

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

STATE REVOLVING LOAN PROGRAM
for
Point Source Water Pollution Control
City of Venice
Reclaimed Water Distribution System Improvements

LOAN APPLICATION



City of Venice – Reclaimed Water Distribution System Improvements

Florida Department of Environmental Protection
State Revolving Fund Program
Twin Towers Office Building
2600 Blair Stone Road, MS 3505
Tallahassee, FL 32399-2400

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LOAN APPLICATION

- (1) **SUBMITTAL.** Submit the application and attachments to the Department of Environmental Protection, MS 3505, State Revolving Fund Program, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. The application (and backup) may be submitted electronically to the Department's Project Manager.
- (2) **COMPLETING THE APPLICATION.**
 - (a) This application consists of five parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; (IV) AUTHORIZATION AND ASSURANCES; and (V) SUPPLEMENTARY INFORMATION.
 - (b) All information provided on this application must be printed. Monetary amounts may be rounded.
 - (c) Forms and attachments to be submitted are denoted with italic print.
- (3) **ASSISTANCE.** Completing this application may require information that can be obtained from Clean Water State Revolving Fund Program staff. Please email SRF_Reporting@dep.state.fl.us for assistance in completing this application.

PART I - ADMINISTRATIVE INFORMATION

- (1) **PROJECT SPONSOR** City of Venice, Florida
Federal Employer Identification Number 59-6000443
DUNS Number 093602191
- (2) **AUTHORIZED REPRESENTATIVE** (person authorized to sign or attest loan documents).
Name John Holic Title City Mayor
Telephone 941-882-7402 FAX 941-480-3031 Email jholic@venicegov.com
Mailing Address 401 W. Venice Avenue, Venice, Florida 34285
- (3) **PRIMARY CONTACT** (person to answer questions regarding this application).
Name Linda Senne Title Finance Director
Telephone 941-882-7300 FAX 941-486-2790 Email lsenne@venicegov.com
Employer City of Venice
Mailing Address 401 W. Venice Avenue, Venice, Florida 34285
- (4) **ADDITIONAL CONTACTS.** If more than one additional person is to receive copies of Department correspondence, attach the information (**Attachment #1**).
Name Tim Hochuli Title Utilities Director
Telephone 941-882-7300 FAX 941-486-2084 Email thochuli@venicegov.com
Employer City of Venice
Mailing Address 3501 E Laurel Rd, Venice, Florida 34285
- (5) **PROJECT NUMBER** (listed on the Department's priority list). WW58044

INTERIM FINANCING. A local government project sponsor that has interim financing may be subject to certain conditions regarding such financing.

Is the project currently being funded with interim financing?

☐ Yes ☒ No

PART II – PROJECT INFORMATION

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

A. PLANNING, DESIGN OR SSES PROJECT

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

- (1) **ACTIVITIES.** Attach a brief description of the scope of planning and design activities to be financed by this loan. Include a list of any specialized studies to be performed. (Attachment #2) Are these activities the same as those scheduled on the *Request for Inclusion Form*? ☐ Yes ☐ No. If "No", please explain. (Attachment #____)
- (2) **SCHEDULE.**
- (a) Provide proposed completion dates for the items. (Please call Department staff to discuss time frames needed to complete required tasks.)
- | | |
|------------------------------------|-------|
| Planning documentation | _____ |
| Engineering work | _____ |
| Certification of site availability | _____ |
| Permit | _____ |
- (b) Do you anticipate that an interlocal agreement with another party will be necessary to implement the project? If "Yes", please explain. (Attachment #____) ☐ Yes ☐ No
- (c) Is this a design/build project? ☐ Yes ☐ No
- (3) **COST.** Is the cost information submitted for the planning, design or SSES loan priority list current? ☐ Yes ☐ No
If "No", please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (Attachment #____) Note that the disburseable amount will be limited to the priority list amount.

PRECONSTRUCTION LOAN APPLICANTS PROCEED TO PART III.

B. CONSTRUCTION OR I/I REHABILITATION PROJECT

- (1) **ACTIVITIES.**
- (a) Attach a brief description of construction or I/I rehabilitation activities to be financed by this loan. Include a list of the contracts (by title) corresponding to the plans and specifications accepted by the Department (Attachment #2).
Are these contracts the same as those scheduled on the *Request for Inclusion Form*? ☒ Yes ☐ No
If "No", please explain. (Attachment #____)
- (b) Have any of the contracts been bid? ☐ Yes ☒ No
If "Yes", indicate which contracts have been bid. (Attachment #____)
- (c) Was planning, design, or SSES for this project financed in another SRF loan? ☐ Yes ☒ No
If "Yes", give the SRF loan number. _____
- (d) Does this project involve an interlocal agreement with other local governments or other entities? ☐ Yes ☒ No
If "Yes", attach a copy of the Department letter accepting the interlocal agreement. (Attachment #____)
Is the interlocal agreement, as accepted by the Department, fully executed and enforceable? ☐ Yes ☐ No
If "No", please explain (Attachment #____).

- (2) SCHEDULE. (month and year)
- (a) Anticipated notice to proceed for first construction contract. 12/2016
- (b) Anticipated completion of all construction contracts. 01/2018
- (3) COST. Is the cost information submitted for the priority list current? ☒ Yes ☐ No

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

PART III - FINANCIAL INFORMATION

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

- (1) PRINCIPAL. The requested amount of the loan which does not include capitalized interest is \$1,002,708
- Note that the disbursement amount will be limited to the priority list amount and must be consistent with the project information provided under PART II of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect actual disbursement timing. The principal amount of the loan does not include the loan service fee.
- (2) TERMS AND REPAYMENT.
- (a) Loans to local government project sponsors are amortized over the lesser of useful life of the project or 20 years unless the project is to serve a small community qualifying as having a financial hardship. Loans to financial hardship communities may be amortized over the lesser of useful life of the project or 30 years. Loans to non-governmental project sponsors are amortized over the lesser of the useful of the project or 20 years. Finance charges and principal are paid semiannually.
- What is the useful life of the project? 40 (years)
- Over how many years would you like to amortize the loan? 20 (years)
- (b) List all revenues that are to be pledged for repayment of this loan. Water & Sewer Net Operating Revenues.
- (c) Pledged revenue receipts or collections by the project sponsor must exceed the amount of the repayments due to the Department unless there are other collateral provisions. The excess revenue, or coverage, generally is 15% of each repayment.
- What coverage is proposed for the loan? 15% (coverage percentage)
- (d) Is any other financial assistance being applied to this project? ☐ Yes ☒ No
- If "Yes", please list. (Attachment #____)
- (3) ANNUAL FUNDING LIMIT. Large project funding (generally, loans in excess of \$10 million) may be provided in increments pursuant to the initial loan agreement and subsequent amendments. Each increment shall have a separate financing rate as established in the agreement or amendment providing that increment.
- (4) INFORMATION ON LIENS.
- (a) Describe, if applicable, all debt obligations having a prior or parity lien on the revenues pledged to repay this loan. (Attachment #3) For example: City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of \$10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.
- (b) Using the Part V, *Schedule of Prior and Parity Liens*, provide debt service information, if applicable, on each prior and parity obligation.

- (c) For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating. (Attachment #4).
- (d) Describe any other notes and loans payable from the revenues pledged to repay this loan. (Attachment #_____).
- (5) ACTUAL AND PROJECTED REVENUES.
 - (a) Complete the Part V, *Schedule of Actual Revenues and Debt Coverage* for the past two fiscal years.
 - (b) Complete the Part V, *Schedule of Projected Revenues and Debt Coverage*, demonstrating the availability of pledged revenues for loan repayment.
- (6) AVAILABILITY OF PLEDGED REVENUES. All sources must be supported by a written legal opinion. (Attachment #5) The opinion must address the following:
 - (a) Availability of the revenues to repay the loan.
 - (b) Right to increase rates at which revenues shall be collected to repay the loan.
 - (c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.
- (7) LOAN SERVICE FEE. A loan service fee is assessed on each loan. The fee is not part of the loan. The fee along with interest thereon will be deducted from the first available repayments after the final amendment to the loan agreement.

