1,082	811		811
GASOLINE	OMF	41,000	17,888	38,000	39,140	29,355		29,355
BOOKS, SUBSCRIPTIONS	OMF	2,565	9,095	8,814	9,078	6,809		6,809
ROAD MATERIALS	OMF	500	-	-	-	-		-
LAND	(1)	-	-	-	-	-		-
BUILDINGS	(1)	-	-	80,000	-	-		-
IMPROV OTHER THAN BLDGS	(1)	-	60,117	982,791	-	-		-
MACHINERY & EQUIPMENT	(1)	-	254,703	876,039	-	-		-
FTE ADDITIONS	PS	-	-	-	139,039	132,087		132,087
UTILITIES - WATER RECLAMATION [1204] EXPENSES		**$ 3,872,894**	**$ 3,525,568**	**$ 5,584,672**	**$ 3,784,931**	**$ 3,169,085**	**$ -**	**$ 3,169,085**

	Expense Code	FY 2015 COSA	FY 2017 Actual	FY 2018 Budget	FY 2019 Projected	FY 2019 Expenses (Executed) [1]	ADJ.	FY 2019 COSA
OTHER								
BACKFLOW DEVICE PROGRAM	OMV	$ -	$ -	$ -	$ 302,017	$ 302,017		$ 302,017
FLEET SERVICES	OMF	155,000	-	-	-	-		-
OTHER		**$ 155,000**	**$ -**	**$ -**	**$ 302,017**	**$ 302,017**	**$ -**	**$ 302,017**
DEBT SERVICE, CIP, & TRANSFERS								
R&R Transfer		$ 1,942,110	$ -	$ -	$ -	$ -		$ -
Sarasota County 10% Revenue Restriction		-	-	-	223,737	-		-
Transfer Out - Administrative Charges		-	1,466,342	1,509,724	1,562,564	1,562,564		1,562,564
Transfer Out - Fleet Fund	(1)	-	179,520	1,265,010	-	-		-
2013 PNC (SRF) Refunding Loan - Principal & Interest	(1)	430,684	431,227	430,833	430,340	430,340		430,340
Series 2012 Revenue Bond - Principal & Interest	(1)	3,709,459	1,157,050	1,160,050	1,157,350	1,157,350		1,157,350
Series 2015 Revenue Bond - Principal & Interest	(1)	-	1,099,175	1,099,050	1,100,375	1,100,375		1,100,375
New Senior Lien Debt Service	(1)	-	-	-	150,015	150,015		150,015
New Subordinate Debt Service	(1)	-	-	-	337,815	337,815		337,815
SRF Loan # DW580430 (Drinking Water - Construction Loan Agreement						190,026		190,026
SRF Loan # WW580430 (Clean Water - Construction Loan Agreement)						48,968		48,968
Cash Funded Capital	(1)	-	-	-	12,041,502	12,041,502		12,041,502
Repayment of General Fund Advance	(1)	502,599	-	-	-	-		-
DEBT SERVICE, CIP, & TRANSFERS EXPENSES		**$ 6,584,851**	**$ 4,333,314**	**$ 5,464,667**	**$ 17,003,698**	**$ 17,018,956**	**$ -**	**$ 17,018,956**
TOTAL EXPENDITURE REQUIREMENTS		**$ 20,917,098**	**$ 17,565,882**	**$ 33,532,679**	**$ 29,693,339**	**$ 27,893,798**	**$ -**	**$ 27,893,798**

(1) Denotes Item Considered as "Capital" for purposes of analysis.

[1] Execution factors per the Revenue Sufficiency Analysis are 95% for Personal Services and 75% for Fixed Operations & Maintenance.

Test Year Expense Allocation Between Water, Sewer & Reclaimed Water Systems — Schedule 2