PART IV – AUTHORIZATION AND ASSURANCES

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

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

9. Chapter 373, Part IV, F.S., Florida Water Resources Act of 1972, which requires that activities on surface waters or wetlands avoid adversely affecting: public health, safety, welfare, or property; conservation of fish and wildlife, including endangered or threatened species or their habitats; navigation or the flow of water; the fishing or recreational values or marine productivity; and significant historical and archaeological resources.
10. Chapter 380, Part I, F.S., Florida Environmental Land and Water Management Act of 1972 as it pertains to regulation of developments and implementation of land and water management policies.
11. Chapter 381, F.S., Public Health, as it pertains to regulation of onsite wastewater systems.
12. Chapter 403, Part I, F.S., Florida Air and Water Pollution Control which requires protection of all waters of the state.
13. Chapter 582, F.S., Soil and Water Conservation Act which requires conformance with Water Management District's regulations governing the use of land and water resources.
14. Governor's Executive Order 95-359, which requires State Clearinghouse review of project planning documentation and intergovernmental coordination.

I, the undersigned Authorized Representative of the Applicant, hereby certify that all information contained herein and in the attached is true, correct, and complete to the best of my knowledge and belief. I further certify that I have been duly authorized to file the application and to provide these assurances.

Signed this _____ Day of _____, 20 _____

Authorized Representative _____
(signature) (name typed or printed)

Attachments

PART V – SUPPLEMENTARY INFORMATION
SCHEDULE OF PRIOR AND PARITY LIENS

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

Identify Each Obligation

#1 Utility Refunding Note 2012 \$9,980,000 Coverage % 115% Insured (Yes/No) No			#2 2013 PNC (SRF) Refunding Loan \$4,157,000 Coverage % 115% Insured (Yes/No) No			#3 2012 Revenue Bonds \$20,770,000 Coverage % 115% Insured (Yes/N) No				
#4 Series 2015 \$15,355,000 Coverage % 115% Insured (Yes/No) No			#5 SRF Loan Agreement RDWS 80430 \$3,395,595 Coverage % 115% Insured (Yes/No) No							
Fiscal Year	Annual Debt Service (Principal + Interest)							Total Non-SRF Debt Service w/coverage	Total SRF Debt Service w/coverage	
	#1	#2	#3	#4	#5	#6	#7			
2013	2,558,875	215,290	351,248					3,594,225		
2014	2,550,964	430,764	1,156,650					4,759,135	-	
2015	2,552,771	430,684	1,157,125					4,761,667	-	
2016	2,544,295	430,505	1,158,350	759,519				5,626,569	-	
2017		431,227	1,157,050	1,099,175				3,090,570	-	
2018		430,833	1,160,050	1,099,050	95,103			3,093,423	109,368	
2019		430,340	1,157,350	1,100,375	190,206			3,091,275	218,737	
2020		430,740	1,158,950	1,100,450	190,206			3,093,661	218,737	
2021		431,033	1,157,300	1,096,575	190,206			3,087,644	218,737	
2022		430,210	1,155,550	1,096,325	190,206			3,084,398	218,737	
2023		431,280	1,157,675	1,099,375	190,206			3,091,580	218,737	
2024			1,455,300	1,096,300	190,206			2,934,340	218,737	
2025			1,156,550	1,097,175	190,206			2,591,784	218,737	
2026			1,157,575	1,101,175	190,206			2,597,563	218,737	
2027			1,158,428	1,098,300	190,206			2,595,237	218,737	
2028			1,158,272	1,096,850	190,206			2,593,390	218,737	
2029			1,157,491	1,098,775	190,206			2,594,706	218,737	
2030			1,156,084	1,100,650	190,206			2,595,244	218,737	
2031			1,157,625	1,099,725	190,206			2,595,953	218,737	
2032			1,156,988	1,096,159	190,206			2,591,119	218,737	
2033			1,155,475	1,100,469	190,206			2,594,336	218,737	
2034			1,158,000	1,098,131	190,206			2,594,551	218,737	
2035			1,159,475	1,099,084	190,206			2,597,343	218,737	
2036			1,158,325	1,098,225	190,206			2,595,033	218,737	
2037			1,158,950		190,206			1,332,793	218,737	
2038			1,158,981		95,103			1,332,828	109,368	
2039			1,158,909					1,332,745	-	
2040			1,157,569					1,331,204	-	
2041			1,154,959					1,328,203	-	
2042			1,155,991					1,329,390		
2043			1,155,572					1,328,908	-	

PART V – SUPPLEMENTARY INFORMATION
SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE
FOR RATE-BASED SYSTEM PLEDGED REVENUE

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

	<u>FY2014</u>	<u>FY2015</u>
(a) Operating Revenues:		
Water/Sewer Service	<u>20,746,517</u>	<u>20,992,313</u>
Other _____		
(b) Interest Income	<u>234,395</u>	<u>241,469</u>
(c) Other Income or Revenue (Identify)	<u> </u>	<u> </u>
(d) Total Revenues	<u>20,980,912</u>	<u>21,233,782</u>
 (e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	 <u>9,228,925</u>	 <u>9,728,137</u>
(f) Net Revenues (f = d - e)	<u>11,751,987</u>	<u>11,505,645</u>
 (g) Debt Service (including required coverage; should reflect last column of preceding page)	 <u>4,759,135</u>	 <u>4,761,667</u>
 (h) Attach audited annual financial report(s), or pages thereof, and any other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF loan. (Attachment # <u>7</u>)		
(i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (Attachment # <u>7</u>)		
(j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment # <u> </u>)		

PART V – SUPPLEMENTARY INFORMATION
SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE
FOR RATE-BASED SYSTEM PLEDGED REVENUE
(Begin with the fiscal year preceding first anticipated semiannual loan payment.)

	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>
Operating Revenues					
(a) (Identify)					
<u>Water/Sewer</u>	<u>20,024,301</u>	<u>20,674,357</u>	<u>22,139,287</u>	<u>23,670,836</u>	<u>25,271,613</u>
(b) <u>Interest Income</u>	<u>94,416</u>	<u>108,438</u>	<u>146,679</u>	<u>265,185</u>	<u>503,354</u>
Other Incomes or					
(c) <u>Revenues (Identify)</u>					
<u>Other Operating Income</u>	<u>416,016</u>	<u>414,591</u>	<u>427,968</u>	<u>441,367</u>	<u>454,790</u>
<u>Capacity</u>					
<u>Charges/Infrastructure</u>					
<u>Surtax only FY2015</u>	<u>1,536,924</u>	<u>414,801</u>	<u>2,356,440</u>	<u>2,363,279</u>	<u>2,370,322</u>
(d) <u>Total Revenues</u>	<u>22,071,657</u>	<u>21,612,187</u>	<u>25,070,374</u>	<u>26,740,667</u>	<u>28,600,079</u>
(e) <u>Operating Expenses</u>	<u>12,756,081</u>	<u>13,170,359</u>	<u>13,602,918</u>	<u>14,054,653</u>	<u>14,526,502</u>
(f) <u>Net Revenues (f = d - e)</u>	<u>9,315,576</u>	<u>8,441,828</u>	<u>11,467,456</u>	<u>12,686,014</u>	<u>14,073,577</u>
Existing Debt Service					
on Non-SRF Projects					
(g) (including coverage)	<u>4,761,667</u>	<u>5,626,569</u>	<u>3,090,570</u>	<u>3,093,423</u>	<u>3,091,275</u>
Existing SRF Loan Debt					
(h) (including coverage)	<u>0</u>	<u>0</u>	<u>0</u>	<u>109,368</u>	<u>218,737</u>
<u>Total Existing Debt</u>					
(i) <u>Service (i = g + h)</u>	<u>4,761,667</u>	<u>5,626,569</u>	<u>3,090,570</u>	<u>3,202,791</u>	<u>3,310,012</u>
Projected Debt Service					
on Non-SRF Future					
Projects (including					
(j) coverage)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Projected SRF Loan					
Debt Service (including					
(k) coverage)	<u>0</u>	<u>0</u>	<u>0</u>	<u>62,968</u>	<u>62,968</u>
<u>Total Debt Service</u>					
(Existing and					
(l) <u>Projected) (l = i + j + k)</u>	<u>4,761,667</u>	<u>5,626,569</u>	<u>3,090,570</u>	<u>3,265,759</u>	<u>3,372,979</u>
<u>Net Revenues After</u>					
(m) <u>Debt (m = f - l)</u>	<u>4,553,909</u>	<u>2,815,259</u>	<u>8,376,886</u>	<u>9,420,255</u>	<u>10,700,598</u>
(n)					
Identify the source of the above information and explain methods used to develop the projections (Attachment # <u>7</u>). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.					
(o)	Are the above projections consistent with the capital improvements financing information in the accepted water facilities plan?				
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No. If not, explain on Attachment # _____.				

PART V – SUPPLEMENTARY INFORMATION

LIST OF ATTACHMENTS

LIST OF ATTACHMENTS. This application requires the submittal of *Attachments* to provide supplemental information. The application is not complete without the completed *List of Attachments*. Please list all attachments that you are including with this application form.

[illegible]

Attachment 1

Additional Contacts

Attachment 1 – Additional Contacts

Additional Contacts

Ed Lavallee, City Manager

401 W. Venice Ave

Venice FL 34285

941-882-7399

elavallee@venicegov.com

Brenda Westlake, Grant/Loan Coordinator

401 W. Venice Ave

Venice FL 34285

941-882-7424

bwestlake@venicegov.com

Tony Wierzbicki

3501 E. Laurel Road

Venice FL 34285

941-882-7297

twierzbicki@venicegov.com

Attachment 2

Project Description

PROJECT DESCRIPTION

Reclaimed Water Distribution System Improvements

The City of Venice RWMP has identified several reclaimed water distribution system improvements that will create a system loop that will improve pressures in addition to allowing the City to serve additional customers. These improvements will result in additional disposal capacity for the EWRP and reduce water demands for the RO WTP.

The City's Reclaimed Water Distribution System Improvements Project will include the following:

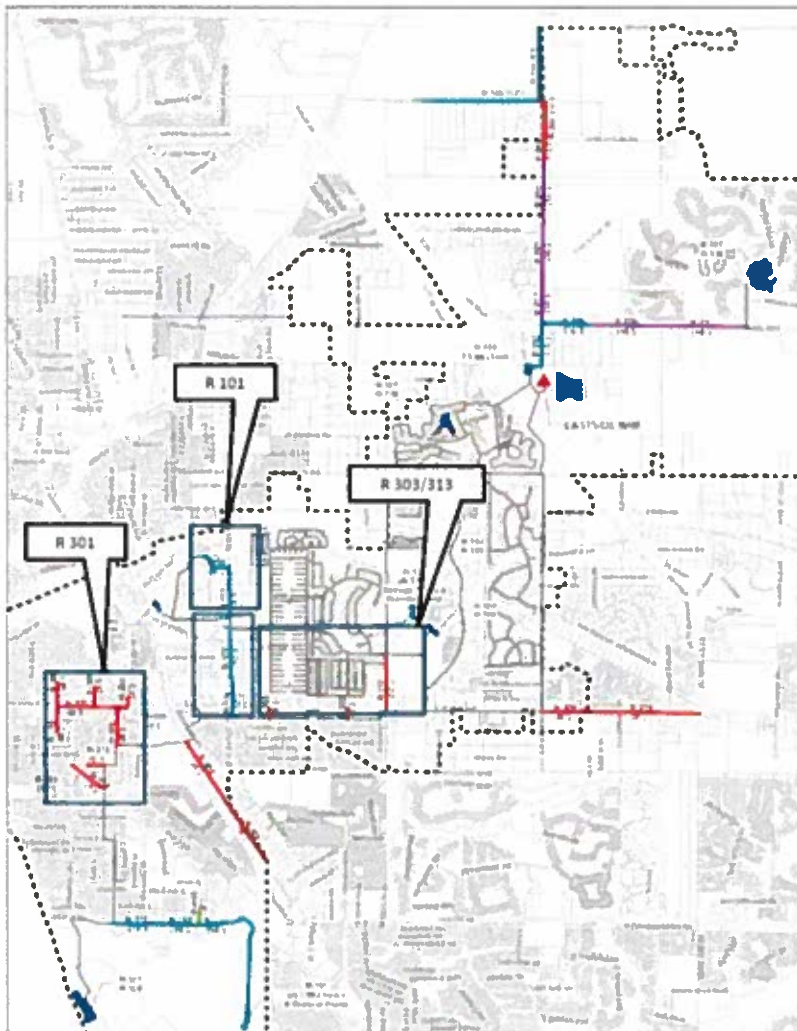
- Construction of three reclaimed water main extensions that will loop the existing system;
- Evaluation of abandoned force mains for the potential usage as reclaimed water mains;
- Replacement of five ARV's and replacement of six gate valves that are no longer operable.

Reclaimed Water Distribution System Improvements

Design Complete: 7/2016

Bidding Complete: 9/2016

Start Construction: 12/2016 – Construction Closeout Complete: 4/18/2018



Attachment 3

Debt Obligations List

Construction Loan WW58044 Debt Obligation



City of Venice , Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$9,980,000 - Resolution 2012-5¹ - 5/22/2012 (Balance as of FY14 \$5,040,000)



City of Venice, Florida, Utility System Refunding Revenue Note, Series 2013, issued in the amount of \$4,157,000 - Resolution 2013-09¹ - 5/14/2013 (Balance as of FY14 \$3,589,000)



City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$20,770,000 - Resolution 2012-17¹ - 12/11/2012 (Balance as of FY14 \$20,395,000)



City of Venice, Florida, Utility System Refunding Revenue Note, Series 2015, issued in the amount of \$15,355,000 - Resolution 2015-1¹ - 2/10/2015



City of Venice, Florida, Florida Department of Environmental Protection Agency, State Revolving Fund Loan, issued in the amount of \$3,395,595 - Resolution 2016-13 - 4/26/2016

¹ Resolution 2012-05 adopted on May 22, 2012, as amended and supplemented, particularly as amended by Resolution 2012-17 adopted on December 11, 2012 and Resolution 2015-01 adopted on February 10, 2015.

Attachment 4

Debt Obligation Documents

Bond Documents are very large and can be transmitted under a separate cover if you wish to review them. (300+pages)

Attachment 5

Legal Opinion

Attachment 5 – Legal Opinion

SAMPLE LEGAL OPINION

Shanin Speas-Frost, Program Administrator
Florida Dept of Environmental Protection
Division of Water Restoration Assistance
Drinking Water State Revolving Fund Management
3900 Commonwealth Blvd., Mail Station 3505
Tallahassee, Florida 32399-3000

Re: WW58044 – City of Venice
Reclaimed Water Distribution System Improvements

Dear Ms. Speas-Frost:

I am the duly appointed City Attorney for the City of Venice. The City of Venice proposes to borrow \$1,012,735 (including an estimated capitalized interest) from the State Revolving Fund for construction of the Reclaimed Water Distribution System Improvements. The loan will be secured by the net operating revenues of the City's water and sewer systems and the pledged revenues are legally available to pledge. The City of Venice has the legal authority to increase rates to ensure repayment of the loan.