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	Reuse % Allocation	Water $ Allocation	Sewer $ Allocation	Reuse $ Allocation
UTILITIES - ADMINISTRATION [1201]								
REGULAR SALARIES & WAGES	$ 590,232	Weighted	55.46%	37.86%	6.68%	$ 327,369	$ 223,439	$ 39,424
OVERTIME	98	Weighted	55.46%	37.86%	6.68%	55	37	7
SPECIAL PAY	1,714	Weighted	55.46%	37.86%	6.68%	951	649	114
FICA	46,213	Weighted	55.46%	37.86%	6.68%	25,632	17,494	3,087
RETIREMENT CONTRIBUTIONS	47,422	Weighted	55.46%	37.86%	6.68%	26,302	17,952	3,168
LIFE AND HEALTH INSURANCE	160,119	Weighted	55.46%	37.86%	6.68%	88,809	60,615	10,695
WORKERS' COMPENSATION	1,310	Weighted	55.46%	37.86%	6.68%	726	496	87
OTHER POST EMPL BENEFIT	-	FTEs	47.76%	43.60%	8.51%	-	-	-
PROFESSIONAL SERVICES	271,393	Weighted	55.46%	37.86%	6.68%	150,527	102,739	18,128
LEGAL	19,313	Weighted	55.46%	37.86%	6.68%	10,712	7,311	1,290
ADVERTISING	1,159	Weighted	55.46%	37.86%	6.68%	643	439	77
PROF SVCS- INFO SYS	22,614	Weighted	55.46%	37.86%	6.68%	12,543	8,561	1,511
ACCOUNTING AND AUDITING	13,048	Weighted	55.46%	37.86%	6.68%	7,237	4,940	872
OTHER CONTRACTUAL SERVICE	1,159	Weighted	55.46%	37.86%	6.68%	643	439	77
TRAVEL AND TRAINING	2,858	Weighted	55.46%	37.86%	6.68%	1,585	1,082	191
COMMUNICATION SERVICES	9,863	Weighted	55.46%	37.86%	6.68%	5,471	3,734	659
COMMUNICATION SVCS- IS	25,984	Weighted	55.46%	37.86%	6.68%	14,412	9,836	1,736
FREIGHT & POSTAGE	38,625	Weighted	55.46%	37.86%	6.68%	21,423	14,622	2,580
RENTALS AND LEASES	11,201	Weighted	55.46%	37.86%	6.68%	6,213	4,240	748
DOCUMATCH SYSTEM LEASE	10,504	Weighted	55.46%	37.86%	6.68%	5,826	3,977	702
FLEET REPL	4,748	Weighted	55.46%	37.86%	6.68%	2,633	1,797	317
INSURANCE	5,076	Weighted	55.46%	37.86%	6.68%	2,815	1,922	339
REPAIR & MAINTENANCE SVCS	2,318	Weighted	55.46%	37.86%	6.68%	1,285	877	155
COMPUTER DEVICES	3,863	Weighted	55.46%	37.86%	6.68%	2,142	1,462	258
FLEET MAINT- LABOR	541	Weighted	55.46%	37.86%	6.68%	300	205	36
FLEET MAINT- PARTS	386	Weighted	55.46%	37.86%	6.68%	214	146	26
FLEET MAINT- OTHER	232	Weighted	55.46%	37.86%	6.68%	129	88	15
REPAIRS/MAINT- INFO SYS	83,335	Weighted	55.46%	37.86%	6.68%	46,221	31,547	5,566
PRINTING AND BINDING	11,588	Weighted	55.46%	37.86%	6.68%	6,427	4,387	774
OTHER CHARGES-OBLIGATIONS	381,530	Weighted	55.46%	37.86%	6.68%	211,613	144,433	25,484
OFFICE SUPPLIES	4,215	Weighted	55.46%	37.86%	6.68%	2,338	1,596	282
OPERATING SUPPLIES	12,824	Weighted	55.46%	37.86%	6.68%	7,112	4,854	857
GASOLINE	386	Weighted	55.46%	37.86%	6.68%	214	146	26
BOOKS, PUBS, SUBS, MEMBER	1,297	Weighted	55.46%	37.86%	6.68%	719	491	87
MACHINERY & EQUIPMENT	-	Weighted	55.46%	37.86%	6.68%	-	-	-
PRINCIPAL	-	Weighted	55.46%	37.86%	6.68%	-	-	-
INTEREST	-	Weighted	55.46%	37.86%	6.68%	-	-	-
BONDS	-	Weighted	55.46%	37.86%	6.68%	-	-	-
SRF 2013 PNC REFUNDING LOAN	-	Weighted	55.46%	37.86%	6.68%	-	-	-
BOND ISSUE EXPENSE	-	Weighted	55.46%	37.86%	6.68%	-	-	-
UTILITIES - ADMINISTRATION [1201] EXPENSES	**$ 1,787,167**					**$ 991,241**	**$ 676,552**	**$ 119,373**

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	Reuse % Allocation	Water $ Allocation	Sewer $ Allocation	Reuse $ Allocation
UTILITIES - DISTRIBUTION [1202]								
REGULAR SALARIES & WAGES	$ 1,057,232	LF of Pipe	50.78%	35.97%	13.25%	$ 536,836	$ 380,322	$ 140,073
OVERTIME	24,581	LF of Pipe	50.78%	35.97%	13.25%	12,482	8,843	3,257
SPECIAL PAY	28,934	LF of Pipe	50.78%	35.97%	13.25%	14,692	10,409	3,833
FICA	84,972	LF of Pipe	50.78%	35.97%	13.25%	43,147	30,567	11,258
RETIREMENT CONTRIBUTIONS	88,814	LF of Pipe	50.78%	35.97%	13.25%	45,098	31,949	11,767
LIFE AND HEALTH INSURANCE	400,297	LF of Pipe	50.78%	35.97%	13.25%	203,261	144,000	53,036
WORKERS' COMPENSATION	25,233	LF of Pipe	50.78%	35.97%	13.25%	12,813	9,077	3,343
PROFESSIONAL SERVICES	231,750	LF of Pipe	50.78%	35.97%	13.25%	117,677	83,368	30,705
OTHER CONTRACTUAL SERVICE	17,536	LF of Pipe	50.78%	35.97%	13.25%	8,904	6,308	2,323
TRAVEL AND TRAINING	10,738	LF of Pipe	50.78%	35.97%	13.25%	5,452	3,863	1,423
COMMUNICATION SVCS	-	LF of Pipe	50.78%	35.97%	13.25%	-	-	-
COMMUNICATION SVCS- IS	-	LF of Pipe	50.78%	35.97%	13.25%	-	-	-
FREIGHT & POSTAGE	1,545	LF of Pipe	50.78%	35.97%	13.25%	785	556	205
RENTALS AND LEASES	7,960	LF of Pipe	50.78%	35.97%	13.25%	4,042	2,863	1,055
FLEET REPL	119,904	LF of Pipe	50.78%	35.97%	13.25%	60,884	43,133	15,886
INSURANCE	19,193	LF of Pipe	50.78%	35.97%	13.25%	9,746	6,904	2,543
REPAIR & MAINTENANCE SVCS	622,225	LF of Pipe	50.78%	35.97%	13.25%	315,950	223,835	82,439
FLEET MAINT- LABOR	23,175	LF of Pipe	50.78%	35.97%	13.25%	11,768	8,337	3,070
FLEET MAINT- PARTS	15,450	LF of Pipe	50.78%	35.97%	13.25%	7,845	5,558	2,047
FLEET MAINT- OTHER	9,270	LF of Pipe	50.78%	35.97%	13.25%	4,707	3,335	1,228
PRINTING AND BINDING	3,863	LF of Pipe	50.78%	35.97%	13.25%	1,961	1,389	512
OTHER CHARGES-OBLIGATIONS	-	LF of Pipe	50.78%	35.97%	13.25%	-	-	-
OFFICE SUPPLIES	3,863	LF of Pipe	50.78%	35.97%	13.25%	1,961	1,389	512
OPERATING SUPPLIES	38,625	LF of Pipe	50.78%	35.97%	13.25%	19,613	13,895	5,117
TREES, SHRUBS, & SOD	3,090	LF of Pipe	50.78%	35.97%	13.25%	1,569	1,112	409
SAFETY SHOES REIMBURSEMNT	2,897	LF of Pipe	50.78%	35.97%	13.25%	1,471	1,042	384
GASOLINE	30,900	LF of Pipe	50.78%	35.97%	13.25%	15,690	11,116	4,094
ROAD MATERIALS & SUPPLIES	5,408	LF of Pipe	50.78%	35.97%	13.25%	2,746	1,945	716
BOOKS, PUBS, SUBS, MEMBER	1,506	LF of Pipe	50.78%	35.97%	13.25%	765	542	200
BUILDINGS	-	LF of Pipe	50.78%	35.97%	13.25%	-	-	-
IMPROV OTHER THAN BLDGS	-	5-Year R&R CIP	46.72%	51.26%	2.03%	-	-	-
MACHINERY & EQUIPMENT	-	5-Year R&R CIP	46.72%	51.26%	2.03%	-	-	-
FTE ADDITIONS	152,245	LF of Pipe	50.78%	35.97%	13.25%	77,306	54,768	20,171
UTILITIES - DISTRIBUTION [1202] EXPENSES	**$ 3,031,204**					**$ 1,539,171**	**$ 1,090,427**	**$ 401,606**