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

- (1) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$9,980,000
- (2) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$20,770,000
- (3) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2013, issued in the amount of \$4,157,000
- (4) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2015, issued in the amount of \$15,355,000
- (5) Any additional Parity Obligations subsequently issued pursuant to Resolution 2015-05 adopted on May 22, 2012, as amended and supplemented.
- (6) City of Venice, Florida, Florida Department of Environmental Protection Agency, State Revolving Fund, DW580430, issued in the amount of \$3,395,595

Sincerely,

David P. Persson

Cc: Linda Senne, Finance Director
Tim Hochuli, Utility Director

Attachment 6

Loan Resolution

Attachment 6 – Loan Resolution

RESOLUTION NO. 2016-xx

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

WHEREAS, the State of Florida Department of Environmental Protection State Revolving Fund provides loans to local governments to finance the construction of wastewater treatment facilities; and

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

WHEREAS, the State Revolving Fund loan priority list designates Project Number WW58044 as eligible for available funding; and

WHEREAS, the City of Venice, Florida, intends to enter into a loan agreement with the Department of Environmental Protection under the State Revolving Fund to obtain an estimated principal amount of \$1,003,000 in financing for the construction of Reclaimed Water Distribution System Improvements project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA, AS FOLLOWS:

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

SECTION 2. The City of Venice, Florida, is authorized to apply for a loan from the State of Florida Department of Environmental Protection State Revolving Fund to finance the construction of Reclaimed Water Distribution System Improvements project.

SECTION 2. The revenues pledged for the repayment of the loan are the net operating revenues of the City's water and wastewater utility system, subject to all prior pledges and liens created pursuant to Resolution 2012-05 adopted on May 22, 2012, as amended and supplemented.

SECTION 3. The Mayor is hereby designated as the authorized representative to provide the assurance and commitments required by the loan application and agreement.

SECTION 4. The Mayor is hereby designated as the authorized representative to execute the loan application and subsequent loan agreement which will be binding obligation in accordance with its terms when signed by both parties. The Mayor is authorized to represent the City in carrying out the City's responsibilities under the loan agreement. The Mayor is authorized to delegate the responsibility to appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

SECTION 5. This Resolution shall take effect immediately upon its approval and adoption as required by law.

APPROVED AND ADOPTED AT A REGULAR MEETING OF THE VENICE CITY COUNCIL HELD ON THE 25TH DAY OF OCTOBER, 2016.

John W. Holic, Mayor

ATTEST:

Lori Stelzer, MMC, City Clerk

I, LORI STELZER, MMC, City Clerk of the City of Venice, Florida, a municipal corporation in Sarasota County, Florida, do hereby certify that the foregoing is a full and complete, true and correct copy of a Resolution duly adopted by the City Council of said city at a meeting thereof duly convened and held on the 25th day of October 2016, a quorum being present.

WITNESS my hand and the official seal of said City this 25th day of October 2016.

(SEAL)

Lori Stelzer, MMC, City Clerk

Approved as to form:

David Persson, City Attorney

Attachment 7

Financial Back-Up Documents

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

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

	<u>FY2014</u>	<u>FY2015</u>
(a) Operating Revenues:		
Water/Sewer Service	<u>20,746,517</u>	<u>20,992,313</u>
Other _____		
(b) Interest Income	<u>234,395</u>	<u>241,469</u>
(c) Other Income or Revenue (Identify)	<u></u>	<u></u>
(d) Total Revenues	<u>20,980,912</u>	<u>21,233,782</u>
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	<u>9,228,925</u>	<u>9,728,137</u>
(f) Net Revenues (f = d - e)	<u>11,751,987</u>	<u>11,505,645</u>
(g) Debt Service (including required coverage; should reflect last column of preceding page)	<u>4,759,135</u>	<u>4,761,667</u>
(h) Attach audited annual financial report(s), or pages thereof, and any other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF loan. (Attachment # <u>7</u>)		
(i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (Attachment # <u>7</u>)		
(j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment # <u> </u>)		

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2014

	Business Type Activities		
	Water and Sewer Utilities	Solid Waste	Airport
OPERATING REVENUES			
Charges for services (net)	\$ 19,949,419	\$ 5,163,716	\$ -
Rentals	-	-	1,941,709
Miscellaneous	797,098	106,701	122,829
Total operating revenues	<u>20,746,517</u>	<u>5,270,417</u>	<u>2,064,538</u>
OPERATING EXPENSES			
Personal services	4,433,457	1,521,703	508,751
Insurance	436,308	256,584	99,204
Supplies and materials	-	1,430,554	-
Professional services	700,822	31,452	350,526
Maintenance	1,118,557	611,576	233,444
Utilities	933,084	9,439	86,523
Other services and charges	1,606,697	15,526	141,767
Depreciation and amortization	4,629,512	553,918	893,216
Total operating expenses	<u>13,858,437</u>	<u>4,430,752</u>	<u>2,313,431</u>
Operating income (loss)	<u>6,888,080</u>	<u>839,665</u>	<u>(248,893)</u>
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	234,395	38,557	45,968
Federal and state grants	1,467,572	-	977,960
Disposition of assets	18,977	-	2,675,000
Interest expense	(1,053,275)	-	-
Net non-operating revenues (expenses)	<u>667,669</u>	<u>38,557</u>	<u>3,698,928</u>
Income (loss) before contributions and transfers	7,555,749	878,222	3,450,035
Transfers in	-	-	195,210
Transfers out	(1,610,885)	(751,567)	(301,242)
Change in net position	5,944,864	126,655	3,344,003
Total net position - beginning	<u>70,598,629</u>	<u>5,880,141</u>	<u>19,201,727</u>
Total net position- ending	<u>\$ 76,543,493</u>	<u>\$ 6,006,796</u>	<u>\$ 22,545,730</u>

See accompanying Notes to Basic Financial Statements.

Business Type Activities		Governmental
Storm Water Drainage	Total Enterprise Funds	Activities Internal Service Funds
\$ 1,369,919	\$ 26,483,054	\$ 6,592,451
-	1,941,709	-
89	1,026,717	190,418
<u>1,370,008</u>	<u>29,451,480</u>	<u>6,782,869</u>
275,031	6,738,942	171,540
13,164	805,260	6,060,347
-	1,430,554	-
85,169	1,167,969	490,035
440,744	2,404,321	-
87	1,029,133	-
86,714	1,850,704	118,809
225,161	6,301,807	3,754
<u>1,126,070</u>	<u>21,728,690</u>	<u>6,844,485</u>
<u>243,938</u>	<u>7,722,790</u>	<u>(61,616)</u>
15,832	334,752	27,575
339,078	2,784,610	-
-	2,693,977	-
(8,970)	(1,062,245)	-
<u>345,940</u>	<u>4,751,094</u>	<u>27,575</u>
589,878	12,473,884	(34,041)
-	195,210	1,728,795
(192,335)	(2,856,029)	(600,000)
<u>397,543</u>	<u>9,813,065</u>	<u>1,094,754</u>
<u>7,684,333</u>	<u>103,364,830</u>	<u>2,334,166</u>
<u>\$ 8,081,876</u>	<u>\$ 113,177,895</u>	<u>\$ 3,428,920</u>