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	Reuse % Allocation	Water $ Allocation	Sewer $ Allocation	Reuse $ Allocation
UTILITIES - WATER PRODUCTION [1203]								
REGULAR SALARIES & WAGES	$ 715,352	Water - Direct	100.00%	0.00%	0.00%	$ 715,352	$ -	$ -
OVERTIME	34,414	Water - Direct	100.00%	0.00%	0.00%	34,414	-	-
SPECIAL PAY	24,759	Water - Direct	100.00%	0.00%	0.00%	24,759	-	-
FICA	59,250	Water - Direct	100.00%	0.00%	0.00%	59,250	-	-
RETIREMENT CONTRIBUTIONS	67,003	Water - Direct	100.00%	0.00%	0.00%	67,003	-	-
LIFE AND HEALTH INSURANCE	240,178	Water - Direct	100.00%	0.00%	0.00%	240,178	-	-
WORKERS' COMPENSATION	22,462	Water - Direct	100.00%	0.00%	0.00%	22,462	-	-
PROFESSIONAL SERVICES	191,580	Water - Direct	100.00%	0.00%	0.00%	191,580	-	-
OTHER CONTRACTUAL SERVICE	112,215	Water - Direct	100.00%	0.00%	0.00%	112,215	-	-
TRAVEL AND TRAINING	4,481	Water - Direct	100.00%	0.00%	0.00%	4,481	-	-
FREIGHT & POSTAGE	348	Water - Direct	100.00%	0.00%	0.00%	348	-	-
RENTALS AND LEASES	2,410	Water - Direct	100.00%	0.00%	0.00%	2,410	-	-
FLEET REPL	11,349	Water - Direct	100.00%	0.00%	0.00%	11,349	-	-
INSURANCE	94,524	Water - Direct	100.00%	0.00%	0.00%	94,524	-	-
REPAIR & MAINTENANCE SVCS	262,739	Water - Direct	100.00%	0.00%	0.00%	262,739	-	-
FLEET MAINT- LABOR	3,167	Water - Direct	100.00%	0.00%	0.00%	3,167	-	-
FLEET MAINT- PARTS	4,481	Water - Direct	100.00%	0.00%	0.00%	4,481	-	-
FLEET MAINT- OTHER	1,931	Water - Direct	100.00%	0.00%	0.00%	1,931	-	-
PRINTING AND BINDING	386	Water - Direct	100.00%	0.00%	0.00%	386	-	-
PROMOTIONAL ACTIVITIES	44,342	Water - Direct	100.00%	0.00%	0.00%	44,342	-	-
GAIN/LOSS-DISPOSAL ASSET	-	Water - Direct	100.00%	0.00%	0.00%	-	-	-
OFFICE SUPPLIES	1,931	Water - Direct	100.00%	0.00%	0.00%	1,931	-	-
OPERATING SUPPLIES	261,878	Water - Direct	100.00%	0.00%	0.00%	261,878	-	-
ODOR CONTROL	30,900	Water - Direct	100.00%	0.00%	0.00%	30,900	-	-
TREES, SHRUBS, SOD, ETC	386	Water - Direct	100.00%	0.00%	0.00%	386	-	-
SAFETY SHOES REIMBURSEMNT	1,738	Water - Direct	100.00%	0.00%	0.00%	1,738	-	-
GASOLINE	9,849	Water - Direct	100.00%	0.00%	0.00%	9,849	-	-
BOOKS, PUBS, SUBS, MEMBER	10,564	Water - Direct	100.00%	0.00%	0.00%	10,564	-	-
UTILITIES	293,836	Water - Direct	100.00%	0.00%	0.00%	293,836	-	-
LIME SLUDGE CLEANUP	-	Water - Direct	100.00%	0.00%	0.00%	-	-	-
BUILDINGS	-	Water - Direct	100.00%	0.00%	0.00%	-	-	-
IMPROV OTHER THAN BLDGS	-	Water - Direct	100.00%	0.00%	0.00%	-	-	-
MACHINERY & EQUIPMENT	-	Water - Direct	100.00%	0.00%	0.00%	-	-	-
FTE ADDITIONS	76,919	Water - Direct	100.00%	0.00%	0.00%	76,919	-	-
UTILITIES - WATER PRODUCTION [1203] EXPENSES	**$ 2,585,370**					**$ 2,585,370**	**$ -**	**$ -**

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	Reuse % Allocation	Water $ Allocation	Sewer $ Allocation	Reuse $ Allocation
UTILITIES - WATER RECLAMATION [1204][1]								
REGULAR SALARIES & WAGES	$ 902,072	Water Reclamation	0.00%	90.00%	10.00%	$ -	$ 811,865	$ 90,207
OVERTIME	49,163	Water Reclamation	0.00%	90.00%	10.00%	-	44,246	4,916
SPECIAL PAY	28,014	Water Reclamation	0.00%	90.00%	10.00%	-	25,212	2,801
FICA	74,914	Water Reclamation	0.00%	90.00%	10.00%	-	67,422	7,491
RETIREMENT CONTRIBUTIONS	79,813	Water Reclamation	0.00%	90.00%	10.00%	-	71,832	7,981
LIFE & HEALTH INSURANCE	272,202	Water Reclamation	0.00%	90.00%	10.00%	-	244,982	27,220
WORKERS' COMPENSATION	31,075	Water Reclamation	0.00%	90.00%	10.00%	-	27,967	3,107
PROFESSIONAL SERVICES	77,250	Water Reclamation	0.00%	90.00%	10.00%	-	69,525	7,725
OTHER CONTRACTUAL SERVICE	280,828	Water Reclamation	0.00%	90.00%	10.00%	-	252,746	28,083
TRAVEL AND TRAINING	2,966	Water Reclamation	0.00%	90.00%	10.00%	-	2,670	297
FREIGHT & POSTAGE	579	Water Reclamation	0.00%	90.00%	10.00%	-	521	58
UTILITY SERVICES	279,511	Water Reclamation	0.00%	90.00%	10.00%	-	251,560	27,951
LIFT STATIONS	91,625	Water Reclamation	0.00%	90.00%	10.00%	-	82,463	9,163
RENTALS AND LEASES	6,520	Water Reclamation	0.00%	90.00%	10.00%	-	5,868	652
FLEET REPL	61,724	Water Reclamation	0.00%	90.00%	10.00%	-	55,552	6,172
INSURANCE	164,044	Water Reclamation	0.00%	90.00%	10.00%	-	147,640	16,404
REPAIR & MAINTENANCE SVCS	315,064	Water Reclamation	0.00%	90.00%	10.00%	-	283,558	31,506
COMPUTER DEVICES	-	Water Reclamation	0.00%	90.00%	10.00%	-	-	-
FLEET MAINT- LABOR	7,725	Water Reclamation	0.00%	90.00%	10.00%	-	6,953	773
FLEET MAINT- PARTS	5,408	Water Reclamation	0.00%	90.00%	10.00%	-	4,867	541
FLEET MAINT- OTHER	5,021	Water Reclamation	0.00%	90.00%	10.00%	-	4,519	502
PRINTING & BINDING	309	Water Reclamation	0.00%	90.00%	10.00%	-	278	31
OFFICE SUPPLIES	2,704	Water Reclamation	0.00%	90.00%	10.00%	-	2,433	270
OPERATING SUPPLIES	144,844	Water Reclamation	0.00%	90.00%	10.00%	-	130,359	14,484
ODOR/CORROSION CONTROL	115,875	Water Reclamation	0.00%	90.00%	10.00%	-	104,288	11,588
TREES, SHRUBS, & SOD	773	Water Reclamation	0.00%	90.00%	10.00%	-	695	77
SAFETY SHOES REIMBURSEMNT	811	Water Reclamation	0.00%	90.00%	10.00%	-	730	81
GASOLINE	29,355	Water Reclamation	0.00%	90.00%	10.00%	-	26,420	2,936
BOOKS, SUBSCRIPTIONS	6,809	Water Reclamation	0.00%	90.00%	10.00%	-	6,128	681
LAND	-	Water Reclamation	0.00%	90.00%	10.00%	-	-	-
BUILDINGS	-	Water Reclamation	0.00%	90.00%	10.00%	-	-	-
IMPROV OTHER THAN BLDGS	-	Water Reclamation	0.00%	90.00%	10.00%	-	-	-
MACHINERY & EQUIPMENT	-	Water Reclamation	0.00%	90.00%	10.00%	-	-	-
FTE ADDITIONS	132,087	Water Reclamation	0.00%	90.00%	10.00%	-	118,878	13,209
UTILITIES - WATER RECLAMATION [1204] EXPENSES	**$ 3,169,085**					**$ -**	**$ 2,852,177**	**$ 316,909**

	Test Year COS	Allocation Basis/Factor	Water % Allocation	Sewer % Allocation	Reuse % Allocation	Water $ Allocation	Sewer $ Allocation	Reuse $ Allocation
OTHER								
Backflow Device Program	$ 302,017	Water - Direct	100.00%	0.00%	0.00%	$ 302,017	$ -	$ -
OTHER	**$ 302,017**					**$ 302,017**	**$ -**	**$ -**
DEBT SERVICE, CIP, & TRANSFERS								
Sarasota County 10% Revenue Restriction	-	Sewer - Direct	0.00%	100.00%	0.00%	-	-	-
Transfer Out - Administrative Charges	$ 1,562,564	Weighted	55.46%	37.86%	6.68%	$ 866,667	$ 591,527	$ 104,371
Transfer Out - Fleet Fund	-	Weighted	55.46%	37.86%	6.68%	-	-	-
2013 PNC (SRF) Refunding Loan - Principal & Interes	430,340	2013 PNC SRF	0.00%	50.53%	49.47%	-	217,472	212,868
Series 2012 Revenue Bond - Principal & Interest	1,157,350	Series 2012 Bond	50.00%	36.11%	13.89%	578,675	417,932	160,743
Series 2015 Revenue Bond - Principal & Interest	1,100,375	Series 2015 Bond	34.71%	58.76%	6.53%	381,988	646,549	71,839
New Senior Lien Debt Service	150,015	Weighted - Senior Debt (2019)	90.72%	8.01%	1.27%	136,101	12,009	1,906
New Subordinate Debt Service	337,815	Weighted - Sub Debt (2018)	93.27%	6.73%	0.00%	315,078	22,738	-
SRF Loan # DW580430 (Drinking Water - Constructic	190,026	Water - Direct	100.00%	0.00%	0.00%	190,026	-	-
SRF Loan # WW580430 (Clean Water - Construction	48,968	Reclaimed - Direct	0.00%	0.00%	100.00%	-	-	48,968
Cash Funded Capital	12,041,502	Weighted - 5 yr Cash Funded CIP	62.99%	33.49%	3.53%	7,584,797	4,032,134	424,571
DEBT SERVICE, CIP, & TRANSFERS EXPENSES	**$ 17,018,956**					**$ 10,053,331**	**$ 5,940,360**	**$ 1,025,265**
TOTAL EXPENDITURES	**$ 27,893,798**					**$ 15,471,130**	**$ 10,559,515**	**$ 1,863,153**
Direct Costs						55.5%	37.9%	6.7%