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2015

	Business-Type Activities		
	Water and Sewer Utilities	Solid Waste	Airport
OPERATING REVENUES			
Charges for services (net)	\$ 20,108,922	\$ 5,208,829	\$ -
Rentals	-	-	1,848,187
Miscellaneous	883,391	85,492	78,586
Total operating revenues	<u>20,992,313</u>	<u>5,294,321</u>	<u>1,926,773</u>
OPERATING EXPENSES			
Personal services	4,576,238	1,505,183	573,714
Insurance	437,664	257,832	99,684
Supplies and materials	-	1,369,252	-
Professional services	943,183	42,893	172,570
Maintenance	989,196	650,817	194,719
Utilities	939,421	11,471	89,861
Other services and charges	1,842,435	17,050	614,798
Depreciation and amortization	4,900,460	594,282	1,260,792
Total operating expenses	<u>14,628,597</u>	<u>4,448,780</u>	<u>3,006,138</u>
Operating income (loss)	<u>6,363,716</u>	<u>845,541</u>	<u>(1,079,365)</u>
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	241,469	33,437	51,104
Federal and state grants	780,000	-	4,918,946
Disposition of assets	-	(61,552)	(179,247)
Interest expense	(1,105,061)	-	-
Net non-operating revenues (expenses)	<u>(83,592)</u>	<u>(28,115)</u>	<u>4,790,803</u>
Income (loss) before contributions and transfers	6,280,124	817,426	3,711,438
Developer capital contributions	2,485,003	-	-
Transfers in	1,100,000	-	-
Transfers out	(1,576,166)	(1,768,634)	(299,005)
Change in net position	<u>8,288,961</u>	<u>(951,208)</u>	<u>3,412,433</u>
Total net position - beginning, as previously reported	76,543,493	6,006,796	22,545,730
Cululative effect of change in accounting principle (See Note B)	<u>(1,993,733)</u>	<u>(638,463)</u>	<u>(208,503)</u>
Total net position - beginning, as restated	<u>74,549,760</u>	<u>5,368,333</u>	<u>22,337,227</u>
Total net position - ending	<u>\$ 82,838,721</u>	<u>\$ 4,417,125</u>	<u>\$ 25,749,660</u>

See accompanying Notes to Basic Financial Statements.

Business-Type Activities		
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
\$ 1,458,150	\$ 26,775,901	\$ 7,386,417
-	1,848,187	-
5,385	1,052,854	196,756
<u>1,463,535</u>	<u>29,676,942</u>	<u>7,583,173</u>
351,644	7,006,779	250,714
13,236	808,416	5,418,444
-	1,369,252	-
88,364	1,247,010	493,630
172,156	2,006,888	-
227	1,040,980	-
60,983	2,535,266	144,455
260,014	7,015,548	124,713
<u>946,624</u>	<u>23,030,139</u>	<u>6,431,956</u>
516,911	6,646,803	1,151,217
14,362	340,372	42,483
588,421	6,287,367	-
(45,077)	(285,876)	115,570
(5,521)	(1,110,582)	-
<u>552,185</u>	<u>5,231,281</u>	<u>158,053</u>
1,069,096	11,878,084	1,309,270
-	2,485,003	-
-	1,100,000	1,096,869
(202,907)	(3,846,712)	-
<u>866,189</u>	<u>11,616,375</u>	<u>2,406,139</u>
8,081,876	113,177,895	3,428,920
(140,647)	(2,981,346)	-
<u>7,941,229</u>	<u>110,196,549</u>	<u>3,428,920</u>
<u>\$ 8,807,418</u>	<u>\$ 121,812,924</u>	<u>\$ 5,835,059</u>

Project Cost Worksheet

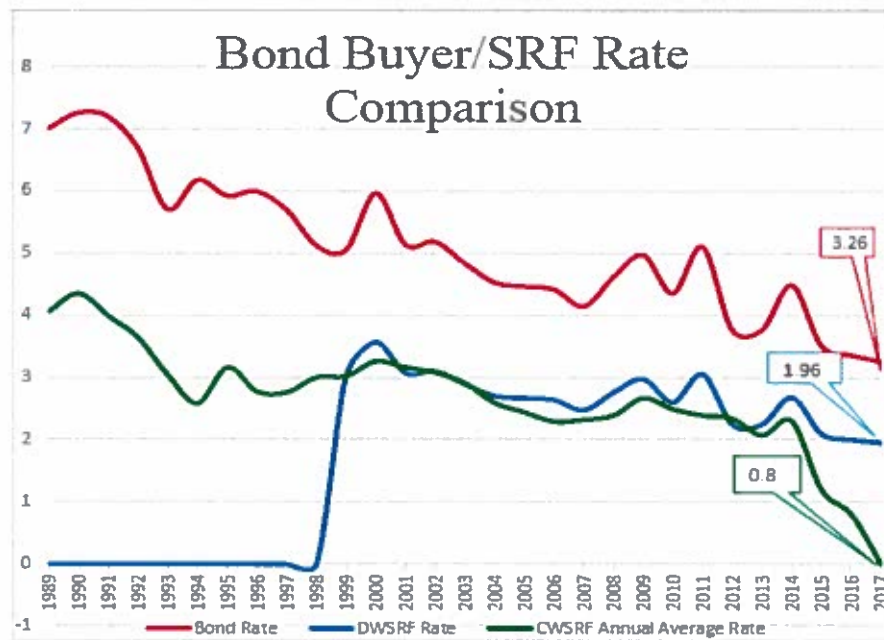
City of Venice

Construction Loan WW58044

Reclaimed Water Main Distribution System Improvements

Item	%	Amount
Construction		835,590
Eligible Land		0
Other (Contingency Eligible)		0
Contingency Percentage/Amount	10%	83,559
Technical Services	10%	83,559
Special Studies		0
Total		1,002,708
Years to Construct		2.0
Anticipated Interest Rate		1.00%
Anticipated Capitalized Interest		10,027
TOTAL		1,012,735
Fees	2%	20,255
Total for Amortization		1,032,990

<u>Interest Rate:</u>	2
Fair Labor Standards- Davis Bacon Rate Reduction	-0.75
American-Iron-Steel Rate Reduction	-0.25
"Green" rate reduction	0
	<u>1</u>



Project Cost Worksheet

City of Venice - WW58044

Is this a Design-Build Project (yes or no)?	no
Is this a preconstruction loan?	no
Is precon funding for special studies requested?	no
Is precon funding for land requested?	no
Is this a rollover from precon to construction?	no
Is this a new construction loan?	yes
Is a project adjustment (increase/decrease) needed?	no

Total Post-allowance Project Costs			
Construction, Equipment, Materials and Demolition			835,590
Eligible Land			0
Other (Contingency Eligible)			0
Contingency Percentage/Amount	10%	83,559	
Technical Services	10%	83,559	
Special Studies			0
Sum			1,002,708

Comments: Projects identified for this preconstruction loan

a) Reclaimed Water Main Distribution System Improvements	835,590
----------------------------------------------------------	---------

Draft Interest Amortization

Loan Amount (pv) ¹	\$1,032,990
Interest Rate (rate)	1.00%
Total # of Periods (Nper)	20