[1] High-level staff estimate of treatment allocation (5%) and incremental maintenance for RW facilities (5%)

Reclaimed Water System Test Year Expense Function Allocation

Schedule 3

	Test Year COS	Allocation Basis/Factor	Treatment/ Production % Allocation	Transmission % Allocation	Distribution % Allocation	HSP & Storage % Allocation	Total % Allocation	Treatment/ Production $ Allocation	Transmission $ Allocation	Distribution $ Allocation	HSP & Storage $ Allocation
UTILITIES - ADMINISTRATION [1201]											
REGULAR SALARIES & WAGES	$ 39,424	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	$ 6,014	$ 10,794	$ 14,940	$ 7,676
OVERTIME	7	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	1	2	2	1
SPECIAL PAY	114	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	17	31	43	22
FICA	3,087	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	471	845	1,170	601
RETIREMENT CONTRIBUTIONS	3,168	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	483	867	1,200	617
LIFE AND HEALTH INSURANCE	10,695	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	1,632	2,928	4,053	2,082
WORKERS' COMPENSATION	87	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	13	24	33	17
OTHER POST EMPL BENEFIT	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
PROFESSIONAL SERVICES	18,128	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	2,765	4,963	6,869	3,529
LEGAL	1,290	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	197	353	489	251
ADVERTISING	77	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	12	21	29	15
PROF SVCS- INFO SYS	1,511	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	230	414	572	294
ACCOUNTING AND AUDITING	872	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	133	239	330	170
OTHER CONTRACTUAL SERVICE	77	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	12	21	29	15
TRAVEL AND TRAINING	191	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	29	52	72	37
COMMUNICATION SERVICES	659	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	101	180	250	128
COMMUNICATION SVCS- IS	1,736	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	265	475	658	338
FREIGHT & POSTAGE	2,580	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	394	706	978	502
RENTALS AND LEASES	748	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	114	205	284	146
DOCUMATCH SYSTEM LEASE	702	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	107	192	266	137
FLEET REPL	317	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	48	87	120	62
INSURANCE	339	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	52	93	128	66
REPAIR & MAINTENANCE SVCS	155	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	24	42	59	30
COMPUTER DEVICES	258	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	39	71	98	50
FLEET MAINT- LABOR	36	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	6	10	14	7
FLEET MAINT- PARTS	26	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	4	7	10	5
FLEET MAINT- OTHER	15	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	2	4	6	3
REPAIRS/MAINT- INFO SYS	5,566	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	849	1,524	2,109	1,084
PRINTING AND BINDING	774	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	118	212	293	151
OTHER CHARGES-OBLIGATIONS	25,484	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	3,888	6,977	9,657	4,962
OFFICE SUPPLIES	282	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	43	77	107	55
OPERATING SUPPLIES	857	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	131	235	325	167
GASOLINE	26	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	4	7	10	5
BOOKS, PUBS, SUBS, MEMBER	87	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	13	24	33	17
INVENTORY ADJUSTMENT	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
MTR STS/EXCHGS/HYDRANTS	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
MACHINERY & EQUIPMENT	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
PRINCIPAL	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
INTEREST	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
BONDS	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
SRF 2013 PNC REFUNDING LOAN	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
BOND ISSUE EXPENSE	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
UTILITIES - ADMINISTRATION [1201] EXPENSES	**$ 119,373**							**$ 18,210**	**$ 32,684**	**$ 45,237**	**$ 23,242**

	Test Year COS	Allocation Basis/Factor	Treatment/ Production % Allocation	Transmission % Allocation	Distribution % Allocation	HSP & Storage % Allocation	Total % Allocation	Treatment/ Production $ Allocation	Transmission $ Allocation	Distribution $ Allocation	HSP & Storage $ Allocation
UTILITIES - DISTRIBUTION [1202]											
REGULAR SALARIES & WAGES	$ 140,073	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	$ -	$ 55,653	$ 84,421	$ -
OVERTIME	3,257	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	1,294	1,963	-
SPECIAL PAY	3,833	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	1,523	2,310	-
FICA	11,258	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	4,473	6,785	-
RETIREMENT CONTRIBUTIONS	11,767	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	4,675	7,092	-
LIFE AND HEALTH INSURANCE	53,036	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	21,072	31,964	-
WORKERS' COMPENSATION	3,343	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	1,328	2,015	-
PROFESSIONAL SERVICES	30,705	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	12,199	18,505	-
OTHER CONTRACTUAL SERVICE	2,323	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	923	1,400	-
TRAVEL AND TRAINING	1,423	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	565	857	-
COMMUNICATION SVCS	-	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	-	-	-
COMMUNICATION SVCS- IS	-	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	-	-	-
FREIGHT & POSTAGE	205	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	81	123	-
RENTALS AND LEASES	1,055	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	419	636	-
FLEET REPL	15,886	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	6,312	9,574	-
INSURANCE	2,543	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	1,010	1,533	-
REPAIR & MAINTENANCE SVCS	82,439	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	32,754	49,685	-
FLEET MAINT- LABOR	3,070	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	1,220	1,851	-
FLEET MAINT- PARTS	2,047	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	813	1,234	-
FLEET MAINT- OTHER	1,228	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	488	740	-
PRINTING AND BINDING	512	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	203	308	-
OTHER CHARGES-OBLIGATIONS	-	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	-	-	-
OFFICE SUPPLIES	512	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	203	308	-
OPERATING SUPPLIES	5,117	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	2,033	3,084	-
TREES, SHRUBS, & SOD	409	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	163	247	-
SAFETY SHOES REIMBURSEMNT	384	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	152	231	-
GASOLINE	4,094	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	1,627	2,467	-
ROAD MATERIALS & SUPPLIES	716	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	285	432	-
BOOKS, PUBS, SUBS, MEMBER	200	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	79	120	-
BUILDINGS	-	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	-	-	-
IMPROV OTHER THAN BLDGS	-	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	-	-	-
MACHINERY & EQUIPMENT	-	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	-	-	-
FTE ADDITIONS	20,171	LF of Pipe	0.00%	39.73%	60.27%	0.00%	100.00%	-	8,014	12,157	-
UTILITIES - DISTRIBUTION [1202] EXPENSES	**$ 401,606**							**$ -**	**$ 159,563**	**$ 242,043**	**$ -**