Payment per Period	\$57,243.45
Total Interest Paid	\$ 111,879.30

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	1,032,989.78
1	57,243.45	10,329.90	10,329.90	46,913.56	46,913.56	986,076.23
2	57,243.45	9,860.76	20,190.66	47,382.69	94,296.25	938,693.53
3	57,243.45	9,386.94	29,577.60	47,856.52	142,152.77	890,837.01
4	57,243.45	8,908.37	38,485.97	48,335.08	190,487.85	842,501.93
5	57,243.45	8,425.02	46,910.98	48,818.43	239,306.29	793,683.50
6	57,243.45	7,936.83	54,847.82	49,306.62	288,612.90	744,376.88
7	57,243.45	7,443.77	62,291.59	49,799.69	338,412.59	694,577.19
8	57,243.45	6,945.77	69,237.36	50,297.68	388,710.27	644,279.51
9	57,243.45	6,442.80	75,680.16	50,800.66	439,510.93	593,478.85
10	57,243.45	5,934.79	81,614.94	51,308.67	490,819.60	542,170.19
11	57,243.45	5,421.70	87,036.65	51,821.75	542,641.35	490,348.43
12	57,243.45	4,903.48	91,940.13	52,339.97	594,981.32	438,008.46
13	57,243.45	4,380.08	96,320.21	52,863.37	647,844.69	385,145.09
14	57,243.45	3,851.45	100,171.67	53,392.00	701,236.69	331,753.09
15	57,243.45	3,317.53	103,489.20	53,925.92	755,162.61	277,827.17
16	57,243.45	2,778.27	106,267.47	54,465.18	809,627.80	223,361.99
17	57,243.45	2,233.62	108,501.09	55,009.83	864,637.63	168,352.15
18	57,243.45	1,683.52	110,184.61	55,559.93	920,197.56	112,792.22
19	57,243.45	1,127.92	111,312.53	56,115.53	976,313.09	56,676.69
20	57,243.45	566.77	111,879.30	56,676.69	1,032,989.78	0.00
-	-	-	-	-	-	-

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

- - - - -

SCHEDULE OF PRIOR AND PARITY LIENS

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

Identify Each Obligation

#1 Utility System Refunding Revenue Note Series 2012			#2 2013 Utility System Refunding Revenue Note Series 2013			#3 Utility System Refunding Revenue Note Series 2012			
\$9,980,000			\$4,157,000			\$20,770,000			
Coverage % 115%			Coverage % 115%			Coverage % 115%			
Insured (Yes/No) No			Insured (Yes/No) No			Insured (Yes/No) No			
#4 Utility System Refunding Revenue Note, Series 2015			#5 SRF Loan Agreement #DW580430						
\$15,355,000			\$3,395,595						
Coverage % 115%			Coverage % 115%						
Insured (Yes/No) No			Insured (Yes/No) No						
	Debt Service (Principal + Interest)							Total Non-SRF Debt Service w/coverage	Total SRF Debt Service w/coverage
Fiscal Year									
	#1	#2	#3	#4	#5	#6	#7		
2013	2,558,875	215,290	351,248					3,594,225	
2014	2,550,964	430,764	1,156,650					4,759,135	-
2015	2,552,771	430,684	1,157,125					4,761,667	-
2016	2,544,295	430,505	1,158,350	759,519				5,626,569	-
2017		431,227	1,157,050	1,099,175				3,090,570	-
2018		430,833	1,160,050	1,099,050	95,103			3,093,423	109,368
2019		430,340	1,157,350	1,100,375	190,206			3,091,275	218,737
2020		430,740	1,158,950	1,100,450	190,206			3,093,661	218,737
2021		431,033	1,157,300	1,096,575	190,206			3,087,644	218,737
2022		430,210	1,155,550	1,096,325	190,206			3,084,398	218,737
2023		431,280	1,157,675	1,099,375	190,206			3,091,580	218,737
2024			1,455,300	1,096,300	190,206			2,934,340	218,737
2025			1,156,550	1,097,175	190,206			2,591,784	218,737
2026			1,157,575	1,101,175	190,206			2,597,563	218,737
2027			1,158,428	1,098,300	190,206			2,595,237	218,737
2028			1,158,272	1,096,850	190,206			2,593,390	218,737
2029			1,157,491	1,098,775	190,206			2,594,706	218,737
2030			1,156,084	1,100,650	190,206			2,595,244	218,737
2031			1,157,625	1,099,725	190,206			2,595,953	218,737
2032			1,156,988	1,096,159	190,206			2,591,119	218,737
2033			1,155,475	1,100,469	190,206			2,594,336	218,737
2034			1,158,000	1,098,131	190,206			2,594,551	218,737
2035			1,159,475	1,099,084	190,206			2,597,343	218,737
2036			1,158,325	1,098,225	190,206			2,595,033	218,737
2037			1,158,950		190,206			1,332,793	218,737
2038			1,158,981		95,103			1,332,828	109,368
2039			1,158,909					1,332,745	-
2040			1,157,569					1,331,204	-
2041			1,154,959					1,328,203	-
2042			1,155,991					1,329,390	
2043			1,155,572					1,328,908	-

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

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

	FY2016	FY2017	FY2018	FY2019	FY2019
Operating Revenues					
(a) (Identify)					
Water/Sewer	20,674,357	22,139,287	23,670,836	23,095,215	23,326,167
(b) Interest Income	108,438	146,679	265,185	503,354	508,388
Other Incomes or					
(c) Revenues (Identify)					
Other Operating Income	414,591	427,968	441,367	454,790	454,790
Capacity					
Charges/Infrastructure					
Surtax only FY2015	2,137,748	2,356,440	2,363,279	2,370,322	2,198,161
(d) Total Revenues	23,335,134	25,070,374	26,740,667	26,423,681	26,487,506
(e) Operating Expenses (excluding depreciation)	9,828,337	9,929,569	10,031,843	10,135,171	10,239,563
(f) Net Revenues (f = d - e)	13,506,797	15,140,805	16,708,824	16,288,510	16,247,942
Existing Debt Service on					
Non-SRF Projects					
(g) (including coverage)	5,626,569	3,090,570	3,093,423	3,091,275	3,093,661
Existing SRF Loan Debt					
(h) (including coverage)	0	0	109,368	218,737	218,737
Total Existing Debt					
(i) Service (i = g + h)	5,626,569	3,090,570	3,202,791	3,310,012	3,312,398
Projected Debt Service					
on Non-SRF Future					
Projects (including					
(j) coverage)	0	0	0	0	0
Projected SRF Loan Debt					
Service (including					
(k) coverage)	0	0	62,968	62,968	62,968
Total Debt Service					
(Existing and Projected)					
(l) (l = i + j + k)	5,626,569	3,090,570	3,265,759	3,372,979	3,375,366
Net Revenues After					
(m) Debt (m = f - l)	7,880,228	12,050,236	13,443,065	12,915,530	12,872,576
(n) Identify the source of the above information and explain methods used to develop the projections (Attachment # <u>7</u>). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.					
(o) For construction loans, are the above projectings consistent with the accepted financial feasibility information?				Yes or No	

**Projected Rev/Debt Coverage
Worksheet**

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Water Rate Revenues	8,790,293	9,087,646	9,875,304	10,700,517	11,564,791	11,680,438.91
Sewer Rate Revenues	8,644,853	8,917,105	9,462,137	10,031,028	10,624,700	10,730,947
Reclaimed Water Rate Revenues	655,454	677,895	750,384	826,283	905,724	914,781.24
Sarasota County Wholesale Sewer Demand & Consumption Charges	1,933,701	1,991,712	2,051,463	2,113,007	2,176,397	2,198,160.97
Interest Income	94,416	108,438	146,679	265,185	503,354	508,387.54

20,118,718 20,782,795 22,285,966 23,936,021 25,774,967 26,032,717

Other Operating Income: Electric Franchise Fees/Sar
Co Swr Billing Charge/Penalty-Water/Fire Svc Standby
Charge/Fire Svc Hydrant Rental/Tap Fees-
Water/Penalties-Reuse/Reuse Tap Fee/Penalty-Sewer
/Tap Fees Sewer/Miscellaneous Income/Ad Valorem
Tax Reimburse/Wtr Tank Lease-Gte/Altel/Wtr Tank
Lease-Cng/Bell So/Other Miscellaneous Rev