	Test Year COS	Allocation Basis/Factor	Treatment/ Production % Allocation	Transmission % Allocation	Distribution % Allocation	HSP & Storage % Allocation	Total % Allocation	Treatment/ Production $ Allocation	Transmission $ Allocation	Distribution $ Allocation	HSP & Storage $ Allocation
UTILITIES - WATER PRODUCTION [1203]											
REGULAR SALARIES & WAGES	$ -	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	$ -	$ -	$ -	$ -
OVERTIME	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
SPECIAL PAY	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FICA	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
RETIREMENT CONTRIBUTIONS	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
LIFE AND HEALTH INSURANCE	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
WORKERS' COMPENSATION	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
PROFESSIONAL SERVICES	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
OTHER CONTRACTUAL SERVICE	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
TRAVEL AND TRAINING	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FREIGHT & POSTAGE	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
RENTALS AND LEASES	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FLEET REPL	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
INSURANCE	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
REPAIR & MAINTENANCE SVCS	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FLEET MAINT- LABOR	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FLEET MAINT- PARTS	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FLEET MAINT- OTHER	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
PRINTING AND BINDING	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
PROMOTIONAL ACTIVITIES	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
GAIN/LOSS-DISPOSAL ASSET	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
OFFICE SUPPLIES	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
OPERATING SUPPLIES	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
ODOR CONTROL	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
TREES, SHRUBS, SOD, ETC	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
SAFETY SHOES REIMBURSEMNT	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
GASOLINE	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
BOOKS, PUBS, SUBS, MEMBER	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
UTILITIES	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
LIME SLUDGE CLEANUP	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
BUILDINGS	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
IMPROV OTHER THAN BLDGS	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
MACHINERY & EQUIPMENT	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FTE ADDITIONS	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
UTILITIES - WATER PRODUCTION [1203] EXPENSES	**$ -**							**$ -**	**$ -**	**$ -**	**$ -**

	Test Year COS	Allocation Basis/Factor	Treatment/ Production % Allocation	Transmission % Allocation	Distribution % Allocation	HSP & Storage % Allocation	Total % Allocation	Treatment/ Production $ Allocation	Transmission $ Allocation	Distribution $ Allocation	HSP & Storage $ Allocation
UTILITIES - WATER RECLAMATION [1204]											
REGULAR SALARIES & WAGES	$ 90,207	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	$ 45,104	$ -	$ -	$ 45,104
OVERTIME	4,916	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	2,458	-	-	2,458
SPECIAL PAY	2,801	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	1,401	-	-	1,401
FICA	7,491	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	3,746	-	-	3,746
RETIREMENT CONTRIBUTIONS	7,981	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	3,991	-	-	3,991
LIFE & HEALTH INSURANCE	27,220	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	13,610	-	-	13,610
WORKERS' COMPENSATION	3,107	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	1,554	-	-	1,554
PROFESSIONAL SERVICES	7,725	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	3,863	-	-	3,863
OTHER CONTRACTUAL SERVICE	28,083	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	14,041	-	-	14,041
TRAVEL AND TRAINING	297	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	148	-	-	148
FREIGHT & POSTAGE	58	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	29	-	-	29
UTILITY SERVICES	27,951	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	13,976	-	-	13,976
LIFT STATIONS	9,163	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	4,581	-	-	4,581
RENTALS AND LEASES	652	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	326	-	-	326
FLEET REPL	6,172	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	3,086	-	-	3,086
INSURANCE	16,404	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	8,202	-	-	8,202
REPAIR & MAINTENANCE SVCS	31,506	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	15,753	-	-	15,753
COMPUTER DEVICES	-	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	-	-	-	-
FLEET MAINT- LABOR	773	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	386	-	-	386
FLEET MAINT- PARTS	541	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	270	-	-	270
FLEET MAINT- OTHER	502	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	251	-	-	251
PRINTING & BINDING	31	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	15	-	-	15
OFFICE SUPPLIES	270	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	135	-	-	135
OPERATING SUPPLIES	14,484	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	7,242	-	-	7,242
ODOR/CORROSION CONTROL	11,588	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	5,794	-	-	5,794
TREES, SHRUBS, & SOD	77	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	39	-	-	39
SAFETY SHOES REIMBURSEMNT	81	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	41	-	-	41
GASOLINE	2,936	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	1,468	-	-	1,468
BOOKS, SUBSCRIPTIONS	681	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	340	-	-	340
LAND	-	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	-	-	-	-
BUILDINGS	-	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	-	-	-	-
IMPROV OTHER THAN BLDGS	-	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	-	-	-	-
MACHINERY & EQUIPMENT	-	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	-	-	-	-
FTE ADDITIONS	13,209	Recl - Direct	50.00%	0.00%	0.00%	50.00%	100.00%	6,604	-	-	6,604
UTILITIES - WATER RECLAMATION [1204] EXPENSES	**$ 316,909**							**$ 158,454**	**$ -**	**$ -**	**$ 158,454**