416,016 414,591 427,968 441,367 454,790 454,790

Water/Sewer Plant Capacity Charges/Infrastructure
Surtax

1,536,923 414,801 2,356,440 2,363,279 2,370,322 2,394,025.22

Total Revenues

22,071,657 21,612,187 25,070,374 26,740,667 28,600,079 28,881,532

Operating Expenses

14,628,597 14,779,272 14,931,498 15,085,292 15,240,671 15,397,650

Depreciation and amortization	(4,900,460)	(4,950,935)	(5,001,929)	(5,053,449)	(5,105,500)	(5,158,086)
Operating Expenses Net	9,728,137	9,828,337	9,929,569	10,031,843	10,135,171	10,239,563

City of Venice, Florida
Notes to Financial Statements

Description of Debt	Governmental	Business-Type
\$6,458,000 Recreation Capital Improvement General Obligation Refunding Bond, Series 2014, due in annual installments of \$387,000 - \$545,000 beginning February 1, 2015 through February 1, 2028; interest at 2.66%; payable from the full faith, credit and taxing authority of the City. Purpose: construct a park, beach renourishment, community center improvements, and fishing pier.	\$ 6,458,000	\$ -
\$20,770,000 Utility System Revenue Bonds, Series 2012, due in annual installments of \$375,000 - \$1,135,000 beginning December 1, 2013 through December 1, 2042; interest at 2.00% - 5.00%; secured by water and sewer revenues. The Series 2012 Bonds are issued in parity with the City's Utility System Refunding Note, Series 2012. Purpose: finance cost of design, permitting, acquisition, construction and reconstruction of water and sewer capital projects, fund reserve account, and pay costs of issuance of the Series 2012 bonds.	-	20,395,000
\$4,157,000 Utility System Refunding Revenue Note, Series 2013, due in semi-annual installments of \$183,000 - \$214,000 through August 15, 2023; interest at 1.65%; secured by future water and sewer revenues. Purpose: Project A wastewater re-use, utility upgrades and improvements.	-	3,589,000
\$9,980,000 Utility System Refunding Revenue Note, Series 2012, due in installments of \$2,460,000 - \$2,530,000 through December 1, 2015; interest at 1.130%; secured by future water and sewer revenues. Purpose: Relocation of waste water plant.	-	5,040,000
\$944,000 Storm Water and Drainage promissory note, due in annual installments of \$138,000 - \$165,000 beginning May 1, 2011 through May 1, 2016; interest at 2.15%; payable solely from and secured by future revenues of the City's storm water management utility system. Purpose: Refund Storm Water and Drainage Revenue Bonds (originally issued for various drainage projects) to take advantage of favorable interest rates.	-	329,000
Total bonds and notes	\$ 6,458,000	\$ 29,353,000

City of Venice, Florida

Utility System Revenue Bonds, Series 2015

Projection of Cash Inflows

Schedule 2

FIVE YEAR PROJECTION OF CASH INFLOWS

	For the Fiscal Year Ended September 30				
	2015	2016	2017	2018	2019
Charges for Service					
Water Rate Revenues	\$ 8,790,293	\$ 9,087,646	\$ 9,875,304	\$ 10,700,517	\$ 11,564,791
Sewer Rate Revenues	8,644,853	8,917,105	9,462,137	10,031,028	10,624,700
Redeamed Water Rate Revenues	655,454	677,895	750,384	826,283	905,724
Sar. Co. Wholesale Sewer Demand & Consumption Charges	1,933,701	1,991,712	2,051,463	2,113,007	2,176,397
Total Charges for Service	\$ 20,024,301	\$ 20,674,357	\$ 22,139,287	\$ 23,670,836	\$ 25,271,613
Other Operating Income					
313.10-00 Electric Franchise Fees	\$ -	\$ -	\$ -	\$ -	\$ -
343.51-11 Sar Co Swr Billing Charge	23,749	24,461	25,195	25,951	26,729
343.31-20 Penalty- Water	87,779	88,233	93,222	98,211	103,200
343.31-21 Fire Svc Standby Charge	52,755	52,755	52,755	52,755	52,755
343.31-22 Fire Svc Hydrant Rental	3,000	3,000	3,000	3,000	3,000
343.31-23 Tap Fees-Water	86,501	86,948	91,864	96,781	101,697
343.51-05 Penalties-Reuse	1,553	1,564	1,686	1,808	1,930
343.51-06 Reuse Tap Fee	16,149	16,264	17,531	18,799	20,066
343.51-21 Penalty- Sewer	41,436	41,556	42,873	44,190	45,507
343.51-23 Tap Fees-Sewer	992	995	1,026	1,058	1,089
343.61-20 Miscellaneous Income	1,000	1,000	1,000	1,000	1,000
343.61-21 Ad Valorem Tax Reimburse	3,287	-	-	-	-
362.10-01 Wtr Tank Lease- Gte/Alltel	48,761	48,761	48,761	48,761	48,761
362.10-02 Wtr Tnk Lease- Cng/Bell So	44,054	44,054	44,054	44,054	44,054
369.00-00 Other Miscellaneous Rev	5,000	5,000	5,000	5,000	5,000
Total Other Operating Income	\$ 416,016	\$ 414,591	\$ 427,968	\$ 441,367	\$ 454,790
Non Operating Revenues					
Interest Earnings (loss)	\$ 94,416	\$ 108,438	\$ 146,679	\$ 265,185	\$ 503,354
Federal and State Grants	-	-	-	-	-
Disposition of Assets	-	-	-	-	-
Total Non Operating Revenues	\$ 94,416	\$ 108,438	\$ 146,679	\$ 265,185	\$ 503,354
CIP Funding Sources					
Water Plant Capacity Charges	\$ 139,635	\$ 121,000	\$ 1,331,000	\$ 1,331,000	\$ 1,331,000
Sewer Plant Capacity Charges	82,433	72,500	797,500	797,500	797,500
343.51-07 Sar Co Swr Treat Cons Chg (10% Surcharge)	214,856	221,301	227,940	234,779	241,822
Infrastructure Surtax	1,100,000	1,057,833	1,057,833	1,057,833	1,057,833
Total CIP Funding Sources	\$ 1,536,923	\$ 1,472,634	\$ 3,414,273	\$ 3,421,112	\$ 3,428,155
		414,801	225,490	236,379	237,322
Total Annual Cash Inflows	\$ 22,071,655	\$ 22,670,020	\$ 26,128,208	\$ 27,798,500	\$ 29,657,912