	Test Year COS	Allocation Basis/Factor	Treatment/ Production % Allocation	Transmission % Allocation	Distribution % Allocation	HSP & Storage % Allocation	Total % Allocation	Treatment/ Production $ Allocation	Transmission $ Allocation	Distribution $ Allocation	HSP & Storage $ Allocation
OTHER											
Backflow Device Program	$ -	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	$ -	$ -	$ -	$ -
Fleet Services	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
FTE ADDITIONS	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
OTHER	**$ -**							**$ -**	**$ -**	**$ -**	**$ -**
DEBT SERVICE, CIP, & TRANSFERS											
Sarasota County 10% Revenue Restriction	$ -	Sewer - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	$ -	$ -	$ -	$ -
Transfer Out - Administrative Charges	104,371	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	15,922	28,576	39,552	20,321
Transfer Out - Fleet Fund	-	Weighted	15.26%	27.38%	37.90%	19.47%	100.00%	-	-	-	-
2013 PNC (SRF) Refunding Loan - Principal & Interest	212,868	2013 PNC SRF	0.00%	48.32%	51.68%	0.00%	100.00%	-	102,851	110,017	-
Series 2012 Revenue Bond - Principal & Interest	160,743	Series 2012 Bond	0.00%	0.00%	0.00%	100.00%	100.00%	-	-	-	160,743
Series 2015 Revenue Bond - Principal & Interest	71,839	Series 2015 Bond	100.00%	0.00%	0.00%	0.00%	100.00%	71,839	-	-	-
New Senior Lien Debt Service	1,906	Weighted - Senior Debt (2019	33.92%	26.25%	39.83%	0.00%	100.00%	646	500	759	-
New Subordinate Debt Service	-	Weighted - Sub Debt (2018)	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
SRF Loan # DW580430 (Drinking Water - Construction Loan	-	Water - Direct	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-
SRF Loan # WW580430 (Clean Water - Construction Loan Ag	48,968	Reclaimed - Direct	0.00%	100.00%	0.00%	0.00%	100.00%	-	48,968	-	-
Cash Funded Capital	424,571	Weighted - 5 yr Cash Funded (	4.51%	32.26%	63.23%	0.00%	100.00%	19,154	136,979	268,438	-
DEBT SERVICE, CIP, & TRANSFERS EXPENSES	**$ 1,025,265**							**$ 107,561**	**$ 317,874**	**$ 418,766**	**$ 181,064**
TOTAL EXPENDITURES	**$ 1,863,153**							**$ 284,225**	**$ 510,121**	**$ 706,046**	**$ 362,761**
% Allocation by Function								*15.3%*	*27.4%*	*37.9%*	*19.5%*

FY 2019 Estimated Revenues — Schedule 4

ACCT DESCRIPTION	FY 2015 COSA	FY 2019 Projected	Water	Sewer	Reclaimed
343.31-01 - WATER CONSUMPTION SALES	$ 3,753,313	$ 4,537,086	$ 4,537,086	$ -	$ -
343.31-02 - WATER DEMAND CHARGES	4,328,909	5,087,724	5,087,724	-	-
343.31-03 - WATER BILLING CHARGES	323,039	492,784	246,392	246,392	-
343.31-20 - PENALTY- WATER	89,272	64,200	64,200	-	-
343.31-21 - FIRE SVC STANDBY CHARGE	52,124	59,300	59,300	-	-
343.31-22 - FIRE SVC HYDRANT RENTAL	3,000	-	-	-	-
343.31-23 - TAP FEES-WATER	89,460	192,200	192,200	-	-
343.31-29 - CUSTOMER INQUIRY CHARGE	-	100	48	49	3
343.51-01 - SEWER CONSUMPTION SALES	3,920,195	4,664,883	-	4,664,883	-
343.51-02 - SEWER DEMAND CHARGES	4,094,532	5,020,114	-	5,020,114	-
343.51-03 - REUSE-CONSUMPTION SALES	512,794	749,412	-	-	749,412
343.51-05 - PENALTIES-REUSE	1,532	2,700	-	-	2,700
343.51-06 - REUSE TAP FEE	17,199	1,400	-	-	1,400
343.51-07 - SAR CO SWR TREAT CONS CHG	2,160,109	2,237,366	-	2,237,366	-
LESS: RESTRICTED PROCEEDS (10%) Rate Revenue	-	(223,737)	-	(223,737)	
343.51-09 - SAR CO SWR BILLING-DEMAND	-	-	-	-	-
343.51-10 - SAR CO SWR BILLING-CONSMP	-	-	-	-	-
343.51-11 - SAR CO SWR BILLING CHARGE	21,946	34,200	-	34,200	-
343.51-21 - PENALTY- SEWER	41,455	43,200	-	43,200	-
343.51-23 - TAP FEES-SEWER	1,004	6,600	-	6,600	-
343.61-20 - MISCELLANEOUS INCOME	1,000	4,000	1,900	1,968	131
343.61-21 - AD VALOREM TAX REIMBURSE	3,287	3,400	1,615	1,673	112
		-	-	-	-
Rev - Intergovernmental revenue		-	-	-	-
334.01-00 - STATE GRANTS / STATE APPROPRIATIONS	-	-	-	-	-
337.30-13 - PHYSICAL ENVIRONMENT / SWFWMD	-	-	-	-	-
		-	-	-	-
Rev - Miscellaneous, Other	-	-	-	-	-
343.65-70 - WATER PC FEES-INT	17,521	-	-	-	-
343.65-71 - WATER PC FEE-PRIN	134,605	-	-	-	-
LESS: RESTRICTED PROCEEDS (10%) Water Bond Proceeds	-	-	-	-	-
343.65-73 - SEWER PC FEE-PRIN	70,614	-	-	-	-
SEWER PC FEE-INT	16,771				
LESS: RESTRICTED PROCEEDS (10%) Sewer Bond Proceeds		-	-	-	-
362.10-01 - CELL TOWER LEASE RENTS	51,357	73,000	34,682	35,920	2,399
365.10-00 - AUCTION MISC	-	5,500	2,613	2,706	181
365.11-00 - SURPLUS/SCRAP	-	-	-	-	-
369.00-00 - OTHER MISCELLANEOUS REVENUE	5,000	23,000	10,927	11,317	756
369.30-00 - INSURANCE SETTLEMENT	-	29,900	14,205	14,712	982
			-	-	-
Other					
WTR TNK LEASE -CNG/BELL SO	44,164	-	-	-	-
One Cent Tax Transfer	1,100,000	-	-	-	-
Interest Income	62,896	257,435	122,305	126,671	8,459
Transfer of Water Plant Capacity Charge Revenue into Operating Fund	-	$196,589	196,589	-	-
Transfer of Sewer Plant Capacity Charge Revenue into Operating Fund	-	$76,200	-	76,200	-
Use of Fund Balance for Capital		4,255,242	2,680,326	1,424,881	150,035
Fund Total	**$ 20,917,098**	**$ 27,893,798**	**$ 13,252,113**	**$ 13,725,115**	**$ 916,570**
Revenue Allocations by System			*47.51%*	*49.20%*	*3.29%*

Stantec 8/9/2018

FY 2019 Cost Allocation Summary - Reclaimed Water System

Schedule 5

FY 2019 Revenue vs Expenses	Revenues	Revenue %	Expenses	Expense %
Water	$ 13,252,113	48%	$ 15,471,130	55%
Sewer	13,725,115	49%	10,559,515	38%
Reclaimed	916,570	3%	1,863,153	7%
Total	**$ 27,893,798**	**100%**	**$ 27,893,798**	**100%**

FY 2019 Reclaimed Water Revenue Req.	O&M	Capital	Total*	COS %
Treatment/Production	$ 192,587	$ 91,639	$ 258,725	15%
HSP & Storage	202,018	160,743	330,215	19%
Transmission	220,823	289,298	464,354	27%
Distribution	326,832	379,214	642,701	38%
Total Cost Allocation	**$ 942,259**	**$ 920,894**	**$ 1,695,994**	**100%**

**Total revenue requirement includes operating and capital expenditures, less the reclaimed water portion of other operating revenues ($18,393) and use of fund balances ($265,477).*

Reclaimed Water Cost Allocation by Customer Type

Bulk	Retail	Total*	
$ 116,769	$ 141,957	$ 258,725	
(32,148)	362,362	330,215	
55,854	408,500	464,354	
-	642,701	642,701	
$ 140,475	**$ 1,555,519**	**$ 1,695,994**	
8.3%	**91.7%**	**100.0%**	**% of Total**
$ 85,070	**$ 656,007**	**$ 741,077**	**FY 2018 Estimated Revenue**
60.6%	**42.2%**	**43.7%**	**Cost Recovery @ Current Rates**

	Stor. & Trans.	Distribution	Total	FY 2018 Rev.
Low Pressure/Bulk Costs	**$ 475,376**	**$ -**	**$ 475,376**	**$ 85,070**
Retail/High Pressure Costs	**$ 577,918**	**$ 642,701**	**$ 1,220,619**	**$ 656,007**
Subtotal	**$ 1,053,294**	**$ 642,701**	**$ 1,695,994**	**$ 741,077**

Low Pressure/Bulk Volume (MGD ADF)	1.21	-
Retail/High Pressure Volume (MGD ADF)	1.47	1.47

Storage Credit Bases		
Current HSP & Storage Cost (38 MG Storage)	$ 330,215	
Additional Storage Needed If No On-Site Storage for LP	38.00	
Additional Storage Cost (Cost of Storage / Gal. of Capacity X Needed Capacity)	$ 330,215	← (represents credit to be distributed among LP users based upon storage capacity)
Adjusted Storage Costs (Current Storage Cost + Additional)	$ 660,429	
Adjusted Unit Cost of HSP & Storage (cost per Tgal)	$ 0.68	

Unit Cost of Service By Function	O&M	Capital	Subtotal	Total
Treatment/Production (per Tgal)	$ 0.20	$ 0.09	$ 0.29	$ 0.26
Adjusted HSP & Storage (per Tgal)	N/A	N/A	$ 0.68	$ 0.68
Transmission (per LF of Trans. Main)	$ 2.10	$ 2.76	$ 4.86	$ 4.42
Distribution (per LF of Dist. Main)	$ 2.05	$ 2.38	$ 4.43	$ 4.04

Proposed Multi-Year Reclaimed Water Rate Schedule

Schedule 6

	FY 2018 (Current Year)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
City-Wide Retail Rate per Tgal		0.00%	2.15%	2.15%	2.15%	2.15% [1]
Tier 1	$ 1.02	$ 1.08	$ 1.16	$ 1.24	$ 1.33	$ 1.42
Tier 2	$ 1.44	$ 1.52	$ 1.64	$ 1.75	$ 1.88	$ 2.01
Target Cost Recovery	42%	45%	47%	49%	52%	54%
Resulting Cost Recovery		45%	47%	49%	52%	54%
Wholesale Reclaimed Rate per Tgal						
All Use	$ 0.193	$ 0.172	$ 0.176	$ 0.180	$ 0.183	$ 0.187
Target Cost Recovery	61%	54%	54%	54%	54%	54%
Resulting Cost Recovery		54%	54%	54%	54%	54%
Annual Charges in Total (Based upon test year demands)						
Low Pressure (Bulk)	$ 85,070	$ 75,814	$ 77,577	$ 79,340	$ 80,662	$ 82,425
High Pressure (Retail)	$ 656,007	$ 693,139	$ 745,541	$ 799,876	$ 856,203	$ 914,582
Total Reclaimed Revenue	$ 741,077	$ 768,953	$ 823,118	$ 879,216	$ 936,865	$ 997,007
$ Change		*$ 27,877*	*$ 54,165*	*$ 56,098*	*$ 57,649*	*$ 60,142*
% Change		*3.8%*	*7.0%*	*6.8%*	*6.6%*	*6.4%*

[1] The indexing 2.15% rate adjustments are based on the rate plan that was discussed with City staff and Stakeholder Working Group during the April 10, 2018 meeting.