City of Venice, Florida

Utility System Revenue Bonds, Series 2015

Projection of Cash Outflows

Schedule 3

FIVE YEAR PROJECTION OF CASH OUTFLOWS

	For the Fiscal Year Ended September 30				
	2015	2016	2017	2018	2019
Personal Services					
12-00 Regular Salaries & Wages	\$ 3,236,623	\$ 3,333,722	\$ 3,433,733	\$ 3,536,745	\$ 3,642,848
12-01 Compensation Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
12-80 Capitalized Labor	\$ -	\$ -	\$ -	\$ -	\$ -
14-00 Overtime	\$ 111,996	\$ 115,356	\$ 118,817	\$ 122,381	\$ 126,052
15-00 Special Pay	\$ 94,267	\$ 97,095	\$ 100,008	\$ 103,008	\$ 106,098
15-01 Efficiency Savings	\$ -	\$ -	\$ -	\$ -	\$ -
21-00 FICA	\$ 256,654	\$ 264,354	\$ 272,284	\$ 280,453	\$ 288,866
22-00 Retirement Contributions	\$ 264,697	\$ 272,638	\$ 280,817	\$ 289,242	\$ 297,919
23-00 Life And Health Insurance	\$ 973,240	\$ 1,041,367	\$ 1,114,262	\$ 1,192,261	\$ 1,275,719
24-00 Workers' Compensation	\$ 80,565	\$ 82,982	\$ 85,471	\$ 88,036	\$ 90,677
26-00 Other Post Empl Benefit	\$ 41,792	\$ 43,046	\$ 44,337	\$ 45,667	\$ 47,037
Total Personal Services	\$ 5,059,834	\$ 5,250,559	\$ 5,449,730	\$ 5,657,792	\$ 5,875,217
Execution Percentage (1)	95%	95%	95%	95%	95%
Executed Personal Services	\$ 4,806,842	\$ 4,988,031	\$ 5,177,244	\$ 5,374,903	\$ 5,581,456
Other Operating Expenses					
31-00 Professional Services	\$ 2,331,918	\$ 2,331,918	\$ 2,331,918	\$ 2,331,918	\$ 2,331,918
31-03 Legal	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
31-05 Advertising	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
31-40 Prof Svcs - Info Sys	\$ -	\$ -	\$ -	\$ -	\$ -
32-00 Accounting And Auditing	\$ 20,214	\$ 20,719	\$ 21,237	\$ 21,768	\$ 22,312
34-00 Other Contractual Service	\$ 313,350	\$ 321,184	\$ 329,213	\$ 337,444	\$ 345,880
34-03 Contract Management	\$ -	\$ -	\$ -	\$ -	\$ -
40-00 Travel And Training	\$ 20,600	\$ 21,115	\$ 21,643	\$ 22,184	\$ 22,739
41-00 Communication Services	\$ 9,700	\$ 9,943	\$ 10,191	\$ 10,446	\$ 10,707
41-40 Communication Svcs - Is	\$ 29,460	\$ 30,197	\$ 30,951	\$ 31,725	\$ 32,518
42-00 Transportation	\$ 49,600	\$ 50,840	\$ 52,111	\$ 53,414	\$ 54,749
43-00 Utility Services	\$ 1,109,200	\$ 1,164,660	\$ 1,222,893	\$ 1,284,038	\$ 1,348,240
43-02 Lift Stations	\$ 118,000	\$ 123,900	\$ 130,095	\$ 136,600	\$ 143,430
44-00 Rentals And Leases	\$ 84,660	\$ 86,777	\$ 88,946	\$ 91,170	\$ 93,449
44-08 Documatch System Lease	\$ 15,896	\$ 16,293	\$ 16,701	\$ 17,118	\$ 17,546
45-00 Insurance	\$ 437,684	\$ 459,568	\$ 482,547	\$ 506,674	\$ 532,008
46-00 Repair & Maintenance Svcs	\$ 1,495,545	\$ 1,555,367	\$ 1,617,581	\$ 1,682,285	\$ 1,749,576
46-02 Computer Devices	\$ 8,800	\$ 9,020	\$ 9,246	\$ 9,477	\$ 9,714
46-37 Fleet Maint- Labor	\$ 44,800	\$ 45,920	\$ 47,068	\$ 48,245	\$ 49,451
46-38 Fleet Maint- Parts	\$ 33,300	\$ 34,133	\$ 34,986	\$ 35,860	\$ 36,757
46-39 Fleet Maint- Other	\$ 21,300	\$ 21,833	\$ 22,378	\$ 22,938	\$ 23,511

City of Venice, Florida

Utility System Revenue Bonds, Series 2015

FIVE YEAR PROJECTION OF CASH OUTFLOWS

	For the Fiscal Year Ended September 30				
	2015	2016	2017	2018	2019
46-40 Repairs/Maint- Info Sys	\$ 73,700	\$ 75,543	\$ 77,431	\$ 79,367	\$ 81,351
47-00 Printing And Binding	\$ 21,900	\$ 22,448	\$ 23,009	\$ 23,584	\$ 24,174
48-00 Promotional Activities	\$ 2,700	\$ 2,768	\$ 2,837	\$ 2,908	\$ 2,980
49-00 Other Charges-Obligations	\$ 404,111	\$ 416,234	\$ 428,721	\$ 441,583	\$ 454,830
51-00 Office Supplies	\$ 21,300	\$ 21,833	\$ 22,378	\$ 22,938	\$ 23,511
52-00 Operating Supplies	\$ 548,250	\$ 575,663	\$ 604,446	\$ 634,668	\$ 666,401
52-02 Odor/Corrosion Control	\$ 330,000	\$ 346,500	\$ 363,825	\$ 382,016	\$ 401,117
52-04 Trees, Shrubs, & Sod	\$ 4,000	\$ 4,100	\$ 4,203	\$ 4,308	\$ 4,415
52-25 Safety Shoes Reimbursemnt	\$ 8,550	\$ 8,764	\$ 8,983	\$ 9,207	\$ 9,438
52-35 Gasoline	\$ 88,000	\$ 92,400	\$ 97,020	\$ 101,871	\$ 106,965
53-00 Road Materials & Supplies	\$ 5,500	\$ 5,638	\$ 5,778	\$ 5,923	\$ 6,071
54-00 Books, Pubs, Subs, Member	\$ 12,709	\$ 13,027	\$ 13,352	\$ 13,686	\$ 14,028
Total Other Operating Expenses	\$ 7,696,247	\$ 7,919,800	\$ 8,153,188	\$ 8,396,861	\$ 8,651,285
Execution Percentage (2)	95%	75%	75%	75%	75%
Executed Other Operating Expenses	\$ 7,311,435	\$ 5,939,850	\$ 6,114,891	\$ 6,297,645	\$ 6,488,464
Bond Service Requirement					
Series 2012 Revenue Bonds	\$ 1,157,125	\$ 1,158,350	\$ 1,157,050	\$ 1,160,050	\$ 1,157,350
Utility Refunding Note 2012 (TD)	\$ 2,552,771	\$ 2,544,295	\$ -	\$ -	\$ -
2013 PNC (SRF) Refunding Loan	\$ 430,684	\$ 430,505	\$ 431,227	\$ 430,833	\$ 430,340
Series 2015 Revenue Bonds	\$ -	\$ 759,519	\$ 1,099,175	\$ 1,099,050	\$ 1,100,375
Total Bond Service Requirements	\$ 4,140,580	\$ 4,892,669	\$ 2,687,452	\$ 2,689,933	\$ 2,688,065
Non Operating Expenses					
Cumulative New SRF Debt Service ⁽¹⁾	\$ -	\$ -	\$ 92,500	\$ 131,972	\$ 787,411
Repayment of Advance from General Fund	\$ 264,027	\$ -	\$ -	\$ -	\$ -
Administrative Charges Transfer	\$ 1,421,166	\$ 1,456,695	\$ 1,493,113	\$ 1,530,440	\$ 1,568,701
Transfers To Fleet Services	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000
Total Non Operating Expenses	\$ 1,840,193	\$ 1,611,695	\$ 1,740,613	\$ 1,817,412	\$ 2,511,112
Total Annual Cash Outflows	\$ 18,099,050	\$ 17,432,244	\$ 15,720,199	\$ 16,179,893	\$ 17,269,097

(1) Personal Services are projected at an assumed execution rate of 95%, based on historical trends

(2) Other Operating Expenses are projected at an assumed execution rate of 95%, based on historical trends. In FY 2016 the execution rate has been reduced to 75% to account for one time items in the FY 2015 budget that are not reoccurring in nature.

(3) Additional future borrowing for designated SRF eligible projects.